



STATE OF WASHINGTON

AUDIT RESOLUTION REPORT

December 2011

THIS REPORT SUMMARIZES the status of corrective actions taken by state agencies, in conjunction with the Office of Financial Management (OFM), to resolve exceptions to specific expenditures or financial transactions reported in audits performed by the State Auditor's Office (SAO).

Washington State laws require post audits of every state agency. As part of the audit process, exceptions to specific expenditures or financial transactions become a matter of public record. OFM is required to ensure that agencies take corrective actions to address exceptions and to annually report on the status of these audit resolutions.

This annual report is required by RCW 43.88.160 which states, "The director of financial management shall annually report by December 31st the status of audit resolution to the appropriate committees of the legislature, the state auditor, and the attorney general. The director of financial management shall include in the audit resolution report actions taken as a result of an audit including, but not limited to, types of personnel actions, costs and types of litigation, and value of recouped goods or services."

This report summarizes the status of resolution of audit exceptions reported in conjunction with regularly scheduled individual agency post audits, the statewide single audit as well as other special SAO reports. These reports were issued between November 1, 2010, and October 31, 2011. The audit reports issued during that period include 68 exceptions, one of which relates to fraud. Also included in separate sections of this report are SAO recommendations and agency responses resulting from one agency special report and two statewide reports focused on specific topics.

Agencies are required to submit corrective action plans to OFM within 30 days of issuance of audit reports in which exceptions are taken. OFM participates in the corrective action process, which is subject to a follow-up review by SAO.

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