

OPERATIONAL POLICIES	Policy No. 160.00 COMMUNICATIONS <hr style="width: 80%; margin: auto;"/> LAST REVISED: MARCH 31, 2016	PAGE 1 OF 3
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COMMUNICATIONS

POLICY –

GENERAL – Communications are to be accurate, objective, clear, concise, constructive, complete, relevant, and timely. To fulfill these attributes:

- AD will communicate directly with the CC, as needed, related to the status of current projects, resources, and developing factors or external influences to the AD function and the Annual Audit Plan.
- AD will communicate the results of the QA program to the CC.
- AD will communicate with appropriate elected officials and/or management of the organization about governance, risk, and control.
- Communications with the audited entity will include the engagement’s objectives, scope, methodology, requests for information, interim communications of status, concerns (impairment of independence, etc.), potential issues, as well as applicable conclusions, recommendations, and action plans. Distinctions based on engagement type and/or function are as follows:

FINANCIAL AUDITS/	Nature, timing and extent of planned work;
ATTESTATION ENGAGEMENTS	Level of assurance; Requests for information; Interim communications; and any restrictions, if applicable.
PERFORMANCE AUDITS	Overview of the objectives, scope, methodology, and timing of the performance audit and planned reporting (including any potential restrictions on the report), requests for information and interim communication.
REPORTING (All)	Deficiencies in Internal Control; Non-compliance; Contract violations.
COMMUNICATE	Fraud and/or Illegal Acts.

NOTE: The forms and timing of communication related to the preceding section are discussed in detail in Operational Procedure No. 260.00.

- The AD will communicate limitations and/or changes to the scope of services. This includes the boundaries and responsibilities of management when the AD engages in consulting/special projects and/or Non-Audit Services.

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- Final communication of engagement results will, where appropriate, contain the AD's overall opinion and/or findings, conclusions, commendations, and recommendations.
- The AD will acknowledge exemplary performance in communications.
- Engagement results will be communicated to appropriate parties. In general, communication will be made to elected officials, management and/or other parties of interest who can ensure the results are given due consideration.

RELEVANT PROFESSIONAL STANDARDS AND GUIDANCE

GAGAS:

General Standards	3.39
Financial Audits	4.03 – 4.04, 4.23 – 4.24, 4.48
Attestation Engagements	5.04 – 5.05, 5.47, 5.49, 5.59, 5.65
Performance Audits	6.47 – 6.50, 6.78,
Non Audit Services	2.12 – 2.13

IIA Standards

- 1111 Direct Interaction with the Board (Management)
- 1220 Due Professional Care
- 1320 Reporting on the Quality Assurance and Improvement Program
- 2020 Communication and Approval
- 2060 Reporting to the Board and Senior Management
- 2400 Communicating Results
- 2410 Criteria for Communicating
 - 2410.A1
 - 2410.A2
 - 2410.A3
 - 2410.C1
- 2420 Quality of Communications
- 2421 Errors and Omissions
- 2431 Engagement Disclosure of Nonconformance
- 2440 Disseminating Results
 - 2440.A1
 - 2440.A2
 - 2440.C1
 - 2440.C2
- 2500 Monitoring Progress

IIA Practice Advisories

- 1111 – 1 Board Interaction
- 1311 – 1 Internal Assessments
- 1312 – 1 External Assessments


City of Houston
Office of the City Controller
Audit Division

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- 2020 – 1 Communication and Approval
- 2060 – 1 Reporting to Senior Management and the Board
- 2400 – 1 Legal Considerations in Communicating Results
- 2410 – 1 Communication Criteria
- 2420 – 1 Quality of Communications
- 2440.A2 – 1 Communications Outside the Organization
- 2440 – 1 Disseminating Results
- 2440 – 2 Communicating Sensitive Information Within and Outside
the Chain of Command
- 2500 – 1 Monitoring Progress

CHANGE HISTORY

Chg #	Date	Section	Description/Reason