

## **Preparing for a Grant Audit Checklist**

### **1. Understand the Audit Scope**

- Review Audit Requirements: Understand the scope and requirements of the audit, including the specific grant programs and time periods being audited.
- Gather Audit Notifications: Collect any communications or notices related to the audit.

### **2. Organize Financial Records**

- Compile Financial Statements: Prepare and review financial statements related to the grant.
- Verify Expenditures: Ensure all expenditures are accurately recorded and match the grant agreement.
- Reconcile Accounts: Reconcile grant-related accounts to ensure accuracy.

### **3. Review Grant Documentation**

- Collect Grant Agreements: Gather copies of all grant agreements, modifications, and related documents.
- Verify Compliance: Ensure all grant requirements and conditions have been met.
- Organize Correspondence: Assemble all correspondence related to the grant.

### **4. Prepare Supporting Documents**

- Gather Receipts and Invoices: Collect all receipts, invoices, and other supporting documentation for expenditures.
- Check Contracts and Agreements: Ensure contracts, subawards, and agreements are in order and comply with grant requirements.
- Document Cost Allocation: Provide documentation supporting cost allocation methods and calculations.

### **5. Review Internal Controls**

- Verify Segregation of Duties: Ensure that duties are properly segregated to prevent conflicts of interest and fraud.

- Assess Internal Controls: Review internal controls to ensure they are functioning effectively and are in compliance with grant requirements.

## **6. Prepare for Interviews**

- Identify Key Personnel: Determine which staff members will be interviewed and ensure they are prepared.
- Review Roles and Responsibilities: Brief staff on their roles and responsibilities related to the grant.

## **7. Check Compliance with Regulations**

- Review CFR 200 Compliance: Ensure compliance with applicable sections of CFR 200, including financial management, cost principles, and administrative requirements.
- Verify Reporting Requirements: Confirm that all required reports have been submitted on time and are accurate.

## **8. Conduct a Pre-Audit Review**

- Perform a Self-Audit: Conduct an internal review or self-audit to identify and address any potential issues before the official audit.
- Address Findings: Resolve any issues or discrepancies identified during the self-audit.

## **9. Prepare Audit Workspace**

- Designate Space: Provide a designated workspace for auditors, if necessary.
- Ensure Access: Ensure auditors have access to all required documents and records.

## **10. Coordinate with Auditors**

- Schedule Meetings: Coordinate with auditors to schedule meetings and interviews.
- Clarify Requests: Ensure that all auditor requests are clear and promptly addressed.

## **11. Review Previous Audit Reports**

- Review Past Findings:** Review findings from previous audits to ensure that corrective actions have been implemented.
- Document Improvements:** Document any improvements or changes made since the last audit.

## **12. Prepare for Post-Audit**

- Review Audit Report:** Prepare to review the audit report and address any findings or recommendations.
- Plan for Corrective Actions:** Develop a plan to implement corrective actions based on audit findings.