

Government Applications for ACL



APPLICATION SHEET

"ACL has given us greater quality assurance and allowed us to do a more thorough job."

Michael Cragin
Senior Information Systems Auditor
Louisiana Legislative Auditor

ACL software solutions give organizations confidence in the accuracy and integrity of transactions underlying their key business processes and financial reporting.

Following are some example usage scenarios:

Department Operations

- Analyze payroll costs for correct classification of employee/union benefits
- Compare use of overtime hours and work productivity indicators over an extended period; check for overtime abuse
- Extract duplicate names and social security numbers from employee database
- Compare employee termination dates to payroll to ensure no erroneous payments
- Identify employees earning more than a specified percentage of salary in overtime
- Highlight suspicious or abnormal travel expenditures
- Verify telephone invoices with unauthorized long distance usage
- Group property by categories (off-site, expense, capital, sensitive, etc.) for reporting requirements
- Analyze abnormal fleet usage and charges
- Examine maintenance records to schedule maintenance required on government vehicles or equipment

Financial Management

- Identify duplicate payments (e.g. same amounts, common dates, etc.)
- Calculate the year-end balance for each account, compare to prior year and identify variances
- Determine whether journal vouchers are corrected on a timely basis
- Perform trend analysis of expenditures for each month, compare departments, and identify large and small monthly expenditures
- Profile and sample on all year-end spending transactions for verification
- Identify staff with a large number of correcting journal entries
- Summarize by expenditure type and compare to employee names to ensure that employees are not receiving both payroll and consultant payments
- Summarize petty cash transactions by expenditure code to identify trends and potential abuses
- Summarize transaction file by specific account ranges and compare to financial statement detail
- Conduct capitalization analysis on fixed assets
- Highlight postings to infrequently used accounts

Grant Management

- Examine records to determine compliance with Federal/State regulations regarding maintenance of government vehicles or equipment
- Extract transactions (purchases and sales) of assets funded by federal grants to ensure compliance with grant requirements
- Extract transactions by funding code, fiscal year, and obligation control level, and compare to encumbrances
- Extract and review expense eligibility for federal grant compliance
- Match record information from multiple sources to identify variances in legislative compliance
- Track grant revenues to determine whether the service requirements will be met

Budget Management

- Review allocation to budget requests
- Monitor expenditures for eligibility and compliance to appropriations
- Extract projects requiring debentures and amounts
- Extract and report on capital projects in defined classifications
- Identify key indicators of completed projects
- Identify unfinanced or unexpended capital projects
- Monitor expenditures with respect to budget allowance
- Provide totals, averages and trends for program spending

Purchasing Management

- Extract and analyze purchases of specialty items to ensure buying practices are economical and prudent
- Compare total vendor purchases to amount of approved contract
- Extract contractor payments and trace contractor expenses to determine whether expense was valid and properly supported
- Analyze products purchased to identify potential waste and mismanagement
- Evaluate purchases by category (stock and non-stock) to determine if items are properly categorized
- Identify obsolete inventory by sorted turnover analysis
- Extract purchase orders below dollar amount requiring compliance with sealed bids
- Match vendor information to employee information (employee, dependent, emergency contacts) to ensure compliance with vendor restrictions
- Sort contracts database by contract or cost types to test compliance with government contract terms
- Track and verify disadvantaged business enterprises when bids are submitted for various government projects



Social Services

- Examine demographics, including age, sex, ethnicity, primary reason for placement, goal set for final living arrangement, type of care provided, distributions on number of placement changes
- Examine time frames regarding services provided, length of government involvement, time in foster care or shelter care, timeliness of reviews and hearings
- Determine cross jurisdictional recipients of government benefits
- Report ineligible recipients of government programs
- Review response time to client inquiries
- Review case management activity such as workload, assignments, conflict of interest
- Examine timeliness of health, dental, and mental health examinations or assessments
- Identify children being counted in custody who should not be included (i.e. over the statutory allowed age or adopted with no subsidy)
- Profile file review results by type, by office, by region, by type of case category, with descriptions of levels of compliance within requirement areas
- Profile health exams by office, by caseworker, by type of examination, examinations over X months late
- Profile referrals by type, by severity, by office, by case disposition

Health Services

- Analyze trends in billing practices of providers over a period of time to check for fraudulent billing
- Calculate the period from receipt of claim to adjudication and compare actual cycle time with contractually required cycle time
- Check eligibility file of claims administrator against department eligibility file to ensure accuracy
- Check for duplicate payments to claimants and providers
- Compare service dates to employee dates of service to ensure claims are not paid for terminated, deceased or retired employees
- Identify providers with high value check amounts on a weekly basis
- Identify services most commonly billed and amount paid
- Sample on high dollar health claims
- Summarize claims by medical codes and check to ensure codes not covered under plan were not paid
- Analyze multiple claims paid to same address with different claim numbers

Tax Compliance

- Analyze completed audits to determine dollars recovered by auditor, geographic location, industry code, in-state versus out-of-state
- Analyze expense accounts for non-exempt transactions
- Analyze sales tax permit holders by geographic location, yearly revenue, etc., for tax purposes for out-of-state audit selection
- Calculate sales tax rebates resulting from business closures
- Compare motor vehicle registration and angler/hunting licenses to determine completeness of income tax roles or that anglers/hunters are correctly indicating their state of residence
- Examine taxpayers sales journals to determine frequency distribution of sales transactions (determine levels of materiality, sampling ranges)
- Extract all sales data, customer invoices ,and credit memos to help gain an understanding of the client under audit
- Extract appropriate sales transactions from unedited point-of-sale transaction files
- Extract exempt sales based on criteria from large sales transaction files
- Extract third-party information from exempt sales transactions to use in audit selections and follow-up
- Identify sales made exempt of tax to confirm propriety
- Reconcile general ledger sales to financial statements and tax returns
- Reconcile sales reported to general ledger and product/date summaries
- Summarize electronic tax returns to reconcile taxable earnings to payroll tax annual returns (gross earnings)
- Summarize sales tax revenue by state of incorporation, in-state county where sale took place, and industry code



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