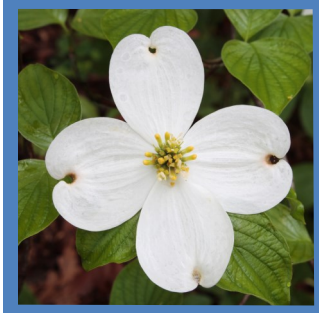

AGENCIES OF THE SECRETARY OF FINANCE

REPORT ON AUDIT
FOR THE YEAR ENDED
JUNE 30, 2022

Auditor of Public Accounts
Staci A. Henshaw, CPA
www.apa.virginia.gov
(804) 225-3350

AUDIT SUMMARY

This report summarizes our fiscal year 2022 audit results for the following four agencies under the Secretary of Finance (Secretary):

- *Department of Accounts*
- *Department of Planning and Budget*
- *Department of Taxation*
- *Department of the Treasury and the Treasury Board*

Our audits of these agencies for the year ended June 30, 2022, found:

- proper recording and reporting of transactions, in all material respects, in the Commonwealth's accounting and financial reporting system, each agency's financial systems, and in supplemental information and attachments submitted to the Department of Accounts;
- five new findings involving internal control and its operations discussed in the Internal Control and Compliance Findings and Recommendations section, necessary to bring to management's attention;
- two of the five findings are considered to be instances of non-compliance with applicable laws and regulations that are required to be reported;
- two prior year findings involving internal control and compliance and its operations discussed in the Status of Prior Year Findings and Recommendations section, where corrective action is ongoing; and
- adequate corrective action with respect to prior audit findings identified as resolved in the Findings Summary included in the Appendix.

This report also includes information on significant initiatives for the Secretary and Department of Accounts, including the status of the Commonwealth's Human Capital Management System development project and financial reporting changes for leases. In addition, it includes Risk Alerts, which are applicable to the Department of Accounts and Department of Taxation.

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SIGNIFICANT INITIATIVES

The following section provides an update on two major Commonwealth initiatives affecting Secretary of Finance agencies.

Status of System Development Project

Applicable to: *Secretary of Finance and Department of Accounts*

Commonwealth's Human Capital Management System Project

In August 2016, Department of Accounts (Accounts) launched a payroll project to replace the Commonwealth's existing payroll system that has been in place since 1986. Accounts expanded this project in May 2018 to also replace the Commonwealth's human resources; time, attendance, and leave; and benefits administration systems for an all-encompassing Human Capital Management (Cardinal HCM) project. Accounts planned to roll out the project in two releases during fiscal year 2022, October 2021 and April 2022. The planned second release included a significant number of agencies and extensive volume of data. Due to challenges faced during the first release and the size of the planned second release, Accounts divided the second release into two separate release groups with the largest volume in the third release. Reducing the size of the release groups and extending the final release date provided Accounts with adequate time to continue to monitor implementation concerns and address any challenges. Accounts focused its efforts to ensure data conversions for each agency were accurate to reduce the risk of not being able to pay employees or providing incorrect benefits. This required Accounts, the Department of Human Resource Management, and all agencies that use the Commonwealth's payroll and human resource systems to devote key personnel, time, and technology resources to mitigate the risks associated with the Cardinal HCM project. In April 2022, 69 agencies went live in the second release. In October 2022, 146 agencies went live with the third release.

Accounts implemented the final release of the Human Capital Management project in October 2022. Accounts' estimates a total cost of approximately $135.8 million dollars.

The Cardinal HCM deployment has been the largest and most complex initiative of any Cardinal project to date. As they work towards system stabilization and project close out since the final release, Accounts continues to support users and central operations through ticket resolutions, forums, user labs, etc. Ticket resolutions that take longer than a week are commonly related to enhancement requests, minor program fixes, and those requiring dialog with the user.

Accounts estimates a total cost of $135.8 million for the Cardinal HCM project. As of December 31, 2022, Accounts spent approximately $133 million and estimates an additional cost of $2.8 million to complete the project. The Governor authorized a working capital advance for the total estimated cost of the project. Accounts has drawn approximately $134 million of the working capital advance to plan, develop, configure, and roll-out new software as of June 30, 2022.

The Cardinal HCM project integrated the Commonwealth's accounting and financial reporting system with the human resource, leave, and benefits functions. This integration reduced risks by replacing several aging statewide systems, improved performance with all Commonwealth system applications using cloud infrastructure and fulfilled the majority of the Commonwealth's payroll and human resource requirements. Further, with the integration of the accounting and financial reporting system with the human resource, leave, and benefits functions, the Commonwealth has a variety of new reporting capabilities and more streamlined processes.

New Lease Accounting Standard

Applicable to: *Department of Accounts*

Governmental Accounting Standards Board Statement No. 87 Leases

GASB Statement No. 87, Leases, is effective for fiscal year 2022. The Commonwealth's primary government reported $484.2 million in long-term lease liabilities, with $50.8 million due within one year, and $467.5 million in net right-to-use intangible assets.

In 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. GASB postponed the effective date of this accounting standard by 18 months by Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. It was effective for fiscal year 2022 and significantly changed the way governments account for leases. Under the new model, operating and capital leases no longer exist. The Commonwealth reported all leases as financing transactions, which resulted in recording an intangible asset and a liability for every lease except short term leases (less than 12 months). For fiscal year 2022, the Commonwealth's primary government reported $484.2 million in long-term lease liabilities, with $50.8 million due within one year, and $467.5 million in right-to-use intangible assets net of accumulated amortization in the Commonwealth's Annual Comprehensive Financial Report (ACFR).

The Commonwealth has two systems that state agencies use to account for leases. The Department of General Services (General Services) manages a system that includes all real estate leases. Accounts manages a system that includes all other leases, such as equipment leases. Our audit did not find any issues with Accounts implementation; however, we did find material issues with the implementation at General Services. The finding over their implementation and reporting of real estate leases is included in our report entitled "Department of General Services' Division of Real Estate Services and Office of Fiscal Services for the year ended June 30, 2022." In addition, our audit to support the ACFR found material issues with the Virginia Information Technologies Agency's implementation of GASB Statement No. 87 related to the Commonwealth's Information Technology Infrastructure Services Program. We included this finding in our report entitled "Virginia Information Technologies Agency for the year ended June 30, 2022."

INTERNAL CONTROL AND COMPLIANCE FINDINGS AND RECOMMENDATIONS

This section is organized by agency, and each finding reported includes information on the type of finding and the severity classification for the finding. The severity classifications are discussed in more detail in the section titled "Independent Auditor's Report."

Department of Accounts

Ensure Adequate Resources are Available to Maintain Compliance with the Security Standard
Type: Internal Control and Compliance
Severity: Significant Deficiency
Repeat: No

Accounts did not perform a comprehensive review of all user access to the Commonwealth's enterprise resource planning system during fiscal year 2022. Historically, Account's Enterprise Applications department performed user access reviews in two groups, October, and May of each fiscal year. However, Accounts did not perform an annual access review from May 2021 to August 2022, exceeding the minimum 12 month required time period. As a result, some user accounts were not subject to an access review for up to 22 months. The Enterprise Applications department performed quarterly reviews over certain high-risk types of access and monitored for inactive accounts monthly. However, these reviews over subsets of user access did not constitute a full review of user access and do not satisfy the Commonwealth's Security Standard, SEC 501 (Security Standard).

The Security Standard, Section AC – 2 Account Management, requires agencies to review all user access for compliance with account management requirements on an annual basis. The lack of an annual access review increases the risk that a user retains inappropriate access, which could lead to unauthorized access to critical financial information. Since the Enterprise Applications department facilitates this review for all agencies using the Commonwealth's enterprise resource planning system, this risk transfers to state agencies across the Commonwealth.

During fiscal year 2022, Accounts was actively implementing the Commonwealth's human resource and payroll management system. Extensive staffing resources from the Enterprise Applications department supported the Commonwealth's implementation. The Enterprise Applications department did not perform the required annual access review during fiscal year 2022 because of the shift in priorities.

Accounts should perform a comprehensive review of all user access at least annually in accordance with the Security Standard. Accounts should reserve adequate resources to maintain compliance with the Security Standard during system implementations, upgrades, or other resource-intensive projects.

Identify and Implement Critical Controls for the Commonwealth's New Human Resource and Payroll Management System

Type: Internal Control
Severity: Significant Deficiency
Repeat: No

Accounts' State Payroll Operations did not obtain a final comprehensive process flowchart over the new human resource and payroll management system, which is essential to identify critical controls. State Payroll Operations did not update written internal policies and procedures to reflect changes to critical controls impacted by the implementation of the new system. Although there was a lack of updated policies and procedures, State Payroll Operations performed reconciliations, reviews, and analysis to ensure agencies processed payroll properly and timely. However, State Payroll Operations did not always maintain documentation to support the procedures it performed.

The Commonwealth Accounting Policies and Procedures (CAPP) Manual Topic 50105, Cardinal HCM Payroll Instructions, instructs agency management and staff to gain an understanding of the controls available within the system, ensure that they are properly employed, and establish additional controls to reduce the possible misuse of the payroll process and detect errors when they occur. Additionally, the CAPP Manual Topic 50000 Payroll Accounting, emphasizes the need for agencies to develop their own policies and procedures governing payroll operations. Written and implemented policies and procedures ensure the accuracy and continuity of processes an agency performs that are necessary in achieving the agency's goals and ensuring internal controls are functioning as designed.

During fiscal year 2022, Accounts was actively implementing the Commonwealth's human resource and payroll management system. In two separate releases, 87 agencies transitioned to the new system and processed over $904 million in payroll during the fiscal year, which is 20 percent of the Commonwealth's total payroll of $4.5 billion. The remaining state agencies transitioned to the new system during fiscal year 2023. Extensive staffing resources from State Payroll Operations supported the Commonwealth's implementation. During implementation, the State Payroll Operations' priority was to ensure agencies processed payroll properly and timely. State Payroll Operations did not evaluate and update their written internal control policies and procedures related to the new system because of the shift in priorities. The Commonwealth processes an immense volume of payroll through the Commonwealth's human resources and payroll system, and payroll processes are decentralized at the agency level. The lack of implemented central controls and processes increases Accounts' risk that their monitoring practices will not detect untimely payroll processes or inconsistencies between Cardinal Financials and Cardinal HCM.

State Payroll Operations should identify all critical processes surrounding their use of the Commonwealth's human resources and payroll management system, considering the new system's impact on how Accounts and agencies process payroll. State Payroll Operations should use this information to design and implement critical central controls and update their internal policies and procedures to reflect the Cardinal HCM environment.

Prioritize Updates to the CAPP Manual Payroll Topics

Type: Internal Control
Severity: Significant Deficiency
Repeat: No

Accounts' State Payroll Operations created a new CAPP Manual for agencies to use that have transitioned to the new human resource and payroll management system, maintaining the old CAPP Manual for those agencies still on the legacy payroll system. State Payroll Operations did not update guidance for critical payroll internal controls in most of the topics in the new CAPP Manual for the Commonwealth's human resource and payroll management system. However, State Payroll Operations provided agencies with job aids, trainings, and other guidance through email that outlined procedures each agency should perform as part of payroll operations with the new system, such as monthly and quarterly reconciliations and certification.

Section 2.2-803 of the Code of Virginia requires Accounts to provide authoritative guidance on the application of accounting policies, procedures, and systems. Further, having updated and relevant resources available to Commonwealth agencies is a key component of internal controls and ensures consistent processing of transactions throughout the Commonwealth. State Payroll Operations not updating human resources and payroll guidance in a central location could have a negative impact on consistent transactional processing and financial reporting throughout the Commonwealth.

During fiscal year 2022, Accounts was actively implementing the Commonwealth's human resource and payroll management system. Extensive staffing resources from State Payroll Operations supported the Commonwealth's implementation. Accounts' management prioritized the system implementation, including resolving errors and answering questions from agency representatives. Commonwealth agencies rely on published guidance Accounts provides to assist in designing and implementing internal controls surrounding payroll and system operations. The lack of updated published guidance could contribute to a break down in internal controls at the agency level. This increases the risk that agencies will not detect and prevent inaccurate payroll transactions and human resource information within the system.

State Payroll Operations should dedicate the necessary resources and develop a timeline to prioritize updating CAPP Manual Topics for the new system. As the authoritative guidance on the application of accounting policies, procedures, and systems, the CAPP Manual should provide a central location that describes the Commonwealth's accounting policies and references the supporting job aids and trainings. Until State Payroll Operations completes updating the CAPP Manual to support the new human resource and payroll management system, they should continue communicating with the agencies via email as a temporary method.

Conduct Timely IT Security Audits

Type: Internal Control and Compliance
Severity: Significant Deficiency
Repeat: No

Accounts does not ensure the performance of information technology (IT) security audits over its sensitive IT systems occur once every three years in accordance with the Commonwealth's IT Security Audit Standard, SEC 502 (Security Audit Standard). Accounts contracts with Virginia Information Technologies Agency (VITA) for its auditing service to perform IT security audits over Accounts' sensitive systems. However, Accounts excluded three of its 30 sensitive systems from the contract without obtaining an approved exception from the Commonwealth's Chief Information Security Officer (CISO) for deviating from the Security Audit Standard's three-year audit requirement. We communicated the control weakness to management in a separate document marked Freedom of Information Act Exempt (FOIAE) under § 2.2-3705.2 of the Code of Virginia, due to it containing descriptions of security mechanisms.

The Security Audit Standard requires agencies to assess IT systems that contain sensitive data or reside in a system with a sensitivity of high for confidentiality, integrity, or availability at least once every three years (*Security Audit Standard, sections: 1.4 Scope and Frequency of IT Security Audits; 2.1 Planning for IT Security Audits*). The Security Standard requires Accounts to request approval to deviate from a specific requirement in any related information security standard if compliance would adversely impact a business process of the agency by submitting an exception request to the CISO (*Security Standard, section 1.5 Exceptions to Security Requirements*).

Not having IT security audits performed over sensitive systems once every three years, increases the risk that Accounts will not detect and effectively remediate vulnerabilities and threats within sensitive systems' configuration settings and system management processes. This puts Accounts at risk for malicious users to exploit those vulnerabilities to possibly compromise sensitive information and potentially cause systems to become unavailable.

Accounts did not include two sensitive systems in VITA's audit scope because of the agency's efforts to release a new system module throughout the 2022 calendar year. Accounts has since decommissioned one of the two systems in October 2022 but does not have a planned audit date for the second system due to the need for additional technical upgrades starting in the 2023 calendar year. Additionally, Accounts did not include a third system because it plans to decommission the system in February 2023.

Accounts should work with VITA to ensure that VITA schedules and performs the required audits once every three years in accordance with the Security Audit Standard. If Accounts must deviate from any security control requirement within the Commonwealth's security standards, including the Security Audit Standard, Accounts should file for and receive an approved exception that includes a description of compensating controls that will reduce the risks to its environment and help protect the confidentiality, integrity, and availability of Accounts' sensitive and mission critical data.

Department of the Treasury

Properly Perform and Document Retirement Benefits System Reconciliations

Type: Internal Control
Severity: Deficiency
Repeat: No

The Department of the Treasury (Treasury) Human Resources Department (Human Resources) is not properly retaining support to verify completion of monthly reconciliations between the Commonwealth's retirement benefits system and human resources system. While the Payroll Service Bureau (Bureau) performs certain reconciliation processes on behalf of Treasury, Human Resources is not retaining support to show completion of processes that fall under its control, which include the following:

- Reconciliation of creditable compensation between the Commonwealth's retirement benefits system and human resources system;
- Review of the Commonwealth's human resources system cancelled records report; and
- Proper assessment and correction for items in the Virginia Retirement System's (Retirement System) automated reconciliation reports reviewed by the Bureau and communicated to Human Resources.

CAPP Manual Topic 50410 requires agencies to perform a monthly reconciliation of creditable compensation between the Commonwealth's human resources and retirement benefits systems. Further, CAPP Manual Topic 50410 describes each of the automated reconciliations and the actions agencies should take to promptly clear exception items identified. Retirement benefit system information is critical to the services provided by the Retirement System, and insufficient reconciliations could result in improper payment of employee contributions to the Retirement System or errors in members' retirement-related data. Improper reconciliation processes can also affect the integrity of the information in the Commonwealth's retirement benefits system.

The Human Resources employee responsible for reconciliation processes identified above resigned in January 2022, and Human Resources did not properly complete or retain reconciliations from February 2022 through June 2022 due to a lack of personnel resources. Human Resources adequately completed reconciliations performed prior to February 2022. Human Resources should dedicate appropriate personnel resources to properly perform and retain adequate documentation supporting the retirement benefits reconciliation process.

STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS

This section is organized by agency and reports the status of findings from the prior years' audit where corrective action is ongoing. Each status of prior year finding reported includes information on the type of finding, the severity classification for the finding, and an update on progress made since the issuance of the prior year's audit report. The severity classifications are discussed in more detail in the section titled "Independent Auditor's Report."

Department of Planning and Budget

Continue to Improve IT Change and Configuration Management Policy and Process
Type: Internal Control and Compliance
Severity: Significant Deficiency
Repeat: Yes (first issued in fiscal year 2021)
Prior Title: Improve Information Technology Change and Configuration Management Policy and Process

Planning and Budget continues to improve its IT change and configuration management process to include all elements required by the Security Standard. Planning and Budget remediated six of the eight prior year weaknesses, but we identified two control weaknesses that remain. We communicated these issues to management in a separate document marked Freedom of Information Act Exempt (FOIAE) under § 2.2-3705.2 of the Code of Virginia, due the sensitive nature of the information included.

The Security Standard requires agencies to implement certain controls that reduce unnecessary risk to confidentiality, integrity, and availability of Planning and Budget's information systems and data. Without implementing certain change and configuration management controls, Planning and Budget may be unable to properly track changes or detect unauthorized changes to its IT environment. While Planning and Budget has made significant progress in remediating prior year weaknesses, limited resources and staffing issues have prevented it from implementing the controls required to remediate the remaining weaknesses.

Planning and Budget should dedicate resources to implement, manage, and enforce its change and configuration management process to address the weaknesses discussed in the communication marked FOIAE to protect the confidentiality, integrity, and availability of sensitive and mission critical data.

Department of the Treasury

Continue to Improve IT Risk Management Documentation

Type: Internal Control and Compliance
Severity: Significant Deficiency
Repeat: Partial (first issued in fiscal year 2021)
Prior Title: Improve IT Risk Management and Contingency Planning Documentation

Since the prior year audit, Treasury has remediated three of the four issues identified to improve its risk management and contingency planning documentation. However, Treasury has not yet completed a System Security Plan (SSP) for 19 of its 20 sensitive systems (95 percent). The Security Standard requires Treasury to document a SSP for the IT system based on the results of the Risk Assessment (*Security Standard, Section PL-2-COV System Security Plan*). Without documenting SSPs for all its sensitive systems, Treasury cannot determine if proper information security controls are in place. This could lead to a breach of data or unauthorized access to sensitive and confidential data.

Treasury did not have formal SSPs for most of its sensitive systems because it documents the data required for an SSP in other locations instead of one central document. Treasury was unable to complete the documentation of an SSP for each sensitive system during fiscal year 2022 as it focused resources on remediating the other issues identified in the prior year recommendation. Treasury is in the process of completing an SSP for each sensitive system and expects to complete the project by the end of calendar year 2022.

Treasury should complete IT risk management documentation for its sensitive systems and implement a formal process to review those documents annually to validate that the information reflects the current environment to ensure Treasury protects the confidentiality, integrity, and availability of its sensitive and mission critical systems.

RISK ALERTS

During the course of our audit, we encountered issues that are beyond the corrective action of agency management alone and require the action and cooperation of Accounts' and Taxation's management, VITA, and management of other Commonwealth agencies. The following issues represent such a risk to these agencies and the Commonwealth during fiscal year 2022.

Access to Audit Log Monitoring Tool

Repeat: Yes (first issued in fiscal year 2021)
Applicable to: *Department of Accounts*

Accounts continues to rely on the Commonwealth's Information Technology Infrastructure Services Program (ITISP) to install, maintain, operate, and support IT infrastructure components, such as servers, routers, firewalls, and virtual private networks. As part of these services, Accounts relies on a contractor procured by VITA to provide Accounts access to a centralized monitoring tool that collects audit log information about activities in Accounts' IT environment so that Accounts can review logged activity. Additionally, Accounts relies on VITA to maintain oversight and enforce the service level agreements and deliverables with this ITISP contractor.

While VITA did not originally enforce the deliverable requirement when ratifying the ITISP contracts in 2018, over the last three years VITA has attempted to compel the ITISP contractor to grant agencies access to the monitoring tool and audit log information. However, as of September 2022, VITA and the ITISP contractor have not been able to grant access to individual agencies due to delays in configuring a new centralized monitoring tool that is replacing the original product. VITA is overseeing the ITISP contractor's current efforts to implement a new system to grant Accounts access to monitor audit log information. VITA estimates that Accounts will have limited access to the monitoring tool by the end of the 2022 calendar year and has not developed an estimated delivery date for other expected features.

The Security Standard requires a review and analysis of audit records at least every 30 days for indications of inappropriate or unusual activity (*Security Standard: Section AU-6 Audit Review, Analysis, and Reporting*). VITA not being able to enforce the deliverable requirements from the ITISP contractor increases the risk associated with the Commonwealth's data confidentiality, integrity, and availability.

Accounts is working with VITA and VITA's ITISP contractor to obtain access to the audit log information within the centralized monitoring tool to ensure Accounts can review the activities occurring in its IT environment in accordance with the Security Standard. Additionally, our separate audit of VITA's contract management will also continue to report on this issue.

Timely Security Audits

Repeat: No
Applicable to: *Department of Accounts*

Accounts contracts with VITA for its auditing service to perform IT security audits over Accounts' sensitive systems. Under the contract, VITA is to conduct IT security audits in compliance with the Security Audit Standard, which includes conducting audits to measure compliance with applicable Commonwealth security standards within three years from the last audit completion date. Based on a review of Accounts' IT audit plan and VITA's completion of Accounts' security audits, VITA did not perform the audits within three years (*Security Audit Standard, section 2.1 Planning for IT Security Audits*).

Without performing IT security audits over Accounts' sensitive systems once every three years, VITA increases the risk for vulnerabilities, threats, and system misconfigurations to go undetected and delaying Accounts from taking remediating actions. This puts Accounts at risk of malicious users exploiting vulnerabilities to possibly compromise sensitive information and potentially causing systems to become unavailable.

Accounts originally contracted for VITA's Auditing Service in 2016 and VITA performed security audits between calendar years 2017 and 2018. However, due to staffing constraints and VITA's policy change to perform all system security audits for an agency during the same year, VITA did not conduct Accounts' audits within three years from the completion date of its last IT security audits.

Accounts is working with VITA to ensure VITA completes its systems' security audits within the required interval, which will assist Accounts in identifying and remediating system vulnerabilities in a timely manner and reduce risks to Accounts' IT environment. Additionally, our separate audit of VITA will address this issue.

Unpatched Software

Repeat: Yes (first issued in fiscal year 2015)
Applicable to: *Department of Taxation*

VITA contracts with various IT service providers to create the Commonwealth's ITISP to provide agencies with installation, maintenance, operation, and support of IT infrastructure components, such as servers, routers, firewalls, and virtual private networks. Taxation continues to rely on contractors procured by VITA for the installation of security patches in systems that support Taxation's operations. Additionally, Taxation relies on VITA as the contract administrator to maintain oversight and enforce the contract agreements with the ITISP contractors. As of July 2022, the ITISP contractors had not applied a significant number of security patches that are critical and highly important to Taxation's IT infrastructure components, all of which are past the 90-day Security Standard requirement.

The Security Standard requires the installation of security-relevant software updates within 90 days of release. The Security Standard does allow for varying time periods depending on factors such as the criticality of the update, but generally the ITISP uses a 90-day window from the date of release as its

standard for determining timely implementation of security patches (*Security Standard section: SI-2 Flaw Remediation*). Missing system security updates increases the risk of successful cyberattack, exploitation, and data breach by malicious parties.

While VITA is responsible for enforcing the service level agreement, it has not been able to compel the current ITISP contractors to install certain security patches to Taxation's IT infrastructure components to remediate vulnerabilities in a timely manner or take actions to obtain these required services from another source. Taxation is working with VITA and the ITISP contractors to ensure that the ITISP contractors install all critical and highly important security patches on all servers. Additionally, our separate audit of VITA's contract management will also continue to report on this issue.

Schedule of Expenditures of Federal Awards

Repeat: No
Applicable to: *Department of Accounts*

Accounts relies on other Commonwealth entities to provide it with timely and accurate information to support the Schedule of Expenditures of Federal Awards (SEFA) and the related footnote disclosures in the Commonwealth's Single Audit report. Accounts requires 224 Commonwealth entities to submit their federal schedule attachments (federal attachments) by August 4, 2022, so Accounts has ample time to compile, review, and submit the SEFA and footnotes to the Auditor of Public Accounts for audit prior to the Commonwealth's February 13, 2023, deadline for issuing the Single Audit report. According to Accounts, 198 entities submitted revisions after their initial submission, which required additional time and attention to correct. As a result, Accounts was not able to prepare a final SEFA and footnotes for the Commonwealth that had been through all levels of management review before January 11, 2023.

Federal regulations known as Uniform Guidance, specifically 2 Code of Federal Regulations (CFR) § 200.510(b), requires the Commonwealth to prepare a SEFA with footnotes. Furthermore, the Single Audit Act, 31 USC Chapter 75 §7502(h), and Uniform Guidance, 2 CFR § 200.512, requires the Commonwealth to submit the SEFA to the federal government. To facilitate the Commonwealth complying with these requirements, Accounts requires state entities with federal funding to complete and submit federal attachments. Accounts provides entities with guidance and instructions on how to report information on the federal attachment. Accounts compiles the federal attachments and submits the required information to the federal government on behalf of the Commonwealth. To ensure the accuracy of this information, the Comptroller's annual directive requires that entities must ensure controls are in place to avoid material misstatements and/or misclassifications in the attachments and other financial information entities submit to Accounts.

Commonwealth entities providing inaccurate federal information to Accounts may cause the Commonwealth not to comply with the Single Audit Act and Uniform Guidance, which could jeopardize future federal funding. While the Commonwealth corrected the information before submission to the federal government, it did require the use of additional resources to detect and correct the errors, which limited the amount of time available to Accounts and the Auditor of Public Accounts to complete required tasks before the related federal deadline.

Some Commonwealth entities submitted late and/or inaccurate federal information to Accounts because they experienced a significant amount of turnover in key positions and hired new staff during the audit period for positions that were historically responsible for completing and submitting the federal attachment. Additionally, certain entities did not have policies and procedures for preparing the federal attachment. Furthermore, Commonwealth entities, including Accounts, have been under stress with the pandemic, which also generated increases in federal expenses and additional federal reporting requirements.

While Accounts agrees there is a risk, it believes that because of its current authority, there are limited actions it can take to address this risk for the Commonwealth. According to Accounts, it is committed to stressing to fiscal officers the importance of timely and accurate reporting, including the potential adverse impacts to the Commonwealth's federal funding. However, absent of reporting improvements statewide at individual agencies, Accounts is not able to improve its process to compile, review, and submit future final SEFAs and footnotes for audit any sooner than mid-January. Our separate audit report for the Virginia Department of Health (Health) will also report on this issue, and Accounts recently sent a letter to Health to address deficiencies in its year-end submissions to Accounts.

Summary Schedule of Prior Audit Findings

Repeat: No

Applicable to: *Department of Accounts*

Accounts relies on other Commonwealth agencies to provide it with an accurate status of their corrective actions for prior audit findings to report to the federal government and other users of the Commonwealth's Single Audit report. Accounts, assuming the other Commonwealth agencies submitted accurate information, compiled the draft Summary Schedule of Prior Audit Findings for the Commonwealth, and provided it to the Auditor of Public Accounts. Through applied audit procedures, we determined that 14 Commonwealth agencies misclassified 39 of the 138 total statuses, 28 percent, which the submitting agency had to subsequently adjust. Specifically, to correct inaccurate information agencies adjusted 33 statuses from "resolved" to "ongoing" and 6 statuses from "ongoing" to "resolved" and resubmitted their information to Accounts.

The CAPP Manual Topic 10205 states that it is the policy of the Comptroller that agency management should closely monitor corrective actions to ensure that agencies perform corrective actions timely and achieve the desired results. Additionally, Topic 10205 notifies single audit agencies that the Single Audit report will include their responses and that agencies should maintain sufficient documentation supporting their responses. Further, 2 CFR § 200.511, requires the Commonwealth to prepare, for inclusion in the Single Audit report, a Summary Schedule of Prior Audit Findings that provides the status of applicable audit findings. For the Commonwealth, the Comptroller reports each audit finding's status as of June 30th.

Incorrectly reporting a prior year audit finding as "resolved" when the agency has not achieved the desired result may cause agency management to stop deploying resources to correct the condition that resulted in the prior audit finding. Additionally, it may cause those charged with governance to

believe the issue is resolved. Finally, misrepresenting the status to Accounts may cause the Commonwealth to materially misrepresent the finding's status to the federal government.

Some Commonwealth agencies are misrepresenting the status to Accounts because of a lack of understanding of the audit finding or confusion with the corrective action reporting timeframes. Additionally, some agencies are not testing the operating effectiveness of the controls implemented to remediate the findings before reporting a status as "resolved" to Accounts.

Through CAPP Manual Topic 10205, Agency Response to APA Audit, Accounts already provides agencies with guidance on how to report the status of prior audit findings and references CAPP Manual Topic 10305, Internal Control. According to Accounts, to address the risk caused by other agencies, Accounts is committed to working collaboratively with the agencies to educate responsible personnel to avoid future misrepresentations of statuses on future corrective action workplans. Accounts will review and update CAPP Manual Topic 10205 to strengthen the requirements for agency management to verify "resolved" statuses for Single Audit findings before submitting to Accounts. Our separate audit reports for the Department of Social Services and the Department of Housing and Community Development will also report on this issue.

RETAIL SALES AND USE TAX COLLECTION AND DISTRIBUTION

In accordance with § 30-133.2 of the Code of Virginia, we perform work related to retail sales and use tax distributions as part of our annual audit of Taxation. As a part of our initial review, we established a one percent benchmark that Taxation should use to measure the effectiveness of the local sales and use tax distribution process. If the error rates exceed one percent, Taxation should perform additional analysis to determine the causes of the errors and whether further actions are required. Our audit included inquiries about the distribution and error processes and reviewed the error rate to ensure Taxation distributed the local sales and use taxes within the established benchmark.

In fiscal year 2022, Taxation collected approximately $8.6 billion in retail sales and use taxes, with $1.7 billion of these revenues being distributed to localities as a one percent local option tax. Taxation collects the tax and determines the local portion, which is distributed to the locality where the sale or activity occurred.

The sales and use tax distribution process requires a joint effort between Taxation, localities, and businesses. There are controls and processes in place to help ensure that locality distributions are accurate and made to the correct locality. When Taxation or localities detect a distribution error, they work together to research the error and, if necessary, Taxation processes an adjustment to correct the error and transfer the funds to the correct locality. Table 1 shows the local distribution amount for retail sales and use tax, as well as the amount and rate of distribution errors identified and corrected by Taxation in each of the last three fiscal years.

Error Rate for Local Sales Tax Distributions

Table 1

	2020	2021	2022
Local distribution amount	$1,358,988,341	$1,477,201,024	$1,662,896,995
Errors identified and corrected	6,286,195	3,758,397	6,873,994
Error rate	0.46%	0.25%	0.41%

Source: Taxation's financial accounting and reporting system

As shown above, the error rate for fiscal year 2022 was 0.41 percent. This is within the one percent benchmark established, which indicates Taxation is properly distributing the local portion of the retail sales and use tax. We do not recommend any changes in the established benchmark or to Taxation's procedures for ensuring localities receive the correct distribution based on locality sales.

Commonwealth of Virginia

Auditor of Public Accounts

Staci A. Henshaw, CPA
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

December 15, 2022

The Honorable Glenn Youngkin
Governor of Virginia

The Honorable Kenneth R. Plum
Chairman, Joint Legislative Audit
and Review Commission

We have audited the financial records, operations, and federal compliance of the **Agencies of the Secretary of Finance** for the year ended June 30, 2022. We conducted this audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, in support of the Commonwealth's Annual Comprehensive Financial Report and Single Audit. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Objectives

Our primary audit objectives for the audit of the Departments of Accounts, Planning and Budget, Taxation, and the Treasury for the fiscal year ended June 30, 2022, include the following:

- to evaluate the accuracy of financial transactions related to tax collections, including accounts receivable, unearned revenues and taxes, accounts payable and other liabilities, tax abatements, and tax and interest revenue as reported in the Commonwealth's accounting and financial reporting system and Taxation's accounting and financial reporting system and in supplemental information prepared by Taxation;

- to evaluate the accuracy of financial transactions related to cash and cash equivalents, investments, debt, and unclaimed property activity, which is controlled by Treasury as reported in the Commonwealth's accounting and financial reporting system, Treasury's internal systems and accounting records, and in supplemental information prepared by Treasury (including the activity of the Treasury Board, the Local Government Investment Pool, the Virginia College Building Authority, the Virginia Public School Authority, and the Virginia Public Building Authority);

- to evaluate whether the budget approved by the General Assembly is appropriately recorded in the Commonwealth's accounting and financial reporting system and controls in this system are adequate to ensure program expenses do not exceed appropriations;

- to determine whether management has established and maintained internal controls over the Commonwealth's financial reporting and other central processes and the centralized services provided to agencies and institutions in support of the preparation of the financial statements as indicated in the Audit Scope and Methodology section of this report;

- to determine whether management has established and maintained adequate operating and application system controls over the Commonwealth's accounting and financial reporting, payroll, budget, capital asset, and lease accounting systems and other internal systems as referenced in the Audit Scope and Methodology section;

- to determine whether the agencies have complied with applicable laws, regulations, contracts, and grant agreements;

- to test federal compliance in support of the Commonwealth's Single Audit; and

- to review corrective actions related to audit findings from the prior year report.

Audit Scope and Methodology

Management has responsibility for establishing and maintaining internal control and complying with applicable laws, regulations, contracts, and grant agreements. Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws, regulations, contracts, and grant agreements.

We gained an understanding of the overall internal controls, both automated and manual, sufficient to plan the audit. We considered materiality and risk in determining the nature and extent of our audit procedures. Our review encompassed controls over the following processes and systems.

Department of Accounts

Financial reporting*
Commonwealth's accounting and financial reporting system
Commonwealth's payroll system
Commonwealth's human capital management system
Commonwealth's capital asset system
Commonwealth's lease accounting system
Administrative activities
Information security and general system controls (including access controls)

*Including preparation of the Annual Comprehensive Financial Report and Schedule of Expenditures of Federal Awards.

Department of Planning and Budget

Budget execution
Commonwealth's budgeting system
Information security and general system controls (including access controls)
Administrative activities

Department of Taxation

Financial reporting
Tax return processing
Tax revenue collections
Taxation's accounting and financial reporting system
Information security and general system controls (including access controls)

Department of the Treasury (including the Treasury Board operations)

Financial reporting*
Bond issuance
Debt servicing
Investment trading
Investment accounting
Investment accounting systems
Bank reconciliation system
Trust accounting
Management of unclaimed property
Information security and general system controls (including access controls)

*Including preparation of financial statements of the Local Government Investment Pool Program, the Virginia College Building Authority, the Virginia Public Building Authority, and the Virginia Public School Authority.

The Virginia Board of Accountancy falls under the control of the Secretary of Finance; however, it is not material to the Annual Comprehensive Financial Report for the Commonwealth of Virginia. As a result, this agency is not included in the scope of this audit.

We performed audit tests to determine whether the controls were adequate, had been placed in operation, and were being followed. Our audit also included tests of compliance with provisions of applicable laws, regulations, contracts, and grant agreements. Our audit procedures included inquiries of appropriate personnel, inspection of documents, records, and contracts, and observation of the agencies' operations. We performed analytical procedures, including budgetary and trend analyses. We confirmed cash, investments, and loan balances with outside parties. We also tested details of transactions to achieve our objectives.

A nonstatistical sampling approach was used. Our samples were designed to support conclusions about our audit objectives. An appropriate sampling methodology was used to ensure the samples selected were representative of the population and provided sufficient, appropriate evidence. We identified specific attributes for testing each of the samples, and when appropriate, we projected our results to the population.

Our consideration of internal control over financial reporting and federal compliance (internal control) was for the limited purpose described in the section "Audit Objectives" and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies

and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control as described in the sections entitled "Internal Control and Compliance Findings and Recommendations" and "Status of Prior Year Findings and Recommendations," that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial information will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We have explicitly identified six findings in the sections titled "Internal Control and Compliance Findings and Recommendations" and "Status of Prior Year Findings and Recommendations," as significant deficiencies for the Commonwealth.

In addition to the significant deficiencies, we detected a deficiency in internal control that is not significant to the Commonwealth's Annual Comprehensive Financial Report and Single Audit but is of sufficient importance to warrant the attention of those charged with governance. We have identified one finding in the section titled "Internal Control and Compliance Findings and Recommendations" to be a deficiency.

Conclusions

We found that Taxation properly stated, in all material respects, the financial records reviewed in support of the tax collections activity detailed in the audit objectives as reported in the Commonwealth's accounting and financial reporting system, Taxation's accounting and financial reporting system, and supplemental information.

We found that Treasury properly stated, in all material respects, the financial records reviewed in support of the cash and cash equivalents, investments, debt, and unclaimed property activity reported in the Commonwealth's accounting and financial reporting system, Treasury's internal systems and accounting records, and supplemental information.

We found that the budget approved by the General Assembly is appropriately recorded in the Commonwealth's accounting and financial reporting system, and controls in this system were adequate to ensure program expenses did not exceed appropriations.

We noted certain matters at Accounts, Planning and Budget, and Treasury involving internal control and its operation and compliance with applicable laws and regulations that require management's attention and corrective action. These matters are described in the sections titled "Internal Control and Compliance Findings and Recommendations" and "Status of Prior Year Findings and Recommendations."

The agencies of the Secretary of Finance have taken adequate corrective action with respect to audit findings identified as resolved in the Findings Summary included in the Appendix.

Since the findings noted above include those that have been identified as significant deficiencies, they will be reported as such in the "Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards," which is included in the Commonwealth of Virginia's Single Audit Report for the year ended June 30, 2022. The Single Audit Report will be available at www.apa.virginia.gov in February 2023.

Exit Conference and Report Distribution

We discussed this report with management of the respective agencies of the Secretary of Finance. Government Auditing Standards require the auditor to perform limited procedures on the agencies' responses to the findings identified in our audits, which are included in the accompanying section titled "Agency Responses." The agencies' responses were not subject to the other auditing procedures applied in the audit and, accordingly, we express no opinion on the responses. Additionally, VITA was made aware of the risk alerts and will respond to the issues in their separately issued audit report anticipated to be released in February 2023.

This report is intended for the information and use of the Governor and General Assembly, management, and the citizens of the Commonwealth of Virginia and is a public record.

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

DBC/clj

COMMONWEALTH of
VIRGINIA

LEWIS R. McCABE, CPA, CGFM, CGMA
COMPTROLLER

Office of the Comptroller

P. O. BOX 1971
RICHMOND, VIRGINIA 23218-1971

February 3, 2023

Ms. Staci A. Henshaw
Auditor of Public Accounts
James Monroe Building
101 N. 14th Street
Richmond, Virginia 23219

Dear Ms. Henshaw:

The Department of Accounts (Accounts) appreciates the opportunity to respond to the *Status of Prior Year Recommendations* and *Internal Control and Compliance Findings and Recommendations* contained in your 2022 Secretary of Finance Audit Report. We give your comments the highest level of importance and consideration as we continue to review and improve our current practices.

Internal Control and Compliance Recommendations

Ensure Adequate Resources are Available to Maintain Compliance with the Security Standard

Accounts acknowledges the importance of conducting annual security reviews. Further, Accounts agrees there was a 22-month duration between the annual reviews for the agencies other than Virginia Department of Transportation (VDOT) and Accounts (representing approximately 27 percent of the Cardinal Financial system user population). There was a 15-month duration for the users at Accounts and VDOT (representing the remaining 73 percent of the user population). During this time, Accounts continued to perform reviews, such as monthly dormant account reviews as well as the quarterly reviews of the Post Production Support accounts, the direct database access accounts, and the restricted roles and segregation of duty designated roles. However, given the priorities of Accounts and the Commonwealth agencies at this monumental period of transitioning the state off of several aged critical statewide administrative systems, the risks associated with another Human Capital Management (Cardinal HCM) implementation delay were far greater than the alternative of the reprieve on the annual security review.

As soon as Accounts determined the agencies had an ample window to assess and respond to the annual review, the reviews were conducted at all state agencies in August 2022.

(804) 225-2109 FAX (804) 786-3356 TDD (804) 371-8588

Identify and Implement Critical Controls for the Commonwealth's New Human Resource and Payroll Management System

Accounts acknowledges the importance of updating internal policies and procedures in the Human Capital Management (Cardinal HCM) environment. As mentioned, the State Payroll Operations' priority was to ensure agencies processed payroll properly and timely. Therefore, Accounts appreciates the acknowledgement that State Payroll Operations performed those reconcilations, reviews, and analyses to ensure agencies processed payroll properly and timely.

Accounts plans to update internal policies and procedures in order to mitigate risks of untimely payroll processes or inconsistencies between Cardinal Financials and Cardinal HCM.

Prioritize Updates to the CAPP Manual Payroll Topics

Accounts acknowledges the Commonwealth Accounting Policies and Procedures (CAPP) Manual payroll topics were not updated, however, the Cardinal HCM project job aids provide procedures to be used for Cardinal HCM transactions. All Cardinal HCM users have access to the job aids. CAPP is now predominantly a policy guide. Most, if not all, policies already in effect have not changed, and once stabilization has occurred, CAPP will be updated as needed to address payroll processes.

Conduct Timely IT Security Audits

Accounts acknowledges the need to protect the confidentiality, integrity, and availability of sensitive and mission critical data. Once the technical upgrades to the Cardinal system platform have been completed, a Virginia Information Technologies Agency (VITA) led audit will be requested. The technical upgrades are expected to be completed in June 2023. Accounts will file a security exception with VITA's Commonwealth Security Risk Management to extend the audit date, if applicable. Accounts commits to requesting security audits on all agency sensitive systems within the documented timeframes.

Sincerely,

Lewis R. McCabe

Copy: The Honorable Stephen E. Cummings, Secretary of Finance
Sharon H. Lawrence, Deputy State Comptroller

COMMONWEALTH *of* VIRGINIA
Department of Planning and Budget

MICHAEL D. MAUL
Director

1111 E. Broad
Street Room 5040
Richmond, VA 23219-1922

February 3, 2023

Ms. Staci A. Henshaw
Auditor of Public Accounts
James Monroe Building
101 N. 14th Street
Richmond, Virginia 23219

Dear Ms. Henshaw:

The Department of Planning and Budget (DPB) appreciates the opportunity to respond to the findings and recommendations contained in the 2022 Secretary of Finance Report. DPB has reviewed the findings and recommendations provided by the Auditor of Public Accounts (APA) as part of its audit of financial records and operations for the fiscal year that ended on June 30, 2022. I offer the following response to the internal control and compliance finding and recommendation for DPB.

Internal Control and Compliance Findings and Recommendations

Continue to Improve IT Change and Configuration Management Policy and Process

DPB continues to acknowledge the importance of strengthening its change and configuration management policies and processes in accordance with the Security Standard and worked to ensure that all but two weaknesses identified in fiscal year 2021 were corrected prior to the fiscal year 2022 audit.

In response to this finding, DPB is currently working to find acceptable methods to address its remaining weaknesses and is working with the Virginia Information Technologies Agency (VITA) to address the APA finding and recommendation.

FAX (804) 225-3291 (804) 786-7455 TDD (804) 786-7578

DPB will use the finding and recommendation from the APA to continually improve its existing practices and policies. Thank you again for the opportunity to respond to your report.

Sincerely,

Michael D. Maul

Michael D. Maul

c: The Honorable Stephen E. Cummings
Secretary of Finance

COMMONWEALTH of VIRGINIA

Department of Taxation

February 2, 2023

Ms. Staci A. Henshaw
Auditor of Public Accounts
James Monroe Building
101 N. 14th Street
Richmond, VA 23219

Dear Ms. Henshaw:

The Department of Taxation ("Virginia Tax") has reviewed the findings and recommendations provided by the Auditor of Public Accounts from your audit of the agency's financial records and operations for the year ended June 30, 2022. I appreciate the professionalism of your staff in the performance of the audit and the opportunity to provide the following response to address the Risk Alert regarding unpatched software.

As your report documents, Virginia Information Technologies Agency (VITA) is responsible for ensuring this particular Risk Alert is corrected. However, Virginia Tax leadership formally communicates the status of this issue with VITA executive management each quarter. In addition, during this past year Virginia Tax technology staff met routinely with VITA staff regarding the patching issue you identified.

Virginia Tax will continue to assist VITA where possible regarding this issue. We understand that VITA has two separate roles related to this issue. One is to promulgate required information technology security standards for state agencies to follow. Another role is as contract administrator responsible for ensuring contractors install security patches in accordance with VITA's security standards. To address the fact it has two roles related to security standards, it may be appropriate for VITA to consider filing an exception with a corrective action plan.

If you or your staff have any questions, please contact me at 804-786-3332.

Sincerely,

Craig M. Burns
Tax Commissioner

Cc: The Honorable Stephen E. Cummings, Secretary of Finance

COMMONWEALTH of VIRGINIA
Department of the Treasury

DAVID L. RICHARDSON
TREASURER OF VIRGINIA

P.O. BOX 1879
RICHMOND, VIRGINIA 23218-1879
(804) 225-2142
FAX (804) 225-3187

February 1, 2023

Ms. Staci Henshaw
Auditor of Public Accounts
101 N. 14th Street, 8th Floor
Richmond, VA 23219

Dear Ms. Henshaw,

The Department of the Treasury (Treasury) welcomes the opportunity to respond to the recommendations in your Report on the Audit of the Agencies of the Secretary of Finance for the fiscal year ended June 30, 2022. Treasury appreciates the recognition of our progress in addressing previous concerns as noted in the report. Additionally, your comments and recommendations are appreciated and given the highest level of consideration by Treasury as we continually strive to improve our processes.

Comments to Management

Properly Perform and Document Retirement Benefits System Reconciliations

The Human Resources Division will dedicate the appropriate personnel to complete monthly reconciliations and maintain adequate documentation going forward.

Continue to Improve IT Risk Management Documentation

The Information Security Division will complete a system security plan for each sensitive system and ensure the plans are reviewed annually.

Sincerely,

David L. Richardson

David Richardson

cc: The Honorable Stephen E. Cummings, Secretary of Finance

SECRETARY OF FINANCE AGENCY OFFICIALS

As of June 30, 2022

Stephen E. Cummings
Secretary of Finance

Lewis R. McCabe
Comptroller

Michael Maul
Director of the Department of Planning and Budget

Craig M. Burns
Tax Commissioner

David Richardson
Treasurer

FINDINGS SUMMARY

Finding	Agency	Follow-Up Status	Year First Issued
Continue to Improve Controls over ChartField Maintenance	Accounts	Resolved	2020
Ensure Adequate Resources are Available to Maintain Compliance with the Security Standard	Accounts	New	2022
Identify and Implement Critical Controls for the Commonwealth's New Human Resource and Payroll Management System	Accounts	New	2022
Prioritize Updates to the CAPP Manual Payroll Topics	Accounts	New	2022
Conduct Timely IT Security Audits	Accounts	New	2022
Continue to Improve IT Change and Configuration Management Policy and Process	Planning and Budget	Corrective Action Ongoing	2021
Continue to Improve Patching to Mitigate Vulnerabilities	Taxation	Resolved	2020
Prepare and Review Unclaimed Property Reconciliations Timely	Treasury	Resolved	2019
Continue to Improve Process for Payment of Risk Management Invoices	Treasury	Resolved	2019
Improve Procedures for Calculating Penalty Periods for Undercollateralized Depositories	Treasury	Resolved	2021
Continue to Improve IT Risk Management Documentation	Treasury	Corrective Action Ongoing	2021
Properly Perform and Document Retirement Benefits System Reconciliations	Treasury	New	2022