



Correction Action Plan Writing Tips

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Contact Information



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Corrective Action Plans



Background



IC 5-11-5-1.5

Requires entities to take action to resolve noncompliance noted in an SBOA audit report

If the same or similar noncompliance is found in a subsequent report, then the entity must file a corrective action plan with the SBOA

If the corrective action plan is not submitted or completed within 6 months, then the SBOA is required to notify the legislative audit committee

Subsection (f) provides actions the legislative committee may take when notified

Timeline



Timeline:

Engagements started December 1, 2017 and exited February 1, 2018 or after

IC 5-11-5-1.5 applies to all current engagements and future engagements

Why should I pay attention?



- These are new procedures and policies for most
- More detailed than the Federal CAP

CAP PACKET



CAP Packet is now provided at exit conference and includes:

- Exit Conference Form
- Guidelines/Instructions for CAP
- CAP Template
- FAQ

EXIT CONFERENCE FORM



- Now Includes “Acknowledgement of Understanding of Requirements Concerning Repeat Findings”
- CAP Must be submitted within 10 days of exit conference or an extension requested
- Requires initials of official at exit conference

GUIDELINES/INSTRUCTIONS FOR CAP



- Guidelines will help in understanding the authority behind the CAP, along with definitions of some important terms and guidelines

GUIDELINES/INSTRUCTIONS FOR CAP



- Give detailed instruction on how to complete each section of the CAP template

SUBMISSION OF THE CAP



- Entity will submit a response to the SBOA by submitting CAP to www.in.gov/sboa/5207.htm

REVIEW OF CAP



- Once CAP is submitted to the SBOA it will be reviewed to determine the CAP has all required elements and the substance of the finding has been met
- The entity's contact person will be notified that CAP has been accepted

EXIT CONFERENCE



- PLEASE ask questions at the Exit Conference so you fully understand the issues at hand

CAP TEMPLATE



- Clearly state the issue
- List the requirements that were not followed
- Identify the root cause of the issue
- Steps to be taken to correct the issue
- Implementation timetable
- Summary of how the corrections will prevent future occurrence of the issue

CLEARLY STATE THE ISSUE



- Restate the issue identified in the repeat finding

- **IN YOUR OWN WORDS!**

LIST THE REQUIREMENTS THE WERE NOT FOLLOWED



- Restate each requirement not followed
- SBOA Uniform Compliance Guidelines (manual, bulletins, State Examiner Directives)
- Code of Federal Regulation (CFR)
- Local Policy
- Administrative Regulations (Other State Agencies)
- Indiana Code

UNIT RESPONSE



- Two Options:
 1. “We Agree”Or,
 2. “We do not agree because...”

AGREE



- “We agree with the repeat finding identified.”

DISAGREE



- Explain Specifically why the repeat finding is considered to be incorrect
- If audited entity is in noncompliance with a law and believes the law is either not practical to implement or is cost prohibitive, explain why and provide a potential legislative resolution (i.e. specific amendment to statute)

IDENTIFY ROOT CAUSE



- Two questions
 1. What happened to create the noncompliance?
 2. Why do we continue to have this issue?

STEPS TO BE TAKEN TO CORRECT THE ISSUE



- **BE DETAILED!**
- **S.M.A.R.T Guidelines**
 - Specific
 - Measurable
 - Achievable
 - Results-Focused
 - Time-Bound

QUESTIONS TO CONSIDER



- Who is responsible for determining when corrections have been made?
- Should one person be solely accountable or should the responsibility be shared?
- Should duties be segregated?
- How will personnel be trained to carry out expected duties?

MORE QUESTIONS TO CONSIDER



- How will personnel report issues/problems with the plan and to whom will they report?
- When should the problem be reported?
- What type of documentation will be available to verify that the solution has been implemented?
- How many people are dedicated to re-writing procedures?
- Are all of issues in the repeated finding adequately addressed?

IMPLEMENTATION TIMETABLE



- Timeline – focus on when the action takes place, not after (or the outcome)
 - Example: Timeline of when you put your new policy in place. NOT when the next reporting requirement occurs.

SUMMARY OF HOW THE CORRECTIONS
WILL PREVENT FUTURE OCCURRENCE



- How will the items outlined in the CAP prevent the issue?
- If can't ensure, detail controls to prevent, detect and timely correct the issue

CAP WRITING



- AN OPPORTUNITY
- THIS SHOULD BE YOUR PLAN TO FIX THE ISSUE
- TAKE ADVANTAGE OF US!
- SHOULD STAND ON ITS OWN



QUESTIONS?