

Report in Brief

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



Why **OIG** Did This Review

HHS, Centers for Disease Control and Prevention (CDC), 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, CDC 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 CDC monthly stewardship reports that show the status of these reported audit recommendations.

Our objectives were to determine whether CDC 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 CDC 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 213 audit reports and 888 corresponding recommendations.

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

What **OIG** Found

CDC did not always resolve audit recommendations in a timely manner during FYs 2015 and 2016. CDC resolved 855 of the 888 recommendations that were outstanding during FYs 2015 and 2016. However, it did not resolve 827 of the 855 recommendations (96.7 percent) within the required 6-month resolution period. In addition, as of September 30, 2016, CDC had not resolved 33 audit recommendations that were past due for resolution. Some of the past-due recommendations were procedural in nature; six others had associated dollar amounts that totaled \$140,946. Within 3 months after the end of our audit period, CDC resolved these six remaining monetary recommendations that were past due for resolution.

CDC had policies and procedures in place to ensure that audit recommendations were resolved in compliance with Federal requirements, but did not generally follow them. As a result, CDC did not usually issue management decisions and submit the related clearance documents to **OIG** within the required 6-month resolution period. CDC reorganizations between January 2013 and October 2016 resulted in considerable turnover in staff responsible for audit resolution. In addition, the systems used for tracking the audit resolution process were still evolving during that period, which helped contribute to untimely followup. During the latter part of the audit period, CDC began taking steps to improve the audit resolution process.

What **OIG** Recommends and CDC Comments

We recommend that CDC follow its policies and procedures related to the audit resolution process and promptly resolve the 27 outstanding audit recommendations (33 that were past due as of September 30, 2016, less 6 resolved after the end of our audit period).

CDC did not directly concur with our recommendations but described corrective actions that it had taken or planned to take. CDC stated that it has improved its process and standard operating procedures to submit clearance documents to **OIG** within the 6-month resolution period and added that it had resolved the 27 outstanding audit recommendations.