

Fiscal Audit – Limited Fiscal Review Information Sheet

Time Frames

When an agency is selected for a Limited Fiscal Review (LFR), an audit manager, from the Bureau of Compliance Management or from the contract CPA firm, will call the agency to schedule the starting date of the field work. This will be followed by an engagement letter either from OPWDD or the contract CPA firm which will explain what records OPWDD will be looking for so that an agency can prepare itself for the audit. The field work for an LFR generally takes on average approximately 8 to 9 weeks. Many variables can come in to play that can determine the duration of an audit. These include the number of service types provided, service locations, availability of documentation, number of potential failed claims, qualifications of agency personnel and accounting records, etc.

Feed Back and the Informal Exit Conference

After each section of the LFR is completed, the auditor will provide feedback to Agency administration. On the last day of the review, the auditor(s) will ask the agency whether it would like an informal exit conference. At the informal exit conference, the auditor(s) will provide a summary of the findings. OPWDD strongly recommends that a member of the board, the Executive Director, and a fiscal staff person attend this informal exit conference.

Draft Report and Final Report

Under normal circumstances, OPWDD will issue a draft report with recommendations. An agency has 30 days to respond to this draft report but can contact OMRDD and request an extension. OPWDD will only accept an agency's response if it believes that the agency has appropriately addressed OPWDD's findings. Once OPWDD accepts the agency's response, OPWDD issues a final report which becomes a public document.

If all of the significant issues in the recommendations are not resolved prior to the issuance of the final report, but OPWDD accepts the agency's plan of corrective action, OPWDD may conduct a follow-up review in the future to ensure that the issues have been addressed appropriately.

Current Audit Schedule

Until now, the practice has been that every three to four years, OPWDD selects an agency for a Limited Fiscal Review. An agency may have received more frequent audits if there was an allegation, self disclosure, referral, billing and claiming issue, or other type of audit.

Changes to Audit Schedule

Beginning April 1st, the Bureau of Program Compliance Management has a new process for the selection of agencies for review. Frequency of reviews will be based on a risk assessment, which includes various factors such as poor governance, poor internal controls or poor fiscal viability. Some other indicators the Bureau of Compliance Management will consider in the selection process are late submission of CFRs, uncertified financial statements, and wide fluctuation in billings.