

REPORT HIGHLIGHTS



ANNUAL REPORT: STATUS OF OUTSTANDING AUDIT
RECOMMENDATIONS AS OF JUNE 30, 2016

NOVEMBER 2016
STATE OF COLORADO

CONCLUSION

From July 2010 through June 2015, the Office of the State Auditor (OSA) made 2,668 audit recommendations to state agencies and other audited organizations. Agencies generally agreed with our recommendations and usually implemented them in a timely manner. However, 116 (4 percent) of the recommendations made over the 5-year period have not been fully implemented and are still outstanding as of June 30, 2016. Further, 50 of the 116 outstanding recommendations (43 percent) are considered high priority due to their seriousness or because they have been outstanding for 3 years or more.

KEY FACTS

- For Fiscal Years 2011 through 2015 (July 2010 through June 2015), the OSA made a total of 2,668 financial, performance, and information technology (IT) audit recommendations to state agencies and other audited organizations.
- The agencies and organizations agreed to implement 99 percent of all audit recommendations in this 5-year period.
- Overall, as of June 30, 2016, state agencies and other audited organizations have implemented 96 percent of the recommendations that they agreed to implement.

FINANCIAL AUDIT RECOMMENDATIONS

- Financial audit reports contained 1,014 of the 2,668 recommendations (38 percent) made for Fiscal Years 2011 through 2015, and state agencies and other audited organizations agreed to implement 1,007 of them (99 percent).
- As of June 30, 2016, the agencies and organizations had not fully implemented 64 of the 1,007 financial audit recommendations (6 percent) that they had agreed to implement.
- Of the 64 outstanding financial audit recommendations, 39 (61 percent) are considered high priority due to their seriousness or because they have been outstanding for 3 years or more.
- The number of outstanding financial audit recommendations has decreased since June 30, 2015.

PERFORMANCE AND IT AUDIT RECOMMENDATIONS

- Performance and IT audit reports contained 1,654 of the 2,668 recommendations (62 percent) made in Fiscal Years 2011 through 2015, and state agencies and other audited organizations agreed to implement 1,634 of them (99 percent).
- As of June 30, 2016, the agencies and organizations had not fully implemented 52 of the 1,634 performance and IT audit recommendations (3 percent) that they had agreed to implement.
- Of the 52 outstanding performance and IT audit recommendations, 11 (21 percent) are considered high priority because they have been outstanding for 3 years or more.
- The number of outstanding performance and IT audit recommendations has increased since June 30, 2015.

BACKGROUND

- The OSA tracks the implementation status of all recommendations contained in audit reports presented to the Legislative Audit Committee.
- The purpose of this initiative is to hold state agencies and other audited organizations accountable for the audit recommendations that they have agreed to implement and to provide better information to policy makers and the public.
- Implementation status for recommendations that result from financial audits is determined by the OSA through follow-up audits.
- Implementation status for recommendations that result from performance audits and IT audits is based on self-reported data from the respective state agencies and other audited organizations.