



City of Cincinnati

Internal Audit Division

January 1, 2010

Entrance Conferences Policy

Approved: *Mark A. Smith*

Policy:

An entrance conference is normally held with each auditee prior to starting onsite fieldwork. The purpose of the conference is to review the scope of proposed audit work, identify related areas of concern of the auditee, and establish a constructive working relationship. The conference can also be used as a forum to solicit information and comments on audit areas in which those in attendance can participate.

Following a preliminary survey, the conference should also be used to confirm preliminary findings and finalize audit objectives, prioritize audit effort and to gauge reaction to recommended control improvements for possible testing and feasibility of implementation.

It is Internal Audit's policy to encourage the auditee to adopt preliminary survey recommendations in order to avoid further testing when possible.

Procedures:

1. The Internal Audit Manager will call the auditee to schedule the entrance conference. Entrance conferences are usually held at the auditee's workplace.
2. The audit team assigned the project will prepare an agenda to be passed out at the start of the meeting.
3. The meeting usually begins with the Internal Audit Manager or designee making introductions and reviewing the agenda. At this point the auditor should specify any unique conditions which prompted the audit (such as special requests by Council or the City Manager) or state that it is a routine planned audit. This is important since the auditee is usually concerned about the circumstances prompting the review.
4. The objective and scope of the audit should be reviewed and fully discussed. The auditee should be encouraged to comment on the proposed scope and objectives of the audit. Their comments and experience provide valuable insight that is not available from survey information sources. The auditee should be informed that IAD reserves the right to modify the proposed scope, if warranted, to evaluate other areas that may come to our attention during the course of the audit.
5. The auditee may request that additional areas be reviewed. Such a request needs to be carefully evaluated based on several factors, such as its relationship to the original scope, the importance of the area to the original scope, the issues involved, duplication with work already in progress or planned, extra work involved, etc. The decision to alter the initial scope should be left to the Internal Audit Manager, and may be postponed until all factors can be evaluated.

6. The auditee will be informed that all findings and recommendations will be reviewed with the auditee at the conclusion of field work, and that their written response will be included in the final report.
7. Other points which need to be addressed during the entrance conference include:
 - Having the auditee designate a staff member as the primary liaison with the audit team;
 - Establishing general dates for completion of field work;
 - Reaching an agreement that will allow access to all staff, records and reports relevant to the audit;
 - The need for suitable workspace for the period of fieldwork.
8. Minutes of the entrance conference will be written and placed in the work papers along with a copy of the entrance conference agenda.