



## TEXAS TECH UNIVERSITY™

### Operating Policy and Procedure

#### **OP 04.02: Audits and Reviews by External Auditors**

**DATE:** March 19, 2008

**PURPOSE:** This Operating Policy/Procedure (OP) sets forth the procedures for communication among university departments and the Office of Audit Services related to audits and reviews by external auditors.

**REVIEW:** This OP will be reviewed in March of even-numbered years by the chief audit executive of the Texas Tech University System (TTUS) with recommended revisions forwarded to the president by April 15.

#### **POLICY/PROCEDURE**

The university periodically is the subject of audits or reviews performed by the State Auditor's Office, the state Comptroller of Public Accounts, the Legislative Budget Board, other state or federal agencies, or external auditors engaged by those agencies. Such engagements not initiated within Texas Tech will be referred to as involuntary engagements. The university also acts to engage external auditors for audits or reviews from time to time. This OP establishes policy for communication among university departments and the Office of Audit Services (OAS) related to involuntary engagements as well as those initiated by university personnel.

##### **1. Coordination and Communication for Involuntary Audits or Reviews**

- a. When an administrator is notified of a planned or expected audit or review by a state or federal agency, regulatory body, or other external auditor, the TTUS chief audit executive should be notified.
- b. The TTUS chief audit executive, along with the appropriate level of administration, will determine the level of involvement of the Office of Audit Services. At a minimum, a member of OAS may attend the entrance and/or exit conferences for the engagement. The OAS may also be involved in coordination, gathering data, assisting with fieldwork, and/or reviewing management responses.

##### **2. Coordination and Communication for Audits or Reviews Initiated by the University**

- a. V.T.C.A. Government Code §321.020, Coordination of Certain Audits, requires that the state auditor give prior approval for the engagement of any external auditor. The TTUS chief audit executive will assist university administrators with obtaining such approval.
- b. To initiate the approval process, the administrator should provide the TTUS chief audit executive with the request for qualifications (RFQ) for the engagement. The TTUS chief audit executive will then request approval for the engagement from the State Auditor's Office.

- c. When the state auditor has responded to the request, the TTUS chief audit executive will communicate the results of the request to the administrator.
  3. When a final written report is issued to the university as the result of any type of engagement described above, a copy should be provided to the Office of Audit Services. The TTUS chief audit executive will ensure communication of the results of the engagements to the president, the chancellor, and the Audit Committee of the Board of Regents.
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