

Audit's Response in This Time

The phrases that describe the pandemic and this time are starting to sound like platitudes...if you've done a bit of online reading recently, you may feel the same way. There really is no way around it, these *are* unprecedented times for all of us. As a government auditor dedicated to actionable change for the betterment of the community, the previously-approved audit plan doesn't quite seem that imperative. Today is day 27 for my stay-home-stay-safe way of living. What should we, the auditors, be doing right now to provide value to our organizations and communities?

Perhaps it hasn't reached your community yet and the panic-buying and fear streaming through your television doesn't ring true. The health community has a grim forecast for the virus itself with J-curve drafts. The economists have their own graphs with a clear, precipitous drop. Budget plans have necessarily been overhauled as we react to the anticipated reduction of funding which, for government organizations is predominately tax-based. Jurisdictions across the country are now holding special governance meetings to reshape the way we move forward with this, regarding both public health and financial stability.

It is interesting to see great divides of thought even in our own industry. These divides are, I believe, due to the differences in regional actions and reactions to the pandemic. It very much depends on *where* you are. Some communities have been more proactive than others and, strangely, some are still not acting much at all. What our communities are doing through this and the media's messaging shapes the way we interpret the pandemic, it is influencing what we call real.

In addition, because of the nature of the virus, it also depends on *when* you are. Day seven and day 27 look very different. The first positive case in your community is a function of the timeline and the 500th positive case and the uptick in deaths inevitably changes the tone and scope that communities must move through. I have marched through this pandemic, day by day ... the answers aren't coming and there is no tangible resolution, it is time to act. No one else is coming and we need to create our own Patronus.

Actionable and Helpful Responses from Audit

Some actionable and helpful responses from auditors during the pandemic:

- **Criteria research:** Look to previous FEMA audits and their findings to provide an idea of the common issues with reimbursements. Improving the process throughout by using lessons learned in other audits may streamline the application and fund reimbursement. Federal agencies have the ability to claw-back funds if protocol was not followed at each step of their detailed process.
- **Fraud, waste, and abuse focus:** The stress of this, both financial and emotional, may affect the pressure component of fraud as well as individuals' rationalization. Keeping the internal controls strong to reduce the opportunity for fraud is paramount. Some areas that may warrant increased reviews are procurement cards, time reporting, and vendor controls.
- **Business continuity planning:** Based on information from health care experts, there is a real possibility that many members of some communities may become sick and unable to work for some time. It is recommended that a succession plan for critical positions in all departments reaching three levels deep be communicated to executive management and we achieve clarity on the critical positions that may need to be backfilled (e.g., payroll, sewer maintenance, communication, etc.).
- **Front-load the documentation process:** Communicate to management leaders the importance of clean and complete procurement documentation. This simple action may keep us from chasing documentation later and ensure management has been reminded of the importance of financial documentary evidence.

- **Risk assessments:** Change equals greater risks. What changes are going to be on the other side of this? Experts are projecting an 18-month risk horizon and we should assess the organizational risks for both the short term and the long term.

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