

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**ALTHOUGH THE ADMINISTRATION FOR
COMMUNITY LIVING
RESOLVED NEARLY ALL AUDIT
RECOMMENDATIONS, IT DID NOT
ALWAYS DO SO IN ACCORDANCE
WITH FEDERAL TIMEFRAME
REQUIREMENTS**

*Inquiries about this report may be addressed to the Office of Public Affairs at
Public.Affairs@oig.hhs.gov.*



Gloria L. Jarmon
Deputy Inspector General
for Audit Services

April 2019
A-07-18-03232

Office of Inspector General

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OFFICE OF AUDIT SERVICES FINDINGS AND OPINIONS

The designation of financial or management practices as questionable, a recommendation for the disallowance of costs incurred or claimed, and any other conclusions and recommendations in this report represent the findings and opinions of OAS. Authorized officials of the HHS operating divisions will make final determination on these matters.

Report in Brief

Date: April 2019

Report No. A-07-18-03232

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES
OFFICE OF INSPECTOR GENERAL



Why OIG Did This Review

HHS, Administration for Community Living (ACL), is subject to Federal audits of its internal activities as well as Federal and non-Federal audits of activities performed by its grantees and contractors. As a followup to these audits, ACL is responsible for resolving Federal and non-Federal audit report recommendations related to its activities, grantees, and contractors within 6 months after formal receipt of the audit reports. HHS, OIG, prepares and forwards to ACL monthly stewardship reports that show the status of these reported audit recommendations.

Our objectives were to determine whether ACL resolved audit recommendations in a timely manner during Federal fiscal years (FYs) 2015 and 2016 and to identify all unresolved audit recommendations that were due for resolution as of September 30, 2016.

How OIG Did This Review

We reviewed the “Outstanding Audits and Actions Taken by Cognizance” stewardship reports to identify all outstanding audit recommendations that ACL resolved during FYs 2015 and 2016, as well as all outstanding recommendations that remained unresolved and were due for resolution as of September 30, 2016. These stewardship reports identified 24 audit reports and 71 corresponding recommendations.

Although the Administration for Community Living Resolved Nearly All Audit Recommendations, It Did Not Always Do So in Accordance With Federal Timeframe Requirements

What OIG Found

ACL did not always resolve audit recommendations in a timely manner during FYs 2015 and 2016. Specifically, ACL resolved 65 of the 71 audit recommendations that were outstanding during FYs 2015 and 2016. However, it did not resolve 34 of the 65 recommendations (52.3 percent) within the required 6-month resolution period. In addition, as of September 30, 2016, ACL had not resolved six audit recommendations that were past due for resolution. These six past-due recommendations were procedural in nature and involved policies and procedures and internal controls; none of them involved dollar amounts such as recommended disallowances.

ACL had policies and procedures in place to ensure that audit recommendations were resolved in compliance with Federal requirements. However, ACL did not always follow these policies and procedures. Although ACL did not always issue management decisions and submit the related clearance documents to OIG within the required 6-month resolution period, ACL has made progress in this respect (compared with the findings of our previous review) by increasing the percentage of audit recommendations that were resolved in a timely manner. According to ACL officials, competing priorities and short staffing contributed to the fact that some audit recommendations were not resolved in a timely manner.

What OIG Recommends

We recommend that ACL follow its policies and procedures related to the audit resolution process and promptly resolve the six outstanding audit recommendations that were past due as of September 30, 2016.

ACL concurred with our first recommendation and, although it did not directly concur with our second recommendation, described corrective actions that it had taken related to both recommendations. ACL stated that it had updated and implemented audit resolution policies and procedures and added that it had submitted clearance documents and issued management decision letters for the outstanding audit recommendations.

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INTRODUCTION

WHY WE DID THIS REVIEW

The U.S. Department of Health and Human Services (HHS), Administration for Community Living (ACL), is subject to Federal audits of its internal activities as well as Federal and non-Federal audits of activities performed by its grantees and contractors. These audits ensure that recipients of Federal awards have complied with applicable Federal requirements related to management and use of funds. As a followup to these audits, ACL is responsible for resolving Federal and non-Federal audit report recommendations related to its activities, grantees, and contractors within 6 months after formal receipt of the audit reports. The HHS Office of Inspector General (OIG) prepares and forwards to ACL monthly stewardship reports that show the status of these reported audit recommendations. In keeping with our mission of helping to safeguard HHS funds, we focused in this review on the timeliness of ACL's audit resolution process. This process includes, in response to each Federal and non-Federal audit report on ACL's internal activities or on activities performed by ACL's grantees and contractors, the issuance of a management decision and the submission of an OIG clearance document (OCD) to OIG within the required 6-month period.¹ We are not reviewing the actual corrective actions taken by ACL.

In a previous OIG audit report (A-07-06-03084, Feb. 21, 2007; Appendix B), we found that ACL² did not always resolve audit recommendations in accordance with Federal requirements during calendar years (CYs) 2003 through 2005. We included the results of our previous review in this audit report to compare them with the current-period results.

OBJECTIVES

Our objectives were to determine whether ACL resolved audit recommendations in a timely manner during Federal fiscal years (FYs) 2015 and 2016 and to identify all unresolved audit recommendations that were due for resolution as of September 30, 2016.

BACKGROUND

ACL is an HHS OPDIV that comprises three formerly separate entities within HHS: the Administration on Aging, the Administration on Intellectual and Developmental Disabilities, and the HHS Office on Disability. It serves as the Federal agency responsible for increasing access to community supports, while focusing attention and resources on the unique needs of older

¹ In this context, the term "management decision" refers to the evaluation by the cognizant HHS operating division's (OPDIV's) management of the audit findings and corrective action plan and the issuance of a written decision as to what corrective action is necessary. The OPDIV's management uses an OCD to report to OIG the management decision and actions taken on recommendations; OIG then uses the OCD as the source document to clear recommendations from the stewardship report.

² During our prior audit ACL was known as the Administration on Aging.

Americans and people with disabilities across the lifespan. Its mission is to maximize the independence, well-being, and health of older adults, people with disabilities across the lifespan, and their families and caregivers.

Federal Audits

Section 4(a) of the Inspector General Act of 1978, as amended (5 U.S.C. App.), directs OIG to conduct audits of agency programs and activities. Under this authority, OIG conducts audits of internal ACL activities, as well as activities performed by ACL grantees and contractors. These audits are intended to provide independent assessments of ACL programs and operations and to help promote economy and efficiency. OIG uses its own resources to conduct audits in accordance with generally accepted government auditing standards (GAGAS) and oversees audit work conducted by independent auditors.

Non-Federal Single Audits

Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*,³ requires that non-Federal entities (such as ACL grantees) that expend \$500,000⁴ or more in Federal awards in a year⁵ have a Single Audit or program-specific audit (also referred to as an “A-133 audit”), pursuant to the provisions of OMB Circular A-133, Subpart B, __.200.⁶ These A-133 audits, conducted by independent auditors, are conducted in accordance with GAGAS and OMB Circular A-133. These audits include an examination of the entity’s financial records and financial statements, testing of the entity’s internal controls, and a review of the entity’s compliance with requirements related to expenditures of selected Federal awards. The final audit report contains comments from the entity, including corrective actions planned or taken to address the findings.

Audited entities transmit their final A-133 audit reports to the Federal Audit Clearinghouse (FAC).⁷ In turn, OIG, National External Audit Review Center (NEAR), receives A-133 audit

³ This circular was made applicable by HHS regulations at 45 CFR § 74.26(a). The circular was relocated to 2 CFR part 230. (HHS has promulgated new grant regulations and cost principles at 45 CFR part 75 that apply to awards made on or after December 26, 2014.) None of the audits in our review were subject to the new rule, as they were of awards made prior to that date.

⁴ The expenditure level for Federal awards was raised to \$750,000 for FYs beginning on or after December 26, 2014 (45 CFR § 75.501(a)).

⁵ Some State and local governments that are required by constitution or statute that was in effect January 1, 1987, to be audited less frequently than annually are permitted to undergo audits biennially. Nonprofit organizations are also allowed to have biennial audits under certain conditions (OMB Circular A-133, § _____.220).

⁶ Commercial entities that met the \$500,000 threshold during the audit period could elect to conduct either an A-133 audit or a financial-related audit (45 CFR § 74.26(d)(i)).

⁷ The FAC operates on behalf of OMB to disseminate A-133 audit reports to Federal agencies.

reports from the FAC. NEAR performs a desk review of each A-133 audit report that contains findings related to direct HHS funding to determine whether there are any issues with the report and whether the report meets GAGAS and OMB Circular A-133 requirements.⁸ NEAR prepares a transmittal letter and attachment that summarize the audit findings and recommendations and that identify the Federal agency responsible for resolution (cognizant Federal agency). NEAR then distributes the transmittal letter and attachment to the grantee and the cognizant Federal agency.

Federal Requirements Regarding Timeliness of Audit Resolution

In resolving Federal audit recommendations, ACL must comply with OMB Circular A-50, *Audit Followup*, which requires resolution of audit recommendations within a maximum of 6 months after issuance of a final audit report. In resolving non-Federal audit recommendations, ACL must comply with OMB Circular A-133 for audits of grantees that received awards in FYs beginning prior to December 26, 2014, and with 45 CFR § 75.521(d) for audits of grantees that received awards in FYs beginning on or after that date.⁹ OMB Circular A-133 requires resolution within 6 months after receipt of the final report by the Federal Government, and 45 CFR § 75.521(d) requires resolution within 6 months of acceptance of the audit report by the FAC.

ACL's Audit Resolution Process

ACL's *Grants Management Cycle Memo*, dated Sept. 30, 2014 (the Manual), provides the policies and procedures for ACL to follow in resolving audit recommendations. The audit resolution process begins when ACL, Office of Grants Management (OGM), Audit Liaison (Liaison), receives an audit report from NEAR.¹⁰ The OGM Director reviews the report and designates an Action Official from the applicable Regional Office (RO). The Liaison then forwards the report to the RO for resolution and completion of the OCD. The RO contacts the grantee to obtain the corrective action plan and reviews it for completeness. After approval of the corrective action plan, the Action Official prepares an OCD, which includes obtaining Approving Officials' signatures, and emails the completed OCD to OIG for removal of the associated recommendations from the stewardship report.

⁸ After our audit period, HHS made significant changes to the roles and responsibilities for processing Single Audits. Effective October 1, 2018, the Office of the Assistant Secretary for Financial Resources within HHS, Office of the Secretary, took over the responsibility from NEAR for assigning the audit recommendations from Single Audit reports to the HHS OPDIV responsible for resolution. NEAR maintained the desk review function, but instead of reviewing all Single Audit reports with findings, NEAR began on that date to use a risk-based approach to identify selected audit reports to review.

⁹ See footnote 2. Although none of the audits in this review were subject to 45 CFR part 75, we included the relevant provision from the current regulation in this report to support the validity of our recommendations.

¹⁰ The process we describe here deals with non-Federal audit recommendations. ACL was not the subject of any Federal audit recommendations during our audit period.

Unlike some larger HHS OPDIVs, ACL does not have a dedicated information technology system for tracking audit resolution; rather, ACL monitors audit resolution using an audit tracking spreadsheet. ACL reconciles this tracking spreadsheet to the OIG monthly stewardship report (discussed below); ACL officials stated that differences are rarely noted. ACL holds monthly meetings with RO staff to follow up on outstanding audit recommendations (the Manual § IX.C).

Stewardship Reports

The OIG Audit Planning and Implementation group prepares, and forwards to ACL (and other HHS OPDIVs as appropriate), monthly stewardship reports on the status of audit recommendations reported in Federal and non-Federal audits. These reports identify all audit reports and corresponding recommendations issued for the selected period and provide the management decisions and the date of that action, or indicate that no action has as yet been taken.

HOW WE CONDUCTED THIS REVIEW

We reviewed the “Outstanding Audits and Actions Taken by Cognizance” stewardship reports to identify all outstanding audit recommendations that ACL resolved during FYs 2015 and 2016, as well as all outstanding audit recommendations that remained unresolved and were due for resolution as of September 30, 2016. These stewardship reports identified 24 audit reports and 71 corresponding recommendations.^{11,12} The issuance dates for these audit reports ranged from February 1, 2013, through March 4, 2016.

We did not review ACL’s overall internal control structure. Rather, we reviewed only those internal controls related to our objective.

We conducted this performance audit in accordance with GAGAS. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix A describes our audit scope and methodology.

¹¹ All of the 24 audit reports (with 71 corresponding recommendations) identified in these stewardship reports were non-Federal audit reports.

¹² In contrast, as reported in our previous review of CYs 2003 through 2005, the relevant stewardship reports identified 81 audit reports with 319 corresponding outstanding recommendations. The 319 outstanding recommendations reported in our previous review included 28 recommendations that were unresolved but not due for resolution until after the end of the previous audit period. To be consistent with the methodology used in the current review, those 28 recommendations are not included in the results below.

FINDINGS

ACL did not always resolve audit recommendations in a timely manner during FYs 2015 and 2016. Specifically, ACL resolved 65 of the 71 audit recommendations that were outstanding during FYs 2015 and 2016. However, it did not resolve 34 of the 65 recommendations (52.3 percent) within the required 6-month resolution period. In addition, as of September 30, 2016, ACL had not resolved six audit recommendations that were past due for resolution. These six past-due recommendations were procedural in nature and involved policies and procedures and internal controls; none of them involved dollar amounts such as recommended disallowances.

ACL had policies and procedures in place to ensure that audit recommendations were resolved in compliance with Federal requirements. However, ACL did not always follow these policies and procedures. Although ACL did not always issue management decisions and submit the related OCDs to OIG within the required 6-month resolution period, ACL has made progress in this respect (compared with the findings of our previous review) by increasing the percentage of audit recommendations that were resolved in a timely manner.

According to ACL officials, competing priorities and short staffing contributed to the fact that some audit recommendations were not resolved in a timely manner.

Without resolving all audit recommendations in a timely manner, ACL runs the risk of noncompliance with Federal requirements and mismanagement of Federal funds. The prompt resolution of audit recommendations helps ensure that Federal funds are effectively and efficiently used to carry out the activities for which they were authorized.

FEDERAL REQUIREMENTS

In resolving Federal audit recommendations, ACL must comply with OMB Circular A-50. In resolving non-Federal audit recommendations, ACL must comply with OMB Circular A-133 for audits of grantees that received awards in FYs beginning prior to December 26, 2014, and with 45 CFR § 75.521(d) for audits of grantees that received awards in FYs beginning on or after that date (footnote 3).

OMB guidance requires “prompt resolution and corrective actions on audit recommendations. Resolution shall be made within a maximum of six months after issuance of a final report or, in the case of audits performed by non-Federal auditors, six months after receipt of the report by the Federal Government. Corrective action should proceed as rapidly as possible” (OMB Circular A-50, § 8.a.(2)).

OMB guidance states: “The entity responsible for making the management decision shall do so within six months of receipt of the [non-Federal] audit report. Corrective action should be initiated within six months after receipt of the audit report and proceed as rapidly as possible” (OMB Circular A-133, § _____.405(d)).

Federal regulations provide the following management decision time requirements: “The HHS awarding agency or pass-through entity responsible for issuing a management decision must do so within six months of acceptance of the audit report by the FAC. The auditee must initiate and proceed with corrective action as rapidly as possible and corrective action should begin no later than upon receipt of the audit report” (45 CFR § 75.521(d)).

ACL DID NOT ALWAYS RESOLVE AUDIT RECOMMENDATIONS IN ACCORDANCE WITH FEDERAL REQUIREMENTS

ACL Did Not Always Resolve Audit Recommendations in a Timely Manner

ACL did not always resolve audit recommendations in a timely manner during FYs 2015 and 2016. Of the 65 audit recommendations that ACL resolved during FYs 2015 and 2016, 31 (47.7 percent) were resolved within the required 6-month resolution period, but 34 (52.3 percent) were not resolved within that period.¹³

Of the 291 audit recommendations that ACL had resolved during CYs 2003 through 2005, 207 (71.1 percent) were, as reported in our previous review,¹⁴ not resolved within the required 6-month resolution period. Table 1 below shows the timeframes for resolving these recommendations for both reviews.

**Table 1: Timeliness of Audit Recommendations Resolved in FYs 2015 and 2016
Compared With Those Resolved in CYs 2003 Through 2005**

Timeframe To Resolve Recommendation	Current Audit FYs 2015 and 2016		Previous Audit CYs 2003 Through 2005	
	Number of Resolved Recommendations	Percentage of Total	Number of Resolved Recommendations	Percentage of Total
Within 6-month resolution period	31	47.7%	84	28.9%
Not resolved within 6-month resolution period:				
6+ months to 1 year	12	18.5%	129	44.3%
1+ year	22	33.8%	78	26.8%
Subtotal (not resolved within 6-month resolution period)	34	52.3%	207	71.1%
Total	65	100.0%	291	100.0%

Table 1 also shows that the overall number of resolved audit recommendations was reduced from the CYs 2003 through 2005 timespan covered by our previous review to the (admittedly shorter) FYs 2015 and 2016 timespan covered by our current review. In addition, the

¹³ All 65 audit recommendations that were resolved were conveyed in non-Federal audit reports.

¹⁴ A-07-06-03084.

percentage of audit recommendations that ACL did not resolve in a timely manner decreased from 71.1 percent in CYs 2003 through 2005 to 52.3 percent in FYs 2015 and 2016.

ACL Had Some Recommendations That Were Unresolved and Due for Resolution

As of September 30, 2016, ACL had not resolved 6 audit recommendations (of the 71 outstanding recommendations for FYs 2015 and 2016) that were past due for resolution.¹⁵ These six past-due recommendations were procedural in nature and involved policies and procedures and internal controls; none of them involved dollar amounts such as recommended disallowances.

As of December 31, 2005 (the end of the period covered by our previous report), ACL had no audit recommendations that were unresolved and past due for resolution. Therefore, between the period covered by our previous review and the period covered by our current review, ACL had a slight increase in the total number of unresolved audit recommendations that were past due for resolution. Table 2 below presents information on the timeframes for our current review.¹⁶

**Table 2: Unresolved Audit Recommendations Past Due for Resolution
as of September 30, 2016**

Timeframe Beyond Required Resolution Date	Number of Recommendations	Percentage of Total Recommendations	Average Days Beyond Required Resolution Date	Percentage of Dollar Amounts Beyond Required Resolution Date
6+ months to 1 year	1	16.7%	365.0	N/A
1+ year to 2 years	5	83.3%	535.8	N/A
2+ years to 3 years	0	0.0%	N/A	N/A
3+ years to 4 years	0	0.0%	N/A	N/A
4+ years to 5 years	0	0.0%	N/A	N/A
5+ years	0	0.0%	N/A	N/A
Total	6	100.0%		N/A

ACL DID NOT ALWAYS FOLLOW ITS POLICIES AND PROCEDURES WHEN RESOLVING AUDIT RECOMMENDATIONS

ACL had policies and procedures in place to ensure that audit recommendations were resolved in compliance with Federal requirements. However, ACL did not always follow these policies and procedures. Although ACL did not always issue management decisions and submit the related OCDs to OIG within the required 6-month resolution period, ACL has made progress in

¹⁵ All six audit recommendations that were unresolved and past due for resolution were conveyed in non-Federal audit reports.

¹⁶ A-07-06-03084.

this respect (compared with the findings of our previous review) by increasing the percentage of audit recommendations that were resolved in a timely manner.

According to ACL officials, competing priorities and short staffing contributed to the fact that some audit recommendations were not resolved in a timely manner.

ACL DID NOT ALWAYS ENSURE THAT FEDERAL FUNDS WERE EFFECTIVELY AND EFFICIENTLY USED

Although ACL improved the timeliness of audit resolution between the previous and current periods, 52.3 percent of resolved recommendations were not resolved within the required 6-month period. Without resolving all audit recommendations in a timely manner, ACL runs the risk of noncompliance with Federal requirements and mismanagement of Federal funds. The prompt resolution of audit recommendations helps ensure that Federal funds are effectively and efficiently used to carry out the activities for which they were authorized.

RECOMMENDATIONS

We recommend that ACL:

- follow its policies and procedures related to the audit resolution process to ensure that all management decisions are issued within the required 6-month resolution period and
- promptly resolve the six outstanding audit recommendations that were past due as of September 30, 2016.

ACL COMMENTS

In written comments on our draft report, ACL concurred with our first recommendation and, although it did not directly concur with our second recommendation, described corrective actions that it had taken related to both recommendations. ACL stated that it had updated and implemented audit resolution policies and procedures and that it had realigned its audit process to ensure that audit resolution is properly prioritized. ACL also stated that it submitted OCDs and issued management decision letters for the outstanding audit recommendations referenced in this audit.

ACL's comments are included in their entirety as Appendix C.

APPENDIX A: AUDIT SCOPE AND METHODOLOGY

SCOPE

We reviewed the “Outstanding Audits and Actions Taken by Cognizance” stewardship reports to identify all outstanding audit recommendations that ACL resolved during FYs 2015 and 2016, as well as all outstanding audit recommendations that remained unresolved and were due for resolution as of September 30, 2016. These stewardship reports identified 24 audit reports and 71 corresponding recommendations (footnotes 11 and 12). The issuance dates for these audit reports ranged from February 1, 2013, through March 4, 2016.

We did not review ACL’s overall internal control structure. Rather, we reviewed only those internal controls related to our objective.

We conducted our audit work in September and October 2018.

METHODOLOGY

To accomplish our objectives, we:

- reviewed applicable sections of OMB Circulars A-50 and A-133, HHS regulations at 45 CFR part 75, and other applicable Federal requirements;
- reviewed ACL’s policies and procedures for resolving audit recommendations and performed a walkthrough of the process;
- interviewed ACL’s staff and reviewed documentation provided by ACL officials;
- obtained ACL’s “Outstanding Audits and Actions Taken by Cognizance” stewardship reports for our audit period and used them to:
 - identify the total number of recommendations that were resolved timely or untimely by:
 - including only the recommendations that had the “management decision” data field populated (which indicated that a management decision had been made) and that had a decision date (i.e., the date that ACL issued the OCD) that fell within our audit period of FYs 2015 and 2016 and

- quantifying the timeframe it took to resolve those recommendations by calculating the number of days between the issued date and the decision date;¹⁷
 - quantify the total number of recommendations that were unresolved and beyond the required resolution period by:
 - including only the recommendations that had no decision date documented or that had a decision date that was after our audit period (indicating that a management decision had not been made as of the end of our audit period) and
 - quantifying the timeframe beyond the required resolution date for those recommendations by calculating the number of days between the required resolution date and the last day of our audit period (September 30, 2016); and
 - determine whether there were any dollar amounts associated with any unresolved recommendations that were beyond the required resolution period as of September 30, 2016; and
- discussed the results of our audit with ACL officials on October 17, 2018.

We conducted this performance audit in accordance with GAGAS. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

¹⁷ To determine whether a management decision was issued timely for a Federal audit, we reviewed the time period between the date that OIG issued the audit report and the date that ACL issued the management decision. To determine whether a management decision was issued timely for a non-Federal audit, we reviewed the time period between the date that NEAR assigned the single audit finding(s) to ACL and the date that ACL issued the management decision. Both the date that OIG issued the audit report and the date that NEAR assigned the single audit finding(s) are reported on the stewardship report in the “issued date” data field.

**APPENDIX B: PREVIOUSLY ISSUED
OFFICE OF INSPECTOR GENERAL REPORTS**

Report Title	Report Number	Date Issued
<i>Although the Centers for Disease Control and Prevention Resolved Nearly All Audit Recommendations, It Did Not Always Do So in Accordance With Federal Timeframe Requirements</i>	<u>A-07-17-03226</u>	2/25/2019
<i>Although the Centers for Medicare & Medicaid Services Has Made Progress, It Did Not Always Resolve Audit Recommendations in Accordance With Federal Requirements</i>	<u>A-07-18-03228</u>	1/15/2019
<i>The Indian Health Service Did Not Always Resolve Audit Recommendations in Accordance With Federal Requirements</i>	<u>A-07-17-03227</u>	9/24/2018
<i>The Administration for Children and Families Did Not Always Resolve Audit Recommendations in Accordance With Federal Requirements</i>	<u>A-07-17-03225</u>	7/2/2018
<i>Review of the Centers for Disease Control and Prevention's Resolution of Audit Recommendations</i>	<u>A-07-09-03131</u>	5/26/2010
<i>Administration for Children and Families Resolution of Audit Recommendations</i>	<u>A-07-09-03118</u>	10/28/2009
<i>Centers for Medicare & Medicaid Services Resolution of Audit Recommendations</i>	<u>A-07-07-04112</u>	11/19/2008
<i>Indian Health Service's Resolution of Audit Recommendations</i>	<u>A-07-06-03077</u>	3/9/2007
<i>Administration on Aging's Resolution of Audit Recommendations</i>	<u>A-07-06-03084</u>	2/21/2007
<i>Food and Drug Administration's Resolution of Audit Recommendations</i>	<u>A-07-06-03083</u>	2/15/2007

APPENDIX C: ACL COMMENTS



DEPARTMENT OF HEALTH & HUMAN SERVICES

Center for Management and Budget
Administration for Community Living
Washington, DC 20201

February 12, 2019

Ms. Gloria L. Jarmon
Deputy Inspector General for Audits
U.S. Department of Health and Human Services
Washington, D.C. 20201

Dear Ms. Jarmon:

The Administration for Community Living (ACL) appreciates the opportunity to respond to the Office of the Inspector General's (OIG) report entitled, *The Administration for Community Living Did Not Always Resolve Audit Recommendations in Accordance With Federal Requirements (A-07-19-03232)*.

The following are ACL's response to the OIG recommendations:

Recommendation 1: ACL follow its policies and procedures related to the audit resolution process to ensure that all management decision are issued within the required 6 month resolution period.

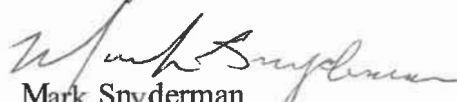
Response: ACL concurs with this recommendation. Audit Resolution policies and procedures have been updated and implemented. Additionally, ACL has realigned its audit process including roles and responsibilities to ensure audit resolution is properly prioritized.

Recommendation 2: ACL promptly resolve the six outstanding audit recommendation that were past due as of September 30, 2016.

Response: ACL submitted OCDs and issued Management Decision Letters for the outstanding audit recommendations referenced in this audit.

Thank you again for the opportunity to review this report. Please direct any follow-up inquiries to Tanielle Chandler, Director, Office of Grants Management at (202) 795-7325.

Sincerely,


Mark Snyderman
Acting, Deputy Administrator for
Management and Budget