

Management Minute: Address Audit Findings with Corrective Action Plans

Louise Eldridge: The Single Audit Act requires grant recipients to develop and submit a Corrective Action Plan designed to correct audit findings, material non-compliances, and reportable conditions in internal controls.

A Corrective Action Plan must clearly show that management analyzed the problem, developed a solution, and assigned responsibility for implementing it to an appropriate individual. The plan should also include the expected completion dates.

Governing bodies are required under federal law to monitor their agency's actions to correct any audit findings. Progress on correcting findings should be included in regular reports to the governing body or Tribal Council. Adjustments to the plan should be made as needed.

The Corrective Action Plan, written on agency letterhead and signed by the governing body chair, should be included with the audit report when it is submitted to the Federal Audit Clearinghouse.