

NCAA Internal Audit Process

Division III Strategic Initiatives Conference Grant Program

NCAA internal audit reviews a sample of NCAA grants and scholarships, including the Division III Strategic Initiatives Conference Grant Program, each year. This review strives to share better business practices with our conferences and provide increased accountability for the significant dollars 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 selects at least three conferences for a Level Two review (as defined in the Strategic Initiatives 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. The subcommittee determines if conferences are selected for cause, based on the rationale detailed in the Strategic Initiatives Conference Grant Program Policies and Procedures, and selects the remaining conferences on a rotational basis.

A Level Two assessment entails the NCAA collecting conference receipts, and other grant-related supporting documents, to evaluate them for compliance with grant policies and procedures. NCAA internal audit commences the assessment by contacting the conference office and scheduling a teleconference to discuss the assessment process and timeline. Internal audit provides each conference with a document request list summarizing the transactions by tier of spending selected for review and the supporting documents necessary to complete the review. The NCAA completes Level Two assessments remotely without visiting the conference office. Supplementary emails and meetings may be scheduled throughout the normal course of the review process.

Prior to the completion of the review, Internal audit will provide conferences with a written memorandum summarizing the results of their audit and will schedule an audit closing meeting to discuss the results. This meeting will take place before the memorandum is finalized and shared with NCAA governance staff and the Conference Grant Review Subcommittee.

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 memorandum/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 memorandum. The conference office will have the opportunity to review a draft report and provide any additional information 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 in 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 receiving the formal document request list.
5. **What type of documentation will the conference have to provide during a Level Two assessment?** The NCAA will request and review documents that support the conference's 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 additional expense reimbursement for third-party costs.

Note: Each year, conference offices must provide documentation of a third-party external review of grant fund usage (as outlined below) to the NCAA national office not later than October 15. Examples of appropriate third-party reviewers are a member institution's business office (that does not handle conference finances directly); chair of the conference's presidential oversight body (e.g., institutional president); the conference's bank; or an outside accounting firm etc.
7. **If a conference is selected for a Level Two review, does the conference need to submit the Third-Party review?** Yes. NCAA internal audit 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.