

ENTITY 2021 Audit Programs

PLANNING CONFERENCE - ENTRANCE

June 30, 2021

Date: _____ Time: _____

IN ATTENDANCE*:

<u>Entity</u>		<u>Auditor</u>	
Name	Title	Name	Title
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Items

Discussion

- A. Scope of Audit**:
 - 1. Period to be audited.
 - 2. Basis of accounting.
 - 3. Objectives of audit.
 - 4. Engagement letter (if multi-year letter is used, auditor should annually remind management of the terms of the engagement).
 - 5. Funds to be audited (including component units).
 - 6. Federal financial assistance programs.
 - 7. Additional audit requirements.
 - 8. Reports to be issued.
 - 9. The audit will be conducted in accordance with U.S. generally accepted auditing standards, Chapter 11 of the Code of Iowa and Government Auditing Standards, issued by the Comptroller General of the United States.
- B. Timing of**:
 - 1. Fieldwork.
 - 2. Release of report.
- C. Availability of records.
- D. Working space arrangements, if applicable.
- E. Extent of internal audit/other client assistance.
- F. Status of prior year's audit comments.
- G. Personnel changes.
- H. Accounting problems during the year.

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<u>Items</u>	<u>Discussion</u>
I. Pending litigation.	
J. Significant accounting policies.	
K. Extent of computerized books and records.	
L. Inquire of management about the existence of related party/business transactions, including changes from the prior year and the nature of the relationships.	
M. Potential component units, including changes from the prior year and entities for which the Entity is acting as the fiscal agent.	
N. 28E organizations in which the Entity is a participant.	
O. If the Entity acts as fiscal agent for an Early Childhood Iowa Area Board discuss the procedures required under Chapter 256I of the Code of Iowa.	
P. Understanding of fee and billing arrangements.	
Q. If the Entity is a Landfill , discuss the Entity's closure/postclosure care costs and the related financial assurance.	
R. Additional items for audit planning:	
1. New capital projects or completion of projects from the prior year.	
2. New grants or completion of grants from the prior year.	
3. New revenue sources, such as special assessments, local option sales tax, gaming tax, new levies, etc.	
4. Debt issuances or refunding/retirement of debt.	
5. Significant changes in the Entity's budget from the prior year and/or significant amendments to the Entity's current year budget.	
6. If the Entity is cash basis, Management's Discussion and Analysis (MD&A) is not a required part of the financial statement for entities reporting on a cash basis. Entity management may voluntarily elect to include an MD&A with the financial statements. Discuss decision with Entity management.	
7. Others.	
S. GASB 70 – Determine if the Entity has extended or received financial guarantees on obligations of other entities without receiving or paying equivalent value for the guarantee. If applicable, determine if the activity is properly disclosed and reported.	

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<u>Items</u>	<u>Discussion</u>
T. GASB 73/74/75 – Inquire of management about the date of the most recent actuarial valuation and/or update to the valuation.	
U. GASB 77 – Inquire of management about the tax abatement calculator, any tax abatement agreements and qualifying payments.	
V. GASB 84 – Fiduciary Activities - Discuss the requirements effective for current fiscal year 2021 with management, including the potential for revised reporting of fiduciary activities, footnote disclosures and financial statement effects.	
W. GASB 87 – Leases - Discuss the requirements effective for fiscal year 2022 with management, including the impact on the Entity's financial statements, related footnotes and potential early implementation.	
Note: Information will need to be available to restate the July 1, 2021 net position.	
X. GASB 34 – Inquire as to whether any funds have been identified as discretionary major funds.	
Y. Inquire of management as to the existence of donations, payments to not-for-profit organizations.	
Z. Inquire of management and, when appropriate, those charged with governance, about whether the Entity is in compliance with laws and regulations that may have a material effect on the financial statements.	
AA. Inquire of management and, when appropriate, those charged with governance, whether the Entity is aware of any conditions or events, considered in the aggregate, that may cause substantial doubt about the Entity's ability to continue as a going concern. SAS 132.	
BB. Inquire of management and, when appropriate, those charged with governance, about their understanding of the risk of material misstatement due to fraud and whether they have knowledge of fraud that has occurred.	
CC. Ensure management is aware of their responsibilities under Chapter 11.6(7) of the Code of Iowa to notify the Auditor of State regarding any suspected embezzlement, theft or other significant financial irregularities.	
DD. Inquire of management about the existence of a program for preventing, deterring or detecting fraud. If a program exists, determine if fraud risk factors have been identified.	
EE. Inform management about the auditor's responsibilities to inquire of them and others about fraud risk factors relating to financial reporting and misappropriation of assets throughout the audit in accordance with AU-C 240.	

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ItemsDiscussion

- FF. Inquire of management about the existence of any known limitations on the audit.
- GG. Discuss nonaudit services with management or those charged with governance, including:
1. Independence issues.
 2. The nature of the audit and the nonaudit services provided.
- HH. Other discussion items.
- II. Discuss the following items with those charged with governance**:
1. Are there any matters warranting particular attention during the audit or areas where additional procedures are requested?
 2. Has there been any significant communications with regulators?
 3. How does the Entity respond to changes in financial reporting standards and laws/ regulations?
 4. What actions have been taken to respond to prior audit comments?
 5. Were there any communications with management regarding the Entity's processes for identifying and responding to the risks of fraud? If yes, document the specific communications.
 6. How do those charged with governance exercise oversight of management's processes for identifying and responding to the risks of fraud in the Entity and the internal controls management has established to mitigate these risks?
 7. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Acknowledgement:

_____ Name/Title*	_____ Date
_____ Name/Title*	_____ Date
_____ Name/Title*	_____ Date

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- * The planning conference should be completed with **management** (for example: County Auditor, County Treasurer, City Administrator/Clerk, School District Superintendent and Business Manager, Community College President and Business Manager, Executive Director, Treasurer, Finance Officer, Controller, Fiscal Agent) **AND** an individual representing those charged with governance (for example: Audit Committee Member, County Board of Supervisors Member, City Mayor and City Council Member, School District Board Member, Community College Board Member, Board Trustee, Chairperson/Board President).
- ** These items are required to be communicated with **those charged with governance**, in addition to the items communicated in the audit engagement letter. If those charged with governance are not present at the entrance conference, ensure these items are communicated at another time and document the communication.