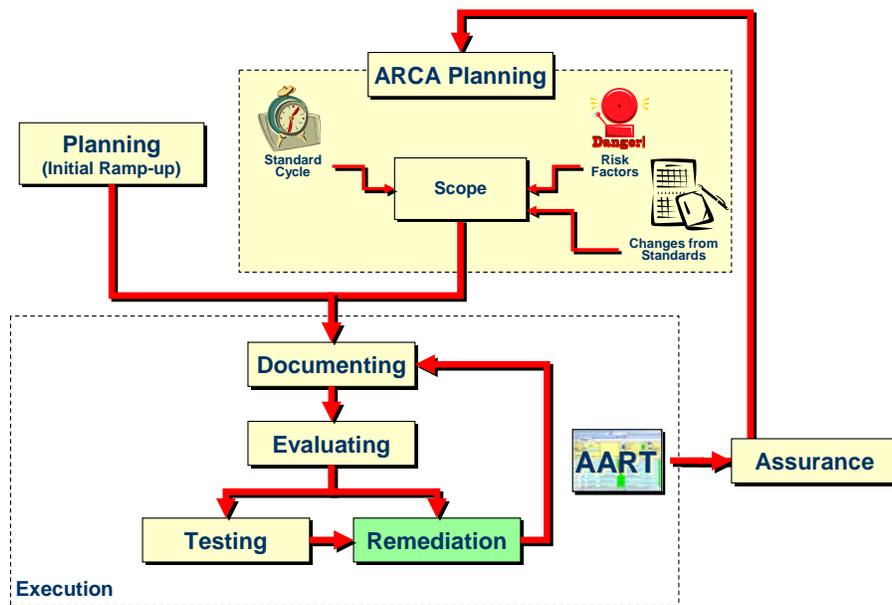




A-123 Quick Start Guide - Remediation



Purpose	<ul style="list-style-type: none"> Monitor and track remediation of internal control deficiencies identified during the A-123 assessment.
Key Activities	<ul style="list-style-type: none"> Define Scope Develop Strategy Develop and Execute Plans Monitor and Track progress
Required Templates	<ul style="list-style-type: none"> Implementation Plan (Form & Content) AART Tool Suite

<http://www.cfo.doe.gov/progliaison/doeA123/index.htm>

A-123Helpdesk@hq.doe.gov



A-123 Quick Start Guide – Remediation

Document Legend					
	Notebox: Contains additional information		Tip: Contains helpful information and recommendations.		Detailed A-123 Documentation
	Requirements: Contains very important requirement information				AART Input: Color dependent by tab. Local AART [yellow], ECS-Assess [dark blue], PCS-Assess [light blue], ECS/PCS-Test [green], CAP-Track [red]

INTRO

OBJECTIVE

The objective of remediation is to take appropriate corrective actions to ensure that controls over financial reporting (entity and process) that are not designed and operating effectively to offset related risks are fixed.

RESPONSIBILITIES

A-123 Assessment Team – The local A-123 assessment team is responsible for:

- a) Identifying the scope of remediation activities.
- b) Developing an overall remediation strategy to ensure corrective actions are accomplished in an effective and efficient manner, and ensuring that A-123 remediation activities are coordinated with other identified remediations (e.g., those identified through financial statement audits, self-assessment, IG/GAO audits, etc.).
- c) Ensuring that corrective action plans are developed and executed to also address controls determined to be ineffectively designed or operating.
- d) Monitoring, tracking and reporting on the status of corrective actions.
- e) Re-assessing proper documentation, control design and operational effectiveness once remediation activities have been completed (recycle through all A-123 phases beginning with Documenting).

Local Business Units – Local Business units (e.g. accounts payable department, systems operations, etc.) are responsible for:

- a) Developing and executing corrective action plans.
- b) Implementing process/control changes.
- c) Re-documenting processes to reflect changes effected during remediation.

STAGES OF REMEDIATION

To consider remediation complete to support an A-123 evaluation, four key stages must be completed:

- a) Planning – An action plan to correct the deficiency(ies), including key milestones, must be developed.
- b) Execution – All corrective action milestones must be completed.
- c) Documentation – Process/entity control source documentation must be updated to reflect the changes made.
- d) Implementation – The process/entity control changes must be implemented and be operational for a sufficient time prior to reassessing their operational effectiveness.



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C. Develop corrective action plans (CAPs) and record CAP attributes into the AART



1. Once a remediation strategy has been developed, ensure that corrective action plans are developed and executed in accordance with the remediation strategy. Action plans may vary based on the business unit requirements and/or the remediation activity, and will be part of the Detailed A-123 Documentation. Action Plans must minimally include the following criteria:

- a. All the supporting information for the required CAP Fields as described below
- b. Detailed step-by-step action plan and associated milestones and other relevant dates
- c. Signature of authorized individual approving the plan
- d. Signature of authorized individual confirming completion

While specific business units may be responsible for carrying out remediation activities, the A-123 team should review action plans to ensure that they focus on the root cause and appear responsive to the issues identified.

If the action plans do not contain the above listed criteria, Detailed A-123 Documentation must be completed by the A-123 assessment team. A CAP Form and Content is available on the DOE A-123 Website.



2. Record the following attributes of each CAP in the CAP Track tab of the AART Tool Suite.

- a. Identification
 - i) **CAP Plan ID** – An automatically generated unique CAP Tracking ID specific to location. This number will automatically be assigned when a CAP is "ADDED¹" to the CAP Tracking tool.
 - ii) **Title** – Name identifying the remediation actions (e.g., upgrade duplicate invoice logic in accounting system)

Corrective Action Plan ID #		Title	Summary of Deficiency	Summary of Remediation Actions	Process Selection	Entity Sub-Categories	Sub-Category Selector	Date first identified	Priority	Impact	Severity	Resolution Type	Resolution Status	Resolution Date	Resolution Time	Resolution Location	Resolution Status	Resolution Date	Resolution Location	
081000	103100	Payment Terms Requirement	In the context of controls to prevent invoice being in the payment terms which allow from issue in the system should fix the error, however, the user should simply override the error.	In programming of the system to add security level into CAP controls the error.	Public Management			08/10/00	High	High	High	Y	Y	Y						



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b. Description

- i) **Summary of Deficiency** – Summarize the deficiencies that have been identified for the respective entity sub-categories/processes.
- ii) **Summary of Remediation Actions** – Summary of the actions that are being taken to fix the identified control set deficiencies.
- iii) **Processes²** – Selection of process(es) that will be affected/remediated. Multiple Entity Sub-Categories and processes may be assigned to a single CAP.
- iv) **Entity Sub-Categories³** - Selection of entity sub-category(ies) that will be affected/remediated. Multiple processes and Entity Sub-Categories can be assigned to a single CAP.
- v) **Date first identified**

AART- Corrective Action Plan Tracking													
Select View: <input type="button" value="Summary"/> <input type="button" value="Details"/> <input type="button" value="Help"/>													
CAP: <input type="text" value="1102008"/>													
Identification		Description											
Corrective Action Plan ID #	Title	Summary of Deficiency	Summary of Remediation Actions	Processes	Process Selector	Entity Sub-Categories	Sub-Categories Selector	Control Set	Control Set ID	Control Set Name	Control Set Type	Control Set Status	Control Set Location
1102008	Payment Terms Requirement	During the testing of controls to prevent invoice being paid using payment terms which differ from those in the system, the system would flag the error, however, the first case would simply override the error. Create report which shows the log file above.	Re-engineering of the system to add security level when can override the error. Re-engineering of the system to add an entry into the log file that shows when an error was overridden and which user did the overriding. Create report which shows the log file above.	Invoice Management									

c. Risk/Priority

- i) **Risk Assessment** – Select the highest risk assessment rating for all the risk statements for which control sets are being remediated (e.g. two low risk statements and one high risk statement associated with control sets targeted for the remediation actions, the risk assessment for the CAP should be high).
- ii) **Rating** - Select the lowest control effectiveness rating for all the control sets that are being remediated (e.g., two control sets were rated as 4 and one as a 3; the CAP rating should be a 3)
- iii) **Priority** – Based on the Risk Assessment and Rating assign a priority to ensure high risk areas with significant deficiencies are remediated first.

AART- Corrective Action Plan Tracking													
Select View: <input type="button" value="Summary"/> <input type="button" value="Details"/> <input type="button" value="Help"/>													
CAP: <input type="text" value="1102008"/>													
Identification		Description											
Corrective Action Plan ID #	Title	Summary of Deficiency	Summary of Remediation Actions	Processes	Process Selector	Entity Sub-Categories	Sub-Categories Selector	Risk/Priority	Remediation Target	Accountability	Planning & Status	Actual Implementation Date	Documentation Location
								Risk/Priority Risk: 4 Priority: 3					
1102008	Payment Terms Requirement	During the testing of controls to prevent invoice being paid using payment terms which differ from those in the system, the system would flag the error, however, the first case would simply override the error. Create report which shows the log file above.	Re-engineering of the system to add security level when can override the error. Re-engineering of the system to add an entry into the log file that shows when an error was overridden and which user did the overriding. Create report which shows the log file above.	Invoice Management									



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- d. Remediation Target (*The remediation target identifies the focus of the remediation activity. A single CAP may have multiple remediation targets.*)
- i) **Process** – Changes to the tasks and activities are required
 - ii) **System** – Changes or new functionality needs to be implemented in the computer applications supporting the business.
 - iii) **Procedures** – Changes to the documentation (e.g. desk guides, user manuals, system administration manuals, policies, etc.) are required
 - iv) **Training/Communication** – Conduct or update training and/or communications to ensure proper execution of the controls (e.g. user unawareness and education of existing procedures, new implementation training requirements)
 - v) **Other**

AART- Corrective Action Plan Tracking																	
Select View: <input type="text" value="0951P"/>																	
PB Code: <input type="text" value="0951P"/> Department: <input type="text" value="113-0000"/> Date: <input type="text" value="11/3/2007"/>																	
Identification																	
Description																	
Corrective Action Plan ID	Title	Summary of Deficiency	Summary of Remediation Actions	Process	Process Selector	Entity Sub-Categories	Sub-Category Selector	Date first identified	Risk (Priority)	High	Medium	Low	Remediation Target	Accountability			
Org	Process/POC	State	Planned completion date	Revised completion date	Actual completion date	Documentation Location											
09-001	Payment Terms Requirement	During the testing of controls to prevent invoices being paid using payment terms which differ from those in the system, the system would flag the error, however, the first user would simply override the error.	The reprogramming of the system to add security around who can override the error. The reprogramming of the system to add an entry into the log file that shows when an error was overridden but which user did the overriding. Create report which shows the log file shows.	Payment Management				09/06/06	High	Y	Y	Y	System	System Team			
													Not Assigned	10/31/06		06	11/A-123 CAP

- e. Accountability
- i) **Organization** – business unit responsible for the remediation
 - ii) **Person/POC** – contact person within the business unit
 - iii) **Alternate Ref. Action** – alternate corrective action references or audit resolution references (e.g., DART, Tiger Team, and previous CAP references, if applicable)

AART- Corrective Action Plan Tracking																	
Select View: <input type="text" value="0951P"/>																	
PB Code: <input type="text" value="0951P"/> Department: <input type="text" value="113-0000"/> Date: <input type="text" value="11/3/2007"/>																	
Identification																	
Description																	
Corrective Action Plan ID	Title	Summary of Deficiency	Summary of Remediation Actions	Process	Process Selector	Entity Sub-Categories	Sub-Category Selector	Date first identified	Risk (Priority)	High	Medium	Low	Remediation Target	Accountability			
Org	Process/POC	State	Planned completion date	Revised completion date	Actual completion date	Documentation Location											
09-001	Payment Terms Requirement	During the testing of controls to prevent invoices being paid using payment terms which differ from those in the system, the system would flag the error, however, the first user would simply override the error.	The reprogramming of the system to add security around who can override the error. The reprogramming of the system to add an entry into the log file that shows when an error was overridden but which user did the overriding. Create report which shows the log file shows.	Payment Management				09/06/06	High	Y	Y	Y	System	System Team			
													Not Assigned	10/31/06		06	11/A-123 CAP



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f. Planning and Status

i) **Status**

- (1) **Not Started:** Corrective actions have not yet started and CAP is incomplete and/or lacks approval.
- (2) **In Process:** CAP is approved and corrective actions are currently underway.
- (3) **Pending:** Corrective actions are awaiting additional input (e.g. approvals, resources, vendor software patch).
- (4) **Completed:** Corrective actions have been implemented and are being re-assessed.
- (5) **Closed:** Controls sets with associated corrective actions have been tested and are operating effectively.

ii) **Planned Completion Date** – date when all required activities are expected to be ready for production

iii) **Revised Completion Date** – all activities required to go into production have been completed

iv) **Actual Implementation Date** – when fixes/changes go-live in the production environment and become part of the operational business

v) **Documentation Location**

AART: Corrective Action Plan Tracking															
Select View: <input type="text"/> <input type="button" value="HELP"/>															
FO Code: <input type="text"/> <input type="button" value="Change"/> <input type="text"/> <input type="button" value="Print"/> <input type="text"/> <input type="button" value="Print"/>															
Information															
Corrective Action Plan #	Title	Summary of Deficiency	Summary of Remediation Actions	Process	Process Selection	Entity Sub-Categories	Sub-Category Identifier	Date first identified	Actual	Planned	Revised	Test Results	Efficiency Opportunities Identified	Accountability	Planning & Status
000001	Payment Terms Requirement	During the testing of controls to prevent invoices being paid using payment terms which differ from those in the system, the system would flag the error, however, the end user would simply override the error.	Reprogramming of the system to add security controls which can override the error. Reprogramming of the system to add an entry into the log file that shows when an error was overridden and which user did the overriding. Create report which shows the log file above.	Payable Management				08/06/06	N	N	N	Y	Y	Evolve Team	1-Not started



3. After having “added” a CAP in the CAP Track tab, manually record the automatically generated CAP number in the PCS/ECS Assess tabs for all affected control sets. A single CAP number may be associated with multiple control sets (Entity and/or Process)⁴.

AART: PCS Assess														
Select View: <input type="text"/> <input type="button" value="HELP"/>														
FO: <input type="text"/>														
Attester: <input type="text"/>														
Implementer: <input type="text"/>														
Date Updated: <input type="text"/>														
<input type="button" value="Insert Row"/> <input type="button" value="Delete Row"/>														
Ref Col	Process Cycle	Processes	Sub-Processes	Inherent Risk	Likelihood	Impact	Risk Assessment	Control Dsgn Effective	Test Results	Efficiency Opportunities Identified	Rec	Remediation Plan		
	P2P	Payable Management	Disbursing	Vendor to be paid may not be active CR vendor, resulting in payment to unapproved vendor.	L	L	L	6	7		no	CAP#	Status	Date Impl.
	P2P	Payable Management	Disbursing	Terms of payment negotiated in contract may be overridden and incorrect terms may be utilized to calculate due dates, resulting in incorrect payment date and extraordinary burden to the government and non-compliance with the prompt payment act.	L	L	L	6	5		yes	CAP-CH-1	1-Not started	tbd

The status and date completed will automatically update based on the CAP#. There must be an active CAP in the CAP Track tab for this functionality to work correctly.



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D. Execute and monitor remediation activities



1. The A-123 assessment team should monitor the execution of remediation activities on an on-going basis and obtain periodic status updates to support quarterly A-123 reporting and other ad hoc reporting required by OMB or management. Once activities are completed, the CAP Track tab must be updated.



While rare, not all remediations result in changes to the key control set. For example, remediation may have focused on "re-staffing" - a manual control that had gone unperformed due to attrition requirements.

E. Reassess results of remediation

1. Once a specific CAP has been assigned a "4-completed" status in the CAP Track tab, assess all remediated control sets using the A-123 methodology (documenting, evaluating and testing).



If data is already in the cells, overwrite the existing data with the new information. If new sub-processes/risks have been created during the remediation, you must add these as you follow the A-123 methodology.

F. Update the Implementation Plan

1. Capture the status and barriers as well as any significant deviations encountered during the remediation phase.



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SUPPLEMENTARY INFORMATION AND DEFINITIONS

¹ To add additional CAP rows, select a cell under the header (below row 7; for the first CAP entry you must select the row with the “DO NOT USE THIS ROW” text to add the first CAP), and Click “ADD CAP” button to add a CAP to the bottom of the list:

AART- Corrective Action Plan Tracking			
Select View: <input type="text" value="Select view"/>		<input type="button" value="HELP"/>	
0 Code	0 Name	Implementer	Date
Identification		Description	
<input type="button" value="ADD CAP"/>			
Corrective Action Plan Id #	Title	Summary of Deficiency	Summary of Remediation Actions
DO NOT USE THIS ROW			Processes <input type="button" value="Process Selector"/>

The newly inserted CAP will have a default status of “1-Not Started” and Implementation date of “TBD”.

² To select affected processes for the specific CAP:

STEP 1: Select the CAP ID row that you wish you assign processes to.

STEP 2: Click the Process Selector button in the Processes’ header of row.

AART- Corrective Action Plan Tracking			
Select View: <input type="text" value="Select view"/>		<input type="button" value="HELP"/>	
0 Code	0 Name	Implementer	Date
Identification		Description	
Corrective Action Plan Id #	Title	Summary of Deficiency	Summary of Remediation Actions
DO NOT USE THIS ROW			Processes <input type="button" value="Process Selector"/>
CAP001	Payment Terms Requirement	During the testing of controls to prevent invoices being paid using payment terms which differ from those in the system, the system would log the error. However, the end user would simply override the error.	Reprogramming of the system to add security general who can override the error. Reprogramming of the system to add an entry into the log files that shows when an error was overridden and which user did the overriding. Create report which shows the log file above.

STEP 3: Select the appropriate processes by clicking on the selection boxes and click OK. The selected processes will be automatically populated in the processes field of the selected CAP.

Processes Affected

- General Ledger Management
- Funds Management
- FBWT
- Cost Management
- Insurance
- Grants
- Loans
- Acquisition
- Inventory Management
- Payable Management
- Travel
- Revenue
- Receivable Management
- Project Cost Management
- Property Management
- Seized Property Management
- Human Resources
- Payroll
- Benefits



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³ To select effected entity sub-categories for the specific CAP:

STEP 1: Select the CAP ID row that you wish you assign entity sub-categories to.

STEP 2: Click the Sub-Category Selector button in the Entity Sub-Categories header of row.

AART- Corrective Action Plan Tracking													
Select View: <input type="button" value="Select view"/> <input type="button" value="HELP"/>													
PO Code	PO Name	Implementer	Date										
000	000000		11/2/2008										
Identification		Description											
Corrective Action Plan ID #	Title	Summary of Deficiency	Summary of Remediation Actions	Process Selector	Entity Sub-Categories	Sub-Category Selector	Date first identified	Appropriateness	Severity	Frequency	Reproduction	Control	Accountability
PO Code	PO Name	Summary of Deficiency	Summary of Remediation Actions	Process Selector	Entity Sub-Categories	Sub-Category Selector	Date first identified	Appropriateness	Severity	Frequency	Reproduction	Control	Accountability
CAP001	Payment Terms Requirement	During the testing of controls to prevent invoices being paid using payment terms which differ from those in the system, the system would flag the error. However, the end user would simply override the error.	Reprogramming of the system to add security protocol which overrides the error. Reprogramming of the system to add an entry into the log files that shows when an error was overridden and which user did the overriding. Create report which shows the log file above.	Payable Management			08/08/08	L	Y	L	Y	Y	Invoice Team

STEP 3: Select the appropriate entity sub-categories by clicking on the selection boxes and click OK. The entity sub-categories will be automatically populated in the Entity Sub-Category field of the selected CAP.

Entity Sub Categories Affected

Control Environment

Integrity and Ethical Values

Management's Commitment to Competence

Management's Philosophy and Operating Style

Organizational Structure

Assignment of Authority and Responsibility

Human Resources Policies and Practices

Relationship with Oversight Agencies

Control Activities

Top Level Reviews of Actual Performance

Reviews by Management at the Functional or Activity Level

Management of Human Capital

Controls Over Information Processing

Physical Control Over Vulnerable Assets

Establishment and Review of Performance Measures and Indicators

Segregation of Duties

Proper Execution of Transactions and Events

Accurate and Timely Recording of Transactions and Events

Proper Execution of Transactions and Events

Access Restrictions to and Accountability for Resources and Records

Appropriate Documentation of Transactions and Internal Control Existence

Information Systems - General Controls

Information Systems - Application Controls

Information and Communication

Internal relevant, reliable, and timely communications

External relevant, reliable, and timely communications

Risk Assessment

Clear, Consistent Agency Objectives

Identify Risks and Risk Factors, Internal and External

Risk Analysis and Actions

Monitoring

Policies and Procedures for Audit Findings

Review and Evaluate Findings

Develop Action Plan in Response to Findings

Complete Findings Action Plan

Regular Management and Supervisory Activities

Separate evaluations of Controls

⁴ Only a single CAP number can be associated to control set.