Preparing for and Communicating with Auditors
Techniques for reducing and eliminating adverse findings

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MASSACHUSETTS DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
Elementary & Secondary Education

Audit and Compliance Unit
How we do our work
CAROI
“Comprehensive Audit Resolution Oversight Initiative”

Our mission regarding issues we find is to observe and then to help fix them

We do not play Gotcha!

We do not argue who is right or wrong
ESE – Audit and Compliance Unit

★ Current staff – eight individuals

★ Varied audit background and certifications

★ Use CAROI principles in every engagement
Anyone can go out, read a questionnaire and write down answers.

Auditors do not ask a question to get an answer.

They ask a question to elicit a response.

Then they follow up.
ESE and audits

★ One of top three statewide recipients of federal funds

★ Receive over 95 different federal grants

★ Audit presence on site eight to nine months of the year

★ Federal / State / Other
ESE and audits

⭐️ ESE holds the record for most single audit findings in a year with eighteen (18)

⭐️ ESE holds the record for least single audit findings in a year with zero (0)

⭐️ In the past five years we have had a total of four (4) findings
Types of audits you might deal with

- Single audit
- Financial audit
- Programmatic audit
- ESE fiscal review
Common Title I issues found in audit reports

- Time and attendance reporting
- Late final reports
- Documentation and approvals
- Questionable costs
Dealing with / working with auditors
The three greatest lies...

- “The check is in the mail”
- “I’m the auditor and I’m here to help you”
- “We’re so glad you’re here”
How to deal with the auditors prior to arrival

★ Don’t Panic !!!

★ Review your policies and procedures
★ Establish a liaison
★ Have information available
★ Review files for completeness and accuracy
★ Where possible give copies not originals
How to deal with the auditors on site

★ Answer any and all questions
★ Get questions in writing where possible
★ Make sure that they are talking with the correct people
★ Have “check in” points
★ Get written drafts of any potential issues
★ Review these drafts for potentials
★ Don’t take issues personally
How to deal with an audit

★ The key is to be proactive as much as possible

★ When you’re constantly being reactive it’s very hard to stay afloat
Some of these steps may seem foreign
Maybe we used to do things a certain way
This may be one way to get there
But sometimes there are multiple ways all of them can be correct
Resources

- ESE Title I staff
- ESE Audit and Compliance Unit
- Title I staff in other districts
- The auditors themselves
Questions ? & Answers !
Ladies and gentlemen thank you for your time today