



Policy Title: GE2016 - Notification of External Audits and Reviews

Subject Area: General

Responsible Official(s): President

Responsible Office(s): Internal Audit

Policy Statement

The University is subject to external audits, program reviews, and similar activities by various agencies and other organizations. It is the responsibility of the primary contact person for the program or activity being reviewed to notify Internal Audit and other offices as appropriate. Other offices would in most cases include the Tennessee Comptroller of the Treasury, Office of Grants and Contracts Accounting, and Office of Legal Counsel depending on the circumstances.

Definitions

External Audit or Review – Any examination or investigation performed by an agency, company, consultant, or other organization or individual outside of the University for the purpose of assessing operational or financial effectiveness, legal or regulatory compliance, and/or conformance with contractual obligations. An external audit or review may be mandatory or voluntary.

Primary Contact Person – The University employee with whom the external agency normally communicates regarding the program or activity under review. The primary contact person may be identified in the related contract (if applicable) or may be identified based on his or her role relative to the activity or program being audited or reviewed. The primary contact is usually the department head, faculty member, manager, director or business officer.

Procedures

These procedures describe the minimum internal communication required in the event of an external audit or review. Timely and appropriate internal communication with regard to external audits and reviews serves the following purposes:

1. To prevent the duplication of audit effort.

2. To ensure the appropriate personnel and office(s) are involved in providing information for the external audit or review.
3. To ensure the University responds to external audits and reviews and provides notice when required.
4. To provide notice to the Division of State Audit as it relates to the University's annual financial and compliance audit.

Initial Notification

The primary contact person (or designee) should notify Internal Audit of an external audit or review as early in the process as possible. Also, the Office of Grants and Contracts Accounting should be notified if the external audit or review involves funding for a sponsored project. An [External Audit Notification Form](#) is available for use.

Communication of Results

After the audit or review is complete, the primary contact will usually receive notice of the results in writing. The primary contact (or designee) should forward a copy of the results to Internal Audit and also to the Office of Grants and Contracts Accounting if the external audit or review involves funding for a sponsored project.

Additional Responsibilities

Additional responsibilities for the primary contact include providing notifications and other information about external audits to his or her immediate supervisor and other University officials as appropriate.

The responsibility for Internal Audit under this policy include reporting occurrences of external reviews and audits to the Audit Committee, Tennessee Comptroller of the Treasury Division of State Audit, and others as the circumstances may dictate.

Policy Exclusions

Specialized inspections (building, fire, safety, food service, etc.) and reviews associated with academic accreditation are specifically excluded from the requirements of this policy.

FAQs

How do I contact Internal Audit?

The best way is by email at uom_audit@memphis.edu or telephone (901) 678-2125. The best way to provide notification of an external audit or review is via the [External Audit Notification Form](#).

Can Internal Audit help me prepare for an external audit or review?

Audit readiness can be assessed anytime; in fact, it's best to do before an audit notice has been received. The Internal Audit staff can review processes, identify potential problem areas, and recommend improvements if needed or desired. Please contact Internal Audit for assistance.

Are site visits included in this policy?

Yes, provided that the site visit serves a purpose similar to an audit or review as defined by this policy.

Who other than Internal Audit might require notification of an external audit or review?

The list of interested parties will depend on the program or activity being audited or reviewed. In general, it is a good idea to notify those individuals who are above the primary contact person in the line of organizational responsibility.

Related Documents, Policies and Forms

[Internal Audit Department](#)

[External Audit Notification Form](#)

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