

PROCEDURE NUMBER: FINA 3.00 Procedure

SECTION: Administration and Finance

SUBJECT: Sponsored Awards – External Audits

DATE: November 1, 2024

REVISION:

Procedure for: All Campuses

Authorized by: Mandy Kibler

Issued by: Administration and Finance – Controller’s Office

Procedure Statement:

The University Administration and Finance Division, Controller’s Office, will ensure compliance with University Policy FINA 3.00. This procedure is applicable to campuses, units, departments, centers, Principal Investigators (PIs), and administrators at the University who are involved with the initiation, administration, and conduct of sponsored awards. The purpose of this procedure is to supplement the associated policy by providing additional detail and guidance on external audits.

The University fully cooperates with all external audits. External audits may be requested periodically to evaluate the University’s sponsored award programs and associated transactions and activities. These audits include reviews, site visits, desk audits, inquiries, investigations, etc. External auditors may represent any state agency, federal agency, certified public accounting firm, legal firm, or sponsor.

A. Central Coordination

All requests and inquiries related to sponsored award external audits **must** be promptly forwarded to Grants and Funds Management (GFM) and/or the Compliance Team.

GFM and the Controller’s Office Compliance Team are responsible for coordinating the audit, including collecting and reviewing all relevant records requests and submitting those records to the external auditors in a prompt manner. The central coordination of these activities ensures a consistent approach is followed for each external audit and that the scope and objectives of the audit are understood and achieved.

B. Roles and Responsibilities

The following roles and responsibilities should be adhered to:

Principal Investigator and Department

- Maintain appropriate documentation to support sponsored award activities.
- Immediately notify the Post Award Accountant (PAA) in GFM of any audit requests and/or pending audit actions.
- Collaborate with GFM and/or the Compliance Team on compiling documentation and information for audit requests, if applicable.
- Implement and document corrective action plans, through coordination with GFM and/or the Compliance Team, if applicable.
- Departmental personnel should never submit audit responses directly to the auditor or participate in audit meetings/interviews without a representative from the Controller's Office.

Controller's Office – Grants and Funds Management and Compliance Team

- Inform relevant parties of pending audits.
- Set up, manage, and/or attend meetings with sponsor/auditor.
- Coordinate with departments on compiling documentation and information for audit requests.
- Respond to audit inquiries and submit all requested information to the sponsor/auditor.
- Inform departments and management of audit results.
- Review the auditor's report and draft and submit final management responses, through coordination with the appropriate parties.
- Coordinate with applicable parties on implementing and documenting corrective action plans to address audit recommendations.

Office of Sponsored Awards Management

- Immediately notify the PAA in GFM and/or the Compliance Team of any audit requests and/or pending audit actions.
- Collaborate with GFM and/or the Compliance Team on compiling documentation and information for audit requests, if applicable.
- Implement and document corrective action plans, through coordination with GFM and/or the Compliance Team, if applicable.

C. Resources and Forms

Resources, trainings, and guides can be found on the Controller's Office website under the Grants and Funds Management and Resource and Training Toolbox sections.