

GUIDELINES FOR PREPARING CORRECTIVE ACTION PLANS

Commonwealth agencies are required to prepare and submit a corrective action plan (CAP), using the prescribed [CAP template](#), for each finding noted during the auditors' review of the commonwealth's federal awards programs, or during the audit of the commonwealth's basic financial statements. CAPs must be prepared and submitted via email to the Bureau of Accounting and Financial Management (BAFM) at RA-COBFMAuditFinding@pa.gov within 10 business days of the date the final finding is issued, or sooner when report processing deadlines do not allow for a 10 day period.

Each CAP should contain the following elements:

- The title of the finding, as stated in the final finding provided by the auditors.
- Specific steps to be taken to correct the situation or specific reasons why corrective action is not necessary. When future actions are required, the specific steps should be described. This could be a series of procedural changes to correct internal control weaknesses. It might also include meetings with appropriate federal or state officials to determine the amount of questioned costs to be repaid.
- A timetable for performance of the corrective action steps, including an anticipated completion date. Regardless of the nature of the steps necessary, a timetable for action should be established. This provides further assistance concerning corrective actions and a basis for monitoring the successful implementation of the corrective action steps.
- The name and title of the contact person directly responsible for the corrective action.

If no corrective action is necessary, the specific reasons should be provided. If the agency disagrees with the auditors' finding, the agency should explain clearly and completely the nature of the disagreement. If the noncompliance resulted from a one-time clerical error which is self-correcting and not indicative of an internal control weakness, the self-correcting nature of the issue should be described.

If the agency believes no corrective action is necessary and has already included the specific reasons for its position in the agency response to the preliminary finding, the agency need not repeat the specific reasons again in the CAP. Instead, the agency should provide a CAP which states, "[Agency] is in disagreement with this finding. See Agency Response in the body of the finding for details regarding the disagreement."

Certain findings require corrective action, or the coordination of corrective actions, by more than one agency, or by one or more agencies and the Office of Comptroller Operations. In those instances, the involved offices should discuss the issue to determine a lead agency, and prepare one joint CAP for inclusion in the single audit report.

Due to limitations in the size of the single audit report, CAPs sent to BAFM should not include attachments or enclosures, but instead should refer to documents available for inspection or documents sent to the federal agency for review. Also, CAPs should be prepared using abbreviations already established. A complete listing of abbreviations already in use is included as an appendix in the most recent single audit report.

Enclosure – [Corrective Action Plan Template](#)