

November 2001

LEGISLATIVE AUDIT AND FISCAL REVIEW COMMITTEE FOLLOWUP WITH AGENCIES THAT HAVE NOT COMPLIED WITH AUDIT RECOMMENDATIONS

PREVIOUS COMMITTEE REQUESTS

The Legislative Audit and Fiscal Review Committee has taken various steps to ensure that state agencies address audit findings and that the committee is informed of the status of recommendations included in previous audits. Formal requests and recommendations of the committee include the following:

1. **Response to recommendations** - Each audit report prepared by the State Auditor should include a summary of audit recommendations along with the audited agency's written response to the recommendations. The summary is to be in recommendation-response format.
2. **Actions taken by audited agency** - Audited agencies, boards, and commissions should report to the committee at the time the audit report is presented regarding any actions taken as a result of audit findings contained in the report.
3. **Implementation of recommendations** - Each state agency and institution should comply with and implement, within the limits of the law, recommendations contained in audit reports prepared by the State Auditor's office. Such compliance and implementation should be viewed toward improvement of government operations, including fiscal operations and full execution of the law.
4. **Six-month review** - The State Auditor's office should determine whether agencies have complied with the auditor's recommendations within six months after a report has been accepted by this committee; the State Auditor

should report to this committee, or another appropriate legislative committee, regarding any recommendations not implemented.

PROPOSED EXPANSION OF COMMITTEE FOLLOWUP

In certain cases when an agency has repeatedly refused to take steps to implement audit recommendations, the committee may want to consider sending correspondence to the agency requesting a representative to appear before the committee and provide a written explanation for the noncompliance. The correspondence may include the following proposed language:

After reviewing your most recent audit report, the Legislative Audit and Fiscal Review Committee, Senator Ken Solberg, Chairman, has noted that your agency has not taken steps to implement previous audit recommendations. The chairman requests that you appear before the committee at its next meeting and provide a written explanation for your agency's noncompliance with the audit recommendations. If steps have been taken to address the recommendations, please include a description of those steps and the date implemented. If you plan to address the recommendations, but have not implemented steps to do so, please describe any planned action and include a planned implementation schedule. If your noncompliance relates to outdated statutory provisions, please provide proposed statutory changes for consideration by the committee.