

Middle Management Conference

Performance Audit Roundtable

Monday, April 16, 2007 10:30 a.m.

Moderator: Joe Butcher

Introductions

Topics for Discussion

- **Yellow Book Standards** – Changes to the performance audit standards contained in the 2007 revision to the Yellow Book. (Marcia Buchanan)
 - Determining when evidence is sufficient and appropriate to use in a performance audit report.
 - Utilizing unaudited 3rd party evidence.
 - Level of assurance in a performance audit.
 - Concepts of significance and audit risk in performance audits.
 - Assessing the reliability of computer processed data.
 - Auditor's responsibilities for fraud and abuse.
 - What to do if auditors discover the report was issued without sufficient appropriate evidence.
 - Expanded GAGAS statement.
 - Adding restrictions on access as an example of an external impairment to independence.

- **Effective Reporting** – What practices do you employ at your agency to:
 - Make your reports more visible to the media.
 - Make your reports easier to read for the intended audience.
 - Get the recommendations implemented.
 - Adapt to the new Yellow Book reporting standards.

- **Releasing the Report** – What is your agency's practice when releasing reports to the public?
 - E-mail notification?
 - Press releases or press conferences?
 - Do you appear before the legislature to release or present your report?

- **Planning Performance Audits** – What processes does your agency use to help plan performance audits?
 - How do you select the areas to audit? Is it up to you, are they passed through the legislature, or is it by some other means?
 - Do you prepare audit plans? Do you develop audit tasks?
 - Do you utilize checklists to help with planning?

- **Establishing budgets for Performance Audits** – How does your agency establish budgets for individual audits?
 - What is your approach if you are budgeting for an area or function that you are unfamiliar with?

- **Contractors and Performance Audit Work** – Does your agency ever contract out performance audit work?
 - What types of work have you contracted out?
 - Have you contracted out an entire audit or just portions?
 - How do you monitor the contractor's work?
 - Do you use the same quality assurance procedures with a contracted audit as you would for an in-house audit?
 - What has been the overall experience with contractors?

- **Following-up on Recommendations** – How does your agency follow-up on recommendations from previous reports?

- **Quality Assurance** – What procedures does your agency use to ensure a mistake-free accurate report?
 - What types of review are performed?
 - Who at your agency performs the reviews?
 - How long have you done it like this and have you made any recent changes to your process?

- **Confidential Information** – How does your agency handle information that is confidential?
 - Are your workpapers confidential or public documents once the report is released?
 - If they are public documents, how do you handle confidential information?
 - Do you have guidelines or standards to follow regarding confidential workpapers?
 - Have you had any problems with confidential information?

- **Electronic Workpapers** – How does your agency handle electronic information?
 - Do you use electronic workpaper software?
 - What percentage of workpapers is electronic?
 - Have you any problems?

- **Staffing** – Has your agency had any staffing issues related to your performance audit staff and how are you handling them?
 - Problems either attracting or retaining staff.
 - Staffing shortages because of budgetary issues.
 - Conflicts or clashes between team members.