

Audit, Review, or Compilation Decision Guide

A plain-language guide to help Catholic organizations discuss the correct level of CPA service with a diocese, lender, board, finance council, donor, or grantor.

| Engagement | Level of CPA assurance | Typical Catholic organization use case |
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| Audit | Highest level of assurance; independent audit | Required by a diocese, lender, grantor, bond covenant, large donor, accreditation |
| Review | Limited assurance based primarily on inquiry and analytical procedures | Useful for a Catholic organization needs CPA assurance but the report user does not require an audit |
| Compilation | CPA assists with presenting financial statements | Used for smaller organizations that need CPA-prepared statements for internal purposes |
| Advisory | No assurance report; focused support for controls | Useful before a readiness review, after staff turnover, or when restricted funds and related |

Questions to ask before choosing

- Who requested the report and what exact wording did they use?
- Is an audit opinion required, or is limited assurance acceptable?
- What is the deadline and fiscal year under review?
- Are records reconciled enough to begin, or is readiness support needed first?
- Will Form 990 need to align with the financial statements?

General information only. This document does not constitute legal, tax, or accounting advice for any specific organization. Final requirements should be confirmed with the CPA, diocese, lender, grantor, or governing body requesting the report.