

We're committed to quality.
Are you?

Fulfill your fiduciary responsibility.



Ask your auditor if they are a member of the
AICPA Governmental Audit Quality Center.

Why is Quality Important to You?

If your employer is a government, not-for-profit organization or for-profit organization that receives governmental funding or participates in federal programs, you already know about the reliance that the public and other stakeholders place on your organization and its activities. If you are also responsible for procuring audit services for your organization, you have a vital fiduciary responsibility to ensure that your audit is of the highest quality. Independent audits by CPA firms of organizations like yours, including your financial statement and compliance audits (also known as Yellow Book and single audits), are an important accountability mechanism. These audits provide a form of assurance to your management as well as regulators, taxpayers and donors that your entity is in compliance with certain laws and regulations governing the assistance you receive or programs in which you participate. Quality financial statement and compliance audits can help you:

- Fulfill your fiduciary responsibility;
- Obtain assurance related to the financial integrity of funded programs;
- Identify possible non-compliance and other issues early to avoid interruption of current funding;
- Lower the risk of future non-compliance;
- Build goodwill among taxpayers, donors and other key stakeholders; and
- Strengthen your ability to secure additional funding in the future.

Factors Affecting Quality

Taking the following factors in account collectively when selecting an independent auditing firm will contribute to receiving a quality audit:

- Demonstration of the firm's qualifications in response to your request for proposal;
- Experienced, qualified staff in the firm with appropriate technical abilities, particularly with Yellow Book and single audits;
- Extent of the firm's practice with organizations like yours (for example, governments or not-for-profits);
- Results of the firm's external peer review; and
- Participation by the firm in quality improvement programs (for example, the AICPA Governmental Audit Quality Center).

5 Steps to Improve Quality

1. Make sure the audit firm has qualified, knowledgeable staff with the right skills for your Yellow Book or single audits.
2. Grant your auditor access to all the necessary financial and program records and be sure to identify all governmental financial assistance and federal programs in which you participate.
3. Ensure that key staff personnel are available to your auditor.
4. Be actively involved – take the initiative to understand what your auditor is doing and ask questions when you don't.
5. Make the most out of the exit process – ask questions about your auditor's work, the audit opinion, and other compliance reports.

For more information, please visit the AICPA's Governmental Audit Quality Center website at aicpa.org/GAQC. The site includes a listing of member CPA firms that have demonstrated their commitment to audit quality.