

## **Corrective Action Plans (CAP)\***

All local governments that have been audited by our (OSC) office or by an independent public accountant and have received an audit report or management letter with recommendations should, and for certain entities...MUST, prepare written corrective action plan (CAP).

CAPs provide an opportunity for the governing board to communicate how audit findings and recommendations will be used positively to improve operations and internal controls. Although implementation plans may be designed by key officers and managers within your local government, the governing board, with the audit committee (if applicable), generally must review and approve the entire CAP. The governing board's oversight of the CAP process is important because it sends a positive message to the public and to employees about the "tone at the top" regarding the board's commitment to safeguarding assets and making government operations more effective.

\* From Fiscal Oversight Responsibilities of the Governing Board, Division of Local Government and School Accounting, Thomas P. DiNapoli, State Comptroller.