The Audit Report Process

The reporting process varies among Internal Audit departments. Some departments try to print and issue audit reports as soon as possible; they accept comments from the auditee only afterwards. Some work with the auditee to obtain input at every step of the reporting process and prior to it during fieldwork. At the University of Alaska, reporting is a multi-step process that includes the issuing of three reports: a draft report, a preliminary report, and a final report. We collaborate with the auditee to obtain input as needed throughout the entire process.

Draft Audit Report

Before the beginning of the draft report, the auditee has already preliminarily reviewed the audit results with the lead auditor, usually via an exit conference. During the draft report process, the lead auditor writes a report based on a review of the audit work papers. The auditor ensures that the comments are adequately supported by way of specific sections in the audit work papers. These sections include scope, planning, status and summary memos, and detailed findings and recommendations. When the draft report is complete, the director of Internal Audit will review the report and provide input.

Draft to Auditee

After a draft report is forwarded to the auditee, the auditee has two weeks to provide comments and feedback related to the accuracy of the draft report. As needed a follow-up meeting may be held before the audit reporting process progresses to the preliminary report.

Issuance of Preliminary Report

The preliminary audit report is issued to management as a confidential communication. At this point, the auditee has five weeks to respond and provide further comments. As comments are received, the Internal Audit Director or the lead auditor integrates the comments into the audit report. When the comments have been integrated, the director reviews the audit report one last time and authorizes the issuance of the final audit report.

Issuance of Final Report

Upon final approval, the final copy of the report is distributed in accordance with current University policy. It should be noted that, in most cases, the report is public information and available to anyone making a proper request. Final reports are normally distributed to the president with copies to an appropriate chancellor, the vice president for finance, the vice chancellor for administrative services, the audit liaison, the auditee department head and the auditee business manager.