

HR AUDIT PROGRAM

CORRECTIVE ACTION PLAN AND FOLLOW-UP PROCEDURE GUIDELINES

Agency corrective actions and follow-up procedures are based on the Element Risk Assessment assigned to a particular element in an audit.

During preparation of an Audit Plan, each element of the audit is assigned an Element Risk Assessment (ERA) number. The ERA is determined by examining the particular subject to be audited and the risk imposed by agency non-compliance with the governing statutes, rules, and policies. The ERA will determine: 1) the manner in which corrective actions are made, 2) the amount of time the agency is allowed to make the corrective action(s), and 3) the follow-up procedures used to ensure that the State's risk is significantly reduced or eliminated.

ELEMENT RISK ASSESSMENT (ERA)

1	Potential for significant monetary impact resulting from penalties or legal action or loss of productivity. There could also be the potential for a significant adverse impact on the health, welfare and/or safety of those served, or the public's perception of state government resulting from inappropriate expenditures and/or poor stewardship of public funds and resources.
2	Potential for moderate monetary impact resulting from penalties or legal action or loss of productivity. There could also be the potential for a moderate adverse impact on the health, welfare and/or safety of those served, or the public's perception of state government resulting from inappropriate expenditures and/or poor stewardship of public funds and resources.
3	Potential for relatively low or no monetary impact resulting from penalties or legal action or loss of productivity. The practice does not constitute a best management practice and may cause minor disruptions and inconveniences to others or the workflow.