

CALIFORNIA INSTITUTE OF TECHNOLOGY
OFFICE OF FINANCIAL SERVICES

Protocol for External Auditor Interaction with Caltech

The following is intended to set forth some general guidelines for DCAA and other external auditors (e.g., PricewaterhouseCoopers), hereafter referred to as “Auditors,” to follow when performing audits at the California Institute of Technology.

- All audits should be initially coordinated through the Controller in the Office of Financial Services (OFS).
- The Controller will schedule a formal entrance conference and will name a Caltech “lead” (and back-up lead) for the audit. The lead and other significantly affected department representatives will be in attendance. The entrance conference may be held over the telephone if all parties agree. Both Caltech and Auditors must be aware that the meeting/discussion is intended as an entrance conference.

At the entrance conference, Caltech requests that, at a minimum, the Auditors make Caltech aware of the following:

- Scope of audit
- Requestor (agency), if applicable
- Auditors who will be involved in the project, including contact details and work schedule (i.e., what days they are normally scheduled to be at Caltech)
- Timing of the audit – estimated start and anticipated completion dates
- Type of deliverable/report
- Caltech’s opportunity to review or comment on the deliverable

The Caltech lead will inform the Auditors of its departmental audit support process during the entrance conference for each audit. The Caltech lead will designate specific contact personnel for all functions within their operation. The Auditors will channel all questions and requests for information through these contacts only.

Depending on the complexity and length of the audit, weekly status meetings/phone conferences may be scheduled.

- All requests for information will be in writing (to the lead) and must include a date the information is needed. If the request is somewhat “informal,” the Auditor may call the lead and/or departmental contact; however, Caltech may still require the request be followed up in writing. Caltech will inform the Auditors if audit requests will take additional time.
- A Caltech representative will accompany Auditors on all visits with Caltech faculty, researchers, and/or staff, including walkthroughs of Caltech locations outside of the Office of Financial Services. The Auditors will contact the Caltech lead or Controller to facilitate this.

Protocol for External Auditor Interaction with Caltech (cont'd)

- Requests for Oracle downloads/reports may take more than one day. Every effort should be made to provide Caltech with at least 48 hours to respond to a request for downloads/reports.
- Potential findings should be communicated to the Caltech lead as soon as possible.
- The Caltech lead or the Controller should be made aware immediately of any known changes in audit deadlines that will impact Caltech.
- If the Auditors encounter any delays from Caltech or have a concern about turnaround times and/or responsiveness of Caltech staff, they should make either the Caltech lead or the Controller aware of this concern immediately.
- Upon notification from the Auditors, the Controller will schedule an exit conference. Again, this meeting may be held over the telephone if all parties agree. There should be no “surprises” at the exit conference, i.e., if the protocol is followed, all issues/concerns/findings will have been discussed prior to the exit conference.