

Office of Inspector General
Internal Audit and Compliance (IAC)

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1900 Audit Exceptions, Fund Deferrals and Disallowances

	Department of Human Services Policy and Manual Management System	Index:	POL 1900
		Revised:	03/06/2024
		Next Review:	04/01/2026

Policy

The policy of the Department of Human Services (DHS) requests reconsideration of Federal audit exceptions, fund deferrals, and disallowances to the appropriate Federal authorities when the federal government determines actual or perceived misuse of Federal funds as a result of audits, program reviews, or other similar examinations.

The Office of Inspector General Internal Audit and Compliance is responsible for issuing and updating procedures to implement this policy when necessary.

Authority

Uniform Guidance, 2 CFR part 200

References

Executive Office of the President of the United States - Office of Management and Budget - Code of Federal Regulations [2 CFR §200.331-332](#)

Applicability

This policy is applicable to all divisions and offices of DHS.

Responsibilities

The Office of Inspector General Internal Audit and Compliance (OIG-IAC) Director is responsible for oversight of POL1900.

History

Replaces POL1900, last reviewed 03/1/2022.

Evaluation

The OIG-IA will evaluate this policy continuously by:

1. Completing reviews/audits on applicable divisions/programs and sub-recipient contractors.
2. Passing any audit(s) with no findings.

1901 Audits and Other Examinations Performed by Outside Entities

	Department of Human Services Policy and Manual Management System	Index:	POL 1901
		Revised:	03/06/2024
		Next Review:	04/01/2026

Policy

The policy of the Department of Human Services (DHS) is to protect, to the greatest extent possible, all resources awarded to and utilized by contractors and grantees in the delivery of services to Agency clients. In addition, as reflected in applicable laws, regulations, agreements, and standards, Internal Audit and Compliance (IAC) is responsible for providing reliable, helpful, and timely information for transparency and accountability of all programs and their operations to Executive Leadership, Legislators, oversight bodies, those charged with governance, and the public need to know whether (1) management and officials manage government resources and use their authority correctly and in compliance with laws and regulations; (2) government programs are achieving their objectives and desired outcomes; and (3) government services are provided effectively, efficiently, economically, and ethically.

The Office of Inspector General Internal Audit and Compliance (OIG-IAC) is responsible for issuing and updating procedures to implement this policy, when necessary.

Authority

United States Government Accountability Office, Government Auditing Standards

References

Government Auditing Standards

Applicability

This policy is applicable to all divisions and offices of DHS.

Responsibilities

The Office of Inspector General Internal Audit and Compliance (OIG-IAC) Director is responsible for oversight of POL1901.

History

Replaces POL1901, last reviewed 03/01/2022.

Evaluation

The OIG-IAC will evaluate this policy continuously by:

1. Completing reviews/audits on applicable divisions/programs and subrecipient contractors.
2. Passing any audit(s) with no findings.

1902 External Entities Audit Standards and Sanctions

	Department of Human Services Policy and Manual Management System	Index:	POL 1902
		Revised:	03/06/2024
		Next Review:	04/01/2026

Policy

The policy of the Department of Human Services (DHS) is to ensure that those non-federal entities that receive funds from the Department conform to the standards and requirements imposed by federal and state laws and by the DHS Office of Procurement and Contracts (OPC). Sanctions are imposed on those entities that do not comply with the standards and/or audit requirements.

The Office of Inspector General Internal Audit and Compliance (OIG-IAC) is responsible for issuing and updating procedures to implement this policy, when necessary.

Authority

- 2 CFR part 200 Uniform Guidance
- O.C.G.A. § 50-20-1 through 50-20-8 et seq.
- 7 CFR part 277.17 Audit Requirements
- 45 CFR part 75 Uniform Administrative Requirements

References

- Code of Federal Regulations [2 CFR 200](#)
- Code of Federal Regulations [45 CFR 75](#)

Applicability

This policy is applicable to all divisions and offices of DHS.

Definitions

Non-Federal Entity

A state, local government, nonprofit, or profit organization

Sanctions

Penalties imposed by the Department on those fund recipients who do not abide by their contract requirements for audit reports and fail to comply with state law regarding timeliness. Sanc-

tion may include: withholding of reimbursements, cancellation of contracts, recoupment of funds, and denial of further contracts with the Department for a period of 12 months.

Responsibilities

The Office of Inspector General Internal Audit and Compliance (OIG-IAC) Director is responsible for oversight of POL1902.

History

Replaces POL1902, last reviewed 03/01/2022.

Evaluation

The OIG-IAC will evaluate this policy continuously by:

1. Completing reviews/audits on applicable divisions/programs and subrecipient contractors.
2. Passing any audit(s) with no findings.

1903 Financially Viable and/or High Risk Contractors and Grantees

	Department of Human Services Policy and Manual Management System	Index:	POL 1903
		Revised:	03/06/2024
		Next Review:	04/01/2026

Policy

The policy of the Department of Human Services (DHS) is to protect, to the greatest extent possible, all resources awarded to and utilized by contractors and grantees in the delivery of services to the Department’s clients. In addition, to ensure that those non-federal entities which receive funds from the Department conform to the standards and requirements imposed by federal and state laws and by the DHS Office of Procurement and Contracts (OPC).

The Office of Inspector General Internal Audit and Compliance (OIG-IAC) is responsible for issuing and updating procedures to implement this policy, when necessary.

Authority

2 CFR part 200.331

References

Code of Federal Regulations [2 CFR 200](#)
Code of Federal Regulations [45 CFR 75](#)

Applicability

This policy is applicable to all divisions and offices of DHS.

Definitions

Non-Federal Entity

A state, local government, nonprofit, or profit organization.

Responsibilities

The Office of Inspector General Internal Audit and Compliance (OIG-IAC) Director is responsible for oversight of POL1903.

History

Replaces POL1903, last reviewed 03/01/2022.

Evaluation

The OIG-IAC will evaluate this policy continuously by:

1. Completing financial reviews of initial new contractors.
2. Complete reviews of Third Party (TPR) audited/unaudited financial statements.
3. Reviewing and follow-up on corrective action plans.

1904 Internal Audit and Audit Standards

	Department of Human Services Policy and Manual Management System	Index:	POL 1904
		Revised:	03/06/2024
		Next Review:	04/01/2026

Policy

- A. The policy of the Department of Human Services (DHS), Office of Inspector General, Internal Audit and Compliance (OIG-IAC), is to ensure that funds, property and other assets of DHS are safeguarded, resources are effectively and efficiently used, applicable regulations, laws, policies, procedures and generally accepted accounting principles and standards are followed, and adhered to accordingly.
- B. In fulfilling its mission and responsibilities, OIG-IAC conducts various audits (i.e. compliance, financial, performances, etc.) and/or reviews of DHS divisions, offices, and programs. Also, OIG-IAC may review third-party audits performed by independent auditors of entities that have a contractual relationship and/or are funded by the Department.

In addition, OIG-IAC also conducts special request audit(s), investigations, and reviews. The special request audit(s) may be performed when fraud, defalcations, or other irregularities are suspected or when other concerns arise that may need attention or are believed to exist.

- C. All divisions, offices, programs and any of their subrecipient(s)/contractor(s) being audited are expected to provide every possible assistance to assist with the progress of the audit.

For the period(s) to be audited, all requested sample records and/or documents (federal programs, regulations, monitoring, etc.) should be made readily available to auditors upon request and/or their arrival.

NOTE

OIG-IAC will assume custody and control of documents and records where there is evidence of fraud, defalcation, or where there are other reasonable needs to protect documents from loss, alteration, or destruction. Audit staff will provide receipts when custody of records becomes necessary.

- D. Audits will be conducted in accordance with the following:
1. Government Auditing Standards (Yellow Book) issued by the Comptroller General of the United States.
 2. Standards for Internal Control in the Federal Government (Green Book) issued by the Government Accountability Office (GAO).
 3. Generally Accepted Auditing Standards adopted by the American Institute of Certified Public Accountants (AICPA).

4. Other applicable policies, rules, and regulations as necessary.

The Office of Inspector General, Internal Audit and Compliance is responsible for issuing and updating procedures to implement this policy when necessary.

Authority

2 CFR part 200.331

7 CFR part 277.17 Audit Requirements

45 CFR 75

References

Code of Federal Regulations [2 CFR 200](#)

Code of Federal Regulations [7 CFR 277.17](#)

Code of Federal Regulations [45 CFR 75](#)

Generally Accepted Auditing Standards (Yellow Book)

Applicability

This policy is applicable to all divisions and offices of DHS.

Definitions

Standards

(1) The "Generally Accepted Auditing Standards" adopted by the American Institute of Certified Public Accountants (AICPA); and (2) The "Standards for Audit of Governmental Organizations, Programs, Activities and Functions" issued by the Comptroller General of the United States.

Responsibilities

The Office of Inspector General, Internal Audit and Compliance (OIG-IAC) Director is responsible for oversight of POL1904.

History

Replaces POL1904, last reviewed 03/06/2024.

Evaluation

The OIG-IAC will evaluate this policy continuously by:

1. Reviewing policy guidelines and criteria.
2. Performing audits and reviews.

1905 Storage and Protection of Internal Audit and Compliance Unit Records

	Department of Human Services Policy and Manual Management System	Index:	POL 1905
		Revised:	03/06/2024
		Next Review:	04/01/2026

Policy

Maintenance and Storage

The policy of the Department of Human Services (DHS) is to ensure that when not in use, all internal audit records, electronic and/or paper, will be secured in locked cabinets within a controlled access area which will be restricted to the authorized Office of Inspector General, Internal Audit and Compliance (OIG-IAC) personnel in the performance of their official duties.

Destruction of Internal Audit Records

When OIG-IAC records are no longer required, they will be destroyed to preclude access by unauthorized persons. The OIG-IAC Director will coordinate the destruction of records which will be performed securely in accordance with applicable laws.

Protection of Internal Audit Records during a Natural or Man-Made Disaster

In the event of a natural or man-made disaster, the OIG-IAC Director will ensure that all records maintained by OIG-IAC are secured and not in danger of being damaged, destroyed, or removed. The OIG-IAC Director's responsibilities in the event of such disasters include:

- Ensuring that all records maintained by OIG-IAC are secured and not in danger of being damaged or destroyed during civil unrest or natural disaster.
- Taking the necessary steps to ensure that all OIG-IAC records remain secured on-site, or are removed to another location where they can be secured until the records can be returned and secured within the Office of Inspector General.
- Immediately notifying the Inspector General (IG) and/or Deputy IG of any potential threat to the safety and security of OIG-IAC records.

Authority

O.C.G.A. § 50-18-90 et seq.

References

Georgia Records Act

Applicability

This policy is applicable to the Office of Inspector General, Internal Audit.

Responsibilities

1. The Office of Inspector General, Internal Audit and Compliance (OIG-IAC) Director is responsible for oversight of POL1905.
2. The OIG-IAC Director issues and updates procedures to implement this policy.

History

Replaces POL1905, last reviewed 03/06/24.

Evaluation

The OIG-IAC Director evaluates this policy continuously by:

1. Completing assessments of these procedures.