

GUIDELINES FOR PREPARING QUARTERLY STATUS REPORT OF CORRECTIVE ACTION

Audit resolution for findings in the single audit report begins when an agency receives a preliminary finding. At that time an agency begins formulating its position on an issue, which is included in its agency response to the preliminary finding, in a corrective action plan (CAP) to a final audit finding, and later, in the single audit report summary schedule of prior audit findings. The status report of corrective action is to be prepared as of the end of every calendar quarter and transmitted to the Office of the Budget, Office of Comptroller Operations, Bureau of Accounting and Financial Management (BAFM) via email at RA-CO-BFM-PASingleAud@pa.gov within 30 days of the end of every calendar quarter.

The quarterly status report of corrective action should address all findings included in the prior audit's schedule of findings and questioned costs and all unresolved findings from prior years. The schedule should include for each uncorrected or unresolved finding and recommendation:

- (1) The finding number.
- (2) The finding title as originally stated in the report.
- (3) Comments regarding the current status of corrective action and resolution.
- (4) The status of the CAP: "Complete" to indicate that the CAP steps have been completed, "In Process" to indicate that the CAP steps have not yet been completed, or "N/A" to indicate that the agency disagrees with the finding and no corrective action is deemed to be necessary.
- (5) The status of the Finding: "Resolved" to indicate that the finding has been resolved by the federal funding agency, "Unresolved" to indicate that no resolution documentation has been received from the federal funding agency, or "Closed" to indicate that the finding warrants no further action under the provisions of *2 CFR Part 200, Subpart F – Audit Requirements*.

At a minimum, the comments should address the status of implementation of proposed strengthening, correcting, or other necessary actions and conformance to original timetables; any additional actions to be taken, together with a proposed timetable; relevant comments or major problems encountered concerning the implementation process; any suggested or required revisions to proposed actions and related timetables presented in the original agency audit report CAP; and any other pertinent data.

Where findings have been resolved, the comments should refer to a federal agency final resolution correspondence in which the federal funding agency considered the issue closed. Agencies should consider all issues unresolved until such resolution correspondence is received from all assigned federal agencies, even if the state agency has done everything possible to implement corrective action. When findings involve questioned costs, the agency should indicate whether the questioned costs have been repaid or waived by the federal agency, or if unresolved, whether it appears likely that the questioned costs will be resolved in the commonwealth's favor.

Certain findings require corrective action, or the coordination of corrective actions, by two or more agencies, or one or more agencies and the Office of Comptroller Operations. In those instances, the involved offices should have determined a lead agency for preparation

of a joint CAP. The lead agency should continue to include in its quarterly status report of corrective action any updates from other affected agencies until the finding is considered closed.

Due to limitations in the size of the quarterly status report, updates to corrective actions sent to BAFM should be as concise as possible and not include attachments or enclosures, but instead should refer to documents available for inspection or documents sent to the federal funding agency for review. Also, the schedules 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.

Subsequent to the end of each calendar quarter, BAFM will compile the updates from all agencies into one consolidated quarterly status report. This report will then be posted on the Office of the Budget [website](#), where it will be available to agencies and the public.