

Other Policies and Procedures

EXTERNAL AUDITS, REVIEWS, INQUIRIES, AND INVESTIGATIONS

PURPOSE:

To establish responsibility for the coordination of external audits, reviews, inquiries, and investigations of sponsored projects.

POLICY:

1. Requests from an outside agency to conduct a financial or programmatic audit, review, inquiry, or investigation (“review”) of a sponsored project must be directed to Research Accounting.
2. Research Accounting will notify the Office of Research and Sponsored Programs (ORSP), the Internal Audit Office (IAO) and the responsible department and/or school business administrator of any pending “review.”
3. An entrance and exit conference, if possible, will be a part of the “review” process .
4. During the “review,” every effort must be made by the responsible business administrator and Research Accounting to provide sufficient documentation and/or an adequate explanation to written requests for information, in order to preclude cost disallowances or other deficiency findings
5. On visits to any other administrative areas of the University, auditors/investigators must be accompanied by Research Accounting personnel at all times.
6. Cost disallowances cited in an audit/review report which cannot be refuted must be transferred immediately from the sponsored project account to the unrestricted operating account or other appropriate non-sponsored project account of the school or center.

ROLES AND RESPONSIBILITIES:

DEPARTMENT ADMINISTRATOR

- Directs request for an external audit of sponsored projects to Research Accounting
- Provides explanation or documentation for any request made by auditors

RESEARCH ACCOUNTING

- Notifies ORSP, IAO and the department if a review, an audit or an investigation is scheduled
- Schedule meetings with auditors including exit and interview meetings if possible
- Provide space, as necessary during the site visit
- Provide documentation, reports and approvals to auditors as necessary

- Coordinates responses to audit findings and recommendations with responsible department, ORSP and IAO as necessary
- Accompanies auditors when visiting other administrative offices
- Maintains copies of all documentation requests, communication, approvals findings, management responses and recommendations
- Ensures that cost disallowances are resolved accordingly
- Prepares charge-back entries as necessary for disallowances