

## **NCAA Internal Audit Process**

### **Division III Strategic Initiatives Conference Grant Program**

The NCAA internal audit department has expressed the need to conduct a more thorough and regular assessment all NCAA grants and scholarships, including the Division III Strategic Initiatives Conference Grant Program. The assessment is consistent with better business practices, the desire for greater accountability and the significant dollar value allocated to NCAA grant and scholarship programs.

#### **Scope of Work**

Each year, following the fall review of the Conference Grant Impact Form, the Strategic Planning and Finance Committee (SPFC) Conference Grant Review Subcommittee shall submit at least three conferences for a Level Two review (as defined in the Conference Grant Program Policies and Procedures document). This review may be part of the national office's program to monitor grant funding or may be for cause. To identify the three conferences selected, the subcommittee will first determine if any conferences should receive a for-cause audit, based on the rationale detailed in the Strategic Initiatives Conference Grant Program Policies and Procedures document. The subcommittee will select the remaining conferences on a rotational basis.

A Level Two assessment entails the NCAA collecting the conference's receipts and other grant related documents for examination and validation. The NCAA internal audit department will initiate the assessment by contacting the conference office, via teleconference, to discuss the assessment timeline and process. The internal audit staff also will provide a document request that lists the documents required to complete the review. Additionally, the internal audit staff will schedule a follow-up teleconference to discuss the supporting documentation. The Level Two assessment usually takes less than one week to complete once all information is received. The NCAA typically completes Level Two assessments remotely without visiting the conference office.

Beyond the information detailed above, the following is a list of potential questions conference commissioners might have regarding the Level Two assessment process:

- 1. Who will receive the assessment report?** Following the Level Two assessment, a report will be presented to the conference office and the SPFC Conference Grant Subcommittee to summarize the assessment's results. Following its review, the subcommittee will present a report to SPFC outlining its findings. If the assessment shows that funds have been used in a manner inconsistent with the grant program policy, SPFC will act based on the criteria defined in the policies and procedures document.
- 2. Will the conference have an opportunity to review the assessment report prior to wider distribution?** Yes. The NCAA will communicate the assessment results with the conference office prior to finalizing the report. The conference office will have the opportunity to review the draft report and provide any additional information that may be relevant to the assessment prior to the final report distribution.
- 3. When will a conference be informed if it has been selected for a Level Two assessment?** Mid-September. An internal team of NCAA staff conducts its standard review of each conference's impact form each July and August. Following the NCAA staff review, the Conference Grant Review Subcommittee of the Strategic Planning and Finance Committee will conduct a review of the conference impact forms in late August or early September. At this point, the subcommittee may deem that a Level Two review is necessary.
- 4. What is the standard response time requirement for a conference to submit all requested documentation following the initial teleconference?** The NCAA will allow sufficient time for the conference to gather the requested documentation. Typically, conferences provide the requested documentation within 30 calendar days of the formal document request.

5. **What type of documentation will the conference have to provide during a Level Two assessment?** The NCAA will request and review documentation to support the conference's submitted Impact Form. Documents include receipts, invoices, bank statements, or any other documents to support the use of grant funds.
6. **Would the conference's third-party reviewer be contacted or need to participate in the Level Two assessment process?** No. The NCAA does not require the third-party reviewer's participation. However, the conference may use its third-party reviewer to gather the documentation at the conference's expense. The NCAA will not provide expense reimbursement for third-party costs.
7. **If a conference is selected for a Level Two review, does the conference need to submit the Third-Party review?** Yes. The NCAA internal audit department will perform an independent assessment of the conference grant usage and will not rely on the third-party review to complete the assessment. However, the selection of a Level Two review does not waive any reporting requirements of the Division III Strategic Initiatives Conference Grant Program.