Audit Process Overview

PLANNING

1. AUDIT SURVEY PHASE: Audit gathers relevant background information, assesses risks and internal controls; and establishes the engagement's scope, objectives, and methodology.

2. ENTRANCE CONFERENCE: Auditor provides background on audit processes, reasons for the audit, addresses management concerns, and identifies key contacts. Management assigns a staff liaison.

3. AUDIT FIELDWORK PLAN: Provides a plan for Audit to obtain and evaluate evidence that will ultimately support audit findings and conclusions.

INFORMATION GATHERING

4. FIELDWORK: Audit collects evidence to provide reasonable basis for conclusions. Management provides information to Audit, and liaison communicates updates up and down the chain of command.

5. POST-FIELDWORK CONFERENCE: Audit provides a summary of audit findings and engages Management in constructive discussion regarding areas of improvement or clarification.

6. EXIT CONFERENCE: Audit provides draft of audit report and addresses Management questions. Management's ability to review and comment helps ensure accuracy, objectivity, and completeness.

7. MANAGEMENT RESPONSE: Management provides their written response to Audit's recommendations from the revised report.

REPORTING

8. POST-AUDIT MEETING: Audit and Management meet prior to Audit Committee meeting to ensure they understand each others' points of view. Factual differences should be resolved.

9. AUDIT COMMITTEE REVIEW: Ensures the report is clear and balanced. Management provides context for audit recommendations as well as their plans for implementing the recommendations.

10. PUBLIC RELEASE & DISTRIBUTION: The report is distributed to officials for oversight and decision-making as well as to the public to promote transparency and accountability.

11. FOLLOWUP REVIEW: Based on the implementation date, Management provides an update on all audit recommendations to ensure action or notify that Management has accepted risk of inaction.