

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

### Overview of Procedure

A key component to the grants administration process involves resolution of audit findings. **2 C.F.R Part 200 Subpart F-Audit Requirements** provides uniform guidance to audits. 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 Reasons for audit findings no longer valid or not warranting further action need to be included in the summary schedule.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.

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.

### Procedure Steps

RESPONSIBLE POSITION	Step	ACTION TAKEN
Recipient of Potential Audit Findings	1	Receives and forwards audit reports to the GAU and management of Grant Compliance and Fiscal Services
Relevant Office Management	2	Develops the formulation of relevant responses in consultation with relevant staff in the program office, Grant Compliance and Fiscal Services, District Comptroller.
Relevant Office	4	Provides draft response of potential audit finding to auditor/grantor.
Relevant Office	5	For findings made by the external auditors, implement corrective actions if necessary in coordination with Grant Compliance and Fiscal Services and District Controller.
GCO	8	Monitor the corrective efforts of corrective action.

**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 and Fiscal Services*
- *District Comptroller*

**Frequently Asked Questions**

**Related Information**

- *2 C.F.R Part 200 Subpart F-Audit Requirements*

**History**

**Amended:**

- Amended on 6/4/2015 for reference updates for the Uniform Grant Guidance and technical adjustments.
- Amended in July, 2022 to clarify roles and responsibilities and make technical adjustments.

Issue Date: July 1, 2022	Effective Date: July 1, 2022	Approved by: Deputy Chief, Grant Compliance and Fiscal Services
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