It is the policy of the Holy Cross College to fully cooperate with external auditors. An external auditor is defined as any outside program review, compliance office or external auditor, e.g. state, federal or private firm. In the furtherance of this objective, it is expected that auditors and college personnel will observe certain procedures intended to facilitate orderly audits and to minimize disruption of normal departmental operations.

1. General
   As part of the audit coordination process, the Financial Services Department will serve as liaison between the College departments and external auditors. All initial contacts with external auditors should be arranged through the Chief Financial Officer or their delegate. If any College personnel are contacted directly by an external auditor, they should notify the Chief Financial Officer. Appropriate advance arrangements must be made to ensure that (1) the proper persons are on hand to assist the external auditors, (2) relevant records are gathered together in a timely manner, and (3) the contact is scheduled to minimize disruption of departmental activities.

   The Audit Director or delegated agent of the Audit Director will keep a record of all correspondence, meeting minutes, phone notes, and other communications between the external auditor and the College.

2. Notification of Audit
   A. By the Auditor

   The external auditor should send a written notification of the upcoming audit to the Audit Director. The written notification should include the following:

   - subject area
   - scope and purpose of the audit
   - approximate start date and duration of the audit

   This will assist the College in arranging for people and records to be available when the external auditor requires them.
B. By the Audit Director

The Chief Financial Officer will appoint an Audit Director. The Audit Director will notify the appropriate College officials regarding the scope, purpose, schedule, and other information relevant to the upcoming audit.

3. Entrance Conference

The College Audit Director will coordinate an entrance conference with the appropriate College officials and the external auditors. The objectives of this conference are to establish the purpose, scope, and timing of the audit or review; determine the information required by the external auditor; and arrange the physical facilities and equipment needed to facilitate the audit. Minutes of the meeting will be taken and made available to the appropriate College personnel.

4. Contact During Audit

After the entrance conference, all requests for specific information or interviews with faculty and staff should be coordinated through the Audit Director. The Audit Director or appropriate College personnel may accompany faculty or staff members during interviews when deemed appropriate. The external auditor should keep the Audit Director or designated College official informed of any mistakes, discrepancies, or audit questions or concerns that arise during the audit process. The purpose of such contact is to expedite the audit and to provide additional information or clarify any ambiguities.

For specific external groups, certain procedures during the audit may vary from the general procedures, as discussed below.

A. Federal Auditors

*Pre-Award Audits*

After the entrance conference, all questions and requests for specific information or interviews with employees will be coordinated through the department administrator or appropriate department personnel. The department administrator will obtain the necessary documentation and will arrange for interviews.

*Program Reviews*

Program reviews are often conducted to review program operations and to determine whether the project is meeting programmatic goals. In these cases, the program reviews should be coordinated through the department administrator who will obtain the necessary documentation and arrange for interviews. However,
some program reviews, such as those conducted by the U.S. Department of Education, include a review of fiscal operations. In these cases, the department administrator should coordinate the review of fiscal operations with the Audit Director.

For program reviews of student financial aid, the Department of Education may work directly through the Director of Financial Aid.

B. State Auditor's Office and CPA Firms

After the entrance conference, all requests for specific information or interviews with staff can be arranged through the appropriate department administrator or designated College personnel.

5. Exit Conference

When the audit has been completed, the Audit Director will schedule an exit conference. The purpose of the exit conference is to inform College representatives of the audit findings. At this time, any misunderstandings are clarified and unresolved financial issues discussed. Minutes of the meeting will be taken and made available to the external auditors and appropriate College personnel.

6. College Records

On a timely basis, the College will provide external auditors with access to all records that are relevant to the audit, except those deemed by the College to be legally privileged or protected. Availability of records is subject to the College Records Retention policy, which allows destruction of records within prescribed limits. Records may be located in either the central offices (Financial Services, Grants and Contracts Accounting, Grants and Contracts Services, Payroll) or at the departments. The external auditor must make arrangements through the appropriate department head or administrator for the retrieval and refilling of records.

7. Use of College Computer and Administrative Systems

If external auditors need to use College computer resources or access the College administrative systems, the auditor-in-charge should send a written request to the Audit Director describing the need in the most specific terms possible. Such a request should be made in advance so that proper arrangements can be made.

Responsibility: Chief Financial Officer