State Board of Accounts
2018

Repeat Finding
County Recorders Annual Conference
April 2019

Audit Findings

• Internal Controls
• Non-Compliance
  • Statute

• Uniform Compliance Guidelines

State Board of Accounts 2018
### Findings

- Need for Resolution
- Understand the problem
- Take corrective action – often requires establishing or modifying internal controls.

### Repeat Findings

- **IC 5-11-5-1.5**
  - Finding in Report – Take corrective action
    - Level of findings – not all will be reportable
  - Finding is repeated in subsequent Report:
    - Corrective Action Plan filed with SBOA
    - Follow up by SBOA
Corrective Action Plan

• Packet will be given at exit conference
  • Templates
• 10 days to respond
  • Can ask for more time
• Six months to implement
  • Can ask for more time

Corrective Action

• The first step is to fully understand the issue.
• Second step to determine the root cause.
Root Cause

• Determine the fundamental reason that caused the non-compliance
• Establish procedures that address that root cause.

Corrective Action Plan

• Template on website
• Description of the corrective action
• Timeline for implementation
• Focus on root cause, not on effect.
Corrective Action Plan

- SBOA review and approval
- Report when implementation is complete.
- SBOA follow up
  - Send in documents
  - On site follow up

INTERNAL CONTROLS
Internal Controls

• Addressing Internal Controls is an ongoing process
  • Establish policies (in writing)
  • Modify as needed over time

Five Components

• Control Environment
• Risk Assessment
• Control Activities
• Information and Communication
• Monitoring
Resources

- Contact Lori or Ricci
- State Board of Accounts website
  - Internal Control Manual
  - Uniform Compliance Guidelines
  - Best Practices (to be expanded)