

Procedure: Audit Finding Resolution	Policy: External Audits	Number: GP2500.2
	() Complete Revision () Partial Revision (X) New	Supersedes:

Overview of Procedure

A key component to the grants administration process involves resolution of audit findings. *OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations applicable for audits of fiscal years beginning prior to December 26, 2014*, stipulates that the organization being audited has responsibility for addressing and correcting any audit findings. *2 C.F.R Part 200 Subpart F-Audit Requirements*, provides uniform guidance to audits of District fiscal years beginning after December 26, 2014. Under this guidance, the District is responsible for follow-up and corrective action on all audit findings. This requires the District to prepare a summary schedule of prior audit findings and a corrective action plan for current year audit findings. The summary schedule of prior audit findings must report the status of all audit findings and questioned costs. For fully corrected audit findings the summary schedule needs to list the finding and state that corrective action was taken. Reasons for audit findings no longer valid or not warranting further action need to be included in the summary schedule. An audit finding not warranting further action must meet the following requirements; two years has passed since the audit report containing the finding was submitted to FAC (Federal Audit Clearinghouse), the Federal agency is not currently following up with the District on the audit finding, a management decision was not issued. The corrective action plan must contain the names of the employees responsible for the corrective action, the corrective action planned and the anticipated date for carrying out the plan. If the District does not agree with the audit findings or believes corrective action is not required, the reasons for this opinion must be included in the corrective action plan.

Procedure Details

Results of audits and audit visits by external auditors must be forwarded to the Grants Accounting Unit (GAU) which is responsible for coordinating responses and corrective action plans. The GAU will share all audit results with the Grant Oversight Committee (GOC).

In order to address any audit findings, the GAU will coordinate District research and responses with Grant Program Managers (GPM), Grant Budget Analysts (GBAs), the Grant Compliance Office (GCO) and any other necessary District offices. The GAU will update the GOC as to the status of audit resolution and provide a final draft audit report.

Procedure Steps

RESPONSIBLE POSITION	Step	ACTION TAKEN
Recipient of Audit Findings	1	Receives and forwards audit reports to the GAU.
GAU	2	Notifies GOC of audit findings and forwards audit reports to GOC.
GAU	3	Coordinates the formulation of relevant responses in consultation with GPM, GBA and GCO. Determines the necessity of engaging outside assistance in formulating response(s) to audit/monitoring agency.

RESPONSIBLE POSITION	Step	ACTION TAKEN
GAU, GPM, GBA, GCO, Other District Offices as needed	4	Develop and document responses to audit findings.
GAU	5	Provide final draft of audit responses to auditor/grantor.
GOC	6	Review audit reports.
GPM, Other District Offices as needed	7	Implement corrective actions if necessary.
GCO	8	Monitor the corrective efforts of GPMs.

Policy

- *GP2500 External Audits*

Forms

Definitions

Audit finding means deficiencies or questioned costs which the auditor reports.

Audit visit is an examination of program records or financial information performed by an external funder.

Contacts

- *Grant Accounting Unit*
- *Grant Compliance Office*
- *Grant Fiscal Services*
- *Grant Oversight Committee*

Frequently Asked Questions

Related Information

- *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations* for fiscal years beginning prior to December 26, 2014
- *2 C.F.R Part 200 Subpart F-Audit Requirements* for audits of District fiscal years beginning after December 26, 2014

History

Amended:

- Amended on 6/4/2015 for reference updates for the Uniform Grant Guidance and technical adjustments.

Issue Date: July 1, 2012	Effective Date: July 1, 2015	Approved by: Chief Grant Development & Compliance Officer
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