

EXTERNAL AUDIT OVERSIGHT STANDARD

PURPOSE

The purpose of this standard is to assign the responsibility and authority for notification, oversight, and management of external audits. External Audits are audits, reviews or inspections performed by non-University federal, state, or private entities that may be conducted for purposes of evaluating compliance with grants, contracts, program activities, financial reports, administrative practices, government regulations or West Virginia State Code.

SCOPE

This standard applies to all departments and regional campuses of West Virginia University, the West Virginia University Research Corporation and its affiliates.

STANDARD

It is the responsibility of WVU departments, regional campuses, the West Virginia University Research Corporation (WVURC) and its affiliates to notify the WVU Internal Audit Office of impending external audits immediately upon notification from outside agencies.

The WVU Internal Audit Office will conduct or participate in an entrance conference with all external auditors and unit management to review the objectives and scope of the audit prior to the start of audit field work. Unit management will provide day to day support to the auditors. Upon completion of the audit work, the WVU Internal Audit Office will also conduct or participate in an exit conference to discuss audit findings and recommendations, and to verify that the external auditors have obtained sufficient and accurate information to warrant their findings. The WVU Internal Audit Office will also review and advise on all official University audit responses.

Timely notification and oversight of external audit activity will permit the WVU Internal Audit Office to:

- Ensure accurate and fair evaluations;
- Avoid duplicate audits and audit cost;

- Determine the reasonableness of the external auditors' objectives;
- Ensure that operating units cooperate fully with the auditors;
- Assure that the appropriate Central Administration Unit is properly notified of the external audit activity;
- Assist University Senior Management in the assignment of an Audit Coordinator to manage the external audit activity;
- Provide University administration and the Audit Committee with an independent understanding of the audit objectives and results;
- Evaluate corrective actions planned or taken as a result of the audit; and
- Communicate to the administration and the Audit Committee complete and comprehensive tracking of external audit activity.

The WVU Internal Audit Office will provide appropriate follow up on subsequent action taken by client management in response to recommendations made by the external auditors. The WVU Internal Audit Office will report external audit activity to the administration and West Virginia Board of Governors Audit Committee.

PROCEDURE

Procedure development rests with the WVU Internal Audit Office and can be found on the WVU Internal Audit Office website.

RESPONSIBILITY FOR IMPLEMENTATION

The responsibility for implementation of this standard rests with the management of the area to be audited who must notify the WVU Internal Audit Office as soon as notification of a pending audit is received. The Internal Audit Office, at 293-5894, P.O. Box 6355 or InternalAudit@mail.wvu.edu is available to answer questions or provide additional information regarding this standard.

RESPONSIBILITY FOR INTERPRETATION

The responsibility for interpretation of this standard rests with the Director of the WVU Internal Audit Office.

Effective Date: May 7, 2012

Approved by: William Quiqley, WVU Director, Internal Audit: