**Checklist: Minimum Qualifications for an Independent Audit Firm**

**Audit approach**

* Identification of Risk Areas that will receive primary emphasis
* Comprehensive work plan
* Progressive use of technology for efficient audit
* Work is completed according to agreed timetable
* Issues are discussed on a timely basis (“no surprises”)
* Audit findings and adjustments are discussed and resolved efficiently
* Provides advice about new accounting pronouncements, federal grant requirements, and laws and regulations
* Provides advice on improving internal controls, efficiency, risk management, governance, accounting and financial reporting
* Non--audit services provided are appropriate, with adequate safeguards to preserve audit objectivity and independence

**Industry‐specific expertise**

* Number of government audits conducted
* Involvement in GFOA, CSMFO, AICPA’s Government Audit Quality Center, etc.
* References

**Communication strategy**

* Status reports during audit
* Availability and responsiveness of partner/manager to inquiries and meetings requests throughout the year
* Timeliness and ability to meet deadlines

**Firm’s Risk Management**

* Strong ethical reputation
* Results of peer review report
* Adequacy of insurance coverage
* Recent litigation

**Qualifications of key audit personnel**

* Qualifications & training
* Experience, especially in government auditing
* Availability/capacity
* Interpersonal skills/relationship management/Responsiveness
* Continuity of staff
* Audit partner earned respect of senior management
* Properly licensed
* Independent in accordance with AICPA standards and Government Auditing Standards

**Reasonable professional fees**

* Fit within your government’s budget.