

# COLORADO OFFICE OF THE STATE AUDITOR



# SA

We Set the Standard for Good Government

## ANNUAL REPORT: STATUS OF AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED, AS OF JUNE 30, 2019



OCTOBER 2019

INFORMATIONAL REPORT

THE MISSION OF THE OFFICE OF THE STATE AUDITOR  
IS TO IMPROVE GOVERNMENT  
FOR THE PEOPLE OF COLORADO

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# REPORT HIGHLIGHTS



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OCTOBER 2019  
STATE OF COLORADO

## CONCLUSION

Over the 5-year period, July 2013 through June 2018, the Office of the State Auditor (OSA) made 1,517 audit recommendations to state agencies and other audited organizations (auditees). Auditees generally agreed with our recommendations and usually implemented them in a timely manner. However, 98 (7 percent) of the recommendations agreed to, have not been fully implemented as of June 30, 2019. Furthermore, 22 of the 98 unimplemented recommendations (22 percent) are considered high priority due to their seriousness or because they have been unimplemented for 3 years or more.

## KEY FACTS

- For Fiscal Years 2014 through 2018 (July 2013 through June 2018), the OSA made a total of 1,517 financial, performance, and information technology (IT) audit recommendations to auditees.
- Auditees agreed to implement 99 percent of all audit recommendations.
- Overall, as of June 30, 2019, auditees have implemented 93 percent of the recommendations that they agreed to implement.
- The number of unimplemented recommendations has increased slightly since June 30, 2018.

## FINANCIAL AND FINANCIAL-RELATED IT AUDIT RECOMMENDATIONS

- For Fiscal Years 2014 through 2018, a total of 592 of the recommendations (40 percent) that auditees agreed to implement were financial or financial-related IT recommendations from financial audits.
- As of June 30, 2019, the auditees had not fully implemented 55 of these recommendations (9 percent).
- Of the 55 unimplemented recommendations from financial audits, 20 (36 percent) are considered high priority due to their seriousness or because they have been unimplemented for 3 years or more.

## PERFORMANCE AUDIT AND IT PERFORMANCE AUDIT RECOMMENDATIONS

- For Fiscal Years 2014 through 2018, a total of 903 of the recommendations (60 percent) that auditees agreed to implement were from performance audits or IT performance audits.
- As of June 30, 2019, the auditees had not fully implemented 43 of these recommendations (5 percent).
- Of the 43 unimplemented recommendations from performance audits or IT performance audits, 2 (5 percent) are considered high priority because they have been unimplemented for 3 years or more.

## BACKGROUND

- The OSA tracks the implementation status of all recommendations contained in audit reports.
- The purpose of this initiative is to provide transparency to policy makers, the public, and others responsible for holding state agencies and other audited organizations accountable for the audit recommendations that they have agreed to implement.
- The implementation status of recommendations that result from financial audits is determined by the OSA through follow-up audits.
- The implementation status of recommendations that result from performance audits and IT performance audits is based on self-reported data from the respective auditees, and on follow-up audit work by the OSA on select audits.



# ANNUAL REPORT

## STATUS OF AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED

As part of an initiative to hold state agencies and other audited organizations accountable for implementing the audit recommendations that they have agreed to implement, and to provide better, more transparent information to policy makers, the general public, and others, the Office of the State Auditor (OSA) annually reports on the implementation status of recommendations from audit reports released by the Legislative Audit Committee over the past 5 fiscal years. Enclosed is a summary of the implementation status of all recommendations made by the OSA for Fiscal Years 2014 through 2018, that have not been fully implemented by state agencies and other audited organizations (auditees) as of June 30, 2019.

This report provides the following information:

- **FINANCIAL AND FINANCIAL-RELATED INFORMATION TECHNOLOGY (IT) AUDIT RECOMMENDATIONS** that appeared in at least one annual financial or financial-related IT audit report covering Fiscal Years 2014 through 2018 (from July 2013 through June 2018), and that auditees agreed to, but had not been fully implemented as of June 30, 2019. The implementation status for recommendations from financial and financial-related IT audits is determined by the OSA through follow-up audits.
- **PERFORMANCE AUDIT AND IT PERFORMANCE AUDIT RECOMMENDATIONS** made during Fiscal Years 2014 through 2018 (from July 2013 through June 2018), as well as the cash funds-related recommendations covering these years, that auditees agreed to, but had not been fully implemented as of June 30, 2019. The implementation status for recommendations that result from performance audits and IT performance audits is based on self-reported data from the respective auditees and follow-up audit work by OSA staff on select audits.

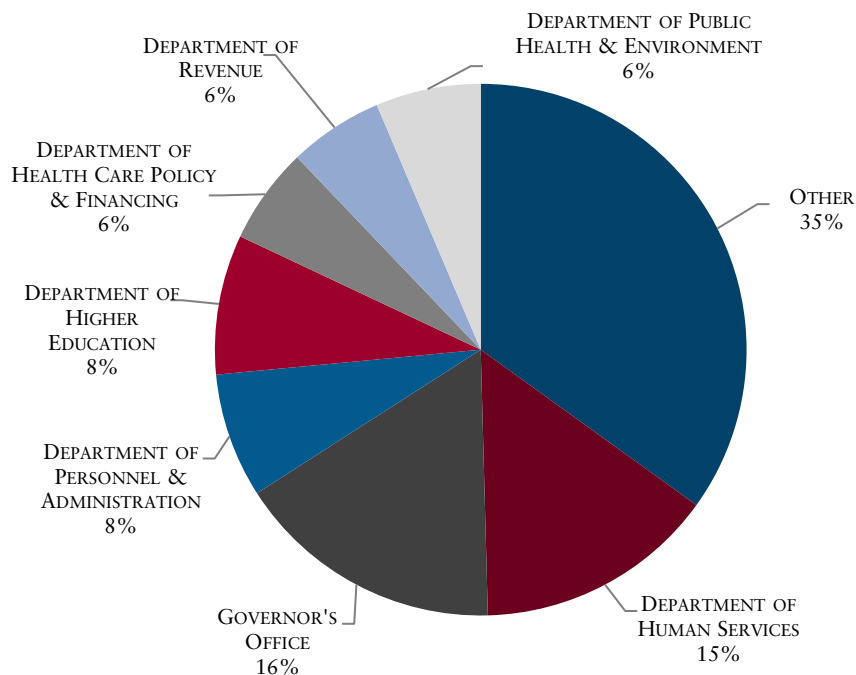
Recommendations reported as unimplemented in this report include those for which auditees provided a long time period for implementation, even if the recommendations have not yet reached their original implementation date.

## SUMMARY INFORMATION

From July 2013 through June 2018, the OSA made 1,517 audit recommendations to auditees. The OSA tracks a recommendation with multiple subparts as multiple recommendations. For example, a recommendation with subparts “A” through “C” is tracked as three recommendations. Additionally, if a recommendation is made to two auditees, the recommendation is tracked as two separate recommendations.

EXHIBIT 1 shows the percentage of total audit recommendations, by auditee, over the 5-year period.

**EXHIBIT 1. OSA AUDIT RECOMMENDATIONS  
BY AGENCY/DEPARTMENT/ORGANIZATION  
JULY 2013 THROUGH JUNE 2018**



SOURCE: Office of the State Auditor's audit recommendation database.

NOTE: "Other" includes the Departments of Agriculture, Corrections, Education, Labor and Employment, Law, Local Affairs, Military and Veterans Affairs, Natural Resources, Public Safety, Regulatory Agencies, State, Transportation, and Treasury, as well as Connect for Health Colorado, the Gaming Cities, Great Outdoors Colorado, the Judicial Branch, the Independent Ethics Commission, the Public Employees' Retirement Association, and the Regional Transportation District. Each of these agencies or organizations received less than 5 percent of the total audit recommendations made by the OSA during the 5-year period.

The appendices of this report provide additional information for each auditee that received audit recommendations during the 5-year period, July 2013 through June 2018.

## OVERVIEW OF AUDIT RESPONSES

At the completion of each audit, the OSA asks the auditee to provide a written response to each audit recommendation, which specifies whether they agree, partially agree, or disagree with the recommendation and describes how and when they intend to implement

the recommendation. If an auditee disagrees or partially agrees with an audit recommendation, it must provide an explanation of its disagreement. Auditee responses are included in the audit report.

This report includes the implementation status of all audit recommendations that auditees have agreed or partially agreed to implement, which was 99 percent of all recommendations made during the 5-year period, July 2013 through June 2018.

## SUMMARY OF AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED

Overall, as of June 30, 2019, auditees had implemented approximately 93 percent of the recommendations with which they originally agreed or partially agreed.

EXHIBIT 2 compares the number of audit recommendations that are not fully implemented for each auditee as of June 30, 2019, and June 30, 2018, as reported in our 2018 *Annual Report: Status of Outstanding Audit Recommendations* (2018 *Annual Report*).



**EXHIBIT 2. NUMBER OF AUDIT RECOMMENDATIONS THAT  
AGENCIES/DEPARTMENTS/ORGANIZATIONS AGREED TO IMPLEMENT,  
THAT ARE NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2018, AND JUNE 30, 2019**

|   | 2018                  |                         |           | 2019                  |                         |             |
|---|-----------------------|-------------------------|-----------|-----------------------|-------------------------|-------------|
|   | FINANCIAL/<br>IT RECS | PERFORMANCE/<br>IT RECS | TOTAL     | FINANCIAL/<br>IT RECS | PERFORMANCE/<br>IT RECS | TOTAL       |
| <b>AGRICULTURE</b>                                | 1                     |                         | 1         | 1                     |                         | 1           |
| Colorado State Fair Authority                     | 1                     |                         | 1         | 1                     |                         | 1           |
| All Other Department of Agriculture               |                       |                         | 0         |                       |                         | 0           |
| <b>CORRECTIONS</b>                                | 5                     | 4                       | 9         | 3                     | 4                       | 7           |
| <b>EDUCATION</b>                                  |                       |                         | 0         |                       |                         | 0           |
| <b>GOVERNOR'S OFFICE</b>                          | 21                    | 6                       | 27        | 18                    | 26                      | 44 ▲        |
| Governor's Office of Information<br>Technology    | 21                    | 6                       | 27        | 18                    | 26                      | 44 ▲        |
| All Other Governor's Office                       |                       |                         | 0         |                       |                         | 0           |
| <b>HEALTH CARE POLICY AND<br/>FINANCING</b>       | 5                     |                         | 5         | 7                     |                         | 7 ▲         |
| <b>HIGHER EDUCATION</b>                           | 1                     |                         | 1         | 5                     |                         | 5 ▲         |
| Adams State University                            | 1                     |                         | 1         | 4                     |                         | 4 ▲         |
| Auraria Higher Education Center                   |                       |                         | 0         |                       |                         | 0           |
| College Assist (Colorado Student Loan<br>Program) |                       |                         | 0         |                       |                         | 0           |
| Colorado Community College System                 |                       |                         | 0         |                       |                         | 0           |
| Colorado School of Mines                          |                       |                         | 0         |                       |                         | 0           |
| Colorado State University System                  |                       |                         | 0         |                       |                         | 0           |
| Department of Higher Education                    |                       |                         | 0         |                       |                         | 0           |
| Fort Lewis College                                |                       |                         | 0         |                       |                         | 0           |
| History Colorado                                  |                       |                         | 0         |                       |                         | 0           |
| Metropolitan State University of Denver           | 0                     |                         | 0         | 1                     |                         | 1 ▲         |
| University of Colorado System                     |                       |                         | 0         |                       |                         | 0           |
| University of Northern Colorado                   |                       |                         | 0         |                       |                         | 0           |
| <b>HUMAN SERVICES</b>                             | 7                     | 1                       | 8         | 6                     | 0                       | 6           |
| <b>JUDICIAL BRANCH</b>                            |                       | 0                       | 0         |                       | 1                       | 1 ▲         |
| <b>LABOR AND EMPLOYMENT</b>                       | 6                     | 0                       | 6         | 5                     | 1                       | 6           |
| <b>LAW</b>  |                       | 0                       | 0         |                       | 1                       | 1 ▲         |
| <b>LOCAL AFFAIRS</b>                              |                       |                         | 0         |                       |                         | 0           |
| <b>MILITARY AND VETERANS AFFAIRS</b>              |                       |                         | 0         |                       |                         | 0           |
| <b>NATURAL RESOURCES</b>                          | 2                     |                         | 2         | 0                     |                         | 0           |
| <b>PERSONNEL &amp; ADMINISTRATION</b>             | 14                    | 15                      | 29        | 9                     | 2                       | 11          |
| <b>PUBLIC HEALTH AND ENVIRONMENT</b>              | 0                     | 0                       | 0         | 1                     | 0                       | 1 ▲         |
| <b>PUBLIC SAFETY</b>                              | 1                     | 1                       | 2         | 0                     | 2                       | 2           |
| <b>REGULATORY AGENCIES</b>                        |                       |                         | 0         |                       |                         | 0           |
| <b>REVENUE</b>                                    | 1                     | 1                       | 2         | 0                     | 6                       | 6 ▲         |
| <b>SECRETARY OF STATE</b>                         |                       | 1                       | 1         |                       | 0                       | 0           |
| <b>TRANSPORTATION</b>                             |                       |                         | 0         |                       |                         | 0           |
| <b>TREASURY</b>                                   | 1                     |                         | 1         | 0                     |                         | 0           |
| CONNECT FOR HEALTH COLORADO                       |                       |                         | 0         |                       |                         | 0           |
| GAMING CITIES                                     |                       |                         | 0         |                       |                         | 0           |
| GREAT OUTDOORS COLORADO                           |                       |                         | 0         |                       |                         | 0           |
| INDEPENDENT ETHICS COMMISSION                     |                       |                         | 0         |                       |                         | 0           |
| PUBLIC EMPLOYEES' RETIREMENT<br>ASSOCIATION       |                       |                         | 0         |                       |                         | 0           |
| REGIONAL TRANSPORTATION<br>DISTRICT               |                       |                         | 0         |                       |                         | 0           |
| STATEWIDE INTERNET PORTAL AUTH.                   |                       |                         | 0         |                       |                         | 0           |
| <b>TOTAL</b>                                      | <b>65</b>             | <b>29</b>               | <b>94</b> | <b>55</b>             | <b>43</b>               | <b>98 ▲</b> |

SOURCE: Office of the State Auditor's audit recommendation database.

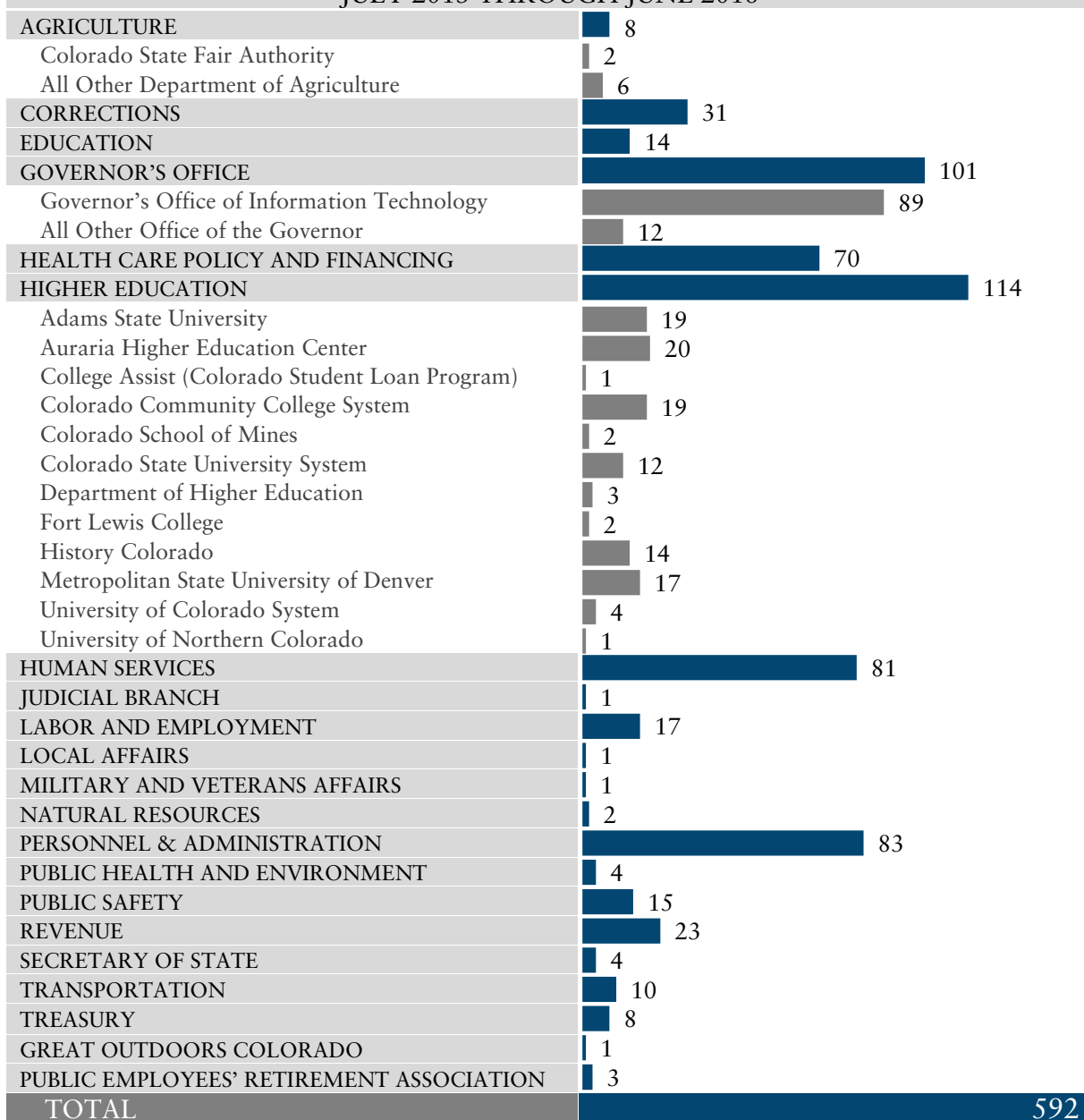
NOTE: ▲ indicates that the number of audit recommendations that are not fully implemented increased in 2019 compared to 2018.

The following sections provide specific information on financial and financial-related IT audit recommendations and performance audit and IT performance audit recommendations.

## FINANCIAL AND FINANCIAL-RELATED IT AUDIT RECOMMENDATIONS

Of the 1,517 recommendations made by the OSA from July 2013 through June 2018, there were 595 (39 percent) from financial or financial-related IT audits, including the Statewide Single Audit and separate standalone audits. Auditees agreed or partially agreed to implement 592 of these 595 audit recommendations (99 percent), which are summarized in EXHIBIT 3.

**EXHIBIT 3. NUMBER OF FINANCIAL AND FINANCIAL-RELATED IT  
AUDIT RECOMMENDATIONS THAT AGENCIES/DEPARTMENTS/ORGANIZATIONS<sup>1</sup>  
AGREED TO IMPLEMENT  
JULY 2013 THROUGH JUNE 2018**



SOURCE: Office of the State Auditor's audit recommendation database.

<sup>1</sup> Auditees that are not listed in the exhibit did not have any financial or financial-related IT audit recommendations during the 5-year period.

Based on the OSA's annual follow-up audit process, 55 of the 592 financial and financial-related IT audit recommendations that auditees agreed or partially agreed to implement (9 percent) are not fully implemented as of June 30, 2019. By comparison, in our 2018 *Annual*

*Report*, 65 of the 1,014 financial and financial-related IT audit recommendations were not fully implemented (6 percent).

The OSA classifies financial and financial-related IT audit recommendations by the severity of the problem identified in the audit. Of the 55 financial and financial-related IT audit recommendations not fully implemented as of June 30, 2019, 11 were classified as a “material weakness” in the agencies’ internal controls, 29 were a “significant deficiency,” 13 were a “deficiency in internal control,” and the remaining two were not classified or not an internal control issue. In financial audits, these terms are defined as follows:

#### MATERIAL WEAKNESS

This is the most serious level of internal control weakness, such that there is a reasonable possibility of a material misstatement to the entity’s financial statements or of material noncompliance with a federal program requirement that will not be prevented, or detected and corrected, in a timely manner.

#### SIGNIFICANT DEFICIENCY

This is less severe than a “material weakness,” but is still a high-level internal control weakness and warrants attention by those charged with governance.

#### DEFICIENCY IN INTERNAL CONTROL

This is the least serious level of internal control weakness and exists when the design or operation of a control does not allow management or employees to prevent, or detect and correct, misstatements or federal program noncompliance, in a timely manner.

#### NOT CLASSIFIED—NOT AN INTERNAL CONTROL ISSUE

These are recommendations not classified in one of the above three categories because they relate to a deficiency that is not an internal control issue.

EXHIBIT 4 compares the total number of financial and financial-related IT audit recommendations that were not fully implemented for each auditee, by severity level classification, as of June 30, 2018, and June 30, 2019, respectively.

EXHIBIT 4. COMPARISON OF SEVERITY LEVELS OF FINANCIAL AND FINANCIAL-RELATED IT AUDIT RECOMMENDATIONS THAT ARE NOT FULLY IMPLEMENTED AS OF JUNE 30, 2018, AND JUNE 30, 2019

|   | MATERIAL WEAKNESS |           | SIGNIFICANT DEFICIENCY |           | DEFICIENCY IN INTERNAL CONTROL |           | NOT CLASSIFIED |          | TOTAL     |           |
|---|-------------------|-----------|------------------------|-----------|--------------------------------|-----------|----------------|----------|-----------|-----------|
|   | 2018              | 2019      | 2018                   | 2019      | 2018                           | 2019      | 2018           | 2019     | 2018      | 2019      |
| AGRICULTURE                                 |                   |           |                        |           |                                |           | 1              | 1        | 1         | 1         |
| Colorado State Fair Authority               |                   |           |                        |           |                                |           | 1              | 1        | 1         | 1         |
| CORRECTIONS                                 | 2                 | 0         | 2                      | 3         | 1                              | 0         |                |          | 5         | 3         |
| GOVERNOR'S OFFICE                           | 4                 | 2         | 12                     | 13        | 5                              | 3         |                |          | 21        | 18        |
| Governor's Office of Information Technology | 4                 | 2         | 12                     | 13        | 5                              | 3         |                |          | 21        | 18        |
| HEALTH CARE POLICY AND FINANCING            | 0                 | 3         | 2                      | 3         | 3                              | 1         |                |          | 5         | 7 ▲       |
| HIGHER EDUCATION                            |                   |           | 0                      | 1         | 0                              | 4         | 1              | 0        | 1         | 5 ▲       |
| Adams State University                      |                   |           |                        |           | 0                              | 4         | 1              | 0        | 1         | 4 ▲       |
| Metropolitan State University of Denver     |                   |           | 0                      | 1         |                                |           |                |          | 0         | 1 ▲       |
| HUMAN SERVICES                              | 5                 | 3         |                        |           | 2                              | 3         |                |          | 7         | 6         |
| LABOR AND EMPLOYMENT                        |                   |           | 6                      | 5         |                                |           |                |          | 6         | 5         |
| NATURAL RESOURCES                           |                   |           | 2                      | 0         |                                |           |                |          | 2         | 0         |
| PERSONNEL & ADMINISTRATION                  | 2                 | 3         | 2                      | 3         | 10                             | 2         | 0              | 1        | 14        | 9         |
| PUBLIC HEALTH AND ENVIRONMENT               |                   |           | 0                      | 1         |                                |           |                |          | 0         | 1 ▲       |
| PUBLIC SAFETY                               |                   |           |                        |           | 1                              | 0         |                |          | 1         | 0         |
| REVENUE                                     | 1                 | 0         |                        |           |                                |           |                |          | 1         | 0         |
| TREASURY                                    |                   |           |                        |           | 1                              | 0         |                |          | 1         | 0         |
| <b>TOTAL</b>                                | <b>14</b>         | <b>11</b> | <b>26</b>              | <b>29</b> | <b>23</b>                      | <b>13</b> | <b>2</b>       | <b>2</b> | <b>65</b> | <b>55</b> |

SOURCE: Office of the State Auditor's audit recommendation database.

NOTE: ▲ indicates that the number of audit recommendations not fully implemented increased in 2019 compared to 2018.

Of the 55 financial and financial-related IT audit recommendations that are not fully implemented, 20 (36 percent) are considered high priority due to the seriousness of the problems identified and/or the length of time that they have not been fully implemented since the date of the audit report. This includes 11 material weaknesses, 8 significant deficiencies that have not been fully implemented for 3 years or more, and one that is not classified and has not been fully implemented for 5 years or more. Throughout this report, the recommendations not fully implemented that are considered high priority are highlighted in orange.

### HIGH PRIORITY FINANCIAL AND FINANCIAL-RELATED IT AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED

The OSA considers a financial or financial-related IT audit recommendation to be high priority if it is past its original implementation date and (1) a “material weakness,” (2) a “significant deficiency” that has not been fully implemented for 3 years or more, or (3) a “not classified” recommendation that has not been fully implemented for 5 years or more.

EXHIBIT 5 summarizes the financial and financial-related IT audit recommendations not fully implemented that are considered high priority, by state agency, as of June 30, 2019.

#### EXHIBIT 5. HIGH PRIORITY FINANCIAL AND FINANCIAL-RELATED IT AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED AS OF JUNE 30, 2019

|   | MATERIAL WEAKNESS | SIGNIFICANT DEFICIENCY <sup>1</sup> | NOT CLASSIFIED <sup>2</sup> |
|---|-------------------|-------------------------------------|-----------------------------|
| <b>AGRICULTURE</b>                          |                   |                                     |                             |
| Colorado State Fair Authority               | 0                 | 0                                   | 1                           |
| <b>GOVERNOR’S OFFICE</b>                    |                   |                                     |                             |
| Governor’s Office of Information Technology | 2                 | 5                                   | 0                           |
| <b>HEALTH CARE POLICY AND FINANCING</b>     | 3                 | 1                                   | 0                           |
| <b>HUMAN SERVICES</b>                       | 3                 | 0                                   | 0                           |
| <b>LABOR AND EMPLOYMENT</b>                 | 0                 | 1                                   | 0                           |
| <b>PERSONNEL &amp; ADMINISTRATION</b>       | 3                 | 1                                   | 0                           |
| <b>TOTAL</b>                                | <b>11</b>         | <b>8</b>                            | <b>1</b>                    |

SOURCE: Office of the State Auditor’s audit recommendation database.

<sup>1</sup> Each significant deficiency recommendation in the table has not been fully implemented for 3 years or more.

<sup>2</sup> The not classified recommendation in the table has not been fully implemented for 5 years or more.

EXHIBIT 6 compares the total number of financial and financial-related IT audit recommendations not fully implemented that are considered high priority, by state agency, as of June 30, 2018, and June 30, 2019, respectively.

| EXHIBIT 6. COMPARISON OF HIGH PRIORITY FINANCIAL AND FINANCIAL-RELATED IT AUDIT RECOMMENDATIONS THAT ARE NOT FULLY IMPLEMENTED AS OF JUNE 30, 2018, AND JUNE 30, 2019 |  |  |  |
|---|--|--|--|
| AGENCY/DEPARTMENT   | TOTAL RECS JULY 2013 THROUGH JUNE 2018 | HIGH PRIORITY RECS AS OF JUNE 30, 2018 | HIGH PRIORITY RECS AS OF JUNE 30, 2019 |
| AGRICULTURE   | 8                                      | 1                                      | 1                                      |
| CORRECTIONS   | 31                                     | 2                                      | 0                                      |
| GOVERNOR'S OFFICE   | 101                                    | 10                                     | 7                                      |
| HEALTH CARE POLICY AND FINANCING  | 70                                     | 1                                      | 4 ▲                                    |
| HUMAN SERVICES  | 81                                     | 4                                      | 3                                      |
| LABOR AND EMPLOYMENT  | 17                                     | 1                                      | 1                                      |
| PERSONNEL & ADMINISTRATION  | 83                                     | 4                                      | 4                                      |
| REVENUE   | 23                                     | 1                                      | 0                                      |
| <b>TOTAL</b>  | <b>414</b>                             | <b>24</b>                              | <b>20</b>                              |

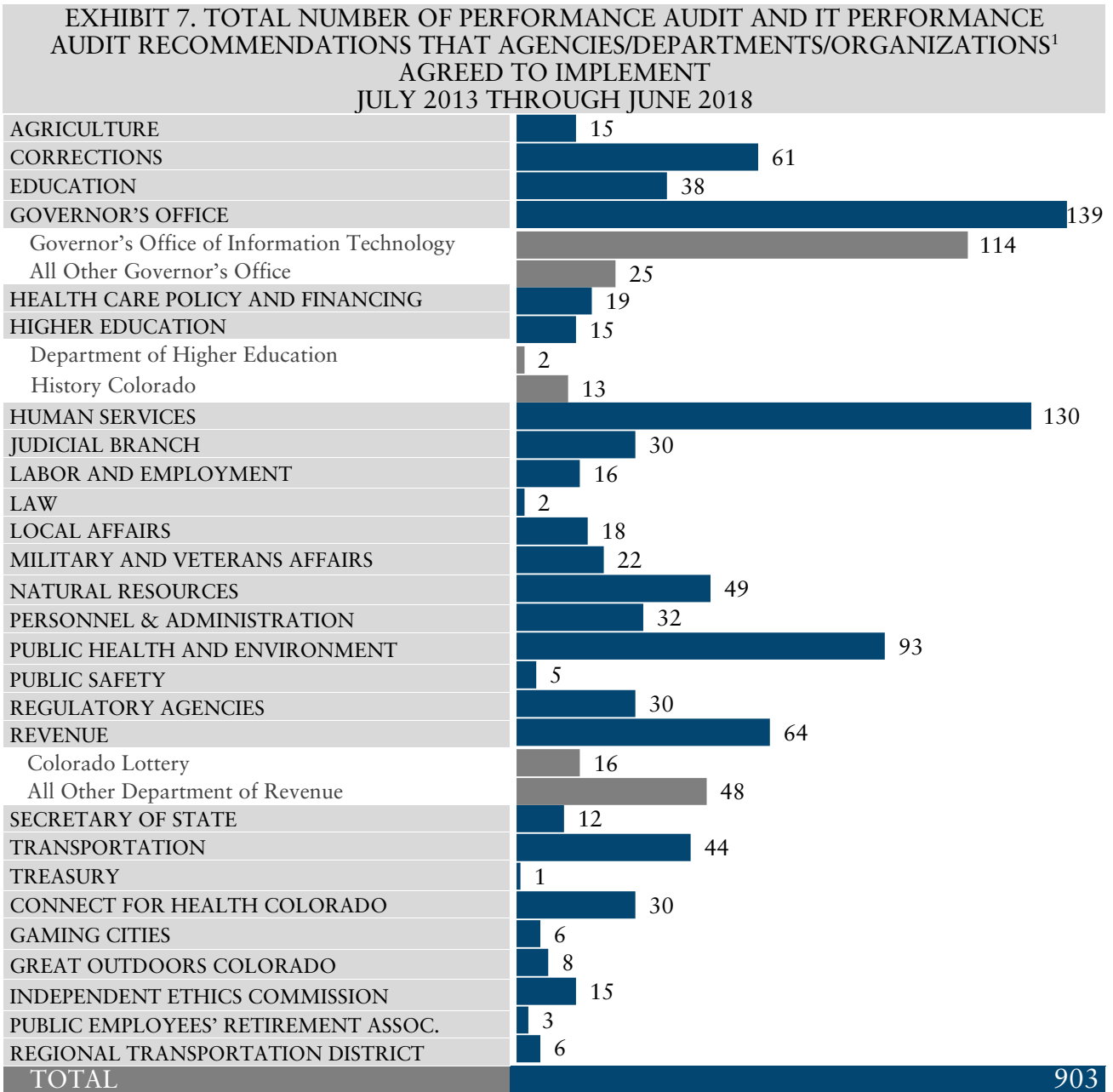
SOURCE: Office of the State Auditor's audit recommendation database.  
NOTE: ▲ indicates that the number of not fully implemented high priority audit recommendations increased in 2019 compared to 2018.

The appendices of this report provide additional information on the financial and financial-related IT audit recommendations that are not fully implemented and considered high priority.

## PERFORMANCE AND IT PERFORMANCE AUDIT RECOMMENDATIONS

Of the 1,517 recommendations made by the OSA from July 2013 through June 2018, there were 922 recommendations (61 percent) from performance audits or IT performance audits. Auditees agreed or partially agreed to implement 903 of these 922 audit recommendations (98 percent), which are summarized in EXHIBIT 7.

ANNUAL REPORT: STATUS OF AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED AS OF JUNE 30, 2019



SOURCE: Office of the State Auditor's audit recommendation database.

<sup>1</sup> Auditees that are not listed in the table did not have any performance audit or IT performance audit recommendations during the 5-year period.

Based on self-reported data from auditees, and on follow-up work conducted by OSA staff on select audits, 43 of the 903 performance audit and IT performance audit recommendations that the auditees agreed or partially agreed to implement (5 percent) are not fully implemented as of June 30, 2019. By comparison, in our 2018 *Annual*



Report, 29 of the 1,192 performance audit and IT performance audit recommendations were not fully implemented (2 percent).

Of the 43 performance audit and IT performance audit recommendations that are not fully implemented, two (5 percent) are considered high priority because they are from reports that were released 3 years ago or more. Throughout this report, the recommendations not fully implemented that are considered high priority are highlighted in orange.

**HIGH PRIORITY PERFORMANCE  
AND IT PERFORMANCE  
AUDIT RECOMMENDATIONS  
NOT FULLY IMPLEMENTED**

The OSA considers a performance audit or IT performance audit recommendation high priority if it is from a report that was released 3 years ago or more.

EXHIBIT 8 shows the performance audit and IT performance audit recommendations that are not fully implemented and considered high priority, by state agency, as of June 30, 2018, and June 30, 2019, respectively.

**EXHIBIT 8. COMPARISON OF HIGH PRIORITY  
PERFORMANCE AUDIT AND IT PERFORMANCE AUDIT RECOMMENDATIONS  
NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2018, AND JUNE 30, 2019**

| AGENCY/DEPARTMENT          | TOTAL RECS<br>JULY 2013<br>THROUGH<br>JUNE 2018 | HIGH PRIORITY<br>RECS AS OF<br>JUNE 30, 2018 | HIGH PRIORITY<br>RECS AS OF<br>JUNE 30, 2019 |
|----------------------------|---|--|--|
| GOVERNOR'S OFFICE          | 139   | 3  | 2  |
| PERSONNEL & ADMINISTRATION | 32  | 1  | 0  |
| REVENUE                    | 64  | 1  | 0  |
| <b>TOTAL</b>               | <b>330</b>                                      | <b>5</b>                                     | <b>2</b>                                     |

SOURCE: Office of the State Auditor's audit recommendation database.

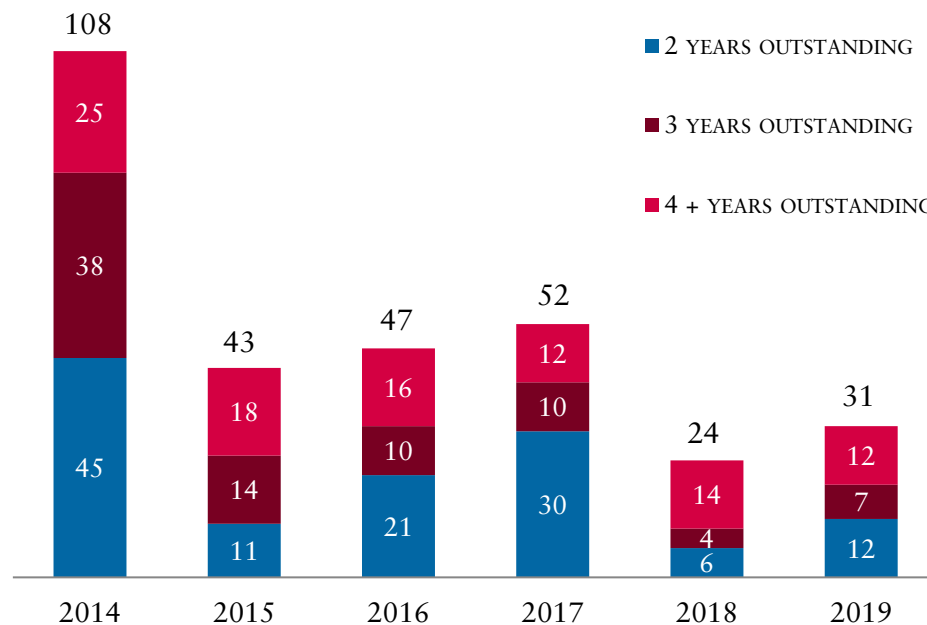
The appendices of this report provide additional information on the performance audit and IT performance audit recommendations that are not fully implemented and considered high priority.

## OVERALL CONCLUSIONS

When considering the number of recommendations that the OSA made to auditees over the 5-year period, the summary information in this report shows that they generally agree with our recommendations and usually implement them in a timely manner.

Furthermore, the number of older audit recommendations that have not been fully implemented for 2 years or more has decreased by 71 percent over the past 6 fiscal years. EXHIBIT 9 compares the older recommendations not fully implemented, as reported in our 2014 through 2018 *Annual Reports* and in this 2019 report.

EXHIBIT 9. COMPARISON OF OLDER AUDIT RECOMMENDATIONS THAT ARE NOT FULLY IMPLEMENTED AS OF JUNE 2014 THROUGH 2019



SOURCE: Office of the State Auditor's audit recommendation database.

Although auditees continue to implement recommendations, 7 percent of the recommendations covering the period July 2013 through June 2018 still have not been fully implemented.

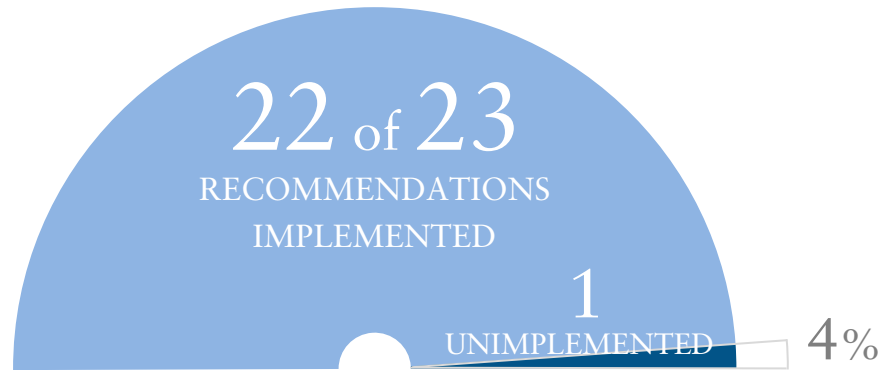
## POSSIBLE NEXT STEPS FOR LEGISLATORS

This report provides the General Assembly with information on the recommendations that have not been fully implemented, and are considered high priority, so that policy makers have additional oversight information available to hold state agencies and other audited organizations accountable. For example, during Committee of Reference hearings with each audited agency/organization, legislators may want to inquire about the following:

- A Agencies'/organizations' specific plans for implementing the high priority recommendations.
- B The reasons implementation has been delayed for those recommendations where the agency/organization has delayed implementation (i.e., the recommendations with months in the "Delay" column of tables).
- C The extent to which implementation is on track for the unimplemented recommendations where the agency/organization provided new implementation dates.

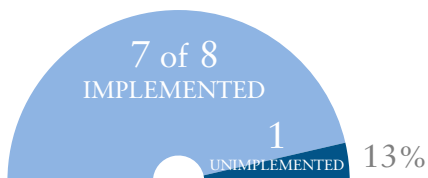


# DEPARTMENT OF AGRICULTURE



From July 1, 2013, through June 30, 2018, the Department of Agriculture (Department) agreed or partially agreed to implement 23 audit recommendations—eight were from financial audits and 15 were from performance audits. As of June 30, 2019, a total of one of the 23 recommendations is not fully implemented and it is considered high priority.

## FINANCIAL RECOMMENDATIONS NOT FULLY IMPLEMENTED



As of June 30, 2019, the OSA's follow-up audit process determined that one of the eight financial audit recommendations that the Department agreed to implement is not fully implemented. In our 2018 *Annual Report: Status of Outstanding Audit Recommendations* (2018 *Annual Report*), the Department also had one financial audit recommendation that was not fully implemented.

EXHIBIT 10 summarizes the financial audit recommendation that is not fully implemented by the level of deficiency, topic area, and number of months since the Department's original implementation date. This recommendation is considered high priority and highlighted in orange.

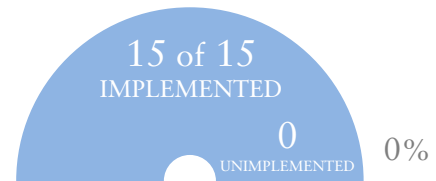
**EXHIBIT 10. DEPARTMENT OF AGRICULTURE  
FINANCIAL AUDIT RECOMMENDATION NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019**

| AUDIT  | REC. NO. | FIRST FISCAL YEAR REC. MADE | CURRENT DEFICIENCY LEVEL                      | TOPIC AREA            | IMPLEMENTATION STATUS | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|--|----------|-----------------------------|---|-----------------------|-----------------------|------------------------------|-----------------------------|----------------|
| Statewide Single Audit, Fiscal Year Ended June 30, 2017 <sup>1</sup> | 2017-001 | 2002                        | Not Classified- Not an Internal Control Issue | State Fair Operations | Partially Implemented | 10/31/2003                   | 6/30/2021                   | 212            |

SOURCE: Office of the State Auditor’s audit recommendation database.

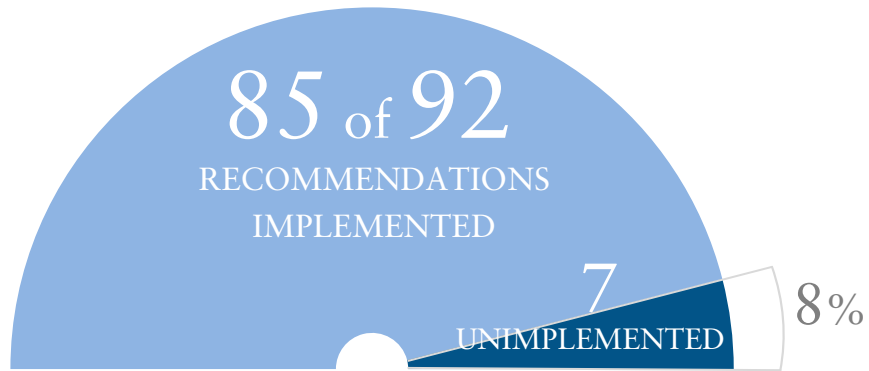
<sup>1</sup> This recommendation has been outstanding for 17 years.

**PERFORMANCE  
RECOMMENDATIONS  
NOT FULLY IMPLEMENTED**



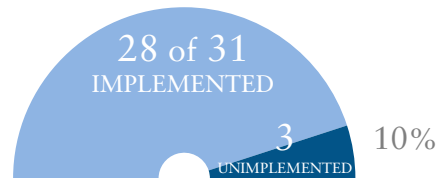
As of June 30, 2019, the Department reports that it has no performance audit recommendations that are unimplemented. In our 2018 *Annual Report*, the Department also had no performance audit recommendations that were unimplemented.

# DEPARTMENT OF CORRECTIONS



From July 1, 2013, through June 30, 2018, the Department of Corrections (Department) agreed or partially agreed to implement 92 audit recommendations—31 were from financial audits and 61 were from performance audits. As of June 30, 2019, a total of seven of the 92 recommendations are not fully implemented, and none are considered high priority.

## FINANCIAL RECOMMENDATIONS NOT FULLY IMPLEMENTED



As of June 30, 2019, the OSA’s follow-up audit process determined that three of the 31 financial audit recommendations that the Department agreed to implement are not fully implemented. In our 2018 *Annual Report: Status of Outstanding Audit Recommendations* (2018 *Annual Report*), the Department had five financial audit recommendations that were not fully implemented.

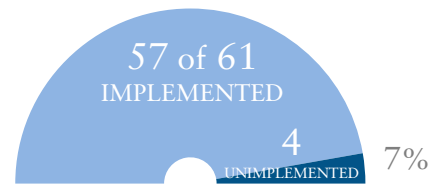
EXHIBIT 11 summarizes the financial audit recommendations that are not fully implemented by the level of deficiency, topic area, and number of months since the Department’s original implementation dates.

**EXHIBIT 11. DEPARTMENT OF CORRECTIONS  
FINANCIAL AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019**

| AUDIT   | REC. NO.  | FIRST FISCAL YEAR REC. MADE | CURRENT DEFICIENCY LEVEL | TOPIC AREA   | IMPLEMENTATION STATUS | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|---|-----------|-----------------------------|--------------------------|--|-----------------------|------------------------------|-----------------------------|----------------|
| Statewide Single Audit, Fiscal Year Ended June 30, 2018 | 2018-002B | 2018                        | Significant Deficiency   | Procurement Controls                                 | Partially Implemented | 3/31/2019                    | 10/31/2019                  | 7              |
|   | 2018-043A | 2017                        | Significant Deficiency   | Federal Reporting Controls and Grant Cash Management | Partially Implemented | 3/31/2018                    | 3/31/2020                   | 24             |
|   | 2018-043B | 2017                        | Significant Deficiency   | Federal Reporting Controls and Grant Cash Management | Not Implemented       | 6/30/2018                    | 3/31/2020                   | 21             |

SOURCE: Office of the State Auditor’s audit recommendation database.

**PERFORMANCE  
RECOMMENDATIONS  
NOT FULLY IMPLEMENTED**



As of June 30, 2019, the Department reports that four of the 61 performance audit recommendations that it agreed to implement are not fully implemented. In our 2018 *Annual Report*, the Department also had four performance audit recommendations that were not fully implemented.

EXHIBIT 12 provides information on the Department’s performance audit recommendations that are not fully implemented, including the number of months since the Department’s original implementation dates.



**EXHIBIT 12. DEPARTMENT OF CORRECTIONS  
PERFORMANCE AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019**

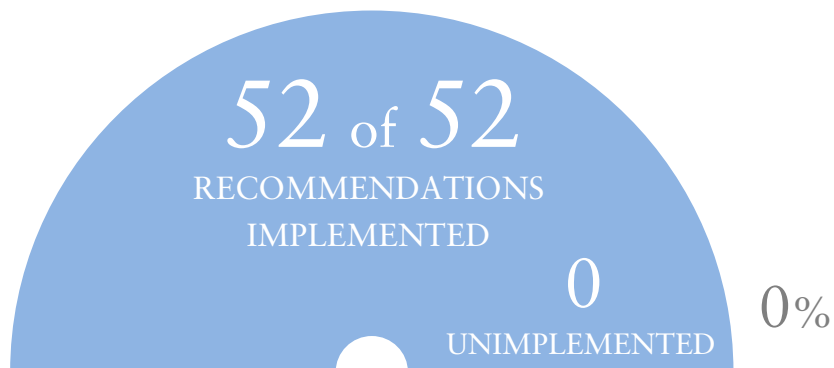
| AUDIT  | REC. NO. | TOPIC AREA   | IMPLEMENTATION STATUS <sup>1</sup> | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|--|----------|--|------------------------------------|------------------------------|-----------------------------|----------------|
| Behavioral Health Programs,<br>Performance Audit,<br>November 2016 | 1A       | Mental Health Assessments                                    | Partially Implemented              | 3/31/2017                    | 6/30/2020                   | 39             |
|  | 9B       | Sex Offender Treatment Program                               | Partially Implemented              | 12/31/2018                   | 6/30/2020                   | 18             |
|  | 11B      | Information System Controls                                  | Partially Implemented              | 12/31/2017                   | 6/30/2020                   | 30             |
|  | 11C      | Oversight of Sex Offender & Mental Health Treatment Programs | Partially Implemented              | 12/31/2018                   | 6/30/2020                   | 18             |

SOURCE: Office of the State Auditor's recommendation database.

<sup>1</sup> Implementation status is self-reported by the Department and not audited by the OSA.



# DEPARTMENT OF EDUCATION

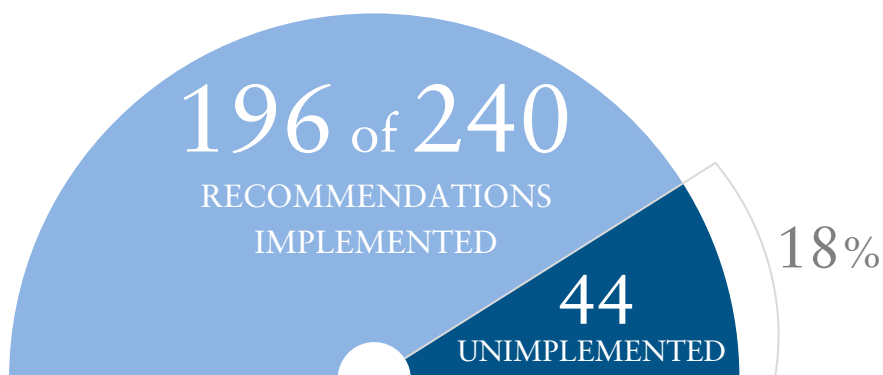


From July 1, 2013, through June 30, 2018, the Department of Education (Department) agreed or partially agreed to implement 52 audit recommendations—14 were from financial audits and 38 were from performance audits. Based on the OSA’s follow-up audit process and information reported by the Department, as of June 30, 2019, it has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the Department also had no unimplemented audit recommendations.

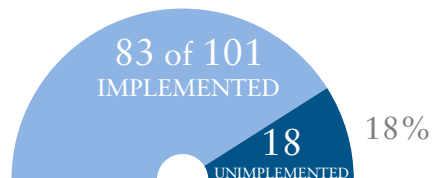


# GOVERNOR’S OFFICE



From July 1, 2013, through June 30, 2018, the Governor’s Office, including the Governor’s Office of Information Technology, agreed or partially agreed to implement 240 audit recommendations—101 were from financial audits and 139 were from performance and/or IT performance audits. As of June 30, 2019, a total of 44 of the 240 recommendations are not fully implemented, and nine are considered high priority.

## FINANCIAL AND FINANCIAL-RELATED IT RECOMMENDATIONS NOT FULLY IMPLEMENTED



As of June 30, 2019, the OSA’s follow-up audit process determined that 18 of the 101 financial and financial-related IT audit recommendations that the Governor’s Office agreed to implement are not fully implemented. In our *2018 Annual Report: Status of Outstanding Audit Recommendations* (2018 Annual Report), the Governor’s Office had 21 financial-related IT audit recommendations that were not fully implemented.

EXHIBIT 13 summarizes the financial-related IT audit recommendations that are not fully implemented by the level of deficiency, topic area, and number of months since the original implementation dates provided by

the Governor’s Office. Seven of these recommendations are considered high priority and highlighted in orange.

ANNUAL REPORT: STATUS OF AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED AS OF JUNE 30, 2019

**EXHIBIT 13. GOVERNOR’S OFFICE  
FINANCIAL-RELATED IT AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019**

| AUDIT   | REC. NO.  | FIRST FISCAL YEAR REC. MADE | CURRENT DEFICIENCY LEVEL       | TOPIC AREA   | IMPLEMENTATION STATUS | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|---|-----------|-----------------------------|--------------------------------|--|-----------------------|------------------------------|-----------------------------|----------------|
| Statewide Single Audit, Fiscal Year Ended June 30, 2018 | 2018-004C | 2015                        | Material Weakness              | Information System Controls  | Not Implemented       | 1/31/2017                    | 7/31/2019                   | 30             |
|   | 2018-004E | 2015                        | Material Weakness              | Information System Controls  | Partially Implemented | 1/31/2017                    | 9/30/2019                   | 32             |
|   | 2018-005  | 2014                        | Significant Deficiency         | CPPS <sup>1</sup> IT Controls  | Not Implemented       | 6/30/2015                    | 9/30/2019                   | 51             |
|   | 2018-008C | 2016                        | Significant Deficiency         | GenTax <sup>2</sup> IT Controls  | Partially Implemented | 7/31/2017                    | 12/31/2019                  | 29             |
|   | 2018-009  | 2014                        | Significant Deficiency         | GenTax <sup>2</sup> IT Controls  | Not Implemented       | 12/31/2015                   | 11/30/2019                  | 47             |
|   | 2018-010B | 2013                        | Significant Deficiency         | GenTax <sup>2</sup> IT Controls  | Partially Implemented | 3/31/2014                    | 7/31/2019                   | 64             |
|   | 2018-014  | 2012                        | Significant Deficiency         | CUBS <sup>3</sup> & CATS <sup>4</sup> IT Controls                        | Partially Implemented | 12/31/2016                   | 1/31/2020                   | 37             |
|   | 2018-006A | 2018                        | Significant Deficiency         | CPPS <sup>1</sup> Computer Operations IT Controls                        | Partially Implemented | 3/31/2019                    | 7/31/2019                   | 4              |
|   | 2018-006B | 2018                        | Significant Deficiency         | CPPS <sup>1</sup> Computer Operations IT Controls                        | Partially Implemented | 3/31/2019                    | 10/31/2019                  | 7              |
|   | 2018-007C | 2018                        | Significant Deficiency         | CPPS <sup>1</sup> Information Security IT Controls                       | Partially Implemented | 6/30/2019                    | 9/30/2019                   | 3              |
|   | 2018-008B | 2018                        | Significant Deficiency         | GenTax <sup>2</sup> Information Security IT Controls                     | Not Implemented       | 6/30/2019                    | 11/30/2019                  | 5              |
|   | 2018-008D | 2018                        | Significant Deficiency         | GenTax <sup>2</sup> Information Security IT Controls                     | Not Implemented       | 5/31/2019                    | 12/31/2019                  | 7              |
|   | 2018-012A | 2017                        | Significant Deficiency         | Information System Security Controls                                     | Partially Implemented | 1/31/2018                    | 12/31/2019                  | 23             |
|   | 2018-013B | 2016                        | Deficiency in Internal Control | IT Contract Management   | Not Implemented       | 7/31/2018                    | 11/30/2019                  | 16             |
|   | 2018-022A | 2018                        | Significant Deficiency         | CUBS <sup>3</sup> , CATS <sup>4</sup> , & CLEAR <sup>5</sup> IT Controls | Partially Implemented | 6/30/2019                    | 2/29/2020                   | 8              |

**EXHIBIT 13. GOVERNOR’S OFFICE  
FINANCIAL-RELATED IT AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019**

| AUDIT   | REC. NO.  | FIRST FISCAL YEAR REC. MADE | CURRENT DEFICIENCY LEVEL       | TOPIC AREA  | IMPLEMENTATION STATUS | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|---|-----------|-----------------------------|--------------------------------|---|-----------------------|------------------------------|-----------------------------|----------------|
| Statewide Single Audit, Fiscal Year Ended June 30, 2017 | 2017-014A | 2012                        | Deficiency in Internal Control | IT Contract Management  | Partially Implemented | 12/31/2013                   | 12/31/2019                  | 72             |
|   | 2017-014D | 2012                        | Deficiency in Internal Control | IT Contract Management  | Partially Implemented | 12/31/2013                   | 12/31/2019                  | 72             |
|   | 2017-028A | 2017                        | Significant Deficiency         | CUBS <sup>3</sup> ,CATS <sup>4</sup> , & CLEAR <sup>5</sup> IT Controls | Partially Implemented | 6/30/2018                    | 3/31/2020                   | 21             |

SOURCE: Office of the State Auditor’s audit recommendation database.

<sup>1</sup> CPPS is the Colorado Personnel Payroll System.

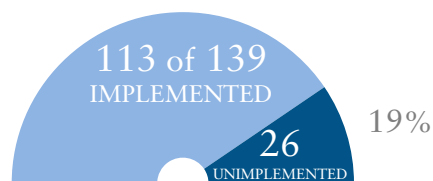
<sup>2</sup> GenTax is the State’s primary information system for processing taxes collected by the State.

<sup>3</sup> CUBS is the Colorado Unemployment Benefits System.

<sup>4</sup> CATS is the Colorado Automated Tax System.

<sup>5</sup> CLEAR is the Colorado Labor and Employment Applicant Resource.

PERFORMANCE AND/OR  
IT PERFORMANCE  
RECOMMENDATIONS  
NOT FULLY IMPLEMENTED



As of June 30, 2019, the Governor’s Office reports that 26 of the 139 performance audit and IT performance audit recommendations that it agreed to implement are not fully implemented. In our 2018 *Annual Report*, the Governor’s Office had six IT performance audit recommendations that were not fully implemented.

EXHIBIT 14 provides information on the IT performance audit recommendations that are not fully implemented, including the number of months since the original implementation dates provided by the Governor’s Office. Two of these recommendations are considered high priority and highlighted in orange.

**EXHIBIT 14. GOVERNOR’S OFFICE  
IT PERFORMANCE AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019**

| AUDIT  | REC. NO.                      | TOPIC AREA                    | IMPLEMENTATION STATUS <sup>1</sup> | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|--|-------------------------------|-------------------------------|------------------------------------|------------------------------|-----------------------------|----------------|
| IT Vulnerability Assessment, Governor’s Office of Information Technology and Judicial Branch, Performance Evaluation, November 2014<br>PUBLIC REPORT       | 1A                            | Information System Security   | Partially Implemented              | 12/31/2015                   | 7/31/2021                   | 67             |
|  | 4C                            | Information System Security   | Partially Implemented              | 7/31/2015                    | 9/30/2019                   | 50             |
| Audit of Three Information Technology Systems at the Department of Public Health and Environment, IT Performance Audit, August 2017<br>PUBLIC REPORT       | 1A                            | Information System Operations | Partially Implemented              | 12/31/2017                   | 7/31/2020                   | 31             |
|  | 2                             | Information System Operations | Partially Implemented              | 7/31/2018                    | 7/31/2020                   | 24             |
| Audit of Three Information Technology Systems at the Department of Public Health and Environment, IT Performance Audit, August 2017<br>CONFIDENTIAL REPORT | 10B                           | Information System Security   | Partially Implemented              | 12/31/2017                   | 10/31/2019                  | 22             |
|  | 10G                           | Information System Security   | Partially Implemented              | 7/31/2018                    | 6/30/2021                   | 35             |
|  | 12F                           | Information System Security   | Partially Implemented              | 12/31/2017                   | 11/30/2019                  | 23             |
|  | 12G                           | Information System Security   | Partially Implemented              | 12/31/2017                   | 10/31/2019                  | 22             |
|  | 12I                           | Information System Security   | Partially Implemented              | 7/31/2018                    | 11/30/2019                  | 16             |
|  | 13A                           | Information System Operations | Partially Implemented              | 7/31/2017                    | 12/31/2019                  | 29             |
|  | 13B                           | Information System Security   | Partially Implemented              | 7/31/2018                    | 10/31/2019                  | 15             |
|  | 13D                           | Information System Security   | Partially Implemented              | 3/31/2018                    | 12/31/2019                  | 21             |
|  | 14A                           | Information System Operations | Partially Implemented              | 3/31/2018                    | 12/31/2019                  | 21             |
|  | 16A                           | Information System Operations | Partially Implemented              | 7/31/2018                    | 10/31/2019                  | 15             |
| 16B  | Information System Operations | Partially Implemented         | 7/31/2018                          | 10/31/2019                   | 15                          |                |



|       |                             |                       |           |            |                 |
|-------|-----------------------------|-----------------------|-----------|------------|-----------------|
| 4A    | Information System Security | Partially Implemented | 7/31/2020 | 7/31/2020  | 0               |
| 4BII  | Information System Security | Partially Implemented | 7/31/2018 | 11/30/2019 | 16              |
| 4D    | Information System Security | Not Implemented       | 2/29/2020 | 6/30/2021  | 16              |
| 4E    | Information System Security | Not Implemented       | 2/29/2020 | 6/30/2021  | 16              |
| 6AI   | Information System Security | Partially Implemented | 7/31/2018 | 11/30/2019 | 16              |
| 6AII  | Information System Security | Partially Implemented | 7/31/2018 | 11/30/2019 | 16              |
| 6AIII | Information System Security | Partially Implemented | 7/31/2018 | 11/30/2019 | 16              |
| 6B    | Information System Security | Partially Implemented | 7/31/2018 | 9/30/2019  | 14              |
| 6E    | Information System Security | Partially Implemented | 3/31/2018 | 11/30/2019 | 20              |
| 6G    | Information System Security | Partially Implemented | 7/31/2020 | 11/30/2019 | -8 <sup>2</sup> |
| 7A    | Information System Security | Partially Implemented | 9/30/2017 | 6/30/2021  | 45              |

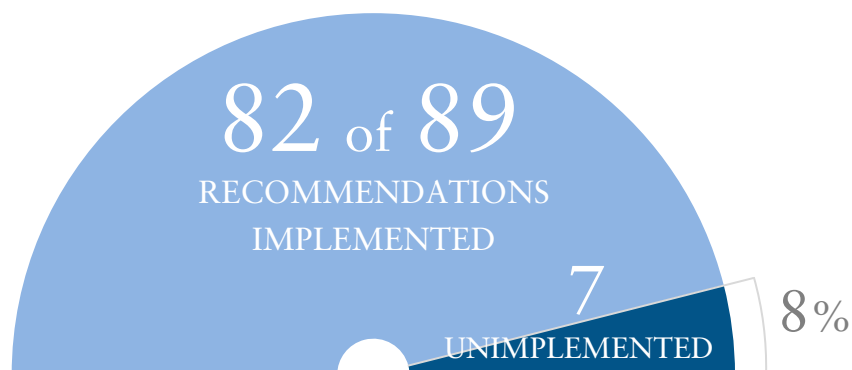
SOURCE: Office of the State Auditor's audit recommendation database.

<sup>1</sup> Implementation status is self-reported by the Governor's Office and not audited by the OSA.

<sup>2</sup> Delay (Months) is a negative number because the Governor's Office revised its current implementation date to a date earlier than its original implementation date. The original implementation date provided was July 2020, but recently the Governor's Office revised its date to November 2019.

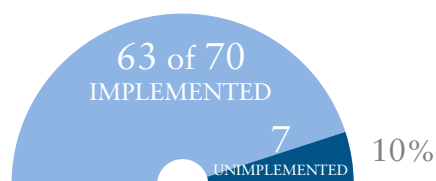


# DEPARTMENT OF HEALTH CARE POLICY AND FINANCING



From July 1, 2013, through June 30, 2018, the Department of Health Care Policy and Financing (Department) agreed or partially agreed to implement 89 audit recommendations—70 were from financial audits and 19 were from performance audits. As of June 30, 2019, a total of seven of the 89 recommendations are not fully implemented, and four are considered high priority.

## FINANCIAL AND FINANCIAL-RELATED IT RECOMMENDATIONS NOT FULLY IMPLEMENTED



As of June 30, 2019, the OSA's follow-up audit process determined that seven of the 70 financial and financial-related information technology (IT) audit recommendations that the Department agreed to implement are not fully implemented. In our 2018 *Annual Report: Status of Outstanding Audit Recommendations* (2018 *Annual Report*), the Department had five financial audit recommendations that were not fully implemented.

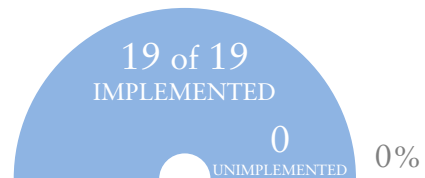
EXHIBIT 15 summarizes the financial audit recommendations that are not fully implemented by the level of deficiency, topic area, and number of months since the Department’s original implementation dates. Four of these recommendations are considered high priority and highlighted in orange.

**EXHIBIT 15. DEPARTMENT OF HEALTH CARE POLICY AND FINANCING  
FINANCIAL AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019**

| AUDIT   | REC. NO.  | FIRST FISCAL YEAR REC. MADE | CURRENT DEFICIENCY LEVEL       | TOPIC AREA                          | IMPLEMENTATION STATUS | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|---|-----------|-----------------------------|--------------------------------|-------------------------------------|-----------------------|------------------------------|-----------------------------|----------------|
| Statewide Single Audit, Fiscal Year Ended June 30, 2018 | 2018-044A | 2017                        | Material Weakness              | Medicaid Eligibility Controls       | Not Implemented       | 12/31/2018                   | 12/31/2019                  | 12             |
|   | 2018-044B | 2017                        | Material Weakness              | Medicaid Eligibility Controls       | Not Implemented       | 12/31/2018                   | 12/31/2019                  | 12             |
|   | 2018-044C | 2017                        | Material Weakness              | Medicaid Eligibility Controls       | Not Implemented       | 12/31/2018                   | 7/31/2020                   | 19             |
|   | 2018-058  | 2012                        | Significant Deficiency         | Personnel Costs for Federal Program | Not Implemented       | 6/30/2013                    | 3/31/2020                   | 81             |
|   | 2018-048  | 2018                        | Significant Deficiency         | Medicaid Grants Management          | Not Implemented       | 6/30/2019                    | 7/31/2020                   | 13             |
|   | 2018-056A | 2017                        | Significant Deficiency         | Provider Eligibility                | Partially Implemented | 12/31/2018                   | 12/31/2019                  | 12             |
| Statewide Single Audit, Fiscal Year Ended June 30, 2013 | 2013-026  | 2012                        | Deficiency in Internal Control | Grants Management                   | Partially Implemented | 6/30/2013                    | 3/31/2020                   | 81             |

SOURCE: Office of the State Auditor’s audit recommendation database.

PERFORMANCE  
RECOMMENDATIONS  
NOT FULLY IMPLEMENTED



As of June 30, 2019, the Department reports that it has no performance audit recommendations that are unimplemented. In our 2018 *Annual Report*, the Department also had no performance audit recommendations that were unimplemented.

# DEPARTMENT OF HIGHER EDUCATION



From July 1, 2013, through June 30, 2018, the Department of Higher Education (Department) agreed or partially agreed to implement five audit recommendations—three were from financial audits and two were from performance audits. Based on the OSA’s follow-up audit process and information reported by the Department, as of June 30, 2019, it has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the Department also had no unimplemented audit recommendations.



# ADAMS STATE UNIVERSITY



From July 1, 2013, through June 30, 2018, Adams State University (University) agreed to implement 19 audit recommendations—all were from financial audits. As of June 30, 2019, the OSA’s follow-up audit process determined that four of the University’s financial audit recommendations were not fully implemented, and none are considered high priority.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the University had one financial audit recommendation that was not fully implemented.

EXHIBIT 16 summarizes the financial audit recommendations that are not fully implemented by the level of deficiency, topic area, and number of months since the University’s original implementation date.

**EXHIBIT 16. ADAMS STATE UNIVERSITY  
FINANCIAL AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019**

| AUDIT   | REC. NO.  | FIRST FISCAL YEAR REC. MADE | CURRENT DEFICIENCY LEVEL       | TOPIC AREA                      | IMPLEMENTATION STATUS | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|---|-----------|-----------------------------|--------------------------------|---------------------------------|-----------------------|------------------------------|-----------------------------|----------------|
| Statewide Single Audit, Fiscal Year Ended June 30, 2018 | 2018-059A | 2018                        | Deficiency in Internal Control | Student Financial Aid Reporting | Partially Implemented | 3/31/2019                    | 5/31/2020                   | 14             |
|   | 2018-059B | 2018                        | Deficiency in Internal Control | Student Financial Aid Reporting | Partially Implemented | 3/31/2019                    | 5/31/2020                   | 14             |
|   | 2018-059C | 2018                        | Deficiency in Internal Control | Student Financial Aid Reporting | Partially Implemented | 3/31/2019                    | 5/31/2020                   | 14             |
|   | 2018-059D | 2018                        | Deficiency in Internal Control | Student Financial Aid Reporting | Partially Implemented | 3/31/2019                    | 5/31/2020                   | 14             |

SOURCE: Office of the State Auditor's audit recommendation database.



# AURARIA HIGHER EDUCATION CENTER



From July 1, 2013, through June 30, 2018, Auraria Higher Education Center agreed to implement 20 audit recommendations—all were from financial audits. Based on the OSA’s follow-up audit process, as of June 30, 2019, Auraria Higher Education Center has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, Auraria Higher Education Center also had no unimplemented audit recommendations.



# COLLEGE ASSIST (COLORADO STUDENT LOAN PROGRAM)

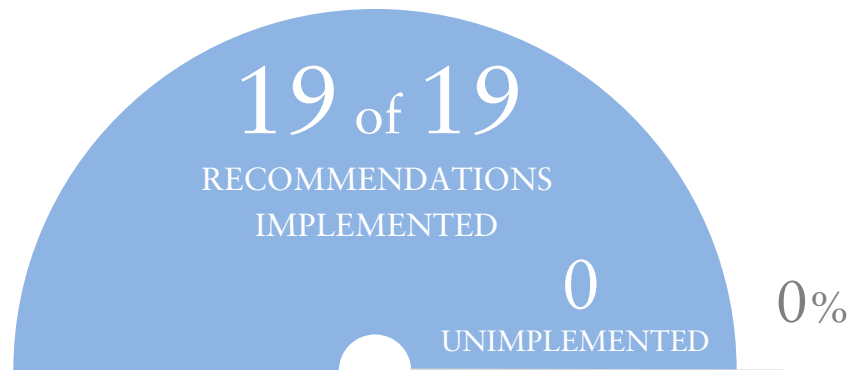


From July 1, 2013, through June 30, 2018, College Assist (Colorado Student Loan Program) agreed to implement one financial audit recommendation. Based on the OSA's follow-up audit process, as of June 30, 2019, the Colorado Student Loan Program has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the Colorado Student Loan Program also had no unimplemented audit recommendations.



# COLORADO COMMUNITY COLLEGE SYSTEM



From July 1, 2013, through June 30, 2018, the Colorado Community College System (System) agreed to implement 19 audit recommendations—all were from financial audits. Based on the OSA’s follow-up audit process, as of June 30, 2019, the System has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the System also had no unimplemented audit recommendations.



# COLORADO SCHOOL OF MINES



From July 1, 2013, through June 30, 2018, the Colorado School of Mines (School) agreed to implement two audit recommendations—both were from financial audits. Based on the OSA’s follow-up audit process, as of June 30, 2019 the School has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the School also had no unimplemented audit recommendations.





# COLORADO STATE UNIVERSITY SYSTEM



From July 1, 2013, through June 30, 2018, the Colorado State University System (System) agreed to implement 12 audit recommendations—all were from financial audits. Based on the OSA's follow-up audit process, as of June 30, 2019, the System has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the System also had no unimplemented audit recommendations.



# FORT LEWIS COLLEGE

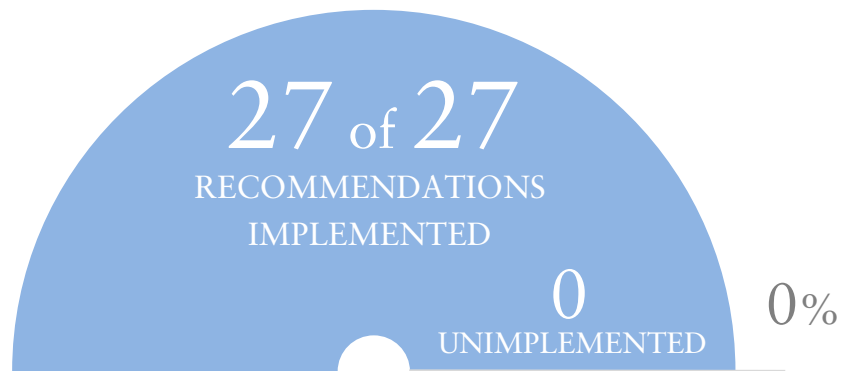


From July 1, 2013, through June 30, 2018, Fort Lewis College agreed to implement two audit recommendations—both were from financial audits. Based on the OSA’s follow-up audit process, as of June 30, 2019, the College has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the College also had no unimplemented audit recommendations.



# HISTORY COLORADO



From July 1, 2013, through June 30, 2018, History Colorado agreed to implement 27 audit recommendations—14 were from financial audits and 13 were from performance audits. Based on the OSA’s follow-up audit process and information reported by History Colorado, as of June 30, 2019, it has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, History Colorado also had no unimplemented audit recommendations.



# METROPOLITAN STATE UNIVERSITY OF DENVER



From July 1, 2013, through June 30, 2018, Metropolitan State University of Denver (University) agreed to implement 17 audit recommendations—all were from financial audits. As of June 30, 2019, the OSA’s follow-up audit process determined that one of the University’s financial-related IT audit recommendations is not fully implemented, and the recommendation is not considered high priority.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the University had no audit recommendations that were unimplemented.

EXHIBIT 17 summarizes the financial-related IT audit recommendation that is not fully implemented by the level of deficiency, topic area, and number of months since the University’s original implementation date.

**EXHIBIT 17. METROPOLITAN STATE UNIVERSITY OF DENVER  
FINANCIAL-RELATED IT AUDIT RECOMMENDATION NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019**

| AUDIT   | REC. NO.  | FIRST FISCAL YEAR REC. MADE | CURRENT DEFICIENCY LEVEL | TOPIC AREA   | IMPLEMENTATION STATUS | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|---|-----------|-----------------------------|--------------------------|--|-----------------------|------------------------------|-----------------------------|----------------|
| Statewide Single Audit, Fiscal Year Ended June 30, 2018 | 2018-018B | 2018                        | Significant Deficiency   | BANNER <sup>1</sup><br>IT Change Management Controls | Partially Implemented | 6/30/2019                    | 6/30/2020                   | 12             |

SOURCE: Office of the State Auditor’s audit recommendation database.

<sup>1</sup> BANNER is an administrative software application used by higher education institutions to maintain student, alumni, and financial data.



# UNIVERSITY OF COLORADO SYSTEM



From July 1, 2013, through June 30, 2018, the University of Colorado System (System) agreed to implement four audit recommendations—all were from financial audits. Based on the OSA’s follow-up audit process, as of June 30, 2019, the System has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the System also had no unimplemented audit recommendations.



# UNIVERSITY OF NORTHERN COLORADO



From July 1, 2013, through June 30, 2018, the University of Northern Colorado (University) agreed to implement one financial audit recommendation. Based on the OSA's follow-up audit process, as of June 30, 2019, the University has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the University also had no unimplemented audit recommendations.

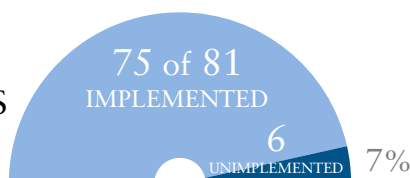


# DEPARTMENT OF HUMAN SERVICES



From July 1, 2013, through June 30, 2018, the Department of Human Services (Department) agreed or partially agreed to implement 211 audit recommendations—81 were from financial audits and 130 were from performance audits. As of June 30, 2019, a total of six of the 211 recommendations are not fully implemented, and three of them are considered high priority.

## FINANCIAL AND FINANCIAL-RELATED IT RECOMMENDATIONS NOT FULLY IMPLEMENTED



As of June 30, 2019, the OSA's follow-up audit process determined that six of the 81 financial and financial-related IT audit recommendations that the Department agreed to implement are not fully implemented. In our 2018 *Annual Report: Status of Outstanding Audit Recommendations (2018 Annual Report)*, the Department had seven financial and financial-related IT audit recommendations that were not fully implemented.

EXHIBIT 18 summarizes the financial and financial-related IT audit recommendations that are not fully implemented by the level of

deficiency, topic area, and number of months since the Department’s original implementation dates. Three of these recommendations are considered high priority and highlighted in orange.

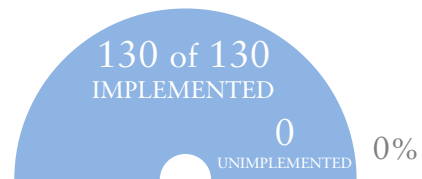
ANNUAL REPORT: STATUS OF AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED AS OF JUNE 30, 2019

**EXHIBIT 18. DEPARTMENT OF HUMAN SERVICES  
FINANCIAL AND FINANCIAL-RELATED IT AUDIT RECOMMENDATIONS  
NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019**

| AUDIT   | REC. NO.  | FIRST FISCAL YEAR REC. MADE | CURRENT DEFICIENCY LEVEL       | TOPIC AREA                            | IMPLEMENTATION STATUS | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|---|-----------|-----------------------------|--------------------------------|---------------------------------------|-----------------------|------------------------------|-----------------------------|----------------|
| Statewide Single Audit, Fiscal Year Ended June 30, 2018 | 2018-063A | 2013                        | Material Weakness              | Federal Child Care Program            | Partially Implemented | 12/31/2014                   | 7/31/2019                   | 55             |
|   | 2018-063B | 2013                        | Material Weakness              | Federal Child Care Program            | Partially Implemented | 12/31/2014                   | 7/31/2019                   | 55             |
|   | 2018-063C | 2016                        | Material Weakness              | Federal Child Care Program            | Partially Implemented | 8/31/2018                    | 7/31/2019                   | 11             |
|   | 2018-062A | 2017                        | Deficiency in Internal Control | Child Care Program IT System          | Partially Implemented | 6/30/2018                    | 5/31/2020                   | 23             |
| Statewide Single Audit, Fiscal Year Ended June 30, 2016 | 2016-077A | 2016                        | Deficiency in Internal Control | Federal Grant Subrecipient Monitoring | Partially Implemented | 7/31/2017                    | 3/31/2020                   | 32             |
| Statewide Single Audit, Fiscal Year Ended June 30, 2013 | 2013-007B | 2013                        | Deficiency in Internal Control | Payroll Controls                      | Partially Implemented | 12/31/2014                   | 8/31/2019                   | 56             |

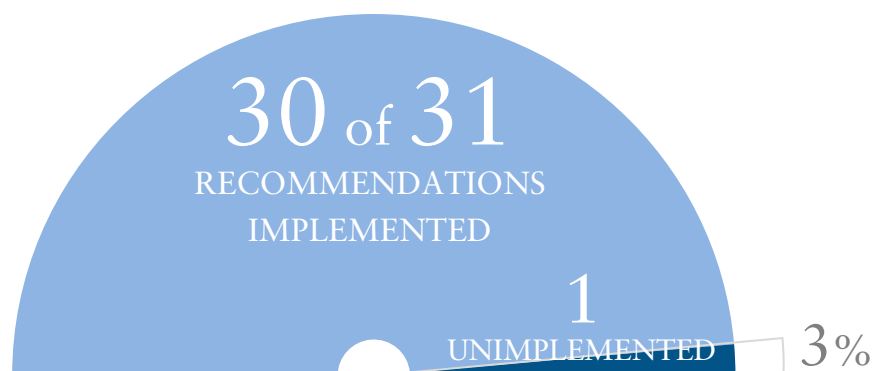
SOURCE: Office of the State Auditor’s audit recommendation database.

PERFORMANCE  
RECOMMENDATIONS  
NOT FULLY IMPLEMENTED



As of June 30, 2019, the Department reports that it has no performance audit recommendations that are unimplemented. In our 2018 *Annual Report*, the Department had one performance audit recommendation that was unimplemented.

# JUDICIAL BRANCH



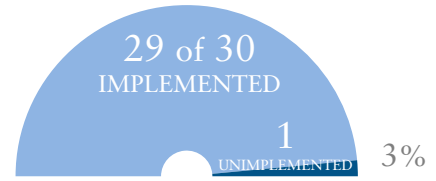
From July 1, 2013, through June 30, 2018, the Judicial Branch (Judicial) agreed or partially agreed to implement 31 audit recommendations—one recommendation was from a financial audit and 30 were from performance audits and/or IT performance audits. As of June 30, 2019, a total of one of the 31 recommendations is not fully implemented, and the recommendation is not considered high priority.

FINANCIAL  
RECOMMENDATIONS  
NOT FULLY IMPLEMENTED



As of June 30, 2019, the OSA's follow-up audit process determined that none of the financial audit recommendations that Judicial agreed to implement are unimplemented. In our *2018 Annual Report: Status of Outstanding Audit Recommendations (2018 Annual Report)*, Judicial also had no financial audit recommendations that were unimplemented.

PERFORMANCE AND/OR  
IT PERFORMANCE  
RECOMMENDATIONS  
NOT FULLY IMPLEMENTED



As of June 30, 2019, Judicial reports that one of the 30 performance audit and IT performance audit recommendations that it agreed to implement is not fully implemented. In our 2018 *Annual Report*, Judicial had no performance or IT performance audit recommendations that were unimplemented.

EXHIBIT 19 provides information on Judicial’s performance audit recommendation that is not fully implemented, including the number of months since Judicial’s original implementation date.

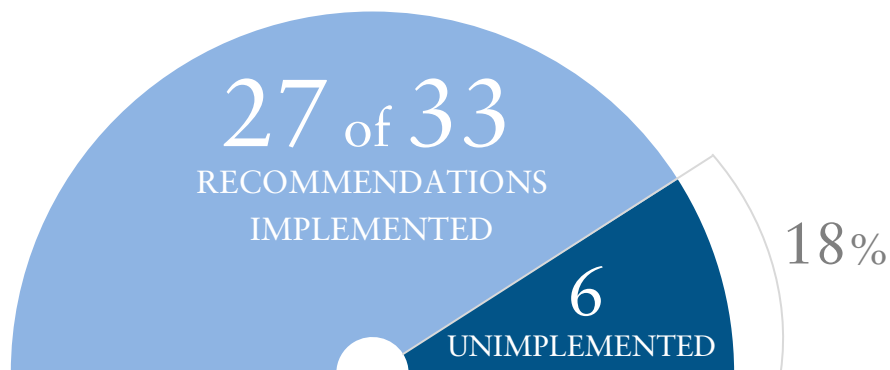
EXHIBIT 19. JUDICIAL BRANCH  
PERFORMANCE AUDIT RECOMMENDATION NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019

| AUDIT   | REC. NO. | TOPIC AREA                                | IMPLEMENTATION STATUS <sup>1</sup> | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|---|----------|---|------------------------------------|------------------------------|-----------------------------|----------------|
| Cash Funds Uncommitted Reserves, Fiscal Year Ended June 30, 2018, Performance Audit | 3        | Judicial Information Technology Cash Fund | Partially Implemented              | 6/30/2020                    | 6/30/2020                   | 0              |

SOURCE: Office of the State Auditor’s recommendation database.  
<sup>1</sup> Implementation status is self-reported by the Department and not audited by the OSA.

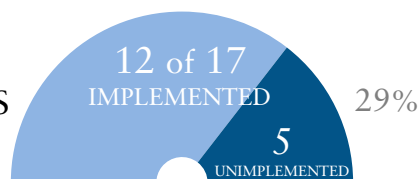


# DEPARTMENT OF LABOR AND EMPLOYMENT



From July 1, 2013, through June 30, 2018, the Department of Labor and Employment (Department) agreed or partially agreed to implement 33 audit recommendations—17 were from financial audits, and 16 were from performance. As of June 30, 2019, a total of six of the 33 recommendations are not fully implemented, and one is considered high priority.

## FINANCIAL AND FINANCIAL-RELATED IT RECOMMENDATIONS NOT FULLY IMPLEMENTED



As of June 30, 2019, the OSA's follow-up audit process determined that five of the 17 financial and financial-related IT audit recommendations that the Department agreed to implement are not fully implemented. In our 2018 *Annual Report: Status of Outstanding Audit Recommendations* (2018 *Annual Report*), the Department had six financial-related IT audit recommendations that were not fully implemented.

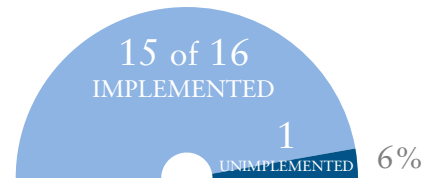
EXHIBIT 20 summarizes the financial-related IT audit recommendations that are not fully implemented by the level of deficiency, topic area, and number of months since the Department's original implementation

dates. One of these recommendations is considered high priority and highlighted in orange.

| EXHIBIT 20. DEPARTMENT OF LABOR AND EMPLOYMENT<br>FINANCIAL-RELATED IT AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED<br>AS OF JUNE 30, 2019 |           |                             |                          |  |                       |                              |                             |                |
|---|-----------|-----------------------------|--------------------------|--|-----------------------|------------------------------|-----------------------------|----------------|
| AUDIT   | REC. NO.  | FIRST FISCAL YEAR REC. MADE | CURRENT DEFICIENCY LEVEL | TOPIC AREA   | IMPLEMENTATION STATUS | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
| Statewide Single Audit, Fiscal Year Ended June 30, 2018   | 2018-025  | 2012                        | Significant Deficiency   | CUBS <sup>1</sup> & CATS <sup>2</sup> IT Controls                        | Partially Implemented | 12/31/2016                   | 1/31/2020                   | 37             |
|   | 2018-021A | 2018                        | Significant Deficiency   | CUBS <sup>1</sup> , CATS <sup>2</sup> , & CLEAR <sup>3</sup> IT Controls | Partially Implemented | 6/30/2019                    | 2/29/2020                   | 8              |
| Statewide Single Audit, Fiscal Year Ended June 30, 2017   | 2017-027A | 2017                        | Significant Deficiency   | CUBS <sup>1</sup> , CATS <sup>2</sup> , & CLEAR <sup>3</sup> IT Controls | Partially Implemented | 6/30/2018                    | 3/31/2020                   | 21             |
|   | 2017-027D | 2017                        | Significant Deficiency   | CUBS <sup>1</sup> , CATS <sup>2</sup> , & CLEAR <sup>3</sup> IT Controls | Not Implemented       | 6/30/2018                    | 3/31/2020                   | 21             |
|   | 2017-027E | 2017                        | Significant Deficiency   | CUBS <sup>1</sup> , CATS <sup>2</sup> , & CLEAR <sup>3</sup> IT Controls | Partially Implemented | 12/31/2019                   | 3/31/2020                   | 3              |

SOURCE: Office of the State Auditor's audit recommendation database.  
<sup>1</sup> CUBS is the Colorado Unemployment Benefits System.  
<sup>2</sup> CATS is the Colorado Automated Tax System.  
<sup>3</sup> CLEAR is the Colorado Labor and Employment Applicant Resource.

PERFORMANCE  
RECOMMENDATIONS  
NOT FULLY IMPLEMENTED



As of June 30, 2019, the Department reports that one of the 16 performance audit recommendations that it agreed to implement is not fully implemented. In our 2018 *Annual Report*, the Department had no performance audit recommendations that were unimplemented.

EXHIBIT 21 provides information on the Department's performance audit recommendation that is not fully implemented, including the number of months since the Department's original implementation date.

**EXHIBIT 21. DEPARTMENT OF LABOR AND EMPLOYMENT  
PERFORMANCE AUDIT RECOMMENDATION NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019**

| AUDIT   | REC. NO. | TOPIC AREA                  | IMPLEMENTATION STATUS <sup>1</sup> | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|---|----------|-----------------------------|------------------------------------|------------------------------|-----------------------------|----------------|
| Cash Funds Uncommitted Reserves, Fiscal Year Ended June 30, 2018, Performance Audit | 4A       | Conveyance Safety Cash Fund | Partially Implemented              | 4/30/2019                    | None Provided <sup>2</sup>  | 2 <sup>3</sup> |

SOURCE: Office of the State Auditor's recommendation database.

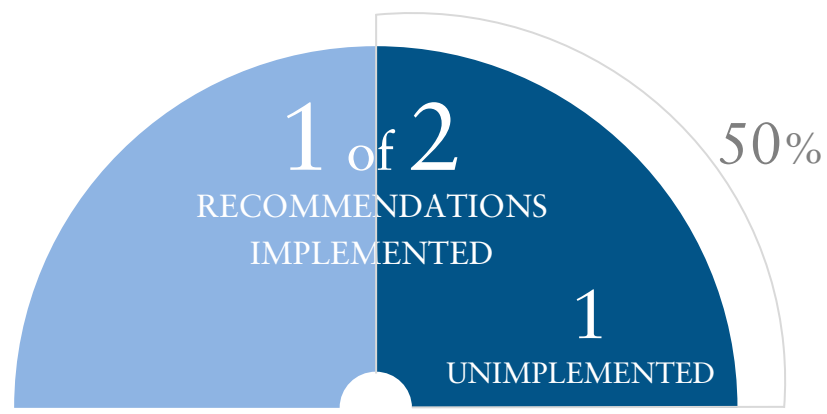
<sup>1</sup> Implementation status is based on the OSA's follow-up audit process.

<sup>2</sup> The Department has not provided an updated implementation date by which it will implement the recommendation.

<sup>3</sup> Delay (Months) is as of June 30, 2019.



# DEPARTMENT OF LAW



From July 1, 2013, through June 30, 2018, the Department of Law (Department) agreed to implement two audit recommendations—both were from a performance audit. As of June 30, 2019, the Department reports that one of the two performance audit recommendations is not fully implemented, and the recommendation is not considered high priority.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the Department had no unimplemented audit recommendations.

EXHIBIT 22 provides information on the Department’s performance audit recommendation that is not fully implemented, including the number of months since the Department’s original implementation date.

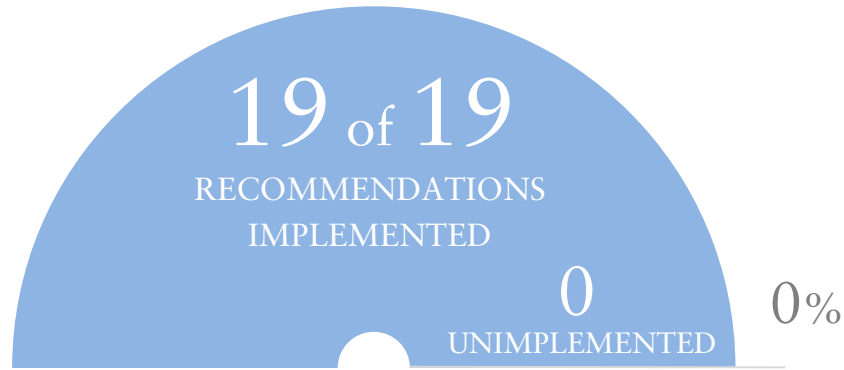
**EXHIBIT 22. DEPARTMENT OF LAW  
PERFORMANCE AUDIT RECOMMENDATION NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019**

| AUDIT   | REC. NO. | TOPIC AREA                        | IMPLEMENTATION STATUS <sup>1</sup> | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|---|----------|-----------------------------------|------------------------------------|------------------------------|-----------------------------|----------------|
| Cash Funds Uncommitted Reserves, Fiscal Year Ended June 30, 2018, Performance Audit | 5        | Uniform Consumer Credit Cash Fund | Partially Implemented              | 6/30/2019                    | 6/30/2020                   | 12             |

SOURCE: Office of the State Auditor’s recommendation database.  
<sup>1</sup> Implementation status is self-reported by the Department and not audited by the OSA.



# DEPARTMENT OF LOCAL AFFAIRS



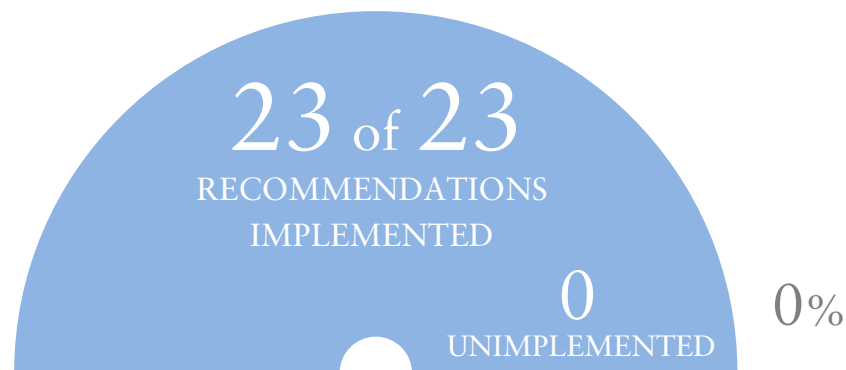
From July 1, 2013, through June 30, 2018, the Department of Local Affairs (Department) agreed or partially agreed to implement 19 audit recommendations—one was from a financial audit and 18 were from performance and/or IT audits. Based on the OSA’s follow-up audit process and information reported by the Department, as of June 30, 2019, it has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the Department also had no unimplemented audit recommendations.





# DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

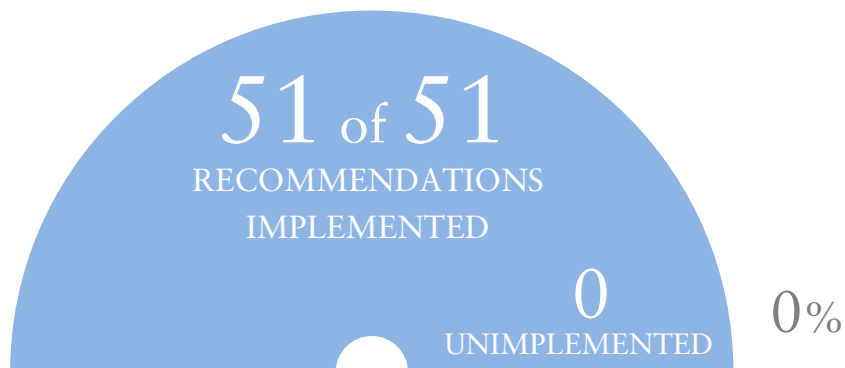


From July 1, 2013, through June 30, 2018, the Department of Military and Veterans Affairs (Department) agreed or partially agreed to implement 23 audit recommendations—one was from a financial audit and 22 were from performance and/or IT audits. Based on the OSA’s follow-up audit process and information reported by the Department, as of June 30, 2019, it has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the Department also had no unimplemented audit recommendations.



# DEPARTMENT OF NATURAL RESOURCES



From July 1, 2013, through June 30, 2018, the Department of Natural Resources (Department) agreed or partially agreed to implement 51 audit recommendations—two were from financial audits and 49 were from performance audits. Based on the OSA’s follow-up process and information provided by the Department, as of June 30, 2019, it has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the Department had two financial-related information technology audit recommendations that were unimplemented.

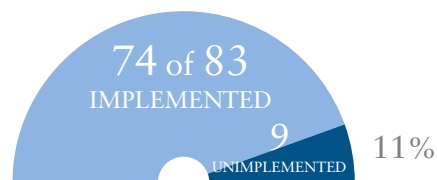


# DEPARTMENT OF PERSONNEL & ADMINISTRATION



From July 1, 2013, through June 30, 2018, the Department of Personnel & Administration (Department) agreed or partially agreed to implement 115 recommendations—83 were from financial audits and 32 were from performance audits. As of June 30, 2019, a total of 11 of the 115 recommendations are not fully implemented, and four are considered high priority.

## FINANCIAL AND FINANCIAL-RELATED IT RECOMMENDATIONS NOT FULLY IMPLEMENTED



As of June 30, 2019, the OSA's follow-up audit process determined that nine of the 83 financial and financial-related IT audit recommendations that the Department agreed to implement are not fully implemented. In our 2018 *Annual Report: Status of Outstanding Audit Recommendations* (2018 *Annual Report*), the Department had 14 financial and financial-related IT audit recommendations that were not fully implemented.

EXHIBIT 23 summarizes the financial and financial-related IT audit recommendations that are not fully implemented by the level of deficiency, topic area, and number of months since the Department’s original implementation dates. Four of these recommendations are considered high priority and highlighted in orange.

ANNUAL REPORT: STATUS OF AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED AS OF JUNE 30, 2019

**EXHIBIT 23. DEPARTMENT OF PERSONNEL & ADMINISTRATION  
FINANCIAL AND FINANCIAL-RELATED IT AUDIT RECOMMENDATIONS  
NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019**

| AUDIT   | REC. NO.  | FIRST FISCAL YEAR REC. MADE | CURRENT DEFICIENCY LEVEL                     | TOPIC AREA                           | IMPLEMENTATION STATUS | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS)  |
|---|-----------|-----------------------------|--|--------------------------------------|-----------------------|------------------------------|-----------------------------|-----------------|
| Statewide Single Audit, Fiscal Year Ended June 30, 2018 | 2018-031A | 2018                        | Material Weakness                            | Information System Security Controls | Partially Implemented | 6/30/2019                    | 11/30/2019                  | 5               |
|   | 2018-031C | 2018                        | Material Weakness                            | Information System Security Controls | Partially Implemented | 3/31/2019                    | 3/31/2020                   | 12              |
|   | 2018-032  | 2017                        | Material Weakness                            | CORE <sup>1</sup> IT Controls        | Not Implemented       | 6/30/2018                    | 7/31/2020                   | 25              |
|   | 2018-034  | 2015                        | Significant Deficiency                       | Financial Reporting Controls         | Not Implemented       | 12/31/2016                   | 6/30/2020                   | 42              |
|   | 2018-028A | 2018                        | Deficiency in Internal Control               | Financial Reporting Controls         | Partially Implemented | 3/31/2019                    | 3/31/2020                   | 12              |
|   | 2018-029  | 2018                        | Not Classified-Not an Internal Control Issue | Payroll Reporting Controls           | Not Implemented       | 2/28/2019                    | 12/31/2019                  | 10              |
|   | 2018-030A | 2018                        | Significant Deficiency                       | Financial Reporting Controls         | Partially Implemented | 3/31/2019                    | 9/30/2020                   | 18              |
|   | 2018-030B | 2018                        | Significant Deficiency                       | Financial Reporting Controls         | Partially Implemented | 3/31/2019                    | 9/30/2020                   | 18              |
| Statewide Single Audit, Fiscal Year Ended June 30, 2017 | 2017-042B | 2015                        | Deficiency in Internal Control               | Labor Allocation Controls            | Partially Implemented | 12/31/2017                   | None Provided <sup>2</sup>  | 18 <sup>3</sup> |

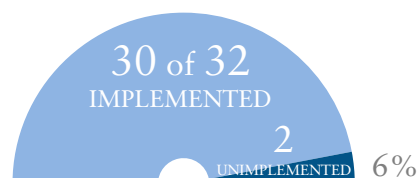
SOURCE: Office of the State Auditor’s audit recommendation database.

<sup>1</sup> CORE is the Colorado Operations Resource Engine, the State’s accounting system.

<sup>2</sup> The Department has not provided an updated date by which it will implement the recommendation.

<sup>3</sup> Delay (Months) is as of 6/30/2019.

PERFORMANCE  
RECOMMENDATIONS  
NOT FULLY IMPLEMENTED



As of June 30, 2019, the Department reports that two of the 32 performance audit recommendations that it agreed to implement are not fully implemented. In our 2018 *Annual Report*, the Department had 15 performance audit recommendations that were not fully implemented.

EXHIBIT 24 provides information on the Department's performance audit recommendations that are not fully implemented, including the number of months since the Department's original implementation dates.

EXHIBIT 24. DEPARTMENT OF PERSONNEL & ADMINISTRATION  
PERFORMANCE AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019

| AUDIT   | REC.<br>NO. | TOPIC<br>AREA  | IMPLEMENTATION<br>STATUS <sup>1</sup> | ORIGINAL<br>IMPLEMENTATION<br>DATE | CURRENT<br>IMPLEMENTATION<br>DATE | DELAY<br>(MONTHS) |
|---|-------------|--|---------------------------------------|------------------------------------|-----------------------------------|-------------------|
| Annual Compensation Study, Performance Audit, May 2017                  | 4           | Compliance with Payroll & Personnel Laws & Regulations | Partially Implemented                 | 12/31/2017                         | 12/31/2019                        | 24                |
| Commuting Use of State-Owned Vehicles, Performance Audit, November 2016 | 1           | Commuting/ State Vehicles                              | Partially Implemented                 | 5/31/2017                          | 5/31/2020                         | 36                |

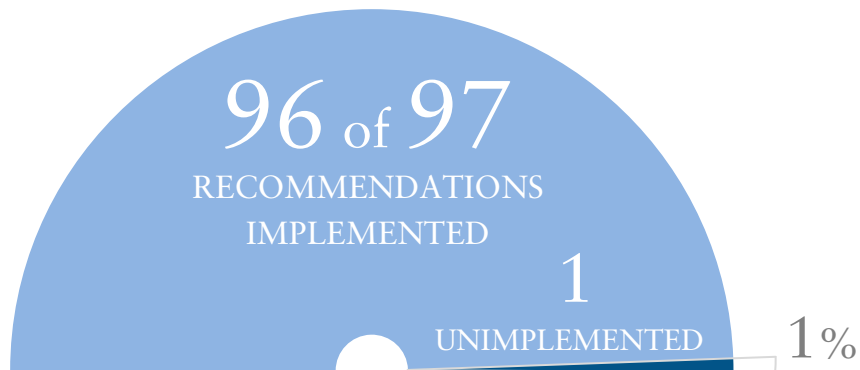
SOURCE: Office of the State Auditor's recommendation database.

<sup>1</sup> Implementation status is self-reported by the Department and not audited by the OSA.



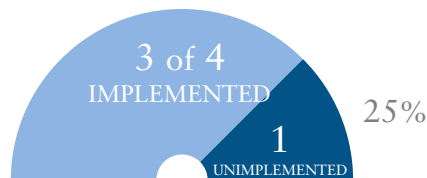


# DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT



From July 1, 2013, through June 30, 2018, the Department of Public Health and Environment (Department) agreed or partially agreed to implement 97 audit recommendations—four were from financial audits and 93 were from performance audits. As of June 30, 2019, a total of one of the 97 recommendations is not fully implemented, and it is not considered high priority.

## FINANCIAL RECOMMENDATIONS NOT FULLY IMPLEMENTED



As of June 30, 2019, the OSA’s follow-up audit process determined that one of the four financial audit recommendations that the Department agreed to implement is not fully implemented. In our 2018 *Annual Report: Status of Outstanding Audit Recommendations* (2018 *Annual Report*), the Department had no financial audit recommendations that were unimplemented.

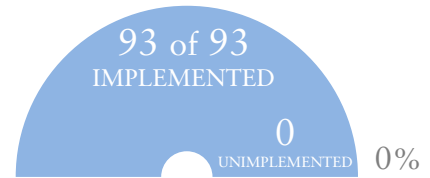
EXHIBIT 25 summarizes the financial audit recommendation that is not fully implemented by the level of deficiency, topic area, and number of months since the Department’s original implementation date.

**EXHIBIT 25. DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT  
FINANCIAL AUDIT RECOMMENDATION NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019**

| AUDIT   | REC. NO.  | FIRST FISCAL YEAR REC. MADE | CURRENT DEFICIENCY LEVEL | TOPIC AREA                   | IMPLEMENTATION STATUS | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|---|-----------|-----------------------------|--------------------------|------------------------------|-----------------------|------------------------------|-----------------------------|----------------|
| Statewide Single Audit, Fiscal Year Ended June 30, 2018 | 2018-036B | 2018                        | Significant Deficiency   | Financial Reporting Controls | Partially Implemented | 6/30/2019                    | 9/30/2019                   | 3              |

SOURCE: Office of the State Auditor’s audit recommendation database.

PERFORMANCE  
RECOMMENDATIONS  
NOT FULLY IMPLEMENTED



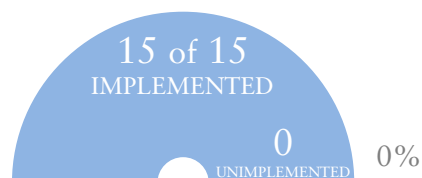
As of June 30, 2019, the Department reports that it has no performance audit recommendations that are unimplemented. In our 2018 *Annual Report*, the Department also had no performance audit recommendations that were unimplemented.

# DEPARTMENT OF PUBLIC SAFETY



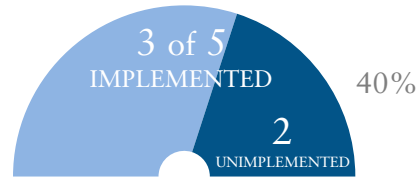
From July 1, 2013, through June 30, 2018, the Department of Public Safety (Department) agreed to implement 20 audit recommendations—15 were from financial audits and five were from performance audits. As of June 30, 2019, a total of two of the 20 recommendations are not fully implemented, and none are considered high priority.

## FINANCIAL AND FINANCIAL-RELATED IT RECOMMENDATIONS NOT FULLY IMPLEMENTED



As of June 30, 2019, the OSA's follow-up audit process determined that none of the financial and financial-related IT audit recommendations that the Department agreed to implement are unimplemented. In our 2018 *Annual Report: Status of Outstanding Audit Recommendations* (2018 *Annual Report*), the Department had one financial audit recommendation that was unimplemented.

PERFORMANCE  
RECOMMENDATIONS  
NOT FULLY IMPLEMENTED



As of June 30, 2019, the Department reports that two of the five performance audit recommendations that it agreed to implement are not fully implemented. In our 2018 *Annual Report*, the Department had one performance audit recommendation that was not fully implemented.

EXHIBIT 26 provides information on the Department’s performance audit recommendations that are not fully implemented, including the number of months since the Department’s original implementation dates.

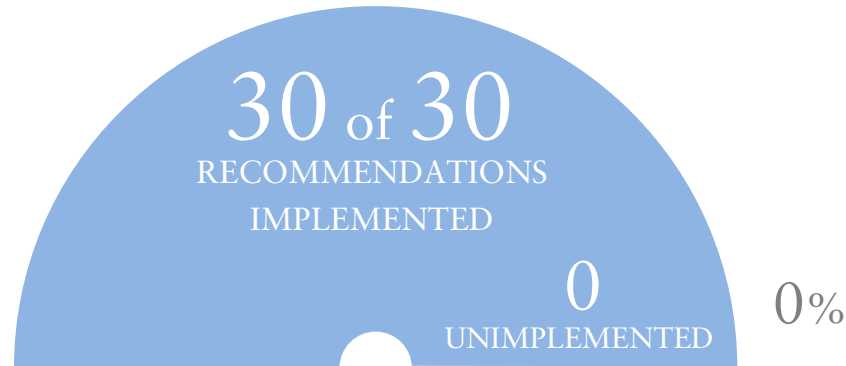
EXHIBIT 26. DEPARTMENT OF PUBLIC SAFETY  
PERFORMANCE AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019

| AUDIT   | REC. NO. | TOPIC AREA  | IMPLEMENTATION STATUS <sup>1</sup> | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|---|----------|---|------------------------------------|------------------------------|-----------------------------|----------------|
| Cash Funds Uncommitted Reserves, Fiscal Year Ended June 30, 2018, Performance Audit | 8C       | Public School Construction and Inspection Cash Fund   | Partially Implemented              | 6/30/2020                    | 6/30/2020                   | 0              |
|   | 8D       | Health Facility Construction and Inspection Cash Fund | Partially Implemented              | 6/30/2020                    | 6/30/2020                   | 0              |

SOURCE: Office of the State Auditor’s recommendation database.

<sup>1</sup> Implementation status is self-reported by the Department and not audited by the OSA.

# DEPARTMENT OF REGULATORY AGENCIES

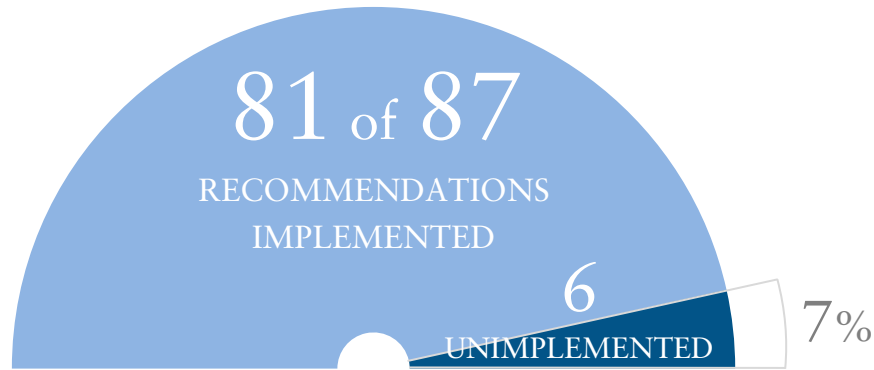


From July 1, 2013, through June 30, 2018, the Department of Regulatory Agencies (Department) agreed to implement 30 audit recommendations—all were from performance audits. Based on information reported by the Department, as of June 30, 2019, it has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the Department also had no unimplemented audit recommendations.

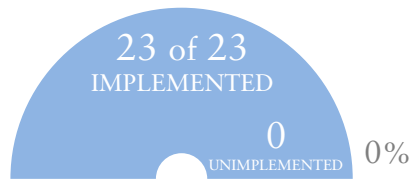


# DEPARTMENT OF REVENUE



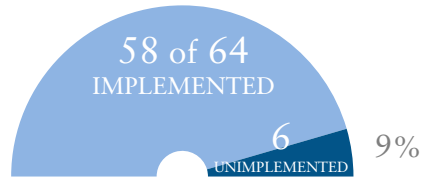
From July 1, 2013, through June 30, 2018, the Department of Revenue (Department) agreed or partially agreed to implement 87 audit recommendations—23 were from financial audits and 64 were from performance audits. As of June 30, 2019, a total of six of the 87 recommendations are not fully implemented, and none of them are considered high priority.

## FINANCIAL AND FINANCIAL-RELATED IT RECOMMENDATIONS NOT FULLY IMPLEMENTED



As of June 30, 2019, the OSA’s follow-up audit process determined that none of the financial and financial-related IT audit recommendations that the Department agreed to implement are unimplemented. In our 2018 *Annual Report: Status of Outstanding Audit Recommendations* (2018 *Annual Report*), the Department had one financial audit recommendation that was unimplemented.

PERFORMANCE  
RECOMMENDATIONS  
NOT FULLY IMPLEMENTED



As of June 30, 2019, the Department reports that six of the 64 performance audit recommendations that it agreed to implement are not fully implemented. In our 2018 *Annual Report*, the Department had one performance audit recommendation that was not fully implemented.

EXHIBIT 27 provides information on the Department’s performance audit recommendations that are not fully implemented, including the number of months since the Department’s original implementation date.

EXHIBIT 27. DEPARTMENT OF REVENUE  
PERFORMANCE AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED  
AS OF JUNE 30, 2019

| AUDIT   | REC. No. | TOPIC AREA                       | IMPLEMENTATION STATUS <sup>1</sup> | ORIGINAL IMPLEMENTATION DATE | CURRENT IMPLEMENTATION DATE | DELAY (MONTHS) |
|---|----------|----------------------------------|------------------------------------|------------------------------|-----------------------------|----------------|
| Cash Funds Uncommitted Reserves, Fiscal Year Ended June 30, 2018, Performance Audit | 10A      | Marijuana Cash Fund              | Partially Implemented              | 6/30/2019                    | 6/30/2020                   | 12             |
|   | 10B      | Liquor Law Enforcement Cash Fund | Partially Implemented              | 6/30/2019                    | 6/30/2020                   | 12             |
| Gaming Administrative Expenses, Performance Audit, June 2018                        | 1A       | Grant Management                 | Partially Implemented              | 7/31/2018                    | 12/31/2019                  | 17             |
|   | 1B       | Grant Management                 | Partially Implemented              | 4/30/2019                    | 12/31/2019                  | 8              |
|   | 1C       | Grant Management                 | Partially Implemented              | 4/30/2019                    | 12/31/2019                  | 8              |
|   | 1D       | Contract Management              | Partially Implemented              | 4/30/2019                    | 12/31/2019                  | 8              |

SOURCE: Office of the State Auditor’s audit recommendation database.  
<sup>1</sup> Implementation status is self-reported by the Department and not audited by the OSA.



# DEPARTMENT OF STATE (SECRETARY OF STATE)

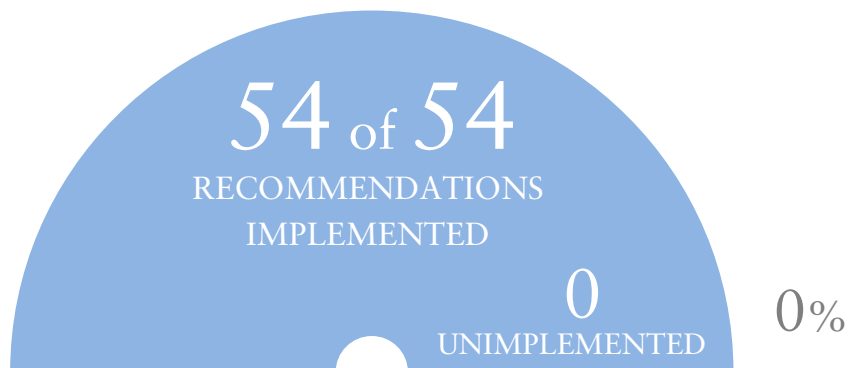


From July 1, 2013, through June 30, 2018, the Department of State (Department) agreed or partially agreed to implement 16 audit recommendations—four were from financial audits and 12 were from performance audits. Based on the OSA’s follow-up audit process and information reported by the Department, as of June 30, 2019, it has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the Department had one performance audit recommendation that was unimplemented.



# DEPARTMENT OF TRANSPORTATION



From July 1, 2013, through June 30, 2018, the Department of Transportation (Department) agreed or partially agreed to implement 54 audit recommendations—10 were from financial audits and 44 were from performance audits. Based on the OSA’s follow-up audit process and information reported by the Department, as of June 30, 2019, it has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the Department also had no unimplemented audit recommendations.



# DEPARTMENT OF TREASURY

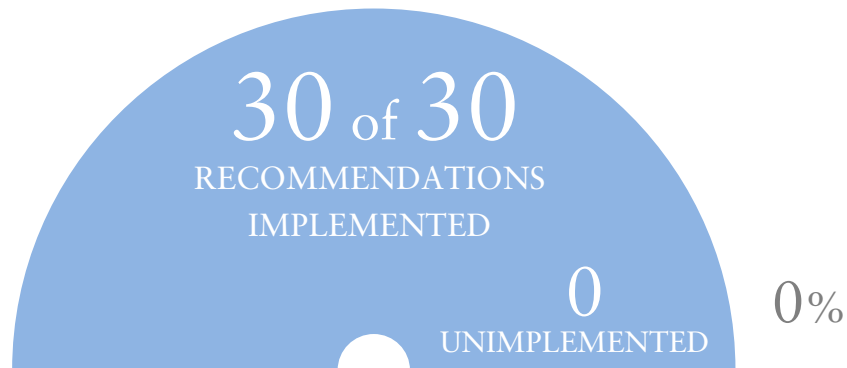


From July 1, 2013, through June 30, 2018, the Department of Treasury (Department) agreed or partially agreed to implement nine audit recommendations—eight were from financial audits and one was from a performance audit. Based on the OSA’s follow-up audit process and information reported by the Department, as of June 30, 2019, it has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the Department had one financial audit recommendation that was unimplemented.



# CONNECT FOR HEALTH COLORADO



From July 1, 2013, through June 30, 2018, Connect for Health Colorado (Connect for Health) agreed to implement 30 audit recommendations—all were from performance audits. Based on information reported by Connect for Health, as of June 30, 2019, it has no unimplemented performance audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, Connect for Health also had no unimplemented audit recommendations.





# GAMING CITIES



From July 1, 2013, through June 30, 2018, Colorado’s three Gaming Cities (Gaming Cities) agreed or partially agreed to implement six audit recommendations—all were from a performance audit. Based on information reported by the Gaming Cities, as of June 30, 2019, they have no unimplemented performance audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the Gaming Cities also had no unimplemented audit recommendations.



# GREAT OUTDOORS COLORADO



From July 1, 2013, through June 30, 2018, Great Outdoors Colorado (GOCO) agreed to implement nine audit recommendations—one was from a financial audit and eight were from a performance audit. Based on the OSA’s follow-up audit process and information provided by GOCO, as of June 30, 2019, it has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, GOCO also had no unimplemented audit recommendations.



# INDEPENDENT ETHICS COMMISSION

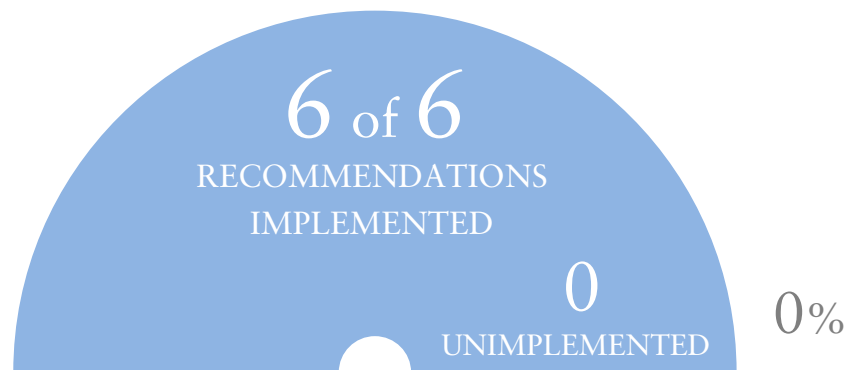


From July 1, 2013, through June 30, 2018, the Independent Ethics Commission (Commission) agreed to implement 15 audit recommendations—all were from a performance audit. Based on information reported by the Commission, as of June 30, 2019, it has no unimplemented performance audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, the Commission also had no unimplemented audit recommendations.



# PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION



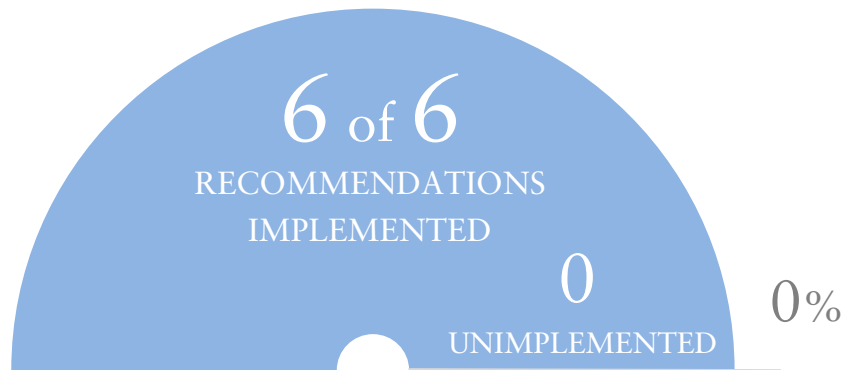
From July 1, 2013, through June 30, 2018, the Public Employees' Retirement Association (PERA) agreed to implement six audit recommendations—three were from a financial audit and three were from a performance audit. Based on the OSA's follow-up process and information reported by PERA, as of June 30, 2019, it has no unimplemented audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, PERA also had no unimplemented audit recommendations.





# REGIONAL TRANSPORTATION DISTRICT



From July 1, 2013, through June 30, 2018, the Regional Transportation District (RTD) agreed to implement six audit recommendations—all were from a performance audit. Based on information reported by RTD, as of June 30, 2019, it has no unimplemented performance audit recommendations.

In our 2018 *Annual Report: Status of Outstanding Audit Recommendations*, RTD also had no unimplemented audit recommendations.



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