



GEORGIA DEPARTMENT OF AUDITS AND ACCOUNTS

Preparing for a
Successful Single Audit,
Robotic Process Automation, and
Introduction to the New Client Portal



March 25, 2021



Overview – Preparing for a Successful Single Audit

- Who, What, Why, and How?
- Auditee Responsibilities and How to Prepare
- Changes to the Audit Process



Who, What, Why, and How?

Professional People with Purpose

Who? – Entities to be Tested

Required for entities that expend \$750,000 or more of federal awards in the fiscal year under review.

- *Note: In FY19, the State of Georgia reported federal expenditures totaling \$21 billion and that amount has increased with the influx of COVID-19 funding.*

What? – Programs Selected for Testing

Program Classifications:

- Type A – Larger amounts; Based on a calculation reflected in the Uniform Guidance.
- Type B – Programs under the Type A threshold.

Major Program Determination:

- Type A programs that will be selected –
 - New programs
 - Have not been tested in the previous two audit periods
 - Prior year Material Weakness findings or modified opinions
- Type B programs that will be selected –
 - High risk programs as determined through risk assessment
- Programs determined to be high risk by awarding agency.

Why? – Purpose

Single Audits are authorized under the Single Audit Act:

- Enacted to streamline and improve the effectiveness of audits of federal awards and reduce the audit burden on nonfederal entities.

How? – Objectives

Audit of the financial statements and reporting on the SEFA:

- Determine whether the financial statements are presented fairly, in all material respects, in accordance with GAAP.
- Determine whether the SEFA is stated fairly in all material respects in relation to the financial statements.

Compliance audit of federal awards:

- Obtain an understanding, plan, and test internal controls over major program compliance requirements.
- Determine whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards.



Auditee Responsibilities and How to Prepare

Professional People with Purpose

Auditee Responsibilities

Compliance – Comply with federal statutes, regulations, and the terms and conditions of federal awards.

Controls – Establish and maintain effective internal control over federal awards that provides reasonable assurance that you are managing federal awards in compliance with those federal statutes, regulations, and the terms and conditions of federal awards.

NOTE: There are many other auditee responsibilities, but these are the two major ones we will cover today.

Preparation – Controls & Compliance

Maintain documentation.

- Documentation must be maintained to evidence control and compliance activities performed.

Study award documents and regulations.

- Become very familiar with requirements related to federal awards.
- Link: [Code of Federal Regulations \(Annual Edition\) | govinfo](#)

Review the Uniform Guidance (UG).

- Understand the requirements reflected in the UG.
- Link: [Code of Federal Regulations \(govinfo.gov\)](#)

Explore the OMB Compliance Supplement.

- Auditors follow the steps reflected in the Compliance Supplement.
- Link: [Office of Federal Financial Management | The White House](#)

Preparation – Controls & Compliance

(continued)

Develop policies and procedures.

- Clear, written policies and procedures should be developed to address applicable compliance requirements.
- Adhere to state and federal regulations.

Review resources offered by SAO.

- Internal Controls – [Internal Controls | State Accounting Office of Georgia](#)
- Federal Compliance Reporting – [Federal Compliance Reporting | State Accounting Office of Georgia](#)

Take advantage of resources offered by awarding agencies, OMB, auditors, AICPA, various associations, etc.

- Attend trainings.
- Sign up for email updates.
- Ask questions.

Preparation – Controls & Compliance (continued)

Appropriately implement controls for each compliance requirement.

- Auditors are required to test controls over every direct and material compliance requirement deemed to be subject to audit as reflected in the OMB Compliance Supplement.
- Examples of appropriate internal controls for each compliance requirement category are reflected in Part 6 – Appendix 2 of the OMB Compliance Supplement.
 - Link to 2020 Compliance Supplement (Pages 6-15 through 6-30): [2 CFR Part 200, APPENDIX XI \(whitehouse.gov\)](#)

Perform risk assessments for federal programs.

- Identify internal controls weaknesses and areas of improvement.
- Document internal controls for each compliance requirement.



Changes to the Audit Process

Professional People with Purpose

Remote Audits

Most auditors are performing client consultations and audit procedures remotely.

- This may require the use of new technology or computer programs, such as videoconferencing software.
- This may also increase the level of IT security needed.

If procedures cannot be performed remotely, auditors are taking necessary precautions to reduce exposure and their time in the field.

- Wearing masks.
- Maintaining social distancing requirements.
- Obtaining as much electronic audit evidence as possible.

Signing of documents related to the audit may also be performed electronically.

Potential Increase in Audit Hours

Audits may take more time than past years.

Additional testing may be necessary to cover new requirements associated with COVID-19 funding, waivers, etc.

Internal control walk-throughs may also take more time than usual as various processes and procedures most likely changed after the pandemic began.

QUESTIONS



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Department of Audits & Accounts

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Director of Data Analytics and Process Automation



The Department of Audits and Accounts exists to provide decision-makers with credible management information to promote improvements in accountability and stewardship in state and local government.

Website: www.audits.ga.gov | www.open.georgia.gov

Data Analytics & Process Automation



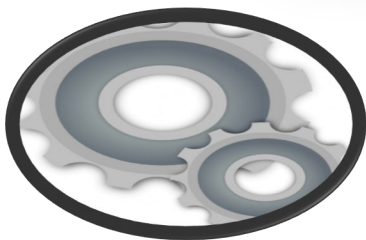
Advancing an enterprise approach to data analytics that promotes innovation and transforms business processes to deliver meaningful, high-quality information to decision-makers



Dedicated human resources



New products



Innovative tools

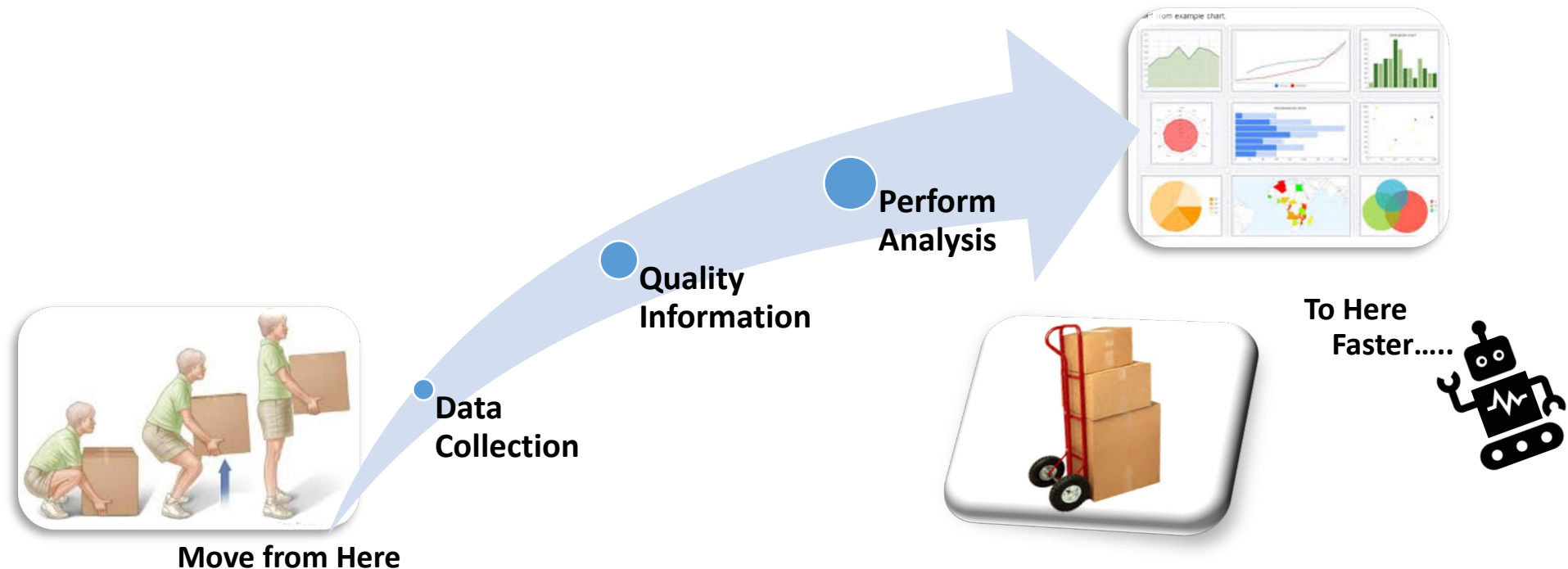


Formalized department-wide collaboration points

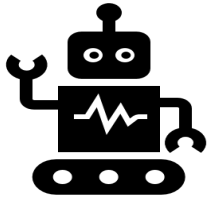


Increased expertise and analytical capabilities

Process Automation



Robotic Process Automation (RPA)



A digital workforce (BOT) learning skills to automate manual tasks so resources can work on value added or more challenging tasks.

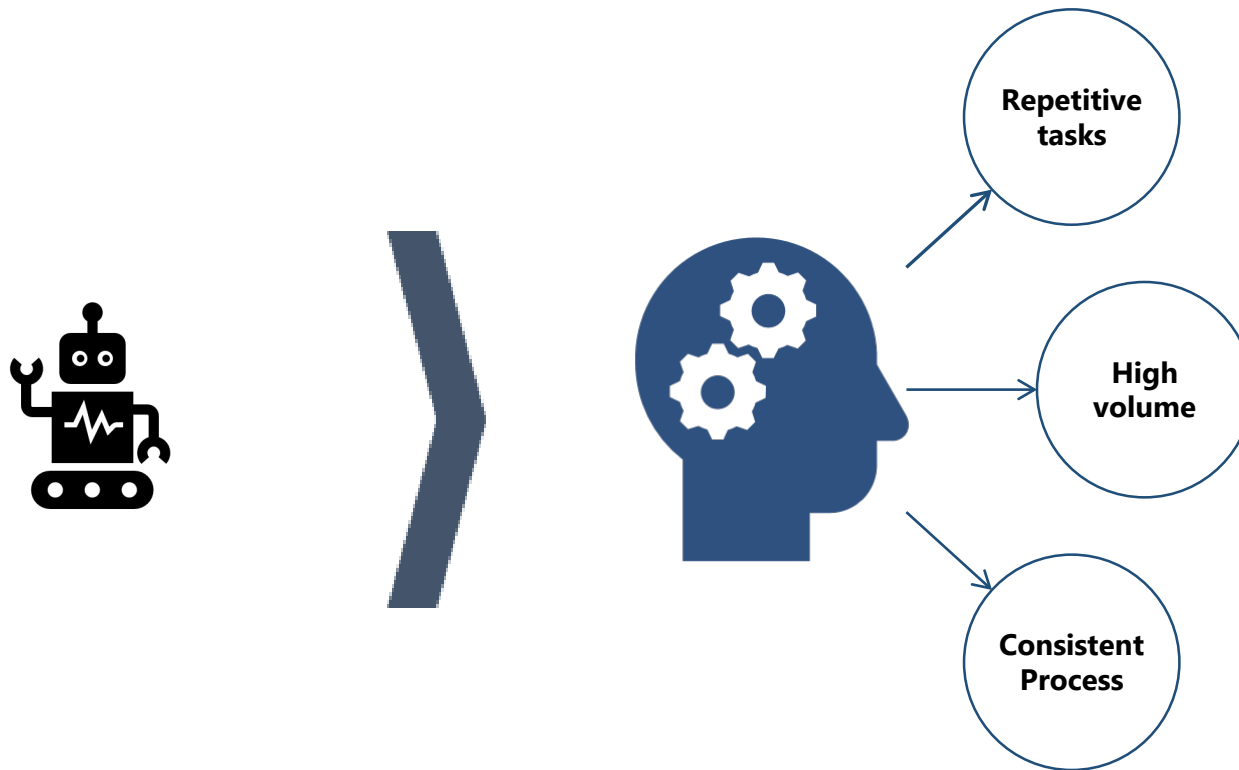
There are several tools in this area

- Organizational RPA
- Individual RPA

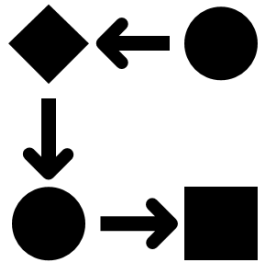
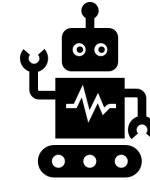
Several ways to implement and costs

- Cloud based Solutions
- On Prim hosted
- All claim to be no code environments

Robotic Process Automation (RPA)

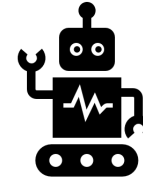


DOAA – RPA Processes



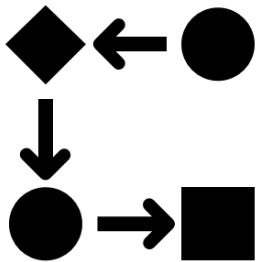
We are continuing to accelerate our technology-enabled audit capabilities to enhance productivity, innovate and leverage emerging technologies to further enhance the quality and efficiency of our audits. Here are just some of the current skills our virtual worker has learned and is doing, even on the weekend.

DOAA – RPA Processes



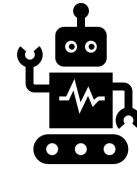
The School District process continues to check for report updates and downloads around 5,000 reports and attachments each weekend for 150 school district engagements.

Skills:



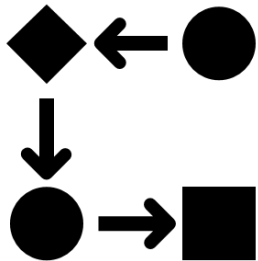
- Navigate a website and locate information
- Use a search and download feature of a website
- Call external procedures written in Python to extend functionality
- Download and store documents
- Compare digital signature of documents to identity changes
- Track what is downloaded and when
- Move Documents into existing SharePoint location for access

DOAA – RPA Processes



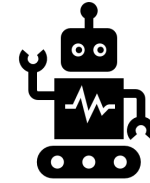
The audit documentation compilation process scans active engagements for updates and additions to collected deficiencies, misstatements and client information. Results are provided to management for status updates and continuous review.

Skills:



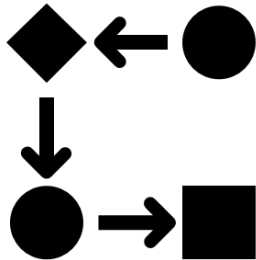
- Open and use a native Windows Desktop Application
- Check out projects and search for content
- Locate content and pull information
- Track status of engagement and content collection
- Build reports based on the content found
- Identify and verify document format, mark exceptions for review

DOAA – RPA Processes



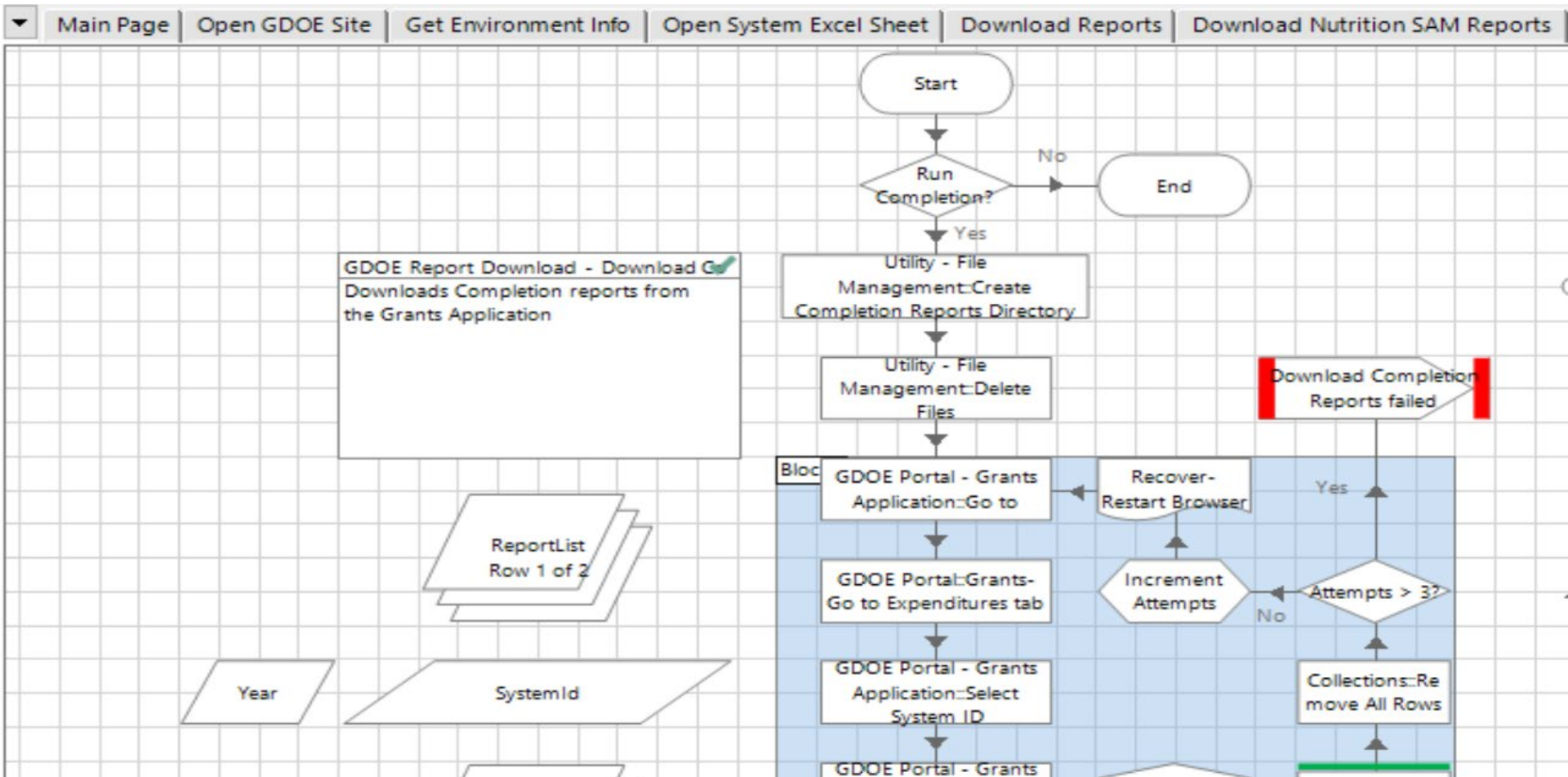
Automates Engagement Letters and Reports, Closure and Management letters (as applicable) for financial audit engagements. The process uses information submitted in a revised Report Determination Form (RDF) that was created specifically for this project. Using the information provided, the RPA will prepare and return all the requested letters/reports to the auditor referenced on the RDF

Skills:



- Modify an existing process to allow for RPA
- Use a native windows desktop application
- Search and find content needed
- Pull content from standardized form
- Compile and build reports
- Track where the process is
- Return completed documents via email to auditor
- Report of changes made, and issues identified

Example Flow



Example Queues

Control

- Session Management
- Today
- Queue Management
 - LEA Reports Queue
 - ReportsUpload_Queue
- Active Queues
- Scheduler
- Reports
- Recent Activity
- Timetables
- Today & Tomorrow
- Schedules
- Retired Schedules

Queues - Configure work queues

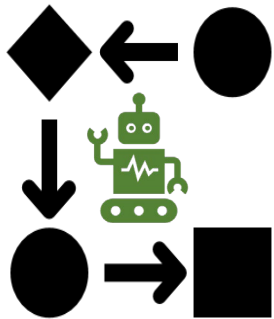
2 queues (Running: 2, Paused: 0)

Queue Name	Status	Worked	Pending	Referred	Total	Average Case Duration	Total Case Duration
▶ LEA Reports Queue	Running	2746	33	3490	6269	50:04.900	216.21:09:15.000
▶ ReportsUpload_Queue	Running	0	0	8	8	00:01.500	00:12.000

Queue Contents [Clear Filters](#) [Show Positions in Queue](#)

A	All	All	All	All	All	All	All	All	All
	Item Key	Priority	Status	Tags	Resource	Attempt	Created	Last Updated	
✓	Jackson County -	0	Complete		ATL-BPSVCP0	1	3/12/2021 11:45:	3/15/2021 12:00:20	
✓	Irwin County - 67	0	Complete		ATL-BPSVCP0	1	3/12/2021 11:45:	3/15/2021 10:35:04	

So, you ready to get started?



Build a Pipeline of ideas

Dedicate Resources for RPA

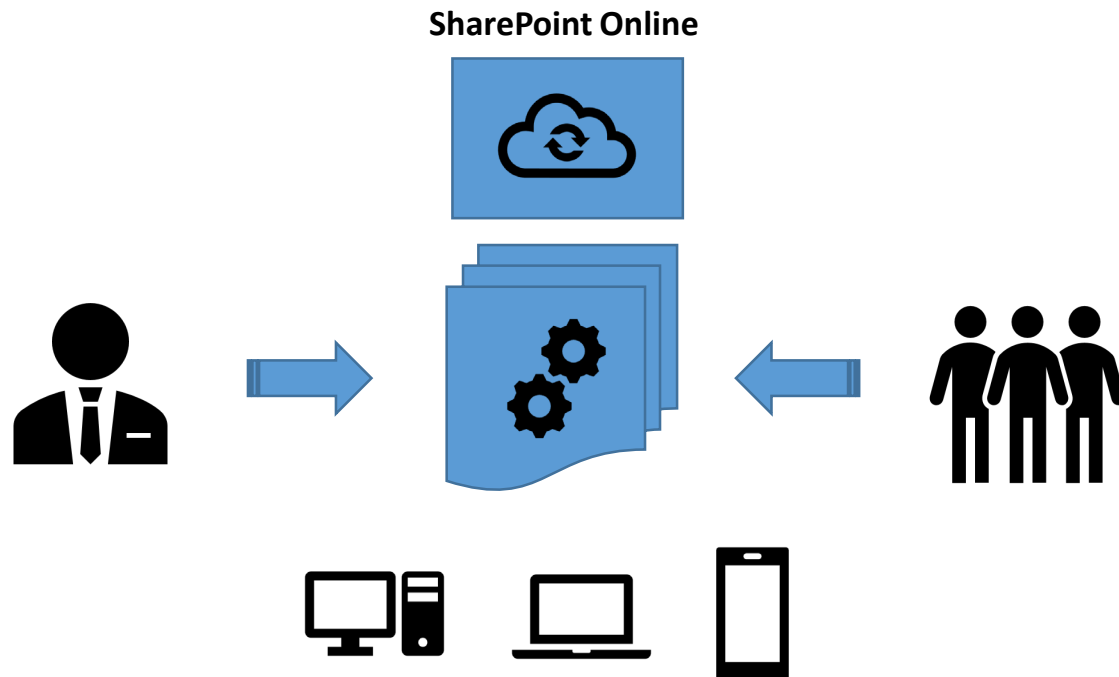
Involve Business Subject Matter Experts

- Capture Knowledge
 - Define
 - Review
 - Determine Feasibility
 - Target Automation % (set goals)

Having a technical person is a must if you want robust processes quickly

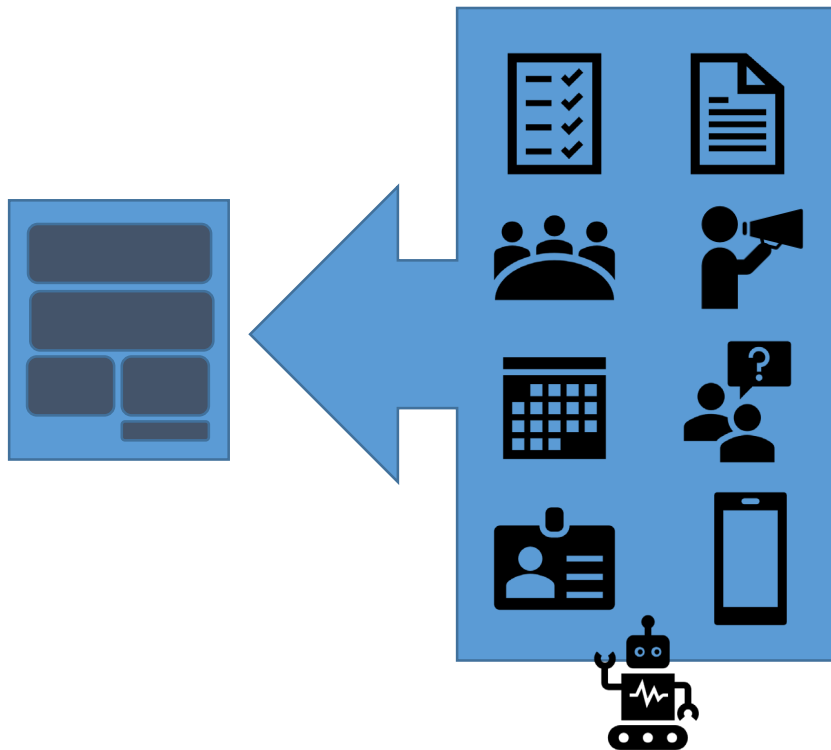
New Client Portals.....

Coming Soon



New Client Portals.....

Coming Soon



- Prepared By Client (PBC) - Request Listing
- File Exchange (drag and drop)
- News and Announcements
- Agency Contact Information
- Meet the Audit Team
- Calendar of Submission Dates
- Ask a Question
- Etc..

Got Questions?

