

Common Audit Findings Quick Guide

Common Findings by the US Department of Education	SPPS Procedure to Prevent
Failure to follow procurement standards <ul style="list-style-type: none"> ● Inadequate documentation ● Missing receipts, purchase orders, invoices or canceled checks 	Micro-purchase P-Card Purchase Req for Services Purchase Req for Supplies and Equipment Sole-Source or Noncompetitive Purchase Voucher
Issues with compensation <ul style="list-style-type: none"> ● Time and Effort charged at a higher rate than the worker's regular salary, or in <u>addition to</u> employee's salary ● Time and Effort reports that are missing, incomplete or not timely 	Time and Effort
Lack of timely audits or failure to correct problems identified in audit reports	Audit Grant Reporting
Lax inventory control	Equipment Inventory and Reconciliation Portable and Attractive Supplies Property Control Tags Transfer and Disposal
Poor cash management procedures <ul style="list-style-type: none"> ● Excessive drawdowns ● Large available balance 	Comparing Budget to Actual Recording Revenue in Activity Tracker Requesting and Receiving Federal Funds
Poor or inadequate internal controls	Food Purchase Regulations Petty Cash Preparing Deposit for Bank Preventing Fraud, Waste and Abuse Receiving Cash or Checks on Behalf of SPPS Reporting Possible Fraud
Poor record-keeping <ul style="list-style-type: none"> ● Records not in order or not retained supported adjustments 	Document Retention and Access SPPS follows the accounting principles established by GASB
Using an incorrect indirect cost rate	Developing a Budget
Using federal funds for unallowable costs and activities	Gift Cards Reasonable, Allowable Quick Guide
Violation of cost principles	Conflict of Interest Employee Code of Conduct

Unfavorable audit findings can result in more frequent reporting and monitoring, repayment of funds, loss of continuation of multi-year award, and/or termination of an award.