

Audit Updates

**Georgia FMC
Annual
Conference**

Sept. 10, 2023



DOAA

Georgia Department
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Celebrating 100 years!

Agenda

- Opening Remarks
- DOAA Update
- Emerging Issues Discussion
- Results of FY2022 Audits
- Engagement Overview
- Questions



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Our Leadership Team



Greg Griffin,
State Auditor



Kristina Turner,
Deputy State Auditor



Lisa Kieffer,
Performance Audits & IT Audits



Kenneth Knight,
Financial Audits



Lee Thomas,
Sales Ratio



Drew Townsend,
Administration



Carol Schwinne
Project Management



Scott Owens,
Professional Standards & Practices



Steve Geddes,
Information Technology



Patty Pergl,
Communications

Sharing our insights to make
a positive difference for the
citizens in Georgia.

Year in Review

About us



253 employees



149 staff with
adv. degrees or
certifications



4.2% of available
work hours spent
on training



2nd Leadership
Cohort Graduated

We Audited State government entities



69
entities



Employing over
153,819 people



Managing **\$74**
Billion in funds

Local school districts



143
entities



Educating over
1.7 million
students



Receiving a portion
of **\$12.5 Billion** in
state QBE funds

We also...



Performed **1,161** Desk
Reviews of Local Governments
and Non-Profit Organizations
Financial Statements



Managed Immigration
Compliance Reporting for
2,418 entities

We delivered



268
financial
reports



25
performance
audit reports



101
fiscal notes &
retirement
certs



2,813
property
appraisals

2023 Peer Review – Rating of Pass

- Performed every 3 years
- By National State Auditors Association (NSAA) – Auditors from member organizations across US
- Review of DOAA's system of quality control
- Org Structure, Policies and Procedures, Conformity and Compliance with Standards – General Auditing and Governmental Auditing



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Client feedback on our services

We asked you how well we communicated with you during the audit, if we conducted our work professionally, and how well we reported the results.

Percentage of responses indicating a positive experience



Your feedback on our services

What is working

- ✓ Technical Assistance on GASB 87
- ✓ Transparent communication between the audit team and entity management
- ✓ Providing insight on ways to improve processes and controls

What needs improvement

- Allowing time for entity feedback on findings
- Timely issuance of final report



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EMERGING ISSUES



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Poll Everywhere

Join by Web PollEv.com/doaat634

OR

Join by Text Send [doaat634](tel:22333) to 22333



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BEING AUDITED REMOTELY



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Being audited remotely is more challenging and less efficient.

11%



(A)
Yes

60%



(B)
No

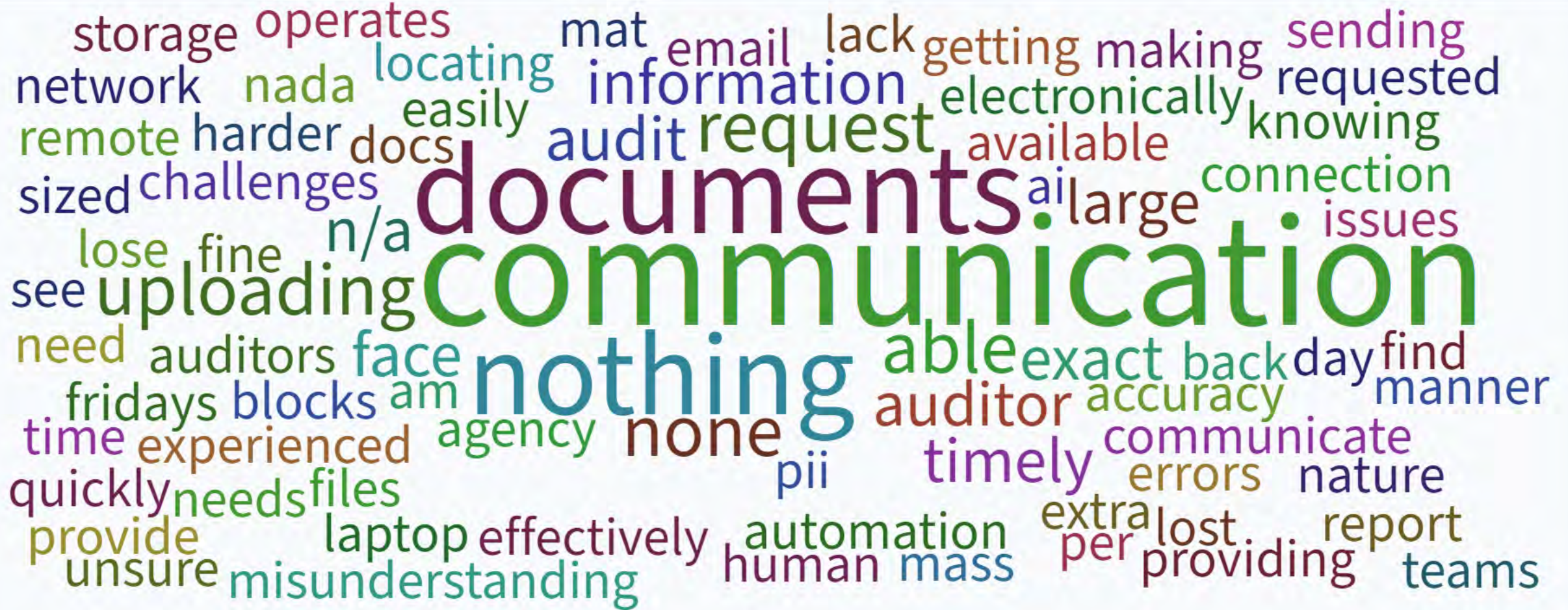
29%



(C)
Neutral



What do you find most challenging about being audited remotely?





The way I prepare for my audit has changed given the auditors are remote and no longer onsite.

18%



(A)
Yes

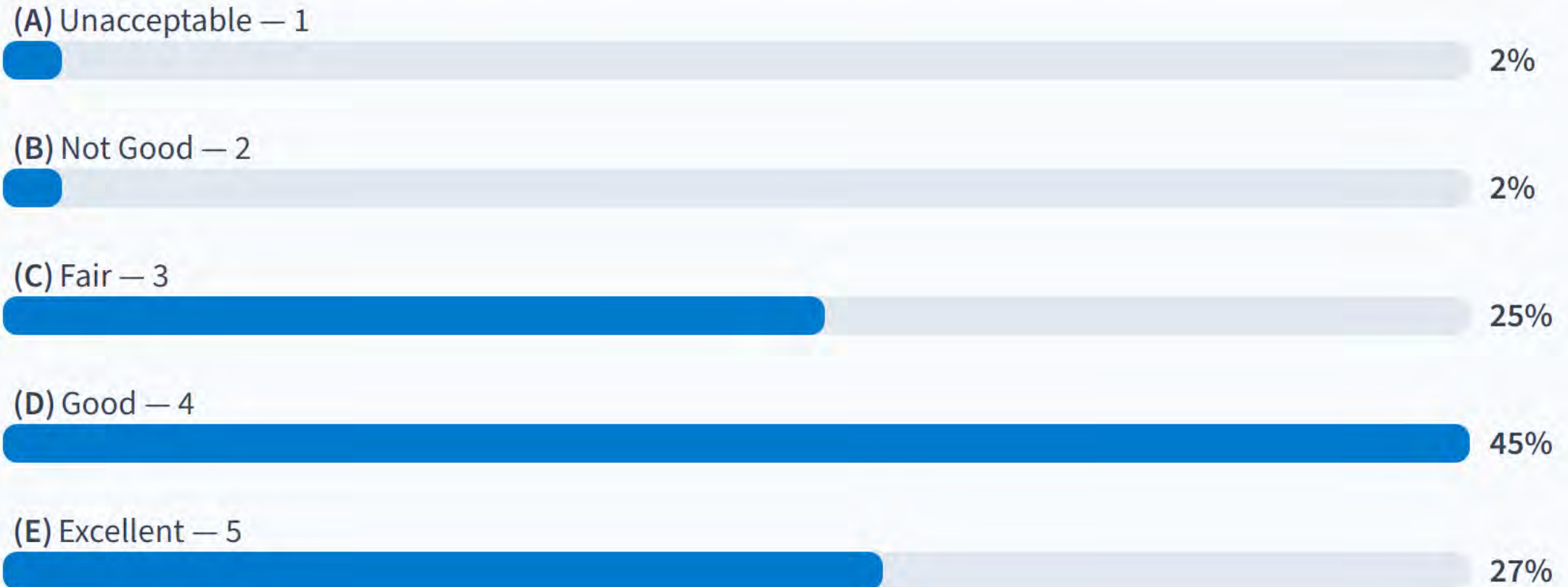
82%



(B)
No



On a scale of 1 to 5, 1 being poor and 5 being excellent, how would you describe the communication cadence and quality you have with your audit team?



FY 2024 AUDIT PRIORITIES

Priority 1 | State's NEXTGEN Implementation



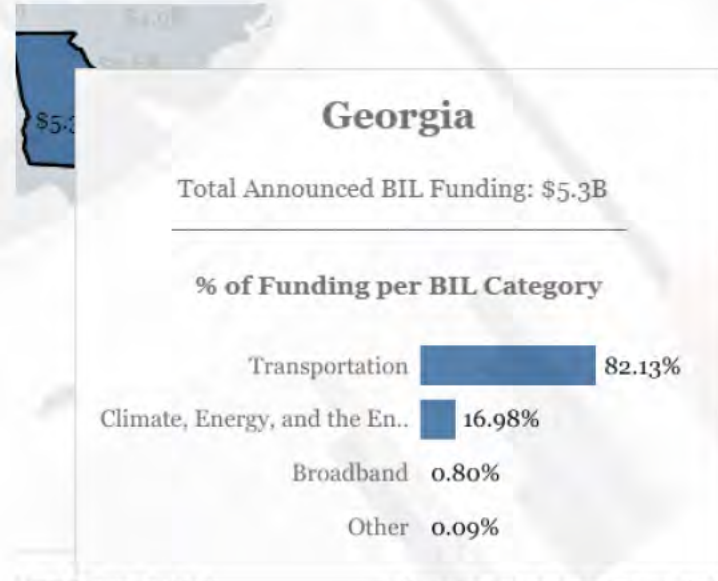
Priority 2 | Changes to Financial Accounting and Auditing Standards



Priority 3 | Changes to the Yellowbook and Greenbook



Priority 4 | Infrastructure Spending



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FY 2024 Organizational Priorities

Priority 1 | OneDOAA
Strengthen Our Culture

Priority 2 | Increase Awareness
of our Office

Priority 3 | Deliver High Quality,
Value-Added Services
at a Reasonable Cost



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Significant initiatives in progress

- **Focus on People and Culture**
- **Impact**
 - Visualization
 - Story-telling
- **Improved Products and Services**
 - Expand use of RPA
 - Data Analytics
 - Client Portal



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People & Culture



Celebrate the 2023 Innovation Challenge

APRIL 2023

DOAA VALUES

THE LEDGER



Tell Me Something Good Tuesday

Do you have something good to share?
Send your something good to DOAA Communications.

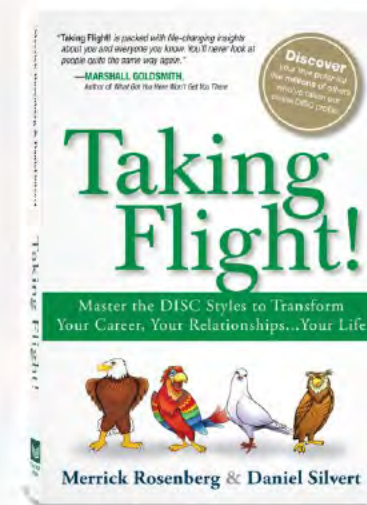


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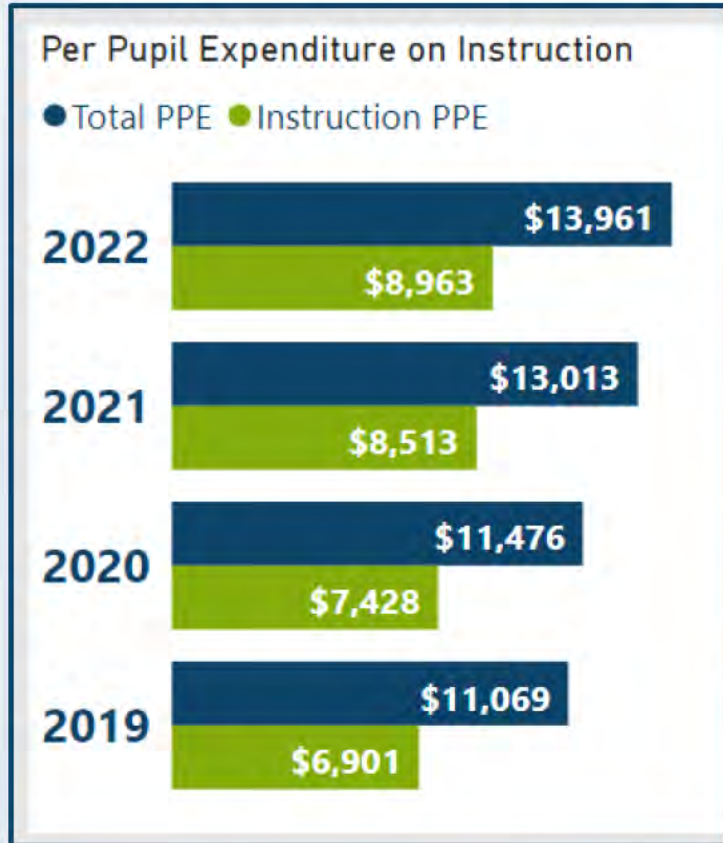
People & Culture



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Visualization



Fiscal Health

Home | Revenues | Expenditures
Fund Balance | **Fiscal Health** | System Comparables

School System: School System (Entity Type) + Appling Cou...
 2018-2020 | 2019-2021 | 2020-2022
 RESA: First District
 Students: 3,542
 Poverty Level: 42.8%

Point of Comparison: State Average (Entity Type) + State Average (System ...
 RESA: N/A
 Students: 9,575
 Poverty Level: 39.2%

Appling County

Current Ratio
Assesses ability to fund its short-term obligations with readily available resources.

5.70
Normal

State Average

4.06
Normal

Revenues

Expenditures

Fund Balance

Fiscal Health

System Comparables



Storytelling



Greg S. Griffin, CPA
State Auditor

Local Governments "At-Risk"



Georgia code requires local governments to file financial reports within 180 days of year-end.

Each year, local governments fail to submit reports in compliance with state law.

The number of local governments that fail to file reports is increasing each year.

Who is required to submit reports?



Cities



Counties



Consolidated Governments

Frequent Causes of Late and Unfiled Reports

Cities file late, or do not file at all, for a variety of reasons. The themes that have emerged over the past five years are listed below.



Difficult to obtain an audit

City is not prepared for audit; Difficulty hiring an auditor



Turnover of City Management or Financial Officers

Lack of experience creates challenges



Major Illness

Problems amplified by COVID-19; Few people have the experience to manage employees on medical leave



Lack of required information

Missing component unit information, actuarial reports for single-employer pension plans

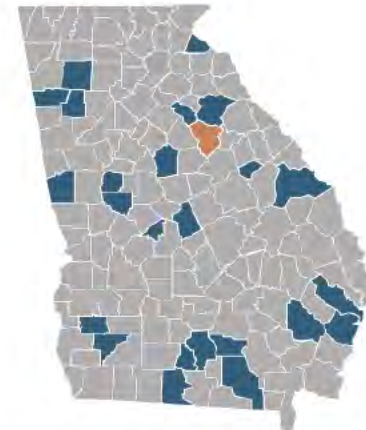


Change in Auditor

New audit firms face a learning curve

Where in Georgia is this emerging trend?

At-Risk In-Danger



1 City 2 Cities

"At-Risk"



26

Number of cities considered "At-Risk"



100

Reports un-filed by "At-Risk" cities in the past 5 years

"In-Danger"



192

Number of cities considered "In-Danger"



217

Reports un-filed by "In-Danger" cities in the past 5 years

Data as of August 29, 2023

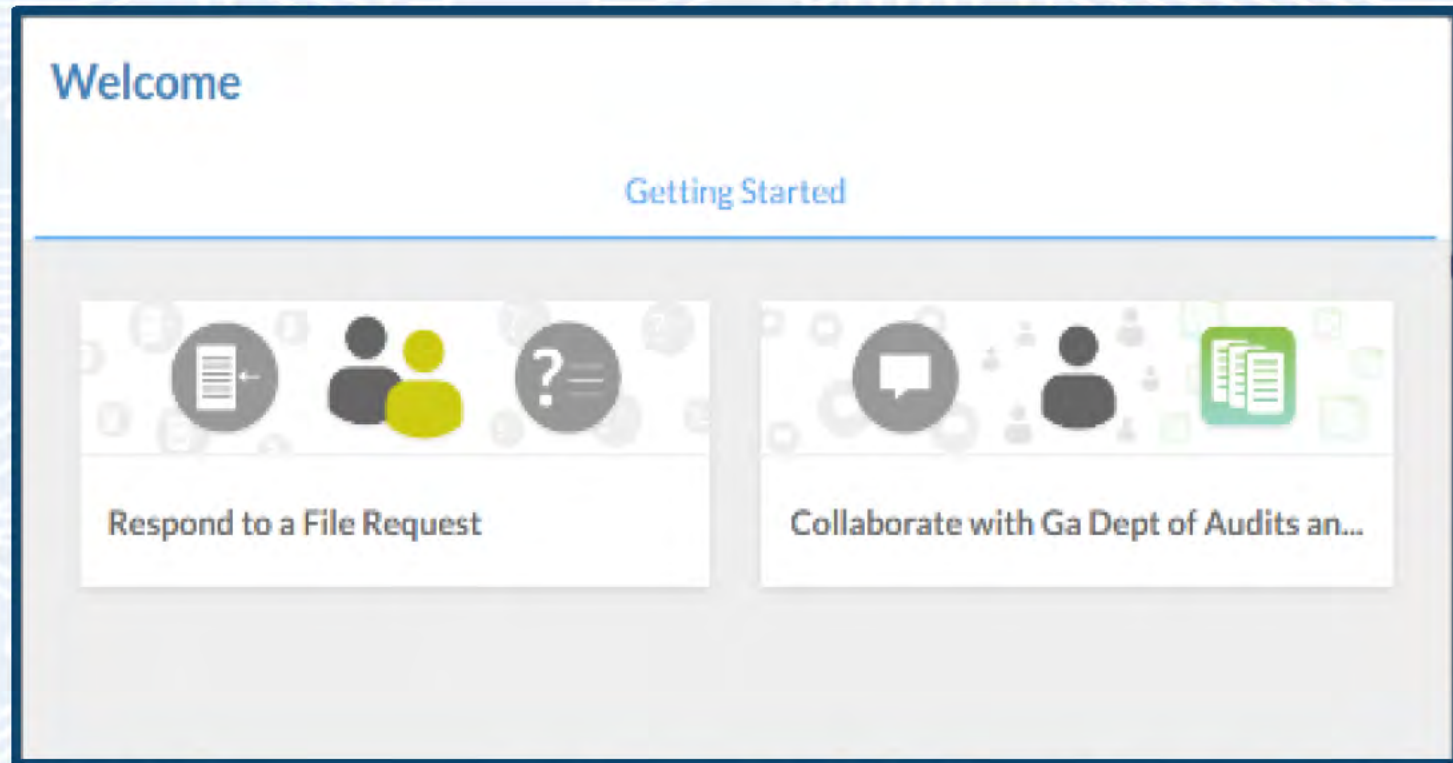


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Client Portal Update

- File Sharing
- Document Exchange
- Status Reporting
- Notifications
- Messaging
- Client Inquiry Forms



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Client Portal Rollout

Engagement Type	Timeframe
Pension/OPEB Audits	Dec 2023 – Jan 2024
University Audits	Feb 2024 – April 2024
State Agency Audits	April 2024 – May 2024
State of Georgia Single Audit	May 2024 – June 2024
Financial Accreditation Reviews (Colleges/TC)	June 2024
Agreed-Upon Procedures Engagements	June 2024



Client Portal – Enrollment Steps

1. DOAA will contact you to schedule a client setup meeting
2. During the Meeting:
 - DOAA will provide a demo of the Portal and its collaboration features, including the use of the Prepared By Client Listing
 - DOAA will assist you in setting up your account



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RESULTS OF FY2022 AUDITS



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Financial Statement Opinions

Summary of Opinions

Opinion Unit

Governmental Activities

Business-type Activities

Aggregate Discretely Presented Component Units

Governmental - General Fund

Governmental - General Obligation Bond Fund

Enterprise - Higher Education Fund

Enterprise - State Employees' Health Benefit Fund

Enterprise - Unemployment Compensation Fund

Aggregate Remaining Fund Information

Type of Opinion

Unmodified

Disclaimer

Unmodified

Unmodified

Unmodified

Unmodified

Unmodified

Disclaimer

Unmodified



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Federal Major Program Opinions

Type of auditor's report issued on compliance for major programs:

Unemployment Insurance Program (17.225)	Adverse
Supporting Effective Instruction State Grants (84.367)	Qualified
Education Stabilization Fund (ESF) (84.425)	Qualified
Low-Income Household Water Assistance Program (93.499)	Qualified
Community Services Block Grant (93.569)	Disclaimer
Social Services Block Grant (93.667)	Qualified
Block Grants for Community Mental Health Services (93.958)	Qualified
All other major programs	Unmodified



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AUDIT FINDINGS

Financial & Federal



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Financial Findings in FY2022 (9)

Finding Category	# of Findings
Financial Reporting	2
Accounting Controls Overall	2
Schedule of Expenditures of Federal Awards	1
Cash and Clearing Accounts	1
Capital Assets	1
Logical Access	1
Application Risk Management	1



Federal Findings in FY2022 (23)

Finding Category	# of Findings
Transparency Act Reporting	4
Reporting	3
Eligibility	2
Expenditures	2
Subrecipient Monitoring	1
Period of Performance	1
Application Risk Management	1
Program Specific	9



Prior Year Finding Resolution in FY2022

Financial Findings	# of Findings	% of Findings
Previously Reported Corrective Action Implemented	8	30%
Partially Resolved	19	70%



Prior Year Finding Resolution in FY2022

Federal Findings	# of Findings	% of Findings
Previously Reported Corrective Action Implemented	24	38%
Partially Resolved	35	55%
Unresolved	4	7%



FY2023 FINANCIAL STATEMENT AUDIT



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Fiscal Year 2023 Significant Components

Significant Component
Department of Revenue (DOR)
Department of Community Health (DCH)
Department of Education (DOE)
Department of Human Services (DHS)
Department of Transportation (DOT)
Department of Labor (DOL)
Department of Behavioral Health & Development Disabilities (DBHDD)
Office of the Governor (OOG)
Department of Early Care & Learning (DECAL)



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Significant Stand-alone Reports

Component

Georgia Public Telecommunications Commission (GPTC)

Savannah - Georgia Convention Center Authority (SGCCA)

Georgia World Congress Center (GWCC)

State Road & Tollway Authority (SRTA)

Local Government Investment Pool (LGIP)



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Other ACFR Work

Component
Georgia Student Finance Commission
Georgia Technology Authority
Department of Natural Resources
Georgia Bureau of Investigation
Capital Asset Testing at 5 Agencies
Global Analyticals <ul style="list-style-type: none">• Personnel Services – All Agencies• Services & Supplies – Select Agencies
Central ACFR Consolidation Review



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FY2023 SINGLE AUDIT



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FY2023 Preliminary Major Programs

CFDA Number	Program Name
10.CNC	Child Nutrition Cluster
10.EFAP	Food Distribution Cluster
12.401	National Guard Military Operations and Maintenance
16.575	Crime Victim Assistance
17.225	Unemployment Insurance
17.ESC	Employment Service Cluster
20.205	Highway Planning and Construction
21.027	Coronavirus State and Local Fiscal Recovery
84.010	Title I Grants To Local Educational Agencies
84.367	Supporting Effective Instruction State Grants
84.425	Education Stabilization Fund



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FY2023 Preliminary Major Programs

CFDA Number	Program Name
93.499	Low Income Household Water Assistance Program
93.563	Child Support Enforcement
93.568	Low Income Home Energy Assistance Program
93.569	Community Services Block Grant
93.658	Foster Care Title IV-E
93.667	Social Services Block Grant
93.958	Block Grants for Community Mental Health Services
93.959	Block Grants for Prevention and Treatment of Substance Abuse
93.AC	Aging Cluster
93.MC	Medicaid Cluster



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SPECIAL EXAMINATIONS AND PERFORMANCE AUDITS



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Special Examinations

Special Examinations

Teach for America contract with Georgia Department of Education

Martin Luther King Jr. Center for Nonviolent Social Change State Funding

Curriculum Standards

Universal Service Fund

State Contracts and Procurement



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Performance Audits

Performance Audits

Spending on Homeless Programs and Services

State Customer Services

Prepaid Debit Cards

Driver Education



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AI AND AUTOMATION

AUTOMATION

TECHNOLOGY

SYSTEM



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My organization uses AI as part of its operations.

7%



(A)
Yes

83%



(B)
No

11%



(C)
I don't know



My organization uses automation as part of its operations (electronic workflows, robotic process automation, Power Automate Platform).

26%



(A)
Yes

67%



(B)
No

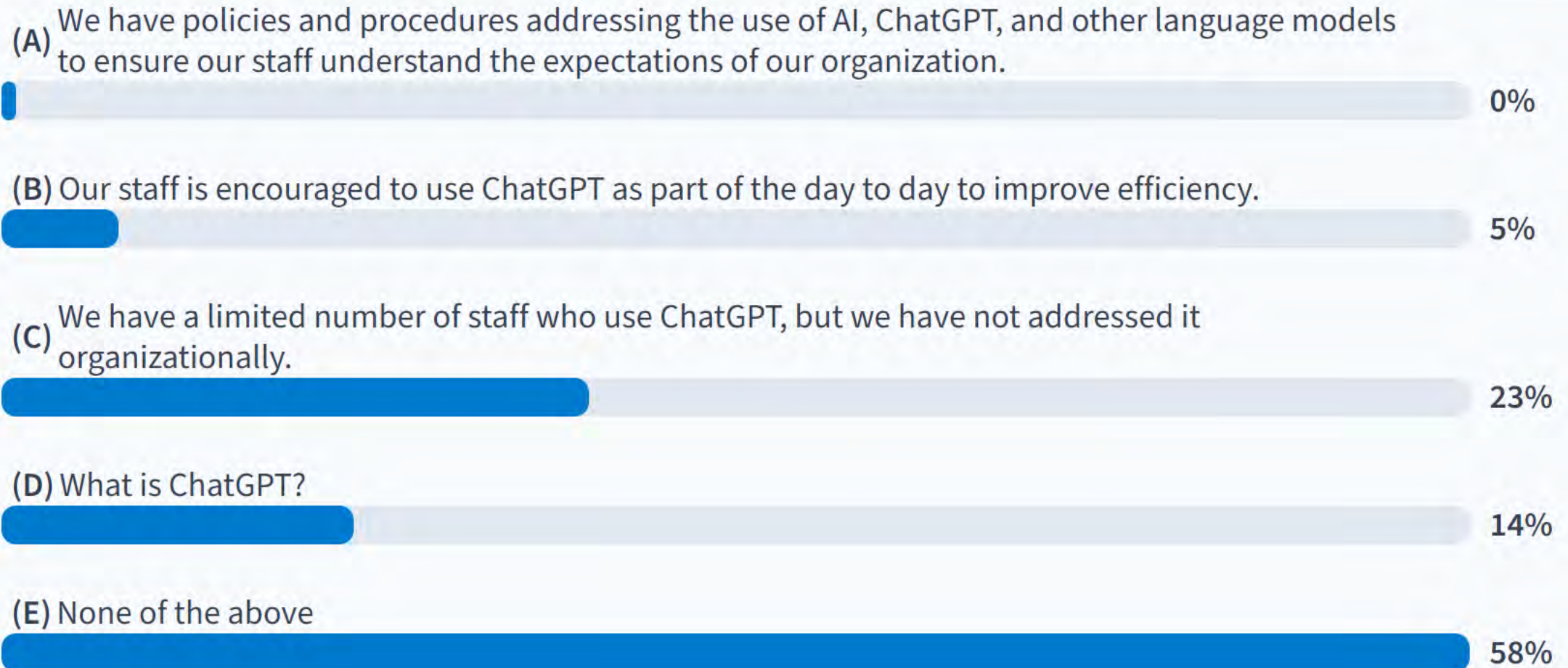
7%



(C)
I don't know



Describe your organizations use of ChatGPT or similar models.



What is ChatGPT?

User Prompt

How do I explain what ChatGPT is to someone that never used it?

ChatGPT Response

Explaining ChatGPT to someone who has never used it can be done in a clear and straightforward manner. Here's a simplified way to explain it:

"ChatGPT is like having a conversation with a computer program that's really good at understanding and generating text. It's designed to understand your questions and provide helpful responses, almost like chatting with a knowledgeable friend. It uses a large amount of information from the internet to come up with its answers, so it can provide information on a wide range of topics.

People use ChatGPT for various things, from getting quick answers to questions, generating content like articles or code, and even for assistance with tasks like writing or problem-solving. It's a powerful tool that can be a valuable resource in many different situations."



All Years

Count	Search word
436	Activities Allowed
466	Unallowed
909	Cost principle
118	cash management
997	eligibility
24	eligibility for individual
112	equipment
27	real property
326	Matching
128	Level of Effort
60	Maintenance of Effort
13	Not supplant
122	Earmarking
252	Period of performance
136	procurement
115	Debarment
266	FFATA
927	Subrecipient

2022 only

Count	Search word
107	Activities Allowed
125	Unallowed
269	Cost principle
39	cash management
287	eligibility
6	eligibility for individual
29	equipment
6	real property
76	Matching
36	Level of Effort
18	Maintenance of Effort
4	Not supplant
34	Earmarking
58	Period of performance
51	procurement
42	Debarment
131	FFATA
316	Subrecipient



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Data Source:




[Instruction Manual](#) [Federal Program Contacts](#) [FAC Home Page](#) [FAQs](#)

Search Results for Single Audits

YOUR SEARCH FOUND 206 RECORD(S)

 [Download Summary Report](#)

 SEARCH CRITERIA:

- FISCAL YEAR : 2022, 2021, 2020
- FAC RELEASE DATE :
- FISCAL PERIOD END DATE :
- AUDIT TYPE : S
- AUDITEE EIN : 010661737, 016000001, 026000618, 036000264, 046002284, 056000522, 066000798, 146013200, 216000928, 311334820, 356000158, 371320188, 386000134, 396028867, 416007162, 420933966, 446000987, 450309764, 466000364, 470491233, 481124839, 516000279, 526002033, 536001131, 546001736, 550526580, 561611588, 576000286, 580973190, 596001874, 610600439, 626001445, 636000619, 646000749, 680284175, 710847443, 726000720, 736017987, 746000089, 810302402, 826000952, 830208667, 840644739, 866004791, 876000545, 886000022, 916001089, 926001185, 931070707
- AUDITEE EIN RELATIONSHIP : EITHER
- AUDITOR EIN :
- AUDITOR EIN RELATIONSHIP :
- UNIQUE ENTITY ID :
- AUDITEE UEI RELATIONSHIP :
- AUDITEE NAME :
- AUDITOR NAME :
- AUDITEE STATE : AL, AK, AS, AZ, AR, CA, CO, CT, DE, DC, FM, FL, GA, GU, HI, ID, IL, IN, IA, KS, KY, LA, ME, MH, MD, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NY, NC, ND, MP, OH, OK, OR, PW, PA, PR, RI, SC, SD, TN, TX, UT, VT, VI, VA, WA, WV, WI, WY
- FINANCIAL STATEMENT OPINION :
- SPECIAL FRAMEWORK OPINION :
- FEDERAL AGENCIES WITH CURRENT OR PRIOR YEAR AUDIT FINDINGS ON DIRECT AWARDS :
- CFDA NUMBERS :
- ADDITIONAL AWARD IDENTIFICATION :
- CLUSTER NAME :
- LOAN/LOAN GUARANTEE :



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Write an excel formula that will count the number of times a certain word appears in filtered table.

To count the number of times a certain word appears in a filtered table, you can use the `SUBTOTAL` function in combination with the `SEARCH` function. Here's the formula:

```
""excel
=SUMPRODUCT(SUBTOTAL(3,OFFSET(Table1[Column1],ROW(Table1[Column1])-MIN(ROW(Table1[Column1])),,1)),--(ISNUMBER(SEARCH("your_word", Table1[Column1])))
""
```

Replace "Table1" with the actual name of your table, and "Column1" with the column where you want to count the occurrences of the word. Also, replace "your_word" with the specific word you want to count.

Here's a breakdown of the formula:

1. `SEARCH("your_word", Table1[Column1])`: This part checks if "your_word" appears in each cell of "Column1" in "Table1" and returns the position where the word is found. If the word is not found, it returns an error.
2. `ISNUMBER(SEARCH("your_word", Table1[Column1]))`: This part converts the search results into a boolean array where TRUE indicates the word was found, and FALSE indicates it wasn't found.
3. `--(ISNUMBER(SEARCH("your_word", Table1[Column1])))`: We use "--" to convert the boolean TRUE/FALSE values into 1s and 0s.
4. `OFFSET(Table1[Column1], ROW(Table1[Column1])-MIN(ROW(Table1[Column1])),,1)`: This creates a dynamic range that only includes the visible cells in "Column1" after filtering.
5. `SUBTOTAL(3, OFFSET(Table1[Column1], ROW(Table1[Column1])-MIN(ROW(Table1[Column1])),,1))`: This performs the COUNT function (number 3) on the filtered range, resulting in the count of visible cells containing the specified word.
6. `SUMPRODUCT(SUBTOTAL(...), --(ISNUMBER(SEARCH(...))))`: The SUMPRODUCT function multiplies the two arrays, effectively summing up the 1s (matches) and 0s (non-matches), giving you the total count of occurrences of the word in the filtered table.

Once you enter this formula, it will automatically update whenever you apply a filter to the table or change the word in the formula.



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Questions?



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