

Transmittal of External Audit Report

Instructions: Per Department of Finance & Management Policy #7.0: **External Audit Reports**, departments are required to complete and submit this **coversheet** with a copy of the external audit report to the Commissioner of Finance & Management within 30 days of issuance of the final audit report. This coversheet must be submitted by the department's business office to ensure their awareness and acknowledgment of any potential financial impact. Official department responses to the audit report, including corrective action plans (*if required*), must also be submitted to Commissioner of Finance & Management upon completion.

Department	Environmental Conservation
Business Office Contact	Kim McKee, Administrative Services Director
Program/Activity Audited	Clean Water State Revolving Fund
Audit Agency	U.S Environmental Protection Agency
Audit Report Date	10/10/2024

1. Does the audit report contain any findings or recommendations?

YES NO

➤ If YES continue to question #2; otherwise coversheet is complete.

2. Does the report contain any repeat audit findings?

YES NO

3. Please rate the findings and/or recommendations contained in the audit report using the following scale; for reports with multiple findings, this overall rating should be based on the most critical finding:

Insignificant: Nominal violation of policies, procedures, rules, or regulations. Corrective action suggested but not required.

Notable: Minor violation of policies, procedures, rules, or regulations and/or weak internal controls; and/or opportunity to improve effectiveness and efficiency. Corrective action may be required.

Significant: Significant violation of policies, procedures, rules, regulations or laws; and/or poor internal controls; and/or significant opportunity to improve effectiveness and efficiency. Corrective action required.

Major: Major violation of policies, procedures, rules, regulations or laws; and/or unacceptable internal controls; and/or high risk for fraud, waste or abuse; and/or major opportunity to improve effectiveness and efficiency. Immediate corrective action required.

4. Is the department required to develop a corrective action plan (or similar) to address the audit findings and/or recommendations?

YES NO

➤ If YES continue to next question; otherwise skip to question #8.

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5. Has the corrective action plan been developed?

YES NO [provide status below]

❖ Status of corrective action plan: Completed

6. Does the department anticipate any inability or delay in implementing its corrective action plan?

YES NO,

➤ If YES continue to next question; otherwise skip to question #8.

7. What fiscal and programmatic impact is this inability or delay likely to have?

8. Does the report contain any disallowed costs¹?

YES NO

➤ If YES list the amount(s) and page reference(s) below; otherwise skip to question #11.

Disallowed Amount \$	Audit Report Page #

Disallowed Amount \$	Audit Report Page #

9. Has the method and timing of repayment for all disallowed costs been agreed upon with the applicable organization?

YES NO

10. Assess the impact this disallowance will have on the:

- a. Program/Activity: Major Significant Minimal None
 b. Dept Overall Budget: Major Significant Minimal None

11. Does the report contain any questioned costs²?

YES NO

➤ If YES list the amount(s) and page reference(s) below; otherwise form is complete.

Questioned Amount \$	Audit Report Page #

Questioned Amount \$	Audit Report Page #

12. Assess the likelihood that the questioned costs will result in disallowances and/or reductions in future revenues:

Very Likely Likely Somewhat Likely Not Likely

¹ Costs determined as unallowable under the applicable program/activity and not eligible for financial assistance; generally disallowed costs must be reimbursed to the awarding organization.

² Costs identified as potentially unallowable for financial assistance under the applicable program/activity.