

# Minnesota Management & Budget Statewide Procedure

Minnesota Management & Budget, Internal Control & Accountability  
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Number 0102-02.1  
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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 audit report.</p> <p>The corrective action plan for each report finding must include the following:</p> <ul style="list-style-type: none"> <li>• Brief description of corrective measures taken, or to be taken;</li> <li>• Name(s) of the person(s) responsible for taking action; and,</li> <li>• Target date for resolution of the finding.</li> </ul> <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 &amp; 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
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For all audit findings determined by agency management to be "resolved" and corrected, or no longer applicable, ensure that supporting documentation of the corrective measures taken is maintained and readily available for review and substantiation by the OLA, MMB,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	As dictated by timeframes identified in the agency corrective action plan

Step	Action	Responsible Party	Timeline
4.	<p><b>For new reports issued by the OLA:</b> To confirm the accuracy of all information input to the database and to initiate monitoring of agency corrective action plan implementation, prepare an initial Corrective Action Plan Status Update (CAPSU) spreadsheet.</p> <p><b>For existing OLA reports already in the database:</b> For ongoing monitoring of agency corrective action plan implementation, prepare a quarterly CAPSU for each agency the database identifies as having “unresolved” or “partially resolved” audit findings.</p> <p>For on-going monitoring, CAPSUs will be prepared approximately every 90 days on or around the following calendar quarter dates:</p> <ul style="list-style-type: none"> <li>• February 28</li> <li>• May 31</li> <li>• August 31</li> <li>• November 30</li> </ul> <p>Email CAPSUs to the two pre-established, designated contact persons at each applicable agency. (This step is done for new report confirmations or on-going monitoring, as applicable.)</p> <p>CAPSUs will continue to be emailed to applicable agencies each quarter until every audit finding included in every audit report for the applicable agency is fully resolved or 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 &amp; Accountability via email to confirm and/or identify the following:</p> <ul style="list-style-type: none"> <li>• Date of last CAPSU submission;</li> <li>• Status of corrective action plan for each audit finding (i.e., “resolved,” “partially resolved,” or “unresolved”);</li> <li>• Agency changes to individual corrective action plans (i.e., revised actions to be taken, persons responsible, and/or planned resolution date); and,</li> <li>• Changes to agency contact persons designated to receive quarterly CAPSUs and related inquiries.</li> </ul> <p>(NOTE: Agencies may choose an alternative method for informing MMB of corrective action plan implementation status provided the alternative documentation method contains all of the required CAPSU elements and the information is provided to MMB within the required timeframes.)</p>	Agency Management	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

## Forms

An example of the CAPSU spreadsheet: <http://www.mmb.state.mn.us/doc/ic/CAPSU-sample.xls>

## Related Policies and Procedures

MMB Statewide Operating Policy 0102-02, *Office of Legislative Auditor Audit Report Monitoring* (<http://www.mmb.state.mn.us/doc/statewide-financial/ch1/0102-02.pdf>)