

**AUDIT GUIDE FOR
FINANCIAL AND COMPLIANCE AUDITS
OF MINNESOTA COUNTIES
(August 2015)**



State of Minnesota
Office of the State Auditor
Audit Practice Division

OFFICE OF THE MINNESOTA STATE AUDITOR
AUDIT GUIDE FOR
FINANCIAL AND COMPLIANCE AUDITS
OF MINNESOTA COUNTIES

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I. INTRODUCTION

The *Audit Guide for Financial and Compliance Audits of Minnesota Counties* sets standards for audits of counties in Minnesota. The specifications in this manual apply to all audits of counties, whether conducted by the Office of the State Auditor or a certified public accounting (CPA) firm. This guide is effective for audits of counties for fiscal years ending on or after December 31, 2015.

No manual defining audit specifications or requirements can meet all the present and future needs of the counties or their auditors. Changes will occur with the issuance of new accounting and auditing pronouncements or as problems emerge. The Office of the State Auditor will periodically update this guide as changes occur. However, responsibility for complying with professional standards remains with the auditor, and the auditor should follow all new pronouncements.

Organization of the Manual

The *Audit Guide for Financial and Compliance Audits of Minnesota Counties* has 10 chapters, including this introduction. Besides the introduction, the audit guide includes:

- *Overview of Counties* in chapter II, provides a general overview of Minnesota Counties;
- *Financial Reporting Requirements* in chapter III, discusses the financial reporting requirements for Minnesota Counties;
- *Audit Requirement* in chapter IV, identifies the annual audit requirement for the Counties;
- *Audit Scope* in chapter V, identifies the audit standards to be followed in conducting the audits of Minnesota Counties, as well as any additional procedures required;
- *Audit Reporting* in chapter VI discusses the issuance and filing requirements of the Counties annual financial report and the related independent auditor's reports;
- *Obtaining an Auditor* in chapter VII, discusses the process for the release of Counties by the State Auditor's Office and provides guidance on hiring a CPA firm;

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- *Desk and Working Paper Reviews* in chapter VIII, discusses the OSA's process for reviewing the reports and when the OSA may require a review of supporting working papers;
- *Communications with the Office of the State Auditor* in chapter IX, discusses issues related to predecessor-successor auditor situations, access to OSA working papers, and situations when counties or certified public accountants should contact the state auditor; and
- *Failure to Comply* in chapter X, discusses what would happen if the requirements of this guide are not followed.

Chapter V, *Audit Scope*, discusses some additional specific audit procedures unique to audits of county governments in Minnesota. The actual additional suggested procedures are presented in appendix 3 of this guide. Minn. Stat. §6.65 gives the State Auditor authority to issue minimum audit procedures for the audits of local governments, including counties and thereby help ensure the quality of local government audits. Additionally, the current auditing literature encourages governmental officials to provide auditors information on statutory or accounting requirement unique to a peculiar state or local government.

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II. OVERVIEW OF COUNTIES¹

Counties, in their infancy, were organized to be administrative agencies of the state as well as local governments. Traditionally, counties performed state mandated duties which included assessment of property, record keeping (i.e. property and vital statistics), maintenance of rural roads, administration of election and judicial functions, maintaining peace in rural areas, and poor relief. The Minnesota county structural model is similar to those found in Wisconsin, Ohio, New York, and many other states. There are 87 counties in Minnesota. Counties also have responsibilities in other areas of government support, including social services, corrections, child protection, library services, hospitals and nursing homes, public health services, planning and zoning, economic development, parks and recreation, water quality, and solid waste management.

Boards of Commissioners are the governing bodies of Minnesota's Counties. County commissioners are elected by district, serve four-year terms that are staggered among the board (not all elected at the same time), and are responsible for the operation of the county and the delivery of county services. The number of commissioners on most county boards is five. Counties with a population of over 100,000 people may, by board resolution, increase the size of the county board from five to seven members. Six counties currently have seven member county boards.

County commissioners are the elected officials who oversee county activities as the governing body for the county. Newly elected commissioners take office the first Monday in January following their election. County board chairs are elected at the board's first meeting in early January. County commissioners' salaries vary from county to county. Individual county boards set their salaries in the year prior to the year the salary takes effect. Most commissioners elected to the county board are considered part-time.

Other county officials are also elected. Therefore, county commissioners may not directly control all county activities. Commissioners approve a budget for these offices, but may not have a say in how these offices operate. Other elective offices of county government include county attorney, county auditor, county treasurer, county recorder, and county sheriff. Many counties have reduced the number of elected officials in their counties.

¹ Information from publications of the Association of Minnesota Counties

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Counties are managed in a number of different ways. Many counties have a central administration led by either a county administrator or a county coordinator. In some counties the county auditor provides the administrative function.

III. FINANCIAL REPORTING REQUIREMENTS

a. Generally Accepted Accounting Principles

Minnesota counties shall prepare financial statements in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) establishes generally accepted accounting principles (GAAP) for state and local governments in the United States.

b. COFARS

Pursuant to Minnesota law, the Office of the State Auditor prescribes the form and style of county financial reports and statements. This financial information is contained in Minnesota County Financial Accounting & Reporting Standards (COFARS). While the financial statements in COFARS are in conformity with GAAP, counties should report the additional financial information required by COFARS in their annual financial report.

c. Scope of the Financial Statements

Often various commissions, authorities, boards, and agencies are a part of the governmental reporting entity, but external to the primary government accounting system. Generally accepted accounting principles require that the annual financial report include the entire reporting entity, which includes all component units. Component units are legally separate entities for which the county is financially accountable. Generally, component units must also issue basic financial statements. The narratives and disclosures that accompany these financial statements should adequately identify the purpose of the financial statements and the differing legal entities and functions included within the financial statements. The financial statements should disclose the relationship of the county to other governmental units. These relationships may include the guarantee of debt, joint ventures with other governmental units, and other responsibilities.

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d. Audit Period

The annual financial and compliance audit covers the financial transactions of a single fiscal year. The single audit also covers a single fiscal year. Minnesota counties have a fiscal year end of December 31.

IV. AUDIT REQUIREMENT

Pursuant to Minnesota law, Minnesota counties are required to have an annual audit. At least once in each year, if funds and personnel permit, the State Auditor may visit, without previous notice, each county and make a thorough examination of all accounts and records relating to the receipt and disbursement of the public funds and the custody of the public funds and other property. The State Auditor may decide not to conduct the annual audit of a county. This does not release the county from the audit requirement. Instead the audit must then be conducted by a certified public accountant.

V. AUDIT SCOPE

The scope of the audit indicates the extent of the audit procedures to be performed and any special audit requirements that must be met. Because audits can be undertaken for various purposes, the scope of an audit must be established clearly before any work is begun. Typically, a financial audit comprises an examination of the financial statements of all funds maintained by the governmental unit.

An auditor of a Minnesota county's annual financial report must conduct the audit in accordance with the requirements discussed in the following sections:

a. Generally Accepted Auditing Standards (GAAS)

The Auditing Standards Board (ASB) of the America Institute of Certified Public Accountants establishes auditing standards generally accepted in the United States.

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Scope of Reporting Entity to be Audited

The annual financial audit must cover all activities, funds, agencies, and operations of a county, including units determined to be component units for reporting purposes. The coverage should be indicated clearly in setting the scope. Compliance audits limited to certain funds, agencies, or operations should be identified in the audit contract. If required, a single audit on federal funds also will be included in the audit contract.

b. Generally Accepted Government Audit Standards (GAGAS)

The standards applicable to financial audits contained in *Government Auditing Standards* promulgated by the Comptroller General of the United States (December 2011 Revision).

Additional GAGAS Standards

GAGAS prescribe additional standards for financial audits that go beyond the requirements contained in the AICPA's Statements on Auditing Standards (SAS). Auditors must comply with these additional standards when citing GAGAS in their audit reports. The additional GAGAS standards relate to:

- a. Independence (see paragraphs 3.03 through 3.30);
- b. Nonaudit services (see paragraphs 3.33 through 3.58);
- c. Auditor communication (see paragraphs 4.03 through 4.04);
- d. Considering the results of previous audits and attestation engagements (see paragraph 4.05)
- e. Fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse (see paragraphs 4.06 through 4.09);
- f. Developing elements of a finding for financial audits (see paragraphs 4.10 through 4.14);
- g. audit documentation (see paragraphs 4.15 through 4.16); and
- h. Additional GAGAS requirements for reporting on financial audits (see paragraph 4.17).

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c. Single Audit Act

The provisions of the federal Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Due to the federal Single Audit Act (discussed earlier), a unit of government that expends \$750,000 or more in federal awards for the year ended December 31, 2015, and beyond must have a single audit on those funds.²

d. Minnesota Legal Compliance

The minimum procedures for auditors of local governments prescribed by the Office of the State Auditor, pursuant to Minn. Stat. §6.65, are primarily set out in the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*. The statute states:

The state auditor shall prescribe minimum procedures and the audit scope for auditing the books, records, accounts, and affairs of political subdivisions in Minnesota. The minimum scope for audits of all political subdivisions must include financial and legal compliance audits. Audits of all school districts must include a determination of compliance with uniform financial accounting and reporting standards. The state auditor shall promulgate an audit guide for legal compliance audits, in consultation with representatives of the state auditor, the attorney general, towns, cities, counties, school districts, and private sector public accountants.

The Legal Compliance Audit Guide was prepared by the Office of the State Auditor pursuant to Minn. Stat. §6.65, in consultation with representatives from the Attorney General's Office, towns, cities, counties, school districts, and private sector public accountants. The Legal Compliance Audit Guide contains the minimum compliance guidelines for verification by auditors engaged to audit political subdivisions of the state.

² Counties were subject to the guidelines of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and an audit threshold of \$500,000 in audits of years prior to the year ending December 31, 2015.

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The guide is divided into specific sections and presented in checklist form to assist the auditor of government units in the verification of statutory compliance. The guide is not meant to be a complete compilation of all laws affecting municipalities or a complete analysis of the laws cited throughout. The checklist is meant to act as a reference guide regarding minimum legal compliance, and auditors of local governments must examine, in addition to applicable laws cited in the guide, those laws creating, granting power to, and restricting the municipal entities they are auditing.

Under each section, except for the initial question establishing the transaction covered by the topic heading and except where the explanation of a given question indicates otherwise, all questions should be answered in the affirmative. A negative answer indicates a compliance problem, and the user of the checklist is directed to the statutory section indicated on the left-hand side of the page. If after examination of the appropriate statute, the auditor using this manual is still unsure as to whether there has been legal compliance, he or she should check with legal counsel before rendering the conclusion on compliance contained at the end of each section.

e. Additional Requirements

In addition to the legal compliance issues identified in the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*, the State Auditor may identify both financial and compliance issues that should be included within the scope of the audit of a Minnesota County. The legal compliance issues will generally be included in a new section of the *Legal Compliance Audit Guide*.

Pursuant to Minnesota law and as the State Auditor deems in the public interest, the State Auditor may require a CPA to provide additional information when a county is audited by the private CPA. The audit may be accepted by the State Auditor or, as the State Auditor deems in the public interest, the State Auditor may make additional examinations.

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VI. AUDIT REPORTING

The output of an audit should include the various independent auditor report(s) required by audit standards. Even though the auditor may draft the statements and footnotes, type and reproduce the statements on his or her stationery, and even bind the statements into a cover that carries the auditor's name, the financial statements are those of the county. That is, they are the responsibility of management of the county. Thus, the auditor is rendering an opinion on the fairness of the governmental unit's financial statements. Management has the ultimate responsibility for approving the statements and should not allow the financial report to be issued before carefully reviewing the statements for accuracy and adequate disclosure. Counties and independent auditors should be aware that independence standards place restrictions on the extent of additional services that an auditor can provide.

The audit's main objective is for the independent auditor to issue opinions on the fair presentation of the county's "opinion units" financial statements. Typically, an auditor on a county audit will issue multiple opinions of four possible types of financial audit opinions. Depending on the outcome and/or the scope of the audit, the auditor should render one of the following types of opinions:

Unmodified Opinion. The opinion expressed by the auditor when the auditor concludes that the financial statements are presented fairly, in all material respects, in accordance with the applicable financial reporting framework.³ For Minnesota Counties this is in accordance with GAAP.

Qualified Opinion The auditor should express a qualified opinion when:

- a. the auditor, having obtained sufficient appropriate audit evidence, concludes that misstatements, individually or in the aggregate, are material but not pervasive to the financial statements or
- b. the auditor is unable to obtain sufficient appropriate audit evidence on which to base the opinion, but the auditor concludes that the possible effects on the financial statements of undetected misstatements, if any, could be material but not pervasive.⁴

³ AU-C §700.11

⁴ AU-C §705.08

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Adverse Opinion. The auditor should express an adverse opinion when the auditor, having obtained sufficient appropriate audit evidence, concludes that misstatements, individually or in the aggregate, are both material and pervasive to the financial statements.⁵

Disclaimer. The auditor should disclaim an opinion when the auditor is unable to obtain sufficient appropriate audit evidence on which to base the opinion, and the auditor concludes that the possible effects on the financial statements of undetected misstatements, if any, could be both material and pervasive.⁶ This may happen if there is no accounting system or transactions were not recorded or were incorrectly recorded. The reason for the disclaimer should be stated clearly.

One Audit, Multiple Opinions

The financial reporting model implemented with GASB Statement 34, highlighted the concept of reporting units. The GASB's Comprehensive Implementation Guide Question 7.4.1 provides the following guidance:

Decisions about what should be reported separately in the basic financial statements were based on the understanding that users need financial statements or information to be provided for certain reporting units within a primary government. Some information is required to be reported because of its quantitative significance; other information may be required for qualitative reasons rather than its monetary significance. Materiality determinations, both quantitative and qualitative, made in preparing financial statements should be responsive to, and consistent with, those requirements. That is, requirements in Statement 34 to provide separate financial statements or information are based on the belief that particular reporting units are "material."

These separate reporting units are considered significant to financial reporting for state and local governments. The guide further identifies the potential significant reporting units. Their significance typically will require separate opinions (opinion units) on these reporting units. As general-purpose governments all counties will have at least reporting units for governmental activities, major governmental funds, and aggregate other fund information. Since most counties have at least three major governmental funds, typically you would expect at least five opinion units. Additional opinion units would be required if the county had business-type activities, major enterprise funds, and major discretely

⁵ AU-C §705.09

⁶ AU-C §705.10

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presented component units. So for an annual audit of a county there will be multiple opinions issued in the independent auditor's report.

Reports Required

Normally the regular annual financial audit results in an unmodified opinion on the basic financial statements. Depending on the circumstances, the auditor may be required to issue a report on the county's overall compliance with laws and regulations and internal controls (per *Government Auditing Standards*). If the audit is done under the single audit standard, the auditor will issue an opinion on compliance with requirements applicable to each major program and report on internal controls over compliance. The reports to be used in the compliance audit must be considered in defining the scope of the audit.

Other Auditor Reports

In addition to the auditor's report on the basic financial statements and depending on the scope of the audit engagement, a certified public accountant may need to issue the following reports:

- Independent auditor's report on internal controls over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
- Independent auditor's report on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
- Independent auditor's report on compliance pursuant to the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*.
- Independent auditor's report on internal control over compliance for major federal programs in accordance with OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*⁷.
- Independent auditor's report (opinion) on compliance with requirements that could have a direct and material effect on each major federal program in accordance with OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*⁸.

Some of these separate reports can be combined together into single letters.

⁷ OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* for audits prior to 2015.

⁸ See footnote 7

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VII. OBTAINING AN AUDITOR

a. Notification of State Auditor Intent

Annually, Minnesota counties are required to have a financial and compliance audit of their annual financial report. Generally, the Office of the State Auditor conducts the audits of the counties. However, at the discretion of the State Auditor, if funds and personnel do not allow the State Auditor to conduct the audit, the counties are required to hire a certified public accountant to conduct the audit. The State Auditor will inform the counties whether the State Auditor's Office intends to conduct the county's annual audit. If the county is not being audited by the State Auditor's Office it will be notified of such in writing. It is then recommended that the County conduct a process to obtain professional audit services from a licensed certified public accountant.

The State Auditor intends, as funds and personnel permit, to conduct audits of counties based on an analysis of a variety of factors. Certain counties will be allowed to engage a private CPA firm for a three-year period. The State Auditor may decide, in the public interest, to shorten the release period and to conduct the audits based on developments.

b. Selection of a CPA Firm

If notified that the State Auditor's Office will not be conducting their audit, counties should begin the process of selecting and hiring a certified public accounting firm to conduct their audit. The selection and hiring of a certified public accounting firm is a multi-step process, which should consist of identifying a selection committee, preparation of a request for proposal (RFP), invitations to CPA firms to submit responses, possible oral presentations, evaluation of the submitted proposals, selection of a firm, and completion of an engagement agreement.

To assist counties with the process of selecting an auditor, the appendices to this guide include information intended to provide direction to the counties in obtaining audit services from certified public accountants. There are many issues that should be considered when obtaining audit services, but the key issue is that both parties to the audit services contract understand the scope of the services being provided. The appendices include a guide for preparing a request for proposals for audit services (Appendix A) and a sample RFP (Appendix B).

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VIII. DESK AND WORKING PAPER REVIEWS

The purpose of the desk and working paper reviews is to promote uniformity and consistency among county audits conducted by CPAs, and to ensure conformity with generally accepted government auditing standards and compliance with applicable laws and regulations.

a. General

Engagement letters and contracts are strongly encouraged and should set forth the significant terms of the audit:

- *Government Auditing Standards* for financial and compliance audits will apply to all audits.
- Additionally, the Single Audit Act Amendments of 1996 and OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*⁹ may apply if the county has expended the threshold of federal funds.
- Generally accepted accounting principles established by GASB will apply to all county financial statements and, therefore, the auditor's report must address conformity with generally accepted accounting principles.

Audit reports should be completed and issued within 60 days of the end of fieldwork, but must be completed and issued by the end of the ninth month following the end of the fiscal period being audited or reviewed. However, if the county did not make arrangements for the audit within the first eight months following the end of the period to be audited, the CPA will be allowed four months from the authorization date to complete the audit. This should in no way be interpreted to waive the reporting and filing requirements of the Single Audit Act Amendments of 1996. While reasonable effort should be made to complete the audit by the statutory deadline, the auditor should consider reporting appropriate Auditor's Comments and/or Findings and Questioned Costs related to federal financial assistance programs if audit completion deadlines cannot be met because the county did not arrange for an audit to be conducted in a timely manner.

⁹ See footnote 7.

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b. Desk Reviews

Each county report submitted will receive a desk review for technical merit using the Office of the State Auditor's Desk Review Checklist. This checklist shall be updated from time to time as necessary due to changes in GAAP, GAGAS, or laws and regulations as applicable. The desk reviews will be conducted after the reports have been issued and submitted to the Office of the State Auditor. The desk review checklist is posted on the State Auditor website. Pursuant to Minnesota law, the cost of the desk review will be charged to the county reviewed.

Technical errors and other matters noted during the Desk Review will be communicated to the County and their CPA in a letter. The letter will be addressed to the Board Chair and the chief administrative officer. Copies may also be provided to the person(s) responsible for preparing the financial statements. Points raised in the letter should be adequately resolved when issuing the subsequent years report. If items identified during the desk review are extensive, the report may have to be reissued. CPAs are encouraged to discuss solutions to resolve review points with OSA staff.

c. Working Paper Reviews

Working paper reviews may be conducted after a desk review of the audit report is completed. Generally, selection of CPA reports for a working paper review shall be made only if significant technical problems are noted during the desk review of a county report. The state auditor may use a sampling method to review CPA working papers or have at least one audit working paper review each year for CPAs performing audits of counties.

Working papers must be submitted or made available to the State Auditor for review when requested. Working paper reviews will be performed using a CPA Working Paper Reviewer's Checklist or another available professional review checklist, which shall be updated from time to time as necessary to reflect changes in auditing standards and applicable laws and regulations. When an OSA staff member completes a working paper review, this reviewer will draft a letter of comments indicating the points to be cleared by the CPA. (Each CPA firm with multiple offices should furnish the State Auditor with the name and address of its quality control officer, who will receive a copy of the point letter.) Each noted deficiency in audit working paper quality would be documented through the use of photocopies, memoranda and analyses, as applicable.

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Confidentiality

Desk and working paper reviews are to be conducted with adherence to strict confidentiality of any information obtained during the course of the review. The reviewer should not disclose any information concerning the quality of the CPA's work without prior authorization from the State Auditor. Access to working paper review letters of comment, and working paper review documentation is restricted to the State Auditor, the Audit Managers, and designated OSA staff members at least until the review is completed. These individuals will be allowed access to these items as needed to carry out their official duties.

Independence

Reviewers must maintain their independence with respect to the CPA whose work is being reviewed. The independence policies of the Office of the State Auditor shall apply to reviews of CPA working papers.

Competence

OSA staff members conducting CPA working paper reviews shall be knowledgeable about and proficient in performing audits in accordance with *Government Auditing Standards, OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*¹⁰ and reporting on county governmental financial statements prepared in accordance with generally accepted accounting principles or other comprehensive bases of accounting frequently encountered in government.

IX. COMMUNICATION WITH THE OFFICE OF THE STATE AUDITOR

a. Predecessor-Successor Auditor Situations

The rotation of the county's auditor will result in CPA's following the audit work of the Office of the State Auditor. Also, the reverse situation will occur where the OSA will be the successor auditor of CPA firms. In all audits of counties both predecessor and successor auditors will cooperate to insure a smooth transition between audits.

¹⁰ See footnote 7.

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When a change in auditor for an audit of a Minnesota county occurs, between the OSA and a CPA firm or between one CPA firm and another CPA firm, the communication requirements between predecessor and successor auditor of professional auditing standards must be followed. In particular, all auditors shall make prior audit working papers available for review.

b. Availability of OSA Working Papers

In order to encourage and promote efficiency in government audits, the State Auditor's Office shall make its working paper files available to CPAs performing subsequent audits. CPAs are encouraged to allow successor auditors to review their working papers for the same reasons. Minn. Stat. §6.70 states, "[t]he state auditor and the public accountants shall have reasonable access to each other's audit reports, working papers, and audit programs concerning audits made by each of the political subdivisions."

Counties and CPA's should contact the OSA to set up a time to review prior working papers. CPAs may review prior OSA audit working papers at the office of the State Auditor, in St. Paul, or at a regional office of the State Auditor. If requesting copies of working papers, the OSA's Data Practices Officer will review the selected working papers for any private/non-public data. After they have been approved for copying, the working papers will be sent to the CPA. The OSA will charge the CPA firm the cost of duplicating the materials. If the CPA firm has reviewed the prior working papers at a regional OSA office, the working papers will be returned to the St. Paul office for review and copying.

c. Notifications to the State Auditor

Situations will arise which will require notification or communication to the State Auditor. The situations identified in this section are specific instances when the State Auditor should be notified. However, the county or CPA should contact the OSA whenever unresolved issues or situations arise. The OSA will provide what assistance is possible to resolve the issue. Minn. Stat. §6.68, in particular states,

"If in an audit of a political subdivision a public accountant has need of the assistance of the state auditor, the accountant may obtain such assistance by requesting the governing body of the political subdivision being examined to request the state auditor to perform such auditing or investigative services, or both, as the matter and the public interest require."

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Audit Scope Limitations

The auditor should inform the Office of the State Auditor if he or she believes limitations on the scope of an audit would preclude the auditor from expressing an unmodified opinion. If an auditor or a county believes a scope limitation exists, they should contact OSA staff immediately to discuss the problem.

Opinions Other than Unmodified

Auditors and/or the county should contact the staff of the Office of the State Auditor (OSA) before issuing an independent auditor's report (opinion) that is other than unmodified. If an unmodified report is possible with additional audit work, the OSA staff will **require** that work to be done. If an unmodified report is not possible, the reason should be communicated to the State Auditor.

Evidence Pointing to Misconduct

The CPA must be aware of the requirements of Minn. Stat. §6.67, which requires notification to the State Auditor when evidence of misconduct is identified during the conduct of the audit of the county or local government. This statute states:

Whenever a public accountant in the course of auditing the books and affairs of a political subdivision or a local public pension plan governed by chapter 354A or 424A or Laws 2013, chapter 111, article 5, sections 31 to 42, discovers evidence pointing to nonfeasance, misfeasance, or malfeasance, on the part of an officer or employee in the conduct of duties and affairs, the public accountant shall promptly make a report of such discovery to the state auditor and the county attorney of the county in which the governmental unit is situated and the public accountant shall also furnish a copy of the report of audit upon completion to said officers. The county attorney shall act on such report in the same manner as required by law for reports made to the county attorney by the state auditor.

Unable to Meet Deadline

If the CPA and County are unable to meet the report completion deadline noted, the reasons for the delay should be communicated to the State Auditor's Office prior to the report deadline.

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X. FAILURE TO COMPLY

Pursuant to Minnesota law, failure to comply with the requirements of this audit guide could result in the Office of the State Auditor conducting additional procedures or examinations that are in the public interest. The counties are responsible for the cost of the any additional examinations conducted by the Office of the State Auditor.

Significant non-compliance with professional standards by a certified public accountant could result in a report to the State Board of Accountancy on the nature and substance of the non-compliance.

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Appendix A – Request For Proposal Guidelines

Section 1 - Introduction

Intended Use

This publication is intended for use by counties in contracting for professional financial and compliance auditing services. Counties should seek out qualified licensed independent auditors by sending a Request for Proposal (RFP) in a form that will result in comparable and comprehensive proposals to assure that audit services are provided as specified in the request. Another important aspect in using the RFP process is that it provides certain assurances that competitive review and selection procedures were applied in contracting for the audit. Small and minority audit firms should also have maximum opportunity to submit proposals for auditing services.

It is essential that requests for proposals for auditing services be comprehensive and address all significant matters, issues, and subjects that have a bearing on the audit. Information about the entity to be audited and necessary elements of the audit requirements must be provided to the independent auditors to assure clear and complete responses. Interested respondents usually respond to requests for proposals with a detailed audit proposal that outlines the firm's qualifications, references, proposed audit work plan, and the price of doing the audit. However, RFPs issued by local governments and the audit proposals submitted in response to those requests often differ widely in style and scope. Because of such wide differences in RFPs, auditors may find them difficult to understand or may respond with a work plan that does not meet all audit requirements. These guidelines establish a reasonable degree of consistency in form and content of the Request for Proposal and of the expected response from independent auditors.

Counties should seriously consider engaging the independent auditor for longer than a single year audit, usually for a three-year period. The longer period would enable the auditor to gain insights into the county being audited, which in turn should produce certain economies and audit efficiencies from the longer engagements. Contract documents should fully comply with legal requirements concerning extended service periods. Letters of understanding may be appropriate when multi-year engagements are desirable but where conditions preclude other than single year service contracts.

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These guidelines are stated in general terms to provide service requesters flexibility in tailoring each request for proposal to reflect their specific needs and requirements. They also give recognition to differences in relative size of an audit engagement.

Regardless of the size of a county, an effective audit can improve management operations and yield significant dollar savings. It can also help to avoid wasting the county's resources on a substandard audit. Taking steps to ensure a quality audit is especially important in light of a Government Accountability Office report that identified 34 percent of CPA audits as substandard. Another GAO report disclosed that entities with ineffective procurement systems stood a 46 percent chance of receiving a substandard audit; that figure dropped dramatically to 17 percent for entities that followed systematic audit procurement practices.

Counties should never select auditors without considering five basic elements of an effective audit procurement process:

- planning (determining what needs to be done and when);
- fostering competition by soliciting proposals (writing a clear and direct solicitation document and disseminating it widely);
- technically evaluating proposals and qualifications (authorizing a committee of knowledgeable persons to evaluate the ability of prospective auditors to effectively carry out the audit);
- preparing a written agreement (documenting the expectations of both the entity and the auditor); and
- monitoring the auditor's performance (periodically reviewing the progress of that performance).

These guidelines discuss these five elements of audit procurement. It also addresses the use of audit committees--independent committees composed of persons with knowledge of accounting, auditing, finance, or management--which, among other things, can assist entities in procuring audit services and overseeing the audit process. In addition, because many small counties do not have procurement systems as formal as those of large states or local governments, information on how the critical elements of a procurement system can be applied to the special needs of small entities is also presented.

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Both the RFP technique and the Invitation to Bid (ITB) technique are similar. They both require competitive bidding, require public notice, and require the submission of sealed responses. The major difference between the two methods is in the evaluation process that takes place after bids/proposals are received.

The ITB is the traditional method of soliciting bids for the acquisition of goods or services. This method requires that specification requirements be couched in precise, concrete terms, for example, “shall be a minimum of...”, “shall be no more than...”, “shall be comparable to...” etc. Terms and conditions of the bid package must be equally concrete, such as, “delivery must be made on or before...” The responses to the ITB solicitation are required to be returned to a specific location, by a specific time. All responses received by the time and date set forth must be opened and read aloud in public.

The evaluation of responses to an ITB is relatively simple and straight-forward. The purchasing agent must first determine who met the specification requirements and then must determine which bidders were responsive to the terms and conditions of the ITB. The contract or order would be awarded to the bidder who met all the specification requirements, agreed to abide by all the terms and conditions of the ITB, and was the low monetary bidder. Cost is generally the predominant factor in deciding the winner using the ITB technique.

The RFP process is similar to the ITB process with several major exceptions. Cost is generally not the predominant factor in award decisions. More emphasis can be placed on the offeror's capabilities to perform a proposed project, i.e., managerial experience in similar projects, technical capabilities demonstrated in performance of similar projects, the feasibility of the approach or plans proposed in response to the RFP requirements, etc. Weighted factors can be applied to assist in the evaluation of the offeror's response.

The major difference in the handling of responses to an RFP solicitation versus those used in handling the responses to an ITB solicitation, is the responses to an RFP are kept confidential until an award has been made. At the time and date set for proposal opening, only the names of the proposers are made public. The contents of each offeror's response are not revealed to other competitors.

The specifications in an RFP package are generally divided into two sections--mandatory requirements and desirable features. To be eligible for an award of a contract, an offeror must first meet all mandatory requirements. If it has been determined that an offeror has met all mandatory requirements, the desirable features offered can be evaluated. Weighted factors must be assigned to the desirable features to assist the evaluation team

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in scoring how well an offeror has responded to such features. A general reference to these factors must also be included in the RFP document for the offeror's information. Detailed evaluation criteria must also be developed by the government entity for use by the evaluation team members to assist them in evaluating and scoring responses.

Since the contents of the proposals are not revealed, the RFP solicitation technique allows for flexibility in the evaluation process that is not possible using the Invitation to Bid process, that is, under certain circumstances, where a response to a particular requirement is not clear, an offeror can be contacted and asked for clarification. This option is not available when the ITB solicitation technique is used. If an offeror fails completely to address a feature contained in the RFP document, no clarification can be solicited. If this failure was in response to a mandatory feature the offeror must be disqualified. If this failure was in response to a desirable feature of a proposed project, then such a failure would be scored in accordance with the weighting factors.

If it becomes evident that changes become necessary to the specifications contained in the initial RFP document during the evaluation phase, all proposers can be contacted and asked for "best and final" offers, that is, an offeror can be asked to respond to specific changes and provide both technical and cost impacts to their initial offer. This "best and final" offer cannot be used to begin an auction to determine if the offeror will lower prices.

Section 2 - Planning

Planning to procure a quality audit requires time and attention. But the resources a county spends on planning are likely to be rewarded by a smoother, timely, and often less expensive audit.

The following matters should be considered:

- Defining the entity to be audited. Counties are often composed of smaller, sometimes legally separate entities. Decisions should be made regarding which of these units to include in the scope of the audit, taking into account any legal requirements and generally accepted accounting principles.
- Delineating the scope of the financial audit. For audits of financial statements, a determination should be made on whether the auditor should limit the examination to the basic financial statements, the minimum allowable audit scope, or to extend the examination to cover additional statements, such as supplementary nonmajor fund information or the combining and individual fund financial statements.

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- Determining the specific audit requirements. To determine the audit requirements of the county--a sometimes-difficult task--it may be advisable to seek the assistance of knowledgeable persons. An audit committee composed of people with backgrounds in accounting, auditing, finance, or management ideally provides this assistance. Entities without audit committees may want to seek the assistance of other government personnel with specialized knowledge of accounting and auditing.
- Deciding on the appropriate auditing standards. While generally accepted auditing standards (GAAS) are typically used for both private and public sector audits, the county may be subject to grant terms, state statutes, federal regulations, or the Single Audit Act and thus may be required to use generally accepted government auditing standards (GAGAS) or *Government Auditing Standards*, which are issued by the Comptroller General of the United States. The Office of the State Auditor as part of the minimum audit standards for audits of counties requires the use of GAGAS for the audit of all Minnesota counties. These standards involve additional auditor responsibilities, including special reporting on internal control and on compliance with applicable laws and regulations.
- Determine whether the Single Audit Act applies to the government entity. The Single Audit Act of 1984 established supplemental audit requirements in the areas of internal control and compliance reviews. In 1996 the Single Audit Act was amended. It will be necessary to determine if the governmental entity is affected by this legislation as amended. The Office of Management and Budget (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, provides the guidance for a Single Audit. Another good reference document is the American Institute of Certified Public Accountants' (AICPA) audit and accounting guides: *State and Local Governments* and *Government Auditing Standards and Single Audit*. The Single Audit Act adds significant additional audit requirements upon both auditor and auditee.
- Identifying the attributes necessary in an auditor. It is recommended that the personnel performing the audit have experience with audits of counties or similar entities as well as required continuing professional education in governmental accounting and auditing. Moreover, they should comply with applicable requirements for peer review and continuing professional education.

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- Deciding how to evaluate prospective audit firms. Developing a systematic procedure for evaluating firms' qualifications is essential. Although price is important, technical qualifications should be a critical criterion in selecting an auditor.
- Reviewing legal requirements. It will be necessary to review applicable laws, regulations, and grant conditions to ensure that both the procurement process and the audit itself will meet legal requirements.
- Considering a multiyear agreement. The first year of an audit engagement usually involves significant start-up costs as auditors devote considerable time to learning about the entity and its internal control systems. Having completed this groundwork, the auditor usually is able to work at less cost in the succeeding years. A multiyear agreement—perhaps a 1-year agreement with the option to extend the agreement for up to 3 years—has a dual advantage: it enables an auditor to propose a price that takes into account the savings to be realized in subsequent years and saves the county the costs associated with repeating the selection process. At the same time it provides for an out to the agreement should performance not meet expectations.
- Establishing a work schedule. It is important to develop a schedule both for internal use and for the auditor to be selected. This schedule should set forth dates by which certain milestones in the audit process must be reached. The only way to ensure the timely preparation and issuance of financial statements and related reports is to develop and adhere to such a schedule.

Section 3 - Competition and Solicitation

Full and open competition is basic to government procurement. Encouraging as many qualified audit firms as possible to submit proposals for auditing the county increases the likelihood that a quality audit will be performed at a fair price. The next step is to communicate the county's audit needs to potential bidders. This step is critical, because bidders who do not clearly understand exactly what services the county needs might not respond.

There are many ways to solicit bids for an audit, but the most reliable method is a written request for proposal, or RFP. RFP's should be clearly written; set forth all terms, conditions, and evaluation criteria as well as the scope of the work required; and be sufficiently well distributed and publicized to ensure full and open competition.

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The use of an audit committee is advisable when writing an RFP. Committee members should have a clear understanding of both the audit function and the government entity's audit needs. Consideration should also be given to compiling a list of potential auditors from general and professional directories and from past experiences with audit firms. Maintaining an updated list makes it easy to distribute the RFP to the firms that are most likely to be interested in bidding on the audit. The Minnesota Society of CPA's can be contacted for referrals to accounting firms with county experience.

ESSENTIAL ELEMENTS OF AN RFP

The prime consideration in preparing the RFP is that it contains enough information to provide bidders with a common basis by which to prepare proposals that address all audit needs and requirements. It is also important, however, to consult with the county's purchasing or accounting department and/or legal counsel to ensure that the RFP conforms to laws, regulations, and grant terms applicable to the governmental entity. At a minimum, the RFP should contain the following elements:

Notice of Proposal

The Request for Proposal document should be communicated to the independent auditors by any appropriate form and manner to assure open and competitive coverage. A public notice may or may not be required. Also, other methods of communicating requests for auditing services may be desirable, such as contact with the State Society of Certified Public Accountants. Invitation to bid listings in newspapers are the commonly used public notice.

The notice of proposal (or letter of transmittal) to prospective respondents should briefly summarize all-important information regarding the RFP. It may include:

1. Name and address of entity issuing the RFP.
2. Name, address, title, and telephone number of person(s) to contact regarding questions.
3. Response due date, time deadline, and consequences of late responses.
4. Number of copies of response.
5. Contract period [year(s) to be audited]. Clarify if multiyear contract proposal.

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6. Specific location and method of delivery of response. Specify sealed response/price requirements, if any.
7. Other stipulations and clarifications as required.

Introductory Information

The RFP package may include an introductory or preliminary section covering general explanatory information to clarify any special points or items of interest. For example, this section could be used to discuss preproposal (bidders') conference plans and procedures, as well as general information on evaluation of proposals and the bid opening and notification process. If used, the section would amplify on the detailed materials to follow in the package to enhance reader understanding. This section is optional. Its use may be dependent on the size and complexity of the audit.

Description of Entity and Records to Be Audited

This section should contain detailed information, as follows:

- Give needed general information about the county, including population, and budget size. Identify the component units included in the reporting entity, their size, their auditors and their fiscal year operating period. Indicate when their financial statements and auditor's reports (if covered separately) will be available.
- Specify the number and type of funds and the basis of accounting used during the year and at year's end. Also, a preliminary identification of the major funds or number of major funds expected. Specify differences in accounting among funds to be audited. Clearly identify whether the audit is to be conducted at the fund type level or the individual fund level.
- Describe budget records, and state whether revenues, appropriations, and encumbrances are recorded in the accounting records. Indicate the magnitude of the financial activity, including the number and location of bank accounts, number of receivable accounts, number of employees and payroll listings.

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- Describe systems, records, and procedures:
 - a. Note any available manuals, written policies, and procedures covering such items as cash, receivables, fixed assets, and liabilities.
 - b. Identify the major segments of the accounting records that are computerized and the availability of related system documentation. Also, identify hardware, operating system, and software packages.
 - c. Describe internal audit program, staff size, and extent of internal audit coverage, if applicable.
 - d. Identify individuals responsible for maintaining records and preparing reports.
 - e. Identify known problems related to the accounting system or the internal control, or other problems. State any known exceptions to generally accepted accounting principles or any other accounting problems.
 - f. In those rare cases where records cannot be made available for inspection during the proposal process, describe the condition and completeness of the records the auditor should assume in his proposal.
- State whether copies of the prior year's audit reports, management letters, financial statement and budget are available.
- Describe sub-recipient entities and related records to be audited.

Nature of Services Required

The scope of audit services being requested should be specified, indicating what type(s) of audits are required and any special scope requirements. The audit scope should be stated in detail in the Request for Proposal.

1. Financial and Compliance Audits Under the Single Audit Act

Under the Single Audit Act of Amendments of 1996, each state, local government, and not-for-profit entity that expends \$750,000 or more in

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federal financial assistance in a fiscal year for the year ending December 31, 2015, and beyond, is subject to the requirements of the Act and any implementing regulations prescribed by the U.S. Office of Management and Budget (OMB).

The additional audit requirements imposed by the Single Audit Act and OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) may be omitted from the RFP if the governmental unit is not subject to the Act. For example, counties expending less than \$750,000 are exempt from requirements of the Act.

A. *Scope of the Audit*

The Single Audit Act provides that:

The audit shall be made by an independent auditor. An "independent auditor" means (1) a State or local government auditor who meets the independence standards specified in the generally accepted government auditing standards, or (2) a public accountant who meets such independence standards.

The audit shall be made in accordance with generally accepted government audit standards covering financial and compliance audits. These standards mean the standards for financial audits set forth in *Government Auditing Standards*, developed by the Comptroller General (GAO). The current edition, December 2011 Revision, should be used as reference.

The audit shall cover the entire operations of the state or local government, or at the option of that government, it may cover subordinate units that received, expended, or administered federal financial assistance during the fiscal year.

B. *Requirements of the Auditor*

The OMB Uniform Guidance specifies that the auditor shall determine whether:

The financial statements of the government, department, agency or establishment present fairly its financial position and results of its

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financial operations in accordance with generally accepted accounting principles (GAAP).

The organization has internal accounting and other control systems to provide reasonable assurance that it is managing federal financial assistance programs in compliance with applicable laws and regulations, and that

The organization has complied with laws and regulations that may have a material effect on its financial statements and on each major federal assistance program.

2. *Financial Audit Only*

If a county is exempt from the requirements of a single audit, the audit shall be conducted in accordance with generally accepted auditing standards and the requirements for financial audits contained in *Government Auditing Standards*. However, the audit requirements of the Uniform Guidance would not be applicable.

3. *Both Financial and Single Audits*

All audits of Minnesota Counties are subject to the minimum audit procedures prescribed by the State Auditor pursuant to Minn. Stat. § 6.65. These minimum procedures are discussed Chapter V of the *Audit Guide for Financial and Compliance Audits of Minnesota Counties* and the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*.

Mandatory Qualification of the Auditor

The following information must be requested from all respondents:

1. An affirmation that the proposer is properly licensed for public practice as a certified public accountant.
2. An affirmation that the proposer meets the independence requirements of the *Government Auditing Standards*, promulgated by the Comptroller General's Office.
3. An affirmation that the respondent does not have a record of substandard audit work. (This can be determined by communicating with the Minnesota State Board of Accountancy, 85 East Seventh Place, Suite 125, St. Paul, Minnesota

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55101, telephone (651) 296-7938 or (800) 627-3529). Requesters of audit services may wish to ask respondents for disclosure of positive enforcement actions, or other matters which may reflect on their professional qualifications.

4. An affirmation that the respondent meets any other specific qualification requirements imposed by state or local law. (Specifics should be detailed if applicable.)

Period of the Audit

The audit proposal should clearly state the period to be audited. This may be a one-year period or longer. If the period to be audited is for two or more years, the requester should specify that the entire audit period since the last audit must be covered.

Term of the Engagement

As mentioned above, the term of the contract period covered in the RFP may be for a period different from the period to be audited. Request for Proposals may cover an extended period of time that would, of course, span a series of audit periods.

Requesters may wish to consider engaging the independent auditor for more than one annual audit, but also may wish to avoid extended engagements with the same auditor to assure auditor independence.

Entrance/Exit Conference Requirements

The Request for Proposal should specify whether audit entrance and exit conferences are to be held and, if so, the contact person for setting up the meeting, where the meeting is to be held and the persons with whom to meet. Conferences are a matter of individual preference and may also include progress reporting. The proposal should also establish the frequency of progress-reporting conferences, including with whom and where.

Assistance Available to Proposers

Give the name of the auditor who performed the most recent audit, the period covered, report date, and type of opinion. State whether previous audit working papers are available for inspection and where they are located. If the audit

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opinion was qualified, state whether the condition causing the qualification has been corrected.

State the names of the requester's staff available to assist the proposer by providing information and explanations.

- State whether the accounting staff can prepare schedules, reproduce documents, pull documents, etc.
- State whether any internal auditing time is available and whether internal audit reports are available.
- State whether the data processing staff, equipment, and generalized user software are available for auditing purposes, and specify the make and model of the computer to be used and what type of operating system is used.
- State whether legal counsel is available.

State the names and titles of officials who will issue representation letters for inventory evaluations, pledged assets, contingent liabilities, potential litigation, etc., if required.

State whether interfund and interdepartmental reconciliations have been made.

State the location of available work areas and equipment and its location in relation to the records.

Give the place, date, and time of the proposer's conference. (A proposer's conference is advisable for large audits to save the requester's time answering individual questions about the RFP and also to guarantee equal treatment to each proposer. Immediately following the proposer's conference, the proposers can be shown the accounting and other applicable records.)

State whether conference questions will be responded to in writing and whether the RFP will be amended if necessary.

Reports Required

The Request for Proposal should specify the reports required at the conclusion of the audit, and the reports required to be submitted on the audit, including special reports (or copies of reports) to Federal, state and other agencies. For example, the RFP must be tailored to fit the audit; however, if it encompasses a single

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audit, the requester should cite the certain minimum requirements. The audit report shall state that the audit was made in accordance with the provisions of the OMB Uniform Guidance.

The audit report shall include, at minimum:

- The Independent auditor's reports on the basic financial statements.
- Independent auditor's report on internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
- Independent auditor's report on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
- Independent auditor's report on compliance pursuant to the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*.
- Independent auditor's report on internal control over compliance in accordance with OMB Uniform Guidance.
- Independent auditor's report (opinion) on compliance with requirements that could have a direct and material effect on each major program in accordance with OMB Uniform Guidance.
- A summary of auditor's results and a schedule of findings and questioned costs, if any, required by OMB Uniform Guidance.

Time Requirements

An important consideration to bear in mind is that the RFP procedure should be completed in time to permit the auditor to commence preliminary work prior to the close of the period to be audited. Ideally, the auditor selection and contract award should be completed prior to the year-end to be audited or as early as possible into the audit period.

The following dates should be specified to the extent applicable. The RFP should state that the dates are firm unless waived in writing by an authorized person.

1. Date of bidder's conference.
2. Date and time for proposal submission. The preparation of audit proposals is an expensive, time-consuming process for the proposer; therefore, a reasonable time must be allowed -- at least three weeks to a month.
3. Date, time, and place for selected proposer interviews, if desirable.
4. Date of contract award.

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5. Dates audit work can be commenced:
 - a. Preliminary work prior to closing accounts.
 - b. Post-closing work. (Some requesters may not want auditors working during closing.)
6. Date for preliminary report completion and exit conference.
7. Date for final report submission. The audit report normally should be submitted as soon as possible after the audit exit conference. Single audit reports are due within nine months after end of the audit period. Even if not subject to the Single Audit Act all audited County annual financial reports should be submitted to the State Auditor within nine months after the close of the county's fiscal year.

Contractual Arrangements

Provide general information about the contract to be awarded, including billing and payment arrangements, and contract cancellation provisions. Specify the period of the contract. Normally, a multiyear contract offers advantages to both parties. However, a county might want to include the option to cancel in any of the following years. If the contract will be limited to one year, state the requester's intent regarding its renewal, perhaps by issuing a letter of understanding.

Report Review, Timing, and Number of Copies

The RFP package should clearly cover all requirements concerning procedures of reporting, frequency, number of copies, special reporting, etc., as follows:

1. Draft submission for review by the auditee. The name of the individual responsible for reviewing and responding to the draft audit report should be stated.
2. For single audits, the requirements for preparing and submitting the reporting package to the Single Audit Clearinghouse.
3. Specify that management reports should be submitted as part of the audit report.

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Working Papers

Audit working papers traditionally belong to the auditor; however, the RFP should:

1. Specify that the working papers will be retained for at least six years (more, if necessary).
2. Specify that the working papers will be available for examination by authorized representatives of the oversight Federal audit agency, the Office of the State Auditor and other appropriate government agencies and may be subject to provisions of the Minnesota Data Practices Act. The County may want to consider language to the proposal authorizing their access to appropriate working papers.

Right to Reject

The RFP should state that the requester reserves the right to reject any and all proposals submitted and to request additional information from all proposers. It should also state that any contract awarded will be made to the independent auditor who, based on evaluation of all responses, applying all criteria and oral interviews, if necessary, is determined to be the best qualified to perform the audit.

During the solicitation process, it is helpful to schedule a bidder's conference with prospective proposers to allow them an opportunity to ask questions seeking clarification relative to the contents of the RFP document. Written questions may be required to be submitted prior to the bidder's conference; however, the government agency must be prepared to respond to "off-the-cuff" questions during the conference. Answers to questions may be deferred during the conference; however, all questions must be answered and answers provided to all proposers with the minutes of the conference. The county should also plan to have personnel attend the conference to answer technical questions that may be asked by the prospective proposers. Although the objectives of a bidders' conference could be accomplished by letters and individual conversations, bringing all bidders together at the same time to hear the same information is efficient and helps ensure that all bidders are treated equally. This is especially important, since unsuccessful bidders may challenge the procurement if their competitors were given significantly different or more information.

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- **Small Counties**

Obtaining an extensive list of potential bidders may be difficult for small entities in rural areas. Soliciting lists from nearby, larger entities and from CPAs in the region that have experience with governmental audits often is helpful.

NOTE:

The Office of the State Auditor has developed a sample RFP utilizing the recommended format. This RFP is included as Appendix B of this guide. An electronic version can be downloaded from the State Auditor's website. The resources of the OSA are available to assist in developing an RFP, which will meet the needs of a county.

Section 4 - Technical Evaluation

Once the due date for proposals has passed, the evaluation of bidders' qualifications can begin. The technical evaluation is important for two reasons:

- it provides a systematic framework for selecting an auditor on the basis of the county's established RFP criteria, and
- it documents that the auditor was selected fairly.

By comparing the governmental entity's requirements with the auditors' plans, skills, experience, commitment, and understanding of the audit requirements and then reviewing bidders' price proposals, the governmental entity will be able to select the firm that can provide the best audit at the fairest price.

To limit errors in judgment and to bring varied perspectives to the technical evaluation of the proposals, the establishment of an evaluation committee is recommended. The committee should be composed of people with experience in accounting, auditing, budgeting, or another specialty field pertinent to the required audit work. The audit committee can also play an important advisory role in this process.

Separate evaluations of technical ability and price are urged. The technical evaluation addresses the firms' technical qualifications and ability to perform the audit. Although the price for the work to be performed is a significant factor in the selection of a qualified audit firm, the government entity will be more likely to get a high quality audit at a fair price if both price and technical ability are taken into account in selecting the successful bidder.

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As a first step, all bidders must be required to meet certain minimum standards before evaluating either their technical qualifications or their price proposals. Doing so will spare the entity the needless and time-consuming technical evaluation of firms that do not meet the requirements. A firm can determine these minimum standards by reviewing the laws governing the county, its general internal policies, and its policies regarding specific audit engagements. However the requirements are delineated, the minimum standards must include that the firms:

- meet the appropriate state licensing requirements,
- meet the applicable independence standards,
- have a record of responsible work, and
- comply with applicable requirements for peer review and continuing professional education, including providing the county with their firm's most recent peer review report and letter of comments.

METHODOLOGY

The method of evaluating proposals may vary considerably with the size and complexity of the county and the scope of services required. If the method of evaluation has been predetermined, it should be described in an attachment to, or made part of, the RFP, giving a brief summary of how the selection process will work. Clarifying the rating method, point range, and other factors would also be desirable.

To have a meaningful evaluation, care must be taken in selecting evaluators. The evaluators must have the background and experience necessary to make accurate and meaningful comparisons of the proposals. Items of comparison include general qualifications of the auditor, alternative approaches to the audit work plan, assessment of the number of hours to do the audit, and evaluating the staffing level and experience of assigned staff for the type and complexity of the audit desired. In addition, evaluators should be provided appropriate criteria to ascertain which proposer best meets the requester's needs. Occasionally, several proposals may be so similar in qualifications that oral interviews may have to be arranged and scheduled to assist in making the final selection.

At a minimum, the evaluation committee should be able to answer "yes" to the following questions:

- Does the proposal, both in the statement of the audit requirements and elsewhere, demonstrate that the firm has an understanding of the audit's objective(s), the needs of the county, and the final products to be delivered?

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- Does the proposal contain a sound technical plan and a realistic estimate of time required to complete the audit?
- Does the proposal show the bidder's intention to start the audit when required and complete the audit in a timely fashion?
- Does the technical plan show a practical approach to meeting benchmarks and specific deadlines?
- Does the proposal indicate that the firm will use (1) a systematic approach to examining systems and internal controls and (2) effective procedures, including consideration of risk and materiality, to determine the extent of audit testing and review necessary?
- Does the proposal indicate the bidder's willingness to use other auditor's work, to the extent possible, to avoid duplication of effort?
- Does the firm have experience in performing the required work for entities of similar size and type?
- Do prior clients have a positive opinion of the firm?
- Does the proposal clearly show the collective experience of the team to be assigned to the project?
- Does the proposal specify, in concrete language, that key personnel have education and experience in the type of work that the audit entails?
- Is the experience explained in terms of specific audit engagements?
- Is the continuing professional education of key personnel explained in detail?
- Does the proposal indicate the extent to which the county's personnel would be expected to contribute to the work effort?
- Does the proposal specify that the county must be notified in writing of changes in key personnel?
- If the proposal is for a multiyear contract, does it provide an approach for planning and conducting the work efforts of the subsequent year(s)?

Note: if other audit firms are to be used (subcontractors), the above technical factors should also be applied to those audit firms.

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RATING THE PROPOSALS

Initial evaluations should be based on the bidders' proposals as submitted. As the proposals are evaluated, a list of the strengths and weaknesses of each should be made to support its technical rating. It is strongly recommended that proposals be ranked according to the technical factors first, and then consider the proposed cost. For example, the evaluation process may rank the proposals only on technical factors, then a selection of the best qualified proposals could be made of perhaps three to five from the total responses. From these "best qualified" responses, the evaluation could proceed with evaluations of the cost factors.

COST FACTORS

Cost of work to be performed is important and often is a significant factor in selection of the proposal for entering into a contract for services. Cost should not be given primary and dominant weighting in selecting the auditor. Cost for the audit should be given consideration when all other evaluation criteria have been met and the proposals are relatively equal in qualifications. If there is reason to believe that an unreasonably low proposal has been submitted, it should be rejected. One method of measuring reasonableness is to identify hours to complete the audit (or identify hours to complete each segment of the audit), divide each cost estimate by these hours, and compare results with the other proposals. It may be helpful to develop a general standard as to hourly rates and time on each audit task regarding what might be expected.

This section outlines general information on the process for evaluation of proposals. Detailed procedures and a suggested worksheet for handling the evaluation process are shown in Supplement 2 of these guidelines.

FINAL DETERMINATION

After the technical evaluation is completed and the prices offered by the bidders have been reviewed, the county may be prepared to select the proposal most advantageous to the entity. If, however, the feeling exists that more information is needed before selecting a proposal, individual discussions with bidders who have a reasonable chance of being selected can be held. This will allow these bidders to respond to the entity's concerns and, if necessary, submit revised proposals by a specified date. Care should be taken during these discussions not to reveal proprietary information submitted by other bidders. The revised proposals should then be evaluated as described above and the contract can be awarded on the basis of both technical competence and reasonable price.

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- **Small Counties**

Using a committee to carry out the evaluation process is especially important for small entities with limited resources. A more comprehensive analysis of the bids is likely to be achieved by having more people involved in the evaluation process.

Section 5 - The Written Agreement

The lack of a written agreement between the county contracting for the audit and the audit firm can contribute to substandard audits performed by certified public accountants. To foster sound and productive communication and to avoid misunderstandings, both parties should agree in writing on important audit-related matters. Before bidders spend time assessing the nature of the job and estimating its costs, they should be cognizant of the fact that they are expected to sign a formal document as the culmination of the proposal process. Audit firms unwilling to commit themselves to signing such a document are better avoided.

A signed agreement represents a contract and is binding upon both parties. For that reason, when drafting the agreement, seeking the advice of the county's legal counsel on the agreement's form and substance is important.

CONTENT OF THE WRITTEN AGREEMENT

When an RFP has been used, the written agreement should incorporate by reference the terms of the RFP and those of the successful bidder's last proposal. The letter should be signed by the entity and the audit firm. The written agreement will then clearly specify the:

- audit scope, objective, and purpose;
- deadlines for work to be performed;
- audit cost;
- report format;
- type and timing of support to be provided to the auditor by the entity; and
- professional auditing standards to be followed in performing the audit.

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Furthermore, the agreement should make the following points about the auditor/entity relationship, changes in the kind or amount of work required, and access to and ownership of audit products.

- The relationship of the auditing firm to the county is that of an independent contractor.
- At any time, the county may, by written notice, make changes in or additions to work or services within the general scope of the agreement. If such changes are made, an equitable adjustment will be made in the cost of the audit using the rates specified in the agreement.
- If the contractor believes that a change in or addition to work is beyond the general scope of the agreement, it must notify the county in writing within a specified time and before beginning that work. The agreement should indicate where the final administrative authority rests in deciding disputes.
- The work papers prepared by the contracting auditor during the audit are its own property. These documents should be retained for a period to be designated in this agreement and made available to the county, the Office of the State Auditor and other appropriate governmental agencies upon request.
- All reports rendered to the entity by the contracting auditor are the exclusive property of the entity and subject to its use and control, according to applicable laws and regulations.

Small Counties

In the absence of an RFP, many small engagements are documented only by an engagement letter prepared by the CPA that protects the CPA more than the entity being audited. If the government entity decides to use an engagement letter as its written agreement, it is strongly advised to include the information listed above and ensure that the document is signed by both parties.

Section 6 - Audit Monitoring

Monitoring the progress of the audit is the most effective way to ensure that the governmental entity receives both the type and quality of audit services specified in the written agreement. This is a role that the entity's audit committee can carry out most effectively. This group of experts can evaluate the audit while it is taking place, thereby addressing and resolving problems before the audit is completed. It can also review audit

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results and assist in post-audit quality evaluation. Thus, not only does the audit product improve; working relationships between the audited entity and auditor are enhanced.

Monitoring is especially beneficial during the first year of a new auditor's contract and during the audit of a particular unit or segment(s) of an organization that is unique or complex. Furthermore, monitoring is beneficial throughout the term of a multiyear contract. It provides status reports and helps coordinate the auditing firm's activities with the audit's requirements. While the responsibility for a quality audit rests ultimately with the auditor, monitoring the work being performed as a quality assurance measure is a good idea.

Monitoring can be accomplished by requiring periodic progress reports as well as by holding regular meetings to discuss issues that need to be resolved. Furthermore, meeting after the completion of the audit to discuss the draft report can help ensure a clear understanding of the report and its findings.

Small counties

Few small counties have the resources to thoroughly monitor the work of an auditor. When audit committee members are unavailable within a county, composing a committee from people outside the county may be the answer.

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Supplement 1 - Checklist Of RFP Contents

The prime consideration in preparing an RFP is that it contain enough information to provide bidders with a common basis by which to prepare proposals that address all audit needs. It is also important, however, to consult with the government entity's purchasing office and/or legal counsel to ensure that the RFP conforms with the laws, regulations, and grant terms applicable to the entity. At a minimum, the RFP should contain the following:

- the name and address of the government entity;
- the entity to be audited, scope of services to be provided, and specific reports, etc. to be delivered;
- the period to be audited (with an explanation if the RFP calls for a multiyear procurement);
- the name and telephone number of a contact person at the government entity;
- the format in which the proposals should be prepared;
- the address to which proposals should be delivered or sent;
- the date and time proposals are due;
- the number of proposal copies to be submitted;
- the criteria to be used in evaluating the bid and their relative importance to each other;
- the method and timing of payment; and
- any other important points, including the consequences if due dates are missed or work does not meet audit standards.

The likelihood of receiving high quality proposals will be enhanced if the RFP

- explains the work the government entity does;
- explains what is to be audited, e.g., basic financial statements, specific funds, or both;
- describes in some detail the entity's accounting system, administrative controls, records, and procedures;
- informs prospective bidders whether the Single Audit Act applies to this audit;
- identifies the appropriate auditing standards;

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- informs prospective bidders if data from prior years (audit reports, management letters, etc.) will be available, whether major audit findings remain open from prior years, and whether any audits of subrecipients are required;
- notifies prospective bidders of requirements for workpaper retention and for making the workpapers available to the entity as well as the Office of the State Auditor if they request them;
- describes expected audit products, the required format of the audit report, and the format of any required progress reports;
- explains any assistance that the county will offer, such as staff support to assist the auditor (which could materially reduce audit costs);
- outlines the expected schedule of work (completing field work, issuing reports, etc.).

Finally, a well-prepared RFP will elicit certain information from prospective bidders. For example, it will ask bidding firms to state:

- how they would conduct the audit and, if it were a multiyear contract, how they would approach the work efforts of the subsequent year(s) and if there is any impact on the price for these subsequent years;
- their qualifications, those of their local office, if applicable, and those of the proposed audit staff, including their prior government auditing experience;
- their policies on notification of changes in key personnel;
- whether the proposed staff have received continuing professional education in government accounting and auditing during the last 2 years;
- whether they are independent, as defined by applicable auditing standards;
- whether they have received a positive peer review within the last 3 years;
- whether they have been the object of any disciplinary action during the past 3 years; and
- their fee.

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Supplement 2 - Sample Proposal Evaluation Worksheet

This evaluation worksheet is intended to provide assistance and guidance on a satisfactory evaluation and selection of the best-qualified independent auditor to perform the audit requirements specified in the RFP. It is incumbent on the requesters not only to clearly state their audit requirements but also select the best-qualified respondent, all factors considered, to do the audit.

EXAMPLE OF A PROPOSAL EVALUATION METHOD

The following is an example of a method for evaluating proposals. The evaluation formula and the values assigned to the criteria given illustrate an evaluation scoring method. Requesters should design formulas and criteria that meet their own needs.

SUGGESTED FORMULA

The following formula may be used to establish a process for evaluating the proposals and making the final selection of the best-qualified independent auditor to perform the audit.

The total score of each proposal should be determined by adding the points awarded for technical qualifications (maximum of 75 points) to the points received for the cost of doing the audit (maximum of 25 points). The total score should be determined by applying the following formula:

Technical Score for this Firm	x	75	=	
Highest Technical Score Received				Technical Score
Lowest Cost of All Bids	x	25	=	
Cost of Bid for this Firm				Cost Score
Subtotal				_____
Oral Interview (if necessary) (Points from 1 to 10 - Score)				_____
Total Points				_____

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In the event that oral interviews are necessary to break a tie or for making final clarification in the evaluation process, additional points may be awarded on any reasonable scale, but from 1 to 10 would be appropriate. It should be understood that while the total score is a significant factor, the requester of the services reserves the right to consider other factors in making the final selection. Although this is true, requesters should be very careful in the evaluation process to formulate a defensible evaluation plan, document the procedures used and points awarded on each proposal, and retain the material for a reasonable time in the event of a protest or questions raised on the scoring, contract award, etc.

PROFESSIONAL QUALIFICATIONS

The evaluation of professional qualifications of the proposals should be based on the following criteria:

1. Mandatory Criteria

Proposals should not be considered for further evaluation unless they meet all of the following mandatory criteria:

- Must be an independent auditor properly licensed for public practice.
- Must meet the independence standards of the *Government Auditing Standards*.
- Must not have a record of substandard work. This can be determined by checking with the State Board of Accountancy and/or by requesting information on positive enforcement, ethics infractions, or references from the respondents
- Must meet any specific qualifications requirements imposed by state or local law or rules and regulations.

2. Technical Criteria

Those proposers who have met each of the criteria in Section 1 above will be evaluated on the following criteria:

1.		Responsiveness of the proposal in clearly stating an understanding of the work to be performed. (0-25)	
	a.	Comprehensiveness of audit work plan.	0-15
	b.	Realistic time estimates of each major segment of the work plan	0-10

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		and the estimated number of hours for each staff level including consultants assigned.	
2.		Technical experience of the firm. (0-20)	
	a.	Auditing of the type under consideration.	0-10
	b.	Auditing similar entities.	0-10
3.		Qualifications of staff, including consultants, to be assigned to the audit. Education, including continuing education courses taken during the past three years, position in the firm, and years and types of experience will be considered. This will be determined from the resumes submitted. (0-25)	
	a.	Qualifications of supervisory personnel, consultants, and of the audit team doing field work.	0-15
	b.	General direction and supervision to be exercised over the audit team by the firm's management personnel.	0-10
4.		Size and structure of the firm.	0-5
		TOTAL TECHNICAL POINTS	0-75

3. Cost Criteria

The envelopes containing information on the cost of the audit should now be opened and scheduled by each proposal and amount. The information should be arrayed from low to high cost estimates for applying the formula and computing the cost criteria score and recording on the evaluation summary sheet, or similar record.

COST OF THE AUDIT	0 - 25
TECHNICAL AND COST - MAXIMUM POINTS	100

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4. Oral Interviews (if necessary)

The requester should develop a list of criteria or special factors which may be used in the oral interviews. The factors should seek to clarify points of interest on the proposers' qualifications to do the audit. The oral interviews may bring out additional information to clearly make the final determinations.

INTERVIEW POINTS AWARDED	1 - 10
TOTAL TECHNICAL, COST AND INTERVIEW POINTS – MAXIMUM	110

FINAL SELECTION DETERMINATION

After the proposals have been reviewed and ranked based on the mandatory and technical criteria, a natural cutoff point in the evaluation process may become apparent. For example, those proposals that did not meet the mandatory criteria have been eliminated and the low ranked proposals may now be eliminated as not being competitive or qualified. The evaluation process may now elect to choose the top 3 to 5 proposals for the final phase of the review.

The next step is to proceed to the cost criteria. The finalists should be rated using the cost criteria formula and the points recorded for determining the best-qualified proposals. If final scores are tied or very close, making selection difficult, the oral interview procedure may be necessary and appropriate for making the final selection of the independent auditor to do the audit.

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Supplement 3 - Reporting Matrix

		REQUIRED BY		
<u>REPORT</u>	<u>TYPE OF REPORT</u>	<u>GAAS</u>	<u>GAGAS</u>	<u>UG</u>
Basic financial statements	Opinion	x	x	x
Internal control based on GAAS procedures	Report		x	x
Compliance and other matters based on GAAS procedures	Report		x	x
Federal Financial Assistance:				
Supplementary Schedule of Expenditures of Federal Awards	In relation to basic financial statements			x
Compliance with laws and regulations governing major federal programs	Report			x
Compliance with specific requirements:				
Major Program	Opinion			x
Internal Control Related to Federal Financial Assistance	Report			x

Abbreviations used in the above table are explained as follows:

- GAAS - Generally Accepted Auditing Standards
- GAGAS - Generally Accepted Government Auditing Standards
- UG - Single Audit Act/OMB Uniform Guidance

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Appendix B – Sample RFP

This sample request for proposals for professional audit services is an example that a county can use as a starting point for developing its own request. This sample must be modified to the unique nature of a particular county, which will provide the information necessary for a CPA firm to submit a complete and appropriate audit services proposal.

_____ COUNTY
**SAMPLE REQUEST FOR PROPOSALS
FOR PROFESSIONAL AUDIT SERVICES**

I. INTRODUCTION

A. General Information

_____ County, hereafter known as the County, is requesting proposals from qualified firms of certified public accountants to audit its annual financial statements for the County’s fiscal year ending December 31, 2015, with the option of auditing its financial statements for each of the two subsequent fiscal years ending December 31, 2016 and 2017.

There is no expressed or implied obligation for the County to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

To be considered, three (3)¹¹ copies of a proposal must be received by:

_____ (Audit Contact Person)
_____ (Title)
_____ (Address)
_____ (Address)

The proposal should be received by the County by _____ (time) on (date).

¹¹ Proposal should be directed to County personnel that will serve as contact person for the audit. The number of copies would depend on the number of members on the selection committee.

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The County reserves the right to reject any or all proposals submitted. Proposals submitted will be evaluated by a three (3)¹² member Selection Committee consisting of:

- the County Administrator/Coordinator/Manager
- the County Auditor/Auditor-Treasurer/Treasurer
- the Finance Director/Controller
- a Board member

During the evaluation process, the County reserves the right to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. Firms may be requested to make oral presentations to the Selection Committee as part of the final evaluation process.

The County reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the County and the firm selected.

It is anticipated the selection of a firm will be completed by _____, 2015. Following the notification of the selected firm it is expected a contract will be executed between both parties following the _____, 2015, meeting of the County Board.

B. Term of Engagement

A three-year contract is contemplated, subject to the annual review and recommendation of the Selection Committee, the satisfactory negotiation of terms (including a price acceptable to both the County and the selected firm) and the concurrence of the Board of County Commissioners.

II. NATURE OF SERVICES REQUIRED

A. Scope of Work to Be Performed

The County desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with governmental accounting principles generally accepted in the United States of America.

¹² The number and who makes up the selection committee should reflect the needs and structure of the individual county

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The County also desires the auditor to provide an “in-relation-to” opinion on the supplementary information based on the auditing procedures applied during the audit of the basic financial statements. The auditor is not required to audit the statistical and required supplementary information sections of the report. However, the auditor shall also be responsible for performing certain limited procedures involving the required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards. Also, the auditor is to provide an “in-relation-to” report on the County’s schedule of expenditures of federal awards based on the auditing procedures applied during the audit of the financial statements.

The auditor will perform procedures and issue a report on compliance pursuant to the requirements of the Minnesota Legal Compliance Audit Guide for Political Subdivisions. This guide is available on the Office of the State Auditor web site: www.auditor.state.mn.us under Auditing.

Pursuant to the Single Audit Act Amendments of 1996¹³, the County is required to have an audit performed on the major federal programs of the County. The auditor will be required to test internal controls and compliance for major federal award programs administered by the county. It is anticipated the County will require a Single Audit for each of the three years covered by this request.

B. Auditing Standards to Be Followed

To meet the requirements of this request for proposals, the audit shall be performed in accordance with auditing standards generally accepted in the United States of America, the standards for financial audits set forth in the Government Accountability Office’s (GAO) *Government Auditing Standards* (December 2011 revision), the provisions of the federal Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget (OMB) Circular A-133, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the minimum procedures for auditors of local governments prescribed by the Office of the State Auditor pursuant to Minn. Stat. § 6.65.¹⁴

¹³ For 2015 and beyond the Single Audit threshold is \$750,000 in expenditures of federal awards.

¹⁴ The Office of the State Auditor promulgated the minimum auditing procedures after consulting with representatives of counties and others, including private sector public accountants.

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C. Reports to Be Issued

The auditor shall prepare the following reports at the completion of the audit:

- Independent auditor's reports on the basic financial statements.
- Independent auditor's report on internal controls over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
- Independent auditor's report on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
- Independent auditor's report on compliance pursuant to the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*.
- Independent auditor's report on internal control over compliance for major federal programs in accordance with OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.
- Independent auditor's report (opinion) on compliance with requirement applicable to each major federal program in accordance with OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.
- A summary of auditor's results and a schedule of findings and questioned costs, if any, required by OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

D. Additional Nonaudit Services¹⁵

In addition to the audit services described above, the County is requesting the following additional assistance or services:

- Preparation of all required basic financial statements
- Preparation of the notes to the financial statements

¹⁵ The county may need or desire additional nonaudit services related to the audit. These services normally would be outside the scope of a standard financial and compliance audit. The County should be aware that independence issues may arise from the providing of certain additional services by the firm conducting the annual audit. For additional guidance on the services that can be provided by the audit firm see the *Government Auditing Standards* (December 2011 Version).

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- Preparation of the following additional statements and schedules:¹⁶
 - Combining and individual fund financial statements
 - Budgetary comparison schedules
 - General capital asset schedules
 - Schedule of investments
 - Schedule of taxable valuations
 - Individual ditch balance sheet
 - Schedule of intergovernmental revenue
 - Schedule of expenditures of federal awards
- Preparation of supporting schedules and trial balances for the financial statements. The County will decide the format and methodologies for these schedules and trial balances.¹⁷
- Assist in the preparation of the statistical section of the CAFR¹⁸
- Typing, copying and binding of annual financial report. The firm will provide the county _____ bound copies and one electronic (PDF) version of the annual financial report. The County will provide front and back covers for the report.
- The firm will provide the county with ___ copies of their report(s) on the internal control and compliance in accordance with the audit guide and standards for compliance with the Single Audit Act, as may be required.
- Assistance with filing the annual financial report and any applicable reports with appropriate state agencies and departments¹⁹, including one (1) paper and one (1) electronic copy to be filed with the Office of the State Auditor.

¹⁶ Identify additional information required requested by your county.

¹⁷ The county should identify the supporting schedules they require assistance with. County management must make all key decisions regarding these schedules.

¹⁸ Only required for GFOA's certificate program.

¹⁹ This is primarily to meet requirements as subrecipients of federal funds. However, there may be additional requirements for filing financial statements. The County should decide whether they want the firm to provide this assistance in determining filing requirements.

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- A letter to management containing appropriate suggestions for improvement of accounting procedures and internal controls for the County's consideration. This letter should contain comments and recommendations for controlling any internal weaknesses discovered and shall be discussed with appropriate personnel before finalizing.
- Assist with the County's response to prior year comments from the Government Finance Officers Association relating to the Certificate of Achievement for Excellence in Financial Reporting Award Program.
- Assist with the preparation and submission of the reporting package, required by the Single Audit Act Amendments of 1996, to the Federal Single Audit Clearing House. This package includes the annual financial report, the supplementary schedule of expenditures of federal awards, the required auditor's reports, including any current findings and questioned costs, a summary schedule of prior audit findings, and a corrective action plan.

E. Special Considerations

- a. The submitting firms should be aware that, pursuant to Minnesota law, the state auditor may require additional information from the private certified public accountant as the state auditor deems in the public interest. The state auditor may accept the audit or make additional examinations as the state auditor deems to be in the public interest.²⁰ The firm will need to submit all required reports to the state auditor's office. In addition, the firm should make available all work papers and information required by the state auditor.
- b. The County will not /will rely on the auditors for assistance in preparing the financial statements.²¹

²⁰ By law, the county shall pay the cost of any additional examination by the state auditor. The county should consult with the county attorney whether to include provisions about any impact on the fees paid to the firms if its audit is deemed incomplete or inadequate.

²¹ Should revise based on the expected level of assistance needed from the audit firm.

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- c. The County will send its comprehensive annual financial report to the Government Finance Officers Association (GFOA) for review in their Certificate of Achievement for Excellence in Financial Reporting program.²² It is anticipated that the auditor will be required to provide assistance to the County to continue to meet the requirements of this program.

F. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor’s expense, for a minimum of six (6) years, unless the firm is notified in writing by the County of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the County.

Pursuant to Minnesota law, the state auditor may require additional information, including all audit engagement work papers, from the private certified public accountant as the state auditor deems in the public interest. The state auditor may accept the audit or make additional examinations as the state auditor deems to be in the public interest. Your work papers must be available to the Office of the State Auditor for review.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

3. DESCRIPTION OF THE GOVERNMENT

A. Name and Telephone Number of Contact Person

The audit firm’s principal contact with the County will be (name), _____(title), at _____(telephone number) who will coordinate the assistance to be provided by the County to the auditor.

²² This item is applicable only to a small number of counties participating in the GFOA’s certificate program.

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B. Background Information

The County was established in _____ and has the powers, duties, and privileges granted counties by state law, codified in Minn. Stat. ch. 373. The County serves an area of ___ square miles, with a population of _____. The County's fiscal year begins on January 1 and ends on December 31. The County is governed by a _____ member board of county commissioners representing separate districts within the county. In addition, the offices of county attorney, sheriff, auditor, treasurer, recorder, and coroner are elected on a county-wide basis²³.

The County offers a full range of services appropriate, in courts, property tax administration, law enforcement and corrections, public works, human services, parks, landfill and other solid waste management, library, community health, nursing home, county extension, economic development, and general administration²⁴. The County employs approximately ___ full-time and ___ part-time employees.

The County is organized into _____ departments. Most of the accounting and financial reporting functions of the County are centralized. However, certain accounting and grant reporting requirements are performed by accounting staff of the Human Services and Public Works departments.²⁵ _____ departments collect and remit fees for services provided and _____ departments maintain separate checking accounts.

More detailed information on the government and its finances can be found in the Budget Document and previous Annual Financial Reports. Contact at _____ concerning access to these documents.

1. Reporting Entity

The reporting entity of the County is defined, for financial reporting purposes, in conformity with the Governmental Accounting Standards Board's *Codification of Governmental Accounting and Financial Reporting Standards*, Section 2100. Using these criteria, the following component units are included in the County's financial statements as either blended or discretely presented:²⁶

²³ Adjust based on the offices that are elected for your individual county.

²⁴ Identify key services provided by your county.

²⁵ Identify any additional departments with accounting staff.

²⁶ Identify all component units and whether they are presented within the financial statements as blended or

MINNESOTA COUNTY AUDIT GUIDE

<u>Component Unit</u>	<u>Presentation</u>
Regional Railroad Authority	Blended
Housing and Redevelopment Authority	Discretely presented

The firm will/will not audit the component units.²⁷

2. Fund Structure

The County uses the following fund types²⁸ in its financial reporting:

<u>Fund Type</u>	<u>Number of Individual Funds at December 31, 201X</u>	<u>Number With Legally Adopted Annual Budgets</u>
General fund	1	1
Special revenue funds		
Debt service funds		
Capital projects funds		
Permanent funds		
Enterprise funds		
Internal service funds		
Private-purpose trust funds		
Investment trust funds		
Pension (and other employee benefit) trust funds		
Agency funds		

D. Budgetary Basis of Accounting

The County prepares its budgets on a basis consistent with generally accepted accounting principles. The county includes the budgetary comparison presentations for the general and major special revenue funds as required supplementary information/part of the basic financial statements²⁹.

discretely presented. A couple possible examples are provided.

²⁷ Depending on the nature of the component unit this RFP could include the audit services for any component units, including any separately issued financial statements or a separate RFP for the component unit could be issued.

²⁸ Insert the number of funds and number of budgeted funds for each type. .

²⁹ The county has the option of reporting these presentations as RSI or within the scope of the auditor’s report on the basic financial statements.

MINNESOTA COUNTY AUDIT GUIDE

E. Federal Financial Assistance

The County has identified the following grants and federal revenues expended by the County during the fiscal years to be audited:³⁰

<u>Federal Department/Agency</u>	2015
<u>State or local administering agency</u>	Estimated
<u>Federal Grant/Program</u>	<u>Amount</u>
Department of Agriculture	
Minnesota Department of Health	
Special Supplemental Nutrition Program	\$
Minnesota Department of Human Services	
Food Stamp Employment and Training	\$
Department of Housing and Urban Development	
Minnesota Department of Trade and Economic Development	
Community Development Block Grant	\$
Department of Justice	
Direct aid	
Community Policing Act	\$
Department of Public Safety	
Victims of Crime Act	\$
Department of Transportation	
Minnesota Department of Transportation	
Highway Planning and Construction	\$
Department of Homeland Security	
Minnesota Department of Public Safety	
Disaster Assistance - Public Assistance	\$
Hazard Mitigation	\$
Emergency Management Performance Grant	\$
Department of Health and Human Services	
Minnesota Department of Education	
Child Care Development	\$
Minnesota Department of Human Services	
Temporary Assistance for Needy Families	\$
Foster Care Title IV-E	\$
Family Preservation	\$
Social Services Block Grant-Title XX	\$
Support for Emancipation and Living Functionally	\$

³⁰The examples provided are some typical federal programs for counties. The RFP should be modified for the individual federal programs administered by your county.

MINNESOTA COUNTY AUDIT GUIDE

Minnesota Department of Health		
Disease Control and Prevention Grant	\$	
Coordinated Care and Planning Grant	\$	
Prevention/Treatment of Substance Abuse Grant	\$	
Maternal Child Health Services Grant	\$	

F. Pension Plans³¹

The County participates in the following pension plans administered by the Public Employees Retirement Association of Minnesota (PERA):

- Public Employees Retirement Fund
- Public Employees Police and Fire Fund
- Local Government Correctional Service Retirement Fund

All of these funds are multiple-employer cost-sharing defined benefit plans. Elected officials of the County also participate in PERA’s Public Employees Defined Contribution Plan. Significant amounts relating to the County’s net pension liabilities, pension-related deferred outflows and inflows of resources, and pension expense will be provided by PERA.

G. Joint Ventures³²

The County participates in the following joint ventures with other governments:

<u>NAME OF JOINT VENTURE</u>	<u>NAME OF OTHER MEMBER GOVERNMENTS</u>	<u>TYPE OF SERVICES PROVIDED</u>
----------------------------------	---	--------------------------------------

³¹ Adjust for applicable pension funds for your county.

³² Most counties participate in a number of joint ventures or jointly governed organizations. The importance to the audit is that there are some note disclosure requirements in the county’s financial statements for these entities.

MINNESOTA COUNTY AUDIT GUIDE

I. Magnitude of Finance Operations³³

The County Auditor’s Office/Finance Department³⁴ provides the budgetary, accounting, information systems, purchasing, collections, accounts receivable and accounts payable functions. The Department has a staff of _____ full-time and part-time employees.

J. Computer Systems³⁵

The day-to-day transactions of the County are conducted with the aid of a computerized governmental accounting system. The computer hardware is an IBM AS/400 and the financial accounting software, Integrated Financial System (IFS) is supported by _____ of _____. The County also uses personal computers on a _____ network.

K. Availability of Prior Audit Reports and Working Papers

Interested proposers who wish to review prior years’ audit reports and management letters should contact _____ at _____. The County will use its best efforts to make prior audit reports and supporting working papers available to proposers to aid their response to this request for proposals. The County and proposers recognize and agree that all actions related to government information must comply with the Minnesota Government Data Practices Act, Minn. Stat. ch. 13.

4. TIME REQUIREMENTS

The auditors must be able to meet the following essential dates for the fiscal year audit:

- Preliminary work completed by December 31.
- Fieldwork completed by _____.
- Draft reports completed by _____.
- Final printed and bound reports by September 25.³⁶

³³ Adjust this section based on which department(s) handle the different accounting functions for your county.

³⁴ Adjust for the County department primarily responsible for these functions.

³⁵ Purpose is to identify key automatic accounting systems for the county. Adjust based on your specific county systems.

³⁶ If the County is subject to the Single Audit Act it must issue its financial statements and related auditor’s reports within nine months after their year-end. The date used was chosen to meet that deadline, but the County can adjust this date forward to meet their needs.

MINNESOTA COUNTY AUDIT GUIDE

5. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. **Finance Department and Clerical Assistance**³⁷

The finance department/county auditor's office staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the County as directed by the auditor.

In an effort to contain audit costs, the County has historically prepared as many audit worksheets and schedules as is practical to reduce the clerical work to be performed by the independent auditor. It wishes to continue this practice.

B. **Report Preparation**³⁸

Report preparation, editing and printing shall be the responsibility of the auditor. The County will prepare covers and dividers.

6. PROPOSAL REQUIREMENTS

A. **General Requirements**

1. **Inquiries**

Inquiries concerning the request for proposals and the subject of the request for proposals must be made to:³⁹

2. **Submission of Proposals**

The following material is required to be received by _____, 201_⁴⁰ for a proposing firm to be considered:

³⁷Adjust this section based on the level of assistance the county intends to provide.

³⁸This should be adjusted if the county is able to produce its own annual financial report or if firm will prepare under its cover.

³⁹ Identify specific contact information.

⁴⁰ Deadline for submitting proposal.

MINNESOTA COUNTY AUDIT GUIDE

1. A master copy (so marked) of the Proposal and 2 copies⁴¹ to include the following:

i. Title Page

Title page showing the request for proposals subject; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.

ii. Table of Contents

iii. Transmittal Letter

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for 90 days.

iv. Detailed Proposal

The detailed proposal should follow the order set forth in Section VI B of this request for proposals.

2. Proposers should send the completed proposals to the following address:

_____ (Audit Contact Person)
_____ (Title)
_____ (Address)
_____ (Address)

⁴¹ Or enough copies for each selection committee member.

MINNESOTA COUNTY AUDIT GUIDE

B. Audit Proposal

1. General Requirements

The purpose of the proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the County in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

2. Independence

The firm should provide an affirmative statement that it is independent of the County as defined by the generally accepted auditing standards/the U.S. Government Accountability Office's *Government Auditing Standards*.

3. License to Practice in Minnesota

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in Minnesota.

4. Firm Qualifications and Experience

The proposal should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and on a part-time basis.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

5. Partner, Supervisory, and Staff Qualifications and Experience

The proposal should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Indicate whether each such person is registered or licensed to practice as a certified public

MINNESOTA COUNTY AUDIT GUIDE

accountant in Minnesota. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the County. Other audit personnel may be changed at the discretion of the firm provided that replacements have substantially the same or better qualifications or experience.

6. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements performed in the last three years that are similar to the engagement, in particular counties, described in this request for proposal. Also, indicate those municipalities that achieved the Certificate of Achievement for Excellence in Financial Reporting award while your firm was engaged as their auditors.⁴² Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact. Specifically identify those engagements at which the managers and other supervisors who will be assigned to this engagement have worked.

7. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed. Firms will be required to provide the following information on their audit approach:

- a. Proposed timing of the engagement,
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement,
- c. Sample sizes and the extent to which statistical sampling is to be used in the engagement,
- d. Extent of use of computer software in the engagement,

⁴² This sentence could be deleted if your county is not participating in the certificate program.

MINNESOTA COUNTY AUDIT GUIDE

- e. Type and extent of analytical procedures to be used in the engagement,
- f. Approach to be taken to gain and document an understanding of the County's internal control over financial reporting
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work

8. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the County.

C. Dollar Cost

1. Total All-Inclusive Maximum Price

Attachment A must be completed and signed. Attachment A's price should specify all pricing information relative to performing the audit engagement as described in this request for proposal. The total all-inclusive maximum price is to include all direct and indirect costs including all out-of-pocket expenses.

The County will not be responsible for expenses incurred in preparing and submitting the proposal. Such costs should not be included in the proposal.

2. Rates by Partner, Specialist, Supervisory and Staff Level Times Hours Anticipated for Each

The cost schedule should include a schedule of professional fees and expenses broken into the above categories, if appropriate.

3. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement in accordance with the firm's proposal. Interim billings shall cover a period of not less than one calendar month.

MINNESOTA COUNTY AUDIT GUIDE

7. **EVALUATION PROCEDURES**

A. **Selection Committee**

Proposals submitted will be evaluated by a _____ member Selection Committee consisting of the _____, the _____, and the _____.

B. **Evaluation Criteria**

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and price. The following represent the principal selection criteria, which will be considered during the evaluation process.

1. **Mandatory Elements**

- a. The audit firm is independent and licensed to practice in Minnesota.
- b. The audit firm's professional personnel have received adequate continuing professional education within the preceding three years.
- c. The firm has no conflict of interest with regard to any other work performed by the firm for the County.
- d. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal.
- e. The firm submits a copy of its last external quality control review report, including any letter of comments and the firm has a record of quality audit work.

2. **Technical Qualifications**

- a. The firm exhibits expertise based on past experience and performance on comparable government engagements.
- b. The firm has demonstrated an ability to assist its governmental clients in attaining and retaining the GFOA Certificate of Achievement in Financial Reporting.⁴³

⁴³ If applicable to this engagement.

MINNESOTA COUNTY AUDIT GUIDE

- c. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation

3. Price Consideration

Cost will not be the primary factor in the selection of an audit firm.

C. Oral Presentations

During the evaluation process, the Selection Committee may, at its discretion, request firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the Selection Committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

D. Final Selection

The County Board will select a firm based on the recommendation of the Selection Committee.

It is anticipated that a firm will be selected by _____, 201_. Following notification of the firm selected, it is expected a contract will be executed between both parties following the _____, 201_, _____ County Board meeting.

E. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the County and the firm selected.

The County reserves the right, without prejudice, to reject any or all proposals.

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ATTACHMENT A

 COUNTY
AUDITING SERVICES

FEE STRUCTURE

	<u>Fiscal Year</u>		
	<u>201X</u>	<u>201Y</u>	<u>201Z</u>
CAFR,etc.*	\$ _____	\$ _____	\$ _____
Single Audit	\$ _____	\$ _____	\$ _____
Draft Financials	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ _____	\$ _____

*Annual Financial Report, Management Letter, Minnesota Legal Compliance Letter, GFOA Certificate Response

FIRM SUBMITTING PROPOSAL:

Signature of Authorized Representative

Title

Name of Authorized Representative

Date

STATE OF MINNESOTA
OFFICE OF THE STATE AUDITOR
DESK REVIEW CHECKLIST

COUNTY REPORT REVIEWED _____

REPORT'S FISCAL YEAR END _____

DATE REPORT RECEIVED _____

AUDITOR (CPA FIRM) _____

AUDITOR'S ADDRESS _____

NOTES: _____

CONCLUSION:

REPORT ACCEPTED? _____ Yes _____ No

ADDITIONAL INFORMATION NEEDED? _____ Yes _____ No

REVIEWER _____ SUPERVISOR _____

DATE _____ DATE _____

STATE OF MINNESOTA
OFFICE OF THE STATE AUDITOR
DESK REVIEW CHECKLIST – 2014 – GAAP VERSION

PURPOSE, DESCRIPTION, REFERENCES TO STANDARDS

This checklist should be used to review reports for the fiscal year ended December 31, 2014.

PURPOSE:

The purpose of a desk review of audit reports is to determine instances of noncompliance in the financial statements and the auditor’s reports with applicable auditing, accounting, and financial reporting standards and related requirements. The purpose of this checklist is to help assure that the scope of the desk review is sufficient to fulfill that objective and to ensure consistency of the review process.

DESCRIPTION:

This checklist is organized in the same order as the elements of the audit report. It is intended to be a guide for the desk review and is designed to be a self-contained document.

All questions in the checklist are designed to receive a “yes,” “no,” or “N/A” (not applicable) response during the review process. The answers “yes” and “N/A” are considered favorable responses and require no further action on the part of the reviewer. All “no” responses are unfavorable and must be explained either under the question or in the comment section at the bottom of the page. In some cases the reviewer will find it necessary to make notes regarding further research required during the working paper review that will follow the desk review, regarding a specific question. Notes made during the review process will be used later to assist in composing a letter to the IPA regarding any deficiencies found.

REFERENCES TO STANDARDS:

AC	<i>Accounting Standards Current Text, FASB</i>
AU-C	<i>Codification of Statements on Auditing Standards, AICPA (Clarified)</i>
SLG	<i>AICPA Audit and Accounting Guide State and Local Governments (reflects guidance contained in authoritative pronouncements through March 1, 2014)</i>
GASB Cod.	<i>Codification of Governmental Accounting and Financial Reporting Standards, as of June 30, 2013, GASB</i>
G-2005	<i>Governmental Accounting, Auditing, and Financial Reporting, 2012, GFOA</i>
GAO	<i>Comptroller General of the United States Government Auditing Standards, 2011 Revision</i>
OMB A-133	<i>Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments and Non-Profit Organizations, Revised June 24, 1997(As Amended June 27, 2003 and June 26, 2007)</i>
GASCA133	<i>AICPA Audit Guide, Government Auditing Standards and Circular A-133 Audit, as of February 1, 2014</i>
OSA-CAG	<i>Office of the State Auditor’s Audit Guide for Financial and Compliance Audits of Minnesota Counties</i>
COFARS	<i>Minnesota Counties Financial Accounting & Reporting Standards, issued by the Office of the State Auditor</i>
QA	<i>GASB Comprehensive Implementation Guide—2014</i>

STATE OF MINNESOTA
OFFICE OF THE STATE AUDITOR
DESK REVIEW CHECKLIST – 2014 – GAAP VERSION

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Section	Area	Checklist
A.	Independent Auditor’s Report on the Financial Statements Checklist	1
B.	PPC Governmental Financial Statement Review Checklist (2/2014 Version)	2
C.	Combining Statements and Individual Budget Comparison Statements	3
D.	Report on Compliance and on Internal Controls over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	3
E.	Schedule of Expenditures of Federal Awards (Single Audit only)	3
F.	Auditor’s Report on Compliance with Requirements Applicable to Each Major Program and Internal Controls over Compliance in Accordance with OMB Circular A-133 (Single Audit)	3
G.	Schedule of Findings and Questioned Costs	3
H.	Fraudulent Activities	3
I.	Other	3
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DESK REVIEW CHECKLIST – 2014 – Part 1 - GAAP VERSION

QUESTION	YES	NO	N/A	REF
A. INDEPENDENT AUDITOR’S REPORT ON THE BASIC FINANCIAL STATEMENTS				
1. Does the auditor’s written report contain the following: (AU-C 700.22, .A16-.A17)				
a. A title that includes the word <i>independent</i> ? (AU-C 700.23, .A18)				
b. An appropriate addressee? (AU-C 700.24, .A19)				
c. An introductory paragraph that: (AU-C 700.25, .A20-.A23)				
i. Identifies the entity whose financial statements have been audited?				
ii. States that the financial statements have been audited?				
iii. Identifies the title of each statement that the financial statements comprise?				
iv. Specifies the date or period covered by each financial statement that the financial statements comprise?				
d. A section with the heading “Management’s Responsibility for the Financial Statements” that describes management’s responsibility for the preparation and fair presentation of the financial statements? (AU-C 700.26-.28, .A24-.A25)				
e. A section with the heading “Auditor’s Responsibility” that: (AU-C 700.29)				
i. States the responsibility of the auditor is to express an opinion on the financial statements based on the audit? (AU-C 700.30, .A26)				
ii. States that the audit was conducted in accordance with generally accepted auditing standards of the United States of America and explains that those standards require that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement? (AU-C 700.31, .A27-.A28)				
iii. Describes an audit by stating that (a) an audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements; (b) the procedures selected depend on the auditor’s judgment including the assessment of the risks of material misstatements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control, and accordingly, no such opinion is expressed; and (c) an audit includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the overall presentation of the financial statements? (AU-C 700.32)				
iv. States that the auditor believes that the audit evidence obtained is sufficient and appropriate to provide a basis for the auditor’s opinion? (AU-C 700.33)				
f. A section with the heading “Opinion(s)” that states, when expressing an unmodified opinion on financial statements, that the financial statements present fairly, in all material respects, the financial position of the entity as of the balance sheet date and the results of its operations and its cash flows for the period then ended, in accordance with the applicable financial reporting framework (the framework should be identified) and its origin? (AU-C 700.34-.36, .A9, .A29-.A31)				

STATE OF MINNESOTA
OFFICE OF THE STATE AUDITOR
DESK REVIEW CHECKLIST – 2014 – Part 1 - GAAP VERSION

QUESTION	YES	NO	N/A	REF
g. A separate section subtitled, "Report on Other Legal and Regulatory Requirements" (or otherwise, as appropriate to the content) following the section "Report on Financial Statements" in those cases where the auditor addresses other reporting responsibilities in the auditor's report on the financial statements that are in addition to the auditor's responsibility under generally accepted auditing standards to report on the financial statements? (AU-C 700.37-.38, .A32-.A33)				
h. The manual or printed signature of the audit firm? (AU-C 700.39, .A35-.A36)				
i. The city and state where the audit organization is located? (AU-C 700.40, .A37) (Note: per AICPA TIS 9100.07, the city and state where the auditor practices is not required to be placed under the auditor's signature and may be named in the firm's letterhead on which the report is issued.)				
j. The appropriate date of the auditor's report? (AU-C 700.41, .A38-.A41)				
2. In those cases where the auditor conducted the audit in accordance with another set of auditing standards in addition to GAAS (e.g., <i>Government Auditing Standards</i>) did the auditor's report identify the other set of auditing standards as well as their origin? (AU-C 700.42-.43, .A42)				
3. If comparative financial statements were presented, did the auditor's report refer to each period for which financial statements were presented and on which an audit opinion was expressed? (AU-C 700.44-.47, .A43-.A44)				
4. If comparative financial statements were presented, and the auditor expressed an opinion on all periods presented, did the auditor update the report on the financial statements of the prior periods presented on a comparative basis with those of the current period and date the report appropriately? (AU-C 700.45, .A45-.A46)				
5. If comparative information was presented but not covered by the auditor's opinion, did the auditor clearly indicate in the report the character of the auditor's work, if any, and the degree of responsibility the auditor is taking? (AU-C 700.46, .A47-.A48)				
6. If comparative financial statements or comparative information is presented for the prior period(s), did the auditor: (AU-C 700.48)				
a. Determine whether the comparative financial statements or comparative information was presented in accordance with the relevant requirements, if any, of the applicable financial reporting framework? (AU-C 700.49)				
b. Evaluate whether: (AU-C 700.50)				
i. the comparative financial statements or comparative information agreed with the amounts and other disclosures presented in the prior period or, when appropriate, was restated for the correction of a material misstatement or adjusted for the retrospective application of an accounting principle, and				
ii. the accounting policies reflected in the comparative financial statements or comparative information were consistent with those applied in the current period or if there were changes in accounting policies, whether those changes were properly accounted for and adequately presented and disclosed?				
c. Perform additional audit procedures as necessary in the circumstances to obtain sufficient appropriate audit evidence to determine whether a material misstatement existed in those cases where the auditor became aware of a possible material misstatement in the comparative financial statements or comparative information while performing the current period audit? (AU-C 700.51)				

STATE OF MINNESOTA
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DESK REVIEW CHECKLIST – 2014 – Part 1 - GAAP VERSION

QUESTION	YES	NO	N/A	REF
7. If the auditor reported on the prior period financial statements in connection with the current period's audit, and the auditor's opinion on the prior period financial statement differs from the opinion previously expressed, were the following matters disclosed in an emphasis-of-matter or other-matter paragraph: (AU-C 700.53, .A51) (Note: This question only applies if comparative financial statements were presented.)				
a. The date of the auditor's previous report?				
b. The type of opinion previously expressed?				
c. The substantive reasons for the different opinion?				
d. That the auditor's opinion on the amended financial statements is different from the auditor's previous opinion?				
8. If the financial statements of the prior period were audited by a predecessor auditor, and the predecessor auditor's report on the prior period's financial statements was not reissued, in addition to expressing an opinion on the current period's financial statements, did the auditor state the following in an other-matter paragraph (AU-C 700.54): (Note: This question only applies if comparative financial statements were presented.)				
a. That the financial statements of the prior period were audited by a predecessor auditor?				
b. The type of opinion expressed by the predecessor auditor, and if the opinion was modified, the reasons therefore?				
c. The nature of an emphasis-of-matter paragraph or other-matter paragraph included in the predecessor auditor's report, if any?				
d. The date of that report?				
9. If the prior period financial statements were restated, and the predecessor auditor agreed to issue a new auditor's report on the restated financial statements of the prior period, did the auditor express an opinion only on the current period? (AU-C 700.55, .A52) (Note: This question only applies if comparative financial statements were presented.)				
10. If the current period financial statements were audited and presented in comparative form with compiled or reviewed financial statements for the prior period, and the report on the prior period was not reissued, did the auditor include an other-matter paragraph in the current period auditor's report that includes the following: (AU-C 700.56, .A53-.54)				
a. The service performed in the prior period?				
b. The date of the report on that service?				
c. A description of any material modifications noted in that report?				
d. A statement that the service was less in scope than an audit and does not provide the basis for the expression of an opinion on the financial statements?				
11. If the prior period financial statements were not audited, reviewed, or compiled, were the financial statements clearly marked to indicate their status, and did the auditor's report include an other-matter paragraph to indicate that the auditor did not audit, review, or compile the prior period financial statements and that the auditor assumes no responsibility for them? (AU-C 700.57, .A55) (Note: This question only applies if comparative financial statements were presented.)				

STATE OF MINNESOTA
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DESK REVIEW CHECKLIST – 2014 – Part 1 - GAAP VERSION

QUESTION	YES	NO	N/A	REF
Modifications to the Opinion in the Independent Auditor’s Report				
12. Did the auditor appropriately modify the opinion in the auditor’s report if either of the following occurred: (AU-C 705.07)				
a. The auditor concluded that, based on the audit evidence obtained, the financial statements as a whole were materially misstated? (AU-C 705.A2-.A7)				
b. The auditor was unable to obtain sufficient appropriate audit evidence to conclude that the financial statements as a whole were free from material misstatement? (AU-C 705.A8-.A12)				
13. Did the auditor appropriately express a qualified opinion if either of the following occurred: (AU-C 705.08)				
a. The auditor, having obtained sufficient appropriate audit evidence, concluded that misstatements, individually or in the aggregate, were material but not pervasive to the financial statements?				
b. The auditor was unable to obtain sufficient appropriate audit evidence on which to base the opinion, but the auditor concluded that the possible effects on the financial statements of undetected misstatements, if any, could be material but not pervasive?				
14. Did the auditor appropriately express an adverse opinion if the auditor, having obtained sufficient appropriate audit evidence, concluded that misstatements, individually or in the aggregate, were both material and pervasive to the financial statements? (AU-C 705.09)				
15. Did the auditor disclaim an opinion if the auditor was unable to obtain sufficient appropriate audit evidence on which to base the opinion, and the auditor concluded that the possible effects on the financial statements of undetected misstatements, if any, could be both material and pervasive? (AU-C 705.10, .A13-.A14)				
16. If the auditor encountered a scope limitation imposed by management after the audit had started, did the auditor:				
a. Request that management remove the limitation? (AU-C 705.11)				
b. Communicate the matter to those charged with governance if management refused to remove the limitation, and determine whether it was possible to perform alternative procedures to obtain sufficient appropriate audit evidence? (AU-C 705.12)				
c. Either disclaim an opinion on the financial statements or withdraw from the engagement, when practicable, if the auditor was unable to obtain sufficient appropriate audit evidence? (AU-C 705.13)				
17. If the auditor issued an adverse opinion or a disclaimer of opinion on the financial statements as a whole, did the auditor refrain from issuing an unmodified opinion with respect to the same financial reporting framework on a single financial statement or one or more specific elements, accounts, or items of a financial statement? (Note: Because the auditor of a state and local government entity expresses an opinion or disclaims an opinion for each opinion unit, an auditor’s report in these circumstances may include an unmodified opinion with respect to one or more opinion units and a modified opinion for one or more other opinion units.) (AU-C 705.15, .A17-.A18)				

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QUESTION	YES	NO	N/A	REF
18. If the auditor was not independent, but was required by law or regulation to report on the financial statements, did the auditor disclaim an opinion and specifically state that the auditor was not independent? (Note: A government auditor may determine that the lack of independence only affects one or more, but not all, of the opinion units and, in such circumstances, the auditor may disclaim an opinion on the affected opinion units while expressing unmodified, qualified, or adverse opinions on other opinion units.) (AU-C 705.16, .A19)				
19. If the auditor modified the opinion on the financial statements, did the auditor include a paragraph in the auditor's report that provides a description of the matter giving rise to the modification, including: (AU-C 705.17-.28)				
a. A description and quantification of the financial effects of the misstatement (unless impracticable) if there was a material misstatement of the financial statements that relates to specific amounts in the financial statements (including quantitative disclosures)? Note: If it is not practicable to quantify the financial effects, the auditor should so state in the basis for modification paragraph. (AU-C 705.18, .A21-.A23)				
b. An explanation of how the disclosures are misstated in those cases where there is a material misstatement of the financial statements that relates to narrative disclosures? (AU-C 705.19)				
c. A description of the nature of the omitted information in those cases when there is a material misstatement of the financial statements that relates to the omission of information required to be presented or disclosed? (AU-C 705.20b)				
d. An explanation of the inability to obtain sufficient appropriate audit evidence if this is the reason for modification? (AU-C 705.21, .A26)				
20. If the auditor expressed an adverse opinion or disclaimed the opinion on the financial statements, did the auditor describe in the basis for modification paragraph any other matters that the auditor was aware that would have required a modification to the opinion and the effects thereof? (AU-C 705.22a, .A27)				
21. If the auditor modified the audit opinion, did the auditor use a heading that includes "Qualified Opinion," "Adverse Opinion," or "Disclaimer of Opinion," as appropriate, for the opinion paragraph? (AU-C 705.23, .A28):				
22. If the auditor expressed a qualified opinion due to a material misstatement in the financial statements, did the auditor state in the opinion paragraph that, in the auditor's opinion, except for the effects of the matter(s) described in the basis for qualified opinion paragraph, the financial statements are presented fairly, in all material respects, in accordance with the applicable financial reporting framework? (AU-C 705.24, .A29-.A30)				
23. If the auditor modified the opinion from an inability to obtain sufficient appropriate audit evidence, did the auditor use the corresponding phrase "except for the possible effects of the matter(s)..." for the modified opinion? (AU-C 705.24, .A29-.A30)				
24. If the auditor expressed an adverse opinion, did the auditor state in the opinion paragraph that, in the auditor's opinion, because of the significance of the matter(s) described in the basis for adverse opinion paragraph, the financial statements are not presented fairly in accordance with the applicable financial reporting framework? (AU-C 705.25)				

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QUESTION	YES	NO	N/A	REF
25. If the auditor disclaimed the opinion due to the inability to obtain sufficient appropriate audit evidence, did the auditor state in the opinion paragraph that because of the significance of the matter(s) described in the basis for disclaimer of opinion paragraph, the auditor has not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, the auditor does not express an opinion on the financial statements? (AU-C 705.26)				
26. If the auditor expressed a qualified or an adverse opinion, did the auditor amend the description of the auditor's responsibility to state that the auditor believes that the audit evidence the auditor has obtained is sufficient and appropriate to provide a basis for the auditor's modified audit opinion? (AU-C 705.27)				
27. If the auditor disclaimed an opinion due to an inability to obtain sufficient appropriate audit evidence, did the auditor amend: (AU-C 705.28)				
a. The introductory paragraph of the auditor's report to state that the auditor was engaged to audit the financial statements?				
b. The description of the auditor's responsibility and the description of the scope of the audit to state only the following: "Our responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter(s) described in the basis for disclaimer of opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion."?				
Emphasis-of-Matter Paragraphs and Other-Matter Paragraphs in the Independent Auditor's Report				
28. If the auditor included an emphasis-of-matter paragraph in the auditor's report, did the auditor: (AU-C 706.07)				
a. Include it immediately after the opinion paragraph in the auditor's report?				
b. Use the heading "Emphasis of Matter" or other appropriate heading? (AU-C 706.A4)				
c. Include in the paragraph a clear reference to the matter being emphasized and to where relevant disclosures that fully describe the matter can be found in the financial statements?				
d. Indicate that the auditor's opinion is not modified with respect to the matter emphasized? (AU-C 706.A5)				
Consistency of Financial Statements				
29. If there was a change in accounting principle and the auditor concluded that it had a material effect on the financial statements, did the auditor (1) include an emphasis-of-matter paragraph in the auditor's report that describes the change in accounting principle and provides a reference to the entity's disclosure or (2) evaluate whether the accounting change results in a material misstatement and modify the opinion accordingly? (AU 708.07-.12, .A4-.A11)				
30. If there were adjustments to correct a material misstatement in previously issued financial statements, did the auditor include an emphasis-of-matter paragraph in the auditor's report that included: (AU-C 708.13, .A12-.A13)				
a. A statement that the previously issued financial statements have been restated for the correction of a material misstatement in the respective period?				

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b. A reference to the entity's disclosure of the correction of the material misstatement? (AU-C 708.A14)				
31. If there was a material change in financial statement classification and the related disclosure, did the auditor evaluate it to determine whether such a change is either a change in accounting principle or an adjustment to correct a material misstatement in previously issued financial statements, and modify the auditor's report accordingly? (AU-C 708.16, .A15-.A16)				
Other Information in Documents Containing Audited Financial Statements				
32. If there is other information in the document containing audited financial statements, did the auditor communicate with those charged with governance the auditor's responsibility with respect to the other information, any procedures performed relating to the other information, and the results? (AU-C 720.08)				
33. If, after reading the other information, the auditor identified material inconsistencies with the audited financial statements, did the auditor determine whether the audited financial statements or the other information should be revised for the following situations: (AU-C 720.09)				
a. Material inconsistencies identified prior to the date of the auditor's report that require revision of the audited financial statements? (AU-C 720.10)				
b. Material inconsistencies identified after the date of the auditor's report but prior to the report release date that require revision of the audited financial statements? (AU-C 720.11)				
c. Material inconsistencies identified prior to the report release date that require revision of the other information? (AU-C 720.12, .A7-.A8)				
d. Material inconsistencies identified subsequent to the report release date? (AU-C 720.13-.15, .A9-.A10)				
34. If, after reading the other information for the purpose of identifying material inconsistencies, the auditor became aware of an apparent material misstatement of fact, did the auditor:				
a. Discuss the matter with management? (AU-C 720.16, .A11)				
b. Request, where appropriate, that management consult with a qualified third party, such as the entity's legal counsel? (AU-C 720.17)				
c. Notify those charged with governance of the auditor's concerns regarding the other information and take any further appropriate action in those cases when management refuses to correct the material misstatement of fact? (AU 720.18, .A12)				
Supplementary Information in Relation to Financial Statements as a Whole				
35. Did the auditor perform the following procedures to determine whether the supplementary information was fairly stated, in all material respects, in relation to the financial statements as a whole:				
a. Determined that the following conditions were met: (AU-C 725.05)				
i. The supplementary information was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements?				
ii. The supplementary information relates to the same period as the financial statements?				

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iii. The financial statements were audited, and the auditor issued an audit report on those financial statements that contained neither an adverse opinion nor a disclaimer of opinion?				
iv. The supplementary information accompanied the entity's audited financial statements, or such audited financial statements were made readily available by the entity? (AU-C 725.A9)				
b. Performed the following additional procedures using the same materiality level used in the audit of the financial statements: (AU-C 725.07)				
i. Inquired of management about the purpose of the supplementary information and the criteria used by management to prepare the supplementary information, such as an applicable financial reporting framework, criteria established by a regulator, a contractual agreement, or other requirements?				
ii. Determined whether the form and content of the supplementary information complied with the applicable criteria?				
iii. Obtained an understanding about the methods of preparing the supplementary information and determined whether the methods of preparing the supplementary information changed from those used in the prior period and, if the methods changed, the reasons for such changes?				
iv. Compared and reconciled the supplementary information to the underlying accounting and other records used in preparing the financial statements or to the financial statements themselves?				
v. Inquired of management about any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information?				
c. A statement that the audit was conducted for the purpose of forming an opinion on the financial statements as a whole? : (AU-C 725.09a)				
d. A statement that the supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements? (AU-C 725.09b)				
e. A statement that the supplementary information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements? (AU-C 725.09c)				
f. A statement that the supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America? (AU-C 725.09d)				
g. If the auditor issued an unmodified opinion on the financial statements and the auditor has concluded that the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole, a statement that, in the auditor's opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole? (AU-C 725.09e)				

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QUESTION	YES	NO	N/A	REF
h. If the auditor issued a qualified opinion on the financial statements and the qualification has an effect on the supplementary information, a statement that, in the auditor's opinion, except for the effects on the supplementary information of (refer to the paragraph in the auditor's report explaining the qualification), such information is fairly stated, in all material respects, in relation to the basic financial statements as a whole? (AU-C 725.09f)				
36. If the auditor's report on the audited financial statements contained an adverse opinion or a disclaimer of opinion and the auditor was engaged to report on whether supplementary information was fairly stated, in all material respects, in relation to such financial statements as a whole, did the auditor appropriately refrain from expressing an opinion on the supplementary information? (AU-C 725.11) (AU-C 725.05d)				
37. Is the auditor's report on the supplementary information dated appropriately (i.e., the report should not be dated prior to appropriate audit procedures being completed)? (AU-C 725.12)				
38. If the auditor concluded that the supplementary information was materially misstated in relation to the financial statements as a whole, did the auditor discuss the matter with management and propose appropriate revisions to the supplementary information? (AU-C 725.13)				
39. If the auditor concluded, on the basis of the procedures performed, that the supplementary information was materially misstated in relation to the financial statements as a whole, and the auditor discussed the matter with management and proposed appropriate revisions and management did not revise the supplementary information, did the auditor either modify the auditor's opinion on the supplementary information and describe the misstatement in the auditor's report, or withhold the auditor's report on the supplementary information in those cases where a separate report is being issued on the supplementary information? (AU-C 725.13)				
Required Supplementary Information				
40. Did the auditor apply the following procedures to required supplementary information accompanying the basic financial statements: (AU-C 730.05)				
a. Inquire of management about the methods of preparing the information, including:				
i. Whether it has been measured and presented in accordance with prescribed guidelines?				
ii. Whether methods of measurement or presentation have been changed from those used in the prior period and the reasons for any such changes?				
iii. Whether there were any significant assumptions or interpretations underlying the measurement or presentation of the information?				
b. Compare the information for consistency with:				
i. Management's responses to the foregoing inquiries?				
ii. The basic financial statements?				
iii. Other knowledge obtained during the audit of the basic financial statements?				
41. Did the auditor include an other-matter paragraph, in the auditor's report on the financial statements to refer to the required supplementary information, that included language to explain the following circumstances, as applicable: (AU-C 730.07)				
a. The required supplementary information is included and the auditor has applied the appropriate audit procedures?				

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QUESTION	YES	NO	N/A	REF
b. The required supplementary information is omitted?				
c. Some required supplementary information is missing and some is presented in accordance with the prescribed guidelines?				
d. The auditor has identified material departures from the prescribed guidelines?				
e. The auditor is unable to complete the required audit procedures?				
f. The auditor has unresolved doubts about whether the required supplementary information is presented in accordance with prescribed guidelines?				
42. If the entity presented all or some of the required supplementary information, did the auditor include the following elements in the other-matter paragraph: (AU-C 730.08, .A2)				
a. A statement that the applicable financial reporting framework (identified in the report) requires that the required supplementary information be presented to supplement the basic financial statements?				
b. A statement that such information, although not a part of the basic financial statements, is required by a designated accounting standards setter (identified in the report), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context?				
c. If the auditor was able to complete the required audit procedures:				
i. A statement that the auditor has applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to the auditor's inquiries, the basic financial statements, and other knowledge the auditor obtained during the audit of the basic financial statements?				
ii. A statement that the auditor does not express an opinion or provide any assurance on the information because the limited procedures do not provide the auditor with sufficient evidence to express an opinion or provide any assurance?				
d. If the auditor was unable to complete the required audit procedures:				
i. A statement of the reasons that the auditor was unable to apply certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States?				
ii. A statement that the auditor does not express an opinion or provide any assurance on the information?				
e. If some of the required supplementary information was omitted:				
i. A statement that management has omitted certain required supplementary information that the applicable financial reporting framework requires to be presented to supplement the basic financial statements?				
ii. A statement that such missing information, although not a part of the basic financial statements, is required by the designated accounting standards setter, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context?				
iii. A statement that the auditor's opinion on the basic financial statements is not affected by the missing information?				

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QUESTION	YES	NO	N/A	REF
f. If the measurement or presentation of the required supplementary information departs materially from the prescribed guidelines, a statement that although the auditor's opinion on the basic financial statements is not affected, material departures from prescribed guidelines exist (accompanied by a description of the material departures from the applicable financial reporting framework)?				
g. If the auditor had unresolved doubts about whether the required supplementary information was measured or presented in accordance with prescribed guidelines, a statement that although the auditor's opinion on the basic financial statements is not affected, the results of the limited procedures have raised doubts about whether material modifications should be made to the required supplementary information for it to be presented in accordance with guidelines established by the designated accounting standards setter?				
43. If all of the required supplementary information is omitted, does the other-matter paragraph include the following elements: (AU-C 730.09)				
a. A statement that management has omitted the required supplementary information that the applicable financial reporting framework requires to be presented to supplement the basic financial statements?				
b. A statement that such missing information, although not a part of the basic financial statements, is required by the designated accounting standards setter, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context?				
c. A statement that the auditor's opinion on the basic financial statements is not affected by the missing information?				

ALG-CX-13.1: Governmental Disclosure Checklist

Governmental Unit: [Client Name]
Prepared by: []

Financial Statement Date: [Engagement Date]
Date: []

Explanatory Comments

The following is a list of common disclosure requirements for financial statements of governmental units as required by generally accepted accounting principles. The disclosures are equally appropriate (to the extent applicable) to the financial statements of a single fund, department, or agency of a governmental unit. Note that this is a disclosure checklist, not a GAAP application checklist; accordingly, GAAP measurement and presentation questions are not included. Consideration has been given to the following documents:

Governmental Accounting Standards Board

Codification of Governmental Accounting and Financial Reporting Standards (GASB Cod.) (References to GASB Cod. Secs. refer to the June 30, 2014, *Codification of Governmental Accounting and Financial Reporting Standards*).

Governmental Accounting Standards Board Statements (GASBS)
Interpretations (GASBI)

Technical Bulletins (GASBTB)

GASB Comprehensive Implementation Guide (QA)

GASB Implementation Guide—[GASB Statement 68](#) ([GASBS 68 QA](#))

AICPA

Audit and Accounting Guide, *State and Local Governments* (SLG)
Statements of Position of the Accounting Standards Division (SOP)

This checklist incorporates the following recent GASB Statements:

- *GASBS No. 67, Financial Reporting for Pension Plans—an amendment of GASB Statement No. 25* ([link](#)), which is effective for financial statements for fiscal years beginning after June 15, 2013, with earlier implementation encouraged.
- *GASBS No. 68, Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* ([link](#)), which is effective for fiscal years beginning after June 15, 2014, with earlier implementation encouraged.
- *GASBS No. 69, Government Combinations and Disposals of Government Operations* ([link](#)), which is effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013, with earlier implementation encouraged.
- *GASBS No. 70, Accounting and Financial Reporting for Nonexchange Financial Guarantees* ([link](#)), which is effective for reporting periods beginning after June 15, 2013, with earlier implementation encouraged.
- *GASBS No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68* ([link](#)), which is to be applied simultaneously with [GASBS No. 68](#).

Some checklist questions do not cite a specific authoritative reference but indicate that the disclosure is “generally accepted.” Many governments disclose this information even though a specific requirement in authoritative literature cannot be identified.

This checklist is divided into two parts: Part I—Most Frequent Disclosures and Part II—Other Disclosures. See separate instructions for Part I and Part II.

Disclosure requirements unique to the separate financial statements of external investment pools, disclosure requirements unique to public entity risk pools, and disclosure requirements unique to the Single Audit schedule of expenditures of federal awards are presented in other checklists. Complete those checklists in addition to this checklist when applicable.

This checklist is directed toward disclosures required by GAAP in the basic financial statements and does not include the additional disclosures applicable only to a comprehensive annual financial report (CAFR). This disclosure checklist does not include all of the suggested disclosures included in the *GFOA's Governmental Accounting, Auditing, and Financial Reporting (GAAFR)*.

Exercise caution in determining which disclosures are applicable. Different requirements may apply to governmental funds and proprietary funds, and different ones may apply to an enterprise fund, depending on the issuance date of the pronouncement being considered.

The disclosure checklist is current as of the following documents:

- [GASBS No. 71](#) (November 2013)
- [GASBI No. 6](#) (March 2000)
- [GASBTB No. 2008-1](#) (December 2008)
- QA (2013–2014)
- [GASBS 68 QA](#) (June 2014)

PPC has developed an electronic versions of this disclosure checklist, including real-world examples of each required disclosure. For order information on PPC's *Interactive Disclosure Library*[™] for *Governments* and PPC's *SMART Practice Aids*[™]—*Disclosure*, call (800) 431-9025.

PART I—MOST FREQUENT DISCLOSURES

Instructions

Complete Part I in its entirety. A box has been provided for each major disclosure caption. If the major caption is not applicable to your client, simply place a checkmark in the box. It will then not be necessary to check "N/A" for each question under the major caption. Otherwise, respond to each question with a checkmark in the appropriate column: (1) Yes—disclosure made; (2) No—item present but no disclosure made (any item checked "No" should be explained in the checklist or in a separate memorandum); or (3) N/A—either the item is not present or it is immaterial to the financial statements.

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)</u>			
1. Does the MD&A:			
a. Precede the basic financial statements as required supplementary information? (GASBS No. 34, para. 8)	—	—	—
b. Discuss current-year results in comparison with the prior year, placing emphasis on the current year? (GASBS No. 34, para. 9)	—	—	—
c. Focus on the primary government, distinguishing between information for the primary government and that of its component units? (Inclusion of component unit information is a matter of professional judgment based on the individual component unit's significance to the total of all discretely presented component units and that component unit's relationship with the primary government.) (GASBS No. 34, para. 10)	—	—	—
d. Exclude information on topics not listed under Question No. 2? (GASBS No. 37, para. 4)	—	—	—
2. Are the following required items included in MD&A: (Inclusion of required information in the letter of transmittal does not meet this requirement.) (GASBS No. 34, paras. 11 and 145 ; GASBS No. 37, paras. 4–5 ; GASBS No. 63, paras. 7 –8 and Appendix D; and GASB Cod. Sec. 2200.109)			
a. A brief discussion of the basic financial statements, including the relationships of the statements to each other, and the significant differences in the information they provide?	—	—	—
b. The following condensed financial information derived from government-wide financial statements comparing the current year to the prior year, if relevant:			
i. Total assets, distinguishing between capital and other assets?	—	—	—
ii. Total deferred outflows of resources?	—	—	—
iii. Total liabilities, distinguishing between long-term liabilities and other liabilities?	—	—	—
iv. Total deferred inflows of resources?	—	—	—
v. Total net position, distinguishing among the net investment in capital assets; restricted amounts; and unrestricted amounts?	—	—	—
vi. Program revenues, by major source?	—	—	—
vii. General revenues, by major source?	—	—	—
viii. Total revenues?	—	—	—
ix. Program expenses, at a minimum by function?	—	—	—

	Disclosure Made?		
	Yes	No	N/A
x. Total expenses?	—	—	—
xi. Excess (deficiency) before contributions to term and permanent endowments or permanent fund principal, special and extraordinary items, and transfers?	—	—	—
xii. Contributions?	—	—	—
xiii. Special and extraordinary items?	—	—	—
xiv. Transfers?	—	—	—
xv. Change in net position?	—	—	—
xvi. Ending net position?	—	—	—
c. An analysis of the overall financial position and results of operations (addressing both governmental and business-type activities) to assess whether financial position has improved or deteriorated during the year, including reasons for significant changes from the prior year and important economic factors (such as changes in the tax or employment bases) that significantly affected operating results?	—	—	—
d. An analysis of balances and transactions of individual funds, including the reasons for significant changes in fund balances or fund net position and whether restrictions, commitments, or other limitations significantly affect the availability of fund resources for future use?	—	—	—
e. An analysis of significant variations between original and final budget amounts and between final budget amounts and actual budget results for the general fund, including reasons for those variations that are expected to have a significant effect on future services or liquidity?	—	—	—
f. A description of significant capital asset and long-term debt activity, including a discussion of commitments made for capital expenditures, changes in credit ratings, and debt limitations that may affect the financing of planned facilities or services?	—	—	—
g. A discussion of infrastructure assets (for governments that use the modified approach) including (1) significant changes in the assessed condition of eligible infrastructure assets, (2) how the current assessed condition compares with the condition level the government has established, and (3) any significant differences from the estimated annual amount to maintain/preserve eligible infrastructure assets compared with the actual amounts spent during the current period?	—	—	—
h. A description of currently known facts, decisions, or conditions that are expected to have a significant effect on financial position (net position) or results of operations (revenues, expenses, and other changes in net position)?	—	—	—
i. Other analysis necessary to meet the requirement for an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, and conditions? (Currently known facts include information known by management as of the date of the auditor's report.) (GASBS No. 34, para. 8)	—	—	—
j. Refer readers to separately issued financial statements, if any, for component unit(s)? (GASBS No. 34, para. 10)	—	—	—

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

GENERAL

1. Do the GWFS:

- a. Include a statement of net position and a statement of activities? (GASBS No. 34, para. 12 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 2200.110)

— — —

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. Exclude fiduciary activities, including component units that are fiduciary in nature? (GASBS No. 34, para. 12)	—	—	—
c. Measure and report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, expenses, gains, and losses using the economic resources measurement focus and accrual basis of accounting? (GASBS No. 34, para. 12 ; GASBS No. 63, paras. 7 –8 and Appendix D; and GASB Cod. Sec. 2200.110)	—	—	—
d. Contain separate rows and columns for each of the following (if applicable): (GASBS No. 34, paras. 14–15)			
i. Governmental activities?	—	—	—
ii. Business-type activities?	—	—	—
iii. Discretely presented component units?	—	—	—
e. Contain a total column for the primary government? (GASBS No. 34, para. 14)	—	—	—

STATEMENT OF NET POSITION

1. Are assets and liabilities presented in the order of their relative liquidity or in a classified format? (GASBS No. 34, para. 31)	—	—	—
a. Are liabilities, whose average maturities are greater than one year, reported in two components—the amount due within one year and the amount due in more than one year? (GASBS No. 34, para. 31)	—	—	—
2. Are assets and liabilities not offset unless a right of offset exists? (GASBS No. 62, para. 501)	—	—	—
3. Is the difference between all other elements on the statement of net position (i.e., assets and deferred outflows of resources less liabilities and deferred inflows of resources) reported as net position, and is it displayed on the face of the statement in the following three components (if applicable): net investment in capital assets, restricted, and unrestricted? (GASBS No. 63, para. 8 and Appendix D, and GASB Cod. Sec. 2200.117)	—	—	—
4. Is the amount of the primary government's net position at the end of the reporting period that is restricted by enabling legislation disclosed in the notes to the financial statements? (GASBS No. 46, para. 6 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 2200.119)	—	—	—
5. If permanent endowments, permanent fund principal amounts, or a minority interest in a component unit are included in the restricted component of net position, are the expendable and nonexpendable components of restricted net position presented? (GASBS No. 34, para. 35 ; GASBS No. 61, para. 12 ; GASBS No. 63, paras. 8 and 10 and Appendix D; and GASB Cod. Secs. 1800.161 and 2200.123)	—	—	—
6. Are assignments and commitments excluded from the face of the <i>statement of net position</i> ? (GASBS No. 34, para. 37 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 2200.125)	—	—	—

STATEMENT OF ACTIVITIES

1. Is a net (expense) revenue format used to report each of the government functions? (GASBS No. 34, para. 38)	—	—	—
2. Are general revenues, contributions to term and permanent endowments, special and extraordinary items, and transfers reported separately after total net expenses of the government's functions? (GASBS No. 34, para. 38)	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
3. Are governmental activities presented to coincide with the level of detail required in the governmental fund financial statements—at a minimum by function? (GASBS No. 37, para. 10)	—	—	—
4. Are activities accounted for in enterprise funds presented by different identifiable activities? (GASBS No. 37, para. 10)	—	—	—
5. Are all expenses reported by function, except for those considered extraordinary or special and except as indicated in Questions 7a and 8? (GASBS No. 34, para. 41)	—	—	—
6. Are direct expenses presented for each function, and if indirect expenses are allocated, are direct and indirect expenses presented in separate columns? (GASBS No. 34, paras. 41 and 42)	—	—	—
7. Is depreciation expense on assets specifically identified with a function included in its direct expenses, and is the depreciation expense on shared capital assets ratably included in the direct expenses of the appropriate functions? (GASBS No. 34, para. 44)	—	—	—
a. If a separate line is used to report unallocated depreciation, such as depreciation on a capital asset that essentially serves all functions, is it clearly indicated on the face of the statement that this line item excludes direct depreciation expenses of the various programs? (GASBS No. 34, para. 44)	—	—	—
8. Is depreciation expense on general infrastructure assets not allocated to various functions but reported as a direct expense of the most relevant function? (GASBS No. 34, para. 45)	—	—	—
9. Is interest expense on long-term debt included in direct expenses in those limited instances when applicable or as a separate line item that, when applicable, clearly indicates that it excludes direct interest expenses reported as a function expense? (GASBS No. 34, para. 46)	—	—	—
a. When applicable, has the amount of interest expense included as a direct function expense been disclosed? (GASBS No. 34, para. 46)	—	—	—
10. Are the following three categories of program revenues separately reported at a minimum: (GASBS No. 34, para. 48 and GASBS No. 37, para. 12)			
a. Charges for services?	—	—	—
b. Program-specific operating grants and contributions?	—	—	—
c. Program-specific capital grants and contributions?	—	—	—
11. Are general revenues reported after total net expense of the government's functions, including all taxes reported by type of tax, e.g., sales, property, franchise, and income? (GASBS No. 34, para. 52)	—	—	—
12. Are the following items reported separate from, but in the same manner as, general revenues: (GASBS No. 34, para. 53)			
a. Contributions to term and permanent endowments?	—	—	—
b. Contributions to permanent fund principal?	—	—	—
c. Special and extraordinary items?	—	—	—
d. Transfers between governmental and business-type activities?	—	—	—
13. Are special items (significant transactions within the control of management that are either unusual in nature or infrequent in occurrence) separately reported before extraordinary items? (GASBS No. 34, para. 56)	—	—	—
14. Are items that are either unusual or infrequent but not within the control of management disclosed in the notes to the financial statements? (GASBS No. 34, para. 56)	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
15. Is the adjustment in the current period of a previously presented extraordinary item or special item classified separately in the same manner as the original item and are the year of origin, nature, and amount disclosed? (GASBS No. 62, para. 50)	—	—	—
INTERNAL BALANCES AND INTERNAL SERVICE FUNDS			<input type="checkbox"/>
1. Are internal balances eliminated in the statement of net position to minimize the grossing up of internal balances, leaving a net amount due between the governmental and business-type activities that is eliminated in the total primary government column? (Balances with fiduciary activities are not considered to be internal balances.) (GASBS No. 34, para. 58 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Secs. 1800.103 and 2200.152)	—	—	—
2. Are eliminations made in the statement of activities to remove the duplication of internal service fund activity, leaving the expenses reported in the function to which they were allocated? (GASBS No. 34, para. 59)	—	—	—
3. Are transactions between the primary government and discretely presented component units reported as external transactions, and are receivables/payables reported on a separate line? (GASBS No. 34, para. 61 , and GASB Cod. Sec. 1800.106)	—	—	—
4. Unless dominated by enterprise funds, are internal service fund balances reported in the governmental activities column of the statement of net position? (GASBS No. 34, para. 62 ; GASBS No. 63, paras. 7 –8 and Appendix D; and GASB Cod. Sec. 2200.156)	—	—	—
<u>FUND FINANCIAL STATEMENTS</u>			<input type="checkbox"/>
1. Are separate fund financial statements presented for each of the following three categories: (GASBS No. 34, para. 63)			
a. Governmental funds?	—	—	—
b. Proprietary funds?	—	—	—
c. Fiduciary funds and similar component units?	—	—	—
2. Do the governmental and proprietary fund financial statements contain a column for each major fund, with a single column for the aggregate of nonmajor funds and a total column? (GASBS No. 34, paras. 75 , 76 , 83 , 86 , and 93)	—	—	—
3. Do the governmental and proprietary fund financial statements present a summary reconciliation to the government-wide financial statements at the bottom of the fund financial statements or in an accompanying schedule? (GASBS No. 34, para. 77)	—	—	—
a. If the summary reconciliation obscures the nature of the individual elements of a particular reconciling item, is a more detailed explanation provided in a note to the financial statements? (GASBS No. 34, para. 77)	—	—	—
4. Are the governmental funds financial statements prepared using the current financial resources measurement focus and the modified accrual basis of accounting, and are the proprietary funds financial statements prepared using the economic resources measurement focus and the accrual basis of accounting? (GASBS No. 34, paras. 79 and 92)	—	—	—
5. Do the governmental funds financial statements:			
a. Include a balance sheet (assets plus deferred outflows of resources, equals liabilities plus deferred inflows of resources plus fund balances) and a statement of revenues, expenditures, and changes in fund balances? (GASBS No. 34, paras. 78 and 83 ; GASBS No. 63, para. 12 and Appendix D; and GASB Cod. Sec. 2200.161–.162)	—	—	—

	Disclosure Made?		
	Yes	No	N/A
b. Present fund balance classifications on the balance sheet in the following hierarchy: nonspendable, restricted, committed, assigned, or unassigned, as applicable? (GASBS No. 54, paras. 5 -19)	—	—	—
c. Report stabilization amounts only in the general fund as restricted, committed, or unassigned, or in a special revenue fund as restricted or committed, as applicable? (GASBS No. 54, para. 21)	—	—	—
d. Include amounts encumbered for specific purposes within restricted, committed, or assigned fund balance but not display such amounts separately within those classifications? (GASBS No. 54, para. 24)	—	—	—
e. Present the major sources of revenue (e.g., property, sales, and franchise tax revenue; revenue from licenses, fees, and permits; interest income, etc.)? (GASB Cod. Sec. 1800.131)	—	—	—
f. Report the face amount of long-term debt (including capital leases), issuance premium or discount, payments to bond escrow agents, transfers, and sale of capital assets separately from fund revenues as “other financing sources”? (GASBS No. 34, para.88 , GASBS No. 37, para. 16 , and QA-2013–2014, Question 7.66.1)	—	—	—
g. Classify expenditures by function or program, and by character; e.g., current, capital outlays, and debt service? (GASB Cod. Sec. 1800.132–.133 and .136)	—	—	—
h. Report debt issue costs, such as underwriter and attorneys fees (if any), as expenditures? (GASBS No. 34, para. 87 , and QA-2013–2014, Question 7.66.1)	—	—	—
i. Separately report special items (significant transactions within the control of management that are either unusual in nature or infrequent in occurrence) after other financing sources or uses and before extraordinary items? (GASBS No. 34, para. 89)	—	—	—
j. Separately identify within the appropriate revenue or expenditure category or disclose in the notes to financial statements items that are either unusual or infrequent, but not within the control of management? (GASBS No. 34, para. 89)	—	—	—
6. Do the proprietary funds financial statements:			
a. Include a statement of net position; a statement of revenues, expenses, and changes in fund net position; and a statement of cash flows? (GASBS No. 63, paras. 8 –9 and Appendix D, and GASB Cod. Sec. P80.104)	—	—	—
b. Include a single column for all internal service funds to the right of the total enterprise funds column? (GASBS No. 34, para. 96)	—	—	—
c. Present assets, deferred outflows of resources, liabilities, and deferred inflows of resources in a classified format? (GASBS No. 34, para. 97 ; GASBS No. 63, para. 7 and Appendix D; and GASB Cod. Sec. P80.110)	—	—	—
d. Report assets with use restrictions as restricted assets? (GASBS No. 34, para. 99)	—	—	—
e. Not offset assets and liabilities except when a right of offset exists? (GASBS No. 62, para. 501 , and GASB Cod. Sec. 2200.172)	—	—	—
f. Present net position in the following three components (if applicable): net investment in capital assets; restricted (distinguishing between major categories of restrictions); and unrestricted? (GASBS No. 34, para. 98 ; GASBS No. 63, para. 8 and Appendix D, and GASB Cod. Sec. 2200.173)	—	—	—
g. Separate restricted net position arising from additions to permanent endowments into expendable and nonexpendable categories? (GASBS No. 34, para. 103 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. P80.116)	—	—	—

	Disclosure Made?		
	Yes	No	N/A
h. Report revenues by major source? (GASBS No. 34, para. 100)	—	—	—
i. Report revenues net of discounts and allowances with the discounts and allowances disclosed on the face of the statement or in a note to the financial statements? (GASBS No. 34, footnote 41)	—	—	—
j. Distinguish between operating and nonoperating revenues and expenses? (GASBS No. 34, para. 100)	—	—	—
k. Present subtotals for operating revenues, operating expenses, and operating income? (GASBS No. 34, para. 100)	—	—	—
l. Report nonoperating revenues and expenses after operating income? (GASBS No. 34, para. 100)	—	—	—
m. Report revenues from capital contributions and additions to the principal of permanent and term endowments, special and extraordinary items, and transfers separately, after nonoperating revenues and expenses? (GASBS No. 34, paras. 100 and 103)	—	—	—
7. Do the fiduciary funds and similar component unit funds financial statements:			
a. Include a statement of fiduciary net position and a statement of changes in fiduciary net position? (GASBS No. 34, para. 106 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 2200.196)	—	—	—
b. Include a single column for each fiduciary fund type—pension trust, investment trust, private-purpose trust, and agency funds (if applicable)? (GASBS No. 34, para. 106)	—	—	—
c. Use the economic resources measurement focus and the accrual basis of accounting (excluding certain pension and postemployment items)? (GASBS No. 34, para. 107)	—	—	—
d. Exclude the reporting of agency funds in the statement of changes in fiduciary net position? (GASBS No. 34, para. 110 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 2200.199)	—	—	—
8. In reporting interfund activity in the fund financial statements between the governmental, proprietary, and fiduciary activities: (GASBS No. 34, para. 112 and GASB Cod. Sec. 1800.102)			
a. Are interfund loans reported as interfund receivables and payables?	—	—	—
b. Are interfund services (sales and purchases of goods or services) reported as revenues and expenses/expenditures with unpaid amounts reported as interfund receivables and payables?	—	—	—
c. Are interfund transfers reported as other financing sources and uses in governmental funds and after nonoperating revenues and expenses in proprietary funds?	—	—	—
d. Are interfund reimbursements excluded by the funds initially reporting the expense/expenditure?	—	—	—
9. In reporting net position/fund balance:			
a. Are subdivisions of net position/fund balance appropriate? (GASB Cod. Sec. 1800.164–.179 and SLG, paras. 10.10–15)	—	—	—
b. Is there disclosure of any deficit in the fund balance or net position of an individual nonmajor fund? (GASB Cod. Sec. 2300.106n , and GASBS No. 63, para. 8)	—	—	—
c. For governmental funds:			

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
i. Is detailed information about any nonspendable, restricted, committed, or assigned fund balances that are aggregated on the balance sheet disclosed in the notes to the financial statements? (GASBS No. 54, para. 25)	—	—	—
ii. Is the following information about stabilization amounts (i.e., amounts formally set aside for use in emergency situations or when revenue shortages or budgetary imbalances occur) disclosed in the notes to the financial statements: (GASBS No. 54, para. 26)			
1) The authority (e.g., statute or ordinance) for establishing stabilization arrangements?	—	—	—
2) Requirements for additions to stabilization amounts?	—	—	—
3) Conditions under which stabilization amounts may be spent?	—	—	—
4) The stabilization balance, if not apparent on the face of the financial statements?	—	—	—
iii. Are the purpose for each major special revenue fund and the revenues and other resources it reports disclosed in the notes to the financial statements? (GASBS No. 54, para. 32)	—	—	—

STATEMENT OF CASH FLOWS—PROPRIETARY FUNDS



1. Does the statement of cash flows:			
a. Classify cash receipts and cash payments as resulting from the following activities: (GASBS No. 9, para. 15)			
i. Operating activities?	—	—	—
ii. Noncapital financing activities?	—	—	—
iii. Capital and related financing activities?	—	—	—
iv. Investing activities?	—	—	—
b. Use the direct method of presenting cash flows from operating activities? (GASBS No. 34, para. 105)	—	—	—
c. Separately report the net effect of cash flows of each of the categories in Question 1.a. above on cash and cash equivalents during the period in a manner that reconciles beginning and ending cash and cash equivalents? (GASBS No. 9, paras. 30 and 35)	—	—	—
d. Show total amounts of cash and cash equivalents at the beginning and end of the period in a manner where they can be <i>easily traceable</i> to similarly titled line items or subtotals shown in the statements of financial position (i.e., the statement of net position)? (GASBS No. 9, para. 8)	—	—	—
e. Separately report the following classes of operating cash receipts and payments: (GASB Cod. Sec. 2450.128)			
i. Cash receipts from customers?	—	—	—
ii. Cash receipts from interfund services provided?	—	—	—
iii. Other operating cash receipts, if any?	—	—	—
iv. Cash payments to other suppliers of goods or services?	—	—	—
v. Cash payments to employees for services?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
vi. Cash payments for interfund services used, including payments in lieu of taxes that are payments for, and equivalent to, services provided?	—	—	—
vii. Other operating cash payments, if any?	—	—	—
f. Include a separate schedule reconciling operating income to net cash flow from operating activities? (GASBS No. 34, para. 105)	—	—	—
i. Does the schedule separately report all major classes of reconciling items including, at a minimum, changes in receivables, inventory, and payables? (GASB Cod. Sec. 2450.129)	—	—	—
g. Include a separate schedule of information about all investing, capital, and financing activities that affect recognized assets or liabilities but do not result in cash receipts or payments in the period? (GASBS No. 9, para. 37 , and QA-2013–2014, Question 2.32.1)	—	—	—

BUDGETARY COMPARISON SCHEDULES

1. If a budget is not adopted for the general or a major special revenue fund because it is not legally required to do so (thus eliminating the requirement to present budgetary comparison information), is that fact disclosed in the notes to RSI (or in the notes to the financial statements if the budgetary comparison information is presented as a basic financial statement)? (SLG, para. 11.16)	—	—	—
2. Is a budgetary comparison schedule presented as required supplementary information or as a basic financial statement for the general fund and each major special revenue fund that has a legally adopted budget? (GASBS No. 34, para. 130)	—	—	—
3. If significant budgetary perspective differences prevent the presentation of budgetary comparisons for the general fund and each major special revenue fund, is the budgetary comparison information presented only as required supplementary information based on the fund, organization, or program structure used for the legally adopted budget? (GASBS No. 41, para. 3)	—	—	—
4. Are columns provided for: (GASBS No. 34, para. 130)			
a. Original budget?	—	—	—
b. Final appropriated budget?	—	—	—
c. Actual results presented on the budgetary basis?	—	—	—
5. Does the schedule provide information (in a separate schedule or in notes) that reconciles the budgetary information to the GAAP information? (GASBS No. 34, para. 131)	—	—	—
6. Do notes to the schedule disclose individual funds presented in the budgetary comparison with an excess of expenditures over appropriations (if any)? (GASBS No. 34, para. 131 and GASBS No. 37, para. 19)	—	—	—

GENERAL FINANCIAL STATEMENT DISCLOSURES

(These are additional note disclosures that have not been addressed in previous checklist questions.)

ACCOUNTING POLICIES

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
1. Are all significant accounting policies presented as Note No. 1 or in a separate schedule including where there is a selection from existing acceptable alternatives, where there are principles and methods peculiar to governmental accounting or specialized activities the governmental unit operates, and where unusual or innovative applications of GAAP or methods of application exist? (GASBS No. 62, para. 93)	—	—	—
2. Are the following unique governmental accounting policies included: (GASBS No. 34, para. 115 ; GASBS No. 54, paras. 23 and 27; GASBS No. 61, para. 11 ; and GASB Cod. Sec. 2300.106)			
a. A description of the government-wide financial statements, noting that neither fiduciary funds nor component units that are fiduciary in nature are included?	—	—	—
b. A brief description of the component units of the financial reporting entity and their relationships to the primary government, including a discussion of the rationale for including each component unit in the financial reporting entity and how each component unit is reported? Also, information should be included about how the separate financial statements for the individual component units may be obtained. (See The Financial Reporting Entity, Question 4.)	—	—	—
c. A description of the activities accounted for in each of the following columns—major funds, internal service funds, and fiduciary fund types—presented in the basic financial statements? (GASBS No. 38, para. 6)	—	—	—
d. The measurement focus and basis of accounting used in the government-wide statements and the revenue recognition policies used in fund financial statements?	—	—	—
e. The length of time used to define <i>available</i> for purposes of revenue recognition in the governmental fund financial statements? (GASBS No. 38, para. 7)	—	—	—
f. The policy for eliminating internal activity in the government-wide statement of activities?	—	—	—
g. The basis on which inventory amounts are stated and, where practicable, the method used to determine the cost?	—	—	—
h. The policy for capitalizing assets and for estimating the useful lives of those assets (used to calculate depreciation expense) and the method(s) used in computing depreciation for major classes of depreciable assets? (Governments that choose to use the modified approach for reporting eligible infrastructure assets should describe that approach.)	—	—	—
i. A description of the types of transactions included in program revenues and the policy for allocating indirect expenses to functions in the statement of activities?	—	—	—
j. The policy for defining operating and nonoperating revenues of proprietary funds?	—	—	—
k. The definition of cash and cash equivalents used in the statement of cash flows for proprietary fund types?	—	—	—
l. The government’s policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available?	—	—	—
m. The government’s fund balance classification policies and procedures for governmental funds, including:			
i. For committed fund balances: (GASBS No. 54, para. 23)			
1) The government’s highest level of decision-making authority?	—	—	—
2) The formal action that is required to be taken to establish (and modify or rescind) a fund balance commitment?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
ii. For assigned fund balances: (GASBS No. 54, para. 23)			
1) The body or official authorized to assign amounts to a specific purpose?	—	—	—
2) The policy established by the governing body pursuant to which the authorization to assign amounts to a specific purpose is given?	—	—	—
iii. The government’s policy regarding whether restricted or unrestricted amounts are considered to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available? (GASBS No. 54, para. 23)	—	—	—
iv. The government’s policy regarding whether committed, assigned, or unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used? (GASBS No. 54, para. 23)	—	—	—
v. The government’s policy that sets forth the minimum fund balance amount, if the government has formally adopted such a policy? (GASBS No. 54, para. 27)	—	—	—
3. Is there disclosure of any material changes in classifications made to previously issued financial statements? (GASBS No. 62, para. 52)	—	—	—
4. Are details of the governmental unit’s property tax calendar disclosed, including lien dates, levy dates, due dates, and collection dates? (GASB Cod. Sec. P70.108)	—	—	—
5. If a period greater than 60 days is used to measure availability, and thus to accrue property taxes, are the reasons for a different period and the length of that period disclosed? (GASB Cod. Sec. P70.104)	—	—	—
THE FINANCIAL REPORTING ENTITY			
1. Financial statement presentation			
a. Do the financial statements of the reporting entity provide an overview of the entity based on financial accountability? (GASB Cod. Sec. 2600.105)	—	—	—
b. Are users able to distinguish between the primary government and its component units? (GASB Cod. Sec. 2600.105 and QA-2013–2014, Question 4.28.6)	—	—	—
i. If budgetary data is presented for discretely presented component units, is it presented only as supplementary information and not in the reporting entity’s budget-to-actual comparison? (QA-2013–2014, Question 4.36.1)	—	—	—
c. Are columns located to the right of the government-wide financial data of the primary government for the discrete presentation of component units financial data? (GASB Cod. Sec. 2600.107 and QA-2013–2014, Question 4.28.4)	—	—	—
d. Are descriptive column headings provided in the discrete presentation? (GASB Cod. Sec. 2600.107)	—	—	—
e. Are component units that are fiduciary in nature reported only in the fiduciary funds statements? (GASBS No. 34, para. 12)	—	—	—
f. Are organizations that raise and hold economic resources for the direct benefit of the governmental unit reported as component units as required by GASBS No. 39, <i>Determining Whether Certain Organizations Are Component Units, an Amendment of GASB Statement No. 14</i> (link) ? (GASBS No. 39, para. 5)	—	—	—
2. Component unit reporting			

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
a. Is each major discretely presented component unit (excluding those that are fiduciary in nature) included either in a separate column in the government-wide statements of net position and activities, in the combining statements of major component units, or as condensed financial statements in the notes to the financial statements? (GASBS No. 34, paras. 125 and 126 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 2600.108)	—	—	—
b. Do the notes to the financial statements include the following condensed combining information for blended component units of a government engaged only in business-type activities that use a single column for financial statement presentation: (GASBS No. 61, para. 9 ; GASBS No. 63, paras. 7 and 8 and Appendix D; and GASB Cod. Sec. 2600.115)			
i. Condensed statement of net position:			
1) Total assets—distinguishing between current assets, capital assets, and other assets? (Amounts receivable from the primary government or from other component units should be reported separately.)	—	—	—
2) Total deferred outflows of resources?	—	—	—
3) Total liabilities—distinguishing between current liabilities and long-term liabilities? (Amounts payable to the primary government or to other component units should be reported separately.)	—	—	—
4) Total deferred inflows of resources?	—	—	—
5) Total net position—distinguishing between net investment in capital assets, restricted (with expendable and nonexpendable components separately reported), and unrestricted?	—	—	—
ii. Condensed statement of revenues, expenses, and changes in net position:			
1) Operating revenues (by major source)?	—	—	—
2) Operating expenses, with depreciation/amortization separately identified?	—	—	—
3) Operating income (loss)?	—	—	—
4) Nonoperating revenues (expenses), with major revenues and expenses separately reported?	—	—	—
5) Capital contributions and additions to permanent and term endowments?	—	—	—
6) Special and extraordinary items?	—	—	—
7) Transfers?	—	—	—
8) Change in net position?	—	—	—
9) Beginning net position?	—	—	—
10) Ending net position?	—	—	—
iii. Condensed statement of cash flows:			
1) Net cash provided (used) by:			
a) Operating activities?	—	—	—
b) Noncapital financing activities?	—	—	—
c) Capital and related financing activities?	—	—	—
d) Investing activities?	—	—	—
2) Beginning cash and cash equivalent balances?	—	—	—

	Disclosure Made?		
	Yes	No	N/A
3) Ending cash and cash equivalent balances?	—	—	—
c. Are the entity totals derived from the component units' statements used to support the amounts reported in the government-wide financial statements? (GASBS No. 34, para. 126 and GASBS No. 37, para. 18)	—	—	—
d. Is the information for all nonmajor discretely presented component units aggregated in a separate column? (Though not required, a combining statement for nonmajor component units may be presented as supplementary information.) (GASB Cod. Sec. 2600.108)	—	—	—
e. Are the nature and amount of significant transactions with the primary government and other component units presented in the notes to the financial statements for each major component unit? (GASBS No. 34, para. 128)	—	—	—
3. Reporting period disclosures			
a. If transactions between component units that have different fiscal year ends result in inconsistencies in amounts reported in due to/from or transfer accounts, are the nature and amount of those transactions disclosed in the notes to the financial statements? (GASBS No. 14, para. 60)	—	—	—
b. Is the fiscal year of the component units included in the reporting entity consistent from year to year, and are changes in fiscal years disclosed? (GASBS No. 14, para. 60)	—	—	—
4. Relationship between the primary government and component units			
a. Do the notes to the financial statements include a brief description of the component units (those blended and those discretely presented) and their relationships to the primary government? (GASBS No. 14, para. 61 and GASBS No. 61, para. 11)	—	—	—
b. Does this description include a discussion of the rationale for including each component unit in the financial reporting entity and how it is reported? (GASBS No. 14, para. 61 ; GASBS No. 61, para. 11 ; and QA-2013–2014 Questions 4.39.3 and 4.39.4 (link))	—	—	—
c. Is information included on how the separate financial statements of the individual component units may be obtained? (GASBS No. 14, para. 61 and GASBS No. 61, para. 11)	—	—	—
d. Do the notes to the financial statements include required disclosure information for the governmental and business-type activities, major funds individually, and nonmajor funds in the aggregate of the primary government including its blended component units and major discretely presented component units? (GASBS No. 61, para. 11 ; GASB Cod. Sec. 2600.123 ; and QA-2013–2014, Questions 4.39.1–4.39.6 (link))	—	—	—
e. If the financial statements present only the data of the primary government, is it acknowledged that the data of the component units that is necessary for reporting in conformity with GAAP is not included? (GASBS No. 14, para. 64)	—	—	—
f. Do the separately issued financial statements of a component unit acknowledge that it is a component unit of another government? (GASBS No. 14, para. 65)	—	—	—
g. Do the separately issued financial statements of a component unit identify the primary government in whose financial reporting entity it is included and describe its relationship with the primary government? (GASBS No. 14, para. 65)	—	—	—
5. Related organizations			

	Disclosure Made?		
	Yes	No	N/A
a. Does the primary government disclose in the notes to the financial statements the nature of its accountability for related organizations? (GASBS No. 14, para. 68)	—	—	—
b. Do the financial statements of the related organization disclose the primary government that is accountable for it and describe its relationship with that primary government? (GASBS No. 14, para. 68)	—	—	—
6. Joint ventures			
a. If the governmental entity participates in joint ventures, does it make the following disclosures in the notes to its financial statements:			
i. A general description of each joint venture, including:			
1) A description of the participating government's ongoing financial interest (including its equity interest, if applicable) or ongoing financial responsibility? (GASBS No. 14, para. 75)	—	—	—
2) Enough information to allow the reader to evaluate whether the joint venture is accumulating significant financial resources or is experiencing fiscal stress that may cause an additional financial benefit or burden on the participating government in the future? (GASBS No. 14, para. 75)	—	—	—
3) Information about the availability of separate financial statements of the joint venture? (GASBS No. 14, para. 75)	—	—	—
ii. Disclosure of any other information required by GASB Cod. Sec. 2300.107f on related party transactions? (GASBS No. 14, para. 75)	—	—	—
7. Jointly governed organizations			
a. If the governmental unit participated in a jointly governed organization but did not retain an ongoing financial interest or responsibility in the organization, have related party transaction disclosures been made? (GASBS No. 14, para. 77)	—	—	—
CASH			<input type="checkbox"/>
1. Are restricted amounts of cash or investments appropriately segregated from other cash items possibly to the point of showing restricted cash as a noncurrent asset under a classified format? (GASBS No. 62, para. 31)	—	—	—
2. Are material bank overdrafts presented as a separate caption among liabilities (SLG, para. 5.28)? Similarly, are material dollar amounts of held checks (checks on the bank reconciliation but not released until after the statement of net position date) reclassified as accounts payable? (Generally accepted)	—	—	—
NOTES AND ACCOUNTS RECEIVABLE			<input type="checkbox"/>
1. Is the allowance for doubtful accounts, if any, deducted from the receivables to which it relates and disclosed? (GASBS No. 62, para. 33)	—	—	—
2. Are unearned discounts (other than cash or quantity discounts and similar discounts), finance charges, and interest included in the face amount of receivables deducted from the related receivable? (GASBS No. 62, para. 32)	—	—	—
3. If there is a discount or premium associated with a receivable is LIABILITIES, Question 8, completed?	—	—	—
DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS			<input type="checkbox"/>

Disclosure Made?
Yes No N/A

NOTE: The disclosures required by [GASBS Nos. 3](#) , as amended, and [40](#) should generally be made for the primary government, including its blended component units. Risk disclosures should also be presented for governmental and business-type activities, individual major funds, nonmajor funds in the aggregate, or fiduciary fund types when those risks are significantly greater than the risks of the primary government. ([GASBS No. 40, para. 5](#)) Disclosures required by [GASBS Nos. 3](#) , as amended, and [40](#) should be made separately for the total of those discretely presented component units for which disclosures are essential to fair presentation. ([GASB Cod. Sec. C20.105](#))

The disclosure requirements for external investment pools and the governments that sponsor such pools are included in Part II of this checklist.

- | | | | |
|--|---|---|---|
| 1. Are the following disclosures made concerning legal or contractual provisions for deposits and investments (including repurchase agreements): (GASBS No. 3, paras. 65 and 66) | | | |
| a. Brief description of the types of investments authorized by legal or contractual provisions? (QA-2013–2014, Questions 1.7.1 and 1.7.2) | — | — | — |
| b. Any significant differences in authorized investment types between the primary government and different funds, fund types, or component units whose investment activity is significant in relation to the reporting entity’s investment activity? (QA-2013–2014, Question 1.7.3) | — | — | — |
| c. For deposits and investments, <i>significant</i> violations during the period of legal or contractual provisions (including provisions other than those disclosed in Question 1.a. above)? | — | — | — |
| d. If the governing body has not formally adopted deposit and investment policies that limit the government’s allowable deposits or investments and address the specific types of risk to which the government is exposed, is that fact disclosed? (GASBS No. 40, para. 6) | — | — | — |
| 2. If the governmental unit has exposure to credit risk, custodial credit risk, concentration of credit risk, interest rate risk, or foreign currency risk, does the government briefly describe the deposit or investment policies related to such risks or disclose that there are no such policies? (GASBS No. 40, para. 6) | — | — | — |
| 3. If the governmental unit’s deposits or investments are exposed to foreign currency risk, does the governmental unit disclose the U.S. dollar balances of such deposits or investments, organized by currency denomination and, if applicable, investment type? (GASBS No. 40, para. 17) | — | — | — |
| 4. If the governmental unit has deposits at the end of the period that are exposed to custodial credit risk (bank balances are not covered by depository insurance), does the governmental unit disclose the amount of those bank balances that are both uninsured and that fall into one of the following categories: (GASBS No. 40, para. 8 , and QA-2013–2014, Question 1.10.2) | — | — | — |
| a. Uncollateralized? | — | — | — |
| b. Collateralized by securities held by the pledging financial institution? | — | — | — |
| c. Collateralized by securities held by the pledging financial institutions’ trust department or agent but not in the depositor-government’s name? | — | — | — |
| 5. Are the following disclosures made concerning investments as of the period end date: | | | |

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
a. Investment disclosure organized by investment type, such as U.S. Treasuries, corporate bonds, or commercial paper? (Dissimilar investments, such as Treasury bills and strips should not be aggregated.) (GASBS No. 40, para. 4)	—	—	—
b. Credit risk information disclosing the credit quality ratings of: (Obligations of or guaranteed by the U.S. government do not require disclosure of credit quality ratings.) (GASBS No. 40, para. 7)			
i. investments in debt securities (as recognized by rating agencies, for example, aggregating investments by rating categories)	—	—	—
ii. external investment pools	—	—	—
iii. money market funds	—	—	—
iv. bond mutual funds	—	—	—
v. other pooled investments of fixed-income securities	—	—	—
c. If a credit quality disclosure is required and the investment is unrated, is that fact disclosed? (GASBS No. 40, para. 7)	—	—	—
d. If the governmental unit has investment securities (including securities under repurchase agreements) at the end of the period that are exposed to custodial credit risk (securities that are uninsured and not registered in the name of the government), does the governmental unit disclose the investment type and reported balance that are held by the following parties: (External investment pools, open-end mutual funds, and securities under reverse repurchase agreements are excluded from custodial credit risk disclosures.) (GASBS No. 40, para. 9)			
i. The counterparty?	—	—	—
ii. The counterparty's trust department or agent but not in the government's name?	—	—	—
e. Concentration of credit risk by disclosing by amount and by issuer investments in any one issuer that represent 5 percent or more of total investments based on the level of detail discussed in the introduction to this section? (Investments issued by or explicitly guaranteed by the US Government and investments in mutual funds, external investment pools, and other pooled investments are exempt.) (GASBS No. 40, para. 11)	—	—	—
f. Interest rate risk of debt investments by type and amount using the segmented time distribution, specific identification, weighted average maturity, duration, or simulation model methods, including any assumptions regarding timing of cash flows, interest rate changes, or other factors? (Investments in debt mutual funds, external debt investment pools, or other pooled debt investments that do not meet the definition of a 2a7-like pool must also disclose interest rate risk information according to one of these methods.) (GASBS No. 40, para. 15 , and GASBS No. 59, para. 6)	—	—	—
g. Terms of investments with fair values that are highly sensitive to changes in interest rates (including fair values if investment terms were not considered in Question 5.f), such as coupon multipliers, benchmark indexes, reset dates, and embedded options? (GASBS No. 40, paras. 14 and 16)	—	—	—
6. If the governmental unit has commitments as of the statement of net position date to resell securities under yield maintenance repurchase agreements, are the following matters disclosed: (GASBS No. 3, para. 72)			
a. The reported amount (if applicable) as of the statement of net position date?	—	—	—
b. Fair value as of the statement of net position date of securities to be resold?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
c. The terms of the agreements; e.g.,			
i. Settlement price ranges?	—	—	—
ii. Agreed-on yields?	—	—	—
iii. Maturity dates, etc.?	—	—	—
7. Are losses recognized during the period due to default by counterparties to deposit or investment transactions and amounts recovered from prior period losses disclosed if not separately displayed on the operating statement? (GASBS No. 3, para. 75)	—	—	—
8. If the governmental unit made any reverse repurchase agreements, are the following disclosures made of legal or contractual provisions for reverse repurchase agreements: (GASBS No. 3, paras. 76 and 77)			
a. If reverse repurchase agreements were used during the period, the source of legal or contractual authorization for the use of those agreements?	—	—	—
b. Any significant violations during the period of legal or contractual provisions for reverse repurchase agreements?	—	—	—
9. If the governmental unit has any reverse repurchase agreements as of the statement of net position date: (GASBS No. 3, paras. 78–81 ; GASBI No. 3, paras. 3–6 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. I55.111–.115)			
a. Are the assets and liabilities arising from the agreements separately displayed?	—	—	—
b. For reverse repurchase agreements other than yield maintenance agreements outstanding as of the statement of net position date, is the credit risk related to the agreements disclosed?	—	—	—
c. For commitments as of the statement of net position date to repurchase securities under yield maintenance agreements, are the following disclosed:			
i. Fair value as of the statement of net position date of securities to be repurchased?	—	—	—
ii. The terms of the agreements; e.g.,			
1) Settlement price ranges?	—	—	—
2) Agreed-on yields?	—	—	—
3) Maturity dates, etc.?	—	—	—
d. Are losses recognized during the period due to default by counterparties to reverse repurchase agreements and amounts recovered from prior period losses disclosed if not separately displayed on the operating statement?	—	—	—
e. Do the notes to the financial statements disclose whether the maturities of the investments made with reverse repurchase agreement proceeds generally match the maturities of the agreements, as well as the extent of such matching at the balance sheet date? (GASBI No. 3, para. 6)	—	—	—
10. If the governmental unit changes its custodial arrangement(s) after year end and the change significantly changes the credit risk classifications of future deposits or investments, is the change and its expected effect on future credit risk classifications disclosed if essential to a user's understanding of the financial statements? (GASB Cod. Sec. 2300.106e and GASBS No. 56, para. 10)	—	—	—
11. Have the following disclosures been made for investments and derivative instruments subject to the fair value requirements in GASBS No. 31 , including land and other real estate held by endowments, and GASBS No. 53 : (GASBS No. 31, para. 15 , GASBS No. 52, para. 5 ; and GASBS No. 53, para. 69)			

	Disclosure Made?		
	Yes	No	N/A
a. The methods and significant assumptions used to estimate the fair value of investments and derivative instruments, if that fair value is based on other than quoted market prices? (QA-2013–2014, Questions 1.66.5 (link) and 1.66.6)	—	—	—
b. The policy for determining which investments, if any, are reported at amortized cost? (QA-2013–2014, Question 1.66.7)	—	—	—
c. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool, and whether the fair value of the position in the pool is the same as the value of pool shares?	—	—	—
d. Any involuntary participation in an external investment pool? (QA-2013–2014, Question 1.66.4)	—	—	—
e. If an entity cannot obtain information from a pool sponsor to allow it to determine the fair value of its investment in the pool, the methods used and significant assumptions made in determining that fair value and the reasons for having had to make such an estimate?	—	—	—
f. Any income from investments associated with one fund that is assigned to another fund? (QA-2013–2014, Question 1.66.8)	—	—	—
12. The disclosure of realized gains and losses in the notes to the financial statements is optional. For governmental entities and external investment pools that disclose realized gains and losses, do the notes disclose that: (GASBS No. 31, para. 15 , and QA-2013–2014, Questions 1.66.9 and 1.66.10 (link))			
a. The calculation of realized gains or losses is independent of a calculation of the net change in the fair value of investments?	—	—	—
b. Realized gains or losses on investments that had been held in more than one fiscal year and sold in the current year were included as a net change in the fair value of investments reported in the prior year(s) and the current year?	—	—	—
13. For all derivative financial instruments, do disclosures include summary information of activity during the reporting period and period-end balances? (GASBS No. 53, para. 69)	—	—	—
a. Is the information organized by governmental activities, business-type activities, and fiduciary funds, and further categorized as hedging derivative instruments (distinguishing between fair value hedges and cash flow hedges) or investment derivative instruments?	—	—	—
b. Within each category, are derivative instruments aggregated by type (e.g., receive-fixed swaps, pay-fixed swaps, swaptions, rate caps, basis swaps, or futures contracts)?	—	—	—
c. Does the summary information disclose the following:			
i. Notional amount?	—	—	—
ii. Changes in fair value during the reporting period and the financial statement classification in which the changes are reported?	—	—	—
iii. Fair values as of the end of the period and the financial statement classification in which the fair values are reported?	—	—	—
iv. Methods and assumptions used to estimate fair value, if fair values are based on other than quoted market prices?	—	—	—
v. Information about derivative instruments reclassified from hedging derivative instruments to investment derivative instruments, including:			
1) Fair values?	—	—	—

	Disclosure Made?		
	Yes	No	N/A
2) The amount of the deferral that was reported in investment revenue upon the reclassification?	—	—	—
14. For derivative instruments categorized as hedging derivative instruments, are the following disclosures provided:			
a. The objectives of the derivatives and information needed to understand the objectives, the government's strategies for achieving the objectives, and the types of derivative instruments entered into? (GASBS No. 53, para. 71)	—	—	—
b. Derivative terms, including notional amounts, reference rates, embedded options, dates the hedging derivative instruments were entered into, scheduled termination or maturity dates, and cash received or paid, if any, when forward contracts or swaps (including swaptions) were initiated? (GASBS No. 53, para. 72)	—	—	—
c. Risks that could give rise to financial loss for instruments held at the end of the period, including: (GASBS No. 53, para. 73)			
i. Credit risk, including the:			
1) Credit quality ratings of counterparties as of the end of the reporting period, or that the counterparty is not rated?	—	—	—
2) Maximum amount of loss due to credit risk, based on the fair value of the hedging derivative instrument as of the end of the reporting period, that the government would incur if counterparties failed to perform (without regard to any collateral, other security, or netting arrangement)?	—	—	—
3) The government's policy for requiring collateral or other security to support hedging derivative instruments exposed to credit risk, a summary description and the aggregate amount of collateral or other security that reduces credit risk exposure, and information about the government's access to that collateral or other security?	—	—	—
4) The government's policy of entering into master netting arrangements, including a summary description and the aggregate amount of liabilities included in those arrangements?	—	—	—
5) The aggregate fair value of hedging derivative instruments in asset (positive) positions, net of collateral posted by the counterparty and the effect of master netting arrangements?	—	—	—
6) Significant concentrations of net exposure to credit risk with individual counterparties and groups of counterparties?	—	—	—
ii. Interest rate risk, including the instrument's terms that increase interest rate risk?	—	—	—
iii. Basis risk, including related terms of the instrument and payment terms of the hedged item that create the basis risk?	—	—	—
iv. Termination risk, including any termination events that have occurred, dates that derivative instruments may be terminated, and unusual termination events included in contractual documents?	—	—	—
v. Rollover risk, including the maturity of the hedging derivative instrument and the maturity of the hedged item?	—	—	—
vi. Foreign currency risk, including the U.S. dollar balance of the hedging derivative instrument, organized by currency denomination and by type of derivative instrument?	—	—	—
vii. Market-access risk (i.e., the risk that the government will not be able to enter credit markets as planned or that credit will become more costly)?	—	—	—

	Disclosure Made?		
	Yes	No	N/A
d. When there is associated debt, net cash flows? (GASBS No. 53, para. 74)	—	—	—
e. If a quantitative method other than the synthetic interest method, dollar-offset method, or regression analysis method is used to evaluate hedge effectiveness, do disclosures include: (GASBS No. 53, para. 75)			
i. The identity and characteristics of the method?	—	—	—
ii. The range of critical terms tolerated?	—	—	—
iii. The actual critical terms of the hedge?	—	—	—
f. Are changes in fair values of hedging derivative instruments reported as either deferred outflows of resources or deferred inflows of resources until a termination event occurs? (GASBS No. 53, para. 20)	—	—	—
15. For derivative instruments categorized as <i>investment derivative instruments</i> , are the following disclosures provided for instruments held at the end of the period: (GASBS No. 53, para. 76)			
a. Credit risk, consistent with Question 14.c.(1)?	—	—	—
b. Interest rate risk, consistent with the disclosures in Questions 5.f. and 5.g., and including the fair value, notional amount, reference rate, and embedded options?	—	—	—
c. Foreign currency risk, consistent with the disclosures in Question 14.c.(6)?	—	—	—
16. Are changes in fair values of investment derivative instruments, including derivative instruments that are determined to be ineffective, reported within the investment revenue classification on the statement of activities and the statement of revenues, expenses, and changes in net position? (GASBS No. 53, para. 20)	—	—	—
17. Do disclosures about contingent features in derivative instruments held at the end of the period include the: (GASBS No. 53, para. 77)			
a. Existence and nature of contingent features and the circumstances that could trigger those features?	—	—	—
b. Aggregate fair value of derivative instruments that contain contingent features?	—	—	—
c. Aggregate fair value of assets that would be required to be posted as collateral or transferred if contingent features were triggered?	—	—	—
d. The amount, if any, that the government has posted as collateral as of the end of the reporting period?	—	—	—
18. For <i>hybrid instruments</i> (i.e., embedded derivative instruments and companion instruments) held at the end of the period, are disclosures about the companion instruments consistent with the disclosures required for similar transactions and do they include the existence of the embedded derivative? (GASBS No. 53, para. 78)	—	—	—
19. For synthetic guaranteed investment contracts (SGIC) that are fully benefit-responsive, are the following disclosed: (GASBS No. 53, para. 79)			
a. The nature of the SGIC?	—	—	—
b. The SGIC's fair value, including separate disclosure of the fair value of the wrap contract and the fair value of the underlying investments?	—	—	—
INVENTORIES			☐
1. Is the basis for stating inventories disclosed, including, where practicable, the method of determining cost? (GASBS No. 62, para. 201)	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
2. If goods are stated above cost, has that fact been disclosed? (GASBS No. 62, para. 199)	—	—	—
3. Are accrued net losses on firm, uncancelable, and unhedged commitments for the future purchase of inventory items separately recognized in the government-wide statement of activities and the proprietary fund statement of revenues, expenses, and changes in fund net position? (GASBS No. 62, para. 200 ; and GASB Cod. Sec. 140.113)	—	—	—
CAPITAL ASSETS			<input type="checkbox"/>
1. Are the following disclosed in notes to financial statements:			
a. Major classes of capital assets divided between governmental activities and business-type activities? (GASBS No. 34, para. 116)	—	—	—
b. Capital assets that are not being depreciated? (GASBS No. 34, para. 116)	—	—	—
c. Descriptions of collections of works of art and historical treasures that are not being capitalized and the reasons for not capitalizing them? (GASBS No. 34, para. 118)	—	—	—
d. A general description of the method or methods used to compute depreciation with respect to major classes of depreciable assets? (GASBS No. 62, para. 95)	—	—	—
e. A general description, amount, and financial statement classification (for example, public works or instruction) of an impairment loss from capital assets that is not apparent from the face of the financial statements? (GASBS No. 42, para. 17)	—	—	—
f. The carrying amount of impaired capital assets that are idle at year end? (GASBS No. 42, para. 20)	—	—	—
g. If no interest cost was capitalized during the period, the amount of interest cost incurred and charged to expense during the period? (GASBS No. 62, para. 22 ; and GASB Cod sec. 1400.137)	—	—	—
h. If some interest cost was capitalized during the period, the total amount of interest cost incurred during the period and the amount thereof that has been capitalized? (GASBS No. 62, para. 22 ; and GASB Cod sec. 1400.137)	—	—	—
2. Do the disclosures of major classes of capital assets include the following: (GASBS No. 34, para. 117)			
a. Beginning and ending balances with accumulated depreciation presented separately from historical cost?	—	—	—
b. Capital acquisitions?	—	—	—
c. Sales or other dispositions?	—	—	—
d. Current depreciation expense, with disclosure of the amounts charged to each function in the statement of activities?	—	—	—
3. Are capital assets reported net of accumulated depreciation in the statement of net position? (GASBS No. 34, para. 20 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 1400.112)	—	—	—
4. Are nondepreciable capital assets, such as land, intangible assets with indefinite useful lives, or infrastructure under the modified approach, reported separately from the depreciable capital assets if significant? (GASBS No. 34, para. 20)	—	—	—

	Disclosure Made?		
	Yes	No	N/A
5. Are capital assets, excluding inexhaustible assets, intangible assets with indefinite useful lives, and infrastructure under the modified approach, depreciated over their estimated useful lives in a systematic and rational manner by either class of assets, network of assets, subsystem of network, or individual assets? (GASBS No. 34, paras. 21 and 22)	—	—	—
6. Are general capital assets (not proprietary or fiduciary) recorded in the governmental activities column of the statement of net position and not in the governmental funds financial statements? (GASBS No. 34, para. 80 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 1400.114)	—	—	—
7. If reporting infrastructure under the modified approach:			
a. Are the following schedules provided as required supplementary information: (GASBS No. 34, para. 132)			
i. The assessed condition, performed at least every three years, for at least the three most recent complete condition assessments, indicating the dates of the assessments?	—	—	—
ii. The estimated annual amount calculated at the beginning of the fiscal year to maintain and preserve at (or above) the condition level established and disclosed by the government compared with the amounts actually expended for each of the past five reporting periods?	—	—	—
b. Do the following disclosures accompany the schedules:			
i. The basis for the condition measurement and the measurement scale used to assess and report condition?	—	—	—
ii. The condition level at which the government intends to preserve its eligible infrastructure assets reported using the modified approach?	—	—	—
iii. Factors that significantly affect trends in the information reported in the required schedules, including any changes in the measurement scale, the basis for the condition measurement, or the condition assessment methods used during the periods covered by the schedules? (If there is a change in the condition level, an estimate of the effect on the estimated annual amount to maintain and preserve those assets for the current period also should be disclosed.)	—	—	—
LIABILITIES			<input type="checkbox"/>
1. Are amounts payable from restricted assets separately disclosed and properly classified; e.g., accrued interest, revenue bonds, deposits, etc.? (Generally accepted)	—	—	—
2. Are significant categories of debt identified; e.g., general obligation bonds, revenue bonds, special assessment bonds, anticipation notes, obligations under capitalized leases? (Generally accepted)	—	—	—
a. If the governmental unit is not obligated in any manner for special assessment debt, are that fact and the amount of the debt disclosed? (GASBS No. 6, para. 21 , and GASB Cod. Sec. S40.127)	—	—	—
b. If the government is primarily obligated or obligated in some manner for special assessment debt, are the nature of the obligation and the identification and description of any guarantee, reserve, or sinking fund established to cover any property owner defaults disclosed? (GASBS No. 6, para. 20, and GASB Cod. Sec. S40.126)	—	—	—
3. Are note disclosures made of long-term liabilities divided between governmental activities and business-type activities? (GASBS No. 34, para. 116)	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
4. Does the information on long-term liabilities include both long-term debt (such as bonds, notes, loans, and leases payable) and other long-term liabilities (such as compensated absences, and claims and judgments)? (GASBS No. 34, para. 119 and GASB Cod. Sec. 2300.120)	—	—	—
5. Do the long-term liabilities note disclosures include the following: (GASBS No. 34, para. 119)			
a. Beginning and ending balances?	—	—	—
b. Increases and decreases, presented separately?	—	—	—
c. Portions of each due within one year?	—	—	—
d. Which governmental funds have been used to liquidate other long-term liabilities in prior years?			
i. If the government has decided to depart from the historical trend and use different funds to liquidate other long-term liabilities, is that decision disclosed? (QA-2013–2014, Question 7.85.6)	—	—	—
6. Are general long-term liabilities recorded in the governmental activities column of the statement of net position and not in the governmental funds financial statements? (GASBS No. 34, para. 82 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 1500.103)	—	—	—
7. Are interest rates, maturity dates, subordinate features (generally accepted), and pledged assets disclosed? (GASBS No. 62, para. 113)	—	—	—
8. If a note is noninterest bearing or has an inappropriate stated interest rate: (GASBS No. 62, para. 187 ; GASBS No. 63, para. 8 and Appendix D; GASBS No. 65, para. 15 ; and GASB Cod. Sec. I30.115)			
a. Is the discount or premium presented as a deduction from or addition to the face amount of the note?	—	—	—
b. Does the disclosure include the effective interest rate and face amount of the note?	—	—	—
c. Is amortization of the discount or premium reported as interest in the government-wide statement of activities and proprietary fund statement of revenues, expenses, and changes in fund net position?	—	—	—
d. Are debt issuance costs, except any portion related to prepaid insurance costs, recognized as an expense in the period incurred?	—	—	—
9. Are current portions of debt obligations presented as current liabilities (due within one year)? (GASBS No. 62, paras. 34 and 44)	—	—	—
a. Does the current liability classification include obligations that, by their terms, are due on demand or will be due on demand within one year (or operating cycle, if longer) from the date of the financial statements, even though liquidation may not be expected within that period?	—	—	—
b. Does the current liability classification include long-term obligations that are or will be callable by the creditor either because the debtor's violation of a provision of a debt agreement at the date of the financial statements makes the obligation callable or because the violation, if not cured within a specified grace period, will make the obligation callable unless (1) the creditor has waived or subsequently lost the right to demand payment for more than one year from the date of the financial statements; or (2) it is probable that the debtor will cure the violation within the grace period?	—	—	—

		Disclosure Made?		
		<u>Yes</u>	<u>No</u>	<u>N/A</u>
	c. If obligations callable by the creditor because the debtor was in violation of the debt agreement at the date of the financial statements are classified as long-term obligations because it is probable the debtor will cure the violation within the specified grace period, are the circumstances disclosed?	—	—	—
10.	Are the following disclosures made concerning demand bonds outstanding: (GASBI No. 1, para. 11)			
	a. General description of the demand bond program?	—	—	—
	b. Terms of any letters of credit or other standby liquidity agreements outstanding?	—	—	—
	c. Commitment fees to obtain letters of credit?	—	—	—
	d. Any amounts drawn or letters of credit outstanding at the statement of net position date?	—	—	—
	e. Description of any take-out agreement, including its expiration date and commitment fees to obtain it?	—	—	—
	f. Terms of any new obligation under a take-out agreement?	—	—	—
	g. The debt service requirements that would result if the take-out agreement were to be exercised?	—	—	—
11.	Are the following disclosures made concerning conduit debt obligations: (GASBI No. 2, para. 3)			
	a. A general description of the conduit debt transactions?	—	—	—
	b. The aggregate amount of all conduit debt obligations outstanding at the statement of net position date?	—	—	—
	c. A clear indication that the issuer has no obligation for the debt beyond the resources provided by related leases or loans?	—	—	—
12.	Are the following debt service to maturity requirements disclosed: (GASBS No. 38, para. 10 and QA-2013–2014, Question 7.85.7)			
	a. Principal and interest requirements (presented separately) to maturity for each of the five subsequent fiscal years and in five-year increments thereafter? (Interest requirements for variable-rate debt should be determined using the rate in effect at the financial statement date.)	—	—	—
	b. The terms by which interest rates change for variable-rate debt?	—	—	—
13.	Do the short-term debt note disclosures include the following, even if no short-term debt is outstanding at year end: (GASBS No. 38, para. 12)			
	a. Beginning and ending balances?	—	—	—
	b. Increases and decreases, presented separately?	—	—	—
	c. Purpose for which the short-term debt was issued?	—	—	—
14.	If a short-term obligation (e.g., tax or revenue anticipation notes) expected to be refinanced is to be excluded from current or fund liabilities, do disclosures include: (GASBS No. 62, para. 44)			
	a. General description of the financing agreement?	—	—	—
	b. Terms of any new obligation incurred or expected to be incurred as a result of the refinancing?	—	—	—

	Disclosure Made?		
	Yes	No	N/A
15. Are contingent liabilities associated with sold or discounted receivables disclosed (guarantees to repurchase receivables or related property)? (GASBS No. 62, para. 109)	—	—	—
DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES			<input type="checkbox"/>
1. Are deferred outflows of resources reported in a separate section following assets in the statement of net position or governmental fund balance sheet and are deferred inflows of resources presented in a separate section following liabilities? (GASBS No. 63, para. 7)	—	—	—
2. If balances of deferred outflows of resources and/or deferred inflows of resources reported in a statement of net position or a governmental fund balance sheet are obscured by aggregation, are details of the significant components of the total deferred amounts disclosed in the notes to the financial statements? (GASBS No. 63, para. 13 , and GASB Cod. Sec. 2300.130)	—	—	—
3. If the amount reported for a component of net position (i.e., net investment in capital assets, restricted, or unrestricted) is significantly affected by a transaction that resulted in the recognition of a deferred outflow of resources or deferred inflow of resources, and the difference between the deferred outflow of resources or deferred inflow of resources and the related asset or liability is significant, is an explanation of that effect on net position provided in the notes to the financial statements? (GASBS No. 63, para. 14 , and GASB Cod. Sec. 2300.131)	—	—	—
RELATED PARTY TRANSACTIONS			<input type="checkbox"/>
1. Do disclosures of material related party transactions include: (GASBS No. 56, para. 4 ; GASBS No. 62, para. 55 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 2250.107)			
a. The nature of the relationship(s)? (If necessary to an understanding of the effects of the transactions, the related party should be identified by name.)	—	—	—
b. A description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which financial statements are presented and such other information deemed necessary to gain an understanding of the effects of the transactions on the financial statements?	—	—	—
c. The dollar amounts of transactions for each of the periods for which financial statements are presented and the effects of any change in the method of establishing the terms from that used in the preceding period?	—	—	—
d. Amounts due from, or to, related parties as of each statement of net position date and, if not otherwise apparent, the terms and manner of settlement?	—	—	—
2. If representations are made that the related party transactions were consummated on terms equivalent to those that prevail in arm's-length transactions, can such representations be substantiated? (GASBS No. 62, para. 56 , and GASB Cod. Sec. 2250.108)	—	—	—
DISAGGREGATED RECEIVABLE AND PAYABLE BALANCES			<input type="checkbox"/>
1. Do the notes to the financial statements disclose the details of the significant components of receivable and payable balances to prevent them from being obscured by aggregation (for example, balances due to or from taxpayers, other governments, vendors, customers, beneficiaries, employees)? (GASB 38, para. 13)	—	—	—
2. Are significant receivable balances not expected to be collected within one year disclosed? (GASBS No. 38, para 13)	—	—	—

Disclosure Made?
Yes No N/A

INTERFUND BALANCES AND TRANSFERS

- | | | | |
|---|---|---|---|
| 1. Are the following items disclosed concerning interfund balances in the fund financial statements: (GASBS No. 38, para.14) | | | |
| a. Amounts due from other funds by individual major fund, nonmajor governmental funds in the aggregate, nonmajor enterprise funds in the aggregate, internal service funds in the aggregate, and fiduciary fund type? | — | — | — |
| b. The purpose for interfund balances? | — | — | — |
| c. Balances not expected to be repaid within one year? | — | — | — |
| 2. Are the following items disclosed concerning interfund transfers in the fund financial statements: (GASBS No. 38, para.15) | | | |
| a. Amounts transferred from other funds by individual major fund, nonmajor governmental funds in the aggregate, nonmajor enterprise funds in the aggregate, internal service funds in the aggregate, and fiduciary fund type? | — | — | — |
| b. A general description of the principal purposes of the government's interfund transfers? | — | — | — |
| c. The intended purpose and the amount of <i>significant</i> transfers that do not occur on a routine basis or are inconsistent with the activities of the fund making the transfer? | — | — | — |

LEASES IN STATEMENTS OF LESSEES

- | | | | |
|--|---|---|---|
| 1. General disclosures: | | | |
| a. Has the nature and extent of leasing transactions with related parties been disclosed? (GASBS No. 56, para. 4 ; GASBS No. 62, para. 239 ; and GASB Cod. Sec. L20.153) | — | — | — |
| b. Has a general description of the governmental unit's leasing arrangements been disclosed, including but not limited to, the basis on which contingent rental payments are determined, the existence and terms of renewal or purchase options and escalation clauses, and restrictions imposed by lease agreements such as those concerning additional debt and further leasing? (GASBS No. 62, para. 223) | — | — | — |
| 2. Operating leases: | | | |
| a. Has disclosure of the following been made for operating leases having initial or remaining noncancelable lease terms in excess of one year: | | | |
| i. Future minimum rental payments for each of the five subsequent fiscal years and in five-year increments thereafter? (GASBS No. 38, para. 11) | — | — | — |
| ii. The total amount of minimum rentals to be received in the future under noncancelable subleases as of the latest financial statements presented? (GASBS No. 62, para. 223) | — | — | — |
| b. Has disclosure been made of rental expense/expenditure for each period for which an operating statement is presented, with separate amounts for minimum rentals, contingent rentals, and sublease rental income? (Note: Rental payments under leases with terms of one month or less that were not renewed need not be included.) (GASBS No. 62, para. 223) | — | — | — |
| 3. Capital leases: | | | |
| a. Have the following been disclosed in the notes: (GASBS No. 62, para. 223) | | | |
| i. The gross amount of assets recorded under capital leases and the accumulated amortization by major classes according to nature or function? | — | — | — |

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
ii. The lease obligations classified as current and long-term?	—	—	—
iii. Amortization expense, unless it is included in depreciation expense and that fact has been disclosed?	—	—	—
iv. Total contingent rentals actually incurred?	—	—	—
b. Has disclosure been made of future minimum lease payments as of the statement of net position date in the aggregate and for each of the five subsequent fiscal years and in five-year increments thereafter? (GASBS No. 38, para. 11)	—	—	—
c. Has disclosure been made of minimum sublease rentals to be received in the future under noncancelable subleases? (GASBS No. 62, para. 223)	—	—	—
4. Is the following disclosed for sale-leaseback transactions: (GASBS No. 62, paras. 255 and 256)			
a. A description of the terms of the transactions, including future commitments, obligations, provisions, or circumstances that require or result in continuing involvement of the seller-lessee?	—	—	—
b. If the transactions were accounted for by the deposit method or as a financing, are the total minimum sublease rentals, if any, to be received in the future under noncancelable subleases disclosed in the aggregate and for each of the five succeeding years?	—	—	—
OTHER COMMITMENTS			<input type="checkbox"/>
1. Are the following types of commitments disclosed:			
a. Construction and other significant commitments, including encumbrances for major funds and nonmajor funds in the aggregate, if appropriate? (GASB Cod. Secs. 1700.127c and 2300.106k , and GASBS No. 54, para. 24)	—	—	—
b. Obligations to reduce debts or maintain working capital? (GASBS No. 62, para. 113)	—	—	—
c. Unused letters of credit? (GASBS No. 62, para. 113)	—	—	—
d. Existence, nature, and amount of any direct or indirect guarantees of others' indebtedness in an exchange or exchange-like transaction, even if the possibility of loss is remote? (GASBS No. 62, paras. 109 –110, and GASB Cod. Sec. C50.164)	—	—	—
CONTINGENCIES			<input type="checkbox"/>
1. Are the nature and amount of an accrued loss contingency disclosed in the financial statements if disclosure is necessary to keep the financial statements from being misleading? (GASBS No. 62, para. 106)	—	—	—
2. If there is exposure to a loss in excess of the amount accrued or if no loss contingency is accrued because one or both of the following conditions are <i>not</i> met—(a) information available prior to issuance of the financial statements indicates that it is probable an asset had been impaired or a liability had been incurred at the date of the financial statements or (b) the amount of loss can be reasonably estimated—but there is at least a reasonable possibility that a loss or additional loss may have been incurred, do disclosures indicate: (GASBS No. 10, para. 58 ; and GASBS No. 62, para. 107)			
a. Nature of contingency?	—	—	—
b. Estimate of possible loss or range of loss, or a statement that such estimate cannot be made?	—	—	—

	Disclosure Made?		
	Yes	No	N/A
3. Have contingencies that might result in gains been adequately disclosed, but not reflected in the accounts so as not to recognize revenue prior to its realization? (GASBS No. 62, para. 112)	—	—	—
4. Has disclosure been made of loss contingencies relating to guarantees made for outside parties, in an exchange or exchange-like transaction, including the nature and amounts thereof? Also, consider disclosing, if estimable, the value of any recovery that could be expected to result. (GASBS No. 62, para. 109 , and GASB Cod. Sec. C50.164)	—	—	—
5. Are any significant violations of finance-related legal and contractual provisions disclosed, along with the actions taken to address the violations? (GASB Cod. Sec. 1200.112)	—	—	—
6. For entities other than public entity risk pools, are the following disclosures made: (GASB Cod. Sec. C50.145)			
a. A description of the risks of loss to which the entity is exposed and the way(s) in which those risks of loss are handled (for example, purchase of commercial insurance, participation in a public entity risk pool, risk retention)?	—	—	—
b. A description of significant reductions in insurance coverage from coverage in the prior year by major categories of risk, and an indication of whether the amount of settlements exceeded insurance coverage for each of the past three fiscal years?	—	—	—
c. If an entity participates in a risk pool, a description of the nature of the participation, including the rights and the responsibilities of both the entity and the pool?	—	—	—
d. If an entity retains the risk of loss:			
i. The basis for estimating the liabilities for unpaid claims? (GASBS No. 30 requires that this disclosure include the entity's policy of including or excluding other incremental costs in its estimates.) (GASBS No. 30, para. 10)	—	—	—
ii. The carrying amount of liabilities for unpaid claims that are presented at present value in the financial statements and the range of discount rates used to discount those liabilities?	—	—	—
iii. The aggregate outstanding amount of claims liabilities for which annuity contracts have been purchased in the claimants' names and for which the related liabilities have been removed from the statement of net position/balance sheet (annuity contracts used to settle claims for which the claimant has signed an agreement releasing the entity from further obligation and for which the likelihood that the pool will be required to make future payments on those claims is remote should not be included in this disclosure)? (QA-2013–2014, Question 3.69.1)	—	—	—
iv. A reconciliation of changes in the aggregate liabilities for claims (including IBNR claims) for the current fiscal year and the prior fiscal year, in the following tabular format: (QA-2013–2014, Question 3.75.1)			
1) Amount of claims liabilities at the beginning of each fiscal year?	—	—	—
2) Incurred claims, representing the total of a provision for events of the current fiscal year and any change (increase or decrease) in the provision for events of prior fiscal years?	—	—	—
3) Payments on claims attributable to events of both the current fiscal year and prior fiscal years?	—	—	—

	Disclosure Made?		
	Yes	No	N/A
4) Other (provide an explanation of each material item)? (QA-2013–2014, Question 3.75.2 , indicates that the removal of a liability because of an annuity contract should be reported as an “other” item with an explanation.)	—	—	—
5) Amount of claims liabilities at the end of each fiscal year?	—	—	—
e. Are additional or separate presentations made of the disclosures in Items a. through d. above, if aggregate disclosures are misleading? (GASBS No. 10, para. 78 , and GASB Cod. Sec. C50.146)	—	—	—
f. Are Questions 6.a. and b. above disclosed in the notes of separately issued financial statements of component units that participate in their primary government’s risk management internal service fund? (GASBS No. 10, para. 79 , and QA-2013–2014, Question 3.76.1)	—	—	—
i. Is the fact of participation in the fund disclosed?	—	—	—
ii. Is there a description of the nature of that participation?	—	—	—
iii. Are the rights and responsibilities of both the unit and the primary government stated?	—	—	—
g. If an asset is impaired or a liability is incurred after the date of the financial statements but before their issuance, is there disclosure of the following: (GASBS No. 10, para. 80)			
i. The nature of the loss or loss contingency?	—	—	—
ii. An estimate of the amount or range of loss or possible loss or a statement that such an estimate cannot be made?	—	—	—
h. If an entity other than a pool uses an internal service fund to account for its risk financing activities, is there note disclosure of any deficit fund balance of the internal service fund resulting from the activities? (GASBS No. 10, para. 67 , and GASB Cod. Sec. C50.129)	—	—	—
i. If an entity other than a pool is insured under a retrospectively rated policy or contract (i.e., a policy or contract in which the initial premium is adjusted based on actual experience during the period of coverage), is there disclosure of the following: (GASBS No. 10, para. 74)			
i. The fact that the entity is insured under a retrospectively rated policy?	—	—	—
ii. The fact that premiums are accrued based on the ultimate cost of the experience to date of a group of entities?	—	—	—
iii. The disclosures in Questions 2.a. and b. above, with respect to losses the entity cannot estimate from reported and unreported claims? (GASBS No. 10, para. 73)	—	—	—
j. If an entity other than a pool participates in a public entity risk pool in which there is a transferring (sharing) of risk among the pool participants, are the following disclosures made:			
i. The disclosures in Questions 2.a. and b. above, if the pool is allowed to make additional assessments to its members, with respect to assessment amounts that are probable but not reasonably estimable, or are reasonably possible? (GASBS No. 10, para. 69)	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
ii. The disclosures in Questions 2.a. and b. above, if it appears that the pool will not be able to meet its obligations and it is probable or reasonably possible that the entity will be required to pay its own obligations if the pool fails? (GASBS No. 10, para. 70)	—	—	—
NONEXCHANGE TRANSACTIONS			<input type="checkbox"/>
1. Are nonexchange transactions that are not recognizable because they are not measurable disclosed? (GASBS No. 33, para. 11)	—	—	—
SEGMENT REPORTING			<input type="checkbox"/>
1. Are the following note disclosures provided for enterprise activities required to report segment information: (Segment information is required for identifiable activities with outstanding debt supported by a pledged revenue stream that must be accounted for separately as required by an <i>external</i> party.) (GASBS No. 34, para. 122 ; GASBS No. 37, para. 17 ; GASBS No. 63, paras. 7 –8 and Appendix D; and GASB Cod. Sec. 2500.101)			
a. Type of goods and services provided?	—	—	—
b. A condensed statement of net position:			
i. Total assets—distinguishing between current assets, capital assets, and other assets? (Amounts receivable from other funds or component units should be reported separately.)	—	—	—
ii. Total deferred outflows of resources?	—	—	—
iii. Total liabilities—distinguishing between current liabilities and long-term liabilities? (Amounts payable to other funds or component units should be reported separately.)	—	—	—
iv. Total deferred inflows of resources?	—	—	—
v. Total net position—distinguishing among net investment in capital assets, restricted (separately reporting expendable and nonexpendable components), and unrestricted?	—	—	—
c. Condensed statement of revenues, expenses, and changes in net position:			
i. Operating revenues (by major source)?	—	—	—
ii. Operating expenses? [Depreciation (including any amortization) should be identified separately.]	—	—	—
iii. Operating income (loss)?	—	—	—
iv. Nonoperating revenues (expenses)—with separate reporting of major revenues and expenses?	—	—	—
v. Capital contributions and additions to permanent and term endowments?	—	—	—
vi. Special and extraordinary items?	—	—	—
vii. Transfers?	—	—	—
viii. Change in net position?	—	—	—
ix. Beginning net position?	—	—	—
x. Ending net position?	—	—	—
d. Condensed statement of cash flows:			
i. Net cash provided (used) by:			

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
1) Operating activities?	—	—	—
2) Noncapital financing activities?	—	—	—
3) Capital and related financing activities?	—	—	—
4) Investing activities?	—	—	—
ii. Beginning cash and cash equivalent balances?	—	—	—
iii. Ending cash and cash equivalent balances?	—	—	—

SUBSEQUENT EVENTS

1. Are subsequent events that provide evidence with respect to conditions that *did not exist* at the statement of net position date, but that arose subsequent to that date and are essential to a user’s understanding of the financial statements, adequately disclosed? ([GASBS No. 56, para. 10](#) ; [GASBS No. 63, para. 8](#) ; and [GASB Cod. Sec. 2300.106e](#) and [C50.149](#))

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—
—
—

OTHER POSSIBLE DISCLOSURES

SPECIALIZED ACCOUNTING AND REPORTING PRINCIPLES

Have appropriate disclosures been made for: (These specialized disclosures have been established by *GASBS No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* ([link](#)) , but are not included in Part II. If present, consult [GASBS No. 62](#) or the relevant Codification section. Paragraph references are to the paragraphs in [GASBS No. 62](#))

- 1. Broadcasters? (para. 385-388; [GASB Cod. Sec. Br10](#))
- 2. Cable Television Systems? (para. 389-399; [GASB Cod. Sec. Ca5](#))
- 3. Foreign Currency Transactions? (para. 165-172; [GASB Cod. Sec. F70](#))
- 4. Insurance Entities—Other Than Public Entity Risk Pools? (para. 400-430; [GASB Cod. Sec. In3](#))
- 5. Lending Activities? (para. 431-451; [GASB Cod. Sec. L30](#))
- 6. Mortgage Banking Activities? (para. 452-475; [GASB Cod. Sec. L30](#))
- 7. Regulated Operations? (para. 476-500; [GASB Cod. Sec. Re10](#))
- 8. Research and Development Arrangements? (para. 374-384; [GASB Cod. Sec. R50](#))
- 9. Retail Land Sales? (para. 324-330; [GASB Cod. Sec. R30](#))

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PART II DISCLOSURES

Review the following list of disclosure topics for applicability to your client. Indicate either “Item Present” or “Item Not Present.” If the item is present, attach and complete the appropriate checklist from Part II.

	Item Present	Item Not Present
1. Accounting changes and correction of an error?	_____	_____
2. Changes in presentation of comparative statements?	_____	_____
3. Chapter 9 Bankruptcy?	_____	_____

	Item Present	Item Not Present
4. Construction-type contracts—long-term?	_____	_____
5. Donor-restricted endowments?	_____	_____
6. External investment pools?	_____	_____
7. Extinguishment and advance refundings of debt?	_____	_____
8. Fund raising costs?	_____	_____
9. Going concern?	_____	_____
10. Government combinations and disposals of operations?	_____	_____
11. Investments accounted for by the equity method?	_____	_____
12. Insurance recoveries?	_____	_____
13. Leases in financial statements of lessors?	_____	_____
14. Municipal solid waste landfill closure and postclosure care costs?	_____	_____
15. Nonexchange financial guarantees?	_____	_____
16. Nonmonetary transactions?	_____	_____
17. On-behalf payments for fringe benefits and salaries?	_____	_____
18. Pensions—employer and nonemployer contributing entity financial statements?	_____	_____
19. Pensions—plan financial statements?	_____	_____
20. Pledges or sales of future revenues?	_____	_____
21. Pollution remediation obligations?	_____	_____
22. Postemployment benefits other than pension benefits?	_____	_____
23. Securities lending transactions?	_____	_____
24. Service concession arrangements?	_____	_____
25. Termination benefits?	_____	_____
26. Troubled debt restructurings—creditors?	_____	_____
27. Troubled debt restructurings—debtors?	_____	_____

SUBSEQUENT PRONOUNCEMENTS ISSUED

Use the space provided below to list additional requirements as they are issued by authoritative bodies until the checklist is revised.

Pronouncement	Description of Topic	Have the disclosure requirements been considered?		
		<u>Yes</u>	<u>No</u>	<u>N/A</u>
1. []	[]	_____	_____	_____
2. []	[]	_____	_____	_____
3. []	[]	_____	_____	_____
4. []	[]	_____	_____	_____

Pronouncement	Description of Topic	Have the disclosure requirements been considered?		
		<u>Yes</u>	<u>No</u>	<u>N/A</u>
5. []	[]	_____	_____	_____
6. []	[]	_____	_____	_____
7. []	[]	_____	_____	_____
8. []	[]	_____	_____	_____
9. []	[]	_____	_____	_____
10. []	[]	_____	_____	_____
11. []	[]	_____	_____	_____
12. []	[]	_____	_____	_____
13. []	[]	_____	_____	_____
14. []	[]	_____	_____	_____
15. []	[]	_____	_____	_____
16. []	[]	_____	_____	_____
17. []	[]	_____	_____	_____
18. []	[]	_____	_____	_____
19. []	[]	_____	_____	_____
20. []	[]	_____	_____	_____

PART II—OTHER DISCLOSURES

Instructions: Part I contains a checklist of Part II disclosure topics common to governmental units. Many of the disclosure topics in Part II will not be applicable to the governmental unit. Check the N/A sections for the nonapplicable topics.

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
ACCOUNTING CHANGES AND CORRECTION OF AN ERROR			<input type="checkbox"/>
1. Change in accounting principle:			
a. Have the nature of and justification for a change in accounting principle (clearly explaining why the change is preferable) been disclosed? (GASBS No. 62, para. 75)	—	—	—
b. For all changes in accounting principle (except for a change in reporting entity): (GASB Cod. Sec. 2250.140 and 2250.142 –.144)			
i. Are prior period financial statements that are included for comparative purposes presented as previously reported?	—	—	—
ii. Has the cumulative effect of changing to a new accounting principle been reported as an adjustment to the beginning net position/fund net position in the period of the change?	—	—	—
iii. Is the effect of adopting the new accounting principle on the change in net position/fund net position for the period of the change disclosed?	—	—	—
iv. Are changes in net position/fund net position computed on a pro forma basis and shown on the face of the government-wide statement of activities and proprietary fund statement of revenues, expenses, and changes in fund net position for all periods presented as if the new accounting principle had been applied in all periods affected?	—	—	—
v. If prior period financial statements are not presented, are actual and pro forma amounts for the immediately preceding year disclosed, or if pro forma amounts are not readily determinable, is the reason for not presenting pro forma amounts by periods disclosed?	—	—	—
vi. If the cumulative effect of the change on beginning net position/fund net position is not determinable, are the effect on the results of operations in the period of change and the reason for not presenting the cumulative effect and pro forma amounts for prior years disclosed?	—	—	—
2. Change in accounting estimate:			
a. Is the effect of a change in accounting estimate accounted for in (1) the period of change if it affects that period only or (2) the period of change and future periods if it affects both? (GASBS No. 62, para. 83)	—	—	—
b. For a change in an estimate that affects several future periods, has the effect on operations been disclosed? (GASBS No. 62, para. 85)	—	—	—
3. Is a change in reporting entity reported as follows: (GASBS No. 62, paras. 86 and 87 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 2250.149 –.150)			
a. Are financial statements restated for all prior periods presented?	—	—	—

		Disclosure Made?		
		<u>Yes</u>	<u>No</u>	<u>N/A</u>
b.	Do the financial statements for the period of the change describe the nature of the change, the reason for the change, and the effect of the change on beginning net position/fund net position for all periods presented?	—	—	—
4.	For a correction of an error:			
a.	Is the correction of an error in previously issued financial statements accounted for and reported as a prior-period adjustment and excluded from the change in net position section of the government-wide statement of activities and the proprietary fund statement of revenues, expenses, and changes in fund net position for the current period? (GASBS No. 62, para. 60 and GASB Cod. Sec. 2250.123)	—	—	—
b.	Have the following been disclosed:			
i.	The nature of the error? (GASBS No. 62, para. 89 ; and GASB Cod. Sec. 2250.152)	—	—	—
ii.	Effect of the correction on the change in net position/fund net position in the period of correction? (GASBS No. 62, para. 89 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 2250.152)	—	—	—
iii.	For single period financial statements, the effect of restatement on beginning net position and on change in net position of the preceding period? (GASBS No. 62, paras. 62 and 88 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 2250.125)	—	—	—
iv.	If financial statements for more than one period are presented, the effect of restatement on beginning net position and on change in net position for each period? (GASBS No. 62, paras. 62 ; and GASB Cod. Sec. 2250.125)	—	—	—

CHANGES IN PRESENTATION OF COMPARATIVE STATEMENTS

1.	If, because of reclassifications or other reasons, changes have occurred in the manner of or the basis for presenting corresponding items in comparative statements, are the changes explained? (GASBS No. 62, para. 52)	—	—	—
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CHAPTER 9 BANKRUPTCY

1.	If the governmental unit has filed for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code, do the financial statements disclose the following: (GASBS No. 58, para. 15)			<input type="checkbox"/>
a.	Pertinent conditions and events giving rise to the bankruptcy petition and the known or expected effects of such conditions and events, including:			
i.	Principal categories of claims subject to compromise or that already have been adjusted?	—	—	—
ii.	Principal changes in terms?	—	—	—
iii.	Major features of settlement?	—	—	—
iv.	The aggregate expected or realized gain from remeasurement of liabilities or a statement that any gain is not yet reasonably estimable and the reasons why?	—	—	—
v.	Contingent claims not subject to reasonable estimations?	—	—	—
b.	The significance of the conditions and events on the governmental unit's operations and levels of service, including any mitigating factors (such as assumption of services by other governments)?	—	—	—
c.	Any plans to terminate the governmental unit or the possibility of termination?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
d. How to obtain a copy of the Plan of Adjustment or a statement that a plan is not yet available and an estimate of when it will be completed?	—	—	—
CONSTRUCTION-TYPE CONTRACTS—LONG-TERM			<input type="checkbox"/>
1. Has the method used to account for long-term construction-type contracts been disclosed? (GASBS No. 62, para. 116 , and GASB Cod. Sec. C75.103)	—	—	—
2. When the completed-contract method is used: (GASBS No. 62, para. 123 , and GASB Cod. Sec. C75.110)			
a. Is an excess of accumulated costs over related billings shown in the statement of net position as a current asset?	—	—	—
b. Is an excess of accumulated billings over related costs shown as a liability (generally, as a current liability)?	—	—	—
DONOR-RESTRICTED ENDOWMENTS			<input type="checkbox"/>
1. Are the following disclosures provided for donor-restricted endowments: (GASBS No. 34, para. 121 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 2300.123)			
a. Amounts of net appreciation of endowments available for expenditure and how they are reported in net position?	—	—	—
b. State law regarding the ability to spend net appreciation?	—	—	—
c. Policy for authorizing and spending investment income, such as a spending-rate or total-return policy?	—	—	—
EXTERNAL INVESTMENT POOLS			<input type="checkbox"/>
1. If the external investment pool issues separate financial statements, do the notes to the sponsoring government’s financial statements:			
a. Describe how to obtain the separate financial statements? (GASBS No. 31, para. 19 , and GASB Cod. Sec. I50.118)	—	—	—
b. Also include the pool’s GASBS No. 3 , as amended, disclosures in an aggregated or disaggregated presentation? (QA-2013–2014, Question 6.43.4)	—	—	—
2. If the external investment pool does not issue separate financial statements, are the following disclosures made for each pool in the notes to the sponsoring government’s financial report:			
a. A brief description of any regulatory oversight (including whether the pool is registered with the SEC as an investment company)?	—	—	—
b. The frequency of determining the fair value of investments?	—	—	—
c. The method used to determine participants’ shares sold and redeemed and whether that method differs from the method used to report investments?	—	—	—
d. Whether the pool sponsor has provided or obtained any legally binding guarantees during the period to support the value of shares?	—	—	—
e. The extent of involuntary participation in the pool, if any?	—	—	—
f. A summary of the fair value, the carrying amount (if different from fair value), the number of shares or the principal amount, ranges of interest rates, and maturity dates of each major investment classification?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
g. If the financial report distinguishes between different components of investment income (such as interest, dividends, or other income), has the accounting policy for defining each component been disclosed? (GASBS No. 31, para. 17)	—	—	—
h. The disclosures required by GASBS Nos. 3 , as amended, and 28 and other cash and investment statements? (GASB Cod. Sec. 150.118b)	—	—	—
i. Condensed statements of fiduciary net position and changes in fiduciary net position? (For pools with both external and internal investors, the condensed financial statements should include the total net position held in trust for all pool participants and separate disclosure of the internal and external portions of the equity of participants.) (GASBS No. 31, para. 19 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 150.118c)	—	—	—
3. If a governmental external investment pool distributes investment income on an amortized cost basis, do the notes indicate that distributions are made on an amortized cost basis, which differs from a fair value basis, and that the difference between the two methods is reported in the net position section on the statement of fiduciary net position as undistributed and unrealized gains (losses)? (QA-2013–2014, Question 6.44.4)	—	—	—
EXTINGUISHMENT AND ADVANCE REFUNDINGS OF DEBT			<input type="checkbox"/>
1. Is the aggregate gain or loss from the extinguishment of debt (other than a current or advance refunding or debt that is extinguished through a troubled debt restructuring) identified in the government-wide statement of activities and the proprietary fund statement of revenues, expenses, and changes in fund net position as a separate item? (GASBS No. 62, para. 126 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. D20.103)	—	—	—
2. For current and advance refundings resulting in defeasance of general long-term debt, is the face amount of the new debt reported as “other financing source—refunding bonds” in the governmental fund receiving the proceeds? (GASB Cod. Sec. D20.109)	—	—	—
3. For advance refundings, are payments to the escrow agent from resources provided by the new debt reported as an “other financing use—payment to refunded bond escrow agent”? (GASB Cod. Sec. D20.109)	—	—	—
4. For current refundings and advance refundings resulting in defeasance of debt reported by governmental activities, business-type activities, and proprietary funds, is the difference between the reacquisition price and the net carrying amount of the old debt reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the shorter of the remaining life of the old debt or the life of the new debt? (GASBS 23, para. 4 ; GASBS 34, paras. 15 and 91 ; and GASBS 65, para. 6)	—	—	—
5. If a prior refunding of debt is again refunded through a current refunding or an advance refunding resulting in defeasance of debt, is the difference between the reacquisition price and the net carrying amount of the old debt, together with any deferred outflows of resources or deferred inflows of resources from the prior refunding deferred and recognized in expense over the shorter of the remaining original amortization period or the life of the latest refunding debt? (GASBS No. 23, para. 5 ; GASBS No. 65, para. 6 ; and GASB Cod. Sec. D20.112)	—	—	—
6. Are the following descriptions of qualified defeasance transactions disclosed? (GASBS No. 7, paras. 11 and 13 , and GASBS No. 23, para. 6)			
a. Difference between cash flow required to service old debt and that required to service new debt and complete the refunding?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. Economic gain or loss resulting from the transaction; i.e., difference between the present value of the old debt service requirements and the present value of new debt service requirements discounted at the effective interest rate on the new debt and adjusted for any additional cash?	—	—	—
7. Is the amount of defeased debt still outstanding disclosed separately for the primary government and, if significant, for discretely presented component units? (GASB Cod. Sec. D20.117)	—	—	—
FUND RAISING COSTS			<input type="checkbox"/>
1. If joint costs incurred in activities that include fund raising have been allocated, have the following been disclosed: (SOP 98-2, para. 18 , and SLG, Appendix D)			
a. The types of activities that resulted in joint costs?	—	—	—
b. The fact that such costs have been allocated?	—	—	—
c. The total amount allocated during the period and portion allocated to each functional expense category?	—	—	—
d. The amount of joint costs for each type of joint activity (encouraged, but not required)?	—	—	—
GOING CONCERN			<input type="checkbox"/>
1. If there is substantial doubt about the governmental unit's ability to continue as a going concern for twelve months beyond the financial statement date (and, possibly, for an additional period of time), do the financial statements disclose the following, as appropriate: (GASBS No. 56, paras. 16 and 19)			
a. Pertinent conditions and events giving rise to the assessment of substantial doubt about the governmental unit's ability to continue as a going concern for a reasonable period of time?	—	—	—
b. The possible effects of such conditions and events?	—	—	—
c. Government officials' evaluation of the significance of those conditions and events and any mitigating factors?	—	—	—
d. Possible discontinuance of operations?	—	—	—
e. Government officials' plans (including relevant prospective financial information)?	—	—	—
f. Information about the recoverability or classification of recorded asset amounts or the amounts or classification of liabilities?	—	—	—
2. If substantial doubt about the governmental unit's ability to continue as a going concern for a reasonable period of time is alleviated, do the financial statements adequately disclose the following matters: (AU-C 570.13)			
a. The principal conditions and events that initially caused the substantial doubt?	—	—	—
b. The possible effects of such conditions and events?	—	—	—
c. Any mitigating factors, including management's plans?	—	—	—
GOVERNMENT COMBINATIONS AND DISPOSALS OF OPERATIONS			<input type="checkbox"/>

Disclosure Made?
Yes No N/A

Note: GASBS No. 69, *Government Combinations and Disposals of Government Operations* ([link](#)), establishes accounting and financial reporting requirements related to government combinations and disposals of government operations. (The term *government combinations* includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations.) GASBS No. 69 is effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013, and should be applied on a prospective basis. Earlier application is encouraged.

All Government Combinations

1. Are the following disclosed for each government combination occurring during the period: ([GASBS No. 69, para. 55](#))
 - a. A brief description of the government combination, including identification of the entities involved in the combination and whether the participating entities were included within the same financial reporting entity? — — —
 - b. The date of the combination? — — —
 - c. A brief description of the primary reasons for the combination? — — —

Government Mergers and Transfers of Operations

2. Has the new or continuing government disclosed the following amounts recognized as of the merger date or the effective transfer date: ([GASBS No. 69, para. 56](#))
 - a. Total assets—distinguishing between current assets, capital assets, and other assets? — — —
 - b. Total deferred outflows of resources? — — —
 - c. Total liabilities—distinguishing between current and long-term amounts? — — —
 - d. Total deferred inflows of resources? — — —
 - e. Total net position by component? — — —
3. Has the new or continuing government disclosed a brief description of the nature and amount of significant adjustments made to bring the individual accounting policies into conformity or to adjust for impairment of capital assets resulting from the merger or transfer? ([GASBS No. 69, para. 56](#)) — — —
4. Have the initial amounts recognized by the new or continuing government, if different from the values in Question 2 and the differences that arise from modifying the carrying values in Question 2 by the adjustments in Question 3, been disclosed? ([GASBS No. 69, para. 56](#)) — — —

Government Acquisitions

5. Are the following disclosed by the acquiring government in the period in which an acquisition occurs: ([GASBS No. 69, para. 57](#))
 - a. A brief description of the consideration provided? — — —
 - b. The total amount of net position acquired as of the date of acquisition? — — —
 - c. A brief description of contingent consideration arrangements, including the basis for determining the amount of payments that are contingent? — — —

Disposals of Government Operations

6. In the period in which operations are transferred or sold, are the identity of the disposed operations and a brief description of the facts and circumstances leading to their disposal disclosed? ([GASBS No. 69, para. 58](#)) — — —

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
7. Are the following identified and disclosed, unless separately presented in the financial statements: (GASBS No. 69, para. 58)			
a. Total expenses, distinguishing between operating and nonoperating, if applicable?	—	—	—
b. Total revenues, distinguishing between operating and nonoperating, if applicable?	—	—	—
c. Total governmental fund revenues and expenditures, if applicable?	—	—	—

INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD



1. Are the following disclosed for investments in common stock accounted for using the equity method: (GASBS No. 62, paras. 209 and 210 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. 150.127–128)			
a. The name of each investee and percentage ownership of common stock?	—	—	—
b. Names of any significant investments in which the government holds 20% or more of the voting stock but does not report the investment using the equity method, and an explanation of why the equity method is not considered appropriate?	—	—	—
c. Names of any significant investments in which the government holds less than 20% of the voting stock but reports the investment using the equity method, and an explanation of why the equity method is considered appropriate?	—	—	—
d. Accounting policies relative to investments in common stock?	—	—	—
e. Difference, if any, between the amount at which the investment in common stock is carried and the amount of underlying equity in net assets and the accounting treatment of the difference?	—	—	—
f. The aggregate market value of each investment in common stock for which a quoted market price is available?	—	—	—
g. When investments in common stock accounted for under the equity method are, in the aggregate, significant in relation to the financial position or operating results, has summarized information (either individually or in groups) about the investees' assets, liabilities, and results of operations been presented in the notes to the financial statements, if considered necessary?	—	—	—
h. Are significant effects of possible conversions, exercises, or contingent issuances of outstanding convertible securities, outstanding options and warrants, and other contingent issuances been disclosed?	—	—	—
i. Are the investments shown in the statement of net position as a single amount, and is the government's share of the investee's earnings or losses shown in the government-wide statement of activities and proprietary fund statement of revenues, expenses, and changes in fund net position as a single amount, except for extraordinary items?	—	—	—

INSURANCE RECOVERIES



1. Have the amount and financial statement classification of insurance recoveries (such as impairment of capital assets, theft, or embezzlement, etc.) been disclosed if not otherwise apparent in the financial statements? (GASBS No. 42, paras. 21-22)	—	—	—
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LEASES IN FINANCIAL STATEMENTS OF LESSORS



1. Have the following disclosures been made when leasing (exclusive of leveraged leasing) is a significant part of the lessor's business activities in terms of revenue, net income, or assets: (GASBS No. 62, para. 231 , and GASB Cod. Sec. L20.139)			
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	Disclosure Made?		
	Yes	No	N/A
a. General description of the lessor's leasing arrangements?	—	—	—
b. The following for sales-type and direct financing leases (GASBS No. 62, para. 231):			
i. The components of the net investments in sales-type and direct financing leases for each set of financial statements presented, including:			
1) Future minimum lease payments to be received, with separate deductions for executor costs and the accumulated allowance for uncollectible minimum lease payments receivable?	—	—	—
2) Unguaranteed residual values accruing to the lessor's benefit?	—	—	—
3) For direct financing leases only, initial direct costs?	—	—	—
4) The related liability?	—	—	—
ii. Future minimum lease payments to be received for each of the five succeeding years?	—	—	—
iii. Total contingent rentals included in the operating statements for each period presented?	—	—	—
c. Operating leases:			
i. For the latest set of financial statements presented:			
1) Cost and carrying amount, if different, of property on lease or held for leasing by major classes of property and the total amount of accumulated depreciation thereon?	—	—	—
2) Future minimum rentals on noncancelable leases in the aggregate and for each of the next five fiscal years?	—	—	—
ii. Total contingent rentals included in operating results for each operating statement presented?	—	—	—
d. When leveraged leasing is a significant part of the lessor's operations, have the components of the net investment balance in leveraged leases been disclosed in the notes to the financial statements? (GASBS No. 62, para. 270 , and GASB Cod Sec. L20.184)	—	—	—
e. Has the nature and extent of leasing transactions with related parties been disclosed? (GASBS No. 62, para. 239 , and GASB Cod. Sec. L20.153)	—	—	—

MUNICIPAL SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS



1. For all fund types and entities that own or operate municipal solid waste landfills, have the following been disclosed: (GASBS No. 18, para. 17)			
a. The nature and source of landfill closure and postclosure care requirements, such as federal, state, or local regulations and laws?	—	—	—
b. A statement that recognition of the liability for closure and postclosure care costs is based on landfill capacity used to date?	—	—	—
c. The reported liability for closure and postclosure care at the balance sheet date, if not apparent from the financial statements?	—	—	—
d. The estimated total current cost of closure and postclosure care remaining to be recognized?	—	—	—
e. The percentage of landfill capacity used to date?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
f. The estimated remaining landfill life in years?	—	—	—
g. Information about how closure and postclosure care financial assurance requirements, if any, are being met?	—	—	—
h. Information on any assets that are restricted for payment of closure and postclosure care costs, if not apparent from the financial statements?	—	—	—
i. The nature of the estimates and the potential for changes due to inflation or deflation, technology, or applicable laws or regulations?	—	—	—
2. If the financial statements include landfills reported on as component units, do the disclosures in Question 1 above distinguish between those relating to the primary government and those relating to its discretely presented component units? (GASBS No. 18, para. 18)	—	—	—

NONEXCHANGE FINANCIAL GUARANTEES



Note: The disclosures in this section are required by *GASBS No. 70, Accounting and Financial Reporting for Nonexchange Financial Guarantees* ([link](#)), effective for reporting periods beginning after June 15, 2013, with earlier application encouraged. [GASBS No. 70](#) applies to financial guarantees that are nonexchange transactions extended or received by a government. A nonexchange financial guarantee is a guarantee of an obligation of an individual or a legally separate entity (including a blended or discretely presented component unit), which requires the guarantor to indemnify a third-party obligation holder under specific conditions. [GASBS No. 70](#) does not apply to special assessment debt that falls within the scope of *GASBS No. 6, Accounting and Financial Reporting for Special Assessments* ([link](#)).

Governments That Extend Nonexchange Financial Guarantees



1. Are the following disclosed, by type of guarantee, for all nonexchange financial guarantees, regardless of the likelihood of a payment being required: (GASBS No. 70, para. 14)			
a. A description of the nonexchange financial guarantee including the following:			
i. The types of obligations guaranteed?	—	—	—
ii. The legal authority and limits for extending the guarantees?	—	—	—
iii. The government’s relationship to the issuer(s) of the guaranteed obligations?	—	—	—
iv. The length of time of the guarantees?	—	—	—
v. Arrangements for recovering payments from the issuer(s) of the guaranteed obligation?	—	—	—
b. The total amount of all guarantees extended that are outstanding at the reporting date?	—	—	—
2. If the government recognizes a nonexchange financial guarantee liability or made payments during the reporting period on nonexchange financial guarantees extended, are the following disclosed: (GASBS No. 70, para. 15)			
a. A brief description of the timing of recognition and measurement of the liabilities?	—	—	—
b. Information about changes in recognized guarantee liabilities, including:			
i. Beginning-of-period balances?	—	—	—
ii. Increases, including initial recognition and adjustments that increased estimates?	—	—	—

	Disclosure Made?		
	Yes	No	N/A
iii. Guarantee payments made and adjustments that decreased estimates?	—	—	—
iv. End-of-period balances?	—	—	—
c. Cumulative amounts of indemnification payments made on guarantees that are outstanding at the reporting date?	—	—	—
d. Amounts expected to be recovered from indemnification payments that have been made through the reporting date?	—	—	—
Governments That Issue Guaranteed Obligations			<input type="checkbox"/>
3. If the government has one or more outstanding obligations at the reporting date that have been guaranteed by another entity as part of a nonexchange transaction, are the following disclosed, by type of guarantee: (GASBS No. 70, para. 16)			
a. The name of the entity providing the guarantee, the amount of the guarantee, and its length of time?	—	—	—
b. The amount paid during the current reporting period, if any, by the entity extending the guarantee on obligations of the government?	—	—	—
c. The cumulative amount paid by the entity extending the guarantee on outstanding obligations of the government?	—	—	—
d. A description of requirements to repay the entity extending the guarantee?	—	—	—
e. The outstanding amounts, if any, required to be repaid to the entity providing the guarantee?	—	—	—
4. If the government has issued a guaranteed obligation for which payments have been made during the reporting period by the entity that extended the guarantee and that guaranteed obligation is no longer outstanding at the end of the reporting period, has the government disclosed the following information, regardless of whether it has any other outstanding guaranteed obligations at the end of the reporting period: (GASBS No. 70, para. 17)			
a. The amount paid by the entity that extended the guarantee on obligations of the government during the current reporting period?	—	—	—
b. The cumulative amount paid by the entity that extended the guarantee on outstanding obligations of the government?	—	—	—
c. A description of requirements to repay the entity that extended the guarantee?	—	—	—
d. The outstanding amounts, if any, required to be repaid to the entity that provided the guarantee?	—	—	—
Implementation Disclosures			<input type="checkbox"/>
5. In the year that GASBS No. 70 is first applied: (GASBS No. 70, para. 18)			
a. Have the financial statements for all prior periods presented been restated, or if restatement is not practical, is the cumulative effect of the change reported as a restatement of the beginning net position (or fund balance or fund net position, as appropriate) for the earliest period restated?	—	—	—
b. Are the nature of the restatement and its effect disclosed?	—	—	—
c. If prior periods have not been restated, are the reasons for not restating disclosed?	—	—	—
d. If the requirements in Questions 2.c., 3.c., and 4.b. for disclosure of cumulative amounts are applied prospectively, is the date through which the cumulative amounts are determined disclosed?	—	—	—

Disclosure Made?
Yes No N/A

NONMONETARY TRANSACTIONS

1. Are nonmonetary transactions disclosed adequately, including the nature of the transactions, the basis of accounting for the assets transferred, and any related gains or losses? ([GASBS No. 62, para. 280](#))

— — —

ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

1. Are amounts recognized by an employer government as revenues and expenditures for on-behalf payments for fringe benefits and salaries disclosed in the notes to the financial statements? ([GASBS No. 24, para. 12](#))
2. For on-behalf payments that are contributions to a pension plan for which the employer government is not legally responsible, are the name of the plan that covers the employees and the name of the entity that makes the contributions disclosed in the notes to the financial statements of the employer government? ([GASBS No. 24, para. 12](#))

— — —

— — —

PENSIONS—EMPLOYER AND NONEMPLOYER CONTRIBUTING ENTITY FINANCIAL STATEMENTS

Note: This section should be completed for the financial statements of employers and nonemployer contributing entities, that is, for the reporting requirements of *GASBS No. 27, Accounting for Pensions by State and Local Governmental Employers* ([link](#)), or *GASBS No. 68, Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27* ([link](#)). Questions 1–16 should be answered if [GASBS No. 27](#) is applicable or if [GASBS No. 68](#) has not yet been implemented. Questions 17–40 should be answered if [GASBS No. 68](#) is applicable and has been implemented. [GASBS No. 68](#), which is effective for fiscal years beginning after June 15, 2014, with earlier implementation encouraged, applies when pension plans are administered through trusts or similar arrangements that meet certain specific criteria. (See section [903](#).)

Do not use this section for financial statements issued by pension plans. Instead, the section **PENSIONS—PLAN FINANCIAL STATEMENTS** should be completed for the reporting requirements of *GASBS No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans* ([link](#)), or *GASBS No. 67, Reporting for Pension Plans—an Amendment of GASB Statement No. 25* ([link](#)).

Defined Benefit Plans—Disclosures in Employer Financial Statements
([GASBS No. 27](#))

1. Is a description of the plan disclosed, including: ([GASBS No. 27, para. 20](#))
- a. The name of the plan, identification of the public employee retirement system (PERS) or other entity that administers the plan, and identification of the plan as a single-employer, agent multiple-employer, or cost-sharing multiple-employer defined benefit pension plan?
- b. A brief description of the types of benefits provided and the authority under which benefit provisions are established or may be amended?
- c. Whether the pension plan issues a stand-alone financial report or is included in the report of a PERS or another entity and, if so, how to obtain a report?
2. Is information regarding funding policy disclosed, including: ([GASBS No. 27, para. 20](#) , and [GASBS No. 50, para. 7](#))

— — —

— — —

— — —

	Disclosure Made?		
	Yes	No	N/A
a. Authority under which obligations to contribute to the plan of the plan members, employer(s), and other contributing entities (i.e., state contributions to local government plans) are established or may be amended?	—	—	—
b. Required contribution rate(s) of active plan members?	—	—	—
c. Required contribution rate(s) of the employer in accordance with the funding policy, in dollars or as a percentage of current year covered payroll and, if applicable, legal or contractual maximum employer contribution rates?	—	—	—
i. For single-employer and agent multiple-employer plans, if the required contribution rate differs significantly from the Annual Required Contribution (ARC), how the rate is determined (i.e., by statute or contract, or if the plan is financed on a pay-as-you-go basis)?	—	—	—
ii. For cost-sharing multiple-employer plans, the required contributions in dollars and the percentage of that amount contributed for the current year and each of the preceding two years, including a description of how the required contribution rate is determined (e.g., by statute or contract, or on an actuarially determined basis) or that the plan is financed on a pay-as-you-go basis.	—	—	—
3. If the governmental entity participates in a single-employer or agent multiple-employer plan, in addition to the disclosures in Questions 1 and 2, do the footnotes disclose: (GASBS No. 27, paras. 16 and 21 , and GASBS No. 50, para. 8)			
a. Annual pension cost and the dollar amount of contributions made for the current year?	—	—	—
b. If the employer has a net pension obligation (NPO):			
i. The components of annual pension cost (i.e., ARC, interest on the NPO, and the adjustment to the ARC)?	—	—	—
ii. The NPO balance at the end of the year and the increase or decrease in the NPO?	—	—	—
c. For the current year and each of the preceding two years, annual pension cost, percentage of annual pension cost contributed, and the NPO at the end of the year?	—	—	—
d. Information about the funded status of the plan as of the most recent valuation date, including the:			
i. Actuarial valuation date?	—	—	—
ii. Actuarial value of assets?	—	—	—
iii. Actuarial accrued liability?	—	—	—
iv. Total unfunded actuarial liability (or funding excess)?	—	—	—
v. Actuarial value of assets as a percentage of the actuarial accrued liability (funded ratio)?	—	—	—
vi. Annual covered payroll?	—	—	—
vii. Ratio of the unfunded actuarial liability (or funding excess) to annual covered payroll?	—	—	—
e. Information about actuarial methods and assumptions used in valuations on which information about the ARC, annual pension cost, funded status, and funding progress is based, including:			

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
i. Disclosure that the required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits?	—	—	—
ii. If applicable, disclosure that the projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations?	—	—	—
iii. Identification of the actuarial methods and significant assumptions used to determine the ARC for the current year and the information required in Item d., including:			
1) Actuarial cost method?	—	—	—
2) Method(s) used to determine the actuarial value of assets?	—	—	—
3) Assumptions with respect to the inflation rate, investment return, projected salary increases, and post-retirement benefit increases and, if the economic assumptions contemplate different rates for successive years (year-based or select and ultimate rates), are the initial and ultimate rates disclosed?	—	—	—
4) Amortization method (level dollar or level percentage of projected payroll) and period for the most recent actuarial valuation and whether the period is closed or open?	—	—	—
5) For plans using the aggregate actuarial cost method, that because the method does not identify and separately amortize unfunded actuarial liabilities, information about funded status and funding progress was prepared using the entry age actuarial cost method for that purpose and is intended to serve as a surrogate for the funded status and funding progress of the plan?	—	—	—
4. If the governmental entity participates in a single-employer or agent multiple-employer plan, is the following information, as of the most recent actuarial valuation and the two preceding valuations, included as required supplementary information in the general purpose financial statements: (GASBS No. 27, para. 22 , and GASBS No. 50, para. 9)			
a. Information about the funding progress of the plan, including, for each valuation the actuarial valuation date, the actuarial value of plan assets, the actuarial accrued liability, the total unfunded actuarial liability (or funding excess), the actuarial value of assets as a percentage of the actuarial accrued liability, the annual covered payroll, and the ratio of the unfunded actuarial liability (or funding excess) to annual covered payroll?	—	—	—
b. Factors that significantly affect the identification of trends in the amounts reported, such as changes in benefits provided, the size and composition of the employee group(s) covered by the plan, or the actuarial methods and assumptions used?	—	—	—
5. If the employer uses the aggregate actuarial cost method to determine the ARC: (GASBS No. 50, para. 9)			
a. Is the information in Question 4.a. prepared using the entry age actuarial cost method and presented as RSI?	—	—	—
b. Does information accompanying the RSI disclose that the purpose is to provide information that serves as a surrogate for the funding progress of the plan?	—	—	—

	Disclosure Made?		
	Yes	No	N/A
6. If an employer participates in a cost-sharing plan that does not issue and make publicly available a stand-alone financial report and the plan is not included in the financial report of a PERS or another entity (such as a plan sponsor or administrator), is the following information presented as RSI in the employer’s financial statements: (GASBS No. 50, para. 10)			
a. For the plan as a whole, schedules of funding progress and employer contributions, including notes to the schedules?	—	—	—
b. Disclosure that the information presented relates to the cost-sharing plan as a whole, of which the employer is one participating employer?	—	—	—
c. Other information helpful for understanding the scale of the information presented relative to the employer?	—	—	—
7. For an insured defined benefit pension plan, in which an insurance company has unconditionally assumed the legal obligation to pay the pension benefits defined in the employer government’s pension plan, do the notes to the employer government’s financial statements disclose: (GASBS No. 27, para. 23)			
a. A description of the insured plan, including benefits provided and the authority under which benefit provisions are established or may be amended?	—	—	—
b. The fact that the obligation for payment of benefits has been effectively transferred from the employer to one or more insurance companies?	—	—	—
c. Whether the employer has guaranteed benefits in the event the insurance company becomes insolvent?	—	—	—
d. The current year pension expenditures/expense and contributions or premiums paid?	—	—	—
Defined Benefit Plans—Single-employer Plan Included as a Pension Trust in the Employer Basic Financial Statements (GASBS No. 27)			<input type="checkbox"/>
8. If the employer includes a single-employer PERS in its reporting entity as a pension trust fund, is there a single set of disclosures that avoids unnecessary duplication of similar information? (GASBS No. 27, para. 20, footnote 15 (link))	—	—	—
9. Is the difference between total plan assets, deferred outflows of resources, total plan liabilities, and deferred inflows of resources, captioned “net position—restricted for pension benefits”? (GASBS No. 63, paras. 7 –8 and Appendix D)	—	—	—
10. Do the financial statements of the employer disclose the availability of the stand-alone plan report and the information required for a schedule of funding progress for the three most recent actuarial valuations? (GASBS No. 25, para. 34)	—	—	—
11. If the employer includes a single-employer PERS in its reporting entity as a pension trust fund and separate financial statements are not publicly available in a stand-alone report, are both the schedule of funding progress and schedule of employer contributions, included in the employer’s financial statements, footnotes, or required supplementary information? (GASBS No. 25, para. 34)	—	—	—
Defined Benefit Plans—Multiple-employer Plan Included as a Pension Trust in the Employer Basic Financial Statements (GASBS No. 27)			<input type="checkbox"/>
12. If the employer includes an agent multiple-employer or cost-sharing multiple-employer PERS in its reporting entity as a pension trust fund, is there a single set of disclosures that avoids unnecessary duplication of similar information? (GASBS No. 27, para. 20, footnote 15 (link))	—	—	—

	Disclosure Made?		
	Yes	No	N/A
13. Is the difference between total plan assets, deferred outflows of resources, total plan liabilities, and deferred inflows of resources, captioned “net position—restricted for pension benefits”? (GASBS No. 63, paras. 7 –8 and Appendix D)	—	—	—
14. When a plan’s financial statements are included in an employer’s financial report (as a pension trust fund) and the employer elects not to present the required supplementary information in the employer’s financial report, do the notes to the financial statements of the employer disclose the availability and how to obtain the stand-alone plan report? (GASBS No. 25, para. 34)	—	—	—
Defined Contribution Plans—Disclosures in Employer Basic Financial Statements (GASBS No. 27)			<input type="checkbox"/>
15. Is the following information disclosed for each defined contribution plan to which the employer contributes: (GASBS No. 27, para. 27)			
a. Name of the plan, identification of the PERS or other entity that administers the plan, and identification of the plan as a defined contribution plan?	—	—	—
b. A brief description of the plan provisions and the authority under which they are established or may be amended?	—	—	—
c. Contribution requirements of the plan members, employer, and other contributing entities and the authority under which requirements are established or may be amended?	—	—	—
d. Contributions actually made by plan members and the employer?	—	—	—
Defined Contribution Plans—Included as Pension Trust in Employer Basic Financial Statements (GASBS No. 27)			<input type="checkbox"/>
16. If the employer includes a multiple-employer PERS in its reporting entity as a pension trust fund, is there a single set of disclosures that avoids unnecessary duplication of similar information? (GASBS No. 27, para. 27, footnote 19 (link))	—	—	—
Defined Benefit Plans—Disclosures in Employer Financial Statements (GASBS No. 68)			<input type="checkbox"/>
17. Are the total of the employer’s pension-related assets, deferred outflows of resources, liabilities, deferred inflows of resources, and pension expense/expenditures for the period associated with net pension liabilities disclosed in the aggregate for all pensions (whether provided through single-employer, agent, or cost-sharing plans), if the total amounts are not otherwise identifiable from information in the financial statements? (GASBS No. 68, paras. 37 and 74)	—	—	—
18. Is a description of the plan disclosed, including: (GASBS No. 68, paras. 40 , 43 , 76 , and 79)			
a. The name of the plan, identification of the public employee retirement system (PERS) or other entity that administers the plan, and identification of the plan as a single-employer, agent, or cost-sharing pension plan?	—	—	—
b. Benefit terms, including (1) classes of employees covered; (2) types of benefits; (3) key elements of the pension formulas; (4) terms or policies, if any, with respect to automatic postemployment benefit changes, including automatic COLAs, and ad hoc postemployment benefit changes, including ad hoc COLAs; and (5) the authority under which benefit terms are established or may be amended?	—	—	—
c. If applicable, that the plan is closed to new entrants?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
d. Contribution requirements, including (1) the basis for determining the employer's contributions (for example, statute, contract, an actuarial basis, or some other basis); (2) identification of the authority under which contribution requirements of the employer(s), nonemployer contributing entities, if any, and employees are established or may be amended; and (3) contribution rates (in dollars or as a percentage of covered payroll) of those entities for the reporting period?	—	—	—
e. The amount of contributions recognized by the plan from the employer during the reporting period (measured as the total of amounts recognized as additions to the plan's fiduciary net position from actual contributions and from contributions recognized as current receivables), if not otherwise disclosed?	—	—	—
f. Whether the plan issues a stand-alone financial report or is included in the report of a PERS or another entity and, if so, how to obtain the report?	—	—	—
g. If (1) a financial report that discloses information about the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position is available on the Internet (as a stand-alone financial report or as a fiduciary fund in the financial report of another government), (2) information is provided about how to obtain the report, and (3) reference is made to the other report, do the financial statements disclose the following:			
i. That the plan's fiduciary net position has been determined on the same basis as that used by the plan?	—	—	—
ii. The plan's basis of accounting, including policies with respect to benefit payments (including refunds of employee contributions) and the valuation of plan investments?	—	—	—
iii. Information about the substance and magnitude of significant changes that have occurred and that indicate the disclosures included in the plan's financial report generally do not reflect the facts and circumstances at the measurement date?	—	—	—
19. Is information about the net pension liability disclosed, including: (GASBS No. 68, paras. 41 –42 and 77 –78)			
a. Significant assumptions and other inputs used to measure the total pension liability, including assumptions about inflation, salary changes, and ad hoc postemployment benefit changes (including ad hoc COLAs)?	—	—	—
b. The source of mortality assumptions (for example, the published tables on which the assumption is based or that the assumptions are based on a study of the experience of the covered group)?	—	—	—
c. The dates of experience studies on which significant assumptions are based?	—	—	—
d. If different rates are assumed for different periods, information about what rates are applied to the different periods of the measurement.	—	—	—
e. Information about the discount rate, including:			
i. The discount rate applied in the measurement of the total pension liability and the change in the discount rate since the prior measurement date, if any?	—	—	—
ii. Assumptions made about projected cash flows into and out of the plan, such as contributions from employer(s), nonemployer contributing entities, and employees?	—	—	—
iii. The long-term expected rate of return on plan investments and a brief description of how it was determined, including significant methods and assumptions used for that purpose?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
iv. If the discount rate incorporates a municipal bond rate, the municipal bond rate used and the source of that rate?	—	—	—
v. The periods of projected benefit payments to which the long-term expected rate of return and, if used, the municipal bond rate were applied to determine the discount rate?	—	—	—
vi. The assumed asset allocation of the plan's portfolio, the long-term expected real rate of return for each major asset class, and whether the expected rates of return are presented as arithmetic or geometric means, if not otherwise disclosed?	—	—	—
vii. Measures of the net pension liability calculated using (a) a discount rate that is one percentage point higher than that required by GASBS No. 68, paragraph 26 (for single-employer or agent plans), or GASBS No. 68, paragraph 64 (for cost-sharing plans), and (b) a discount rate that is one percentage point lower than that required by paragraph 26 (for single-employer or agent plans) or paragraph 64 (for cost-sharing plans)?	—	—	—
20. Is the following disclosed for amounts payable by the employer to the plan: (GASBS No. 68, para. 122)			
a. The amount of payables to the plan outstanding at the end of the reporting period?	—	—	—
b. Significant terms related to the payables?	—	—	—
c. A description of what gave rise to the payable (for example, legally required contributions, a contractual arrangement for contributions to a cost-sharing plan related to past service cost, or a contractual arrangement for contributions related to a change of benefit terms enacted by an individual cost-sharing employer)?	—	—	—
21. For single and agent employers, is the number of covered employees disclosed, with separate identification of the numbers of the following: (GASBS No. 68, para. 40)			
a. Inactive employees (or their beneficiaries) currently receiving benefits?	—	—	—
b. Inactive employees entitled to but not yet receiving benefits?	—	—	—
c. Active employees?	—	—	—
22. For single and agent employers, do the notes provide a schedule of changes in the net pension liability for the current period that includes the following: (GASBS No. 68, para. 44)			
a. The beginning balances of the total pension liability, the plan's fiduciary net position, and the net pension liability?	—	—	—
b. The effects during the period of the following items, if applicable, on the balances in the total pension liability, the plan's fiduciary net position, and the net pension liability:			
i. Service cost?	—	—	—
ii. Interest on the total pension liability?	—	—	—
iii. Changes of benefit terms?	—	—	—
iv. Differences between expected and actual experience in the measurement of the total pension liability?	—	—	—
v. Changes of assumptions or other inputs?	—	—	—
vi. Contributions from the employer?	—	—	—
vii. Contributions from nonemployer contributing entities?	—	—	—

	Disclosure Made?		
	Yes	No	N/A
viii. Contributions from employees?	—	—	—
ix. Net investment income?	—	—	—
x. Benefit payments, including refunds of employee contributions?	—	—	—
xi. Plan administrative expense?	—	—	—
xii. Other changes (separately identified if individually significant)?	—	—	—
c. The ending balances of the total pension liability, the plan's fiduciary net position, and the net pension liability?	—	—	—
d. If the employer has a special funding situation:			
i. Are the disclosures in Questions a.–c. presented for the employer's collective net pension liability?	—	—	—
ii. Does the schedule of changes include the nonemployer contributing entities' total proportionate share of the collective net pension liability?	—	—	—
iii. Does the schedule of changes include the employer's proportionate share of the collective net pension liability?	—	—	—
23. For single and agent employers, is the following information disclosed (if applicable): (GASBS No. 68, para. 45)			
a. The measurement date of the net pension liability, the date of the actuarial valuation on which the total pension liability is based, and, if applicable, that update procedures were used to roll forward the total pension liability to the measurement date?	—	—	—
b. If the employer has a special funding situation, the employer's proportion (percentage) of the collective net pension liability, the basis on which the proportion was determined, and the change in the proportion since the prior measurement date?	—	—	—
c. A brief description of the following:			
i. Changes in assumptions or other inputs that affected measurement of the total pension liability since the prior measurement date?	—	—	—
ii. Changes in benefit terms that affected measurement of the total pension liability since the prior measurement date?	—	—	—
d. The following for allocated insurance contracts:			
i. The amount of benefit payments in the measurement period attributable to the purchase of allocated insurance contracts?	—	—	—
ii. A brief description of the benefits for which allocated insurance contracts were purchased in the measurement period?	—	—	—
iii. The fact that the obligation for the payment of benefits covered by allocated insurance contracts has been transferred from the employer to one or more insurance companies?	—	—	—
e. A brief description of the nature of changes between the measurement date of the net pension liability and the employer's reporting date that are expected to have a significant effect on the net pension liability, and, if known, the amount of the expected related change in the net pension liability?	—	—	—
f. The amount of pension expense recognized by the employer in the reporting period?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
g. The employer's balances of deferred outflows of resources and deferred inflows of resources related to pensions, classified as follows (if applicable):			
i. Differences between expected and actual experience in the measurement of the total pension liability?	—	—	—
ii. Changes in assumptions or other inputs?	—	—	—
iii. The net difference between projected and actual earnings on plan investments?	—	—	—
iv. If the employer has a special funding situation, changes in the employer proportion and differences between (a) the employer's contributions (other than those to separately finance specific liabilities of the individual employer to the plan) and (b) the employer's proportionate share of contributions?	—	—	—
v. The employer's contributions made subsequent to the measurement date of the net pension liability?	—	—	—
h. A schedule that provides the following information:			
i. The net amount of the employer's balances of deferred outflows of resources and deferred inflows of resources that will be recognized in pension expense for each of the next five years and in the aggregate thereafter?	—	—	—
ii. If the employer does not have a special funding situation, the amount of the balance of deferred outflows of resources that will be recognized as a reduction of the net pension liability?	—	—	—
iii. If the employer has a special funding situation, the amount of the balance of deferred outflows of resources that will be included as a reduction of the collective net pension liability?	—	—	—
i. The amount of revenue recognized for the support provided by nonemployer contributing entities, if any?	—	—	—
24. If the employees of a primary government and its component units are provided with pensions through the same single-employer or agent pension plan, do the note disclosures in the reporting entity's financial statements separately identify amounts associated with the primary government (including its blended component units) and those associated with its discretely presented component units? (GASBS No. 68, para. 39)	—	—	—
25. If the governmental entity participates in a single-employer or agent plan, is the following RSI presented separately for each plan: (GASBS No. 68, para. 46)			
a. A 10-year schedule of changes in the net pension liability, determined as of the measurement date, that separately presents the information required by Question 37 for each year?	—	—	—
b. If the employer does not have a special funding situation, a 10-year schedule presenting the following information for each year, determined as of the measurement date:			
i. The total pension liability?	—	—	—
ii. The plan's fiduciary net position?	—	—	—
iii. The net pension liability?	—	—	—
iv. The plan's fiduciary net position as a percentage of the total pension liability?	—	—	—
v. The covered-employee payroll?	—	—	—
vi. The net pension liability as a percentage of covered-employee payroll?	—	—	—

		Disclosure Made?		
		<u>Yes</u>	<u>No</u>	<u>N/A</u>
c.	If the employer has a special funding situation, the following information about the collective net pension liability for each year, determined as of the measurement date:			
i.	The total pension liability?	—	—	—
ii.	The plan's fiduciary net position?	—	—	—
iii.	The collective net pension liability?	—	—	—
iv.	The nonemployer contributing entities' total proportionate share (amount) of the collective net pension liability?	—	—	—
v.	The employer's proportionate share (amount) of the collective net pension liability?	—	—	—
vi.	The covered-employee payroll?	—	—	—
vii.	The employer's proportionate share (amount) of the collective net pension liability as a percentage of covered-employee payroll?	—	—	—
viii.	The plan's fiduciary net position as a percentage of the total pension liability?	—	—	—
d.	If an actuarially determined contribution is calculated, a 10-year schedule presenting the following for each year, determined as of the employer's most recent fiscal year-end:			
i.	The employer's actuarially determined contribution (excluding any amounts to separately finance specific liabilities of the employer to the plan)?	—	—	—
ii.	The amount of contributions recognized by the plan in relation to the actuarially determined contribution of the employer (including only amounts recognized as additions to the plan's fiduciary net position during the employer's fiscal year that resulted from actual contributions and from contributions recognized by the plan as current receivables)?	—	—	—
iii.	The difference between the employer's actuarially determined contribution and the amount of contributions recognized by the plan in relation to the employer's actuarially determined contribution?	—	—	—
iv.	The covered-employee payroll?	—	—	—
v.	The amount of contributions recognized by the plan in relation to the employer's actuarially determined contribution as a percentage of covered-employee payroll?	—	—	—
e.	If the employer's contribution requirements are statutorily or contractually established instead of being actuarially calculated, a 10-year schedule presenting the information in Question d., based on the statutorily or contractually required employer contribution?	—	—	—
26.	If the governmental entity participates in a single-employer or agent plan, do notes to the RSI disclose the following: (GASBS No. 68, para. 47)			
a.	Significant methods and assumptions used in calculating the actuarially determined calculations?	—	—	—
b.	For each RSI schedule, information about factors that significantly affect trends in the amounts reported (for example, changes in benefit terms, the size or composition of the population covered by the benefit terms, or assumptions used)?	—	—	—
27.	If the governmental entity participates in a cost-sharing plan, is the following additional information disclosed: (GASBS No. 68, para. 80)			
a.	The employer's proportionate share (amount) of the collective net pension liability?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. If an employer has a special funding situation, the following information:			
i. The portion of the nonemployer contributing entities' total proportionate share (amount) of the collective net pension liability that is associated with the employer?	—	—	—
ii. The total of the employer's proportionate share (amount) of the collective net pension liability and the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the employer?	—	—	—
c. The employer's proportion (percentage) of the collective net pension liability, the basis on which its proportion was determined, and the change in the proportion since the prior measurement date?	—	—	—
d. The measurement date of the collective net pension liability, the date of the actuarial valuation on which the total pension liability is based, and, if applicable, the fact that update procedures were used to roll forward the total pension liability to the measurement date?	—	—	—
e. Changes in assumptions or other inputs that affected measurement of the total pension liability since the prior measurement date?	—	—	—
f. Changes in benefit terms that affected measurement of the total pension liability since the prior measurement date?	—	—	—
g. The nature of changes between the measurement date of the collective net pension liability and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective net pension liability, and, if known, the amount of the expected related change in the employer's proportionate share of the collective net pension liability?	—	—	—
h. The amount of pension expense recognized by the employer in the reporting period?	—	—	—
i. The employer's balances of deferred outflows of resources and deferred inflows of resources related to pensions, classified as follows, if applicable:			
i. Differences between expected and actual experience in the measurement of the total pension liability?	—	—	—
ii. Changes of assumptions or other inputs?	—	—	—
iii. Net difference between projected and actual earnings on plan investments?	—	—	—
iv. Changes in the employer's proportion and differences between the employer's contributions (other than those to separately finance specific liabilities of the individual employer to the plan) and the employer's proportionate share of contributions?	—	—	—
v. The employer's contributions to the plan subsequent to the measurement date of the collective net pension liability?	—	—	—
j. A schedule presenting the following:			
i. The net amount of the employer's balances of deferred outflows of resources and deferred inflows of resources that will be recognized in the employer's pension expense for each of the subsequent five years and in the aggregate thereafter?	—	—	—
ii. The amount of the employer's balance of deferred outflows of resources that will be included as a reduction of the collective net pension liability?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
k. The amount of revenue recognized for the support provided by nonemployer contributing entities, if any?	—	—	—
28. If the governmental entity participates in a cost-sharing plan, is the following RSI presented separately for each plan: (GASBS No. 68, para. 81)			
a. If the employer does not have a special funding situation, a 10-year schedule presenting the following for each year, determined as of the measurement date:			
i. The employer’s proportion (percentage) of the collective net pension liability?	—	—	—
ii. The employer’s proportionate share (amount) of the collective net pension liability?	—	—	—
iii. The employer’s covered-employee payroll?	—	—	—
iv. The employer’s proportionate share (amount) of the collective net pension liability as a percentage of the employer’s covered-employee payroll?	—	—	—
v. The plan’s fiduciary net position as a percentage of the total pension liability?	—	—	—
b. If the employer has a special funding situation, a 10-year schedule presenting the following for each year, determined as of the measurement date:			
i. The employer’s proportion (percentage) of the collective net pension liability?	—	—	—
ii. The employer’s proportionate share (amount) of the collective net pension liability?	—	—	—
iii. The portion of the nonemployer contributing entities’ total proportionate share (amount) of the collective net pension liability that is associated with the employer?	—	—	—
iv. The total of (2) and (3)?	—	—	—
v. The employer’s covered-employee payroll?	—	—	—
vi. The employer’s proportionate share (amount) of the collective net pension liability as a percentage of the employer’s covered-employee payroll?	—	—	—
vii. The plan’s fiduciary net position as a percentage of the total pension liability?	—	—	—
c. If the employer’s contribution requirements are statutorily or contractually established, a 10-year schedule presenting the following for each year, determined as of the employer’s most recent fiscal year-end:			
i. The statutorily or contractually required employer contribution (excluding any amounts to separately finance specific liabilities of the employer to the plan)?	—	—	—
ii. The amount of contributions recognized by the plan in relation to the statutorily or contractually required employer contribution (including only amounts recognized as additions to the plan’s fiduciary net position during the employer’s fiscal year that resulted from actual contributions and from contributions recognized by the plan as current receivables)?	—	—	—
iii. The difference between the statutorily or contractually required employer contribution and the amount of contributions recognized by the plan in relation to the statutorily or contractually required employer contribution?	—	—	—
iv. The employer’s covered-employee payroll?	—	—	—
v. The amount of contributions recognized by the plan in relation to the statutorily or contractually required employer contribution as a percentage of the employer’s covered-employee payroll?	—	—	—

	Disclosure Made?		
	Yes	No	N/A
29. If the governmental entity participates in a cost-sharing plan, do notes to the RSI disclose information about factors that significantly affect trends in the amounts reported (for example, changes in benefit terms, the size or composition of the population covered by the benefit terms, or the assumptions used)? (GASBS No. 68, para. 82)	—	—	—
Defined Benefit Plans—Disclosures in Nonemployer Contributing Entity Financial Statements (GASBS No. 68)			<input type="checkbox"/>
30. For a governmental nonemployer contributing entity that recognizes a <i>substantial proportion</i> of the collective net pension liability, is the following disclosed: (GASBS No. 68, paras 108 –112)			
a. The information in Questions 18 a.–f. made relative to the governmental nonemployer contributing entity?	—	—	—
b. The information in Questions 19 a.–e. made relative to the governmental nonemployer contributing entity?	—	—	—
31. For a governmental nonemployer contributing entity that recognizes a <i>substantial proportion</i> of the collective net pension liability, is the following additional information disclosed: (GASBS No. 68, para. 113)			
a. The governmental nonemployer contributing entity’s proportionate share (amount) of the collective net pension liability, its proportion (percentage) of the collective net pension liability, the basis on which its proportion was determined, and the change in the proportion since the prior measurement date?	—	—	—
b. The measurement date of the collective net pension liability, the date of the actuarial valuation on which the total pension liability is based, and, if applicable, the fact that update procedures were used to roll forward the total pension liability to the measurement date?	—	—	—
c. Changes in assumptions or other inputs that affected measurement of the total pension liability since the prior measurement date?	—	—	—
d. Changes in benefit terms that affected measurement of the total pension liability since the prior measurement date?	—	—	—
e. The nature of changes between the measurement date of the collective net pension liability and the governmental nonemployer contributing entity’s reporting date that are expected to have a significant effect on the governmental nonemployer contributing entity’s proportionate share of the collective net pension liability, and, if known, the amount of the expected related change in the governmental nonemployer contributing entity’s proportionate share of the collective net pension liability?	—	—	—
f. The amount of expense recognized by the governmental nonemployer contributing entity in the reporting period as a result of the special funding situation?	—	—	—
g. The governmental nonemployer contributing entity’s balances of deferred outflows of resources and deferred inflows of resources as a result of the special funding situation, classified as follows, if applicable:			
i. Differences between expected and actual experience in the measurement of the total pension liability?	—	—	—
ii. Changes in assumptions or other inputs?	—	—	—
iii. Net difference between projected and actual earnings on plan investments?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
iv. Changes in the governmental nonemployer contributing entity's proportion and differences between the governmental nonemployer contributing entity's contributions (other than those to separately finance specific liabilities of the individual nonemployer contributing entity to the plan) and the governmental nonemployer contributing entity's proportionate share of contributions?	—	—	—
v. The governmental nonemployer contributing entity's contributions to the plan subsequent to the measurement date of the collective net pension liability?	—	—	—
h. A schedule presenting the following:			
i. The net amount of the governmental nonemployer contributing entity's balances of deferred outflows of resources and deferred inflows of resources that will be recognized in the governmental nonemployer contributing entity's expense for each of the subsequent five years and in the aggregate thereafter?	—	—	—
ii. The amount of the governmental nonemployer contributing entity's balance of deferred outflows of resources that will be included as a reduction of the collective net pension liability?	—	—	—
32. For a governmental nonemployer contributing entity that recognizes a <i>substantial proportion</i> of the collective net pension liability, is the following RSI presented separately for each plan: (GASBS No. 68, para. 114)			
a. 10-year schedule presenting the following for each year, determined as of the measurement date:			
i. The governmental nonemployer contributing entity's proportion (percentage) of the collective net pension liability?	—	—	—
ii. The governmental nonemployer contributing entity's proportionate share (amount) of the collective net pension liability?	—	—	—
iii. The plan's fiduciary net position as a percentage of the total pension liability?	—	—	—
b. If the governmental nonemployer contributing entity's contribution requirements are statutorily or contractually established, a 10-year schedule presenting the following for each year, determined as of the governmental nonemployer contributing entity's most recent fiscal year-end:			
i. The governmental nonemployer contributing entity's statutorily or contractually required employer contribution (excluding any amounts to separately finance specific liabilities of the individual governmental nonemployer contributing entity to the plan)?	—	—	—
ii. The amount of contributions recognized by the plan in relation to the governmental nonemployer contributing entity's statutorily or contractually required contribution (including only amounts recognized as additions to the plan's fiduciary net position during the governmental nonemployer contributing entity's fiscal year that resulted from actual contributions and from contributions recognized by the plan as current receivables)?	—	—	—
iii. The difference between the governmental nonemployer contributing entity's statutorily or contractually required contribution and the amount of contributions recognized by the plan in relation to the governmental nonemployer contributing entity's statutorily or contractually required contribution?	—	—	—
33. For a governmental nonemployer contributing entity that recognizes a <i>substantial proportion</i> of the collective net pension liability, do notes to the RSI disclose information about factors that significantly affect trends in the amounts reported (for example, changes in benefit terms, the size or composition of the population covered by the benefit terms, or the assumptions used)? (GASBS No. 68, para. 115)	—	—	—

	Disclosure Made?		
	Yes	No	N/A
34. For a governmental nonemployer contributing entity that recognizes a <i>less-than-substantial proportion</i> of the collective net pension liability, are the following disclosed: (GASBS No. 68, para. 116)			
a. The name of the plan, identification of the PERS or other entity that administers the plan, and identification of the plan as a single-employer, agent, or cost-sharing pension plan?	—	—	—
b. The basis for determining the governmental nonemployer contributing entity's contributions to the plan (for example, statute, contract, an actuarial basis, or some other manner), identification of the authority under which the governmental nonemployer contributing entity's contribution requirements are established or may be amended, and the amount of contributions recognized by the pension plan from the governmental nonemployer contributing entity during the reporting period (measured as the total of amounts recognized as additions to the pension plan's fiduciary net position resulting from actual contributions and from contributions recognized by the plan as current receivables)?	—	—	—
c. The governmental nonemployer contributing entity's proportionate share (amount) of the collective net pension liability, its proportion (percentage) of the collective net pension liability, the basis on which its proportion was determined, and the change, if any, in its proportion since the prior measurement date?	—	—	—
d. The amount of expense recognized by the governmental nonemployer contributing entity in the reporting period and its balances of deferred outflows of resources and deferred inflows of resources as a result of the special funding situation?	—	—	—
35. For a governmental nonemployer contributing entity that recognizes a <i>less-than-substantial proportion</i> of the collective net pension liability, does RSI include a 10-year schedule presenting the following for each year, determined as of the measurement date: (GASBS No. 68, para. 117)			
a. The governmental nonemployer contributing entity's proportionate share (amount) of the collective net pension liability?	—	—	—
b. The amount of contributions to the plan from the governmental nonemployer contributing entity?	—	—	—
36. For all governmental nonemployer contributing entities, do the notes to the financial statements disclose the following: (GASBS No. 68, para. 122)			
a. The amount of payables to a defined benefit pension plan outstanding at the end of the reporting period?	—	—	—
b. Significant terms related to the payables?	—	—	—
c. A description of what gave rise to the payable (for example, legally required contributions, a contractual arrangement for contributions to a cost-sharing pension plan related to past service cost, or a contractual arrangement for contributions related to a change of benefit terms enacted by an individual cost-sharing employer)?	—	—	—
Defined Contribution Plans—Disclosures in Employer Basic Financial Statements (GASBS No. 68)			<input type="checkbox"/>
37. Is the following information disclosed for each defined contribution plan to which the employer is required to contribute: (GASBS No. 68, para. 126)			
a. Name of the plan, identification of the PERS or other entity that administers the plan, and identification of the plan as a defined contribution plan?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. Benefit terms (including any terms related to vesting and forfeitures and the policy related to the use of forfeited amounts) and the authority under which they are established or may be amended?	—	—	—
c. Contribution (or crediting) rates (in dollars or as a percentage of salary) for employees, the employer, and nonemployer contributing entities, if any, and the authority under which the rates are established or may be amended?	—	—	—
d. The amount of pension expense recognized by the employer in the reporting period?	—	—	—
e. The amount of forfeitures reflected in pension expense recognized by the employer in the reporting period?	—	—	—
f. The amount of the employer’s liability outstanding at the end of the period, if applicable?	—	—	—
Defined Contribution Plans—Disclosures in Nonemployer Contributing Entity Financial Statements (GASBS No. 68)			<input type="checkbox"/>
38. For governmental nonemployer contributing entities, do the notes to the financial statements disclose the following information about each defined contribution pension plan to which it is required to contribute: (GASBS No. 68, paras. 132 , 133 , and 135)			
a. Name of the plan, identification of the PERS or other entity that administers the plan, and identification of the plan as a defined contribution plan?	—	—	—
b. The amount of expense recognized by the governmental nonemployer contributing entity in the reporting period as a result of its requirement to contribute to the plan and the amount, if any, of the governmental nonemployer contributing entity’s liability outstanding at the end of the period?	—	—	—
39. For each defined contribution pension plan to which a governmental nonemployer contributing entity is required to contribute a <i>substantial proportion</i> of the total contributions, is the following disclosed: (GASBS No. 68, para. 132)			
a. Name of the plan, identification of the PERS or other entity that administers the pension plan, and identification of the plan as a defined contribution plan?	—	—	—
b. Benefit terms (including any terms related to vesting and forfeitures and the policy related to the use of forfeited amounts) and the authority under which they are established or may be amended?	—	—	—
c. Contribution (or crediting) rates (in dollars or as a percentage of salary) for employees, the employer, and nonemployer contributing entities, if any, and the authority under which those rates are established or may be amended?	—	—	—
d. The amount of expense recognized by the governmental nonemployer contributing entity in the reporting period as a result of the special funding situation, the amount of forfeitures reflected in expense recognized by the governmental nonemployer contributing entity, and the proportion of the total pension expense for pensions provided through the pension plan that is represented by the governmental nonemployer contributing entity’s expense?	—	—	—
e. The amount of the governmental nonemployer contributing entity’s liability resulting from the special funding situation outstanding at the end of the period, if any?	—	—	—
40. For each defined contribution pension plan to which a governmental nonemployer contributing entity is required to contribute a <i>less-than-substantial proportion</i> of the total contributions, is the following disclosed: (GASBS No. 68, para. 133)			
a. Name of the plan, identification of the PERS or other entity that administers the pension plan, and identification of the plan as a defined contribution plan?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
b. Contribution (or crediting) rates (in dollars or as a percentage of salary) for the governmental nonemployer contributing entity, and the authority under which those rates are established or may be amended?	—	—	—
c. The amount of expense recognized by the governmental nonemployer contributing entity in the reporting period as a result of the special funding situation and the proportion of the total pension expense for pensions provided through the pension plan that is represented by the governmental nonemployer contributing entity's expense?	—	—	—

PENSIONS—PLAN FINANCIAL STATEMENTS



NOTE: This section should be completed for a pension plan's financial statements, that is, for the reporting requirements of *GASBS No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans* ([link](#)), or *GASBS No. 67, Reporting for Pension Plans—an Amendment of GASB Statement No. 25* ([link](#)). [GASBS No. 67](#), which is effective for fiscal years beginning after June 15, 2013, applies to plans that are administered through trusts or similar arrangements that meet certain specific criteria. (See section [903](#).) Questions 1–16 should be answered for plans that are not covered in the scope of [GASBS No. 67](#), or that have not yet implemented [GASBS No. 67](#). If [GASBS No. 67](#) is applicable and has been implemented, Questions 17–24 should be answered.

Do not use this section for the employer's or nonemployer contributing entity's financial statements. Instead, the section "PENSIONS—EMPLOYER AND NONEMPLOYER CONTRIBUTING ENTITY FINANCIAL STATEMENTS" should be completed for the reporting requirements of [GASBS No. 27](#) or [68](#).

Defined Benefit Plans—Disclosures in Separately Issued Plan Financial Statements ([GASBS No. 25](#))



1. Do the financial statements include a statement of plan net position and a statement of changes in plan net position? (GASBS No. 25, para. 19 , and GASBS No. 63, para. 8 and Appendix D)	—	—	—
2. Does the statement of plan net position disclose the following: (GASBS No. 25, paras. 21 and 27 ; and GASBS No. 63, paras. 7–8 and Appendix D)			
a. Major categories of assets held (for example, cash and cash equivalents, receivables, investments, and assets used in plan operations)?	—	—	—
b. Principal components of the receivables and investments categories?	—	—	—
c. Is the difference between total plan assets, deferred outflows of resources, total plan liabilities, and deferred inflows of resources, captioned "net position—restricted for pension benefits"?	—	—	—
3. Does the statement of changes in plan net position disclose the following: (GASBS No. 25, paras. 29 and 30 ; and GASBS No. 63, para. 8 and Appendix D)			
a. Contributions from the employer(s)?	—	—	—
b. Contributions from plan members, including those transmitted by the employer(s)?	—	—	—
c. Contributions from sources other than the employer(s) and plan members (for example, state government contributions to a local government plan)?	—	—	—

	Disclosure Made?		
	Yes	No	N/A
d. Net investment income, including (1) the net appreciation (depreciation) in the fair value of plan investments; (2) interest income, dividend income, and other income not included in (1); and (3) total investment expense, separately displayed, including investment management and custodial fees and all other significant investment-related costs?	—	—	—
4. Is a description of the plan disclosed, including: (GASBS No. 25, para. 32)			
a. Identification of the plan as a single-employer, agent multiple-employer, or cost-sharing multiple-employer defined benefit pension plan and (1) the number of participating employers and (2) other contributing entities?	—	—	—
b. The following disclosures about participants:			
i. Classes of employees covered and the current membership?	—	—	—
ii. Number of retirees and beneficiaries currently receiving benefits?	—	—	—
iii. Terminated members entitled to, but not yet receiving, benefits?	—	—	—
iv. Current active members?	—	—	—
v. If applicable, the fact that the plan is closed to new entrants?	—	—	—
c. The following description of benefits provided:			
i. Types of benefits?	—	—	—
ii. Provisions or policies with respect to automatic and ad hoc postretirement benefit increases?	—	—	—
iii. Authority under which benefit provisions are established or may be amended?	—	—	—
5. Do the disclosures include a summary of significant accounting policies, including: (GASBS No. 25, para. 32 and GASBS No. 50, para. 4)			
a. Basis of accounting, including policy with respect to financial statement recognition of contributions, benefits paid, and refunds paid?	—	—	—
b. Brief description of how the fair value of investments is determined, including the methods and significant assumptions used to estimate the fair value, if the fair value is based on other than quoted market prices?	—	—	—
6. Do disclosures about contributions and reserves include the following: (GASBS No. 25, para. 32 ; GASBS No. 50, para. 4 ; and GASBS No. 63, para. 8 and Appendix D)			
a. Authority under which obligations to contribute to the plan by plan members, employer(s), and other contributing entities are established or may be amended?	—	—	—
b. Funding policy, including:			
i. How contributions of the plan members, employer(s), and other contributing entities are determined?	—	—	—
ii. How costs to administer the plan are financed?	—	—	—
iii. Legal or contractual maximum contribution rates, if applicable?	—	—	—
c. Required contribution rates of active plan members in accordance with the funding policy?	—	—	—
d. A brief description of the terms of any long-term contracts for contributions and disclosure of the amounts outstanding at the reporting date?	—	—	—
e. Disclosures about reserves and designations, including:			

	Disclosure Made?		
	Yes	No	N/A
i. Balances in the plan's legally required reserves at the reporting date?	—	—	—
ii. Amounts of net position designated by the plan's governing body for specific purposes, captioned as "Designations"?	—	—	—
iii. A brief description of the purpose of each reserve or designation and whether reserves are fully funded?	—	—	—
7. Do disclosures about the funded status and funding progress of the plan include the following: (GASBS No. 50, para. 4)			
a. Information about the funded status and funding progress of the plan as of the most recent valuation date, including the:			
i. Actuarial valuation date?	—	—	—
ii. Actuarial value of assets?	—	—	—
iii. Actuarial accrued liability?	—	—	—
iv. Total unfunded actuarial accrued liability?	—	—	—
v. Actuarial value of assets as a percentage of the actuarial accrued liability (funded ratio)?	—	—	—
vi. Annual covered payroll?	—	—	—
vii. Ratio of the unfunded actuarial liability to annual covered payroll?	—	—	—
b. Information about actuarial methods and assumptions used in valuations on which information about the ARC, funded status, and funding progress is based, including:			
i. Disclosure that the required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits?	—	—	—
ii. Disclosure that the projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations?	—	—	—
iii. Identification of the actuarial methods and significant assumptions used to determine the ARC for the current year and the information in 14a, including the:			
1) Actuarial cost method?	—	—	—
2) Methods used to determine the actuarial value of assets?	—	—	—
3) Assumptions with respect to the inflation rate, investment return (i.e., discount rate), projected salary increases, and postretirement benefits increases, and, if the economic assumptions contemplate different rates for successive years (year-based or select and ultimate rates), disclosure of the initial and ultimate rates?	—	—	—
4) Amortization method (level dollar or level percentage of projected payroll) and the amortization period for the most recent actuarial valuation and whether the period is open or closed?	—	—	—
5) For plans using the aggregate actuarial cost method, disclosure that because the method does not identify or separately amortize unfunded actuarial accrued liabilities, information about funded status and funding progress was prepared using the entry age actuarial cost method for that purpose and is intended to serve as a surrogate for the funded status and funding progress of the plan? (GASBS No. 50, para. 6)	—	—	—

	Disclosure Made?		
	Yes	No	N/A
8. Are investments (other than those explicitly guaranteed or issued by the U.S. government or those invested in mutual funds, external investment pools or other pooled investments) in any one issuer that represent 5% or more of plan net position disclosed by amount and issuer? (GASBS No. 40, para. 12 ; and GASBS No. 63, para. 8 and Appendix D)	—	—	—
9. If the notes include the optional disclosure of realized gains and losses, does the disclosure include a statement that: (GASBS No. 25, para. 29, footnote 10 (link))			
a. The calculation of realized gains and losses is independent of the calculation of net appreciation (depreciation) in the fair value of plan investments?	—	—	—
b. Unrealized gains and losses on investments sold in the current year that had been held for more than one year were included in net appreciation (depreciation) reported in the prior year(s) and the current year?	—	—	—
10. Are the following schedules included in the required supplementary information: (GASBS No. 25, paras. 33 , 37 , 38 , and 39 and GASBS No. 50, para. 6)			
a. Schedule of funding progress?	—	—	—
b. Schedule of employer contributions?	—	—	—
11. Does the schedule of funding progress include information about the funding progress of each plan for each of the past six consecutive years of the plan, including at a minimum, the: (GASBS No. 50, para. 6)			
a. Actuarial valuation date?	—	—	—
b. Actuarial value of plan assets?	—	—	—
c. Actuarial accrued liability?	—	—	—
d. Total unfunded actuarial accrued liability?	—	—	—
e. Actuarial value of assets as a percentage of the actuarial accrued liability (funded ratio)?	—	—	—
f. Annual covered payroll?	—	—	—
g. Ratio of the unfunded actuarial liability to annual covered payroll?	—	—	—
12. Does the schedule of employer contributions include the following information for each of the past six consecutive years of the plan, at a minimum: (GASBS No. 25, para. 38 ; and GASBS No. 63, para. 8 and Appendix D)			
a. The dollar amount of the ARC applicable to that year?	—	—	—
b. The percentage of the ARC that was recognized in the plan’s statement of changes in plan net position for that year as contributions from the employer(s)?	—	—	—
13. Are the schedules of required supplementary information accompanied by disclosure of factors that significantly affect the identification of trends in the amounts reported, such as changes in benefits provided, the size and composition of the employee group(s) covered by the plan, or the actuarial methods and assumptions used? (GASBS No. 25, para. 40)	—	—	—
Defined Contribution Plans—Disclosures in Separately Issued Plan Financial Statements (GASBS No. 25)			<input type="checkbox"/>
14. Is a description of the plan disclosed, including: (GASBS No. 25, para. 41)			
a. Identification of the plan as a defined contribution plan and the number of employers and other contributing entities?	—	—	—

	Disclosure Made?		
	Yes	No	N/A
b. Classes of employees covered and total current membership?	—	—	—
c. A brief description of the plan provisions and authority under which they are established or may be amended?	—	—	—
d. Contribution requirements of plan members, employer(s), and other contributing entities and the authority under which the requirements are established or amended?	—	—	—
15. Do the disclosures include a summary of significant accounting policies, including: (GASBS No. 25, para. 41 ; and GASBS No. 50, para. 5)			
a. Basis of accounting?	—	—	—
b. Fair value of plan assets (unless plan assets are reported at fair value)?	—	—	—
c. Brief description of how the fair value of investments is determined, including the methods and significant assumptions used to estimate the fair value, if the fair value is based on other than quoted market prices?	—	—	—
16. Are investments (other than those explicitly guaranteed or issued by the U.S. government or those invested in mutual funds, external investment pools or other pooled investments) in any one issuer that represent 5% or more of plan net position disclosed by amount and issuer? (GASBS No. 40, para. 13 ; and GASBS No. 63, para. 8 and Appendix D)	—	—	—
Defined Benefit Plans—Disclosures in Separately Issued Plan Financial Statements (GASBS No. 67)			<input type="checkbox"/>
17. Do the plan’s financial statements include the following: (GASBS No. 67, para. 14)			
a. A statement of fiduciary net position, which includes information about assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position, as applicable, as of the end of the plan’s reporting period?	—	—	—
b. A statement of changes in fiduciary net position, which includes information about the additions to, deductions from, and net increase (or decrease) in fiduciary net position for the plan’s reporting period?	—	—	—
18. Is a description of the plan disclosed in the notes to the financial statements, including the following: (GASBS No. 67, para. 30)			
a. The name of the plan, identification of the PERS or other entity that administers the plan, and identification of the plan as a single-employer, agent, or cost-sharing pension plan?	—	—	—
b. The number of participating employers (if the plan is a multiple-employer plan) and the number of nonemployer contributing entities, if any?	—	—	—
c. Information regarding the plan’s board and its composition (for example, the number of trustees by source of selection or the types of constituency or credentials applicable to selection)?	—	—	—
d. Classes of plan members covered and the number of plan members, separately identifying numbers of the following:			
i. Inactive plan members (or their beneficiaries) currently receiving benefits?	—	—	—
ii. Inactive plan members entitled to but not yet receiving benefits?	—	—	—
iii. Active plan members.	—	—	—
e. If applicable, that the plan is closed to new entrants?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
f. The authority under which benefit terms are established or may be amended and the types of benefits provided through the plan?	—	—	—
g. If the plan or the entity that administers it has the authority to establish or amend benefit terms, a brief description of the benefit terms, including the key elements of the pension formulas and the terms or policies, if any, with respect to automatic postemployment benefit changes, including automatic cost-of-living adjustments (automatic COLAs), and ad hoc post-employment benefit changes, including ad hoc cost-of-living adjustments (ad hoc COLAs)?	—	—	—
h. Contribution requirements, including (1) identification of the authority under which contribution requirements of employers, nonemployer contributing entities, if any, and plan members are established or may be amended; and (2) the contribution rates (in dollars or as a percentage of covered payroll) of those entities for the reporting period?	—	—	—
i. If the plan or the entity that administers it has the authority to establish or amend contribution requirements, the basis for determining contributions (for example, statute, contract, an actuarial basis, or some other manner)?	—	—	—
19. Is the following additional information disclosed in the notes to the financial statements: (GASBS No. 67, para. 30)			
a. Information about plan investments, including the following:			
i. Investment policies, including (1) procedures and authority for establishing and amending investment policy decisions, (2) policies pertaining to asset allocation, and (3) significant investment policy changes during the reporting period?	—	—	—
ii. How the fair value of investments is determined, including the methods and significant assumptions used to estimate the fair value of investments if that fair value is based on other than quoted market prices?	—	—	—
iii. Identification of investments (other than those issued or explicitly guaranteed by the U.S. government) in any one organization that represent 5 percent or more of the plan's fiduciary net position?	—	—	—
iv. The annual money-weighted rate of return on plan investments (calculated as the internal rate of return on plan investments, net of plan investment expense) and an explanation that a money-weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested?	—	—	—
b. For plan receivables, the terms of any long-term contracts for contributions to the plan between (1) an employer or nonemployer contributing entity and (2) the plan, and the balances outstanding on any such long-term contracts at the end of the plan's reporting period?	—	—	—
c. For allocated insurance contracts excluded from plan assets, the following information:			
i. The amount reported in benefit payments in the current period that is attributable to the purchase of allocated insurance contracts?	—	—	—
ii. A brief description of the pensions for which allocated insurance contracts were purchased in the current period?	—	—	—
iii. The fact that the obligation for the payment of benefits covered by allocated insurance contracts has been transferred to one or more insurance companies?	—	—	—
d. For plan reserves, the following information:			

	Disclosure Made?		
	Yes	No	N/A
i. A description of the policy related to plan reserves?	—	—	—
ii. The authority under which the policy was established and may be amended?	—	—	—
iii. The purposes for and conditions under which the reserves are required or permitted to be used?	—	—	—
iv. The balances of the reserves?	—	—	—
e. For plans with deferred retirement option program (DROP) balances, a description of the DROP terms and the balance of the amounts held by the plan pursuant to the DROP?	—	—	—
20. For single-employer and cost-sharing plans, is information about the net pension liability (measured as of the plan's most recent fiscal year-end) disclosed, including: (GASBS No. 67, para. 31)			
a. The following components of the liability of employers and nonemployer contributing entities to plan members for benefits provided through the plan (net pension liability):			
i. The total pension liability?	—	—	—
ii. The plan's fiduciary net position?	—	—	—
iii. The net pension liability?	—	—	—
iv. The plan's fiduciary net position as a percentage of the total pension liability?	—	—	—
b. Significant assumptions and other inputs used to measure the total pension liability, including assumptions about inflation, salary changes, and ad hoc postemployment benefit changes (including ad hoc COLAs)?	—	—	—
c. The source of mortality assumptions (for example, the published tables on which the assumption is based or that the assumptions are based on a study of the experience of the covered group)?	—	—	—
d. The dates of experience studies on which significant assumptions are based?	—	—	—
e. If different rates are assumed for different periods, information about what rates are applied to the different periods of the measurement.	—	—	—
f. Information about the discount rate, including:			
i. The discount rate applied in the measurement of the total pension liability and the change in the discount rate since the plan's prior fiscal year-end, if any?	—	—	—
ii. Assumptions made about projected cash flows into and out of the plan, such as contributions from employers, nonemployer contributing entities, and plan members?	—	—	—
iii. The long-term expected rate of return on plan investments and a brief description of how it was determined, including significant methods and assumptions used for that purpose?	—	—	—
iv. If the discount rate incorporates a municipal bond rate, the municipal bond rate used and the source of that rate?	—	—	—
v. The periods of projected benefit payments to which the long-term expected rate of return and, if used, the municipal bond rate were applied to determine the discount rate?	—	—	—

	Disclosure Made?		
	Yes	No	N/A
vi. The assumed asset allocation of the plan's portfolio, the long-term expected real rate of return for each major asset class, and whether the expected rates of return are presented as arithmetic or geometric means, if not otherwise disclosed?	—	—	—
vii. Measures of the net pension liability calculated using (a) a discount rate that is one percentage point higher than that required by GASBS No. 67, paragraph 40 , and (b) a discount rate that is one percentage point lower than that required by paragraph 40?	—	—	—
g. The date of the actuarial valuation on which the total pension liability is based and, if applicable, that update procedures were used to roll forward the total pension liability to the plan's fiscal year-end?	—	—	—
21. For single-employer and cost-sharing plans, is the following RSI, measured as of the plan's most recent fiscal year-end, presented: (GASBS No. 67, para. 32)			
a. A 10-year schedule of changes in the net pension liability presenting (1) the beginning and ending balances of the total pension liability, the plan's fiduciary net position, and the net pension liability for each year, and (2) the effects on those items during the year of the following, as applicable:			
i. Service cost?	—	—	—
ii. Interest on the total pension liability?	—	—	—
iii. Changes of benefit terms?	—	—	—
iv. Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability?	—	—	—
v. Changes in assumptions about future economic or demographic factors or of other inputs?	—	—	—
vi. Contributions from employers?	—	—	—
vii. Contributions from nonemployer contributing entities?	—	—	—
viii. Contributions from plan members?	—	—	—
ix. Plan net investment income?	—	—	—
x. Benefit payments, including refunds of plan member contributions?	—	—	—
xi. Plan administrative expense?	—	—	—
xii. Other changes, separately identified if individually significant?	—	—	—
b. A 10-year schedule presenting the following for each year:			
i. The total pension liability?	—	—	—
ii. The plan's fiduciary net position?	—	—	—
iii. The net pension liability?	—	—	—
iv. The plan's fiduciary net position as a percentage of the total pension liability?	—	—	—
v. The covered-employee payroll?	—	—	—
vi. The net pension liability as a percentage of covered-employee payroll?	—	—	—
c. If an actuarially determined contribution is calculated for employers or nonemployer contributing entities, a 10-year schedule presenting the following and identifying whether the information relates to the employers, nonemployer contributing entities, or both:			

	Disclosure Made?		
	Yes	No	N/A
i. The actuarially determined contributions of employers or nonemployer contributing entities or, for cost-sharing plans, the contractually required contribution of employers or nonemployer contributing entities, if different, (both excluding amounts, if any, to separately finance specific liabilities of an individual employer or nonemployer contributing entity to the plan)?	—	—	—
ii. The amount of contributions recognized during the fiscal year by the plan in relation to the actuarially determined contribution (including only amounts recognized as additions to the plan's fiduciary net position that resulted from cash contributions and contributions recognized as current receivables)?	—	—	—
iii. The difference between the actuarially determined contribution and the amount of contributions recognized by the plan in relation to the actuarially determined contribution?	—	—	—
iv. The covered-employee payroll?	—	—	—
v. The amounts of contributions recognized by the plan in relation to the actuarially determined contribution as a percentage of covered-employee payroll?	—	—	—
d. A 10-year schedule presenting for each fiscal year the annual money-weighted rate of return on pension plan investments?	—	—	—
22. For agent pension plans, is a 10-year schedule presenting for each fiscal year the annual money-weighted rate of return on plan investments presented in RSI? (GASBS No. 67, para. 33)	—	—	—
23. Do notes to the RSI disclose the following information: (GASBS No. 67, para. 34)			
a. Significant methods and assumptions used in calculating the actuarially determined contributions, if any?	—	—	—
b. For each schedule presented in RSI, factors that significantly affect trends in the amounts reported (for example, changes in benefit terms, the size or composition of the population covered by the benefit terms, or the assumptions used)?	—	—	—
Defined Contribution Plans—Disclosures in Separately Issued Plan Financial Statements (GASBS No. 67)			<input type="checkbox"/>
24. Is the following information about the plan disclosed in the notes to the plan financial statements: (GASBS No. 67, para. 47)			
a. Identification of the plan as a defined contribution pension plan?	—	—	—
b. Classes of plan members covered, the number of plan members, participating employers (if the plan is a multiple-employer plan) and any nonemployer contributing entities?	—	—	—
c. The authority under which the plan is established or may be amended?	—	—	—
PLEDGES OR SALES OF FUTURE REVENUES			<input type="checkbox"/>

NOTE: The disclosures in Question 1 are not required for legally separate entities that report as separate stand-alone business-type activities whose operations are financed primarily by a single revenue source.

- For each period for which secured debt remains outstanding, has the pledging government disclosed the following information about the specific revenues pledged: (GASBS No. 48, para. 21 and GASB Cod. Sec. 2300.128)

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
a. The specific revenue pledged and the approximate amount of the pledge? (The approximate amount generally is equal to remaining principal and interest payments on the debt.)	—	—	—
b. The identity of and the general purpose for which the secured debt was issued?	—	—	—
c. The period during which the pledged revenue will not be available for other purposes?	—	—	—
d. The ratio of the pledged amount to the total for that specific revenue, if estimable?	—	—	—
e. A comparison of pledged revenues recognized during the period to the principal and interest payments made during the period for the debt directly or indirectly secured by pledged revenues?	—	—	—
2. In the year that the government sells future revenue streams, has the government disclosed the following information about the specific revenues sold: (GASBS No. 48, para. 22 and GASB Cod. Sec. 2300.129)			
a. The identity of the specific revenues sold, including the approximate amount, and the significant assumptions used to determine that amount?	—	—	—
b. The period to which the sale applies?	—	—	—
c. The ratio of the sold amount to the total for that specific revenue, if estimable (i.e., the proportion of the specific revenue stream that has been sold)?	—	—	—
d. A comparison of the amount received and the present value of the future revenues sold, and the significant assumptions used to determine that present value?	—	—	—

POLLUTION REMEDIATION OBLIGATIONS



1. For recognized pollution remediation liabilities, has the government disclosed the following: (GASBS No. 49, para. 25 and GASB Cod. Sec. P40.123)			
a. The nature and source of pollution remediation obligations (for example, federal, state, or local laws or regulations)?	—	—	—
b. The amount of the estimated liability (if not apparent from the financial statements)?	—	—	—
c. The methods and assumptions used to estimate the liability?	—	—	—
d. The potential for the estimated liability to change due to factors such as price increases or decreases, changes in technology, or changes in applicable laws or regulations?	—	—	—
2. Has the government disclosed the amount of estimated recoveries reducing the pollution remediation liability? (GASBS No. 49, para. 25 and GASB Cod. Sec. P40.123)	—	—	—
3. For pollution remediation liabilities, or portions thereof, that are not yet recognized because they are not reasonably estimable, has the government disclosed a general description of the nature of the pollution remediation activities? (GASBS No. 49, para. 26 and GASB Cod. Sec. P40.124)	—	—	—

POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Defined Benefit OPEB Plans—Disclosures in Employer Financial Statements



Disclosure Made?
Yes No N/A

NOTE: An employer is required to make the disclosures discussed in Questions 1 through 9, as appropriate for each plan to which it contributes. This does not require separate notes for each plan; rather, information should be presented in a way that avoids unnecessary duplication. (QA-2013–2014, Question 8.42.1)

1. Is a description of the plan disclosed, including: (GASBS No. 45, para. 24)
 - a. The name of the plan, identification of the public employee retirement system (PERS) or other entity that administers the plan, and identification of the plan as a single-employer, agent multiple-employer, or cost-sharing multiple-employer defined benefit OPEB plan? — — —
 - b. A brief description of the types of benefits provided and the authority under which benefit provisions are established or may be amended? — — —
 - c. Whether the OPEB plan issues a stand-alone financial report or is included in the report of a PERS or another entity and, if so, how to obtain a report? — — —
2. Is information regarding funding policy disclosed, including: (GASBS No. 45, para. 24)
 - a. Authority under which obligations of the plan members, employer(s), and other contributing entities (i.e., state contributions to local government plans) to contribute to the plan are established or may be amended? — — —
 - b. Required contribution rate(s) of plan members (for example, expressed as a rate/amount per member or as a percentage of covered payroll)? — — —
 - c. Required contribution rate(s) of the employer in accordance with the funding policy, in dollars or as a percentage of current year covered payroll, and, if applicable, legal or contractual maximum contribution rates? — — —
 - i. For single-employer and agent multiple-employer plans, if the required contribution rate differs significantly from the Annual Required Contribution (ARC), how the rate is determined (i.e., by statute or contract, or if the plan is financed on a pay-as-you-go basis)? — — —
 - ii. For cost-sharing multiple-employer plans, the required contributions in dollars and the percentage of that amount contributed for the current year and each of the preceding two years and how the rate is determined (i.e., by statute or contract, or if the plan is financed on a pay-as-you-go basis)? — — —
3. If the governmental entity participates in a single-employer or agent multiple-employer plan, in addition to the disclosures in Questions 1 and 2, do the footnotes disclose: (GASBS No. 45, para. 25)
 - a. Annual OPEB cost and the dollar amount of contributions made for the current year? — — —
 - b. If the employer has a net OPEB obligation:
 - i. The components of annual OPEB cost (i.e., ARC, interest on the net OPEB obligation, and the adjustment to the ARC)? — — —
 - ii. The net OPEB obligation at the end of the year and the increase or decrease in the net OPEB obligation? — — —
 - c. For the current year and each of the preceding two years, annual OPEB cost, percentage of annual OPEB cost contributed, and the net OPEB obligation at the end of the year? — — —

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
d. Information about the funded status of the plan as of the most recent valuation date, including the actuarial valuation date, the actuarial value of plan assets, the actuarial accrued liability, the total unfunded actuarial liability (or funding excess), the actuarial value of assets as a percentage of the actuarial accrued liability, the annual covered payroll, and the ratio of the unfunded actuarial liability (or funding excess) to annual covered payroll? (For employers that meet the criteria and elect to use the alternative measurement method, see Question 7.)	—	—	—
e. Information about actuarial methods and assumptions used in valuations on which reported information about the ARC, annual OPEB cost, and the funded status and funding progress of OPEB plans is based, including:			
i. Disclosure that actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and that actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future?	—	—	—
ii. Disclosure that the required schedule of funding progress immediately following the notes presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits?	—	—	—
iii. Disclosure that projections of benefits are based on the types of benefits provided under the substantive plan at the time of each valuation and on the pattern of sharing of benefit costs between the employer and plan members to that point, and, if applicable, the disclosure that the projections of benefits for financial reporting purposes do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future?	—	—	—
iv. Disclosure that actuarial calculations reflect a long-term perspective, and, if applicable, disclosure that, consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets?	—	—	—
v. Identification of the actuarial methods and significant assumptions used to determine the ARC for the current year and the information required by Question 3d, including:			
1) Actuarial cost method?	—	—	—
2) Method(s) used to determine the actuarial value of assets?	—	—	—
3) Assumptions with respect to the inflation rate, investment return (including the method used to determine a blended rate for a partially funded plan, if applicable), postretirement benefit increases if applicable, projected salary increases if relevant to determination of the level of benefits, and, for postemployment healthcare plans, the healthcare cost trend rate [if the economic assumptions contemplate different rates for successive years (year-based or select and ultimate rates), the rates that should be disclosed are the initial and ultimate rates]?	—	—	—
4) Amortization method (level dollar or level percentage of projected payroll) and the amortization period (equivalent single amortization period, for plans that use multiple periods) for the most recent actuarial valuation and whether the period is closed or open?	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
5) For employers using the aggregate actuarial cost method, disclosure that because the method does not identify or separately amortize unfunded actuarial liabilities, information about funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose, and that the information presented is intended to approximate the funding progress of the plan?	—	—	—
4. If the governmental entity participates in a single-employer or agent multiple-employer plan, is the following information, as of the most recent actuarial valuation and the two preceding valuations, included as required supplementary information in the financial statements: (GASBS No. 45, para. 26 and 27)			
a. Information about the funding progress of the plan, including each of the elements of information listed in Question 3.d for each valuation?	—	—	—
b. Factors that significantly affect the identification of trends in the amounts reported, such as changes in benefits provisions, the size or composition of the employee group(s) covered by the plan, or the actuarial methods and assumptions used (Prior year amounts should not be restated)?	—	—	—
5. If the employer participates in a cost-sharing plan that does not issue and make publicly available a stand-alone plan financial report prepared in accordance with GASBS No. 43 (and is not also included in a PERS report or a report of another entity), does the cost-sharing employer: (GASBS No. 45, para. 27)			
a. Present as required supplementary information the schedules of funding progress, employer contributions, and related notes for the plan prepared in accordance with GASBS No. 43 ?	—	—	—
b. Disclose that the information presented relates to the cost-sharing plan as a whole (of which the employer is just a participant) and present information relative to understanding the scale of the information as it relates to the employer?	—	—	—
6. For an insured defined benefit OPEB plan, in which an insurance company has unconditionally assumed the legal obligation to pay the OPEB benefits defined in the employer government's OPEB plan, do the notes to the employer government's financial statements disclose: (GASBS No. 45, para. 28)			
a. A description of the insured benefit, including the authority under which benefit provisions are established or may be amended?	—	—	—
b. The fact that the obligation for payment of benefits has been effectively transferred from the employer to one or more insurance companies?	—	—	—
c. Whether the employer has guaranteed benefits in the event the insurance company becomes insolvent?	—	—	—
d. The current year OPEB expense/expenditure and contributions or premiums paid?	—	—	—
7. If the government has fewer than 100 plan members, meets the requirements to use the alternative measurement method, and elects to do so, does it disclose that it is using the alternative measurement method and disclose the source or basis of all significant assumptions or methods used, including general considerations, expected point at which benefits begin, marital and dependency status, mortality, turnover, healthcare cost trend rate, use of health insurance premiums, coverage options, and use of grouping? (GASBS No. 45, para. 34)	—	—	—
8. For a government participating in a single-employer or agent multiple-employer defined benefit OPEB plan that elects to retroactively apply GASBS No. 45 , does the government disclose the calculation period used in determining the net OPEB obligation (asset)? (GASBS No. 45, para. 37)	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>
9. If the government is legally responsible for the contributions to an OPEB plan even though it is not the employer (for example, a state funding an OPEB plan for local school district teachers), does it comply with all of the reporting guidance of GASBS No. 45 , including note disclosures and required supplementary information? (GASBS No. 45, para. 32)	—	—	—
Defined Benefit OPEB Plans—Disclosures in Separately Issued Plan Financial Statements			<input type="checkbox"/>
10. Do the financial statements include a statement of plan net position and a statement of changes in plan net position? (GASBS No. 43, paras. 18 and 26 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. Po50.113)	—	—	—
11. Does the statement of plan net position disclose the following (GASBS No. 43, paras. 19 and 25 ; GASBS No. 63, paras. 7 –8 and Appendix D; and GASB Cod. Sec. Po50.115):			
a. Major categories of assets held (for example, cash and cash equivalents, receivables, investments, and assets used in plan operations)?	—	—	—
b. Principal components of the receivables and investments categories?	—	—	—
c. Is the difference between total plan assets, deferred outflows of resources, total plan liabilities, and deferred inflows of resources, captioned “net position—restricted for OPEB”? (GASBS No. 63, paras. 7 –8 and Appendix D; and GASB Cod. Sec. Po50.121)	—	—	—
12. Does the statement of changes in plan net position disclose the following: (GASBS No. 43, para. 27 ; GASBS No. 63, paras. 7 –8 and Appendix D; and GASB Cod. Sec. Po50.123)			
a. Contributions from the employer(s)?	—	—	—
b. Contributions from plan members, including those transmitted by the employer(s)?	—	—	—
c. Contributions from sources other than the employer(s) and plan members (for example, state government contributions to a local government plan)?	—	—	—
d. Net investment income, including (1) the net appreciation (depreciation) in the fair value of plan investments; (2) interest income, dividend income, and other income not included in (1); and (3) total investment expense, separately displayed, including investment management and custodial fees and all other significant investment-related costs?	—	—	—
13. Is a description of the plan disclosed, including: (GASBS No. 43, para. 30a)			
a. Identification of the plan as a single-employer, agent multiple-employer, or cost-sharing multiple-employer defined benefit OPEB plan and the number of participating employers and other contributing entities?	—	—	—
b. The following disclosures about participants:			
i. Classes of employees covered and the number of plan members?	—	—	—
ii. Number of retirees and beneficiaries currently receiving benefits?	—	—	—
iii. Terminated members entitled to, but not yet receiving, benefits?	—	—	—
iv. Employees in active service?	—	—	—
v. If applicable, the fact that the plan is closed to new entrants?	—	—	—
c. The following description of benefits provided:			
i. Types of benefits?	—	—	—

	Disclosure Made?		
	Yes	No	N/A
ii. Provisions or policies with respect to automatic and ad hoc postretirement benefit increases?	—	—	—
iii. Authority under which benefit provisions are established or may be amended?	—	—	—
14. Do the disclosures include a summary of significant accounting policies, including: (GASBS No. 43, para. 30b)			
a. Basis of accounting, including policy with respect to financial statement recognition of contributions, benefits paid, and refunds paid?	—	—	—
b. Brief description of how the fair value of investments is determined, including the methods and significant assumptions used to estimate the fair value of investments, if that fair value is based on other than quoted market prices?	—	—	—
15. Do disclosures about contributions and reserves include the following: (GASBS No. 43, para. 30c ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. Po50.126)			
a. Authority under which obligations to contribute to the plan by plan members, employer(s), and other contributing entities are established or may be amended?	—	—	—
b. Funding policy, including:			
i. How contributions of the plan members, employer(s), and other contributing entities are determined?	—	—	—
ii. How costs to administer the plan are financed?	—	—	—
iii. Legal or contractual maximum contribution rates, if any?	—	—	—
c. Required contribution rates of active or retired plan members in accordance with the funding policy expressed as a rate (amount) per member or as a percentage of covered payroll?	—	—	—
d. A brief description of the terms of any long-term contracts for contributions and disclosure of the amounts outstanding at the reporting date?	—	—	—
e. Disclosures about reserves and designations, including:			
i. Balances in the plan's legally required reserves at the reporting date?	—	—	—
ii. Amounts of net position designated by the plan's governing body for specific purposes, captioned as "Designations"?	—	—	—
iii. A brief description of the purpose of each reserve or designation and whether reserves are fully funded?	—	—	—
16. Do disclosures about the funded status and funding progress and disclosures about the identification of actuarial methods and significant assumptions include those listed at Questions 3d and 3e for employer financial statements? (GASBS No. 43, paras. 30d and 30e (link))	—	—	—
17. If the notes include the optional disclosure of realized gains and losses, does the disclosure include a statement that: (GASBS No. 43, para. 27, footnote 6) (link)			
a. The calculation of realized gains and losses is independent of the calculation of net appreciation (depreciation) in the fair value of plan investments?	—	—	—
b. Unrealized gains and losses on investments sold in the current year that had been held for more than one year were included in net appreciation (depreciation) reported in the prior year(s) and the current year?	—	—	—
18. Are the following schedules included in the required supplementary information immediately after the notes to the financial statements: (GASBS No. 43, para. 31)			

	Disclosure Made?		
	Yes	No	N/A
a. If applicable, a schedule of funding progress, presenting information for the most recent valuation and the two preceding valuations, including the information required at Question 3d?	—	—	—
b. Schedule of employer contributions, presenting information for the most recent valuation and the two preceding valuations?	—	—	—
19. Do the notes accompanying the schedules included in the required supplementary information disclose factors that significantly affect the identification of trends in the amounts reported, such as changes in benefits provided, the size or composition of the population covered by the plan, or the actuarial methods and assumptions used? (GASBS No. 43, para. 37)	—	—	—
20. If the plan has fewer than 100 members, meets the requirements to use the alternative measurement method, and elects to do so, does it disclose that it is using the alternative measurement method and disclose the source or basis of all significant assumptions or methods used, including general considerations, expected point at which benefits begin, marital and dependency status, mortality, turnover, healthcare cost trend rate, use of health insurance premiums, coverage options, and use of grouping? (GASBS No. 43, para. 39)	—	—	—
Defined Benefit OPEB Plans—Single-employer Plan Included as a Trust or Agency Fund in the Employer Basic Financial Statements			<input type="checkbox"/>
21. If the employer includes a single-employer OPEB plan in its reporting entity as a trust or agency fund, is there a single set of disclosures representing a combination of the disclosures required at Questions 1–9 and Questions 10–20 that avoids unnecessary duplication of similar information? (GASBS No. 45, para. 24, footnote 19 (link))	—	—	—
22. Is the difference between total plan assets, deferred outflows of resources, total plan liabilities, and deferred inflows of resources, captioned “net position—restricted for OPEB”? (GASBS No. 63, paras. 7 –8 and Appendix D; and GASB Cod. Sec. Po50.121)	—	—	—
23. Do the financial statements of the employer disclose the availability of the stand-alone plan report and the information required for a schedule of funding progress for the three most recent actuarial valuations? (GASBS No. 43, para. 32)	—	—	—
24. If the employer includes a single-employer OPEB plan in its reporting entity as a trust fund and separate financial statements are not publicly available in a stand-alone report, are both the schedule of funding progress and schedule of employer contributions, including all of the required information at Questions 18–19 included in the employer’s financial statements, footnotes, or required supplementary information? (GASBS No. 43, para. 32)	—	—	—
Defined Benefit OPEB Plans—Multiple-employer Plan Included as a Trust or Agency Fund in the Employer’s Basic Financial Statements			<input type="checkbox"/>
25. If the employer includes an agent multiple-employer or cost-sharing multiple-employer PERS in its reporting entity as a trust or agency fund, is there a single set of disclosures representing a combination of the disclosures required at Questions 1–9 and Questions 10–20 that avoids unnecessary duplication of similar information? (GASBS No. 45, para. 24, footnote 19 (link))	—	—	—
26. Is the difference between total plan assets, deferred outflows of resources, total plan liabilities, and deferred inflows of resources, captioned “net position—restricted for OPEB”? (GASBS No. 63, paras. 7 –8 and Appendix D, and GASB Cod. Sec. Po50.121)	—	—	—

	Disclosure Made?		
	Yes	No	N/A
27. When a plan’s financial statements are included in an employer’s financial report (as a trust or agency fund) and the employer elects not to present the required supplementary information in the employer’s financial report (see Questions 18–19), do the notes to the financial statements of the employer disclose the availability and how to obtain the stand-alone plan report? (GASBS No. 43, para. 30)	—	—	—
Defined Contribution OPEB Plans—Disclosures in Employer Basic Financial Statements			<input type="checkbox"/>
28. Is the following information disclosed for each defined contribution plan to which the employer contributes: (GASBS No. 45, para. 31)			
a. Name of the plan, identification of the PERS or other entity that administers the plan, and identification of the plan as a defined contribution plan?	—	—	—
b. A brief description of the plan provisions and the authority under which they are established or may be amended?	—	—	—
c. Contribution requirements (such as contribution rate in dollars or as a percentage of salary) of the plan members, employer, and other contributing entities and the authority under which requirements are established or may be amended?	—	—	—
d. Contributions actually made by plan members and the employer?	—	—	—
Defined Contribution OPEB Plans—Disclosures in Separately Issued Plan Financial Statements			<input type="checkbox"/>
29. Is a description of the plan disclosed, including: (GASBS No. 43, para. 42 , and GASBS No. 25, para. 41)			
a. Identification of the plan as a defined contribution plan and the number of employers and other contributing entities?	—	—	—
b. Classes of employees covered and total current membership?	—	—	—
c. A brief description of the plan provisions and authority under which they are established or may be amended?	—	—	—
d. Contribution requirements of plan members, employer(s), and other contributing entities and the authority under which the requirements are established or amended?	—	—	—
30. Do the disclosures include a summary of significant accounting policies, including: (GASBS No. 43, para. 42 , and GASBS No. 25, para. 41)			
a. Basis of accounting?	—	—	—
b. Fair value of plan assets (unless plan assets are reported at fair value)?	—	—	—
c. Brief description of how the fair value of investments is determined?	—	—	—
31. Are investments (other than those explicitly guaranteed or issued by the U.S. government or those invested in mutual funds, external investment pools or other pooled investments) in any one issuer that represent 5% or more of plan net position disclosed by amount and issuer? (GASBS No. 40, para. 13 ; and GASBS No. 63, para. 8 and Appendix D)	—	—	—
Defined Contribution OPEB Plans—Included as a Trust or Agency Fund in Employer Basic Financial Statements			<input type="checkbox"/>
32. If the employer includes a multiple-employer OPEB plan in its reporting entity as a trust or agency fund, is there a single set of disclosures representing a combination of the disclosures required at Questions 28–31 that avoids unnecessary duplication of similar information? (GASBS No. 45, para. 24, footnote 19 (link))	—	—	—

	Disclosure Made?		
	<u>Yes</u>	<u>No</u>	<u>N/A</u>

OPEB Plans—Not Administered as Trusts



33. If the fund used to accumulate assets and pay benefits in a multiple-employer OPEB plan does not meet the criteria for trusts as described in [GASBS No. 43, para. 4](#) , does the plan administrator or sponsor: ([GASBS No. 43, para. 41](#) ; [GASBS No. 63, para. 8](#) and Appendix D; and [GASB Cod. Sec. Po50.140](#))

- | | | | |
|--|---|---|---|
| a. Report the fund as an agency fund with no plan net position? | — | — | — |
| b. Disclose the requirements in Questions 14, 15, 16a–16d, or only those in Questions 14a, 15, and 16d if the plan’s financial statements are presented in both a publicly available stand-alone plan financial report and the employer’s financial report that discloses how to obtain the plan’s financial report? | — | — | — |
| c. Disclose that each participating employer is required to disclose additional information with regard to funding policy, the employer’s annual OPEB cost and contributions made, the funded status and funding progress of the employer’s individual plan, and actuarial methods and assumptions used? | — | — | — |

SECURITIES LENDING TRANSACTIONS



NOTE: The disclosures required by *GASBS No. 28, Accounting and Financial Reporting for Securities Lending Transactions* ([link](#)) , should be made for the primary government, including its blended component units, and, separately, for the total of those discretely presented component units for which disclosure is essential for presentation of the financial reporting entity’s basic financial statements. Additional or separate presentation by fund, fund type, component unit, or one or more employee benefit plans is not required but is not precluded.

- | | | | |
|---|---|---|---|
| 1. Do the notes to the financial statements include: | | | |
| a. The source of legal or contractual authorization for the use of securities lending transactions and any significant violations of those authorizations occurring during the period? (GASBS No. 28, para. 11) | — | — | — |
| b. A general description of securities lending transactions during the period, including: (GASBS No. 28, para. 12) | | | |
| i. The types of securities lent? | — | — | — |
| ii. The types of collateral received? | — | — | — |
| iii. Whether the government has the ability to pledge or sell collateral securities without a borrower default? | — | — | — |
| iv. The amount by which the value of the collateral provided is required to exceed the value of the underlying securities? | — | — | — |
| v. Any restrictions on the amount of the loans that can be made? | — | — | — |
| vi. Any loss indemnification provided to the entity by its securities lending agents? | — | — | — |
| c. The reported amount and fair value of underlying securities at the balance sheet date? (GASBS No. 28, para. 12) | — | — | — |
| d. Whether the maturities of the investments made with cash collateral generally match the maturities of their securities loans, as well as the extent of such matching at the balance sheet date? (GASBS No. 28, para. 13) | — | — | — |
| e. The amount of credit risks, if any (net amounts owed to borrowers at the balance sheet date)? (GASBS No. 28, para. 14 , and GASB Cod. Sec. I60.112) | — | — | — |

	Disclosure Made?		
	Yes	No	N/A
i. If the government lender has no credit risk, that fact? (GASBS No. 28, para. 14, and GASB Cod. Sec. I60.112)	—	—	—
f. If not separately displayed in the operating statement, the amount of any losses on securities lending transactions during the period resulting from the default of a borrower or lending agent and amounts recovered from prior-period losses? (GASBS No. 28, para. 15, and GASB Cod. Sec. I60.113)	—	—	—
2. Do the disclosures required at Question 5d in DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS include securities lending collateral reported in the statement of net position and the underlying securities? (GASBS No. 40, para. 10; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. I60.114)	—	—	—

SERVICE CONCESSION ARRANGEMENTS

1. For service concession arrangements, do the notes to the financial statements include the following disclosures: (Disclosures for multiple service concession arrangements can be provided individually or in the aggregate if the facilities are similar and have similar risks. GASBS No. 60 is not applicable to governmental funds.) (GASBS No. 60, paras. 16–18)				<input type="checkbox"/>
a. A general description of each arrangement in effect during the reporting period, including the objectives for entering into it and, if applicable, the status of the project during the construction period?	—	—	—	
b. The nature and amounts of related assets, liabilities, and deferred inflows of resources that are recognized in the financial statements?	—	—	—	
c. The nature and extent of rights retained by the transferor or granted to the governmental operator?	—	—	—	
d. For each period in which a related guarantee or commitment exists, the identification, duration, and significant contract terms of the guarantee or commitment?	—	—	—	

TERMINATION BENEFITS

NOTE: The disclosure in Question 3 is based on GASBS No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* ([link](#)). GASBS No. 68 is effective for periods beginning after June 15, 2014, with earlier implementation encouraged. Question 2 should be answered if GASBS No. 68 has *not* been implemented.

1. In the period in which an employer becomes obligated for termination benefits and in any additional period in which employees are required to render future service in order to receive involuntary termination benefits, has the employer disclosed in the notes to the financial statements a description of the termination benefit arrangement(s) (for example, information about the type(s) of benefits provided, the number of employees affected, and the period of time over which benefits are expected to be provided)? (GASBS No. 47, para. 18)	—	—	—	
2. If GASBS No. 68 has not been implemented and the employer has become obligated for termination benefits during the period, has the employer disclosed in the notes to the financial statements the cost of termination benefits if that information is not otherwise identifiable from information displayed on the face of the financial statements? To meet this requirement, an employer that provides termination benefits that affect defined benefit pension or OPEB obligations should disclose in the notes to the financial statements the change in the actuarial accrued liability for the pension or OPEB plan attributable to the termination benefits. (GASBS No. 47, para. 19)	—	—	—	

Disclosure Made?
Yes No N/A

- | | | | |
|---|---|---|---|
| 3. If GASBS No. 68 has been implemented and the employer has become obligated for termination benefits during the period, has the employer disclosed in the notes to the financial statements the cost of termination benefits if that information is not otherwise identifiable from information displayed on the face of the financial statements? To meet this requirement, an employer that provides termination benefits that affect defined benefit pension obligations should disclose in the notes to the financial statements the change attributable to the termination benefits (for example, the change in the employer's net pension liability or proportionate share of the collective net pension liability, its separate liability to a defined benefit pension plan, or its actuarial accrued liability). An employer that provides termination benefits that affect defined benefit OPEB obligations should disclose the change in the actuarial accrued liability for the OPEB plan attributable to the termination benefit. (GASBS 47, para. 19 , and GASBS 68, paras. 20 , 59 , 83 , 92 , and 120) | — | — | — |
| 4. In all periods in which termination benefit liabilities are reported, has the employer disclosed the significant methods (for example, whether termination benefits are measured at the discounted present value of expected future benefit payments) and assumptions (for example, the discount rate and healthcare cost trend rate, if applicable) used to determine the liabilities? (GASBS No. 47, para. 20) | — | — | — |
| 5. If a termination benefit that otherwise meets the recognition criteria of GASBS No. 47 is not recognized because the expected benefits are not estimable, has the employer disclosed that fact? (GASBS No. 47, para. 21) | — | — | — |

TROUBLED DEBT RESTRUCTURINGS—CREDITORS



- | | | | |
|---|---|---|---|
| 1. Has the following information by major categories of receivables as of the date of each statement of net position presented been disclosed for outstanding receivables whose terms have been modified in troubled debt restructurings: (Creditors may disclose this information, by major category, for the aggregate of outstanding reduced-earning and nonearning receivables.) (GASBS No. 62, para. 162 ; GASBS No. 63, para. 8 and Appendix D; and GASB Cod. Sec. D20.153) | | | |
| a. The aggregate recorded investment? | — | — | — |
| b. The gross interest revenue that would have been recorded in the period if those receivables had been current in accordance with their original terms and had been outstanding throughout the period (or since origination if held for part of the period)? | — | — | — |
| c. The amount of interest on those receivables that was included in changes in net position for the period? | — | — | — |
| 2. Has the amount of any commitments to lend additional funds to debtors owing receivables whose terms have been modified in troubled debt restructuring been described? (GASBS No. 62, para. 162 , and GASB Cod. Sec. D20.153) | — | — | — |

TROUBLED DEBT RESTRUCTURINGS—DEBTORS



- | | | | |
|---|---|---|---|
| 1. For troubled debt restructurings that have occurred during a period for which financial statements are presented, have the following disclosures been made: (GASBS No. 62, para. 147) | | | |
| a. A description of the principal changes in terms, the major features of settlement, or both, for each restructuring? (Separate restructurings within a fiscal period for the same categories of payables may be grouped.) | — | — | — |
| b. The aggregate gain on restructuring of payables? | — | — | — |
| c. The aggregate net gain or loss on transfers of assets recognized during the period? | — | — | — |

		Disclosure Made?		
		<u>Yes</u>	<u>No</u>	<u>N/A</u>
2.	Have the following been disclosed for periods after a troubled debt restructuring has occurred: (GASBS No. 62, para. 148)			
a.	The extent to which amounts contingently payable are included in the carrying amount of restructured payables?	—	—	—
b.	Total amounts that are contingently payable on restructured payables and the conditions under which those amounts would become payable or would be forgiven when there is at least a reasonable possibility that a liability for contingent payments will be incurred?	—	—	—

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QUESTION	YES	NO	N/A	REF
C. COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES				
1. Are any required combining/individual financial statements (schedules) included in the supplementary information section of the report, following the notes to the financial statement? (GASB Cod. Sec. 2200.184)				
2. Are the fund financial statements included as supplemental information for discretely presented component units that do not have a separately issued financial report? (GASB Cod. Sec. 2600.111 and SLG ¶ 3.20)				
3. If issuing a CAFR or for counties meeting the requirements of COFARS, are combining statements for the nonmajor funds presented by fund type, in columnar format for all fund types of the primary government? (GASB Cod. Sec. 2200.105, GASB 34 Appendix C, Illustration H, and COFARS 4330)				
a. Do the total columns of the combining statements for the primary government’s nonmajor fund agree with amounts in the fund financial statements presentation of the aggregated nonmajor funds? (GASB Cod. Sec. 2200.184)				
4. If issuing a CAFR or for counties meeting the requirements of COFARS, are budget-to-actual comparison schedules presented as supplemental information for each remaining individual governmental fund of the primary government for which an annual budget was legally adopted? The general and major special revenue funds budgetary comparison presentations should have been included as basic financial statements or required supplementary information. (GASB Cod. Sec. 2400.121, SLG 11.13, and COFARS 4330)				
5. Are presented budgetary comparisons at least as detailed as the legal level of control for each budget for which data is presented (the level at which expenditures may not legally exceed appropriations)? (GASB Cod. Sec. 2400.121)				
6. Are both budget and actual data on budgetary comparison statements and schedules, presented on the budgetary basis (for example expenditures plus encumbrances)? (GASB Cod. Sec. 1700.115-.117, 2400.103-104)				
7. Did the government provide the disclosures necessary to ensure an understanding of the combining and individual statements and schedules and to demonstrate compliance with finance related and contractual provisions? (GASB Cod. Sec. 2300.116)				
8. Is a narrative explanation including a description of the nature and purpose of the various funds presented on divider pages, directly on the statements and schedules, or in a separate section included? (GASB Cod. Sec. 2200.184)				
D. REPORTS ON COMPLIANCE AND OTHER MATTERS AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS:				
<i>Note to Reviewer: The auditor has the option of issuing a combined report. If separate reports (letters) are issued, the reviewer should be aware that certain information would be required for each letter. Note reporting changed with the issuance and acceptance of SAS 115 by the GAO.</i>				
1. Do(es) the auditor’s report(s) in accordance with Government Auditing Standards include: (GASCA133 4.54)				
a. An appropriate addressee?				

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QUESTION	YES	NO	N/A	REF
b. A statement that the auditor has audited the financial statements of the auditee and a reference to the auditor's report on the financial statements (including the title of each statement the financial statements comprise) and a description of any departure from the standard report. The period covered by the report and the date of the auditor's report should be stated?				
i. A statement that the auditor has audited each opinion unit which comprise the basic financial statements and a reference to the Independent Auditor's Report on those financial statements?				
ii. Are the dates on all the auditor's reports, and dates on references to the reports consistent?				
iii. If the Independent Auditor's Report on the financial statements was modified for any reason, including reference to other auditors, is a statement included describing any departure from the standard report?				
c. A statement that the audit was conducted in accordance with GAAS and an identification of the United States of America as the country of origin of those standards (for example, auditing standards generally accepted in the United States of America or U.S. generally accepted auditing standards) and with the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States?				
d. A section with the heading "Internal Control Over Financial Reporting."				
e. A statement that in planning and performing the audit of the financial statements, the auditor considered the entity's internal control over financial reporting (internal control) as a basis for determining the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, the auditor does not express an opinion on the effectiveness of the entity's internal control?				
f. The definitions of deficiency in internal control, significant deficiency, and material weakness?				
g. If no significant deficiencies or material weaknesses have been identified a statement that the auditor's consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. a statement that, given the limitations, during the audit the auditor did not identify any deficiencies in internal control that are considered to be material weaknesses. a statement that material weaknesses may exist that have not been identified?				

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QUESTION	YES	NO	N/A	REF
h. If significant deficiencies have been identified (but none are considered to be material weaknesses) a statement that the auditor's consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore material weaknesses or significant deficiencies may exist that were not identified; a statement that given these limitations, during the audit the auditor did not identify any deficiencies in internal control that were considered to be material weaknesses; however, material weaknesses may exist that have not been identified; a statement that certain deficiencies in internal control over financial reporting were identified that the auditor considers to be significant deficiencies; and a description of the significant deficiencies identified, including the title of the schedule in which the findings are reported? (Alternatively the findings may be listed in this report.)				
i. If material weaknesses and significant deficiencies have been identified a statement that the auditor's consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified; a statement that certain deficiencies in internal control over financial reporting were identified that the auditor considers to be material weaknesses and significant deficiencies; a description of the material weaknesses, including the title of the schedule in which the findings are reported; (Alternatively the findings may be listed in this report); and a description of the significant deficiencies identified, including the title of the schedule in which the findings are reported. (Alternatively the findings may be listed in this report.)				
j. A section with the heading "Compliance and Other Matters?"				
k. A statement that as part of obtaining reasonable assurance about whether the entity's financial statements are free from material misstatement, the auditor performed tests of the entity's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of the audit, and accordingly, the auditor does not express such an opinion?				
l. If no instances of noncompliance or other matters have been identified that are required to be reported, a statement that the results of tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards?				
m. If instances of noncompliance or other matters have been identified that are required to be reported, a statement that the results of the tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying [include the title of the schedule in which the findings are reported]?				
n. If applicable, a statement that additional matters were communicated to the auditee in a written communication?				
o. If material weaknesses, significant deficiencies, or reportable instance of noncompliance or other matters are identified, a section with the heading "[Name of entity]'s Response to Findings."				

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QUESTION	YES	NO	N/A	REF
p. A statement that the audited entity's response(s) to the findings identified in the audit are described in the accompanying [include the title of the schedule in which the findings are reported or "previously" if findings and responses are included in the body of the report]. [Name of Entity]'s response(s) was/were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, the auditor does not express an opinion on it?				
q. A section with the heading "Purpose of this Report?"				
r. A statement that the purpose of the report is solely to describe the scope of the testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose?				
s. The manual or printed signature of the auditor's firm?				
t. Auditor's city and state?				
u. The date of the auditor's report?				
v. If part of the audit of the reporting entity was audited by others and the report refers to others does the introductory paragraph identify the part(s) of the entity audited by others and whether or not it is covered by this letter? (<i>GASCA133 4.82</i>)				
w. If a material portion of the organization (such as a component unit or fund) is not required to have an audit in accordance with Government Auditing Standards, has the auditor modified the opening scope paragraph to indicate the portion of the entity that was not audited in accordance with <i>Government Auditing Standards</i> ? (<i>GASCA133 4.76</i>)				
2. Does it appear the auditor has included findings for the following situations in the report on internal control over financial reporting and on compliance and other matters required by <i>Government Auditing Standards</i> : <ul style="list-style-type: none"> • Significant deficiencies in internal control over financial reporting, • All instances of fraud and illegal acts unless clearly inconsequential, • Material violations of provisions of contracts and grant agreements, and • Material abuse? 				
3. If auditors have issued or intend to issue a management letter that contains items required to be communicated to entity officials, have they referred to that management letter in the report on internal control over financial reporting and on compliance and other matters?				
4. If this is a Single Audit, review the summary of auditor's results to determine consistency between the Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> , and items in the summary: (ii) a statement that significant deficiencies in internal control were disclosed by the audit of the financial statements and whether any such conditions were material weaknesses; and (iii) a statement as to whether the audit disclosed any noncompliance which is material to the financial statements of the auditee. (OMB A-133 .505(d)(1)(ii) and (iii))				
E. SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS				
1. If the obvious federal expenditures in the report total \$500,000 or more, did the auditor perform a Single Audit as required by OMB Circular A-133?				

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QUESTION	YES	NO	N/A	REF
2. If a Single Audit, does either the financial report or a separate “management and compliance” report include a schedule of expenditures of federal awards? (<i>OMB A-133</i>)				
3. Does the report include a schedule of expenditures of federal awards for the period covered by the auditee’s financial statements identifying, at a minimum: (OMB A-133 .310(b)(1-6); GASCA 7.10) (<i>GASCA133 7.03</i>)				
a. Individual federal programs by federal agency? Note: for federal programs included in a cluster of programs, list individual federal programs within a cluster of programs. For research and development (R&D), total federal awards expended should be shown either by individual award or by federal agency and major subdivision within the federal agency.				
i. Separately list programs with expenditures of Recovery Act (ARRA) awards?				
b. For federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity?				
c. Total federal awards expended for each individual federal program and the Catalog of Federal Domestic Assistance number (CFDA) or other identifying number when the CFDA information is not available?				
d. Notes that describe the significant accounting policies used in preparing the schedule?				
e. To the extent practical, the total amount from each federal program provided by auditees to subrecipients?				
f. In either the schedule or in a note to the schedule, the value of the federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year-end? List individual federal programs by federal agency? For federal programs included in a cluster, list federal programs within a cluster?				
4. Does the schedule foot? If applicable, does the schedule cross-foot? (SAS AU 230)				
5. When the entity presents the schedule of expenditures of federal awards with the financial statements, the auditor should report on the schedule in either (a) an other-matter paragraph in accordance with AU-C section 706, Emphasis-of-Matter Paragraphs and Other-Matter Paragraphs in the Independent Auditor’s Report (AICPA, Professional Standards), or (b) in a separate report on the schedule of expenditures of federal awards. Reporting using an other-matter paragraph is applicable when the schedule of expenditures of federal awards is reported on in the auditor’s report on the financial statements. Reporting on the schedule of expenditures of federal awards in a separate report could be accomplished either by including the reporting in the report on compliance and on internal control over compliance required under Circular A-133, or by reporting in a stand-alone report (for example, when the schedule of expenditures of federal awards is presented with the single audit reporting package). The following elements should be included in the other-matter paragraph or separate report:				
a. A statement that the audit was conducted for the purpose of forming an opinion on the financial statements as a whole?				
b. A statement that the schedule of expenditures of federal awards is presented for purposes of additional analysis and is not a required part of the financial statements?				
c. A statement that the schedule of expenditures of federal awards is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements?				

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QUESTION	YES	NO	N/A	REF
d. A statement that the schedule of expenditures of federal awards has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, ⁹ including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with GAAS?				
e. If the auditor issues an unmodified opinion ¹⁰ on the financial statements and the auditor has concluded that the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole, a statement that, in the auditor's opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole?				
f. If the auditor issues a qualified opinion on the financial statements and the qualification has an effect on the schedule of expenditures of federal awards, a statement that, in the auditor's opinion, except for the effects on the schedule of expenditures of federal awards of (refer to the paragraph in the auditor's report explaining the qualification), such information is fairly stated, in all material respects, in relation to the financial statements as a whole				
6. When the schedule of expenditures of federal awards is not presented with the financial statements, the auditor should report on the schedule in a separate report. This separate report, included in either the report on compliance and on internal control over compliance required by Circular A-133 or in a stand-alone report, should include the report elements found in paragraph 13.11 and should also include the following additional elements:				
a. A reference to the report on the financial statements?				
b. The date of that report?				
c. The nature of the opinion expressed on the financial statements?				
d. Any report modifications?				
F. REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ONEACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133				
1. Is a report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with OMB Circular A-133 presented? (AU-C 935.30-.32; OMB A-133 .505(b-c); (GASCA133 13.03)				
2. Does the report include the following basic elements: (GASCA133 13.31)				
a. A title that includes the word independent?				
b. An addressee appropriate for the circumstances of the engagement?				
c. A section titled "Report on Compliance for Each Major Federal Program?"				
d. An introductory paragraph that includes the following:				
i. A statement that the auditor has audited the auditee's compliance with the types of compliance requirements described in the <i>OMB Circular A-133 Compliance Supplement (Compliance Supplement)</i> that could have a direct and material effect on each of its major federal programs?				
ii. Identification of the period covered by the report?				

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QUESTION	YES	NO	N/A	REF
iii. A statement that the auditee's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs?				
e. A subheading titled "Management's Responsibility" that includes a statement that compliance with the requirements of laws, regulations, contracts, and grants applicable to the auditee's federal programs is the responsibility of the auditee's management?				
f. A subheading titled "Auditor's Responsibility" that includes the following:				
i. A statement that the auditor's responsibility is to express an opinion on compliance for each of the entity's major federal programs based on the audit of the types of compliance requirements?				
ii. A statement that the compliance audit was conducted in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in <i>Government Auditing Standards</i> issued by the Comptroller General of the United States, and OMB Circular A-133?				
iii. A statement that those standards and Circular A-133 require that the auditor plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements that could have a direct and material effect on a major federal program occurred?				
iv. A statement that an audit includes examining, on a test basis, evidence about the entity's compliance with those requirements and performing such other procedures as the auditor considered necessary in the circumstances?				
v. A statement that the auditor believes that the compliance audit provides a reasonable basis for the auditor's opinion?				
vi. A statement that the compliance audit does not provide a legal determination of the auditee's compliance with those requirements?				
g. When the auditor is expressing an unmodified opinion on all major programs, a subheading titled "Opinion on Each Major Federal Program" that contains a statement that in the auditor's opinion the entity complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on each of its major federal programs for the year ended [<i>specify date</i>]?				
h. If instances of noncompliance for a major program are noted that result in an opinion qualification, a subheading titled, "Basis for Qualified Opinion on [<i>Name of Major Federal Program</i>]" that includes the following (see item <i>i</i> for modifications needed for situations where one or more major programs receive a qualified opinion)?				
<ul style="list-style-type: none"> • A statement that, as described in the accompanying schedule of findings and questioned costs, the auditee did not comply with requirements regarding [<i>identify the major federal program and associated finding number(s) matched to the type(s) of compliance requirements</i>]. 				
<ul style="list-style-type: none"> • a statement that compliance with such requirements is necessary, in the auditor's opinion, for the auditee to comply with the requirements applicable to the program(s). 				

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QUESTION	YES	NO	N/A	REF
<p>i. If instances of noncompliance are noted that result in an opinion qualification for one or more major programs, a subheading with an appropriate title (for example, “Qualified Opinion on [Name of Major Federal Program]”) that includes the auditor’s opinion on whether the auditee complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on each of its major federal programs?</p> <p><i>[Note: If instances of noncompliance are noted that result in an opinion qualification on one or more major programs, but there are other major programs receiving an unqualified opinion, the subheading to the opinion paragraph relating to the unqualified opinion(s) (see item g) may be modified to, “Unmodified Opinion on Each of the Other Major Federal Programs” to be more clear about the programs receiving an unqualified opinion.]</i></p>				
<p>j. If other non-compliance is identified that does not result in a modified opinion but that is required to be reported in accordance with Circular A-133, a subheading titled “Other Matters” containing:</p>				
<p>i. a reference to the schedule of findings and questioned costs in which the instances of non-compliance are described, including the reference number(s) of the finding(s)?</p>				
<p>ii. a statement that the auditor’s opinion on each major federal program is not modified with respect to the matters?</p>				
<p>iii. a statement that the auditee’s response(s) to the noncompliance findings identified is/are described in the accompanying [insert name of document containing management’s response(s) to the auditor’s findings, for example “schedule of findings and questioned costs and/or corrective action plan.”]</p>				
<p>iv. a statement that the auditee’s response(s) was/were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, the auditor expresses no opinion on the response(s)?</p>				
<p>k. A section heading “Report on Internal Control Over Compliance” that includes the following statements and definitions:</p>				
<p>i. A statement that the auditee’s management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements?</p>				
<p>ii. A statement that in planning and performing the compliance audit, the auditor considered the auditee’s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.</p>				
<p>iii. A statement that the auditor is not expressing an opinion on the effectiveness of internal control over compliance?</p>				
<p>iv. The definitions of deficiency in internal control over compliance, material weakness in internal control over compliance, and significant deficiency in internal control over compliance?</p>				

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QUESTION	YES	NO	N/A	REF
v. A statement that the auditor's consideration of internal control over compliance was for the limited purpose described in the first paragraph of the section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies?				
vi. If no material weaknesses in internal control over compliance were identified, a statement that the auditor did not identify any deficiencies in internal control over compliance that are considered to be material weaknesses?				
vii. A statement that material weaknesses may exist that have not been identified. (For situations where significant deficiencies or material weaknesses are identified, this statement is revised to indicate that material weaknesses or significant deficiencies may exist that have not been identified?)				
viii. If significant deficiencies in internal control over compliance were identified, a statement that no deficiencies in internal control over compliance were identified that are considered to be material weaknesses, however deficiencies in internal control over compliance were identified that are considered to be significant deficiencies, and a description of the significant deficiencies in internal control over compliance or a reference to the accompanying schedule of findings and questioned costs, including the reference number(s) of the finding(s)?				
ix. If material weaknesses in internal control over compliance were identified, a statement that deficiencies in internal control over compliance were identified that are considered to be material weaknesses and a description of the material weaknesses in internal control over compliance or a reference to the accompanying schedule of findings and questioned costs, including the reference number(s) of the finding(s)?				
x. If applicable, a statement that the auditee's written response(s) to the finding(s) identified in the audit is/are described in the accompanying schedule of findings and questioned costs, and that the auditee's written response(s) was/were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, expresses no opinion on it/them?				
xi. A separate paragraph at the end of the section stating that the purpose of the report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose?				
l. The manual or printed signature of the auditor's firm?				
m. The city and state where the auditor practices?				
n. The date of the auditor's report?				

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QUESTION	YES	NO	N/A	REF
G. SCHEDULE OF FINDINGS AND QUESTIONED COSTS				
1. Is a schedule of findings and questioned costs presented that includes the following components: (OMB A-133 .505(d), .510(a-b); GASCA133 13.38) a. A summary of the auditor's results b. Findings related to the financial statements that are required to be reported in accordance with <i>Government Auditing Standards</i> c. Findings and questioned costs for federal awards?				
2. Does the summary of the auditor's results including the following items that relate an accurate picture of the information presented in the auditor reports, findings, and schedule of federal awards: (GASCA133 13.39)				
a. The type of report the auditor issued on the financial statements of the auditee (that is, unmodified opinion, qualified opinion, adverse opinion, or disclaimer of opinion)?				
b. Where applicable, a statement that significant deficiencies or material weaknesses in internal control were disclosed by the audit of the financial statements?				
c. A statement on whether the audit disclosed any noncompliance that is material to the financial statements?				
d. Where applicable, a statement that significant deficiencies or material weaknesses in the internal control over major programs were disclosed by the audit?				
e. The type of report the auditor issued on compliance for major programs (that is, unmodified opinion, qualified opinion, adverse opinion, or disclaimer of opinion)?				
f. A statement on whether the audit disclosed any audit finding that the auditor is required to report under .510(a) of Circular A-133? (GASCA133 13.43.)				
g. An identification of major programs?				
h. The dollar threshold used to distinguish between Type A and Type B programs as described in section 520(b) of Circular A-133?				
i. A statement on whether the auditee qualified as a low-risk auditee under section 530 of Circular A-133?				
3. Findings relating to the financial statements, which are required to be reported in accordance with <i>Government Auditing Standards</i> (Yellow Book)? (GASCA133 13.39b.)				
4. Do the findings and questioned costs related to the major federal programs meet the A-133 requirements to be a finding? (OMB Circular A-133 .510(a)) (GASCA133 13.40c.)				
a. The auditor shall identify significant deficiencies in internal control over major programs?				
i. The auditor should identify significant deficiencies that are individually or cumulatively material weaknesses?				
b. Material noncompliance with the provisions of laws, regulations, contracts, or grant agreements related to a major program?				
c. Known questioned costs (specifically identified by the auditor) which are greater than \$10,000 for a type of compliance requirement for a major program?				
d. Known questioned costs (that the auditor became aware of) which are greater than \$10,000 for a Federal program which is not audited as a major program?				

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e. The circumstances concerning why the auditor's report on compliance for major programs is other than an unmodified opinion, unless such circumstances are otherwise reported as audit findings in the schedule of findings and questioned costs for federal awards (for example, a scope limitation that is not otherwise reported as a finding)?				
f. Known fraud affecting a federal award, unless such fraud is otherwise reported as an audit finding in the schedule of findings and questioned costs for federal awards?				
g. Instances where the results of audit follow-up procedures disclosed that the summary schedule of prior audit findings prepared by the auditee in accordance with section 315(b) of Circular A-133 materially misrepresents the status of any prior audit finding				
5. Has the auditor included the Circular A-133 required specific information in federal award audit findings (as applicable) identification of the federal program and specific federal award, including: <ul style="list-style-type: none"> • The <i>Catalog of Federal Domestic Assistance</i> (CFDA) title and number • The federal award number and year • The name of the federal agency • The name of the applicable pass-through entity? (<i>GASCA133 13.44a.</i>) 				
6. Do the federal award audit findings also include the following:				
a. The criteria or specific requirement upon which the audit finding is based, including the statutory, regulatory, or other citation? (<i>GASCA133 13.44b.</i>)				
b. The condition found, including facts that support the deficiency identified in the audit finding? (<i>GASCA133 13.44c.</i>)				
c. Identification of questioned costs and how they were computed? (<i>GASCA133 13.44d.</i>)				
d. Information to provide a proper perspective for judging the prevalence and consequences of the audit findings (for example, whether the audit findings represent an isolated instance or a systemic problem)? Where appropriate, the instances identified should be related to the universe and the number of cases examined and be quantified in terms of the dollar value. (<i>GASCA133 13.44e.</i>)				
e. The possible asserted effect to provide sufficient information to the auditee and federal agency (or pass-through entity, in the case of a subrecipient) to permit them to determine the cause and effect, to facilitate prompt and proper corrective action? (<i>GASCA133 13.44f.</i>)				
f. Recommendations to prevent future occurrences of the deficiency identified in the audit finding? (<i>GASCA133 13.44g.</i>)				
6. Did the auditee prepare a corrective action plan for current year audit findings including the reference number and fiscal year of initial finding for each finding? (OMB Circular A-133 Sec. 315)				
7. Does the summary schedule of prior audit findings report the status of all findings included in the prior year's schedule of findings and questioned costs relative to federal awards? (OMB Circular A-133 Sec .315) <i>NOTE: this does not apply to findings, which were corrected or are no longer valid or warranting further action.</i>				
H. FRAUDULENT ACTIVITIES				
1. If fraudulent activities are directly or indirectly mentioned in the report, were they properly reported to the State Auditor's Office? (Minn. Stat. 6.67)				
I. OTHER GENERAL REQUIREMENTS				

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1. Report Cover				
a. Does the annual financial report cover indicate the name of the government? (GAAFR 34, pages 285-6 and COFARS 4330)				
b. Does the financial report cover note the fiscal period the report is intended to cover (e.g. “for the fiscal year ended month, date, year). (GAAFR 34, page 285-86 and COFARS 4330)				
c. If the report is identified as a “Comprehensive Annual Financial Report,” it should contain the required introductory and statistical sections. (GASB Cod. Sec. 2200.105) <i>(Note to reviewer: If the report is identified as a CAFR, it should contain all items listed in GASB Cod. Sec. 2200.105. If the report does not contain the introductory and statistical sections, the report should not be identified as a CAFR.)</i>				
2. Table of Contents				
a. Does the report contain a table of contents? (GASB Cod. Sec. 2200.105, GAAFR 34, page 286 and COFARS 4330)				
b. Does the table of contents list the auditor’s report (opinion of an independent public accounting firm) as the first item in the financial section of the report? (GASB Cod. Sec. 2200.105, GAAFR 34, page 290, and COFARS 4330)				
c. Does the financial section of the table of contents clearly distinguish between the basic financial statements (including the accompanying Notes) and other contents of the financial section of the report? (GASB Cod. Sec. 2200.105, GAAFR 34 page 286, and COFARS 4330)				
d. Does the table of contents identify each statement and schedule by its full title? (GAAFR 34, page 286 and COFARS 4330)				
e. Does the table of contents clearly show that the notes to the financial statements are an integral part of the “liftable” basic financial statements? (GASB Cod. Sec. 2300.102; GAAFR 34, page 286, and COFARS 4330)				
f. Does the table of contents indicate the page number reference for each statement and schedule? If the entity identifies statements and schedules by exhibit numbers, these also may be presented in the table of contents to supplement (but not replace) page number references. (GAAFR page 286 and COFARS 4330)				
3. Other Reports				
a. Did the auditor include the report on legal compliance required by the <i>Minnesota Legal Compliance Audit Guide for Political Subdivisions</i> ?				
i. In addition to GAAS, does the report indicate the audit considered the provisions of the <i>Minnesota Legal Compliance Audit Guide for Political Subdivisions</i> promulgated by the Office of the State Auditor pursuant to Minn. Stat. § 6.65				
ii. Does the report identify the required compliance categories for testing? <i>For a county there could be up to 7 categories.</i>				
iii. If a required area was not tested, have the reasons for not testing been identified in the report?				
iv. Include a paragraph indicating that in connection with the audit nothing came to the auditors’ attention that would cause them to believe that the county had not complied with the provisions, unless there is noncompliance?				

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a. Does the report modify this paragraph and identify any noncompliance findings relating to Minnesota legal compliance?				
v. Does the report indicate that the primary purpose of the audit was not to obtain knowledge of noncompliance?				
vi. Does the report indicate that there could have been other matters identified had the auditor performed additional procedures regarding the provisions?				
vii. Does it include either purpose or restricted use paragraph:				
a. If conducted under <i>Government Auditing Standards</i> , does the report include a paragraph identifying the purpose of this report?				
b. If not conducted under <i>Government Auditing Standards</i> , a separate paragraph at the end of the report stating that the report is intended solely for the information and use of the audit committee, management, and the Office of the State Auditor, and is not intended to be and should not be used by anyone other than these specified parties?				
viii. If separate letter, does it include <i>independent auditor</i> in the title?				
ix. If separate letter, is it signed and dated similar to the other reports?				
c. If a separate “management letter” has been issued, was a copy submitted to the Office of the State Auditor?				
4. Was one hard copy and one electronic version of the annual financial report and any accompanying letters and auditor’s report submitted to the Office of the State Auditor by the reporting deadline (June 30 for cities and towns reporting on GAAP; September 30 for counties) (OSA-CAG)				
5. Were all the auditor’s reports and/or separate “management letter” distributed to all officials directly interested in the audit results (i.e., officials designated by laws or regulations to receive such reports, those responsible for acting on findings and recommendations, legislators, and those of other levels of government that have provided assistance to the auditee)? (GAO ¶ 4.45. See <i>Minn. Stat. §471.697</i> for cities and towns)				
6. Did the statement of findings and questioned costs/recommendations follow up on and identified the status of findings in the prior year’s schedule of findings? (OSA requirement)				
J. CLERICAL ACCURACY				
1. Do the amounts contained in the notes to the financial statements agree to the amounts reported in the basic financial statements? (SAS AU Sec. 230) (Sample)				
2. Select a representative sample of financial statements and schedule and foot for clerical accuracy. Are the selected financial statements and schedules clerically accurate? (SAS AU Sec. 230)				
3. List statements or schedules selected:				

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QUESTION	YES	NO	N/A	REF

