



ARLINGTON
VIRGINIA

Internal Audit Report: Contract Compliance

Fire Department: Digitech Computer LLC
Contract No. 20-071-RFP

Report Date: February 24, 2023

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TRANSMITTAL LETTER



February 24, 2023

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Pursuant to the contract and related statement of work for Arlington County, Virginia (“the County”), we hereby present this contract compliance internal audit report for the County’s Fire Department (“FIR”) – Digitech Computer LLC (“Digitech”) Agreement No. 20-071-RFP (“Contract”). Our report is organized in the following sections:

Executive Summary	This section includes a background summary of the function, the objectives and approach, and a detailed description of the observation(s) noted during this audit. Identified with each observation is the recommended action(s), and management’s corrective action plan, including the responsible party and estimated completion date.
Background	This section provides an overview of the function within the process and pertinent operational control points and related compliance requirements.
Objectives and Approach	The audit objectives and focus are expanded upon in this section as well as a review of the various phases of our approach.
Process Maps	This section illustrates process maps, which depict data flow, key control points and any identified gaps.

As described in our objectives and approach outlined on pages 9 and 10 of this report, the observations noted are based on our analysis of the processes, documents, records and information requested and provided to us by the County. This contract compliance audit focused on evaluating the soundness of internal control policies over ambulance billing services and on reviewing compliance with County policies and the Contract. We offer no assurances that schemes or fraudulent activities have not been or are not currently being perpetrated by any person within the areas reviewed.

We would like to thank the staff and all those involved in assisting RSM US LLP with this contract compliance audit.

Respectfully Submitted,

RSM US LLP

RSM US LLP

EXECUTIVE SUMMARY

Background

Contract compliance monitoring is an integral piece of the County’s control environment. Contract compliance and monitoring are the responsibility of the individual departments / bureaus.

Effective January 1, 2017, and as updated in March 2020, the County implemented a *Contract Administration Policy* for all contracts, regardless of their procurement methodology or dollar value. The purpose was to define and implement a standard policy and process for the administration of contracts and define roles and responsibilities for County personnel that monitor and manage contractual relationships.

The Digitech Computer LLC (Digitech) contract that was selected for this contract compliance audit is managed by a Project Officer (Ambulance Billing Specialist) within FIR. Agreement No. 20-071-RFP (“Contract”) is a services contract to provide ambulance billing services for routine billing, follow-up notice to patients of FIR, and claim submissions to Medicaid, Medicare and insurance companies. Agreement No. 20-071-RFP went into effect on May 1, 2020. There have been two amendments related to the Contract, effective May 3, 2021 and February 17, 2022, which extended the term through April 30, 2022 and April 30, 2023, respectively. There are two (2) additional renewal periods available to extend the term from May 1, 2023 through April 30, 2025.

Digitech sends between 700 – 1000 invoices per month to patients, insurance, and Medicare/Medicaid, based on patient care reports provided electronically by FIR’s emergency medical services personnel. During the audit period, Digitech invoiced \$5.4M and collected \$3.7M on the County’s behalf. Payments are sent directly to a bank lockbox (via check) or to the County Treasurer (via ACH). The County incurred third party expenses for Digitech’s billing services in the amount of \$147k during fiscal year (“FY”) 2022.

Objective and Scope

Contract compliance encompasses all contractual agreements for the purchase of goods and services including, but not limited to, vendor agreements. The objective of this contract compliance audit was to assess whether the County’s system of internal controls is adequate and appropriate for effective contract administration and compliance with selected provisions of the contract as it relates to billing, accounts receivables, and fees paid to Digitech by the County, as well as the County’s funds handling processes for amounts received.

The scope of this contract compliance audit encompassed one (1) contract from the Fire Department: Agreement No. 20-071-RFP with Digitech Computer LLC. The audit period was July 1, 2021 through June 30, 2022.

We obtained various reports from FIR that Digitech provided to the County in a monthly reporting package. We judgmentally selected 30 ambulance transport services invoices for detailed testing, and requested additional supporting documentation, as needed. We selected 10 hardship waiver cases from a listing provided by FIR, and reviewed the supporting information provided for each waiver. We also selected a successive 3-month period (April through June 2022) and reviewed the reconciliations of ambulance transport service fees billed, collected, and outstanding that are performed by Digitech, with an independent review by the FIR Project Officer, which includes reconciliation of funds received and deposit documentation prepared by FIR as part of its funds handling process.

Fieldwork was performed August 2022 through February 2023.

Overall Summary / Highlights

The observations identified during our assessment are detailed within the pages that follow. We have assigned relative risk or value factors to each observation identified. Risk ratings are the evaluation of the severity of the concern and the potential impact on the operations of each item. There are many areas of risk to consider in determining the relative risk rating of an observation, including financial, operational, and/or compliance, as well as public perception or ‘brand’ risk.

Number of Observations by Risk Rating

(See page 10 for rating definitions)

	High	Moderate	Low
Contract Compliance Audit: Digitech Computer LLC	-	-	2

EXECUTIVE SUMMARY (CONTINUED)

Detailed Observations

Observation	1. Hardship Waiver Policies and Procedures
<p>Low</p>	<p>The Contract includes a Hardship Policy, in which if a bill is returned to Digitech with a request for a waiver of the charge, Digitech is required to forward the waiver request to FIR for review and approval. The Arlington County Board has authorized the waiver of ambulance transport fees in certain limited circumstances where insurance, Medicaid is not available for reimbursement.</p> <p>The Hardship Waiver Form (Form) details the written documentation that needs to be provided to apply for a hardship waiver. Item 5 on the Form includes “Annual <u>household</u> income of \$25,000 or less” and requires financial documents for “<u>all adults</u> in the household”.</p> <p>In the 10 hardship waivers selected for testing, 3 patients requested waivers based on financial need/low income. In each of the 3 cases, financial information was provided only for the patient, and there was no verification performed to confirm the number of adults in the household and/or that all adults in the household submitted financial documents to determine whether household income exceeded \$25k.</p> <p>In 1 of the 10 hardship waivers selected for testing, we noted that there was not a Hardship Waiver Form or supporting documentation submitted to or retained by FIR. We inquired with the Ambulance Billing Specialist, who indicated that the patient’s account was placed with the Treasurer’s Office for collections. The patient was subsequently approved for charity by the Virginia Hospital Center and the patient claimed they submitted a copy of that letter three times to either FIR billing department or the Treasurer’s Office, but the Ambulance Billing Specialist was not notified (subsequently, a copy of the charity letter was provided to the Ambulance Billing Specialist). The patient’s account was closed without requiring the Hardship Waiver Form or any other information be provided to the County.</p> <p>The County is at risk of granting hardship waivers to individuals who do not meet the requirements, resulting in revenue loss.</p>
<p>Recommendation</p>	<p>Related to the requirements of the Hardship Waiver Form, we recommend that the County either 1) clearly define hardship waiver procedures for determining the number of adults in a household to make certain appropriate documentation is provided (for patients applying based on financial hardship) and/or 2) revise the Hardship Waiver Form requirements.</p> <p>Related to the lack of documentation obtained by FIR for the hardship waiver, we recommend that FIR require the appropriate documentation in all instances.</p>
<p>Management’s Action Plan</p>	<p>Response: The Fire Department revised the language on the hardship waiver form to specify that income should be provided for all adults in the family unit. In addition, the form was revised to provide more specifics on what items can be used to determine income, such as tax form 1040 or 760 filed within the last 12 months.</p> <p>Responsible Party: Finance Officer, ACFD</p> <p>Target Date: Complete.</p>

EXECUTIVE SUMMARY (CONTINUED)

Detailed Observations (continued)

Observation	2. HIPAA Certification Required by Digitech
<p style="text-align: center;">Low</p>	<p>The <i>Contract, Exhibit A – Scope of Services, Section B</i> states that <i>“The Contractor shall ensure compliance with HIPAA regulations and remain current with Medicare guidelines and ambulance billing regulations. All information-processing practices must meet applicable HIPAA standards. The Contractor shall provide documentation of HIPAA compliance throughout the entire contract term. [emphasis added]”</i></p> <p>As part of our fieldwork, we noted that Digitech had not provided any documentation related to HIPAA compliance. Subsequently, the Project Officer requested from Digitech, and obtained for this internal audit, a SOC (system and organization controls) 1 Report for the period July 1, 2021 to June 30, 2022. The SOC 1 Report does not specifically assess/discuss HIPAA compliance but is a report on the internal controls placed in operation and tests of operating effectiveness related to claims process, billing and related operations conducted by an independent third party. The report noted no deficiencies in the controls reviewed.</p> <p>The language of the Contract is unclear on what type of documentation, and at what intervals, the County expects the Contractor to provide the documentation of HIPAA compliance. It is unclear whether the SOC 1 Report fulfills the County’s contractual requirement for “documentation of HIPAA compliance.</p> <p>Vendor noncompliance with HIPAA increases the County’s risk of reputational damage and/or legal repercussions.</p>
<p>Recommendation</p>	<p>We recommend that the County clearly define the type of “documentation of HIPAA compliance” that is expected, and at what intervals Digitech is expected to provide such documentation. FIR should monitor and make certain receipt of that information at the required intervals as part of contract management activities.</p>
<p>Management’s Action Plan</p>	<p>Response: The Fire Department will work with DMF-Purchasing to remove or revise the HIPPA compliance documentation requirement in the contract in the next renewal. It has been determined that this language is not needed.</p> <p>Responsible Party: Finance Officer, ACFD</p> <p>Target Date: July 1, 2023</p>

EXECUTIVE SUMMARY (CONTINUED)

Process Improvement Opportunities

In addition to the observations noted above, we identified potential process enhancements for management's consideration.

1. Contract Requirements

Contract Exhibit A, Section A, states that *“The Contractor shall provide a complete written policy and procedure manual that outlines how it will handle ambulance billing and accounts receivable AR follow-up for the ACFD and incorporates all specific requests and requirements of ACFD. The vendor will provide the policy and procedure manual three (3) months after contract start date.”* Digitech was required to provide the written policy and procedure manual to FIR by August 1, 2020. Digitech provided their Billing Compliance Manual, which was reviewed as part of this audit and contains Digitech's internal billing controls and policies, but is not specific to Digitech's responsibilities under the Contract. It is our understanding from discussions with the Ambulance Billing Specialist that no other manual was received by FIR, and FIR did not request, nor does FIR currently require/want, any additional manual from Digitech, as the pertinent policies and procedures are outlined in Exhibit A – Scope of Services in the Contract.

Contract, Section 6, states that *“By the tenth day of each month, the Contractor will submit to the Project Officer an invoice describing the total work done during the preceding month, broken out by task.”* We noted that Digitech did not submit their invoices to FIR within 10 days of each month end; instead, invoices were submitted between 15 – 25 days after each month end. The Ambulance Billing Specialist stated that Digitech requires more than 10 days to properly close their books and create an accurate invoice, and that Digitech consistently provides the invoice each month.

We recommend that the contract requirements of Digitech be tracked and monitored by FIR to ensure compliance. If it is determined that Contract terms and conditions are not appropriate, Contract language should be amended to accurately state the roles and responsibilities of Digitech.

Management's Response: The Fire Department will work with DMF-Purchasing to remove the language regarding the policy and procedure manual from the contract at the next renewal. It has been determined that this requirement is not needed. In addition, the contract will be amended to note that the monthly invoice from Digitech must be provided by 25 days after month end. This will allow Digitech an appropriate amount of time to review documentation from the Fire Department and close their books before providing an invoice.

Responsible Party: Finance Officer, ACFD

Target Date: July 1, 2023

BACKGROUND, OBJECTIVES AND APPROACH

Background

Overview

Contract compliance encompasses all contractual agreements entered into by the County. Although certain aspects of the purchasing function are centralized within the Department of Management and Finance (“DMF”), and vendor selection is performed in conjunction with Purchasing, some of the high-risk areas like contract administration, compliance and monitoring are the responsibility of the individual departments / divisions / bureaus. These monitoring responsibilities specifically include:

- Understanding the scope of work and terms and conditions of the contract;
- Managing contract billings to avoid cost over payments;
- Validating complete and satisfactory performance of work through physical walkthroughs and site visits, when appropriate;
- Ensuring timely performance of contracted work;
- Providing updates to the Department of Management and Finance related to progress and budget, as necessary;
- Maintaining appropriate documentation, in compliance with the County level document retention policy and respective contract; and
- Reviewing and approving invoices for payment to the Contractor in line with the payment terms and conditions outlined in the agreement.

Effective January 1, 2017, and as updated in March 2020, the County implemented a *Contract Administration Policy* for all contracts, regardless of their procurement methodology or dollar value. The purpose was to define and implement a standard policy and process for the administration of contracts and define roles and responsibilities for County personnel that monitor and manage contractual relationships. Specifically, the policy establishes Project Officer responsibilities, defines internal controls surrounding contract payment, quality assurance and recordkeeping, and outlines all applicable regulations to which the contract administration process must adhere.

The Arlington County Board established the ambulance fee billing program in 1999. Under the program, the County’s Fire Department is authorized to charge fees for providing emergency medical transportation (ambulance) services.

A substantial portion of ambulance fees are covered by Medicare or private insurance. The ambulance fee billing program does not affect access to services provided by the Fire Department. No one is ever denied service because they are unable to pay or do not have health insurance. The Fire Department has established formal criteria for granting ambulance fee waivers for individuals with financial hardships. No fees are charged if an individual is not transported to the hospital.

The ambulance fee schedule is adopted by the Arlington County Board annually and is based on the level of medical service provided to the patient during the transport to the hospital. The County contracts with a third-party service provider to bill ambulance transport services to the appropriate entity on the County’s behalf. The ambulance transport fees effective for FY 2022 were as follows:

Ambulance Transport Fee Schedule for FY 2022

Ambulance Transport Service	Fee
Basic Life Support	\$ 500.00
Advanced Life Support 1 (serious medical problems or traumatic injury)	\$ 650.00
Advanced Life Support 2 (cardiac arrest)	\$ 800.00
Transport Fee per Mile	\$ 12.00
Telemedicine Consult	\$ 150.00

BACKGROUND, OBJECTIVES AND APPROACH

Background (continued)

Digitech Computer LLC

The Digitech Computer LLC contract selected for this contract compliance audit is managed by a Project Officer (Ambulance Billing Specialist) within FIR. Agreement No. 20-071-RFP is a services contract to provide ambulance billing services for routine billing, follow-up notice to patients of FIR, and claim submissions to Medicaid, Medicare and insurance companies. Agreement No. 20-071-RFP went into effect on May 1, 2020. There have been two amendments related to the Contract, effective May 3, 2021 and February 17, 2022, which extended the term through April 30, 2022 and April 30, 2023, respectively. There are two (2) additional renewal periods available to extend the term from May 1, 2023 through April 30, 2025.

Ambulance services and billing

FIR emergency management services (“EMS”) personnel fill out electronic patient care reports (“PCR”)¹ for each ambulance transport in the ImageTrend system. Once EMS personnel determine that each PCR is complete, they mark them as ready to bill. Digitech gets a daily download from ImageTrend of all complete PCRs, which they upload into their proprietary EMS billing technology platform, Ambulance Commander. Within 10 days of receiving the PCR, Digitech prepares invoices based on the applicable fee rates and sends them to patients, insurance, and/or Medicare/Medicaid, as appropriate. During the audit period, monthly transaction volume ranged from 700 to 1,000 transactions, totaling \$5.4M in services billed for the audit period.

Payments are received directly into a bank lockbox (via check, typically from patients) or are sent directly to the County Treasurer (via ACH, typically from Medicare and insurance). On a weekly basis, the lockbox and ACH receipts reports are generated and provided by the County’s Ambulance Billing Specialist to Digitech. Using these reports, Digitech matches receipts to invoices. The Ambulance Billing Specialist utilizes the bank lockbox and ACH receipts reports to prepare a cash receipt input form (“CRIF”) and submits it to the Treasurer for posting of the receipts to the appropriate general ledger account. During the audit period, \$3.7M was collected for ambulance transport services².

Digitech provides a monthly reporting package to FIR, which includes details of transaction volume, amounts billed and collected, and accounts receivable information. Additionally, the Ambulance Billing Specialist has access to Digitech’s Ambulance Commander software to query information and reports, as needed.

Digitech utilizes their Ambulance Commander system to track unpaid invoices, and follows up on past due accounts every 30 days. Accounts that are not collected after 180 days³ are sent to the County’s Ambulance Billing Specialist, who reviews the information and sends the past due accounts to the Treasurer for collections. As of June 30, 2022, there was \$1.4M in accounts receivable, \$975k of which is less than 90 days past due. During the audit period, FIR referred \$2.3M past due accounts greater than 150 days (bad debt) related to FY 2021⁴ and FY 2022 to the Treasurer for collections.

Billing Type	Ambulance transport services - accounts receivable aging								
	Current	31-60	61-90	91-120	121-180	181-270	271-365	over 365	Total
Attorney	\$ -	\$ 1,234	\$ 1,770	\$ -	\$ 2,675	\$ 5,112	\$ 2,409	\$ 10,233	\$ 23,433
Auto Liability	-	1,608	929	1,246	1,348	2,978	1,420	536	10,065
Facility	-	674	-	67	-	-	-	710	2,058
Insurance	105,618	72,455	39,296	15,581	26,814	13,697	8,842	13,276	295,580
Medicaid	1,167	1,516	779	146	115	454	-	-	4,177
Medicaid HMO	25,672	9,314	8,620	5,077	6,052	3,541	5,061	2,156	65,494
Medicare	99,393	7,206	5,203	457	2,471	177	(364)	546	115,089
Medicare HMO	48,733	9,055	5,488	1,857	2,316	466	454	2,074	70,443
Military	4,711	1,933	377	1,504	1,386	3,490	1,369	1,426	16,198
Patient	204,543	182,555	130,384	124,820	80,762	33,323	19,031	29,991	805,409
Workers Comp	1,246	524	3,004	-	1,238	3,186	2,866	2,504	14,568
Grand Totals	\$ 491,084	\$ 288,074	\$ 195,851	\$ 151,362	\$ 125,178	\$ 66,425	\$ 41,088	\$ 63,451	\$ 1,422,512

¹ PCRs including information about the patient (i.e., condition, time of transport), and any insurance information is typically provided by the hospital.

² FY 2022 collected revenue may include collections for services in FY 2021, as well as FY 2022.

³ Digitech is required to send past due invoices to “collections” after 180 days per the Contract; because the County does not use a collections agency, FIR receives the past due invoice information from Digitech and submits it to the Treasurer for collections.

⁴ It is our understanding that FIR did not refer any bad debts to the Treasurer in FY 2021 due to limited capacity due to COVID.

BACKGROUND, OBJECTIVES AND APPROACH

Background (continued)

Ambulance services and billing (continued)

If Digitech receives payments in excess the amount due for the patient, Digitech reports such overpayment to the County in a monthly spreadsheet with supporting documentation. The Ambulance Billing Specialist reviews the details of the patient account and approves the refund, as appropriate. Once approved, the Ambulance Billing Specialist notifies Digitech that the patient's account should be refunded. Digitech processes the refund payment to the patient, and sends a monthly invoice to the County for reimbursement of refunds. In FY 2022, \$30k in refunds were issued for overpayments, and subsequently reimbursed to Digitech.

Hardship waivers

The Contract states that if any bill is returned to Digitech with a request to waive the charges, Digitech is required to forward the waiver request to FIR for review and approval. During FIR's review, Digitech cannot send any other bills to the patient until / unless notified by FIR of either a disposition of the charges or approval to continue billing.

The Arlington County Board has authorized the waiver of ambulance transport fees in certain limited circumstances where insurance or Medicare/Medicaid is not available for reimbursement. To apply for a waiver, patients are required to complete a Hardship Waiver Form⁵ and provide the required written documentation for the situation that most directly applies to the patient. Hardship waivers and supporting documentation are reviewed by the Ambulance Billing Specialist and then approved by the FIR Financial Officer.

County payments to Digitech

In exchange for their services, Digitech receives a fee of 3.95% of collected revenue, in accordance with the Contract. Digitech invoices the County on a monthly basis for these fees. The Ambulance Billing Specialist reconciles the Net Collected Revenue from Digitech's invoices to the lockbox and ACH receipt reports for each week, and researches any reconciling items, if needed. Invoice information is entered into the County's PRISM system and two approvals are recorded for the invoice prior to payment. The County paid Digitech \$147k in FY 2022.

⁵ The County's Hardship Waiver Form is posted on FIR's Emergency medical Services website at www.arlingtonva.us/Government/Departments/Fire/Emergency-Medical-Services/EMS-Billing

BACKGROUND, OBJECTIVES AND APPROACH (CONTINUED)

Objectives and Approach

Objectives

The objective of this contract compliance audit was to assess whether the County's system of internal controls is adequate and appropriate for effective contract administration and compliance with selected provisions of the contract as it relates to billing, accounts receivables, and fees paid to Digitech by the County, as well as the County's funds handling processes for amounts received.

The scope of this contract compliance audit encompassed one (1) contract from the Fire Department: Agreement No. 20-071-RFP with Digitech Computer LLC. The audit period was July 1, 2021 through June 30, 2022.

We obtained various reports from FIR that are provided to the County by Digitech in a monthly reporting package. We judgmentally selected 30 ambulance transport services invoices for detailed testing, and requested additional supporting documentation, as needed. We selected 10 hardship waiver cases from a listing provided by FIR, and reviewed the supporting information provided for each waiver. We also selected a successive 3-month period (April through June 2022) and reviewed the reconciliations of ambulance transport service fees billed, collected, and outstanding that are performed by both Digitech, with an independent review by the FIR Project Officer, which includes reconciliation of funds received and deposit documentation prepared by FIR as part of its funds handling process.

Approach

Our approach to the audit execution consisted of the following phases:

Understanding and Documentation of the Process

The first phase of this audit consisted primarily of inquiry and walkthroughs, in an effort to obtain an understanding of the key personnel, risks, processes, and controls relevant to the objectives outlined above. The following procedures were performed as a part of this phase:

- Conducted interviews with the appropriate representatives to discuss the scope and objectives of the audit work, obtain preliminary data, and establish working arrangements;
- Conducted interviews with key personnel to obtain a detailed understanding of the contract administration and compliance process(es);
- Documented flowcharts of the process(es);
- Reviewed the applicable policies and procedures and agreements related to this project;
- Performed walkthroughs to gain an understanding of the function and assess the design of internal controls; and
- Developed a risk-based work plan for the evaluation of the design and operating effectiveness of processes and controls, based on the information obtained through our review, inquiry and walkthrough procedures.

Evaluation of the Process and Controls Design and Testing of Operating Effectiveness

The purpose of this phase was to test compliance and internal controls. Our fieldwork testing was conducted utilizing sampling and other auditing techniques to meet our audit objectives outlined above. Procedures included the following:

- Gathered background information on the County's contract compliance and monitoring procedures and any required controls or documentation, including County Board authorization, if necessary;
- Determined whether the Fire Department has related contract administration and compliance procedures outside of County-level procedures;
- Obtained background information on the selected Digitech contract, including contract copy, contract administration information, and detail of expenditures under the contract during our audit period;

BACKGROUND, OBJECTIVES AND APPROACH (CONTINUED)

Objectives and Approach (continued)

Evaluation of the Process and Controls Design and Testing of Operating Effectiveness (continued)

- Tested key controls mitigating risks, such as:
 - Data collection and retention processes and controls related to ambulance services, including the contractually required documentation of HIPAA compliance (*HIPAA procedures were limited to confirmation that Digitech has submitted the required documentation to the County per Exhibit A, Article B: “The Contractor shall provide documentation of HIPAA compliance throughout the entire contract term”*);
 - Accuracy of service charges billed to patients, as it relates to the County’s ambulance billing fee schedule;
 - Ambulance services were billed in accordance with the patient billing cycle specified in the contract;
 - Accounts receivables were followed up on in accordance with the requirements of the contract and County policies, as appropriate, including how uncollectible invoices were reported, tracked and monitored, and how hardship waivers were reported to and approved by the County;
 - Timeliness and accuracy of Digitech’s service and reporting requirements;
 - Accuracy and timeliness of vendor invoices and compliance with the requirements of the contract;
 - Accuracy and compliance with the required insurance standards and other key contract provisions;
 - Assessed the County’s funds handling processes and procedures as it relates to lockbox receipts from Digitech, to evaluate compliance with the funds handling process; and
 - Determined whether services received under the contract were properly verified or monitored prior to payment of the invoice.
- Assessed the overall contract administration and compliance process and controls to determine effectiveness.

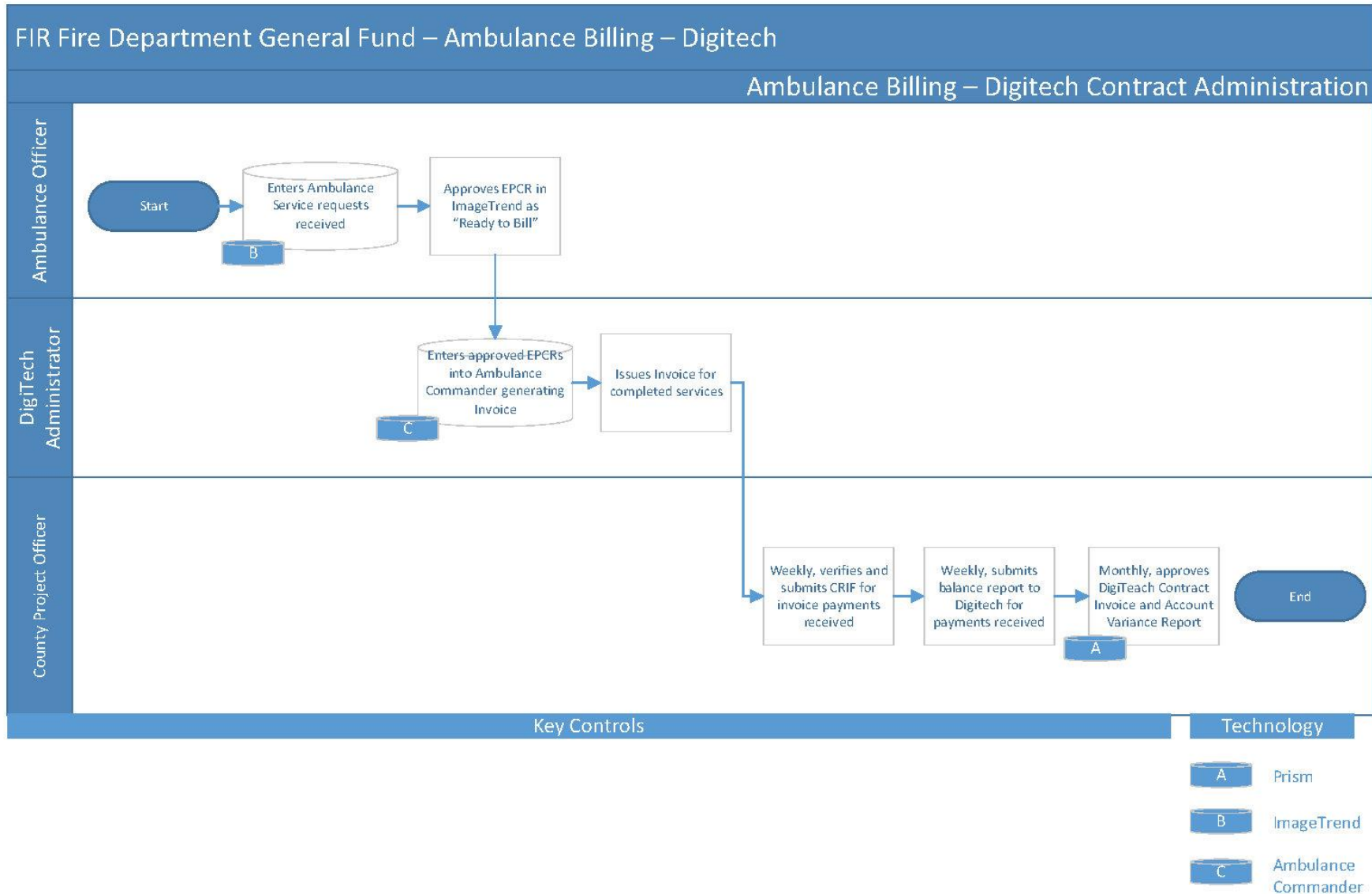
Reporting


At the conclusion of this audit, we vetted the facts of this contract compliance audit with FIR. The draft report was submitted to DMF and FIR for review. An exit meeting was held with FIR and DMF to formally review and discuss the draft report and modify accordingly.

Risk Ratings

Observation Risk Rating Definitions	
Rating	Explanation
Low	Observation presents a low risk (i.e., impact on financial statements, internal control environment, public perception/brand, or business operations) to the organization for the topic reviewed and/or is of low importance to business success / achievement of goals and internal control structure.
Moderate	Observation presents a moderate risk (i.e., impact on financial statements, internal control environment, public perception/brand, or business operations) to the organization for the topic reviewed and/or is of moderate importance to business success / achievement of goals and improve its internal control structure. Action should be in the near term.
High	Observation presents a high risk (i.e., impact on financial statements, internal control environment, public perception/brand, or business operations) to the organization for the topic reviewed and/or is of high importance to business success / achievement of goals and improve its internal control structure. Action should be taken immediately.

PROCESS MAP





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