

Best Practices for Obtaining a Timely Audit

- 1) Know the due date for your audit. Consult any applicable statute and loan agreements for timeliness requirements.
- 2) Make sure your CPA knows your audit due date, and can commit to timely audit completion.
- 3) Prepare in advance to have an auditor approved and engaged by contract before the beginning of your fiscal year's fourth quarter.
- 4) Consider your CPA's schedule to make sure your CPA has reserved time for fieldwork. If your fiscal year end is September 30, assure that fieldwork completion occurs prior to January 1 in order to complete an audit prior to tax season.
- 5) Identify a key person to coordinate the audit and act as the liaison with your CPA if possible.
- 6) Establish a budget as early as possible, by meeting with your auditor to discuss how to facilitate the engagement, and how to complete a timely audit without excessive or unexpected audit costs.
- 7) Keep your financial records accurate, filed properly and up to date to keep audit costs at a minimum.
- 8) Obtain the auditor's Request for Information which should contain information needed to plan fieldwork to complete the Audit.
- 9) Respond as soon as possible to the auditor's information requests.
- 10) Consider using temporary staff to minimize the cost of audit preparation.
- 11) Review the performance and execution of the audit contract at the end of the contract.
- 12) Backup financial information at least monthly where it can be retrieved. Keep backup data offsite as a safety precaution. Test your backup approach to see if it works as intended.
- 13) Be sure to pay your auditor timely. An auditor will not release an audit until they are paid all fees for completion of the audit.