

B.4 Most Recent Fiscal Year Audit

SIGNIFICANT DEFICIENCY

2015-001 General Ledger Maintenance

Condition: Financial information relating to certain balance sheet accounts and inter-program transactions were not recorded appropriately and/or reconciled in a timely basis.

Criteria: Adequate internal controls require accurate recording and periodic reconciliation of general ledger activity to ensure accurate financial reporting.

Cause: Significant employee turnover in the finance department.

Effect or Potential Effect: Additional yearend reconciliations and adjustments were necessary.

Recommendation: We recommend that financial activity for all balance sheet accounts be reconciled on a periodic basis to ensure accurate timely financial reporting.

Corrective Action/Actions Taken: HAMC has fully implemented a review and reconciliation of all balance sheet accounts on a monthly basis.

Target Completion Date: Complete, corrective action has been taken and HAMC has fully implemented a review and reconciliation of all balance sheet accounts on a monthly basis as part of its month-end close.

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