

MENTAL HEALTH REGION 2018 Audit Programs

June 30, 2018

LONG-TERM LIABILITIES/DEBT

PROCEDURE	OBJ.	DONE BY	W/P REF	N/A	REMARKS
Audit Objectives and Related Assertions:					
A. Debt is authorized, supported and represents a Region obligation. (1,2)					
B. All indebtedness of the Region is identified, recorded and disclosed. (3,11)					
C. Debt is recorded at the proper amount. (4)					
D. Related disbursements or expenses (including principal and interest payable) and debt proceeds are properly recorded and classified. (4,5,6,7,8,9)					
E. Debt and related restrictions, guarantees and commitments are properly presented in the financial statements and the related disclosures are adequate. (10,11,12,13)					
F. The Region has complied with provisions of indentures and agreements related to the debt, including provisions on use of the proceeds.					
Audit Procedures:					
A. Capital Leases and Installment Purchases					
1. Review lease and installment purchase agreements.	A				
2. Identify capital versus operating leases according to the criteria in GASB Codification, Section L20.	E				
3. Determine initial proceeds were recorded as an other financing source and a disbursement was recorded in the proper expenditure account.	D				
4. Obtain or prepare summary of payments for operating and capital leases and installment purchase agreements for the next five years and thereafter.	E				
5. Compare summaries to agreements.					
6. Determine fiscal year rental expense (net of leases for one month or less).					
7. Reconcile to payment schedule.	B,D				
B. Judgments and Claims (See also "Insurance and Self-Insurance" section of audit program)	A,B,D				
1. Obtain a listing of judgments and claims against the Region.					
2. Trace to supporting documentation.					
3. Determine if judgments/claims were paid out of the proper fund.					

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