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Audit Work Plan

Target Date	Task Assigned To	Task
May 5, 2021	Davis Farr	Provide interim audit request list to Finance staff
May 14, 2021	Finance staff	Upload interim audit request items to FTP site
May 17, 2021	Davis Farr	Begin interim audit procedures on-site
May 28, 2021	Davis Farr	Status meeting with Finance staff
May 28, 2021	Davis Farr	Provide final audit request list and confirmation instructions to Finance staff
June 30, 2021	Finance staff	Due date for returning confirmation requests to Davis Farr
August 15, 2021	Finance staff	Accounts Payable Cut-off
August 30, 2021	Finance staff	Complete capital project closeouts and depreciation entries
Late Aug 2021	Audit Committee	Meeting #2 to discuss progress of year end close, issues identified during interim audit, complex accounting issues, and review final audit timeline



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Interim Audit Procedures

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- ❑ Planning and risk assessment documentation
- ❑ Internal control documentation
- ❑ Information system control documentation
- ❑ Cash disbursement testing
- ❑ Coordinating the upcoming final audit procedures



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Prior Auditor Workpaper Review

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- ❑ Prior auditors followed up on all of the concerns raised by the Moss Adams reports including:
 - ❑ performing significant additional testing
 - ❑ researching accounting issues
 - ❑ documenting their resolution of each of the Moss Adams findings
 - ❑ concluding that the financial statements materially conformed to GAAP
- ❑ Based on review of the prior auditor workpapers, we believe sufficient audit procedures were performed to allow us to rely on the audited beginning balances



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Modifications to Audit Approach

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- ❑ Concerns about contract documentation, competitive bidding, and exceeding contract amounts
- ❑ Performing additional testing of the 5 highest paid vendors contract compliance for the following attributes
 - ❑ Amount paid agrees to invoice/support
 - ❑ Amount paid is correctly calculated
 - ❑ Payments were made in accordance with the contract terms
 - ❑ Payments did not exceed the contract amount in total
 - ❑ Work performed was during the contract period
 - ❑ Contract was competitively bid in accordance with policies



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Modifications to Audit Approach

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- ❑ Concerns about capitalization of project costs
- ❑ We will test current year transactions for allowability of capitalization
- ❑ We will review construction in progress accounts to determine if the project should be written off or moved into service



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Status and Results of Interim Audit

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- ❑ Information System recommendations for improvements
- ❑ Internal Control recommendations for improvements



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Financial Reporting Recommendations

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- ❑ Cash and investments are reported on 4 separate lines in the asset section – consider consolidating them to improve readability
- ❑ Many disclosures are broken out by fund – not required and reduces readability
- ❑ Some footnote disclosures are not required at all:
 - ❑ Note 6 – Accrued Personnel Costs
 - ❑ Note 7 – Unearned Revenue
 - ❑ Note 10 – Deferred Inflow of Resources
 - ❑ Note 11 – Capital Grants
 - ❑ Note 17 – Due to Other Governments
 - ❑ Note 18 – Community Services and Beach Special Revenue Funds



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