Attachment A

Annual Report of Audit Recommendations Not Fully Implemented

As of June 30, 2013

OFFICE OF THE STATE AUDITOR

LEGISLATIVE AUDIT COMMITTEE
2013 MEMBERS

Representative Angela Williams
Chair

Senator Steve King
Vice-Chair

Senator Lucia Guzman
Senator Owen Hill
Representative Dan Nordberg
Representative Su Ryden
Representative Jerry Sonnenberg
Senator Lois Tochtrop

OFFICE OF THE STATE AUDITOR

Dianne E. Ray
State Auditor

Matt Devlin
Deputy State Auditor

Michelle Colin
Legislative Audit Manager

Carleen Armstrong
Larry Ciacio
Scott Gorman
Ferminia Hebert
Reed Larsen
Jenny Page
Maya Rosochacova
Legislative Auditors

The mission of the Office of the State Auditor is to improve government for the people of Colorado.

ANNUAL REPORT OF AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED

As of June 30, 2013
Report Highlights

Dianne E. Ray, CPA
State Auditor

State of Colorado

PURPOSE

Provide information on all audit recommendations made to state agencies from Fiscal Year 2009 through Fiscal Year 2013, including the number that have been fully implemented and the number that were still outstanding as of June 30, 2013.

BACKGROUND

- The Office of the State Auditor (OSA) developed a database to capture, query, and report on all audit recommendations contained in audit reports released by the Legislative Audit Committee.
- The purpose of this initiative is to hold state agencies accountable for audit recommendations they have agreed to implement and to provide better information to policy makers and the general public.
- Implementation status for financial audit recommendations is determined by the OSA through its follow-up audit process.
- Implementation status for performance and information technology (IT) recommendations is based on self-reported data from the respective state agencies.

OUR CONCLUSION

When considering the number of recommendations that the OSA has made to state agencies over the last 5 years, state agencies generally agree with our recommendations and usually implement them in a timely manner. However, there are some recommendations that have not been fully implemented and are still outstanding.

CONCERN

Of the 260 outstanding audit recommendations, 53 (20 percent) are considered to be high priority due to their seriousness or the fact that they have been outstanding for 3 years or more.

KEY FACTS

- From Fiscal Years 2009 through 2013, the OSA has made a total of 3,449 financial, performance, and IT audit recommendations to state agencies.
- State agencies agreed or partially agreed to implement 99 percent of all recommendations made during this 5-year period.
- Overall, as of June 30, 2013, state agencies have implemented 85 percent of the recommendations with which they originally agreed or partially agreed.

Financial Audit Recommendations

- Of the 3,449 recommendations made from July 2008 through June 2013, 1,703 (49 percent) were made in financial audit reports.
- Of these 1,703 financial audit recommendations, state agencies agreed or partially agreed to 1,672 (98 percent).
- As of June 30, 2013, 90 (5 percent) of the 1,672 financial audit recommendations that state agencies agreed or partially agreed to implement were still outstanding.
- Of the 90 outstanding financial audit recommendations, 14 (15 percent) are considered high priority due to their seriousness or the fact that they have been outstanding for 3 years or more.
- The number of outstanding financial audit recommendations has decreased since June 30, 2012, as reported in our October 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*).

Performance and IT Audit Recommendations

- Of the 3,449 recommendations made from July 2008 through June 2013, 1,746 (51 percent) were made in performance and IT audit reports.
- Of these 1,746 performance and IT audit recommendations, state agencies agreed or partially agreed to 1,734 (99 percent).
- As of June 30, 2013, 170 (10 percent) of the 1,734 performance and IT audit recommendations that state agencies agreed or partially agreed to implement were still outstanding.
- Of the 170 outstanding performance and IT audit recommendations, 39 (23 percent) are considered high priority due to the fact that they have been outstanding for 3 years or more.
- The number of outstanding performance and IT audit recommendations has increased since June 30, 2012, as reported in our 2012 *Annual Report*.

For further information about this report, contact the Office of the State Auditor
303.869.2800 - www.state.co.us/auditor

This page intentionally left blank.

Annual Report of Audit Recommendations Not Fully Implemented

As part of an initiative to hold state agencies accountable for audit recommendations they have agreed to implement and to provide better information to policy makers and the general public, the Office of the State Auditor (OSA) has developed a database to capture, query, and report on all audit recommendations contained in audit reports released by the Legislative Audit Committee. Enclosed is a summary of the implementation status of all recommendations made by the OSA from July 2008 through June 2013. Additional details on the recommendations that have not been fully implemented by state agencies appear in the appendices. For each agency, we have provided the following information:

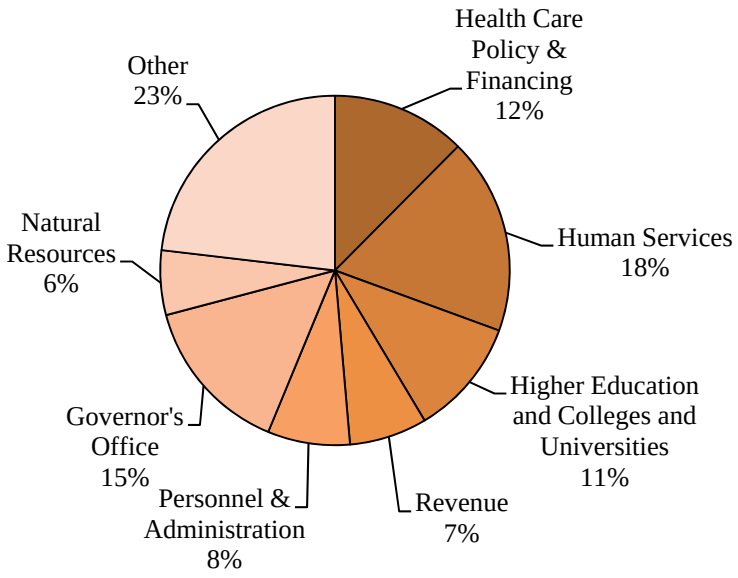
- **Financial Audit Report Recommendations.** This includes information on financial audit recommendations that have appeared in at least one annual audit report that state agencies have agreed with but have not fully implemented as of June 30, 2013. Implementation status for financial audit recommendations is determined by the OSA through its follow-up audit process, conducted by either OSA staff or contract auditors.

- **Performance and Information Technology (IT) Audit Report Recommendations.** This includes information on performance and IT audit recommendations made since July 2008 that state agencies agreed with but have not fully implemented as of June 30, 2013. Implementation status for performance and IT audit recommendations is based on self-reported data from the respective state agencies; the OSA has not audited the implementation status.

Summary Information

From July 2008 through June 2013, the OSA has made a total of 3,449 financial, performance, and IT audit recommendations to state agencies. The OSA tracks a recommendation with multiple subparts as multiple recommendations. For example, a recommendation with three subparts is tracked as three separate recommendations. Additionally, if a recommendation is made to two agencies, the recommendation is tracked as two separate recommendations. The following chart shows the breakdown of recommendations by state agency.

OSA Audit Recommendations by State Agency/Department
July 2008 Through June 2013



Source: Office of the State Auditor's recommendation database.
Note: "Other" includes the Departments of Agriculture, Corrections, Education, Labor & Employment, Law, Local Affairs, Military & Veterans Affairs, Public Health & Environment, Public Safety, Regulatory Agencies, State, Transportation, and Treasury, as well as the Great Outdoors Colorado, Judicial Department, Pinnacol Assurance, Public Employees' Retirement Association, Regional Transportation District, and Statewide Internet Portal Authority.

When audits are completed, state agencies are required to provide written responses to each audit recommendation that specify whether they agree, partially agree, or disagree to implement the recommendation. Additionally, state agencies are given the opportunity to provide a narrative response describing how and when they intend to implement each recommendation. Agency responses are included in the audit report. If an agency disagrees or partially agrees with a recommendation and does not intend to fully implement the recommendation, the agency must provide an explanation of its disagreement. The OSA follows up on the implementation status of all audit recommendations that agencies have agreed or partially agreed to implement either through follow-up audit work for financial recommendations or through status updates provided by the agency for performance and IT recommendations.

The following table shows that state agencies agreed or partially agreed to implement 99 percent of all audit recommendations made from July 2008 through June 2013.

Overall State Agency/Department Response to OSA Audit Recommendations for Reports Released From July 2008 Through June 2013		
State Agency/ Department Response	**Number of Recommendations**	**Percentage**
Agree/Partially Agree	3,406	99%
Disagree	43	1%
TOTAL	3,449	100%
Source: Office of the State Auditor's recommendation database.		

Overall, as of June 30, 2013, state agencies have implemented 85 percent of the recommendations with which they originally agreed or partially agreed. In the following sections we provide specific information related to financial audit recommendations and performance and IT audit recommendations.

Financial Audit Recommendations

Of the 3,449 recommendations made from July 2008 through June 2013, 1,703 (49 percent) were made in financial audit reports, including the Statewide Single Audit Report and separate standalone audit reports. Of these 1,703 financial audit recommendations, state agencies agreed or partially agreed to 1,672 (98 percent), as shown in the following table.

Total Number of Financial Audit Recommendations That State Agencies/Departments Agreed or Partially Agreed to Implement July 2008 Through June 2013[1]

State Agency/Department	Total Number of Recommendations Agencies Agreed or Partially Agreed to Implement	Percentage of Total
Agriculture		
Department of Agriculture	11	
State Fair	9	
Total	**20**	**1.2%**
Corrections	3	0.2%
Education	17	1.0%
Governor's Office		
Governor's Office	36	
Colorado Energy Office	3	
Colorado Tourism Office	5	
Governor's Office of Information Technology	95	
Total	**139**	**8.3%**
Health Care Policy and Financing	313	18.7%
Higher Education		
Department of Higher Education	30	
Adams State University	13	
Auraria Higher Education Center	8	
College Assist (Colorado Student Loan Program)	4	
CollegeInvest	12	
Colorado Community College System	100	
Colorado Historical Society	3	
Colorado School of Mines	25	
Colorado State University System	41	
Fort Lewis College	4	
Metropolitan State University of Denver	18	
University of Colorado System	13	
University of Northern Colorado	6	
Western State College	8	
Total	**285**	**17.1%**
Human Services	443	26.5%
Judicial	7	0.4%
Labor & Employment	70	4.2%
Law	7	0.4%
Local Affairs	12	0.7%
Military and Veterans Affairs	9	0.5%
Natural Resources	52	3.1%
Personnel & Administration	66	4.0%
Public Health and Environment	28	1.7%
Public Safety	11	0.7%
Regulatory Agencies	9	0.5%

Total Number of Financial Audit Recommendations That State Agencies/Departments Agreed or Partially Agreed to Implement July 2008 Through June 2013[1]

State Agency/Department	Total Number of Recommendations Agencies Agreed or Partially Agreed to Implement	Percentage of Total
Revenue		
Department of Revenue	85	
Colorado Lottery	8	
Total	**93**	**5.6%**
Secretary of State	17	1.0%
Transportation	14	0.8%
Treasury	26	1.6%
Great Outdoors Colorado	4	0.2%
Pinnacol Assurance	20	1.2%
Public Employees' Retirement Association	7	0.4%
TOTAL	**1,672**	**100%**

Source: Office of the State Auditor's recommendation database.
[1]Pinnacol Assurance and Public Employees' Retirement Association operate on a calendar-year basis.
[2]The 1,672 includes recommendations that were made multiple times, or repeated, over the past 5 years. These recommendations were counted as a separate recommendation each time they were made.

The number of outstanding financial audit recommendations has decreased since June 30, 2012, as reported in our October 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*). Based on the OSA's annual follow-up audit process, 90 (5 percent) of the 1,672 financial audit recommendations that the agencies agreed or partially agreed to implement were still outstanding as of June 30, 2013. By comparison, in our 2012 *Annual Report* there were 116 outstanding recommendations. The following table shows a breakdown by state agency of the total financial audit recommendations that were outstanding as of June 30, 2012, and June 30, 2013, respectively.

Outstanding Financial Audit Recommendations
As of June 30, 2012, and June 30, 2013

State Agency/Department	Number of Outstanding Recommendations 2012	2013
Agriculture		
Department of Agriculture	1	1
State Fair	0	1
Total	**1**	**2**
Governor's Office		
Governor's Office	1	0
Governor's Office of Information Technology	6	20
Total	**7**	**20**
Health Care Policy & Financing	20	15
Higher Education		
Colorado Community College System	2	1
Colorado Historical Society	0	1
Colorado State University System	1	1
Metropolitan State University of Denver	1	0
University of Colorado System	0	1
Total	**4**	**4**
Human Services	51	19
Judicial	1	0
Labor and Employment	7	4
Law	1	1
Local Affairs	1	0
Natural Resources	2	3
Personnel & Administration	5	6
Public Health and Environment	1	3
Public Safety	1	1
Regulatory Agencies	1	1
Revenue		
Department of Revenue	10	9
Colorado Lottery	0	1
Total	**10**	**10**
State	3	1
TOTAL	**116**	**90**

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

Of the 90 financial audit recommendations that were outstanding as of June 30, 2013, four were considered a "material weakness" in the agencies' internal controls, 32 were considered a "significant deficiency," 40 were considered a "deficiency in internal control," and the remaining 14 were not classified as an internal control issue. In financial audits, these terms are defined as follows:

- **Material Weakness**—the most serious level of internal control weakness and is a deficiency that could result in a material misstatement of the financial statements or material noncompliance with a federal program requirement if not corrected.

- **Significant Deficiency**—less severe than a "material weakness," but still considered a high level of internal control weakness and warrants attention by management.

- **Deficiency in Internal Control**—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, detect, or correct misstatements or noncompliance with federal program requirements.

- **Not Classified/Not an Internal Control Issue**—recommendations made to state agencies that were identified as not being in compliance with state regulations regarding cash funds balances.

The following table compares the number of outstanding financial audit recommendations by agency and severity level as of June 30, 2012, and June 30, 2013, respectively.

Comparison of Severity Levels of Outstanding Financial Audit Recommendations
As of June 30, 2012, and June 30, 2013

State Agency/Department	Material Weakness *(Most Serious)*		Significant Deficiency *(Moderately Serious)*		Deficiency in Internal Control *(Least Serious)*		Not Classified/ Not an Internal Control Issue		Total	
	2012	2013[1]	2012	2013[1]	2012	2013[1]	2012	2013[1]	2012	2013[1]
Agriculture										
Department of Agriculture							1	1	1	1
State Fair							0	1	0	1
Total							**1**	**2**	**1**	**2**
Governor's Office										
Governor's Office			1	0					1	0
Governor's Office of Information Technology			5	10	1	10			6	20
Total			**6**	**10**	**1**	**10**			**7**	**20**
Health Care Policy and Financing	2	2	6	6	12	7			20	15
Higher Education										
Colorado Community College System			2	1					2	1
Colorado Historical Society							0	1	0	1
Colorado State University System					1	1			1	1
Metropolitan State University of Denver					1	0			1	0
University of Colorado System			0	1					0	1
Total			**2**	**2**	**2**	**1**	**0**	**1**	**4**	**4**
Human Services	0	2	35	1	15	15	1	1	51	19
Judicial							1	0	1	0
Labor and Employment			1	2	5	1	1	1	7	4
Law							1	1	1	1
Local Affairs							1	0	1	0
Natural Resources			0	2	1	0	1	1	2	3
Personnel & Administration			0	4	4	1	1	1	5	6
Public Health and Environment					0	2	1	1	1	3
Public Safety							1	1	1	1
Regulatory Agencies							1	1	1	1
Revenue										
Department of Revenue			1	5	8	3	1	1	10	9
Colorado Lottery							0	1	0	1
Total			**1**	**5**	**8**	**3**	**1**	**2**	**10**	**10**
State					2	0	1	1	3	1
TOTAL	**2**	**4**	**51**	**32**	**50**	**40**	**13**	**14**	**116**	**90**

Source: Office of the State Auditor's recommendation database.
[1] As of Fiscal Years 2008 through 2012.

Of the 90 outstanding financial audit recommendations, 15 (17 percent) have been outstanding for 5 years. The following table shows a breakdown of the outstanding financial audit recommendations by state agency and the year the recommendations were first made.

Year of Origination of Outstanding Financial Audit Recommendations
Fiscal Years 2008 Through 2012
As of June 30, 2013

State Agency/Department	2012	2011	2010	2009	2008	Total
Agriculture						
Department of Agriculture					1	1
State Fair		1				1
Total		**1**			**1**	**2**
Governor's Office						
Governor's Office of Information Technology	10	9			1	20
Total	**10**	**9**			**1**	**20**
Health Care Policy & Financing	4	0	1	5	5	**15**
Higher Education						
Colorado Community College System	1					**1**
Colorado Historical Society	1					**1**
Colorado State University System				1		**1**
University of Colorado System	1					**1**
Total	**3**			**1**		**4**
Human Services	1		12	3	3	19
Judicial						0
Labor & Employment	1	2	1			4
Law					1	1
Local Affairs						0
Natural Resources	2				1	3
Personnel & Administration	1	3	2			6
Public Health & Environment	2				1	3
Public Safety				1		1
Regulatory Agencies					1	1
Revenue						
Department of Revenue	1		7		1	9
Colorado Lottery		1				1
Total	**1**	**1**	**7**		**1**	**10**
State			1			1
TOTAL	**25**	**16**	**24**	**10**	**15**	**90**

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

Of the 90 outstanding recommendations, 14 (15 percent) are considered the highest priority due to the seriousness of the internal control weaknesses and the length of time they have been outstanding. This includes all four of the material weaknesses and 10 of the significant deficiencies that have been outstanding for 3 years or more. The appendices of this report highlight in yellow the outstanding recommendations that are considered high priority for the relevant state agencies.

High-Priority Outstanding Financial Audit Recommendations. The OSA considers the financial recommendations that are "material weaknesses," regardless of age, and "significant deficiencies" that have been outstanding for 3 years or more to be high priority.

Performance and IT Audit Recommendations

Of the 3,449 recommendations made from July 1, 2008, through June 30, 2013, 1,746 (51 percent) were made in performance or IT audit reports. Of these 1,746 performance and IT audit recommendations, state agencies agreed or partially agreed to 1,734 (99 percent) of the recommendations, as shown in the following table.

Total Number of Performance and IT Audit Recommendations That State Agencies/Departments Agreed or Partially Agreed to Implement July 2008 Through June 2013

State Agency/ Department	Total Number of Recommendations Agencies Agreed or Partially Agreed to Implement	Percentage of Total
Agriculture	18	1.0%
Corrections	7	0.4%
Governor's Office		
Governor's Office	27	
Colorado Energy Office	13	
Colorado Tourism Office	6	
Governor's Office of Information Technology	300	
Office of State Planning and Budgeting	20	
Total	**366**	**21.1%**
Health Care Policy & Financing	112	6.5%
Higher Education		
Department of Higher Education	29	
CollegeInvest	50	
Colorado State University System	4	
Colorado Mesa University	1	
Metropolitan State University of Denver	1	
Total	**85**	**4.9%**

Total Number of Performance and IT Audit Recommendations That State Agencies/Departments Agreed or Partially Agreed to Implement July 2008 Through June 2013		
State Agency/ Department	**Total Number of Recommendations Agencies Agreed or Partially Agreed to Implement**	**Percentage of Total**
Human Services	160	9.2%
Judicial	57	3.3%
Labor & Employment	60	3.5%
Law	4	0.2%
Local Affairs	23	1.3%
Natural Resources	154	8.9%
Personnel & Administration	197	11.4%
Public Health & Environment	31	1.8%
Public Safety	17	1.0%
Regulatory Agencies	35	2.0%
Revenue	154	8.9%
State	2	0.1%
Transportation	143	8.2%
Treasury	9	0.5%
Great Outdoors Colorado	2	0.1%
Pinnacol Assurance	28	1.6%
Public Employees' Retirement Association	2	0.1%
Regional Transportation District	40	2.3%
Statewide Internet Portal Authority	28	1.6%
TOTAL	**1,734**	**100%**
Source: Office of the State Auditor's recommendation database.		

The number of outstanding performance and IT audit recommendations has increased since June 30, 2012, as reported in our 2012 *Annual Report.* On the basis of self-reported data from state agencies, 170 (10 percent) of the 1,734 performance and IT audit recommendations that the agencies have agreed or partially agreed to implement were outstanding as of June 30, 2013. Of the 170 outstanding recommendations, 108 (64 percent) were from reports released in Fiscal Year 2013. By comparison, in our 2012 *Annual Report*, 129 (10 percent) of the 1,350 performance and IT audit recommendations that the agencies agreed or partially to implement were outstanding as of June 30, 2012.

The following table shows a breakdown by state agency and audit report of the total performance and IT audit recommendations that were outstanding as of June 30, 2012, and June 30, 2013, respectively. Of the 170 outstanding performance and IT audit recommendations as of June 30, 2013, the highestpriority are the 39 (23 percent)

High-Priority Outstanding Performance and IT Audit Recommendations.
The OSA considers the performance and IT recommendations from reports that were released 3 years or more ago to be high priority.

recommendations from reports that were released 3 years or more ago. These reports are highlighted in yellow. The appendices of this report provide additional information on the outstanding recommendations that are considered high priority for the relevant state agencies, including the number of months between the original implementation date and the current implementation date, as provided by the agency.

Implementation Status of All OSA Performance and IT Audit Recommendations Agreed to or Partially Agreed to by State Agencies/Departments That are Outstanding As of June 30, 2012, and June 30, 2013

Department	Audit Report Name[1]	Date Report Released by the LAC	Total Number of Recommendations	Total Number of Outstanding Recommendations June 30, 2012	Total Number of Outstanding Recommendations June 30, 2013
DEPARTMENT OF AGRICULTURE					
	Anhydrous Ammonia Program, Inspection and Consumer Services Division, Department of Agriculture, Performance Audit, July 2010	August 2010	18	2	2
Department of Agriculture Total			**18**	**2**	**2**
GOVERNOR'S OFFICE					
	SAP Information System, Department of Transportation, Information Technology Audit, June 2010	July 2010	15	1	1
	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010	December 2010	47	12	12
	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	181	NA[2]	19
	Evaluation of the Sustainability of the Colorado Financial Reporting System, Governor's Office of Information Technology, Department of Personnel & Administration, Information Technology Audit, June 2011	July 2011	4	1	0
	Performance Audit of the Consolidation of Executive Branch Information Technology, March 2012	March 2012	12	12	2
	Implementation of the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act, Performance Audit, August 2012	August 2012	9	NA	1
	Performance Evaluation of State Capital Asset Management and Lease Administration Practices, November 2012	December 2012	11	NA	4
Governor's Office Total			**279**	**26**	**39**
DEPARTMENT OF HEALTH CARE POLICY & FINANCING					
	Access to Medicaid Home and Community-Based Long-Term Care Services, Department of Health Care Policy and Financing, Performance Audit, January 2009	February 2009	33	7	1
	Implementation of the Medicaid Pediatric Hospice Waiver, Department of Health Care Policy and Financing, Performance Audit, May 2011	June 2011	11	7	7
	Medicaid Eligibility Status for Adult Civil Patients at the Colorado Mental Health Institutes, Department of Health Care Policy and Financing, Department of Human Services, Performance Audit, May 2012	June 2012	4	3	0
	Medicaid Hospital Provider Fee Program, Department of Health Care Policy and Financing, Performance Audit, September 2012	October 2012	8	NA	5
Department of Health Care Policy & Financing Total			**56**	**17**	**13**
DEPARTMENT OF HIGHER EDUCATION					
	Performance Audit of the Implementation of the College Opportunity Fund Program, Department of Higher Education, June 2012	July 2012	11	NA	1
Department of Higher Education Total			**11**	**NA**	**1**
DEPARTMENT OF HUMAN SERVICES					
	Colorado Child Care Assistance Program, Department of Human Services, Performance Audit, November 2008	December 2008	31	1	0
	Controls Over Payments, Medicaid Community-Based Services—Developmental Disabilities, Department of Health Care Policy and Financing, Department of Human Services, Performance Audit, June 2009	July 2009	19	1	0
	Colorado Mental Health Institute at Pueblo, Department of Human Services Performance Audit, November 2009	December 2009	50	5	0

Department	Audit Report Name[1]	Date Report Released by the LAC	Total Number of Recommendations	Total Number of Outstanding Recommendations June 30, 2012	Total Number of Outstanding Recommendations June 30, 2013
	Psychiatric Medication Practices for Adult Civil Patients, Colorado Mental Health Institutes, Department of Human Services, Performance Audit, May 2011	June 2011	20	4	0
	State Veterans Nursing Homes, Department of Human Services, Performance Audit, August 2011	September 2011	18	3	0
	Division of Youth Corrections, Department of Human Services, Performance Audit, November 2011	December 2011	13	3	0
	Medicaid Eligibility Status for Adult Civil Patients at the Colorado Mental Health Institutes, Department of Health Care Policy and Financing, Department of Human Services, Performance Audit, May 2012	June 2012	1	1	0
Department of Human Services Total			**152**	**18**	**0**
JUDICIAL DEPARTMENT					
	Judicial Branch Oversight of Guardianships and Conservatorships, Performance Audit, September 2011	September 2011	25	10	2
	Colorado Judicial Department's Integrated Colorado Courts E-Filing and Judicial Paper on Demand Systems, Independent Verification and Validation Review, July 2012	July 2012	18	NA	6
	Implementation of the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act, Performance Audit, August 2012	August 2012	3	NA	1
	Performance Evaluation of State Capital Asset Management and Lease Administration Practices, November 2012	December 2012	46	NA	3
Judicial Department Total			**92**	**10**	**12**
DEPARTMENT OF LABOR & EMPLOYMENT					
	Unemployment Insurance Program, Department of Labor and Employment, Performance Audit, October 2011	November 2011	17	5	4
Department of Labor & Employment Total			**17**	**5**	**4**
DEPARTMENT OF LOCAL AFFAIRS					
	Board of Assessment Appeals, Department of Local Affairs, Performance Audit, December 2011	January 2012	16	15	1
Department of Local Affairs Total			**16**	**15**	**1**
DEPARTMENT OF NATURAL RESOURCES					
	Land Acquisition and Management, Division of Wildlife, Department of Natural Resources, Performance Audit, July 2009	July 2009	32	1	0
	Wildlife Cash Fund, Division of Wildlife, Department of Natural Resources, Performance Audit, May 2012	June 2012	10	6	0
Department of Natural Resources Total			**42**	**7**	**0**
DEPARTMENT OF PERSONNEL & ADMINISTRATION					
	Office of Risk Management, Department of Personnel & Administration, Performance Evaluation, September 2010	September 2010	19	2	0
	Performance Audit of the Employee Benefits Program, Department of Personnel & Administration, October 2010	November 2010	19	3	1
	Administrative Leave Use in the State Personnel System, Department of Personnel & Administration, Performance Audit, January 2011	March 2011	11	1	1
	Department of Revenue Tax Processing, Performance Audit, September 2011	September 2011	4	3	3
	Performance Audit of the Office of Administrative Courts, September 2012	October 2012	15	NA	2
	Performance Evaluation of the State Capital Asset Management and Lease Administration Practices, November 2012	December 2012	18	NA	5
	Evaluation of the Department of Personnel & Administration's Annual Compensation Survey for Fiscal Year 2014, May 2013	June 2013	13	NA	13
	Division of Human Resources and State Personnel Board, Department of Personnel & Administration, Performance Audit, May 2013	June 2013	20	NA	14
Department of Personnel & Administration Total			**119**	**9**	**39**

Department	Audit Report Name[1]	Date Report Released by the LAC	Total Number of Recommendations	Total Number of Outstanding Recommendations June 30, 2012	Total Number of Outstanding Recommendations June 30, 2013
DEPARTMENT OF PUBLIC HEALTH & ENVIRONMENT					
	Automobile Inspection and Readjustment (AIR) Program, Department of Public Health and Environment, Performance Audit, September 2009	September 2009	6	1	0
	Vehicle Emissions Program, Department of Revenue, Department of Public Health and Environment, Performance Audit, September 2010[3]	September 2010	6	2	2
	Amendment 35 Tobacco Tax Funded Grant Programs, Department of Public Health and Environment, Performance Audit, July 2012	August 2012	12	NA	2
	Automobile Inspection and Readjustment Program, Department of Public Health and Environment, Performance Audit, November 2012	December 2012	2	NA	2
	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	1	NA	1
Department of Public Health & Environment Total			**27**	**3**	**7**
DEPARTMENT OF REGULATORY AGENCIES					
	Public Utilities Commission, Department of Regulatory Agencies, Performance Audit, May 2012	June 2012	4	4	0
Department of Regulatory Agencies Total			**4**	**4**	**0**
DEPARTMENT OF REVENUE					
	Driver's License and Identification (ID) Card Security, Department of Revenue, Performance Audit, May 2008	June 2008	25	3	2
	Department of Revenue Tax Processing, Performance Audit, September 2011	September 2011	6	3	1
	Division of Gaming, Department of Revenue, Performance Audit, October 2011	November 2011	13	2	0
	Conservation Easement Tax Credit, Department of Revenue, Division of Real Estate, Performance Audit, September 2012	October 2012	40	NA	6
	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	42	NA	28
Department of Revenue Total			**126**	**8**	**37**
DEPARTMENT OF TRANSPORTATION					
	SAP Information System, Department of Transportation, Information Technology Audit, June 2010	July 2010	15	1	1
	Motorcycle Operator Safety Training Program, Department of Transportation, Performance Audit, September 2011	September 2011	18	3	0
	Outdoor Advertising Program, Department of Transportation, Performance Audit, May 2013	June 2013	10	NA	10
Department of Transportation Total			**43**	**4**	**11**
DEPARTMENT OF TREASURY					
	Treasury Investment Program, Department of Treasury, Performance Evaluation, June 2011	July 2011	4	1	0
Department of Treasury Total			**4**	**1**	**0**
STATEWIDE INTERNET PORTAL AUTHORITY					
	Statewide Internet Portal Authority, Performance Audit, November 2012	December 2012	29	NA	4
Statewide Internet Portal Authority Total			**29**	**NA**	**4**
GRAND TOTAL[4]			**1,035**	**129**	**170**

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

[1] These reports were released between July 2008 and June 2013.

[2] In the 2012 *Annual Report of Audit Recommendations Not Fully Implemented*, the OSA did not report on the recommendations from this 2010 confidential audit report

[3] Even though this report was issued in 2010, it is not highlighted yellow because the original implementation date for the two outstanding recommendations is in 2014.

[4] This total only includes the recommendations made in performance and IT reports that had outstanding recommendations. There were additional recommendations that state agencies/departments agreed or partially agreed to that were included in reports in which all of the recommendations had been fully implemented. These recommendations are not reflected in this chart.

Overall Conclusions

When considering the number of recommendations that the OSA made to state agencies over the last 5 years, the summary information above and appendices show that state agencies generally agree with our recommendations and usually implement them in a timely manner. However, there are some recommendations that have not been fully implemented and are outstanding. Policy makers now have information on recommendations that have not been fully implemented and are. This information should provide the General Assembly with additional oversight tools to hold state agencies accountable.

This page intentionally left blank.

Department of Agriculture

The Department of Agriculture (the Department) has received 38 audit recommendations since July 2008. The Department agreed or partially agreed to implement all of the recommendations. Of the 38 recommendations that the Department agreed or partially agreed to implement, 20 (53 percent) were from financial audit reports, and 18 (47 percent) were from performance and/or IT audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that two (10 percent) of the 20 financial audit recommendations that the Department agreed or partially agreed to implement are still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had one outstanding financial audit recommendation.

Both of the outstanding recommendations were not classified as an internal control issue. One was made to state agencies that were identified as not being in compliance with state regulations regarding cash funds balances. This recommendation has been outstanding for 5 years. The second recommendation was made to the State Fair, and it has been outstanding for 2 years.

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that 16 (89 percent) of the 18 performance and/or IT audit recommendations that the Department agreed or partially agreed to implement have been fully implemented, and two are still outstanding. In our 2012 *Annual Report*, the Department had the same two outstanding performance and/or IT audit recommendations.

The following table provides information related to the two outstanding performance and/or IT recommendations for the Department as of June 30, 2013, including the number of months from the original implementation date to the current implementation date, as provided by the Department. These two outstanding recommendations, which are from the *Anhydrous Ammonia Program* performance audit, are considered to be a high priority because the report was released 3 years or more ago. Recommendation 3(d) from this report was to improve data management systems and practices to compile, track, and analyze tank-level inspection data over time. Recommendation 7(a) was to identify the Division's data needs, system requirements, reporting capabilities, and other functions necessary to effectively manage the program's registration, inspection, and enforcement processes. These recommendations are highlighted in yellow.

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Agriculture	Anhydrous Ammonia Program, Inspection and Consumer Services Division, Department of Agriculture, Performance Audit, July 2010	August 2010	2058	3D	Oversight & Accountability -- Program Administration	Partially Implemented	7/31/2012	5/31/2014	22
Department of Agriculture	Anhydrous Ammonia Program, Inspection and Consumer Services Division, Department of Agriculture, Performance Audit, July 2010	August 2010	2058	7A	Information Technology -- Information System Analysis, Conversion, Migration, & Implementation	Partially Implemented	7/31/2012	5/31/2014	22

Department of Corrections

The Department of Corrections (the Department) has received 10 audit recommendations since July 2008. The Department agreed or partially agreed to implement all of the recommendations. Of the 10 recommendations the Department agreed or partially agreed to implement, three (30 percent) were from financial audit reports, and seven (70 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had no outstanding financial audit recommendations.

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that all of the performance and/or IT audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report*, the Department had no outstanding performance and/or IT audit recommendations.

This page intentionally left blank.

Department of Education

The Department of Education (the Department) has received 17 audit recommendations since July 2008. The Department agreed or partially agreed to implement all of the recommendations. Of the 17 recommendations the Department agreed or partially agreed to implement, all were from financial audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had no outstanding financial audit recommendations.

This page intentionally left blank.

Governor's Office

The Governor's Office, including the Governor's Office of Information Technology, has received 505 audit recommendations since July 2008. The Governor's Office agreed or partially agreed to implement all of the recommendations. Of the 505 recommendations the Governor's Office agreed or partially agreed to implement, 139 (28 percent) were from financial audit reports, and 366 (72 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that 20 (14 percent) of the 139 financial audit recommendations that the Governor's Office agreed or partially agreed to implement are still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Governor's Office had seven outstanding financial audit recommendations.

Of the outstanding recommendations, 10 are significant deficiencies, of which nine are related to the KRONOS payroll system and one is related to the Colorado Personnel Payroll System (CPPS). There are also 10 deficiencies in internal control related to internal controls over the County Financial Management System (CFMS), the Colorado Mental Health Institutes' medical procedure database and patient billing system (AVATAR), the state mainframe computer, the Colorado Benefits Management System (CBMS), and service-level contracts between the Governor's Office of Information Technology and Executive Branch agencies.

The following table summarizes the outstanding recommendations by level of deficiency, recommendation category, and length of time the recommendations have been outstanding.

Governor's Office
Outstanding Financial Audit Recommendations
As of June 30, 2013

Recommendation Deficiency Classification	Recommendation Category	Number of Years Outstanding					Total
		1	2	3	4	5	
Significant Deficiency	Information Technology	1	9	0	0	0	10
Significant Deficiency Sub-Total		**1**	**9**	**0**	**0**	**0**	**10**
Deficiency in Internal Control	Information Technology	9	0	0	0	1	10
Deficiency in Internal Control Sub-Total		**9**	**0**	**0**	**0**	**1**	**10**
	TOTAL	**10**	**9**	**0**	**0**	**1**	**20**

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

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Governor's Office reports that 327 (89 percent) of the 366 performance and/or IT audit recommendations that the Governor's Office agreed or partially agreed to implement have been fully implemented, and 39 (11 percent) are still outstanding. In our 2012 *Annual Report*, the Governor's Office had 26 outstanding performance and/or IT recommendations.

The following table provides information related to the 39 outstanding performance and/or IT recommendations for the Governor's Office as of June 30, 2013, including the number of months from the original implementation date to the current implementation date, as provided by the Governor's Office. The one outstanding recommendation from the *SAP Information System* audit and the 31 outstanding recommendations from the *Office of Cyber Security* audit are considered to be a high priority because the reports were released 3 years or more ago. Recommendation 3(b) from the *SAP Information System* report was to ensure that the disaster recovery plan for the SAP Information System included all components required by State Cyber Security Policies. The 31 outstanding recommendations from the Office of Cyber Security audit addressed various security issues, such as improving the agency cyber security plan processes, the State's incident identification and response processes, and the security of public agencies' internal networks. Of the 31 recommendations, 19 were from the confidential portion of the report. The high-priority recommendations are highlighted in yellow.

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Governor's Office of Information Technology (OIT)	SAP Information System, Department of Transportation, Information Technology Audit, June 2010	July 2010	2012	3B	Information Technology -- Information System Security	Partially Implemented	3/31/2011	6/30/2014	39
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010	December 2010	2068A	1A	Information Technology -- Information System Security	Partially Implemented	7/31/2011	7/31/2014	36
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010	December 2010	2068A	2B	Information Technology -- Information System Security	Partially Implemented	7/31/2011	3/31/2014	32

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010	December 2010	2068A	2D	Information Technology -- Information System Security	Partially Implemented	7/31/2011	7/31/2014	36
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010	December 2010	2068A	6A	Information Technology -- Information System Security	Partially Implemented	7/31/2011	12/31/2014	41
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010	December 2010	2068A	7D	Information Technology -- Information System Security	Partially Implemented	7/31/2011	12/31/2014	41

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010	December 2010	2068A	7E	Information Technology -- Information System Security	Partially Implemented	7/31/2011	12/31/2014	41
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010	December 2010	2068A	7F	Information Technology -- Information System Security	Partially Implemented	7/31/2011	12/31/2014	41
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010	December 2010	2068A	8A	Information Technology -- Information System Security	Partially Implemented	7/31/2011	12/31/2014	41

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010	December 2010	2068A	8F	Information Technology -- Information System Security	Partially Implemented	7/31/2011	12/31/2014	41
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010	December 2010	2068A	8G	Information Technology -- Information System Security	Partially Implemented	7/31/2011	7/31/2014	36
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010	December 2010	2068A	9A	Information Technology -- Information System Security	Partially Implemented	7/31/2013	12/31/2014	17

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010	December 2010	2068A	9B	Information Technology -- Information System Security	Partially Implemented	7/31/2013	7/31/2014	12
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	CDLE-EAF-H2	Information Technology - Information System Security	Partially Implemented	2/28/2011	7/31/2014	41
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	CDLE-EAF-H3	Information Technology - Information System Security	Not Implemented	2/28/2011	7/31/2014	41

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	CDLE-EAF-H7	Information Technology - Information System Security	Partially Implemented	2/28/2011	7/31/2014	41
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	CDLE-EAF-M4	Information Technology - Information System Security	Partially Implemented	5/31/2011	7/31/2014	38
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	CDLE-EAF-M5	Information Technology - Information System Security	Not Implemented	5/31/2011	7/31/2014	38

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	CDLE-ENF-H2	Information Technology - Information System Security	Partially Implemented	2/28/2011	7/31/2014	41
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	DNR-EAF-H1	Information Technology - Information System Security	Partially Implemented	2/28/2011	7/31/2014	41
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	DNR-EAF-H2	Information Technology - Information System Security	Not Implemented	2/28/2011	7/31/2014	41

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	DNR-EAF-H3	Information Technology - Information System Security	Not Implemented	2/28/2011	7/31/2014	41
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	DNR-INF-H1	Information Technology - Information System Security	Not Implemented	2/28/2011	7/31/2014	41
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	DNR-INF-H2	Information Technology - Information System Security	Not Implemented	2/28/2011	7/31/2014	41

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	DOR-EAF-M1	Information Technology - Information System Security	Not Implemented	5/31/2011	7/31/2014	38
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	DPS-EAF-H1	Information Technology - Information System Security	Not Implemented	2/28/2011	7/31/2014	41
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	DPS-EAF-H2	Information Technology - Information System Security	Partially Implemented	2/28/2011	7/31/2014	41

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	DPS-EAF-H3	Information Technology - Information System Security	Not Implemented	2/28/2011	7/31/2014	41
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	DPS-EAF-M1	Information Technology - Information System Security	Not Implemented	5/31/2011	7/31/2014	38
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	DPS-EAF-M2	Information Technology - Information System Security	Not Implemented	5/31/2011	7/31/2014	38

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	DPS-EAF-M3	Information Technology - Information System Security	Not Implemented	5/31/2011	7/31/2014	38
Governor's Office of Information Technology (OIT)	Office of Cyber Security, Governor's Office of Information Technology, Performance Audit, November 2010, CONFIDENTIAL	December 2010	2068B	DPS-EAF-M4	Information Technology - Information System Security	Not Implemented	5/31/2011	7/31/2014	38
Governor's Office of Information Technology (OIT)	Performance Audit of the Consolidation of Executive Branch Information Technology, Governor’s Office, March 2012	March 2012	2151	3	Oversight & Accountability - Program Administration	Partially Implemented	7/31/2012	7/31/2014	24

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Governor's Office of Information Technology (OIT)	Performance Audit of the Consolidation of Executive Branch Information Technology, Governor's Office, March 2012	March 2012	2151	5	Oversight & Accountability - Program Administration	Partially Implemented	12/31/2012	12/31/2013	12
Office of State Planning & Budgeting	Implementation of the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act, Performance Audit, August 2012	August 2012	2168	1G	Oversight & Accountability - Program Administration	Partially Implemented	10/31/2012	5/31/2014	19

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Office of State Planning & Budgeting	Performance Evaluation of State Capital Asset Management and Lease Administration Practices, November 2012	December 2012	2175	2B	Oversight & Accountability - Program Administration	Partially Implemented	5/31/2013	12/31/2013	7
Office of State Planning & Budgeting	Performance Evaluation of State Capital Asset Management and Lease Administration Practices, November 2012	December 2012	2175	2C	Oversight & Accountability - Program Administration	Partially Implemented	5/31/2013	12/31/2013	7
Office of State Planning & Budgeting	Performance Evaluation of State Capital Asset Management and Lease Administration Practices, November 2012	December 2012	2175	4A	Oversight & Accountability - Program Administration	Partially Implemented	5/31/2013	12/31/2013	7

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented Implementation Status is Self-Reported by the Agency and Not Audited by the OSA July 2008 Through June 2013									
Agency	**Audit Report Name**	**Date Report Released by LAC**	**Report Number**	**Rec Number**	**Issue Area**	**Implementation Status**	**Original Implementation Date**	**Current Implementation Date**	**Number of Months Between Original and Current Implementation Dates**
Office of State Planning & Budgeting	Performance Evaluation of State Capital Asset Management and Lease Administration Practices, November 2012	December 2012	2175	4B	Oversight & Accountability - Program Administration	Partially Implemented	5/31/2013	12/31/2013	7

Department of Health Care Policy and Financing

The Department of Health Care Policy and Financing (the Department) has received 429 audit recommendations since July 2008. The Department agreed or partially agreed to implement 425 (99 percent) of the recommendations. The Department disagreed with the remaining four (1 percent) recommendations, and therefore does not intend to implement them. Of the 425 recommendations the Department agreed or partially agreed to implement, 313 (74 percent) were from financial audit reports, and 112 (26 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that 15 (5 percent) of the 313 financial audit recommendations that the Department agreed or partially agreed to implement are still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report)*, the Department had 20 outstanding financial audit recommendations.

Of the outstanding recommendations, there are two material weaknesses related to the eligibility of Medicaid providers and the Children's Basic Health Plan (CBHP) program. Six are significant deficiencies, of which three are related to the Medicaid Management Information System (MMIS), one is related to the CBHP program, one is related to payment reclassification for the Medicaid and CBHP programs, and one is related to personnel costs for the Medicaid and CBHP programs. Seven are deficiencies in internal control, of which four are related to the Medicaid program, one to the CBHP program, one to the Colorado Benefits Management System (CBMS), and one to interagency agreements.

The following table summarizes the outstanding recommendations by level of deficiency, recommendation category, and length of time the recommendations have been outstanding. Of these outstanding recommendations, the two material weaknesses and four significant deficiencies that have been outstanding for 3 years or more are considered to be a high priority. These recommendations are highlighted in yellow.

Department of Health Care Policy and Financing
Outstanding Financial Audit Recommendations
As of June 30, 2013

Recommendation Deficiency Classification	Recommendation Category	Number of Years Outstanding					Total
		1	2	3	4	5	
Material Weakness	Provider Eligibility - Medicaid	0	0	0	0	1	1
	Beneficiary Eligibility - CBHP	0	0	0	1	0	1
Material Weakness Sub-Total		**0**	**0**	**0**	**1**	**1**	**2**
Significant Deficiency	Beneficiary Eligibility - CBHP	0	0	0	0	1	1
	IT – (MMIS)	0	0	0	0	3	3
	Payments Reclassification – Medicaid and CBHP	1	0	0	0	0	1
	Personnel Cost Documentation – Medicaid and CBHP	1	0	0	0	0	1
Significant Deficiency Sub-Total		**2**	**0**	**0**	**0**	**4**	**6**
Deficiency in Internal Control	Rate Setting and Claims Processing - Medicaid	0	0	1	3	0	4
	Beneficiary Eligibility - CBHP	0	0	0	1	0	1
	IT – (CBMS)	1	0	0	0	0	1
	Interagency Agreements	1	0	0	0	0	1
Deficiency in Internal Control Sub-Total		**2**	**0**	**1**	**4**	**0**	**7**
	TOTAL	**4**	**0**	**1**	**5**	**5**	**15**

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

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that 99 (88 percent) of the 112 performance and/or IT audit recommendations that the Department agreed or partially agreed to implement have been fully implemented, and 13 (12 percent) are still outstanding. In our 2012 *Annual Report*, the Department had 17 outstanding performance and/or IT recommendations.

The following table provides information related to the 13 outstanding performance and/or IT recommendations for the Department as of June 30, 2013, including the number of months from the original implementation date to the current implementation date, as provided by the Department. The one outstanding recommendation from the *Access to Medicaid Home and Community-Based Long-Term Care Services* performance audit is considered to be a high priority because the report was released 3 years or more ago. This recommendation [Recommendation 5(d)] was to identify the extent to which home and community-based service waiver clients access other public outlays of non-Medicaid benefits and the cost of these other services. This recommendation is highlighted in yellow.

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Health Care Policy and Financing	Access to Medicaid Home and Community-Based Long-Term Care Services, Department of Health Care Policy and Financing, Performance Audit, January 2009	February 2009	1914	5D	Oversight & Accountability - Program Oversight	Partially Implemented	12/31/2009	12/31/2013	48
Department of Health Care Policy and Financing	Implementation of the Medicaid Pediatric Hospice Waiver, Department of Health Care Policy and Financing, Performance Audit, May 2011	June 2011	2134	1A	Eligibility & Service Authorizations -- Service Authorizations	Partially Implemented	7/31/2012	12/31/2013	17

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Health Care Policy and Financing	Implementation of the Medicaid Pediatric Hospice Waiver, Department of Health Care Policy and Financing, Performance Audit, May 2011	June 2011	2134	1B	Eligibility & Service Authorizations -- Service Authorizations	Partially Implemented	7/31/2012	12/31/2013	17
Department of Health Care Policy and Financing	Implementation of the Medicaid Pediatric Hospice Waiver, Department of Health Care Policy and Financing, Performance Audit, May 2011	June 2011	2134	1C	Oversight & Accountability -- Program Oversight	Partially Implemented	7/31/2012	12/31/2013	17

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Health Care Policy and Financing	Implementation of the Medicaid Pediatric Hospice Waiver, Department of Health Care Policy and Financing, Performance Audit, May 2011	June 2011	2134	2B	Contract Management -- Contract Provisions	Partially Implemented	7/31/2012	3/31/2014	20
Department of Health Care Policy and Financing	Implementation of the Medicaid Pediatric Hospice Waiver, Department of Health Care Policy and Financing, Performance Audit, May 2011	June 2011	2134	3A	Information Technology -- Information System Application Controls	Partially Implemented	7/31/2012	12/31/2013	17

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Health Care Policy and Financing	Implementation of the Medicaid Pediatric Hospice Waiver, Department of Health Care Policy and Financing, Performance Audit, May 2011	June 2011	2134	3B	Contract Management -- Other Contract Issues	Partially Implemented	7/31/2012	12/31/2013	17
Department of Health Care Policy and Financing	Implementation of the Medicaid Pediatric Hospice Waiver, Department of Health Care Policy and Financing, Performance Audit, May 2011	June 2011	2134	4	Oversight & Accountability -- Service Delivery & Outcomes	Partially Implemented	7/31/2012	3/31/2014	20

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Health Care Policy and Financing	Medicaid Hospital Provider Fee Program, Department of Health Care Policy and Financing, Performance Audit, September 2012	October 2012	2177	1A	Internal Controls & Compliance Issues - Other Compliance Issues	Not Implemented	12/31/2013	12/31/2013	0
Department of Health Care Policy and Financing	Medicaid Hospital Provider Fee Program, Department of Health Care Policy and Financing, Performance Audit, September 2012	October 2012	2177	1B	Internal Controls & Compliance Issues - Other Compliance Issues	Not Implemented	12/31/2013	12/31/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Health Care Policy and Financing	Medicaid Hospital Provider Fee Program, Department of Health Care Policy and Financing, Performance Audit, September 2012	October 2012	2177	1C	Internal Controls & Compliance Issues - Other Compliance Issues	Not Implemented	12/31/2013	12/31/2013	0
Department of Health Care Policy and Financing	Medicaid Hospital Provider Fee Program, Department of Health Care Policy and Financing, Performance Audit, September 2012	October 2012	2177	1D	Internal Controls & Compliance Issues - Other Compliance Issues	Not Implemented	12/31/2013	12/31/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Health Care Policy and Financing	Medicaid Hospital Provider Fee Program, Department of Health Care Policy and Financing, Performance Audit, September 2012	October 2012	2177	3B	Information Technology - Information System Controls	Not Implemented	10/31/2013	10/31/2013	0

Department of Higher Education

The Department of Higher Education (the Department) has received 61 audit recommendations since July 2008. The Department agreed or partially agreed to implement 59 (97 percent) of the recommendations. The Department disagreed with the remaining two (3 percent) recommendations, and therefore does not intend to implement them. Of the 59 recommendations the Department agreed or partially agreed to implement, 30 (51 percent) were from financial audit reports, and 29 (49 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had no outstanding financial audit recommendations.

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that 28 (97 percent) of the 29 performance and/or IT audit recommendations that the Department agreed or partially agreed to implement have been fully implemented, and one (3 percent) is still outstanding. In our 2012 *Annual Report*, the Department had no outstanding performance and/or IT recommendations.

The following table provides information related to the outstanding performance recommendation for the Department as of June 30, 2013, including the number of months from the original implementation date to the current implementation date, as provided by the Department.

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Higher Education	Performance Audit of the Implementation of the College Opportunity Fund Program, Department of Higher Education, June 2012	July 2012	2162	1B	Contract Management - Other Contract Issues	Partially Implemented	12/31/2012	7/31/2014	19

Adams State University

Adams State University (the University) has received 13 audit recommendations since July 2008. The University agreed or partially agreed to implement all of the recommendations. Of the 13 recommendations the University agreed or partially agreed to implement, all were from financial audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that the University agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the University had no outstanding financial audit recommendations.

Auraria Higher Education Center

The Auraria Higher Education Center (AHEC) has received eight audit recommendations since July 2008. AHEC agreed or partially agreed to implement all of the recommendations. Of the eight recommendations AHEC agreed or partially agreed to implement, all were from financial audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that AHEC agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), AHEC had no outstanding financial audit recommendations.

College Assist
(Colorado Student Loan Program)

College Assist has received four audit recommendations since July 2008. College Assist agreed or partially agreed to implement all of the recommendations. Of the four recommendations College Assist agreed or partially agreed to implement, all were from financial audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that College Assist agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), College Assist had no outstanding financial audit recommendations.

CollegeInvest

CollegeInvest has received 63 audit recommendations since July 2008. CollegeInvest agreed or partially agreed to implement 62 (98 percent) of the recommendations. CollegeInvest disagreed with the remaining one (2 percent) recommendation, and therefore does not intend to implement it. Of the 62 recommendations CollegeInvest agreed or partially agreed to implement, 12 (19 percent) were from financial audit reports, and 50 (81 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that CollegeInvest agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), CollegeInvest had no outstanding financial audit recommendations.

Performance and/or IT Audit Recommendations

As of June 30, 2013, CollegeInvest reports that all of the performance and/or IT audit recommendations that CollegeInvest agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report*, CollegeInvest had no outstanding performance and/or IT audit recommendations.

Colorado Community College System

The Colorado Community College System (the System) has received 100 audit recommendations since July 2008. The System agreed or partially agreed to implement all of the recommendations. Of the 100 recommendations the System agreed or partially agreed to implement, all were from financial audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that one (1 percent) of the 100 financial audit recommendations that the System agreed or partially agreed to implement is still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the System had two outstanding financial audit recommendations.

The outstanding recommendation is a significant deficiency related to Title IV-E federal funds. This recommendation has been outstanding for 1 year.

Colorado Historical Society

The Colorado Historical Society (the Historical Society) has received three audit recommendations since July 2008. The Historical Society agreed or partially agreed to implement all of the recommendations. Of the three recommendations the Historical Society agreed or partially agreed to implement, all were from financial audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that one (33 percent) of the three financial audit recommendations that the Historical Society agreed or partially agreed to implement is still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Historical Society had no outstanding financial audit recommendations.

The outstanding recommendation was made to state agencies that were identified as not being in compliance with state regulations regarding cash funds balances. This recommendation is not classified as an internal control issue and has been outstanding for 1 year.

Colorado Mesa University

Colorado Mesa University (the University) has received two audit recommendations since July 2008. The University agreed to implement one (50 percent) of the recommendations. The University disagreed with the remaining one (50 percent) recommendation. However, it went on to implement the recommendation. The one recommendation the University agreed to implement was from a performance and/or information technology (IT) audit report.

Performance and/or IT Audit Recommendations

As of June 30, 2013, the University reports that the performance and/or IT audit recommendation the University agreed to implement has been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the University had no outstanding performance and/or IT audit recommendations.

Colorado School of Mines

The Colorado School of Mines (the School) has received 25 audit recommendations since July 2008. The School agreed or partially agreed to implement all of the recommendations. Of the 25 recommendations the School agreed or partially agreed to implement, all were from financial audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that the School agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the School had no outstanding financial audit recommendations.

Colorado State University System

The Colorado State University System (the System) has received 45 audit recommendations since July 2008. The System agreed or partially agreed to implement all of the recommendations. Of the 45 recommendations the System agreed or partially agreed to implement , 41 (91 percent) were from financial audit reports, and four (9 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that one (2 percent) of the 41 financial audit recommendations that the System agreed or partially agreed to implement is still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the System had one outstanding financial audit recommendation.

The outstanding recommendation is a deficiency in internal control related to information system security. This recommendation has been outstanding for 4 years.

Performance and/or IT Audit Recommendations

As of June 30, 2013, the System reports that all of the performance and/or IT audit recommendations that the System agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report*, the System had no outstanding performance and/or IT audit recommendations.

Fort Lewis College

Fort Lewis College (the College) has received four audit recommendations since July 2008. The College agreed or partially agreed to implement all of the recommendations. Of the four recommendations the College agreed or partially agreed to implement, all were from financial audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that the College agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the College had no outstanding financial audit recommendations.

Metropolitan State University of Denver

Metropolitan State University of Denver (the University) has received 19 audit recommendations since July 2008. The University agreed or partially agreed to implement all of the recommendations. Of the 19 recommendations the University agreed or partially agreed to implement, 18 (95 percent) were from financial audit reports, and one (5 percent) was from a performance and/or information technology (IT) audit report.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that the University agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the University had one outstanding financial audit recommendation.

Performance and/or IT Audit Recommendations

As of June 30, 2013, the University reports that the performance and/or IT audit recommendation the University agreed to implement has been fully implemented. In our 2012 *Annual Report*, the University had no outstanding performance and/or IT audit recommendations.

University of Colorado System

The University of Colorado System (the System) has received 13 audit recommendations since July 2008. The System agreed or partially agreed to implement all of the recommendations. Of the 13 recommendations the System agreed or partially agreed to implement, all were from financial audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that one (8 percent) of the 13 financial audit recommendations that the System agreed or partially agreed to implement is still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the System had no outstanding financial audit recommendations.

The outstanding recommendation is a significant deficiency related to Title IV-E federal funds. This recommendation has been outstanding for 1 year.

University of Northern Colorado

The University of Northern Colorado (the University) has received six audit recommendations since July 2008. The University agreed or partially agreed to implement all of the recommendations. Of the six recommendations the University agreed or partially agreed to implement, all were from financial audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that the University agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the University had no outstanding financial audit recommendations.

Western State College

Western State College (the College) has received eight audit recommendations since July 2008. The College agreed or partially agreed to implement all of the recommendations. Of the eight recommendations the College agreed or partially agreed to implement, all were from financial audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that the College agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the College had no outstanding financial audit recommendations.

Department of Human Services

The Department of Human Services (the Department) has received 626 audit recommendations since July 2008. The Department agreed or partially agreed to implement 603 (96 percent) of the recommendations. The Department disagreed with the remaining 23 (4 percent) recommendations, and therefore does not intend to implement them. Of the 603 recommendations the Department agreed or partially agreed to implement, 443 (73 percent) were from financial audit reports, and 160 (27 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that 19 (4 percent) of the 443 financial audit recommendations that the Department agreed or partially agreed to implement are still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had 51 outstanding financial audit recommendations.

Of the outstanding recommendations, two are material weaknesses related to Temporary Assistance for Needy Families (TANF) and the Vocational Rehabilitation program, and one is a significant deficiency related to the Low-Income Energy Assistance Program (LEAP). There are 15 deficiencies in internal control, 10 of which are IT recommendations related to the Electronic Benefits Transfer System (EBT), Colorado Benefits Management System (CBMS), County Financial Management System (CFMS), and Colorado Mental Health Institutes' medical procedure database and patient billing system (AVATAR). Three of the deficiencies in internal control are related to financial statement issues, and two are related to general grant management. The final outstanding recommendation, which is not classified as an internal control issue, was made to state agencies that were identified as not being in compliance with state regulations regarding cash funds balances.

The following table summarizes the outstanding recommendations by level of deficiency, recommendation category, and length of time the recommendations have been outstanding. Of these outstanding recommendations, the two material weaknesses and the one significant deficiency that has been outstanding for 3 years or more are the ones considered to be a high priority. These recommendations are highlighted in yellow.

Department of Human Services Outstanding Financial Audit Recommendations As of June 30, 2013							
Recommendation Deficiency Classification	**Recommendation Category**	**Number of Years Outstanding**					**Total**
		1	**2**	**3**	**4**	**5**	
Material Weakness	TANF	0	0	0	0	1	1
	Vocational Rehabilitation	0	0	1	0	0	1
Material Weakness Sub-Total		**0**	**0**	**1**	**0**	**1**	**2**
Significant Deficiency	LEAP	0	0	1	0	0	1
Significant Deficiency Sub-Total		**0**	**0**	**1**	**0**	**0**	**1**
Deficiency in Internal Control	Financial Statement	0	0	0	3	0	3
	Information Technology	1	0	8	0	1	10
	General Grant Management	0	0	2	0	0	2
Deficiency in Internal Control Sub-Total		**1**	**0**	**10**	**3**	**1**	**15**
Not Classified – not an internal control issue	Cash Funds	0	0	0	0	1	1
Not Classified Sub-Total		**0**	**0**	**0**	**0**	**1**	**1**
	TOTAL	**1**	**0**	**12**	**3**	**3**	**19**

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

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that all of the performance and/or IT audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report*, the Department had 18 outstanding performance and/or IT audit recommendations.

Judicial Department

The Judicial Department (the Department) has received 65 audit recommendations since July 2008. The Department agreed or partially agreed to implement 64 (98 percent) of the recommendations. The Department disagreed with the remaining one (2 percent) recommendation, and therefore does not intend to implement it. Of the 64 recommendations the Department agreed or partially agreed to implement, seven (11 percent) were from financial audit reports, and 57 (89 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had one outstanding financial audit recommendation.

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that 45 (79 percent) of the 57 performance audit recommendations that the Department agreed or partially agreed to implement are fully implemented, and 12 (21 percent) are still outstanding. In our 2012 *Annual Report*, the Department had 10 outstanding performance and/or IT audit recommendations.

The following table provides information related to the outstanding performance and/or IT recommendations for the Department as of June 30, 2013, including the number of months from the original implementation date to the current implementation date, as provided by the Department.

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Judicial Department	Judicial Branch Oversight of Guardianships and Conservatorships, Performance Audit, September 2011	September 2011	2132	7	Oversight & Accountability -- Program Oversight	Partially Implemented	6/30/2012	12/31/2013	18
Judicial Department	Judicial Branch Oversight of Guardianships and Conservatorships, Performance Audit, September 2011	September 2011	2132	8C	Oversight & Accountability -- Program Oversight	Partially Implemented	12/31/2012	7/31/2014	19
Judicial Department	Colorado Judicial Department's Integrated Colorado Courts E-Filing and Judicial Paper on Demand Systems, Independent Verification and Validation Review, July 2012	July 2012	2172	2B	Information Technology - Information System Controls	Partially Implemented	1/31/2014	1/31/2014	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Judicial Department	Colorado Judicial Department's Integrated Colorado Courts E-Filing and Judicial Paper on Demand Systems, Independent Verification and Validation Review, July 2012	July 2012	2172	2C	Information Technology - Information System Controls	Partially Implemented	1/31/2014	1/31/2014	0
Judicial Department	Colorado Judicial Department's Integrated Colorado Courts E-Filing and Judicial Paper on Demand Systems, Independent Verification and Validation Review, July 2012	July 2012	2172	3B	Information Technology - Information System Controls	Not Implemented	9/30/2013	9/30/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Judicial Department	Colorado Judicial Department's Integrated Colorado Courts E-Filing and Judicial Paper on Demand Systems, Independent Verification and Validation Review, July 2012	July 2012	2172	3C	Information Technology - Information System Controls	Partially Implemented	9/30/2014	9/30/2014	0
Judicial Department	Colorado Judicial Department's Integrated Colorado Courts E-Filing and Judicial Paper on Demand Systems, Independent Verification and Validation Review, July 2012	July 2012	2172	4D	Information Technology - Information System Controls	Partially Implemented	7/31/2013	7/31/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Judicial Department	Colorado Judicial Department's Integrated Colorado Courts E-Filing and Judicial Paper on Demand Systems, Independent Verification and Validation Review, July 2012	July 2012	2172	4F	Information Technology - Information System Controls	Not Implemented	2/28/2012	2/28/2014	24
Judicial Department	Implementation of the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act, Performance Audit, August 2012	August 2012	2168	4A	Oversight & Accountability - Program Oversight	Partially Implemented	8/31/2012	7/31/2014	23

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Judicial Department	Performance Evaluation of State Capital Asset Management and Lease Administration Practices, November 2012	December 2012	2175	3A	Oversight & Accountability - Program Administration	Partially Implemented	11/30/2013	11/30/2013	0
Judicial Department	Performance Evaluation of State Capital Asset Management and Lease Administration Practices, November 2012	December 2012	2175	3B	Oversight & Accountability - Program Administration	Partially Implemented	11/30/2013	11/30/2013	0
Judicial Department	Performance Evaluation of State Capital Asset Management and Lease Administration Practices, November 2012	December 2012	2175	3C	Oversight & Accountability - Program Administration	Partially Implemented	11/30/2013	11/30/2013	0

Department of Labor and Employment

The Department of Labor and Employment (the Department) has received 130 audit recommendations since July 2008. The Department agreed or partially agreed to implement all of the recommendations. Of the 130 recommendations the Department agreed or partially agreed to implement, 70 (54 percent) were from financial audit reports, and 60 (46 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that four (6 percent) of the 70 financial audit recommendations that the Department agreed or partially agreed to implement are still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had seven outstanding financial audit recommendations.

Of the four outstanding recommendations, two are significant deficiencies in IT controls related to the Colorado Unemployment Benefits System (CUBS) and the Colorado Automated Tax System (CATS), one is a deficiency in internal control related to financial statement issues, and one is not classified as an internal control issue and was made to state agencies that were identified as not being in compliance with state regulations regarding cash funds balances.

The following table summarizes the outstanding recommendations by level of deficiency, recommendation category, and length of time the recommendations have been outstanding.

Department of Labor and Employment
Outstanding Financial Audit Recommendations
Implementation Status As of June 30, 2013

Recommendation Deficiency Classification	Recommendation Category	Number of Years Outstanding					Total
		1	2	3	4	5	
Significant Deficiency	Information Technology	0	2	0	0	0	2
Significant Deficiency Sub-Total		**0**	**2**	**0**	**0**	**0**	**2**
Deficiency in Internal Control	Financial Statement	1	0	0	0	0	1
Deficiency in Internal Control Sub-Total		**1**	**0**	**0**	**0**	**0**	**1**
Not Classified – not an internal control issue	Cash Funds	0	0	1	0	0	1
Not Classified Sub-Total		**0**	**0**	**1**	**0**	**0**	**1**
	TOTAL	**1**	**2**	**1**	**0**	**0**	**4**

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

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that 56 (93 percent) of the 60 performance and/or IT audit recommendations that the Department agreed or partially agreed to implement are fully implemented, and four (7 percent) are still outstanding. In our 2012 *Annual Report*, the Department had five outstanding performance and/or IT audit recommendations.

The following table provides information related to the outstanding performance and/or IT recommendations for the Department as of June 30, 2013, including the number of months from the original implementation date to the current implementation date, as provided by the Department.

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Labor and Employment	Unemployment Insurance Program, Department of Labor and Employment, Performance Audit, October 2011	November 2011	2140	1C	Oversight & Accountability - Program Administration	Not Implemented	12/31/2011	1/31/2016	49
Department of Labor and Employment	Unemployment Insurance Program, Department of Labor and Employment, Performance Audit, October 2011	November 2011	2140	3D	Oversight & Accountability - Program Administration	Partially Implemented	12/31/2012	12/31/2014	24
Department of Labor and Employment	Unemployment Insurance Program, Department of Labor and Employment, Performance Audit, October 2011	November 2011	2140	4A	Oversight & Accountability - Program Administration	Partially Implemented	9/30/2012	1/31/2016	40

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Labor and Employment	Unemployment Insurance Program, Department of Labor and Employment, Performance Audit, October 2011	November 2011	2140	6A	Oversight & Accountability - Program Administration	Not Implemented	3/31/2012	6/30/2014	27

Department of Law

The Department of Law (the Department) has received 12 audit recommendations since July 2008. The Department agreed or partially agreed to implement 11 (92 percent) of the recommendations. The Department disagreed with the remaining one (8 percent) recommendation, and therefore does not intend to implement it. Of the 11 recommendations the Department agreed or partially agreed to implement, seven (64 percent) were from financial audit reports, and four (36 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that one (14 percent) of the seven financial audit recommendations that the Department agreed or partially agreed to implement is still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department also had one outstanding financial audit recommendation.

The outstanding recommendation was made to state agencies that were identified as not being in compliance with state regulations regarding cash funds balances. This recommendation is not classified as an internal control issue and has been outstanding for 5 years.

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that all of the performance and/or IT audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report*, the Department had no outstanding performance and/or IT audit recommendations.

This page intentionally left blank.

Department of Local Affairs

The Department of Local Affairs (the Department) has received 36 audit recommendations since July 2008. The Department agreed or partially agreed to implement 35 (97 percent) of the recommendations. The Department disagreed with the remaining one (3 percent) recommendation, and therefore does not intend to implement it. Of the 35 recommendations the Department agreed or partially agreed to implement, 12 (34 percent) were from financial audit reports, and 23 (66 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had one outstanding financial audit recommendation.

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that 22 (96 percent) of the 23 performance and/or IT audit recommendations that the Department agreed or partially agreed to implement have been fully implemented, and one (4 percent) is still outstanding. In our 2012 *Annual Report*, the Department had 15 outstanding performance and/or IT audit recommendations.

The following table provides information related to the outstanding performance recommendation for the Department as of June 30, 2013, including the number of months from the original implementation date to the current implementation date, as provided by the Department.

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Local Affairs	Performance Audit of the Board of Assessment Appeals, December 2011	January 2012	2141	1D	Oversight & Accountability -- Program Administration	Partially Implemented	6/30/2013	6/30/2014	12

Military and Veterans Affairs

The Department of Military and Veterans Affairs (the Department) has received nine audit recommendations since July 2008. The Department agreed or partially agreed to implement all of the recommendations. Of the nine recommendations the Department agreed or partially agreed to implement, all were from financial audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had no outstanding financial audit recommendations.

This page intentionally left blank.

Department of Natural Resources

The Department of Natural Resources (the Department) has received 206 audit recommendations since July 2008. The Department agreed or partially agreed to implement all of the recommendations. Of the 206 recommendations the Department agreed or partially agreed to implement, 52 (25 percent) were from financial audit reports, and 154 (75 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that three (6 percent) of the 52 financial audit recommendations that the Department agreed or partially agreed to implement are still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had two outstanding financial audit recommendations.

Of the outstanding recommendations, two are significant deficiencies related to financial statement issues and one is not classified as an internal control issue and was made to state agencies that were identified as not being in compliance with state regulations regarding cash funds balances.

The following table summarizes the outstanding recommendations by level of deficiency, recommendation category, and length of time the recommendations have been outstanding.

Department of Natural Resources
Outstanding Financial Audit Recommendations
Implementation Status As of June 30, 2013

Recommendation Deficiency Classification	Recommendation Category	Number of Years Outstanding					Total
		1	2	3	4	5	
Significant Deficiency	Financial Statement	2	0	0	0	0	2
Significant Deficiency Sub-Total		**2**	**0**	**0**	**0**	**0**	**2**
Not Classified – not an internal control issue	Cash Funds	0	0	0	0	1	1
Not Classified Sub-Total		**0**	**0**	**0**	**0**	**1**	**1**
	TOTAL	**2**	**0**	**0**	**0**	**1**	**3**

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

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that all of the performance and/or IT audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report*, the Department had seven outstanding performance and/or IT audit recommendations.

Department of Personnel & Administration

The Department of Personnel & Administration (the Department) has received 263 recommendations since July 2008. The Department agreed or partially agreed to implement all of the recommendations. Of the 263 recommendations the Department agreed or partially agreed to implement, 66 (25 percent) were from financial audit reports, and 197 (75 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that six (9 percent) of the 66 financial audit recommendations that the Department agreed or partially agreed to implement are still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had five outstanding financial audit recommendations.

Of the outstanding recommendations, four are significant deficiencies related to the Colorado Personnel Payroll System (CPPS), one is a deficiency in internal control related to the Columbia Ultimate Business System (CUBS), and one is not classified as an internal control issue and was made to state agencies that were identified as not being in compliance with state regulations regarding cash funds balances.

The following table summarizes the outstanding recommendations by level of deficiency, recommendation category, and length of time the recommendations have been outstanding.

Department of Personnel & Administration
Outstanding Financial Audit Recommendations
As of June 30, 2013

Recommendation Deficiency Classification	Recommendation Category	Number of Years Outstanding					Total
		1	2	3	4	5	
Significant Deficiency	Information Technology	1	3	0	0	0	4
Significant Deficiency Sub-Total		**1**	**3**	**0**	**0**	**0**	**4**
Deficiency in Internal Control	Information Technology	0	0	1	0	0	1
Deficiency in Internal Control Sub-Total		**0**	**0**	**1**	**0**	**0**	**1**
Not Classified – not an internal control issue	Cash Funds	0	0	1	0	0	1
Not Classified Sub-Total		**0**	**0**	**1**	**0**	**0**	**1**
	TOTAL	**1**	**3**	**2**	**0**	**0**	**6**

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

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that 158 (80 percent) of the 197 performance and/or IT audit recommendations the Department agreed or partially agreed to implement have been fully implemented, and 39 (20 percent) are still outstanding. In our 2012 *Annual Report*, the Department had nine outstanding performance and/or IT audit recommendations.

The following table provides information related to the outstanding performance and/or IT recommendations for the Department as of June 30, 2013, including the number of months from the original implementation date to the current implementation date, as provided by the Department. The one outstanding recommendation from the *Employee Benefits* performance audit is considered to be a high priority because the report was released 3 years or more ago. This recommendation [Recommendation 9(a)] was to conduct periodic claims audits of the State's third-party administrator for medical plans. This recommendation is highlighted in yellow.

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Performance Audit of the Employee Benefits Program, Department of Personnel & Administration, October 2010	November 2010	2073	9A	Internal Controls & Compliance Issues -- Payroll & Personnel Laws & Regulations	Partially Implemented	6/30/2012	7/31/2014	25
Department of Personnel & Administration	Administrative Leave Use in the State Personnel System, Department of Personnel & Administration, Performance Audit, January 2011	March 2011	2123	2B	Internal Controls & Compliance Issues -- Payroll & Personnel Laws & Regulations	Partially Implemented	12/31/2011	6/30/2013	18
Department of Personnel & Administration	Department of Revenue Tax Processing, Performance Audit, September 2011	September 2011	2157	1B	Oversight & Accountability - Program Administration	Partially Implemented	7/31/2012	2/28/2014	19

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Department of Revenue Tax Processing, Performance Audit, September 2011	September 2011	2157	1C	Oversight & Accountability - Program Oversight	Partially Implemented	7/31/2012	2/28/2014	19
Department of Personnel & Administration	Department of Revenue Tax Processing, Performance Audit, September 2011	September 2011	2157	2	Oversight & Accountability - Program Administration	Not Implemented	7/31/2012	7/31/2014	24
Department of Personnel & Administration	Performance Audit of the Office of Administrative Courts, September 2012	October 2012	2176	3A	Oversight & Accountability - Program Administration	Partially Implemented	6/30/2013	12/31/2013	6
Department of Personnel & Administration	Performance Audit of the Office of Administrative Courts, September 2012	October 2012	2176	3B	Information Technology - Information System Operations	Partially Implemented	6/30/2013	12/31/2013	6

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Performance Evaluation of State Capital Asset Management and Lease Administration Practices, November 2012	December 2012	2175	2B	Oversight & Accountability - Program Administration	Partially Implemented	5/31/2013	12/31/2013	7
Department of Personnel & Administration	Performance Evaluation of State Capital Asset Management and Lease Administration Practices, November 2012	December 2012	2175	2C	Oversight & Accountability - Program Administration	Partially Implemented	5/31/2013	12/31/2013	7

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Performance Evaluation of State Capital Asset Management and Lease Administration Practices, November 2012	December 2012	2175	4A	Oversight & Accountability - Program Administration	Partially Implemented	5/31/2013	12/31/2013	7
Department of Personnel & Administration	Performance Evaluation of State Capital Asset Management and Lease Administration Practices, November 2012	December 2012	2175	4B	Oversight & Accountability - Program Administration	Partially Implemented	5/31/2013	12/31/2013	7
Department of Personnel & Administration	Performance Evaluation of State Capital Asset Management and Lease Administration Practices, November 2012	December 2012	2175	8	Contract Management - Contract Provisions	Partially Implemented	3/31/2013	8/31/2013	5

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Division of Human Resources and State Personnel Board, Department of Personnel & Administration, Performance Audit, May 2013	June 2013	2192	1C	Internal Controls & Compliance Issues - Payroll & Personnel Laws & Regulations	Not Implemented	7/31/2013	7/31/2013	0
Department of Personnel & Administration	Division of Human Resources and State Personnel Board, Department of Personnel & Administration, Performance Audit, May 2013	June 2013	2192	1D	Internal Controls & Compliance Issues - Payroll & Personnel Laws & Regulations	Not Implemented	6/30/2014	6/30/2014	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Division of Human Resources and State Personnel Board, Department of Personnel & Administration, Performance Audit, May 2013	June 2013	2192	1E	Internal Controls & Compliance Issues - Payroll & Personnel Laws & Regulations	Not Implemented	6/30/2014	6/30/2014	0
Department of Personnel & Administration	Division of Human Resources and State Personnel Board, Department of Personnel & Administration, Performance Audit, May 2013	June 2013	2192	2A	Internal Controls & Compliance Issues - Payroll & Personnel Laws & Regulations	Not Implemented	6/30/2014	6/30/2014	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Division of Human Resources and State Personnel Board, Department of Personnel & Administration, Performance Audit, May 2013	June 2013	2192	2B	Internal Controls & Compliance Issues - Payroll & Personnel Laws & Regulations	Not Implemented	12/31/2013	12/31/2013	0
Department of Personnel & Administration	Division of Human Resources and State Personnel Board, Department of Personnel & Administration, Performance Audit, May 2013	June 2013	2192	2C	Internal Controls & Compliance Issues - Payroll & Personnel Laws & Regulations	Not Implemented	12/31/2013	12/31/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Division of Human Resources and State Personnel Board, Department of Personnel & Administration, Performance Audit, May 2013	June 2013	2192	3A	Oversight & Accountability - Program Oversight	Not Implemented	6/30/2014	6/30/2014	0
Department of Personnel & Administration	Division of Human Resources and State Personnel Board, Department of Personnel & Administration, Performance Audit, May 2013	June 2013	2192	3B	Oversight & Accountability - Program Administration	Not Implemented	12/31/2013	12/31/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Division of Human Resources and State Personnel Board, Department of Personnel & Administration, Performance Audit, May 2013	June 2013	2192	3C	Oversight & Accountability - Program Administration	Not Implemented	6/30/2014	6/30/2014	0
Department of Personnel & Administration	Division of Human Resources and State Personnel Board, Department of Personnel & Administration, Performance Audit, May 2013	June 2013	2192	4A	Internal Controls & Compliance Issues - Payroll & Personnel Laws & Regulations	Not Implemented	12/31/2013	12/31/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Division of Human Resources and State Personnel Board, Department of Personnel & Administration, Performance Audit, May 2013	June 2013	2192	4B	Internal Controls & Compliance Issues - Payroll & Personnel Laws & Regulations	Not Implemented	6/30/2014	6/30/2014	0
Department of Personnel & Administration	Division of Human Resources and State Personnel Board, Department of Personnel & Administration, Performance Audit, May 2013	June 2013	2192	5B	Internal Controls & Compliance Issues - Other Compliance Issues	Not Implemented	7/31/2013	7/31/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Division of Human Resources and State Personnel Board, Department of Personnel & Administration, Performance Audit, May 2013	June 2013	2192	5C	Internal Controls & Compliance Issues - Other Compliance Issues	Not Implemented	7/31/2013	7/31/2013	0
Department of Personnel & Administration	Division of Human Resources and State Personnel Board, Department of Personnel & Administration, Performance Audit, May 2013	June 2013	2192	6C	Oversight & Accountability - Board & Commission Governance	Not Implemented	6/30/2013	6/30/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Evaluation of the Department of Personnel & Administration's Annual Compensation Survey for Fiscal Year 2014, May 2013	June 2013	2199	1	Oversight & Accountability - Service Delivery & Outcomes	Not Implemented	8/31/2013	8/31/2013	0
Department of Personnel & Administration	Evaluation of the Department of Personnel & Administration's Annual Compensation Survey for Fiscal Year 2014, May 2013	June 2013	2199	2A	Oversight & Accountability - Service Delivery & Outcomes	Not Implemented	8/31/2013	8/31/2013	0
Department of Personnel & Administration	Evaluation of the Department of Personnel & Administration's Annual Compensation Survey for Fiscal Year 2014, May2013	June 2013	2199	2B	Oversight & Accountability - Program Administration	Not Implemented	8/31/2013	8/31/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Evaluation of the Department of Personnel & Administration's Annual Compensation Survey for Fiscal Year 2014, May 2013	June 2013	2199	2C	Oversight & Accountability - Service Delivery & Outcomes	Not Implemented	8/31/2014	8/31/2014	0
Department of Personnel & Administration	Evaluation of the Department of Personnel & Administration's Annual Compensation Survey for Fiscal Year 2014, May 2013	June 2013	2199	3	Oversight & Accountability - Program Administration	Not Implemented	8/31/2013	8/31/2013	0
Department of Personnel & Administration	Evaluation of the Department of Personnel & Administration's Annual Compensation Survey for Fiscal Year 2014, May 2013	June 2013	2199	4	Oversight & Accountability - Program Administration	Not Implemented	8/31/2013	8/31/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Evaluation of the Department of Personnel & Administration's Annual Compensation Survey for Fiscal Year 2014, May 2013	June 2013	2199	5	Oversight & Accountability - Program Administration	Not Implemented	8/31/2013	8/31/2013	0
Department of Personnel & Administration	Evaluation of the Department of Personnel & Administration's Annual Compensation Survey for Fiscal Year 2014, May 2013	June 2013	2199	6	Oversight & Accountability - Service Delivery & Outcomes	Not Implemented	8/31/2013	8/31/2013	0
Department of Personnel & Administration	Evaluation of the Department of Personnel & Administration's Annual Compensation Survey for Fiscal Year 2014, May 2013	June 2013	2199	7	Oversight & Accountability - Program Administration	Not Implemented	8/31/2014	8/31/2014	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Evaluation of the Department of Personnel & Administration's Annual Compensation Survey for Fiscal Year 2014, May 2013	June 2013	2199	8	Oversight & Accountability - Program Administration	Not Implemented	8/31/2013	8/31/2013	0
Department of Personnel & Administration	Evaluation of the Department of Personnel & Administration's Annual Compensation Survey for Fiscal Year 2014, May 2013	June 2013	2199	9	Oversight & Accountability - Program Administration	Not Implemented	8/31/2014	8/31/2014	0
Department of Personnel & Administration	Evaluation of the Department of Personnel & Administration's Annual Compensation Survey for Fiscal Year 2014, May 2013	June 2013	2199	10	Oversight & Accountability - Program Administration	Not Implemented	8/31/2014	8/31/2014	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Personnel & Administration	Evaluation of the Department of Personnel & Administration's Annual Compensation Survey for Fiscal Year 2014, May 2013	June 2013	2199	11	Oversight & Accountability - Program Administration	Not Implemented	8/31/2014	8/31/2014	0

Department of Public Health and Environment

The Department of Public Health and Environment (the Department) has received 60 audit recommendations since July 2008. The Department agreed or partially agreed to implement 59 (98 percent) of the recommendations. The Department disagreed with the remaining one (2 percent) recommendation, and therefore does not intend to implement it. Of the 59 recommendations the Department agreed or partially agreed to implement, 28 (47 percent) were from financial audit reports, and 31 (53 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that three (11 percent) of the 28 financial audit recommendations that the Department agreed or partially agreed to implement are still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had one outstanding financial audit recommendation.

Of the outstanding recommendations, two are deficiencies in internal control related to the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and the Centers for Disease Control and Prevention's Investigations and Technical Assistance Program. One recommendation is not classified as an internal control issue and was made to state agencies that were identified as not being in compliance with state regulations regarding cash funds balances. No significant deficiencies or material weaknesses are noted at the Department related to the prior years' recommendations.

The following table summarizes the outstanding recommendations by level of deficiency, recommendation category, and length of time the recommendations have been outstanding.

Department of Public Health and Environment
Outstanding Financial Audit Recommendations
As of June 30, 2013

Recommendation Deficiency Classification	Recommendation Category	Number of Years Outstanding					Total
		1	2	3	4	5	
Deficiency in Internal Control	Supervisory review	2	0	0	0	0	2
Deficiency in Internal Control Sub-Total		**2**	**0**	**0**	**0**	**0**	**2**
Not Classified – not an internal control issue	Cash Funds	0	0	0	0	1	1
Not Classified Sub-Total		**0**	**0**	**0**	**0**	**1**	**1**
	TOTAL	**2**	**0**	**0**	**0**	**1**	**3**

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

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that 24 (77 percent) of the 31 performance audit recommendations that the Department agreed or partially agreed to implement have been fully implemented, and seven (23 percent) are still outstanding. In our 2012 *Annual Report*, the Department had three outstanding performance and/or IT audit recommendations.

The following table provides information related to the outstanding performance and/or IT recommendations for the Department as of June 30, 2013, including the number of months from the original implementation date to the current implementation date, as provided by the Department.

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Public Health and Environment	Vehicle Emissions Program, Department of Revenue, Department of Public Health and Environment, Performance Audit, September 2010	September 2010	2062	8A	Internal Controls & Compliance Issues -- Procurement	Partially Implemented	3/31/2014	3/31/2014	0
Department of Public Health and Environment	Vehicle Emissions Program, Department of Revenue, Department of Public Health and Environment, Performance Audit, September 2010	September 2010	2062	8B	Internal Controls & Compliance Issues -- Procurement	Partially Implemented	3/31/2014	3/31/2014	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Public Health and Environment	Amendment 35 Tobacco Tax Funded Grant Programs, Department of Public Health and Environment, Performance Audit, July 2012	August 2012	2166	2A	Grant Management - Grantee Application, Selection, & Award	Partially Implemented	1/31/2013	8/31/2013	7
Department of Public Health and Environment	Amendment 35 Tobacco Tax Funded Grant Programs, Department of Public Health and Environment, Performance Audit, July 2012	August 2012	2166	6A	Grant Management - Oversight of Grant Expenditures	Partially Implemented	7/31/2013	6/30/2014	11

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Public Health and Environment	Automobile Inspection and Readjustment Program, Department of Public Health and Environment, Performance Audit, November 2012	December 2012	2169	1	Oversight & Accountability - Program Administration	Partially Implemented	1/31/2015	1/31/2015	0
Department of Public Health and Environment	Automobile Inspection and Readjustment Program, Department of Public Health and Environment, Performance Audit, November 2012	December 2012	2169	2	Oversight & Accountability - Program Administration	Partially Implemented	1/31/2015	1/31/2015	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Public Health and Environment	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	13	Internal Controls & Compliance Issues - Other Compliance Issues	Partially Implemented	6/30/2013	10/31/2013	4

Department of Public Safety

The Department of Public Safety (the Department) has received 29 audit recommendations since July 2008. The Department agreed or partially agreed to implement 28 (97 percent) of the recommendations. The Department disagreed with the remaining one (3 percent) recommendation, and therefore does not intend to implement it. Of the 28 recommendations the Department agreed or partially agreed to implement, 11 (39 percent) were from financial audit reports, and 17 (61 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that one (9 percent) of the 11 financial audit recommendations that the Department agreed or partially agreed to implement is still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department also had one outstanding financial audit recommendation.

The outstanding recommendation was made to state agencies that were identified as not being in compliance with state regulations regarding cash funds balances. This recommendation is not classified as an internal control issue and has been outstanding for 4 years.

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that all of the performance and/or IT audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report*, the Department had no outstanding performance and/or IT audit recommendations.

This page intentionally left blank.

Department of Regulatory Agencies

The Department of Regulatory Agencies (the Department) has received 44 audit recommendations since July 2008. The Department agreed or partially agreed to implement all of the recommendations. Of the 44 recommendations the Department agreed or partially agreed to implement, nine (20 percent) were from financial audit reports, and 35 (80 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that one (11 percent) of the nine financial audit recommendations that the Department agreed or partially agreed to implement is still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department also had one outstanding financial audit recommendation.

The outstanding recommendation was made to state agencies that were identified as not being in compliance with state regulations regarding cash funds balances. This recommendation is not classified as an internal control issue and has been outstanding for 5 years.

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that all of the performance and/or IT audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report*, the Department had four outstanding performance and/or IT audit recommendations.

This page intentionally left blank.

Department of Revenue

The Department of Revenue (the Department) has received 248 audit recommendations since July 2008. The Department agreed or partially agreed to implement 247 (99 percent) of the recommendations. The Department disagreed with the remaining one (1 percent) recommendation, and therefore does not intend to implement it. Of the 247 recommendations the Department agreed or partially agreed to implement, 93 (38 percent) were from financial audit reports, and 154 (62 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that 10 (11 percent) of the 93 financial audit recommendations that the Department agreed or partially agreed to implement are still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had 10 outstanding financial audit recommendations.

Of the outstanding recommendations, five are significant deficiencies related to the Colorado State Titling and Registration System (CSTARS). Three outstanding recommendations are deficiencies in internal control, two of which are related to the GenTax System and one of which is related to the Medical Marijuana Enforcement Division. Two outstanding recommendations are not classified as an internal control issue. One of these two recommendations was made to state agencies that were identified as not being in compliance with state regulations regarding cash funds balances, and one was made to the Colorado Lottery related to maximizing proceeds for beneficiaries.

The following table summarizes the outstanding recommendations by level of deficiency, recommendation category, and the length of time the recommendations have been outstanding. Of these outstanding recommendations, the five significant deficiencies that have been outstanding for 3 years or more are the ones considered to be a high priority. These recommendations are highlighted in yellow.

Department of Revenue Outstanding Financial Audit Recommendations As of June 30, 2013							
Recommendation Deficiency Classification	**Recommendation Category**	**Number of Years Outstanding**					**Total**
		1	**2**	**3**	**4**	**5**	
Significant Deficiency	Information Technology	0	0	5	0	0	5
Significant Deficiency Sub-Total		**0**	**0**	**5**	**0**	**0**	**5**
Deficiency in Internal Control	Information Technology	0	0	2	0	0	2
	Medical Marijuana Enforcement Division	1	0	0	0	0	1
Deficiency in Internal Control Sub-Total		**1**	**0**	**2**	**0**	**0**	**3**
Not Classified – not an internal control issue	Cash Funds	0	0	0	0	1	1
	Lottery	0	1	0	0	0	1
Not Classified Sub-Total		**0**	**1**	**0**	**0**	**1**	**2**
	TOTAL	**1**	**1**	**7**	**0**	**1**	**10**

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

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that 117 (76 percent) of the 154 performance and/or IT audit recommendations that the Department agreed or partially agreed to implement have been fully implemented, and 37 (24 percent) are still outstanding. In our 2012 *Annual Report*, the Department had eight outstanding performance and/or IT audit recommendations.

The following table provides information related to the 37 outstanding performance and IT recommendations for the Department as of June 30, 2013, including the number of months from the original implementation date to the current implementation date, as provided by the Department. The two outstanding recommendations from the *Driver's License and Identification (ID) Card Security* performance audit are considered to be a high priority because the report was released 3 years or more ago. Recommendation 7(c) from this report was to ensure that disaster recovery tests include other Driver's License Information System users and the Department's photo imaging system contractor in the testing procedures. Recommendation 8(d) was to improve physical-access and environmental controls over the data center by augmenting the sprinkler system with an inert gas-based fire suppression system, once funding was available. These recommendations are highlighted in yellow.

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Driver's License and Identification (ID) Card Security, Department of Revenue, Performance Audit, May 2008	June 2008	1912	7C	Information Technology - Information System Controls	Partially Implemented	12/31/2008	12/31/2013	60
Department of Revenue	Driver's License and Identification (ID) Card Security, Department of Revenue, Performance Audit, May 2008	June 2008	1912	8D	Information Technology - Information System Controls	Partially Implemented	12/31/2008	12/31/2013	60
Department of Revenue	Department of Revenue Tax Processing, Performance Audit, September 2011	September 2011	2157	2	Oversight & Accountability - Program Administration	Partially Implemented	7/31/2012	1/31/2014	18

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Conservation Easement Tax Credit, Department of Revenue, Division of Real Estate, Performance Audit, September 2012	October 2012	2171	2B	Oversight & Accountability - Program Oversight	Partially Implemented	7/31/2013	7/31/2013	0
Department of Revenue	Conservation Easement Tax Credit, Department of Revenue, Division of Real Estate, Performance Audit, September 2012	October 2012	2171	2C	Oversight & Accountability - Program Oversight	Partially Implemented	7/31/2013	7/31/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Conservation Easement Tax Credit, Department of Revenue, Division of Real Estate, Performance Audit, September 2012	October 2012	2171	3A	Oversight & Accountability - Program Administration	Partially Implemented	12/31/2013	12/31/2013	0
Department of Revenue	Conservation Easement Tax Credit, Department of Revenue, Division of Real Estate, Performance Audit, September 2012	October 2012	2171	3B	Oversight & Accountability - Program Administration	Partially Implemented	12/31/2013	12/31/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Conservation Easement Tax Credit, Department of Revenue, Division of Real Estate, Performance Audit, September 2012	October 2012	2171	3C	Oversight & Accountability - Program Administration	Partially Implemented	12/31/2013	12/31/2013	0
Department of Revenue	Conservation Easement Tax Credit, Department of Revenue, Division of Real Estate, Performance Audit, September 2012	October 2012	2171	12C	Oversight & Accountability - Program Administration	Partially Implemented	7/31/2013	7/31/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	1A	Eligibility & Service Authorizations - Eligibility Determinations	Partially Implemented	3/31/2014	10/31/2013	-5
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	1B	Eligibility & Service Authorizations - Eligibility Determinations	Partially Implemented	3/31/2014	10/31/2013	-5

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	1C	Eligibility & Service Authorizations - Eligibility Determinations	Partially Implemented	3/31/2014	10/31/2013	-5
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	1D	Eligibility & Service Authorizations - Eligibility Determinations	Partially Implemented	3/31/2014	10/31/2013	-5

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	2A	Oversight & Accountability - Service Delivery & Outcomes	Partially Implemented	3/31/2014	10/31/2013	-5
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	2B	Oversight & Accountability - Service Delivery & Outcomes	Partially Implemented	3/31/2014	10/31/2013	-5

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	2C	Oversight & Accountability - Service Delivery & Outcomes	Partially Implemented	3/31/2014	10/31/2013	-5
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	3A	Eligibility & Service Authorizations - Eligibility Determinations	Not Implemented	3/31/2014	10/31/2013	-5

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	3B	Eligibility & Service Authorizations - Eligibility Determinations	Not Implemented	3/31/2014	10/31/2013	-5
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	3C	Eligibility & Service Authorizations - Eligibility Determinations	Not Implemented	3/31/2014	10/31/2013	-5

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	4A	Oversight & Accountability - Program Oversight	Partially Implemented	3/31/2014	10/31/2013	-5
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	4B	Oversight & Accountability - Program Oversight	Not Implemented	3/31/2014	10/31/2013	-5

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	4C	Oversight & Accountability - Program Oversight	Not Implemented	3/31/2014	10/31/2013	-5
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	4D	Oversight & Accountability - Program Oversight	Not Implemented	3/31/2014	10/31/2013	-5

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	5A	Internal Controls & Compliance Issues - Other Compliance Issues	Not Implemented	3/31/2014	10/31/2013	-5
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	5B	Internal Controls & Compliance Issues - Other Compliance Issues	Not Implemented	3/31/2014	10/31/2013	-5

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	5C	Internal Controls & Compliance Issues - Other Compliance Issues	Not Implemented	3/31/2014	10/31/2013	-5
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	5D	Internal Controls & Compliance Issues - Other Compliance Issues	Not Implemented	3/31/2014	10/31/2013	-5

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Medical Marijuana Enforcement Division	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	6A	Internal Controls & Compliance Issues - Reporting	Partially Implemented	3/31/2014	3/31/2014	0
Medical Marijuana Enforcement Division	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	6D	Internal Controls & Compliance Issues - Reporting	Partially Implemented	3/31/2014	3/31/2014	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	7A	Oversight & Accountability - Program Administration	Not Implemented	6/30/2014	6/30/2014	0
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	7B	Oversight & Accountability - Program Administration	Not Implemented	6/30/2014	6/30/2014	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	7C	Oversight & Accountability - Program Administration	Not Implemented	6/30/2014	6/30/2014	0
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	8B	Internal Controls & Compliance Issues - Non-grant Disbursement & Expenditures	Partially Implemented	10/31/2013	10/31/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	9D	Internal Controls & Compliance Issues - Commuting / State Vehicles	Partially Implemented	6/30/2013	3/31/2014	9
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	11C	Oversight & Accountability - Service Delivery & Outcomes	Partially Implemented	7/31/2013	7/31/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	12C	Oversight & Accountability - Program Oversight	Partially Implemented	7/31/2013	7/31/2013	0
Department of Revenue	Medical Marijuana Regulatory System, Part I, Department of Revenue, Department of Public Health and Environment, Performance Audit, March 2013	March 2013	2194A	13	Internal Controls & Compliance Issues - Other Compliance Issues	Partially Implemented	7/31/2013	7/31/2013	0

Department of State (Secretary of State)

The Department of State (the Department) has received 21 audit recommendations since July 2008. The Department agreed or partially agreed to implement 19 (90 percent) of the recommendations. The Department disagreed with the remaining two (10 percent) recommendations, and therefore does not intend to implement them. Of the 19 recommendations the Department agreed or partially agreed to implement, 17 (89 percent) were from financial audit reports, and two (11 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that one (6 percent) of the 17 financial audit recommendations that the Department agreed or partially agreed to implement is still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had three outstanding financial audit recommendations.

The outstanding recommendation was made to state agencies that were identified as not being in compliance with state regulations regarding cash funds balances. This recommendation is not classified as an internal control issue and has been outstanding for 3 years.

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that all of the performance and/or IT audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report*, the Department had no outstanding performance and/or IT audit recommendations.

This page intentionally left blank.

Department of Transportation

The Department of Transportation (the Department) has received 157 audit recommendations since July 2008. The Department agreed or partially agreed to implement all of the recommendations. Of the 157 recommendations the Department agreed or partially agreed to implement, 14 (9 percent) were from financial audit reports, and 143 (91 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had no outstanding financial audit recommendations.

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that 132 (92 percent) of the 143 performance and/or IT audit recommendations that the Department agreed or partially agreed to implement have been fully implemented and 11 (8 percent) are still outstanding. In our 2012 *Annual Report*, the Department had four outstanding performance and/or IT audit recommendations.

The following table provides information related to the 11 outstanding performance and IT recommendations for the Department as of June 30, 2013, including the number of months from the original implementation date to the current implementation date, as provided by the Department. The one outstanding recommendation from the *SAP Information System* IT audit is considered to be a high priority because the report was released 3 years or more ago. This recommendation [Recommendation 3(b)] was to ensure that the disaster recovery plan for the SAP Information System included all components required by State Cyber Security Policies. This recommendation is highlighted in yellow.

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Transportation	SAP Information System, Department of Transportation, Information Technology Audit, June 2010	July 2010	2012	3B	Information Technology -- Information System Security	Partially Implemented	3/31/2011	6/30/2014	39
Department of Transportation	Outdoor Advertising Program, Department of Transportation, Performance Audit, May 2013	June 2013	2195	1A	Oversight & Accountability - Program Oversight	Not Implemented	4/30/2014	4/30/2014	0
Department of Transportation	Outdoor Advertising Program, Department of Transportation, Performance Audit, May 2013	June 2013	2195	1B	Oversight & Accountability - Program Oversight	Not Implemented	4/30/2014	4/30/2014	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Transportation	Outdoor Advertising Program, Department of Transportation, Performance Audit, May 2013	June 2013	2195	1C	Oversight & Accountability - Program Administration	Not Implemented	4/30/2014	4/30/2014	0
Department of Transportation	Outdoor Advertising Program, Department of Transportation, Performance Audit, May 2013	June 2013	2195	1D	Oversight & Accountability - Program Administration	Not Implemented	4/30/2014	4/30/2014	0
Department of Transportation	Outdoor Advertising Program, Department of Transportation, Performance Audit, May 2013	June 2013	2195	1E	Oversight & Accountability - Program Administration	Not Implemented	12/31/2013	12/31/2013	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Transportation	Outdoor Advertising Program, Department of Transportation, Performance Audit, May 2013	June 2013	2195	2A	Internal Controls & Compliance Issues - Accounts Receivable	Not Implemented	8/31/2013	8/31/2013	0
Department of Transportation	Outdoor Advertising Program, Department of Transportation, Performance Audit, May 2013	June 2013	2195	2B	Internal Controls & Compliance Issues - Accounts Receivable	Not Implemented	4/30/2014	4/30/2014	0
Department of Transportation	Outdoor Advertising Program, Department of Transportation, Performance Audit, May 2013	June 2013	2195	3A	Oversight & Accountability - Program Administration	Not Implemented	1/31/2014	1/31/2014	0

All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Department of Transportation	Outdoor Advertising Program, Department of Transportation, Performance Audit, May 2013	June 2013	2195	3B	Oversight & Accountability - Program Oversight	Not Implemented	4/30/2014	4/30/2014	0
Department of Transportation	Outdoor Advertising Program, Department of Transportation, Performance Audit, May 2013	June 2013	2195	4	Contract Management - Contract Monitoring	Not Implemented	4/30/2014	4/30/2014	0

This page intentionally left blank.

Department of Treasury

The Department of Treasury (the Department) has received 35 audit recommendations since July 2008. The Department agreed or partially agreed to implement all of the recommendations. Of the 35 recommendations the Department agreed or partially agreed to implement, 26 (74 percent) were from financial audit reports, and nine (26 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), the Department had no outstanding financial audit recommendations.

Performance and/or IT Audit Recommendations

As of June 30, 2013, the Department reports that all of the performance audit recommendations that the Department agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report*, the Department had one outstanding performance and/or IT audit recommendation.

This page intentionally left blank.

Great Outdoors Colorado

Great Outdoors Colorado (GOCO) has received seven audit recommendations since July 2008. GOCO agreed or partially agreed to implement six (86 percent) of the recommendations. GOCO disagreed with the remaining one (14 percent) recommendation, and therefore does not intend to implement it. Of the six recommendations GOCO agreed or partially agreed to implement, four (67 percent) were from financial audit reports, and two (33 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that GOCO agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), GOCO had no outstanding financial audit recommendations.

Performance and/or IT Audit Recommendations

As of June 30, 2013, GOCO reports that all of the performance and/or IT audit recommendations that GOCO agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report*, GOCO had no outstanding performance and/or IT audit recommendations.

Pinnacol Assurance

Pinnacol Assurance (Pinnacol) has received 49 audit recommendations since July 2008. Pinnacol agreed or partially agreed to implement 48 (98 percent) of the recommendations. Pinnacol disagreed with the remaining one (2 percent) recommendation, and therefore does not intend to implement it. Of the 48 recommendations Pinnacol agreed or partially agreed to implement, 20 (42 percent) were from financial audit reports, and 28 (58 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that Pinnacol agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), Pinnacol had no outstanding financial audit recommendations.

Performance and/or IT Audit Recommendations

As of June 30, 2013, Pinnacol reports that all of the performance and/or IT audit recommendations that Pinnacol agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report*, Pinnacol had no outstanding performance and/or IT audit recommendations.

Public Employees' Retirement Association

The Public Employees' Retirement Association (PERA) has received nine audit recommendations since July 2008. PERA agreed or partially agreed to implement all of the recommendations. Of the nine recommendations PERA agreed or partially agreed to implement, seven (78 percent) were from financial audit reports, and two (22 percent) were from performance and/or information technology (IT) audit reports.

Financial Audit Recommendations

As of June 30, 2013, the OSA's follow-up audit process determined that all of the financial audit recommendations that PERA agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), PERA had no outstanding financial audit recommendations.

Performance and/or IT Audit Recommendations

As of June 30, 2013, PERA reports that all of the performance and/or IT audit recommendations that PERA agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report*, PERA had no outstanding performance and/or IT audit recommendations.

Regional Transportation District

The Regional Transportation District (RTD) has received 41 audit recommendations since July 2008. RTD agreed or partially agreed to implement 40 (98 percent) of the recommendations. RTD disagreed with the remaining one (2 percent) recommendation, and therefore does not intend to implement it. Of the 40 recommendations RTD agreed or partially agreed to implement, all were from performance and/or information technology (IT) audit reports.

Performance and/or IT Audit Recommendations

As of June 30, 2013, RTD reports that all of the performance and/or IT audit recommendations that RTD agreed or partially agreed to implement have been fully implemented. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), RTD had no outstanding performance and/or IT audit recommendations.

Statewide Internet Portal Authority

The Statewide Internet Portal Authority (SIPA) has received 29 audit recommendations since July 2008. SIPA agreed or partially agreed to implement 28 (97 percent) of the recommendations. SIPA disagreed with the remaining one (3 percent) recommendation, and therefore does not intend to implement it. Of the 28 recommendations SIPA agreed or partially agreed to implement, all were from performance and/or information technology (IT) audit reports.

Performance and/or IT Audit Recommendations

As of June 30, 2013, SIPA reports that 24 (86 percent) of the 28 performance and/or IT audit recommendations that SIPA agreed or partially agreed to implement have been fully implemented, and four (14 percent) are still outstanding. In our 2012 *Annual Report of Audit Recommendations Not Fully Implemented* (2012 *Annual Report*), SIPA had no outstanding performance and/or IT audit recommendations.

The following table provides information related to the outstanding performance and/or IT recommendations for SIPA as of June 30, 2013, including the number of months from the original implementation date to the current implementation date, as provided by SIPA.

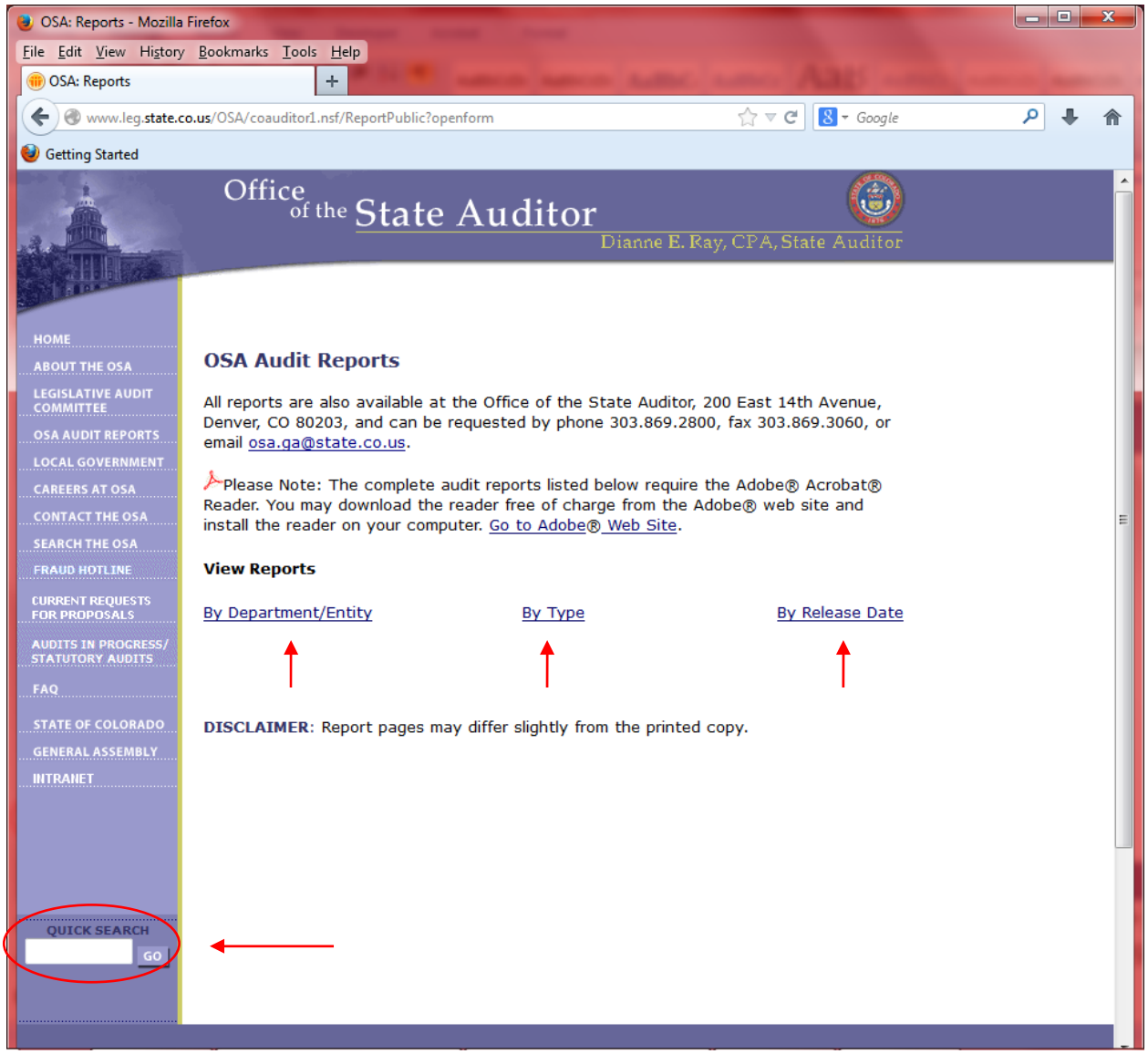
All Performance and IT Audit Recommendations That Agencies Agreed or Partially Agreed to Implement But Have Not Fully Implemented
Implementation Status is Self-Reported by the Agency and Not Audited by the OSA
July 2008 Through June 2013

Agency	Audit Report Name	Date Report Released by LAC	Report Number	Rec Number	Issue Area	Implementation Status	Original Implementation Date	Current Implementation Date	Number of Months Between Original and Current Implementation Dates
Statewide Internet Portal Authority	Statewide Internet Portal Authority, Performance Audit, November 2012	December 2012	2178	2A	Information Technology - Information System Security	Not Implemented	9/30/2013	12/31/2013	3
Statewide Internet Portal Authority	Statewide Internet Portal Authority, Performance Audit, November 2012	December 2012	2178	3A	Contract Management - Contract Monitoring	Not Implemented	6/30/2013	9/30/2013	3
Statewide Internet Portal Authority	Statewide Internet Portal Authority, Performance Audit, November 2012	December 2012	2178	3B	Contract Management - Contract Monitoring	Not Implemented	6/30/2013	9/30/2013	3
Statewide Internet Portal Authority	Statewide Internet Portal Authority, Performance Audit, November 2012	December 2012	2178	3C	Contract Management - Contract Monitoring	Not Implemented	9/30/2013	9/30/2013	0

How to Locate an OSA Audit Report

The reports for all audits issued by the Office of the State Auditor (OSA) since 1999 are available on the OSA's web site at www.state.co.us/auditor under the OSA AUDIT REPORTS link.

The OSA's audit reports can then be accessed by Department/Entity that was audited, Audit Type (financial, performance, or other), or Date Released by the Legislative Audit Committee. Use the QUICK SEARCH box on the page to search for audit reports containing key words or phrases.



All audit reports are also available in hard copy at the Office of the State Auditor, 200 East 14th Avenue, Denver, CO 80203, and can be requested by phone 303.869.2800, fax 303.869.3060, or email osa.ga@state.co.us.

The electronic version of this report is available on the website of the
Office of the State Auditor
www.state.co.us/auditor

A bound report may be obtained by calling the
Office of the State Auditor
303.869.2800

Please refer to the Report Control Number below when requesting this report.

Report Control Number 1337S

Report Control Number 1337S