

Center for Audit Excellence

The Center for Audit Excellence (CFAE) is responsible for ensuring quality, consistency, and compliance across all AOS and Independent Public Accountant (IPA) audit engagements. Led by the Chief of Professional Standards and the Chief of Quality Assurance, CFAE supports audit quality throughout the organization by enforcing professional standards, developing policies and technical guidance, providing training, and facilitating communication between AOS divisions and external stakeholders.

Audit Oversight and Resources

CFAE conducts internal peer reviews, oversees triennial external peer reviews, and evaluates audits performed by IPAs. It also annually updates critical audit resources such as the Ohio Compliance Supplement (OCS) and the Optional Procedures Manual (OPM), which identify legal and compliance requirements and set expectations for AOS and IPA auditors. These tools are also provided to local governments as guidance for what will be tested in upcoming audits.

CFAE offers over 1,800 technical consultations per year and maintains an extensive library of practice aids, policy guidance, and audit manuals to assist internal and external audit teams. The division currently manages 36 Audit Program Groupings, encompassing 856 audit procedures and 770 practice aids—along with an additional 609 documents linked to professional standards. These resources are continuously reviewed and updated to reflect changes in auditing, accounting, and federal regulations.

Systems and Technology Support

In partnership with AOS IT, CFAE supports several major systems, including:

- **Hinkle Reporting System**, for financial filing by local governments and certain other entities as described in [AOS Bulletin 2015-007](#)
- **Financial Health Indicators (FHI)**, which monitor fiscal stress in cities and counties
- **TeamMate+**, the audit documentation system
- **Executive Summary Portal** and the **IPA Portal**, which streamline audit workflow, performance monitoring, and external engagements

Professional Development

The division plays a major role in training and professional development, organizing CPE programming, building course content, and hosting webinars for both internal staff and external partners.

Higher Education Monitoring

CFAE has statutory responsibilities for monitoring Ohio's public colleges and universities for compliance with Ohio Administrative Code (OAC) [126:3-1-01](#). This includes verifying that unaudited financial statements are filed, confirming audits are conducted annually, reviewing significant findings, and monitoring overall fiscal health. When institutions are placed in fiscal

watch by the Ohio Department of Higher Education, CFAE works with Local Government Services (LGS) to produce the required reports on accounting methods.

Ongoing Responsibilities and Projects

CFAE performs several annual and ongoing responsibilities that are essential to AOS operations, including:

- Leading projects at the direction of the Chief Deputy Auditor and Administration.
- Facilitating and tracking the Change Committee, a cross-divisional group that identifies and addresses internal improvement areas.
- Coordinating the LGS + Audit = Success (LAS) Committee, which fosters collaboration between audit and LGS teams to resolve disagreements and maintain consistent application of AOS policies.
- Updating and publishing the Ohio Compliance Supplement (OCS) and Optional Procedures Manual (OPM) in coordination with Legal and Audit leadership:
 - The OCS provides auditors with a summary of applicable state laws and regulations, as well as recommended procedures for testing compliance in local government audits.
 - CFAE reviews and incorporates new legislation (typically more than 100 bills each biennium) into the OCS/OPM and updates these resources for clarity based on consultation trends.
 - Chapters 1–3 of the OCS/OPM (covering counties, municipalities, townships, and similar governments) are released in November; Chapter 4 (covering school-related entities) is published in the spring.

Additional annual responsibilities include:

- Supporting approximately 240 GASB 68 census data examinations.
- Evaluating independence conflicts submitted by AOS staff in compliance with Government Auditing Standards.
- Conducting internal peer reviews of the seven local government audit regions.
- Completing the semi-annual review of the State of Ohio sinking fund.
- Certifying the Secretary of State's adjustments to election recount charges (ORC [§ 3515.072](#)) and campaign contribution limits (ORC [§ 3517.104](#)).
- Recalculating and certifying awards owed to wrongfully imprisoned individuals (ORC [§ 2743.49](#)).
- Drafting and reviewing AOS bulletins.
- Supporting updates to the Financial Health Indicators (FHI) for cities, counties, and school districts.
- Helping LGS update the Uniform School Accounting System Manual, in partnership with DITA, the Department of Education and Workforce, Ohio Association of School Business Officials, and field practitioners.
- Reviewing due process documents issued by standards-setting bodies and providing technical comments.

- Participating in the Fiscal Integrity Act (FIA) Committee, which evaluates whether local fiscal officers should be removed due to misconduct or dereliction of duty.

CFAE's role in the FIA process includes reviewing submitted affidavits, coordinating legal analysis with AOS counsel, and communicating formal determinations. When appropriate, AOS forwards substantiated cases to the Attorney General for potential legal action.

National and Federal Engagement

CFAE contributes to the evolution of audit standards and practices through participation in national and federal workgroups. These include:

- AICPA's Government Audit Quality Center
- NASACT's Single Audit Experts Panel
- GASB working groups
- The Government Finance Officers Association (GFOA)
- AGA
- Direct collaboration with federal and state agencies on complex audit areas such as community school oversight, federal program compliance, and school funding frameworks