

**CHAPTER 5. AUDIT LIAISON AND FINANCIAL INFORMATION REQUESTS**

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## CHAPTER 5. AUDIT LIAISON AND FINANCIAL INFORMATION REQUESTS

### 5.1 OVERVIEW.

5.1.1 The audit liaison function assists and supports management in responding effectively and efficiently to audits, evaluations, assessments, and reviews and facilitates the audit process. At NASA, the financial audit liaison function is also used to respond to other types of financial information requests. This chapter details the roles and responsibilities involved in the financial audit liaison function within the Office of the Chief Financial Officer (OCFO).

### 5.2 POLICY.

5.2.1 NASA shall have an established audit liaison function for financial management operations. Financial managers and program managers with financial management responsibilities shall perform the audit liaison functions of those functions consistent with Agency-wide policy outlined in NPD 9910.1 and as specified in this Volume, adhering to guidance and deadlines that may be established by the OCFO for each audit, or information request.

### 5.3 AUTHORITIES AND REFERENCES.

#### 5.3.1 Legislation and Regulations.

- A. Federal Managers Financial Integrity Act of 1982, Public Law 97-255 (31 U.S.C. § 3512). This law amends the Accounting and Auditing Act of 1950 by requiring ongoing evaluations and reports of the adequacy of the systems of internal accounting and administrative control of each executive agency.
- B. Chief Financial Officers Act of 1990, Public Law 103-576 (31 U.S.C. §§ 901-903). This law amended 31 U.S.C. to improve financial management in the Federal government, establishing a CFO within each major executive Agency and setting forth the responsibilities of that position.
- C. OMB Circular No. A-50, Revised, Audit Followup. This Circular provides the policies and procedures for use by executive agencies when considering reports issued by audit organizations.
- D. OMB Circular No. A-123, Management's Responsibility for Internal Control. This Circular provides guidance to Federal managers on improving the accountability and effectiveness of Federal programs and operations by establishing, assessing, correcting, and reporting on internal control and specifies that internal control should be an integral part of the entire financial cycle, including auditing.
- E. OMB Circular No. A-127, Financial Management Systems. This Circular prescribes policies and standards for executive departments and

agencies to follow in developing, operating, evaluating, and reporting on financial management systems.

#### 5.3.2 NASA Policy and References.

- A. NASA Policy Directive (NPD) 1200.1, "NASA Internal Control." This NPD establishes NASA's policy regarding the Agency's internal control program and delegates management responsibilities for the development, implementation, and effectiveness of internal controls, as well as the annual assessment of and reporting on the effectiveness.
- B. NPD 9910.1, "Government Accountability Office/NASA Office of Inspector General Audit Liaison, Resolution, and Followup." This NPD provides agency policy concerning the establishment of processes to ensure prompt and proper management decisions and implementation of GAO/IG audit recommendations.

#### 5.4 ROLES AND RESPONSIBILITIES.

- 5.4.1 The responsibilities for the NASA Administrator, Audit Followup Official (AFO), Office of Internal Controls and Management Systems (OICMS), Officials-in-Charge (OICs) of Headquarters Offices, and Center Directors are outlined in NPD 9910.1.
- 5.4.2 Director, QAD, OCFO. The Director, QAD, shall serve as the OCFO focal point for all financial management audits, reviews, evaluations, and assessments, and financial information requests submitted by audit organizations, coordinating with all parties to ensure requirements are met in a complete and timely manner.
- 5.4.3 OCFO Audit Liaison Representative (ALR). The OCFO ALR, as a representative of the Director, QAD, shall provide day-to-day coordination of audit liaison efforts for the financial management community.
- 5.4.4 NASA Organizations Receiving Requests by Audit Organizations. Any NASA organization receiving inquiries and requests from audit organizations for financial information shall forward them to the QAD.
- 5.4.5 Center CFOs. Each Center CFO shall assign a Center POC to be the focal point for all financial audits and informational requests and ensure that the Center POC understands and carries out the responsibilities associated with audit liaison. These responsibilities may be held by the Center ALR, and the Center CFO may assign more than one POC if deemed necessary. NASA Shared Services Center (NSSC) is considered a Center in the context of this chapter.
- 5.4.6 Manager, Business Process and Application Support Office, Integrated Enterprise Management Program (IEMP) Competency Center. The Manager, Business Process and Application Support Office, IEMP Competency Center shall assist the OCFO ALR and other ALRs as

requested or approved by QAD and ensure that all financial management audit activities involving the Competency Center are cleared by QAD.