
Policy 2130 – Inviting Officials to Entrance and Exit Conferences

BACKGROUND

Entrance and exit conferences promote effective two-way communication between auditors and auditees. Our Office is committed to involving elected and appointed officials in the audit process. Inviting these officials to entrance and exit conference provides them an opportunity to obtain a first-hand understanding of the engagement and significant results.

REQUIREMENTS

- ✓ 1. **Auditors will invite appropriate members of entity management, the governing body or audit committee, and others to entrance and exit conferences.**

In situations in which no single individual or group oversees both the strategic direction of the entity and the fulfillment of its accountability obligations or in situations in which it is not clear who has governance authority, auditors must document the process they followed to determine who to invite to entrance and exit conferences.

Auditors should consider the following when determining who to invite:

- If the government has an oversight committee.
- If another government is responsible for the entity.
- If the auditor is required to report engagement results or certain matters to a regulatory or enforcement body.
- If the engagement was requested by or performed under contract with another party.

- ✓ 2. **If an entity has an audit committee (or similar subgroup), auditors should assess whether communication with the committee fulfills the auditor's responsibility to communicate with those charged with governance.**

An audit committee is created by the governing body, composed of one or more members of the governing body and responsible for oversight of financial, budgetary and other reporting practices.

Auditors should consider whether they need to invite all members of the governing body to entrance and exit conferences by assessing how the audit committee communicates relevant information with the governing body.

- ✓ 3. **Invitations should be sent at least one week in advance of the conference and be included in the engagement documentation.**

Written invitations should be prepared using the templates in TeamMate. Copies of the correspondence should be included in the documentation to evidence who was invited.

Invitations to officials who are subject to the Open Public Meetings Act (for example, board/council members) must specify that if a quorum attends the entrance or exit conference, the entity is responsible for ensuring it meets requirements of the Open Public Meeting Act.

RELATED POLICIES

2210 – Conducting Entrance Conferences

2220 – Conducting Exit Conferences

REFERENCES

Government Auditing Standards (Yellow Book) ¶6.06-.07, 7.09-.10, 8.20-.22

AU-C §260 – The Auditor's Communication with those Charged with Governance