

GENERAL AUDIT QUESTIONS

Letter	#	Question	9-14 General Audit Questions for Programs															
			1 Governor or Designee	2 Recovery Czar DCI	3 State Auditor	4 State Budget Director	5 State Controller	6 Chief Information Officer	7 Chief Procure- ment Officer	8 State Treasurer	Community & Economic Develop- ment	Education	Health	Highways & Trans- portation	Homeland Security	Housing	Social Services	15 State Evaluation Entity
A, E, I, N	1	What guidance, if any, has the state provided regarding the use of Recovery Act funds? Please describe who received what guidance. <i>(Obtain copies of any written guidance and note instances where guidance was not documented.)</i>	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
B, D, J, O	2	In what ways, if any at this time, is the state contributing to federal agencies' weekly reports on Recovery Act spending submitted to OMB? <i>(Obtain copies of any reports or guidance for contributing to federal weekly reports.)</i>	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
C, F, K, P	3	What guidance, if any, has the state provided to recipients regarding recipient reports? <i>(Obtain copies of any written guidance and note instances where guidance was not documented.)</i>	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
D, G, L, P, U, W	4	What, if anything, is the state doing to promote transparent use of the funds, e.g., public notices, state recovery website, etc.)?	X		X	X	X	X	X									
D, E, H, M, R	5	From your perspective as a state/local official, are there additional steps the federal government could take to more effectively and economically track Recovery Act funding? What suggestions, if any, do you have for how the federal government can achieve transparency and accountability while limiting reporting burdens? In what areas, if any, is there a need for clearer guidance from OMB on the Recovery Act?	X	X	X	X	X											
E, H, L, Q, T	6	How will the financial status of Recovery Act funds be monitored? Please describe what is being done in terms of procedures and controls to ensure consistency and accuracy in the tracking, monitoring, and reporting of Recovery Act program fund expenditures for programs in your state? Please describe how information from tracking and monitoring will be used in performance measurement and assessment of progress relative to such things as state or local goals or established objectives.			X	X	X											
A, E, F, N, S	7	How is the state making decisions on the use of Recovery Act related funding? Please describe the process(es) that the state is using to identify programs and initiatives to be funded under the Recovery Act. <i>(Obtain any copies of any written documentation of the state's decision-making process or prioritization of the use of funds.)</i> How is the state attempting to balance the competing goals of quick disbursement of Recovery Act funds with the need for accountability? <i>(If not covered in respondent's answer, probe for consideration of such things as measurement of potential impact, effective use of funds, to fill fiscal gaps, etc.)</i>	X	X	X	X	X											
F, G, K, O	8	What action, if any, is the state taking to ensure it has the management capacity it needs to implement the Recovery Act?	X	X	X	X	X	X		X	X	X	X	X	X	X	X	

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H	9	Please provide information on the amount of funding the state or locality has received under the Recovery Act, by source and federal program, as of March 20, 2009.				X												
I	10	Please provide information on the amount of funding disbursed under the Recovery Act by state program as of March 20, 2009.				X												
J	11	Please provide information on the amount of funding disbursed by sub-recipient as of March 20, 2009.				X												
J, P	12	Please describe any steps that need to be taken by the state before the funds are disbursed (e.g. legislative appropriation/approval, approval/review of proposed project, formal obligation in the accounting system, etc.).			X	X												
I, M, R, U	13	The Recovery Act and OMB guidance require that all federal funding provided under this Act be separately reported using unique identifiers, Treasury Appropriations Fund Symbols (TAFS), in federal accounting systems. As the prime non-Federal recipients of federal funding, states and localities are expected to also maintain these identifiers in their own systems and agencies. Please describe what has been done to ensure that this requirement is met? (As part of the response, request documentation on any communications to agencies and other relevant entity officials announcing this requirement; technical guidance to other officials responsible for allocating or obligating or tracking Recovery Act funds; and documentation of internal controls and other measures the state might take to ensure compliance.)			X	X	X			X	X							
J, N, S, V	14	The requirement to track Recovery Act funds separately is also required for any subaward, i.e., contract or grant made by the prime recipient. What is being done to ensure this requirement is met?			X	X	X			X	X							
H, K, O, T	15	Please describe the methods and systems being used by the state to track funds received under the Recovery Act, including the categories or level of detail (e.g., by federal and state program, by state agencies, and by sub-recipients.) In addition, please describe in particular the oversight and reporting mechanisms that are being used to distinguish "regular" federal Medicaid funds from supplemental funds provided by the Recovery Act.			X	X	X				X	X	X	X	X	X	X	
L, M, Q, V, X	16	What, if any, modifications have been made to accounting and reporting systems to track Recovery Act funding separately from other federal funding? If Recovery Act funding is not being tracked in established accounting and reporting systems, please describe what systems (e.g., off-line or "cuff") are being used to track funding.			X	X	X			X	X							

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D, L, Q	17	What difficulties, if any, have been encountered to-date in complying with funding reporting requirements? What challenges are likely to be encountered in meeting the reporting deadlines outlined in the OMB implementing guidance for Recovery Act funds?			X	X	X			X	X						
M, N, R, W, Y	18	For programs and activities that have both Recovery Act funds and federal funds provided through other acts, do you have a written policy or guidelines on which funds should be obligated first? <i>(Request a copy of or reference to the written documentation .)</i>			X	X	X			X	X						
I, T, BB, EE, FF	19	In your view, what are the greatest risks faced by the state in the use of Recovery Act funds?	X	X	X	X	X			X	X						
T, Y, AA	20	What actions are being taken to provide whistleblower protection?			X	X				X							
C, U	21	What is the state's process for complying with the Recovery Act provisions regarding the Governor's certification of the use of the funds? <i>(Obtain documentation of correspondence if available .)</i>	X	X		X											
B, V	22	Does the state have a new division or office with responsibilities for oversight and distribution of Recovery Act funds? If yes, please briefly describe what the scope and role of this new division or office will be. State has new division or office? __Yes __No	X	X		X											
I, J, O, S, W, Z, BB	23	Please describe what major initiatives or approaches, if any, are being taken to ensure the management infrastructure needed to achieve accountability, effective internal controls, compliance, and reliable reporting under the Recovery Act?	X	X	X	X	X			X	X	X	X	X	X	X	X
G, J, P, X, AA, CC	24	Please describe what training and communication activities, if any, are being conducted with financial management and program staff to help ensure that they understand what is expected of them regarding Recovery Act funds and program management? <i>(If not addressed in response, probe for top management communications concerning support for positive control environment .)</i>			X	X	X	X	X	X	X	X	X	X	X	X	X
K, Q, Y, BB	25	In your view, to what extent does the state currently have or is in need of an appropriate number of qualified financial management personnel to achieve accountability, effective internal controls, compliance, and reliable reporting under the Recovery Act? Please describe what actions are being taken to address any needs for sufficient competent personnel and whether or not there has been analysis of staffing level needs. <i>(If a staffing level analysis has been performed, request relevant documentation .)</i>			X	X	X				X	X	X	X	X	X	X

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L, R, Z, CC, DD	26	In what ways, if any, is your office coordinating oversight activities with others (e.g., state auditors offices, federal inspector general offices) in implementing the requirements of the Recovery Act? What concerns, if any, about coordination efforts do you have and how might they be addressed?			X	X	X			X	X	X	X	X	X	X	
M, S, AA, DD, EE	27	Please describe what risk-based approaches or assessments, if any, are being done or planned in relation to implementation of the Recovery Act requirements. What new or pre-existing risks, if any, have been identified that could impact implementation of and compliance with Recovery Act requirements with regard to accountability, effective internal controls, and reliable reporting? What is being done to manage/mitigate these risks? (If not provided in initial response, probe as to whether there has been or will be an increase in such activities as on-site visits, inspections and other monitoring activities.)			X	X	X			X	X	X	X	X	X	X	
N, U, CC, FF, GG	28	Please describe what assessments, if any, of recipients risks have been or will be done relating to recipients' capacity to account for and use funds for their intended purposes and in compliance with the program and the Recovery Act.			X	X	X			X	X	X	X	X	X	X	
B, O, V, DD, GG, HH	29	What material weaknesses in program compliance and internal control have been previously reported for the programs or activities that will receive Recovery Act funds? What existing material weaknesses in internal control over financial reporting are there that could have an impact on the accountability for Recovery Act funds? ? (Include in response to this item any findings from the Single Audit or any other audits performed that would be relevant .)			X	X	X			X	X	X	X	X	X	X	X
N, O, P, S, X, Z	30	How will recipients be held accountable for use of Recovery Act funds?			X	X	X			X	X	X	X	X	X	X	
Q, W, EE, HH, II	31	What general and specific internal control activities are in place to provide reasonable assurance of compliance with the requirements of the Recovery Act? What, if any, additional internal controls or accountability requirements have been put in place or are planed for Recovery Act funds? What internal control monitoring processes are viewed as critical to successful management of Recovery Act funds?			X	X	X			X	X	X	X	X	X	X	
H, R, X, FF, II	32	Please describe current or planned processes for competing grants and contracts related to Recovery Act funds? (If not provided in initial answer, probe as to whether there are procedures in place to ensure that potential recipients are not on the Excluded Parties List.)			X	X	X	X		X	X	X	X	X	X	X	
I, S, Y, GG, JJ	33	Please describe how coordination and communication is being managed with groups/stakeholders that will be managing or receiving Recovery Act funds.				X	X	X		X	X	X	X	X	X	X	

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Z, HH, JJ, KK	34	Are there specific external audit procedures related to the review of Recovery Act funding (e.g. agreed upon procedures) and, if so, what are they?			X	X	X			X	X							
C, II, KK	35	One purpose of the Recovery Act is to preserve and create jobs. Please describe plans, methods and activities for assessing and measuring jobs preserved and created. <i>(Probe for what guidance, if any, has been provided to state agencies or locales on tracking/reporting jobs preserved and created, whether or not baselines have been or will be established, data sources, definitions of jobs created or preserved, methods that will be used to collect data, how the number of jobs preserved or created will be calculated, and how the reliability of the data will be assessed.)</i>			X	X												X
L, AA, JJ, LL	36	Have any analyses or assessments been made of the potential impact of Recovery Act funds or provisions on such things as the state's economy or capacity to conduct oversight of the use of funds? If yes, please describe. <i>(Obtain copies of any written assessments.)</i> Have any analyses or assessments of potential impact been done? __Yes __No																
			X	X	X	X	X				X							
M	37	What actions, if any, did the state take or plan to take prior to receipt of Recovery Act funds in order to maintain a balanced budget for the current fiscal year? Please describe the nature and extent of fiscal conditions with regard to increased expenditures and/or reduced revenues that influenced these actions. <i>(For actions that are identified, please request additional detail, e.g., number of layoffs, name of programs cut or eliminated, etc.)</i> <i>Based on any actions described above, please check all that apply.</i> ___no actions taken beyond the usual budget process ___furlough ___layoffs ___reduced hours for state or local employees ___reduced services ___cut programs ___eliminated programs ___cut benefit payments to individuals ___cancel contracts ___reduce financial support to nonprofit organizations ___other cost-saving measures ___revenue-enhancing measures																
			X	X		X												

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C, N, BB, LL	38	Is the state measuring or tracking budget or program actions not taken or avoided as a result of this infusion of federal funds? If yes, please describe. Is state measuring or tracking budget or program actions not taken? __Yes __No	X	X		X	X											X
Q, CC, MM	39	How would you describe the overall impact of receipt of Recovery Act funds on your state's budget?	X	X		X	X											
O, DD, NN	40	Does the state plan to develop or already have in place a strategy for responding to any long-term fiscal challenges after the Recovery Act funding ends? If yes, please describe. Does the state plan to have or develop strategy __Yes __No	X	X		X	X											
A, OO	42	Please describe what programs are considered to be at highest risk and why and what actions have been taken or are planned to help mitigate up-front risks.			X	X												
B	43	Please describe what plans your office has to audit Recovery Act funds and how oversight efforts will be prioritized. What indicators or measures, if any, will your office be using to identify agencies, programs or localities needing further scrutiny? (If not included in response, probe for specific audits and monitoring of Medicaid-related Recovery Act funds (FMAP).)			X													
C	44	In your view, to what extent does your office currently have or is in need of an appropriate number of qualified personnel to conduct oversight reviews and audits of Recovery Act funds? Please describe any actions being taken to address needs for sufficient, competent personnel and whether or not there has been analysis of staffing level needs. (If a staffing level analysis has been performed, request relevant documentation.)			X													
D	45	What insights and suggestions might you share with us regarding selecting programs based on known risk?			X													
E	46	What insights and suggestions might you share with us regarding effective methodologies we might use in conducting out work?			X													
F	47	What insights and suggestions might you share with us regarding productive contacts we should make?			X													
G	48	What insights and suggestions might you share with us regarding issues we are likely to encounter concerning data reliability?			X													
H	49	What insights and suggestions might you share with us regarding localities for us to visit within the state?			X													
BB, EE, PP	50	Please describe your state's procedures for obtaining federal reimbursement for Medicaid, including any changes that have occurred because of the Recovery Act.				X	X				X							
P, CC, FF, QQ	51	Please describe how your state is planning to use the Recovery Act Medicaid funding.	X			X	X				X							

