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IDAHO CORRECTIONAL INDUSTRIES
90 DAY FOLLOW-UP

On July 3, 2008, the Legislative Services Office released an Opinion Report for Idaho Correctional Industries for fiscal years 2006 and 2007. Correctional Industries was contacted on October 22, 2008, and this report addresses how it has responded to the one finding and recommendation contained in that report.

FINDING #1
Material errors in the financial statements and other accounting errors were not detected by Correctional Industries' internal control procedures.

We recommended that Correctional Industries enhance or establish internal control procedures over financial statement preparation and accounting procedures to reduce the potential for errors to occur and go undetected.

AUDIT FOLLOW-UP
Correctional Industries has developed control procedures to ensure that financial activity is accounted for properly and reported correctly on the financial statements, specifically in the area of accounts payable. The improperly recorded activity is no longer taking place, and therefore, no new controls were installed. The procedures manual has been updated to show which fund deposits are to be made to and no indication of further deposit errors were noted.

STATUS
Closed