



 Engage

 Challenge

 Deliver

 Care

# Performance audits

## How to prepare for one

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● *Queensland*  
● ● **Audit Office**  
*Better public services*

## Content

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**What are performance audits?**

**What happens during a performance audit?**

**How will we communicate with you?**

**What information can we access?**

**What happens during the reporting stage?**

**What happens after the performance audit?**



## What are performance audits

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### **Independent assurance to parliament and the community**

- public money has been spent wisely
- results meet expectations

### **Assess whether an entity is achieving objectives**

- efficiently, effectively, economically

### **Do not question the merits of policy objectives**

**Governed by *Auditor-General Act 2009***

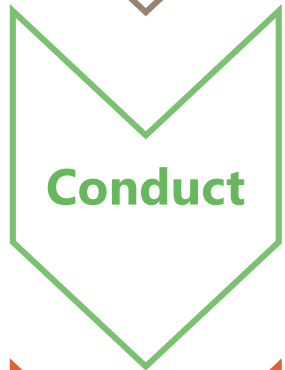




**What happens?**



**Planning**



**Conduct**



**Reporting**

## **QAO**

Preliminary research  
Contact entity  
Provide audit strategy

Collect evidence  
Detailed testing  
Analyse findings  
Seek feedback

Draft report for comment  
Report results to parliament

## **Entity**

Attend meetings  
Provide information  
Comment on objective and scope  
Nominate POC

Provide audit evidence  
Attend meetings  
Provide feedback

Review draft report  
Provide final comments for inclusion in the report



What happens?

## The audit strategy

Developed after our detailed planning

- Confirms audit *objective* and the *entities*
- Describes audit *scope* and *lines of inquiry*

**Lines of inquiry are key focus areas of a performance audit**

**We discuss the audit strategy with you to ensure value**

## What should I do to prepare?

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- ✓ Understand the objective, lines of enquiry, focus and timing
- ✓ Review relevant strategies, policies, plans and dataset
- ✓ Compile documentation on how you monitor and measure the effectiveness, economy and efficiency of the activity to be audited
- ✓ Check that staff will be available
- ✓ Determine how the entity will coordinate with other entities





**How we'll  
communicate  
with you**

**Entities nominate a contact officer as the primary point of contact**

- Sufficient seniority
- Available throughout the term of the audit

We will invite the contact officer and executive responsible for the audited area to key meetings

**Contact officer needs to keep the chief executive informed**

## No surprises approach

Correspondence to the chief executive will include:

Audit stage	Deliverable	Purpose
End of detailed planning	Audit strategy	Confirm audit scope and conduct
End of fieldwork	End of conduct briefing	Validate and obtain comment on audit facts and findings. Discuss proposed recommendations for the draft report to parliament
Reporting	Proposed report	Draft of report to parliament for formal comment as per s.64 of the <i>Auditor-General Act 2009</i>

How we'll communicate with you







How we'll  
communicate  
with you

## Key audit meetings

Meeting	Purpose
<b>Planning meeting</b>	Discuss proposed audit scope and preliminary fieldwork activities
<b>Conduct meeting</b>	Discuss preliminary findings and proposed detailed fieldwork activities
<b>Exit meeting</b>	Discuss end of conduct brief and conclude fieldwork

We will also offer to meet on the preliminary and proposed reports

We may also attend the entity's audit committee meetings to provide updates



**What can we  
access?**

## **Access to information**

To enable QAO to provide the checks and balances, our Act allows us to collect the evidence we need to reach an informed conclusion

## **Sensitive information**

**We have strict confidentiality provisions to safeguard your information**



## What happens in the reporting stage?

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### **We issue a proposed report prior to completion**

Provide the accountable officer with 21 days to submit a written response

May also issue a preliminary report before the proposed

— provides entities with opportunities to correct matters of fact



**What happens during the reporting stage?**

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**Each performance audit report includes recommendations on how to improve the service delivery area that we have audited**

By accepting these recommendations, the entity agrees to resolve gaps in performance





**What happens after the audit?**

## Parliament

The report is referred to the relevant parliamentary committee

- They may hold an inquiry into the report, but not obliged
- Entity staff may be required to update the committee on the implementation of recommendations





**What happens after the audit?**

## **Follow up**

Entities often report progress on implementing QAO recommendations to their audit committees

We write within two years regarding progress

We may schedule a follow-up audit

## **Agency feedback**

QAO sends a survey to the audited entity

We use these results to identify areas for improvement

## Further information

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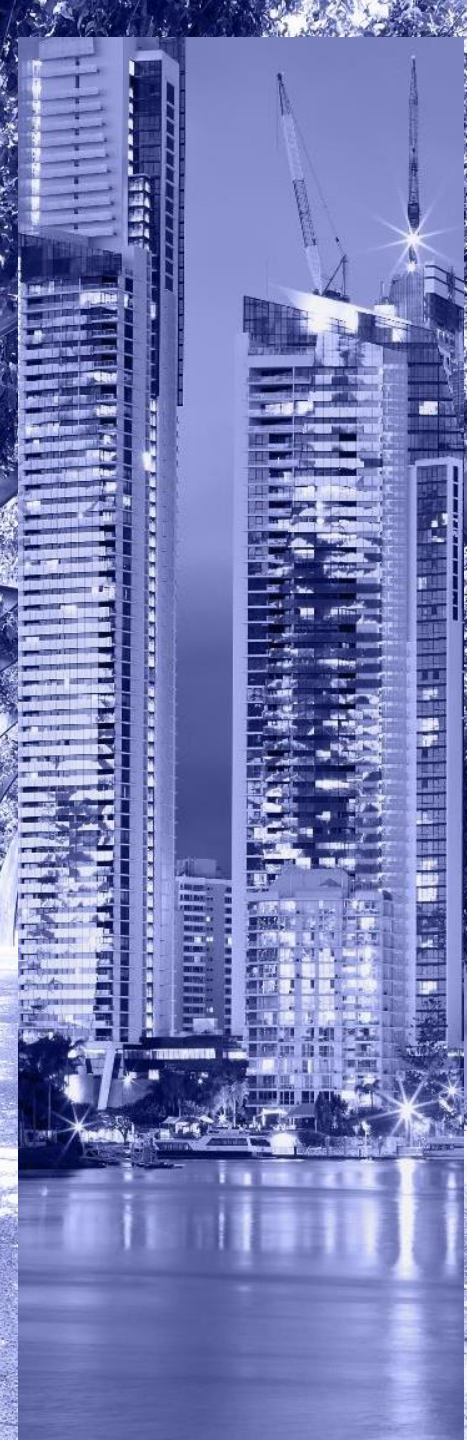
Contact us [www.qao.qld.gov.au/contact-us](http://www.qao.qld.gov.au/contact-us)

- Contribute to a performance audit
- Suggest a performance audit topic
- Raise an issue about financial waste and mismanagement

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