The first meeting of the Audit Workgroup was on Tuesday May 13, 2014.

The workgroup is comprised: Jim Boyd (DOH), Carol Sullivan (APD), and John Greene (DOS).

The purpose of our meeting was to discuss the implementation of issues to be resolved surrounding the following portions of HB 1385.

(5) In carrying out the auditing duties and responsibilities of this act…………...

*(f) The inspector general shall submit the final report to the agency head, the Auditor General, and, for state agencies under the jurisdiction of the Governor, the Chief Inspector General.*

*(h) The inspector general shall monitor the implementation of the state agency’s response to any report on the state agency issued by the Auditor General or by the Office of Program Policy Analysis and Government Accountability. No later than 6 months after the Auditor General or the Office of Program Policy Analysis and Government Accountability publishes a report on the state agency, the inspector general shall provide a written response to the agency head or, for state agencies under the jurisdiction of the Governor, the Chief Inspector General on the status of corrective actions taken.*

*(i) The inspector general shall develop long-term and annual audit plans based on the findings of periodic risk assessments. The plan, where appropriate, should include post audit samplings of payments and accounts. The plan shall show the individual audits to be conducted during each year and related resources to be devoted to the respective audits. The Chief Financial Officer, to assist in fulfilling the responsibilities for examining, auditing, and settling accounts, claims, and demands pursuant to s. 17.03(1), and examining, auditing, adjusting, and settling accounts pursuant to s. 17.04, may use audits performed by the inspectors general and internal auditors. For state agencies under the jurisdiction of the Governor, the audit plans shall be submitted to the Chief Inspector General. The plan shall be submitted to the agency head for approval. A copy of the approved plan shall be submitted to the Auditor General.*

*(c) The final reports prepared pursuant to paragraphs (a) and (b) shall be provided to the heads of the respective agencies and, for state agencies under the jurisdiction of the Governor, the Chief Inspector General. Such reports shall include, but need not be limited to:*

The workgroup noted the following:

1. Distribution of final internal audit reports will still be submitted to the agency head and Auditor General, but will now also require submission to the CIG.
2. Regarding Auditor General and OPPAGA reports on the agency, written responses to the status of corrective actions will now be required to be submitted to the CIG rather that the agency head. Responses will continue to be required to be filed with the Legislative Auditing Committee. The bill does not address corrective action status reports on internal audit reports.
3. Annual audit plans will continue to be submitted to the CIG and agency head; the responsibility for approval of the audit plan will still be with the agency head.
4. Annual reports will continue to be required to be provided to the agency head; however, the reports will now also be required to be submitted to the CIG.

The workgroup identified the following issues:

1. Are audit reports to be directed to the agency head, with copies provided to the CIG and Auditor General?
2. Regarding Auditor General and OPPAGA reports on the agency, submission of written responses to the status of corrective actions taken, should responses also continue to be provided to the agency head? (The bill doesn’t address submission of status reports on internal audits to the CIG).
3. If submitted to both the CIG and agency head, in what manner will responses be submitted to the CIG (e.g. – SharePoint)?
4. Does CIG have any responsibility for taking action regarding management failure to implement sufficient and timely corrective actions?
5. Will audit plan need to be reviewed by the CIG before submission to the agency head for approval?
6. Will significant deviations from the audit plan need to be reviewed by the CIG and agency head?