



GUIDE

How to Fix Common ACFR Deficiencies

A Guide for
Government Auditors

What is an ACFR?

The Annual Comprehensive Financial Report (ACFR) is a key financial document used by governmental entities like states, municipalities, and counties to provide a full picture of their financial health.

The ACFR is used by the public, auditors, and governing bodies to ensure financial transparency, legal compliance, and the maintenance of public trust.

An ACFR includes three primary sections:

- 1. Introductory Section:** Features the table of contents, transmittal letter, list of principal officials, organizational chart, and any awards such as the GFOA Certificate of Achievement.
- 2. Financial Section:** Contains the independent auditor's report, management's discussion and analysis (MD&A), basic financial statements, and required supplementary information.
- 3. Statistical Section:** Presents long-term trends related to financial data, economic conditions, debt capacity, and operating information.

Some ACFRs also include an optional **Compliance Section**, typically housed at the end of the report, to support grant and program accountability.

"Accuracy and consistency are the foundation of public trust in governmental reporting."

Alexandria Romero, CPA and Trainer,
Galasso Learning Solutions

Common ACFR Deficiencies

Despite their importance, ACFRs often contain deficiencies that can cause delays, create confusion, or lead to reputational damage. Common speed bumps include:

1

Formatting and Terminology Issues

- Mislabeling the document title (e.g., omitting “Comprehensive” or using outdated formats)
- Using incorrect or outdated GASB language
- Inconsistent headings, terminology, or report layouts

2

Internal Consistency Problems

- Figures in the MD&A that don’t reconcile with the basic financial statements
- Net position or fund balance amounts that vary across schedules
- Discrepancies between notes, RSI, and financial statement figures
- Inconsistent data presentation in the Statistical Section

3

Disclosure and Classification Deficiencies

- Missing or incomplete disclosures
- Incorrect classification of restricted vs. unrestricted funds
- Improper identification of major funds
- Failing to report leases or SBITAs (subscription-based IT arrangements) separately
- Budgetary comparisons with formatting issues or outdated content

Accelerating ACFR Prep: Where DataSnipper Comes In

To help overcome these common deficiencies, Excel-integrated audit tools like DataSnipper can be used to increase accuracy and reduce time spent on manual tasks. DataSnipper integrates directly into Excel and enhances audit documentation by automating tie-outs, cross-referencing, variance checks, and disclosure validations.

Why use DataSnipper for ACFR Prep?

✓ Accuracy matters

With growing scrutiny around governmental financial reporting, even small inconsistencies can create big problems. A missing disclosure or unverified subtotal can result in audit delays or even adverse findings.

✓ Efficiency saves time and cost

By reducing the number of manual tie-outs and cross-references, DataSnipper enables teams to focus on analysis and oversight rather than tedious documentation.

✓ Collaboration and training

Audit teams benefit from shared knowledge and consistent review practices when using tools like DataSnipper. It also serves as a great development resource for junior staff.

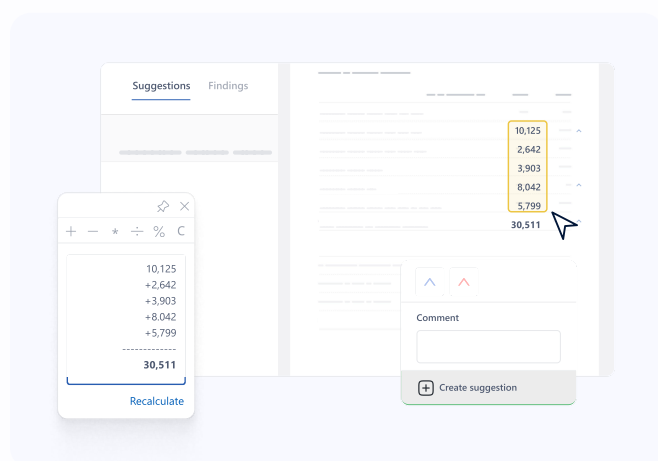
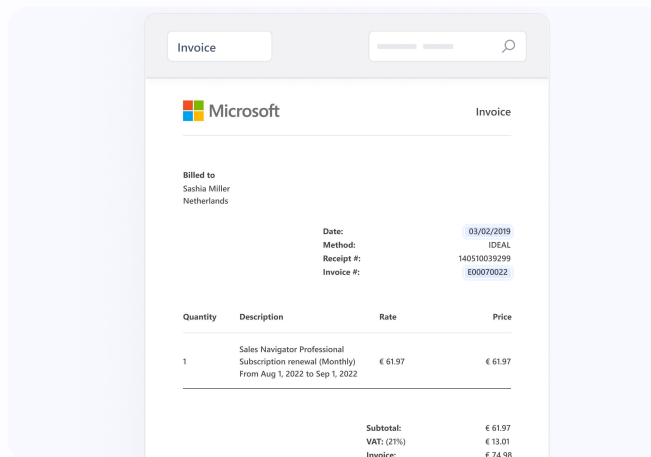
✓ Automate what can be automated

Tasks like checking totals, confirming footings, or comparing versions are better done through automation. This leaves more time for high-value activities, like interpreting variances or reviewing internal control processes.

Key DataSnipper Features for Government Audits

Text Snip

This feature creates direct references between cells and specific locations in source documents (e.g., PDFs), making it easier to track figures and narratives across ACFR sections. It's especially useful for ensuring that numbers in the MD&A match those in the financial statements.

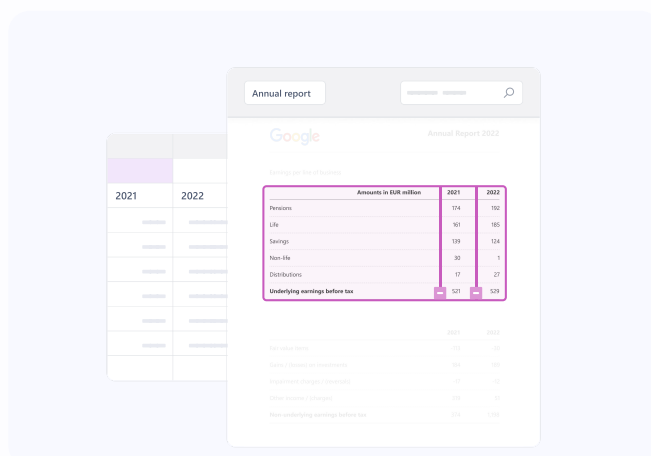


Sum Snip

Sum Snip automatically adds numbers from various sources and verifies totals, ensuring that sums are correct. It helps check for discrepancies in manual summations, ensuring your footings and roll-forwards are accurate across all documents.

Table Snip

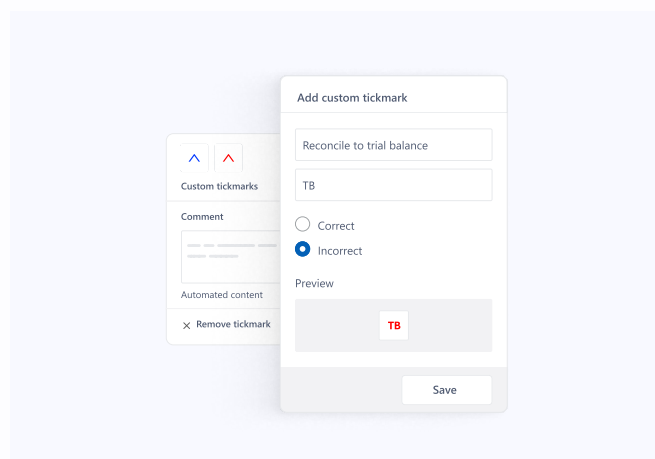
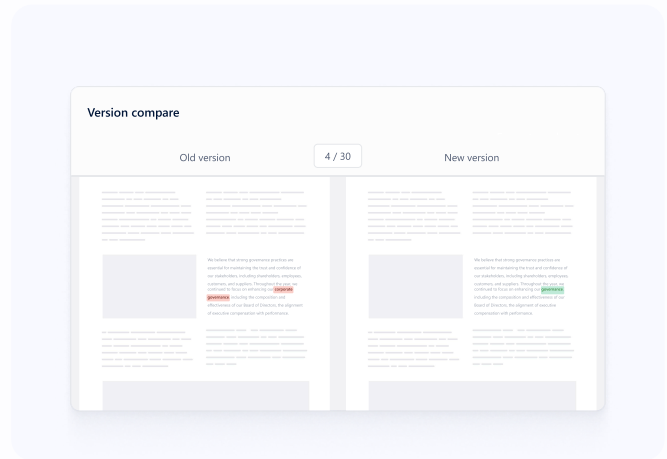
Table Snip converts tables into structured Excel data, even if they span multiple pages or documents. This tool allows you to extract rows and columns based on your preferences and is perfect for working with statistical and combining fund schedules.



Continued: Key DataSnipper Features for Government Audits

Version Compare

This feature compares two versions of a document and highlights any differences. It's especially useful for tracking changes made during the final stages of the audit, ensuring all necessary updates are captured before the final version is published.

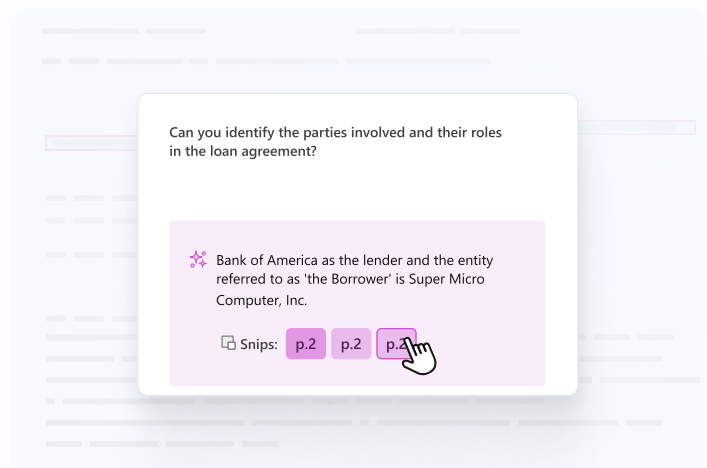


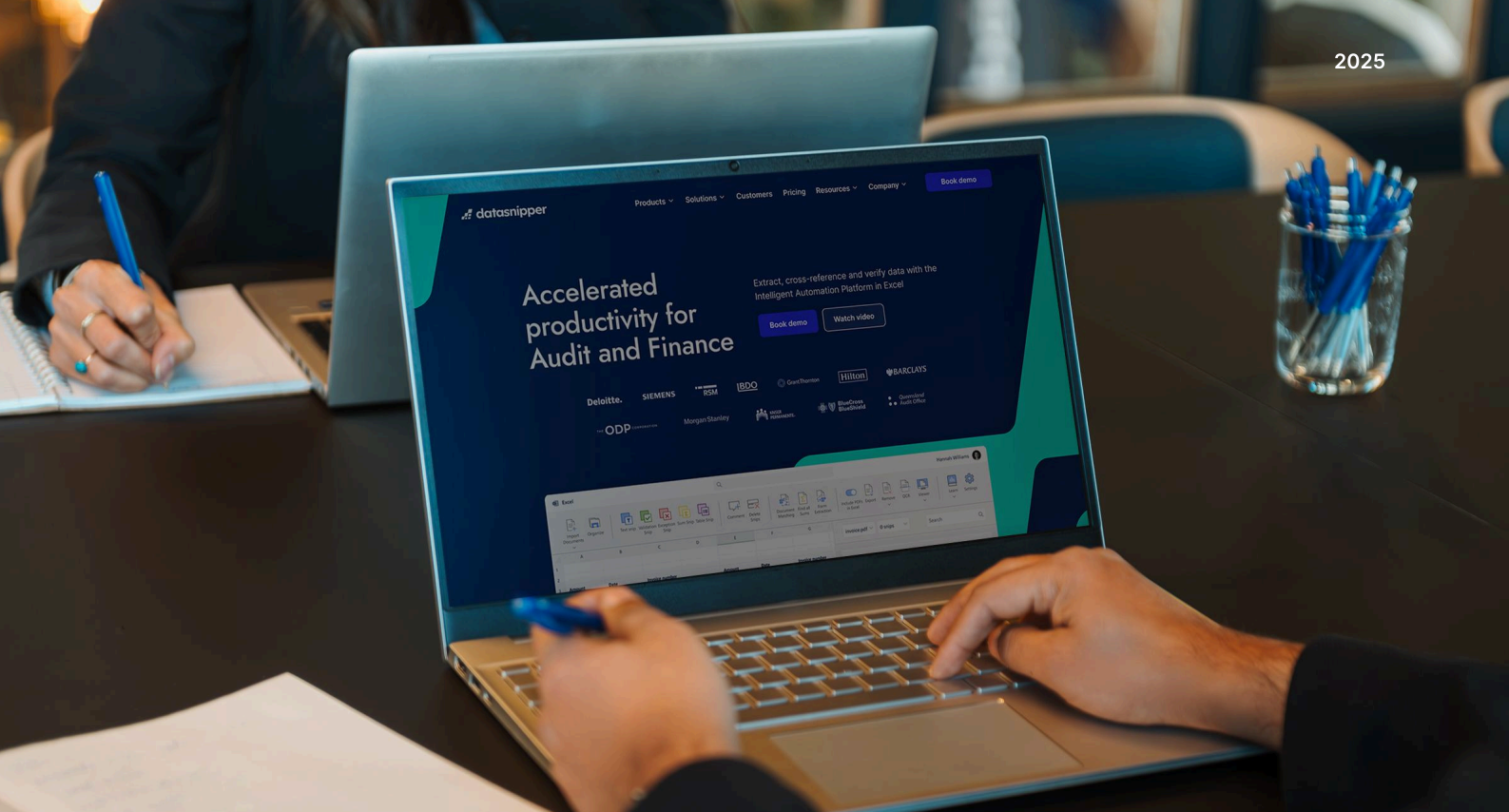
Tick and Tie Project Suite

This tool performs comprehensive variance checks across financial statements, identifying mathematical errors, subtotal discrepancies, and classification mismatches. It's ideal for verifying roll-forwards and reconciliations during the audit process.

DocuMine

DocuMine integrates with Excel to import a GASB disclosure checklist. It scans draft ACFRs and automatically flags missing or incomplete disclosures. It then provides direct links to the relevant sections in your document.





Accelerated Productivity for Government Audit Teams

DataSnipper transforms complex and time-consuming audits and finance processes into seamless, precise workflows. Extract, cross-reference and verify data with the Intelligent Automation Platform in Excel.

[Learn more](#)