



Sponsored Project Administration Procedure

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| Procedure: | Supporting Sponsored Project Audits and Site Visits |
| Owner: | Sponsored Project Administration |
| Effective date: | 04/30/2018 |
| Last Updated: | 09/29/2021 |

Background

The University of Vermont is subject to financial audits, including those performed by internal, external, state and federal audit offices. This document describes the various types of audits on sponsored awards and the associated roles and responsibilities.

The terms of the award dictate the requirement for and what type of audit may be necessary. Federal and federal pass through awards are included in the annual Single Audit mandated by Uniform Guidance 2 CFR 200 Subpart F. In addition, individual sponsors may require further reviews such as desk reviews of selected invoices or site visits.

Purpose

The goal of this document is to set forth the procedures for supporting financial audits and site visits on sponsored awards. Programmatic audits are overseen by cognizant department personnel.

Roles and Responsibilities

Sponsored Project Administration (SPA)

- Primary management of all audits, desk reviews and site visits connected with sponsored awards.
- Receives audit notice and negotiates timing and scope.
- Notifies Financial and Cost Accounting Services of audit notice, timing, and scope.
- Serves as official point of contact.
- Clarifies requests.
- Provides source documentation.
- Communicates with senior leaders.
- Documents progress, items provided and resolution.
- Notifies UVM Office of Compliance Services as required under University Operating Procedure "Government Reviews".

Principal Investigator (PI) and Unit Administrators (UAs)

- Responds to questions regarding how expenses tie to program objectives.
- Responds to questions regarding personnel effort.
- Affirms awareness of controls and policies.
- Provides justification for expenses.



- Addresses department processes and controls.
- Is available to meet with auditor along with SPA.

Institutional Leadership

- Affirms institution's standards of conduct, compliance.
- Reviews responses and findings.
- Responds to findings with resources, education, or policy.

Finance and Cost Accounting Services

- Provides information and responses for requests involving effort certification and reporting.

Other Central Offices

- Provides source documentation.
- Addresses policy questions.

Definitions

Audit: a systematic review or appraisal conducted by external reviewers or institutional internal audit departments to determine whether internal accounting and other control systems provide reasonable assurance of the following:

- Financial operations are properly conducted.
- Financial reports are timely, fair, and accurate.
- The entity has complied with applicable laws, regulations, and other grant terms.
- Resources are managed and used economically and efficiently.
- Desired results and objectives are being achieved effectively.

Audit Findings: Audit findings result from a process that evaluates audit evidence and compares it against audit criteria. Audit findings can show that audit criterion are being met (conformity) or that they are not being met (nonconformity).

Corrective Action: action taken by the auditee that:

- Corrects identified deficiencies.
- Produces recommended improvements.
- Demonstrates that audit findings are either invalid or do not warrant auditee action.

Desk Review: a limited scope examination of a financial report or invoice to determine whether the report or invoice contains all the required elements and appears to be accurate and logical. Typically the requestors of the review are not on site. Interchangeable with Desk Audit.

Federal Audit Clearinghouse (FAC): the clearinghouse designated by the United States Office of Management and Budget as the repository of record where non-federal entities are required to submit the reporting packages required by Uniform Guidance Subpart F.

Single Audit: a non-federal entity that expends \$750,000 or more in federal awards during the non-federal entity's fiscal year must have a single audit conducted in accordance with Uniform Guidance 200.501.

Site Visit: an onsite evaluation to obtain in-depth information concerning all administrative and programmatic aspects of the award in order to monitor operations and compliance. Interchangeable with program review.



Prepared by Client list (PBC): list provided by auditor detailing all items including documents and records required from the auditee to be examined for the audit.

Schedule of Expenditures of Federal Awards (SEFA): report of all federal and federal flow through expenses by federal program. Prepared and submitted each year as part of the Single Audit.

Uniform Guidance (UG): Office of Management and Budget Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards implemented December 2014.

SPA: Sponsored Project Administration

DSP: Director, Sponsored Project Administration

SPA Leadership Team: Director and SPA Team Leads

CA: Compliance Analyst (SPA)

PI: Principal Investigator

UA: Unit Administrator (for the purpose of all procedures, Business Unit Administrator, Business Manager, Grant Administrator and Department Administrator are all used interchangeably and refer to the person assisting the PI in the Department.)

Procedure

Single Audit

- **Sponsored Project Administration (SPA)**
 - Compliance Analyst (CA)
 - First point of contact with the auditor(s) for all aspects of the audit.
 - Meets with auditors and SPA leadership team to discuss a work plan and determine a schedule.
 - Reviews Prepared by Client list received from the auditor, clarifies items as necessary.
 - Generates initial Schedule of Expenditures of Federal Awards and detailed transaction queries which are the basis for specific award and transaction selections to be reviewed.
 - Manages collection of all requested records and documents and submits to the auditor.
 - Liaison with Principal Investigators and Unit Administrators to obtain additional information requested by auditors, distribute auditor generated questionnaires, schedule and attend in person meetings as requested by the auditors.
 - Provide support to PIs and Unit Administrators in completing the auditor generated questionnaire and preparation for meetings with auditors.
 - Attends exit conference with auditors and SPA senior management.
 - Prepares final Schedule of Expenditures of Federal Awards (SEFA) with notes to SEFA and final reconciliation to the General Ledger.
 - Works with auditors to submit final SEFA to the Federal Audit Clearinghouse (FAC).
 - Works with SPA leadership team to respond to issues and audit findings, if any.
 - Team Leads, Financial Analysts (FA), other SPA staff
 - Provide input for process memos as requested by CA.
 - Provide clarification on various SPA procedures as requested by CA.
 - Respond to CA questions on specific awards, transactions, financial reports, etc.
 - Operations and Office Support



- Schedules space for auditors.
 - Locates and pulls selected grant files and other materials as requested.
 - Provides support to CA as requested.
- Director, Sponsored Project Administration
 - Institutional approval of completed SEFA and audit package submitted to the Federal Audit Clearinghouse.
- **Principal Investigator (PI) and Unit Administrators (UAs)**
 - Provide justification and additional documentation for transactions as requested by CA.
 - Complete auditor compiled questionnaire forwarded by CA.
 - Attend in-person meetings requested by auditors to review project objectives for selected awards, as well as discussion of departmental controls, processes, and policies with support from CA.

Other External Audits, Site Visits

- Notification of intention to perform an audit or site visit can be received in various ways from our sponsors. Typically SPA receives the notification directly from the sponsor; however, if the audit notice is received by the PI or Unit Administrator it must be forwarded to SPA@uvm.edu and the SPA Compliance Analyst Angie Leahey at angie.leahey@uvm.edu.
- If the notification is from a government agency, SPA CA will immediately notify Compliance Services in accordance with University Operating Procedure Government Reviews. For each government review, Compliance Services designates a Contact Person. Please refer to the [Government Reviews UOP](#).
- SPA CA will respond to the sponsor confirming receipt of communication and becomes UVM point of contact for the audit or site visit.
- Compliance Analyst notifies:
 - SPA leadership team
 - Principal Investigator and Unit Administrator
 - Financial and Cost Accounting Services
 - Other SPA staff as needed
- Compliance Analyst reviews request and manages the collection of requested materials.
- Compliance Analyst works with PI, UA, SPA staff and other UVM staff and units as needed to provide clarification, justification or other background information required.
- Compliance Analyst and other individuals as deemed necessary by the auditors attend scheduled meetings including entrance, status, and exit conferences.
- Any audit issues or findings are addressed by SPA, with input from other University units as needed such as PI departments, Dean's Offices, Institutional Leadership, Compliance Services, and Legal Counsel.
- Compliance Analyst receives and disseminates as appropriately written conclusions and formal audit closeout documents.

Desk Reviews

- Sponsor or sponsor designate contacts UVM with the intention to perform a desk review of selected invoice or financial report. Typically these are sent directly to SPA; however, if the notice is received by the PI or Unit Administrator it must be sent to SPA@uvm.edu and the SPA Compliance Analyst Angie Leahey at angie.leahey@uvm.edu. If the desk review is being performed by a government agency and the type of



review is not listed as an exception in UVM's [Government Reviews UOP](#), SPA CA will immediately notify the Office of Compliance Services.

- SPA CA will respond to the sponsor confirming receipt of the communication and becomes UVM point of contact for the desk review.
- Desk review is performed from sponsor or sponsor designated place of business.
- Compliance Analyst works with PI, UA, SPA staff and other UVM staff and units as needed to provide clarification, justification or other background information required.
- Compliance Analyst submits materials.
- Any audit issues or findings are addressed by SPA, with input from other University units as needed such as PI departments, Dean's Offices, Institutional Leadership and Legal Counsel.
- Compliance Analyst receives and disseminates as appropriately written conclusions and formal audit closeout documents.

Internal Audits

- Internal Audit (IA) department notifies SPA of intention to conduct the audit on a specified subject related to sponsored project administration.
- Internal Audit meets with SPA Director and Compliance Analyst to discuss scope, work plan, and timeline for audit.
- Compliance Analyst is designated the first point of contact for Internal Audit communications.
- Compliance Analyst manages collection and submission of requested materials.
- Compliance Analyst works with SPA staff and other UVM staff and units as needed to provide clarification, justification or other background information required.
- SPA senior management and Compliance Analyst meet with Internal Audit to discuss IA observations, issues, and possible findings.
- Internal Audit issues draft report detailing all phases of the audit including recommendations for possible corrective actions.
- If needed, SPA leadership team responds with the corrective action plan.
- Internal Audit issues final report.
- If needed, SPA implements the corrective action plan and reports completion to Internal Audit.

Helpful Links

[Uniform Guidance](#)

[UVM: University Operating Procedure Government Reviews](#)

Document Change Record

| Date | Version | Author | Change Details |
|------------|---------|--------|---|
| 04/30/2018 | 1 | SPA | Initial release |
| 02/11/2021 | 1.2 | SPA | Contact Information Updated |
| 09/29/2021 | 1.3 | SPA | Add FCAS and OCS roles and programmatic audit clarification |