

## Report in Brief

Date: July 2019

Report No. A-07-19-03233

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



### Why OIG Did This Review

HHS, Substance Abuse and Mental Health Services Administration (SAMHSA), 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, SAMHSA 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 SAMHSA monthly stewardship reports that show the status of these reported audit recommendations.

Our objectives were to determine whether SAMHSA 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 SAMHSA 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 97 audit reports and 292 corresponding recommendations.

## The Substance Abuse and Mental Health Services Administration Resolved Approximately One-Third of Its Audit Recommendations, None in Accordance With Federal Timeframe Requirements

### What OIG Found

SAMHSA did not resolve audit recommendations in a timely manner during FYs 2015 and 2016. SAMHSA resolved 104 of the 292 audit recommendations that were outstanding during FYs 2015 and 2016. However, it did not resolve any of the 104 recommendations within the required 6-month resolution period. In addition, as of September 30, 2016, SAMHSA had not resolved 188 audit recommendations that were past due for resolution. These 188 past-due recommendations were procedural in nature; none of them involved dollar amounts such as recommended disallowances.

As of July 1, 2015, SAMHSA had draft policies and procedures in place (which were verbally conveyed to its staff before that date) to ensure that audit recommendations were resolved in compliance with Federal requirements, but did not generally follow them. As a result, SAMHSA did not issue any management decisions (and submit the related clearance documents to OIG) within the required 6-month resolution period. In addition, SAMHSA’s policies and procedures had not been finalized at the time of our audit work, and SAMHSA did not perform periodic reconciliations with OIG’s stewardship reports. SAMHSA officials attributed audit resolution issues to staff turnover and shifting priorities.

### What OIG Recommends

We recommend that SAMHSA finalize and follow its policies and procedures related to the audit resolution process, promptly resolve the 188 outstanding audit recommendations that were past due as of September 30, 2016, and reconcile each month the appropriate OIG or HHS records with SAMHSA’s audit resolution records and follow up on any differences noted.

SAMHSA concurred with all of our recommendations and described corrective actions that it had taken or planned to take. SAMHSA stated that it would update and finalize its policies and procedures for resolving audits within required timeframes by July 31, 2019. In addition, SAMHSA stated that it would initiate audit resolution efforts for all 188 outstanding audit recommendations by September 30, 2019. Finally, SAMHSA stated that effective immediately, it would perform monthly reconciliations of its audit resolution records with those of the appropriate oversight office.