

## Instructions for Completing the Corrective Action Plan (CAP)

Under Indiana Code 5-11-5-1.5 (c), a CAP is required if a subsequent examination report contains a repeat finding. These instructions provide the process to initiate and develop a CAP.

The CAP is to be filed out online here: <http://www.in.gov/sboa/5207.htm>.

### **Title (Corrective Action Plan for \_\_\_\_\_):**

List the audited entity name and county of operation (i.e. Town of Example, Example County).

### **Report Period:**

Enter the period covered by the engagement performed (i.e. 01/01/xx to 12/31/xx).

### **Title of Result and Comment or Finding Number:**

If the repeat finding is a result and comment, include the title of the comment. If the repeat finding is a federal finding, include the federal finding number.

### **Contact Person:**

Enter the name of the official responsible for the submission of the CAP.

### **Contact Person Information:**

Provide the email address and phone number for the contact person.

### **Clearly state the issue:**

In your own words restate the issue identified in the repeat finding.

### **List the requirements that were not followed:**

Restate each uniform compliance guideline, policy, or law identified in the repeat finding.

### **View of Responsible Official (Unit Response):**

If the audited entity agrees with the repeat finding identified, please state "We agree with the repeat finding identified."

If the audited entity does not agree with the repeat finding identified, please explain specifically why the repeat finding is considered to be incorrect.

If the audited entity is in noncompliance with a State law and believes the State law is either not practical to implement or is cost prohibitive, please explain why and provide a potential legislative resolution, i.e., specific amendment to the statute.

### **Identify the root cause of the issue:**

Identification of the root cause will be more involved than the condition noted in the repeat finding. In identifying the root cause of the issue, consider the following questions:

- What happened to create the noncompliance?
- Why does the audited entity continue to have this issue?

**Description of Corrective Action: (steps to be taken to correct the issue):**

When preparing the CAP, clearly describe the steps necessary to correct the repeat finding; not which items have already been corrected and those which are still planned for action. It is important that the root cause of the issue be addressed by measurable solutions.

Consider the following approach:

1. Describe in detail the resources which will be allocated to correct the issue.
2. Provide detail of system changes to be enacted, changes to processes, or changes in personnel duties.
3. Evaluate whether corrective action items are suitably designed to remedy the conditions described in the examination report. The corrective action items and measurable solutions contained in the plan must be detailed so that SBOA can compare the corrective action implemented to the CAP and determine whether resolution has been achieved.
4. State whether corrective action will require passage or modification of an ordinance, resolution, or policy.
5. Disclose corrective action items which have already occurred or are planned.

While working through these steps, consider the following questions:

- 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?
- 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?
- How long will it take to train people and how many people will need to be trained (1, 10, 20?)
- Are all of issues in the repeated finding adequately addressed?

**Implementation Timeline (including anticipated completion date):**

IC 5-11-5-1.5(e) requires that the issue that is the subject of the finding be corrected within six months. Design the timeline for implementation with sufficient detail to highlight each step needed to correct the issue. Each step should have an anticipated completion date. Deadlines should be achievable. Consider how many people will be dedicated to the task, if operating procedures or manuals will need to be rewritten, and the timeframe to train staff.

If a corrective action item has already been accomplished, list the date that it was completed.

**If applicable: Document reason issue will NOT be corrected within 6 months:**

If the nature of the issue requires that it will take longer than 6 months to correct, please include detailed reasons for the extended period of time needed to correct the issue.

**Summary of how the corrections will prevent future occurrence of the issue:**

Explain how the changes will prevent the issue from occurring again and identify the person or position responsible for monitoring the progress of the plan.