

**Annual Report of
Audit Recommendations
Not Fully Implemented**

As of June 30, 2013



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STATE AUDITOR**

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*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*.

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 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 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 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 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 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 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 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 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 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 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 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 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 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 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 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 July 2008 Through June 2013 | | | | | | | | | |
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| 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 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 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 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 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 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 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 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 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, May 2013 | 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 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 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 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 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 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 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 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 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 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.

The electronic version of this report is available on the website of the
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