

ENTITY 2019 Audit Programs

June 30, 2019

DISBURSEMENTS/EXPENDITURES/EXPENSES

| PROCEDURE | OBJ. | DONE BY | W/P REF | N/A | REMARKS |
|---|------|---------|---------|-----|---------|
| <p>Audit Objectives and Related Assertions:</p> | | | | | |
| <p>1. Recorded cash disbursements and expenditures are for goods or services authorized and received. (5)</p> <p>2. Disbursements/expenditures incurred for goods or services have all been identified. (6)</p> <p>3. Disbursements/expenditures for goods or services have been recorded in the correct fiscal year. (8)</p> <p>4. Disbursements/expenditures for goods or services have been recorded correctly as to account, fund, period, and amount. (7,9)</p> <p>5. Disbursements/expenditures for goods or services are properly presented in the entity wide and/or fund financial statements and related disclosures are adequate. (10,11,12,13)</p> | | | | | |
| <p>Audit Procedures:</p> | | | | | |
| <p>A. General</p> | | | | | |
| <p>1. On a test basis, foot and crossfoot disbursement/expenditure records and reconcile totals to the Entity's records. Document selection methods and results of tests.</p> | | | | | |
| <p>2. Scan disbursement journal/check register for unusual disbursements and investigate accordingly.</p> | A | | | | |
| <p>3. Credit cards:</p> | | | | | |
| <p>a. Determine if the Entity has established a written policy for the use of credit cards.</p> | | | | | |
| <p>b. If activity is significant, test selected transactions for propriety and compliance with the policy.</p> | | | | | |
| <p>4. Related Party Transactions:</p> | | | | | |
| <p>a. Based on the results of inquiry, reading of minutes, scanning of disbursements and other procedures, determine and document the existence of related party transactions with Entity officials or employees.</p> | A,E | | | | |
| <p>b. The workpaper should list all payments made during the period and a description of each transaction.</p> | | | | | |
| <p>c. For reporting purposes, include only the payments applicable to the period when the individual was an employee or official of the Entity.</p> | | | | | |

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| <p>d. Disclose material transactions in the notes to financial statements.</p> <p>e. Determine compliance with the Code of Iowa.</p> <ul style="list-style-type: none"> • Chapter 331.342 for Counties • Chapter 362.5 for Cities • Chapter 279.7A for Community School Districts • Chapter 301.28 for Community School Districts and Area Education Agencies <p>B. Disbursements/Expenditures/Expenses</p> <p>1. Select items for testing from the warrant/check register and test for the following:</p> <p>a. The disbursement was properly authorized and approved for payment. Determine compliance with the Code of Iowa.</p> <ul style="list-style-type: none"> • Chapter 331.506 for Counties • Chapters 260C.42 and 260C.43 for Community Colleges • Chapters 279.29 and 279.30 for Community School Districts and Area Education Agencies <p>If the Entity is a County, determine if a warrant/check list is signed by the County Treasurer prior to the issuance of disbursements.</p> <p>b. The disbursement was charged to the proper fund. Determine compliance with the Code of Iowa.</p> <ul style="list-style-type: none"> • Chapters 331.424 and 331.427 through 331.430 for Counties • Chapters 257.18, 298.3, 298.4, 298.10, 298.18, 298.19, 300.1, 300.2, 301.4 for Community School Districts <p>If the Entity is a County, determine if disbursements to the Mental Health Region fiscal agent are coded to 4413. Confirm payments to the fiscal agent.</p> <p>c. The disbursement was charged to the proper expenditure account and fiscal year.</p> <p>d. The disbursement was supported by appropriate documentation (an invoice, contract or purchase order) which was mathematically correct.</p> <p>e. Goods or services were received prior to June 30.</p> | <p>A,B,C,D</p> | | | | |

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| <p>f. The invoice and/or other documentation was canceled to prevent reuse.</p> <p>g. Examine cancelled warrant/check or electronically retained check images to determine proper authorized signatures, endorsement and cancellation.</p> <p>h. Expenditures for capital assets are included on the capital assets listing, if applicable.</p> <p>i. All warrants/checks were signed only by authorized signers, confirmed from the bank. If the Entity is a County or Mental Health Region, the County Auditor or an authorized designee. If the Entity is a Community School District, determine if signatures are in accordance with Code of Iowa Chapters 291.1 and 291.8.</p> <p>j. The disbursement appears to meet the test of public purpose. For those items which are questionable, the Entity should have adequate documentation as to how the expenditure(s) meet the test of public purpose.</p> <p>k. Expenditure is proper under state rules and regulations.</p> <p>l. Expenditure is proper under federal laws and regulations, if applicable. If also testing compliance for a major program, you may need to add or revise criteria to cover Single Audit program steps. (i.e. allowable costs/cost principles, period of performance, procurement, suspension, and debarment, etc.)</p> <p>m. Mileage was paid at a rate approved by the Board and was not in excess of the amount allowable under Internal Revenue Service rules as provided by Chapter 70A.9 of the Code of Iowa.</p> <p>2. On a test basis, prepare a workpaper for capital projects and other construction contracts to:</p> <p>a. Reconcile original contract to final contract.</p> <p>b. Reconcile total payments to-date by scheduling prior year payments, current year payments, payments due and retainage due.</p> <p>c. Determine projects and/or contracts were authorized and approved by the governing body.</p> | <p>A,D</p> | | | | |

