APPENDIX Q

Office of Statewide Reporting and Accounting Policy (OSRAP) Policy of Annual Submission of Single Audit Data Collection Form to the Federal Audit Clearinghouse

State of Louisiana

Certification Checklist

Prepared by
Louisiana Office of Community Development/Disaster Recovery Unit

Office of Statewide Reporting and Accounting Policy (OSRAP)
Policy - Annual Submission of Single Audit Data Collection Form to the Federal Audit Clearinghouse

These Procedures are conducted jointly with both OSRAP and representatives of the Louisiana Legislative Auditor's (LLA's) Office

Following the completion of Louisiana's annual statewide single audit by both the Louisiana Legislative Auditor's (LLA's) Office and OSRAP, the results of the audit are required to be submitted to the Federal Audit Clearinghouse via a "Data Collection Form" (DCF).

The process for preparing and submitting the DCF is presented below.
To prepare and submit the Data Collection Form (DCF) (SF-SAC) along with the reporting package to the Federal Audit Clearinghouse as required by OMB Circular A-133.

1. Obtain the IDES User Manual, the SF-SAC checklist, form, and instructions, Federal Register and related FAC frequently asked questions (FAQs) from the Federal Clearinghouse website.
   https://harvester.census.gov/facides/InstructionsDocuments.aspx

   LLA uses the instructions to prepare the electronic file for Page 3 (Federal Awards Expended), Page 4 (Federal Award Findings), and Page 5 (Multiple EINs/Multiple DUNS) and to upload the pages to the Federal Clearinghouse.

2. All users involved in the submission of the DCF must create one account using one e-mail address. Representatives from both LLA and OSRAP create accounts each year. The accounts are created and the appropriate contact emails are added. Each user must designate their user "role" (auditee, auditor, or certifier) in the process when creating an account. (See instructions on creating an account.)

DCF Page 1 and 2

3. LLA manually completes the SF-SAC form worksheet and checklist using prior year pages 1 and 2 and current year activity as noted below. Forms are completed online when the DCF is uploaded.

   a) **Page 1 – Auditor EIN, # 6b –** Obtained from LLA Comptroller

   b) **Page 2 - Part II – Financial Statements** and **Part III – Federal Programs, # 1-3** – Information obtained from Summary of Auditor's Results and draft audit reports, and CAFR opinion.

   c) **Page 2 - Part III – Federal Programs, # 4 - 5 –** Use the listing of Single Audit Findings sorted by finding number to identify Federal agencies with current year findings. Federal agencies with prior audit findings were determined using the 2015 Summary Schedule of Prior Audit Findings.

DCF Page 3 – Part III – Federal Programs – Federal Awards Expended, # 6

4. Based on the instructions, LLA obtains the information required to complete this page from the Schedule of Expenditures of Federal Awards, Summary of Auditor's Results, and Schedule of Findings and Questioned Costs. The supporting information includes a Recap of Federal Program Opinions and Findings, listing the finding reference number, finding title, finding classification, CFDA/Cluster name, CFDA number, compliance requirements, and questioned costs. The Recap, which is generated from the information used to populate the Schedule of Findings and Questioned cost, is used to complete this page.

5. LLA obtains the SEFA excel file submitted to LLA Report Processing for the Single Audit Report. Foot the SEFA by CFDA program/cluster, funding source (direct/indirect), research/development (R&D), federal agency, and total ARRA funds. Also, total major program expenditures, other than R&D. Using the SEFA and the file layout per the instructions, create an excel spreadsheet detailing Federal Program Information as noted below.

a) Insert the following columns per the instructions – (B) CFDA Prefix; (C) CFDA Extension; (D) Program Name; (E) Amount Expended; (F) Research and Development; (G) Loan/Loan Guarantee; (H) ARRA; (I) Direct or Indirect; (J) Major Program; (K) Audit Report on Major Program; (L) Number of Audit Findings.

b) Rearrange the SEFA into the necessary columns noted above. Note the following:

i. Use the **totals** for each CFDA Number. If Indirect and Direct awards are present, the CFDA Number is listed twice.

ii. If the CFDA Number includes both Loan/Loan Guarantee and Non-Loan funds, each should be presented on a separate line.

iii. If the CFDA Number includes both ARRA and Non-ARRA funds, each should be presented on a separate line.

iv. Clusters and Research and Development should be listed in the same amount of detail as Appendix A, by totals per CFDA Number, rather than a grand total of the cluster.

v. Insert the name of a cluster in front of the Program Name when needed (i.e. Research and Development - R&D).

vi. Using the SEFA, determine whether:

- Programs were Research and Development and indicated "Y" or "N" in column F.
- The program included Loan/Loan guarantees and indicated "Y" or "N" in column G.
- The program included ARRA funds and indicated "Y" or "N" in column H.
- The award was direct or indirect. If the award was direct, indicated "Y" in column H. If indirect indicated "N". Indirect is indicated as being received "through" the pass-through entity in the SEFA. Some programs may have both direct and indirect amounts.

vii. Using the Subtotal of Major Programs from the SEFA and the final Major Program Coverage – determine whether the programs were major and indicated "Y" or "N" in column J. The SEFA and the final Major Program Coverage detail all major programs and total federal expenditures per program. If determined to be a major program, all R&D awards are considered major programs. R&D expenditures are also listed in total, by state agency.

viii. Including the Recap of Federal Program Opinions and Findings, identify the type of audit report issued (Column K) and the number of findings (Column L) for each major federal program. The type of report was identified by letters (U, Q, A, or D) as required per the instructions.

ix. Add loan amounts for CFDA numbers included in the Loan Activity in the SEFA.

6. After entering the above information for each agency, LLA performs the following procedures to check the accuracy and completeness of Page 3:

a) Total the expenditures. Trace and agree the grand total per the data collection form to the SEFA.

b) As needed, trace and agree the CFDA Number, program name, total activity, loan activity, R&D status, ARRA status, and direct/indirect status on the data collection form to the SEFA, and where applicable final Major Program Coverage. Make corrections where necessary.

c) Review Page 3 of the Data Collection Form for duplicate CFDA extensions. Verify that duplicate CFDA extensions were caused by the program having either direct and indirect expenditures or both ARRA and Non-ARRA funds. Make necessary changes.

d) Trace the CFDA numbers used to the Federal Agency Two-Digit Prefix List within the Data Collection Form Instructions. (***Note:*** *If necessary, CFDA number 22 - U.S. Postal Service and CFDA number 95 – Executive Office of the President are not valid and cannot be used on the Data Collection Form; change to 99 for miscellaneous. Also, CFDA number 45 should be changed to the appropriate CFDA number listed on the Federal Agency Two-Digit Prefix List, i.e. National Endowment for the Arts should be changed to CFDA prefix 05, National Endowment for the Humanities should be changed to CFDA prefix 06, Institute of Museum and Library Services should be changed to CFDA prefix 03, etc.)*

e) Filter the data to isolate only those programs identified as major. Trace and agree the programs to those noted as major in the final major program coverage work and SEFA.

f) Insert formulas as necessary to ensure that the data layout is in accordance with the instructions (i.e. program names <= 74 characters, CFDA extensions <= 50, amounts <= 12 characters, and audit finding reference numbers <= 100 characters. Use the Excel formulas LEN and LEN (substitute) to count text characters. Note: Spaces count as characters when the DCF is uploaded.

g) Ensure that the CFDA Extensions did not have an apostrophe (') in front of the numbers. Delete symbols as necessary. Verify that the amount column includes numbers only (no decimals, dollar signs, commas, etc. Filter the data and verify that the Research and Development, ARRA, Direct Award, Major Program, Type of Audit Report, and Compliance Requirement columns do not include unacceptable entries.

h) Using the worksheet at Part III, create pivot tables to calculate: 1) total major program expenditures, 2) total R&D expenditures, 3) total indirect expenditures, 4) total ARRA expenditures, and 5) total expenditures by Federal agency.

   i. Trace and agree the total major program expenditures (including R&D) to final major program coverage and the SEFA.

   ii. Trace and agree the type of award (direct or indirect) and ARRA expenditures to the SEFA.

   iii. Trace and agree total expenditures by federal agency to the SEFA.

i) Once all information is verified, copy the necessary columns from the worksheet to the FAC template. Note: unprotect the FAC workbook and "enable content" in order to copy and paste data to the FAC template.

<u>DCF Page 4 – Part III – Federal Programs – Federal Awards Findings, # 7</u>

7. The information entered on Part III, Item # 7 corresponds to the number of findings indicated in Column K in Part III, Item 6. Columns A through C (Federal Agency Prefix, CFDA Extension, and Federal Program Name) are automatically populated. Therefore, once the Page 3 is successfully uploaded, LLA downloads and completes the audit-finding template from the FAC website.

a) Use the recap of Federal Program Opinions and Findings to enter the audit finding reference numbers (Column D), compliance requirements (Column E), and finding classification (Columns F through K). As noted above, the Recap of Federal Program Opinions and Findings is based on the final finding classification per the Single Audit Meetings.

b) Agreed the compliance requirements and finding reference numbers to the Schedule of Findings and Questioned Costs. Make corrections where necessary.

c) Trace and agree the audit opinion for each program to the SEFA and the draft audit reports.

DCF Page 5 – Part I – EIN & DUNS

8. LLA obtains a list of EIN numbers of all state agencies covered in the Single Audit Report from the OSRAP Director. The report is generated from OSRAP's SEFA Portal. Copy the data to a new EXCEL worksheet (FAC EIN Template). Remove the "-" from the EIN numbers and using the EXCEL LEN and LEN (substitute) formulas, confirm that all numbers listed are the correct length (9 digits). In accordance with the instructions, exclude the principal EIN number.

   Note: Per the instructions, auditees are encouraged but not required to report DUNS numbers on the DCF. Upon creating the OSRAP SEFA Portal for FY 15, it was determined that the State would no longer include DUNS numbers in its DCF since this is not a required component of the report.

   Compare CY and PY EINs for reasonableness. Perform the comparison as follows:

   - Obtain the list of state agencies included in the SEFA from the Executive Summary of Single Audit Report. Using the PY list of EINs and Comparison match the FEINs obtained from OSRAP's Director with the appropriate state agency.
   - Sort the list in ascending order by EIN number and compare to the PY EIN list.

9. LLA "Finalizes" the Data Collection Form and Single Audit Report Package

   a) Upload Instructions, Chapter 3.6 (Instructions for Page 3), Chapter 3.7 (Instructions for Page 4), and 3.9 (Instructions for Multiple EINS).

   b) Instructions for "Check Data, Correct Errors & Print Draft Pages" are in Chapter 3.12. There are also instructions for "Uploading the Audit Report" (Chapter 4) and Certifying (Chapter 5) and submitting the Form SF-SAC (Chapter 6).

   c) Instructions for submitting revisions are included in Chapter 7. Created a list of instructions and what screens should be printed during the certification process.

   d) Upon initial completion, a draft copy of the data collection form is printed for LLA management's review. A copy is provided to the AIC, Manager, Assistant Director, and Director. As needed, corrections/changes are made online for pages 1 and 2. Changes to pages 3 through 5 are made to the electronic files and then uploaded to the system. *Note: The upload procedure will overwrite any information already saved to these pages.* Changes/corrections may be made as long as the data collection form has not been "finalized". Once the form is finalized, it must be "unlocked" and a revision must be submitted. When changes are made, a new "draft" copy of the form is printed and provided to management for review. The final "draft" PDF is provided to the Office of Statewide Reporting and Accounting Policy (OSRAP) for review prior to being certified by the Deputy Commissioner with the Division of Administration.

e) Obtain a copy of the CAFR from OSRAP and LLA's Single Audit Report and merge the files into one PDF file. Because certain components of the Single Audit reporting package are referenced in the data collection form, the files must be merged (instead of creating a PDF package) to allow continuous page numbering.

The CAFR file available on the LLA and OSRAP websites maybe "secured". When this occurs, the document cannot be altered, even when saved locally. Therefore, a copy of the "unsecured" file must be obtained from OSRAP so that the two files can be merged.

Also, the pdf file must meet a minimum percentage (85%), established by the Clearinghouse, of electronically searchable pages; therefore, a minimum percentage of the Adobe file cannot have pages without words. Pages without words cannot be searched, which includes breaker pages (like those in the CAFR that just have the state seal) and pages with only pictures. The file must also not have Adobe security turned on and must not be a file that was created by scanning a hard copy. It must be a file that was converted to Adobe electronically. The FAC website may be used to verify that the pdf file is compliant before beginning the certification process. When the file is uploaded, the Clearinghouse checks ensure it complies with the minimum criteria and a notice is generated.

f) An email notification is automatically sent to report users with instructions for creating an account/resetting password when they are added to the report. The certifying officials must be entered when the report is created. LLA contacts (Assistant Director, Audit Manager, AIC, Report preparer) were also entered when the report was created.

Note: Only one person can be logged into an online form at a time. If more than one person is in the same form, at the same time, sharing violations can occur, causing errors and lost data. Thus, the EXCEL copy of the draft DCF is provided to the auditee (OSRAP) for review prior to certification; however, electronic access to the system is not provided to additional auditee contacts until the day of certification.

g) After the "draft" copy of the data collection form is approved by LLA and OSRAP's management, it is "finalized" online and the Single Audit reporting package is uploaded.

Certification emails are sent to the appropriate persons. When the required certifications are complete, the data collection form and reporting package may be "submitted" online by the auditee or auditor. NOTE: The online submission usually occurs following the Exit Meeting LLA holds with DOA concluding the annual Single Audit. A meeting is set up on calendars for both LLA and DOA representatives to certify the final Data Collection Form. This process only takes a few minutes, but because high level personnel within each office is required, it is best to schedule time on the calendar. The Deputy Commissioner is the position that normally certifies on behalf of DOA.

The submission status can also be viewed on the report home page of the FAC/IDES system.

h) Note: The Statements tab of the DCF Workbook indicates the date certified and the name/title of the auditee's certifying official once finalized.