

## 3.24 Audits

**Policy:** The GSHWC will have an annual, independent audit performed as required by OMB Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Super Circular) and as directed by the Board of Directors.

**Purpose:** To ensure protection of GSHWC assets by an outside independent audit of records.

**Procedures:**

As directed by the Board of Directors, the CEO, or designee, will arrange for an annual independent financial audit of GSHWC. The audit will be performed in accordance with the American Institute of Certified Public Accountant's Guidelines and the requirements of OMB Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Super Circular).

1. The Center will issue an Engagement Letter for each annual audit, requiring the following:
  - a. Audit will be in compliance with the " Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Super Circular)."
  - b. A Federal Financial Report (FFR – form SF-425 – long form) will be prepared for each federal program requiring same.
  - c. A reconciliation of the audit report and the FFR will be prepared.
  - d. The AICPA standards for the audit and the components of the audit report will be followed.
  - e. GSHWC will endeavor to receive an unqualified opinion on the audit.
  - f. All appropriate financial and management records will be made available to the auditors, as well as all necessary disclosures.
  - g. A Management Letter to the GSHWC Board of Directors will be prepared by the auditors with each audit.

The Audit Report, Management Letter, and any other pertinent information will be presented to the Board of Directors by the audit firm. The CEO will provide a corrective action plan for any deficiencies identified in the audit report. The Board of Directors shall review and approve

the corrective action plan. This will be recorded in the minutes of the Board meeting. The audit report and accompanying documents will be filed with the appropriate Federal, State, and Local agencies, as required.