Audit Process at a Glance

1. Audit Letter
After receiving the audit letter, the institution should do the following:
• Appoint a lead individual
• Glean particulars of audit: scope, start/end dates, etc.
• Establish central file
• Prepare for entrance conference

2. Entrance Conference
During the entrance conference the institution should do the following:
• Understand scope
• Discuss overview of audit process
• Establish audit timetable
• Establish audit reporting process
• Begin to respond to data requests
After the entrance conference, in preparation for the audit fieldwork, the institution should do the following:
• Assign auditor work space
• Hold staff meeting
• Inform all potentially involved parties/offices

3. Audit Fieldwork
During the audit fieldwork phase, the institution should do the following:
• Initially meet with on-site audit team; introduce lead institutional official
• Respond to request for assistance package
• Respond to data requests during sample selection and testing phase
• Identify, analyze, and maintain copies of all relevant documentation
• Document all communications
• Involve internal audit, as appropriate
• Prepare staff, PIs, others for interviews with auditors
• Monitor and respond to any possible questioned observations
• Keep audit on schedule and hold update meetings

4. Draft Audit Report
After receiving the draft audit report, the institution should do the following:
• Carefully review the document
• Meet with auditors and inquire about report’s contents (observations, opinions, findings, recommendations, etc.)
• Prepare management response, including any necessary corrective action plan(s)

5. Exit Conference
During the exit conference the institution should do the following:
• Engage in an open discussion with auditors about the entire audit process
• Provide institutional feedback
6. Final Audit Report

*After receiving the final audit report, the institution should do the following:*

- Carefully review the document
- Review the report with staff members
- Discuss observations/findings/recommendations with affected parties
- Distribute to management
- Review management response and corrective action plan
- Appoint someone to oversee corrective action plan and proceed with implementation
- Periodically monitor corrective action plan progress

7. Follow-Up

*Approximately 6 months after receiving the final audit report, the institution should do the following:*

- Meet with the person appointed for oversight for follow-up review to verify implementation of correction action plan
- Prepare for the possibility of additional testing or interviews as appropriate
- Communicate with auditors indicating corrective action plan has been completed
- Check all record retention periods
- Update files as needed
- Review corrective plan for necessary updates to policies, procedures, etc.