



Minnesota Management and Budget Statewide Operating Procedure

Minnesota Management and Budget, Internal Control & Accountability
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Office of Legislative Auditor Audit Report Monitoring

Objective:

To ensure compliance with Minnesota Management & Budget (MMB) Statewide Operating Policy 0102-02, Office of Legislative Auditor (OLA) Audit Report Monitoring.

General Procedures:

Step	Action	Responsible Party	Timeline
1.	<p>Prepare a corrective action plan for each finding documented in the OLA financial audit report.</p> <p>The corrective action plan for each report finding must include the following:</p> <ul style="list-style-type: none">• Brief description of corrective measures taken, or to be taken;• Name(s) of the person(s) responsible for taking action; and,• Target date for resolution of the finding. <p>(NOTE: If your agency's corrective action plans were NOT submitted with, or made part of, the response letter to the OLA, you must forward a copy of the corrective action plans to MMB.)</p>	Agency Management	Within two weeks of receipt of the OLA audit report
2.	<p>Review OLA audit reports, agency responses, and corrective action plans.</p> <p>For each OLA audit report within scope of oversight, input each of the audit findings and applicable corrective action plan information into the MMB Audit Finding Tracking Database (database).</p> <p>(NOTE: The database was developed by MMB Internal Control & Accountability as a tool for identifying/monitoring internal control and compliance finding trends, and for monitoring individual agency corrective action plan implementation.)</p>	MMB, Internal Control & Accountability	N/A

Step	Action	Responsible Party	Timeline
3.	<p>Remedy reported internal control weaknesses and compliance violations in a timely manner via implementation of agency corrective action plans.</p> <p>For all audit findings determined by agency management to be “resolved” and corrected, or no longer applicable, ensure that supporting documentation of the corrective measures taken is maintained and readily available for review and substantiation by the OLA, MMB, and/or applicable state/federal agencies.</p>	Agency Management (i.e., Finding Contact Person(s) as ID on the agency corrective action plan)	As dictated by timeframes identified in the agency corrective action plan
4.	<p>Prepare a quarterly CAPSU for each agency the database identifies as having “unresolved” or “partially resolved” audit findings (i.e., open findings).</p> <p>CAPSUs will be prepared approximately every 90 days on or around the following calendar quarter dates:</p> <ul style="list-style-type: none"> • February 28 • May 31 • August 31 • November 30 (includes additional information for the federal single audit) <p>Email CAPSUs to the two pre-established, designated contact persons at each applicable agency.</p> <p>Agencies will continue to receive quarterly CAPSUs on each open finding until the finding is fully resolved or until the OLA designates the finding is no longer applicable.</p> <p>(NOTE: MMB may ask individual agencies to complete CAPSUs at dates in addition to those listed above in order to comply with federal agency requests for information regarding the status of findings identified during federal compliance audits.)</p>	MMB Internal Control & Accountability	Per schedule identified at left in Action column
5.	<p>Complete all CAPSUs and return to MMB Internal Control & Accountability via email to confirm and/or identify the following:</p> <ul style="list-style-type: none"> • Date of last CAPSU submission; • Status of corrective action plan for each audit finding (i.e., “resolved,” “partially resolved,” or “unresolved”); • Agency changes to individual corrective action plans (i.e., revised actions to be taken, persons responsible, and/or planned resolution date); and, • Changes to agency contact persons designated to receive quarterly CAPSUs and related inquiries. 	Agency Management (i.e., the designated agency contact person(s))	Within two weeks of receipt of MMB request
6.	Follow-up with agencies that failed to submit CAPSU response.	MMB Internal Control & Accountability	Two weeks after sending CAPSU to agency

Step	Action	Responsible Party	Timeline
7.	Update the database with completed CAPSU information. Follow-up as needed with individual agencies to clarify CAPSU responses or obtain additional information.	MMB Internal Control & Accountability	N/A
8.	Provide electronic copies of all submitted agency CAPSUs to the OLA.	MMB Internal Control & Accountability	At time CAPSU information is input to the database

Related Policies and Procedures

[MMB Statewide Operating Policy 0102-02 Office of the Legislative Auditor Audit Report Monitoring](http://mn.gov/mmb-stat/documents/accounting/fin-policies/chapter-1/0102-02-audit-monitoring-policy.pdf)
 (http://mn.gov/mmb-stat/documents/accounting/fin-policies/chapter-1/0102-02-audit-monitoring-policy.pdf)

[Minnesota Office of the Legislative Auditor webpage](http://www.auditor.leg.state.mn.us/) (http://www.auditor.leg.state.mn.us/)