AUDIT RESPONSE AND FOLLOW-UP PROCEDURES

Audit Response

A. The audit response is due 30 days from the date the Incomplete Draft Audit Report is emailed to the campus.

B. The response should include a cover letter or memorandum addressed to Larry Mandel, University Auditor, and should be signed by:

- *Campus Reports* - The campus president or vice president of administration and finance (with a cc: to the president).
- *Chancellor’s Office (CO)/Systemwide Reports* - Responsible vice chancellor for systemwide or CO audits (with a cc: to the executive vice chancellor/chief financial officer).

C. The body of the response should include the following elements:

- Each recommendation as stated in the audit report. To facilitate this, a Word template of the audit recommendations will be sent via e-mail to the designee appointed by the campus president/vice chancellor. The use of this template is strongly encouraged to maintain consistency within all audit reports.
- An indication of concurrence and a response (i.e., corrective action plan) for each recommendation.
- An anticipated implementation date for each response OR a statement of the corrective action that has already been implemented.

D. A .pdf copy of the signed cover letter or memo and the Word version of the response should be submitted to the following email address: OUA@calstate.edu, without any supporting evidence of implementation.

E. The Office of the University Auditor (OUA) reviews the response for an appropriately signed cover letter or memo and the response to each recommendation for completeness of the corrective action plan.

F. The OUA notifies the campus or CO contact via e-mail whether the response will be forwarded to the Chancellor for acceptance or the response does not meet expectations. If a revised response is needed, the campus will be given one week to provide the revision. The response will not be sent to the Chancellor until the OUA determines that it addresses all required elements.

G. The OUA incorporates the response into a final report draft and forwards the report to the Chancellor with a memo recommending his acceptance of the response. The Chancellor then forwards a signed memo back to the OUA to indicate his acceptance of the response, and the report is posted to the OUA website. The OUA can then review any documentation that was submitted to clear recommendations.

H. When the final audit report is posted to the OUA website, notification of such is emailed to the campus president or responsible vice chancellor. At this point, the report becomes a public document and is posted to the Status Report on Current and Follow-Up Internal Audit Assignments (Status Report). Any recommendations that have been satisfactorily addressed will be concurrently posted to the Status Report.
Audit Response Follow-Up Documentation

A. In general, the OUA expects that the campus or CO will start submitting supporting evidence to clear recommendations as soon as possible after submission of the campus response, although the OUA will not review the documentation until the final report has been posted to the OUA website. Any recommendations that have been satisfactorily addressed will be concurrently posted to the Status Report.

B. If the audit response indicates that a recommendation has been completed, the supporting evidence should be sent separate from the audit response. Under no circumstances should supporting evidence be sent as attachments to the audit response.

C. Supporting evidence should be submitted with a cover letter or memo addressed to Larry Mandel, University Auditor, and signed by:

- **Campus Reports** - The campus president or vice president of administration and finance (with a c: to the president).
- **Chancellor’s Office (CO)/Systemwide Reports** - Responsible vice chancellor for systemwide or CO audits (with a c: to the executive vice chancellor/chief financial officer).

D. The actual submission of supporting evidence should only be sent via U.S. mail or a delivery service such as FedEx (or in-person or via interdepartmental mail for the CO). This facilitates our review process and prevents duplicate handling, which occurs when documents are faxed/e-mailed and followed up with originals.

E. Submissions of supporting evidence should be received by the OUA no later than two weeks before a BOT meeting for inclusion on the Status Report.

F. There is no ONE preferred format for submission of supporting evidence; however, an organized, easy to follow approach is preferred.

G. The supporting evidence should clearly demonstrate that the recommendation has been implemented. For example:

- If the recommendation calls for developing policies and procedures, a copy of the policies and procedures should be submitted.
- If the recommendation calls for revised procedures, a copy of the revised procedures and/or memos to staff should be submitted.
- If the recommendation calls for preparation of written and/or trust agreements, copies of the executed agreements should be submitted.

H. The OUA reviews the supporting evidence and e-mails the campus or CO contact concerning recommendation closure or additional support requirements.

I. The Status Report is updated.