



CANCER PREVENTION & RESEARCH
INSTITUTE OF TEXAS

Released April 23; updated June 3 to reflect resumption of standard AUP procedures June 1

**Process for Agreed Upon Procedures Audits
Affected by COVID-19**

Resumption of Standard Agreed Upon Procedures June 1

Beginning June 1 grantees should resume following the standard requirements for equipment inventory as described in Section 12.4.4.7 of *CPRIT's Grant Policies and Procedures Guide* when completing an agreed upon procedures (AUP) audit.

If a grantee is unable to complete the equipment inventory for the AUP after May 31 due to an ongoing inability to access the equipment because of COVID-19, the grantee may request additional time to complete and submit the audit to CPRIT by completing a "Change not otherwise specified" request in CPRIT's Grant Management System (CGMS).

Alternative Process Allowed through May 31

CPRIT provided guidance to grantees for alternative processes for addressing compliance issues associated with an incomplete equipment inventory in the AUP audit because the grantee and/or auditor was unable to physically access the grantee equipment due to COVID-19. The alternative processes, explained below, are not applicable after May 31, 2020.

- If a grantee is unable to provide a complete equipment inventory list along with other documentation related to the procurement of the equipment according to the procedures outlined in CPRIT Policies and Procedures Guide, Sec. 12.4.4.7. *Equipment* to the auditor due to the restrictions in place from the COVID-19 disaster, then the auditor must explain this situation in the AUP audit report submitted to CPRIT.

For incomplete AUP audits submitted using the special guidance, CPRIT compliance staff will perform alternate equipment verification procedures following the lifting of the restrictions due to the COVID-19 disaster to address this compliance issue. In order to perform the follow-up equipment procedures, the grantee must notify CPRIT compliance staff that the facility is now accessible and employees can return to work and provide CPRIT compliance staff with the inventory list of equipment purchased during the period covered by the AUP audit. CPRIT compliance staff will select the equipment sample and request documentation from the grantee to perform the necessary. This documentation may include photographs of equipment to verify the physical location and property tags of the sampled equipment in lieu of CPRIT compliance staff traveling to the grantee's facility to perform this verification.

- If a grantee is able to provide a complete equipment inventory list and other documentation related to the procurement of the equipment to the auditor but the auditor could not verify the physical location and property tags of the sampled equipment before June 1, then the auditor must explain this circumstance in the AUP audit report submitted

to CPRIT. For grantees that submitted an incomplete AUP audit using the special guidance, CPRIT compliance staff will perform alternate equipment procedures following the lifting of the restrictions due to the COVID-19 disaster to address this compliance issue.

In order to perform the follow-up equipment procedures, the grantee must notify CPRIT compliance staff that the facility is now accessible and employees can return to work and provide CPRIT compliance staff with the inventory list of equipment purchased during the period covered by the AUP audit. CPRIT compliance staff will select the equipment sample and request documentation from the grantee to perform the required procedures. The grantee must notify CPRIT compliance staff when their facility is accessible for employees to return to work and provide CPRIT with the complete inventory list of equipment purchased during the period covered by the AUP audit. CPRIT compliance staff will select its own equipment sample because the audit report does not document the equipment sample chosen by the auditor. The alternate procedures will consist of document requests against the equipment sample for photographs of equipment to verify the physical location and property tags of the sampled equipment in lieu of CPRIT compliance staff traveling to the grantee's facility to perform this verification as well as invoices or other procurement documentation to verify that the equipment in the sample was purchased during the period covered by the grant award.

More information about AUP requirements are available in CPRIT's administrative rule § 703.13 and CPRIT's Grant Policies and Procedures Guide at Section 12.4.4.