

AGENCY 2023 Audit Programs

June 30, 2023

CURRENT LIABILITIES/DEFERRED INFLOWS OF RESOURCES

PROCEDURE	OBJ.	DONE BY	W/P REF	N/A	REMARKS
Audit Objectives and Related Assertions:					
A. Liabilities/Deferred inflows of resources at the Statement of Net Position date are properly supported. (1)					
B. Liabilities/Deferred inflows of resources are properly authorized, represent the correct amounts of currently payable items in the proper period and reflect all outstanding obligations. (2,3,4)					
C. Liabilities/Deferred inflows of resources are properly recorded, classified and disclosures are adequate. (10,11,12,13)					
Audit Procedures:					
A. Obtain or prepare a list of payables at year-end and reconcile to the trial balance.					
1. Test mathematical accuracy, if obtained.					
2. Reconcile payables to trial balance.					
B. Review step C. of the "Disbursements/Expenditures/Expenses" section of the audit program and test liabilities accordingly.	A				
C. Summarize the cut-off procedures and consider their adequacy.	B				
D. Test disbursements for items inappropriately coded to the next fiscal year. If material unrecorded liabilities are identified, discuss with appropriate personnel.	B				
E. If the Agency is on I/3, review the listing of accruals using ACL report J035A102. (GAAP classification is based on event type. For correcting document and event type explanations, see Sharepoint\Audit and Examination Resources\State Agency Specific\State Policies\Correcting Documents in I3 System.pdf)	C				
1. Review documents coded as CC's and CD's to determine proper classification.					
a. Net offsetting CC's/CD's which occur within the same fund. No reclassification is necessary.					
b. Review documents which do not offset to determine proper GAAP classification based on the event type. (i.e. Accounts Payable are GA86 or GA87)					

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<ul style="list-style-type: none"> c. Prepare journal entries to properly classify the documents based on the GAAP classification and comment, if necessary. 2. Review selected classified accrual documents (i.e. AP, AR, TF, FF) for proper accrual classification. If the classification is incorrect, take the error to the misstatement form and comment, if necessary. 					
<ul style="list-style-type: none"> F. For separately issued financial statements: <ul style="list-style-type: none"> 1. Reclassify any "ACFR" due to other funds and due from other funds as due to other state agencies and due from other state agencies. 2. Determine interfund receivables equal interfund payables. 	C				
<ul style="list-style-type: none"> G. Determine if advances (grant/other funds which have been received but not spent in the current period) from grantors/others, meeting the definition under GASB 65, have been recorded. <ul style="list-style-type: none"> 1. Review the amount(s) recorded for reasonableness. 2. Trace the amount(s) to supporting documentation. 	A,B				
<ul style="list-style-type: none"> H. Determine if deferred inflows of resources, meeting the definition under GASB 65, have been recorded. <ul style="list-style-type: none"> 1. Review the amount(s) recorded for reasonableness. 2. Trace the amount(s) to supporting documentation. 	A,B,C				
<ul style="list-style-type: none"> I. Determine if the risk of material misstatement due to fraud or error has changed based on results of substantive tests performed. If so, perform appropriate procedures. 					
<ul style="list-style-type: none"> J. Determine whether current liabilities/deferred inflows of resources are properly classified and disclosures are adequate. 	C				

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<u>ALTERNATE / ADDITIONAL PROCEDURES:</u> <u>CONCLUSION:</u> We have performed procedures sufficient to achieve the audit objectives for current liabilities/deferred inflows of resources and the results of these procedures are adequately documented in the accompanying work papers.					