DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
ANNUAL REPORT ON GOALS, OBJECTIVES AND POLICIES

January 2013

Program ID/Title: AGS-104/Internal Post-Audit

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I. Goal

To achieve complete compliance with the State Comptroller's established accounting procedures and internal controls by the State's Executive departments and agencies through financial and compliance audits.

II. Objectives and Policies

A. #1 – To ensure that the State's Executive departments and agencies maintain the accounting and internal control systems and that the systems function effectively as designed.

B. #2 – Confirm or establish a schedule of annual and non-annual audits that will provide an adequate audit cycle to ensure that every department in the executive branch will be audited at least once every six years.

III. Action Plan and Timetable

A. Objective/Policy #1 – To ensure that the State's Executive departments and agencies maintain the accounting and internal control systems and that the systems function effectively as designed.

1. Past Year Accomplishment

a. The target group was defined.

b. 34 of 35 scheduled 2011 audits of departments and agencies covering 17 departments were completed on time.

c. 26 of the 35 departments and agencies' audit reports did identify deficiencies with the systems of accounting or the internal controls not functioning effectively as designed. The departments and agencies developed corrective action plans to resolve the findings. The external auditors will

determine the effectiveness of the corrective action plans in resolving the findings in the fiscal year 2012 audits.

d. Follow-up will be made with the remaining department to ensure completion of scheduled audits in timely manner.

2. One Year

a. Define the target group.

b. Monitor that the target group complete its scheduled audits on time.

c. Review the completed audit reports as to non compliance with established accounting procedures and internal controls and that written policies and procedures are functioning as designed.

d. Conduct follow-up inquiries as to scheduled audits not completed.

3. Two Years – Continue the implementation timetable of the first year.

4. Five Years – Continue the implementation timetable of the prior years.

B. Objective/Policy #2 – Confirm or establish a schedule of annual and non-annual audits that will provide an adequate audit cycle to ensure that every department in the executive branch will be audited at least once every six years.

1. Past Year Accomplishment

a. The target group to be audited was defined.

b. A schedule of 20 annual and 15 non-annual audits was established.

c. 19 of 20 annual audits of departments and agencies were planned and completed during the fiscal year. Thirteen

statutory required audits and two requests for audit were planned and completed during the fiscal year.

d. Conduct follow-up inquiries as to scheduled audit not completed on time.

e. Audit findings were monitored and compiled into an annual report with resolution of findings statistics.

2. One Year

a. Define the target group to be audited.

b. Establish a schedule of annual and non-annual audits.

c. Review audit reports of planned annual audits and conduct non-annual audits.

d. Monitor audit findings to ensure that corrective action plans are implemented to resolve the findings.

3. Two Years – Continue the implementation timetable of the first year.

4. Five Years – Continue the implementation timetable of the prior years.

IV. Performance Measures

A. Customer Satisfaction Measure – An annual evaluation survey will be developed and distributed to the target group. Any concerns identified through the survey will be addressed immediately.

B. Program Standard Measure – Program standard will be the completion of all scheduled annual and non-annual audits by the due date for the target group. All departments are scheduled for audit so that every department in the executive branch will be audited at least once every six years where the department is not audited annually.

C. Cost Effective Measure – Cost to conduct the audits by the program will be monitored to ensure that they are reasonable and fair and do not exceed budgeted costs and comparable audit fees.