

Statewide Monitoring of APA Audit Reports

Fiscal Fundamentals



Virginia Department of Accounts

Financial Accountability. Reporting Excellence.

Audit Report

Issued by Auditor of Public Accounts (APA)
includes:

- An audit opinion
- A management letter of findings and/or deficiencies
- Recommendations for improvement

Audit Opinions

Unqualified – No findings or deficiencies

Qualified – Minor findings and deficiencies

Adverse – Major deficiencies and findings that can materially misstate financial data

No Opinion – A disclaimer that auditors cannot satisfy themselves that financial data are fairly presented



Audit Findings/Recommendations

Address weaknesses in internal controls

Address instances of noncompliance with rules and/or regulations

- State
- Federal
- Internal Policies & Procedures



Agency Responsibilities

Develop a comprehensive response to any audit findings and/or reported deficiencies.

Include a Corrective Action Workplan (CAW) in the response.

Provide written progress reports to the State Comptroller every 90 days until the findings and/or deficiencies are corrected. Upon correction, the Agency Head must certify the correction in writing to the State Comptroller.



Audit Response Procedures

Agencies must send written response to State Comptroller within 30 days after receiving final audit report.

Response must include the CAW. The workplan should:

- Summarize the audit findings (What)
- Identify the proposed corrective actions (How)
- Provides target dates for completion (When)
- Names of the position or person responsible for implementing each corrective action (Who)

Transmit copies of the response to:

- Director of Department of Planning and Budget
- Appropriate Cabinet Secretary
- Auditor of Public Accounts



Audit Response Procedures

DOA logs, tracks and evaluates the response.

If DOA finds the response inadequate:

- DOA will notify the agency.
- Agency must send a revised response within 15 days.
- Agency must send revised response to DPB Director, Cabinet Secretary, and APA.

Agencies must:

- Submit status reports every 90 days on resolving comments,
- Report the status of any outstanding questioned costs,
- When a finding is corrected, the Agency Head must certify the correction in writing to the State Comptroller.



DOA Monitoring Procedures

- DOA receives copies of all APA reports
- DOA tracks agency Responses and CAWs
- DOA reports summaries of All Findings, Risk Alerts, and Efficiency Issues in the Quarterly Report
- DOA reports the Current Status of Corrective Actions as Reported by Agencies in the Quarterly Report



Single Audit Report

Contains a “Resolution of Prior Year Audit Findings” Section

- Identifies all resolved and unresolved findings from all previous single audits

DOA includes agencies’ responses in the Single Audit Report



CAPP Manual Topic

- [10205](#), Agency Response to APA Audit

Code Reference

- Code of Virginia [Section 2.2-5004.B. – C.](#),
Financial and Administrative Management
Standards for Public Institutions of Higher
Education

finrept@doa.virginia.gov

804-225-2257 – voice

804-225-2430 – facsimile

U. S. Mail:

Financial Reporting
Virginia Department of Accounts
P. O. Box 1971
Richmond, VA 23218-1971