



Office of the City Auditor Policies and Procedures

Number: 3.5.2**Title:** Report Review

Original Date:**Revision Date:****Last Review Date:****Approved By:**

06/01/1993

05/21/2008

I. References

See *Government Auditing Standards* (also referred to as the *Generally Accepted Government Auditing Standards – GAGAS*), July 2007 revision, Chapter 8; OCA Policy 3.5.1, Reporting Process; and OCA Policy 3.5.4, Report Content and Format.

II. Policy

Audit report outlines and draft reports must undergo a series of organizational, substantive, and line-edit reviews and approvals prior to being released from the OCA to auditees for comment. Evidence of review must be retained in the work papers.

III. Purpose

This policy describes the process of approval necessary to help ensure reports achieve the level of quality required by GAS.

IV. Definitions

- A. **Substantive Review** – Substantive reviews are conducted to evaluate the sufficiency and appropriateness of evidence presented, factual accuracy, coherence of the logical arguments, and persuasiveness of the report. Substantive reviews involve ensuring the following are accomplished:
1. Factual accuracy
 2. Sufficiency and appropriateness of the evidence used to support findings and conclusions.
 3. Compliance and congruence with audit objectives
 4. Clarity of messages
 5. Appropriate tone and balance

6. Compliance with audit standards
 7. Congruence with City policies and perspectives
- B. **Organizational Review** – Organizational reviews are conducted to ensure that the report’s structure is logical, well-organized, and conceptually clear. In addition, such a review should be used to ensure that the patterns used for development of the evidence are appropriate and the messages are reader-oriented and user-friendly.
- C. **Line Edit Review** – Line edit reviews are performed to ensure that the report is clear, concise, and devoid of ambiguity from a cold-reader or report user’s perspective. This type of review should also be used to correct grammar and punctuation errors as well as ensure compliance with OCA’s established style and format for reports as set forth in the *OCA Style Manual*.

V. **Procedures/Responsibilities**

- A. **All audit team members** have responsibility for helping to ensure that the substance of the report is supported by sufficient and appropriate evidence, and the report is logically organized.
- B. The **AIC** and the **ACA** are responsible for conducting substantive reviews of the Records of Audit Findings (RAFTs) to evaluate the adequacy of evidence and the coherence of the logical arguments to support the audit findings in accordance with OCA Policy 3.1.9, Audit Fieldwork and Evidence.
- Note: Reviews can be documented electronically, on the OCA workpaper review form, or on drafts of the RAFTs, report outline, or report.*
- C. The **AIC** is responsible for conducting substantive and organizational reviews of the report outline and the draft audit report according to OCA Policy 3.5.1, Reporting Process.
- D. The **ACA** is responsible for providing both an organizational review of the report outline and report draft and a substantive review of the report’s key assertions, findings, and conclusions. The ACA’s substantive review should be aided by and/or linked to the Overall Assessment of Evidence performed at the RAFT stage and described in OCA Policy 3.1.9, Audit Fieldwork and Evidence.
- E. The **DCA** is responsible for reviewing both the draft report outline and the draft audit report to:
1. ensure organizational soundness;
 2. verify that an adequate substantive review has been conducted; and
 3. conduct a preliminary review for elements included in the City Auditor’s final review.

Note: the DCA is not expected to conduct a complete substantive review, but may assess the appropriateness and sufficiency of evidence for selected audit findings.

- F. After first and second level substantive and organizational reviews of the report outline or draft are completed and review comments addressed, the **City Auditor (CA)** is responsible for reviewing and approving the report outline and report draft, respectively. The CA's final review considers:
1. clarity and persuasiveness of messages;
 2. appropriateness of the report's tone and balance;
 3. use of appropriate terminology and evidence;
 4. compliance with audit objectives and audit standards; and
 5. congruence with City policies and perspectives.
- G. Before the draft report is issued to the auditee, and again before the final report is issued, the **AIC** is responsible for ensuring that a line edit review is performed, preferably by a reviewer who is independent of the audit team. The AIC is also responsible for ensuring that all line edit review notes are appropriately cleared.
- H. The **AIC** is responsible for ensuring that evidence of each level of review (AIC, ACA, DCA) is maintained in the audit working papers (see OCA Policy 3.6.1, Audit Documentation and Review).