

## 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.