WHAT IS AUDITOR INDEPENDENCE?
Independent auditors can perform audits without threats to their objectivity or integrity. Independent auditors produce reports that you can trust. Auditors who are not independent might avoid sensitive topics or may not look for the serious issues in your organization.

WHAT ARE THE RISKS IF YOUR AUDITOR IS NOT INDEPENDENT?
1. Auditors who are not independent might think they can’t or shouldn’t look into some programs or departments.
2. Auditors who are not independent might not report significant problems to avoid retaliation.
3. If either of these happens, serious problems might never be brought to your attention.
4. If the problem eventually becomes public, you and your organization may be blamed for not knowing about it.

HOW CAN YOU STRENGTHEN OR PROTECT YOUR AUDITOR’S INDEPENDENCE?
1. Establish the auditor position and its duties and responsibilities through a formal mandate such as a city charter, constitution, or enabling legislation.
2. Ensure that your auditor follows audit standards such as the Generally Accepted Government Auditing Standards (Yellow Book) or the International Professional Practices Framework (Red Book).
3. Ensure that the auditor can only be fired for cause.
4. Create an organizational structure where the auditor reports to a different branch of government from those being audited. For example, if your auditor evaluates departments managed by the executive they should report to the legislative body. With rigorous safeguards, an auditor could report to senior management within the audited entity.
5. Provide the auditor with unrestricted access to records and employees.
6. Protect the auditor from interference in their work and personnel decisions.