

Frequently Asked Questions in an External Audit

1. Transaction Testing:

- Please provide samples of your general ledger to show that expenses are on the budget.
- Provide access to general ledger data supporting the cumulative grant expenditures reported on each Financial Reporting Form. If the grant spans more than one fiscal year, provide general ledger detail for each year. General ledger detail should be at the individual transaction level.
- Provide access to your payroll records for each year covered by grant to facilitate payroll testing.
- Please provide samples of your ledger to show that payroll is appropriately charged.
- Please justify any exceptional expenses, like meetings and entertainment and show documentation of sponsor approval.
- Please show that travel is justified and that the most cost effective travel was planned.
- Provide access to expenditures for sub-contractors, if applicable, to perform testing.
- Please show timeliness of subcontract payments.
- Please show that the sales use tax has been appropriately calculated.
- Provide access to review cash receipts records and highlight the deposits of all grant receipts in your general ledger (For multiple payments deposited in one transaction by the Controller's Office, please contact your EMF service accountant for assistance: http://acctg.ucsf.edu/extramural_funds/communications/EMF_Service_Team_Assignments.pdf)
- Please provide amount of interest income earned on grant funds.

2. University-wide policies and procedures

- Please describe effort reporting system and review process.
- Please describe the software program used for grant/contract reporting, GL and how it interacts with the overall University system
- Please provide documentation establishing the legal and tax-exempt status of your organization.
- Please provide copies of Management Advisory Comments letter issued in connection with the last 2 independent audits.
- Provide a description of the organizations' internal control procedures related to compliance with the financial terms of this grant.
- Please describe timekeeping reporting policies and procedures.
- Please describe sub-grantee policies and procedures (contracts and payment reporting procedures). Please provide template/form for sub-grantee agreements.

- Please describe financial management policies and procedures (if available), including, accounting, financial management, investment management, procurement, expense reimbursement policies, especially with respect to travel and entertainment related expenditures.
- Provide most recent UCSF annual reports and financial statements (audited, if available).

3. **Department**

- Please provide organizational chart of department.
- Provide a description of the department's internal control procedures related to compliance with the financial terms of this grant.
- Please provide department's operational budget for most recent fiscal year.
- Please provide department's annual budget for the coming fiscal year.
- Please provide a list of the department's current funders as well as projected revenue by funder.

4. **Grant-specific**

- Please provide Signed copies of the Grant Agreement, including all attachments and grant extensions.
- Please provide copies of Board minutes.
- Please provide names, titles, background information (including resumes or curriculum vitae), and contact information for officers, directors, trustees and key employees of the organization, and key employees working on the project.
- Provide a copy of each "Interim Progress/Interim Financial and/or Financial Reporting Form" filed to date.