



STATE CONTROLLER'S BULLETIN

Edward Karass
State Controller

Rebecca M. Wyke, Commissioner
Administrative & Financial Services

Bulletin #05-07

SUBJECT: Fiscal Year 2004 Single Audit Findings and Recommendations

DATE: December 1, 2004
TO: All Departments and Agencies
FROM: Edward A. Karass, State Controller
CC: Rebecca Wyke, Commissioner, Ryan Low, State Budget Officer

As we continue to take steps to strengthen financial management and accountability throughout state government, we are providing guidance to all agencies regarding the FY 2004 Statewide Single Audit. Areas of concern to all of us are the published findings and recommendations, and management letter comments contained in the Statewide Single Audit Report prepared by the State Auditor. Please prepare your reply to the **draft findings and recommendations** within 5 business days of receipt of the correspondence from the Auditor. It is during this phase of the audit finding and recommendation life-cycle that disagreements and misunderstanding may be resolved, or additional information may resolve an issue before it becomes a part of the audit report. The Office of the State Controller is prepared to help you. In addition, if you are unsure of how to respond to a particular issue raised, please contact the Controller's Office Internal Control Unit or your Liaison in Financial Reporting and Analysis for technical assistance.

In order to provide technical assistance to you in areas of proper accounting, reporting, and control over the various business processes within your agency, and to ensure that we meet our responsibilities, we are requiring a copy of your responses to the draft findings and recommendations be sent to us using the following e-mail address in the statewide directory: **Account-Ctrl, Bureau**. Once we receive your responses, we will review them to ensure that you have responded to the finding appropriately and assist you with the resolution. Please note that it is the intention of the OSC to ensure that Departments and Agencies take corrective action to resolve the finding(s). The OSC will make field visits to each affected agency to ensure compliance.

Once the finding is no longer considered a draft and is officially communicated to the agency by the Auditor, we require the final corrective action plan to be communicated to our Internal Control Unit concurrently with the agency response to the Auditor. Please refer to SAAM Section 20.50 for guidance.

Enclosed with this Bulletin is Section 20.50, Audit Tracking. Section 20.50 provides guidance to agencies regarding their responsibilities and the responsibilities of the Office of the State Controller to track, resolve, and report on the Auditor's findings and recommendations.

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