

AUDIT FINDING

PURPOSE

To ensure that audit findings and recommendations are properly resolved in as timely a manner as possible as per Chapter 647 of the Acts of 1989. The law establishes the minimum level of quality acceptable for internal control systems for state agencies of the Commonwealth. This procedure explains the requirements for responding to audit findings and recommendations.

POLICY

Each year an annual independent audit is conducted. When findings and recommendations are disclosed by the audit team, it is the university's position to respond to these findings and recommendations in a timely way. On occasion, additional audits will be conducted. These recommendations will be responded to in the same timely manner. All findings will be reported to the Audit Committee of the Board of Trustees.

PROCEDURES

A. Management Letters

1. At the conclusion of the annual independent audit, the audit firm may prepare a management letter.
2. The letters will highlight all of those specific areas that were noted during the audit, which require corrective action.
3. Generally speaking, this recommendation will only contain items considered to be material weaknesses. The letter is addressed to the President of the university.

B. University Response

1. It will be the university's responsibility to officially document responses to the letter, addressing how and when it plans to take corrective action.
2. The letter is usually pre-issued in a draft state; therefore, responses will be timely and completed by the Associate Vice President of Finance.

Westfield State University

Policy concerning:

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Section Administrative

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page 2 of 2

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3. The University Internal Auditor is apprised of all audit findings.
4. The audit findings and/or recommendations will then be re-evaluated at the next annual independent audit to determine compliance with the official responses to the management letter.

REVIEW

This policy shall be reviewed annually by the Vice President for Administration and Finance.