

RIZ 2017 Audit Programs

June 30, 2017

AUDIT STRATEGY

The attached audit strategy is to be used to document the following:

- Auditor's understanding of certain preliminary information regarding the RIZ and its environment for planning the audit.
- Auditor's fraud risk assessment, including identification of fraud risk factors.
- Identification of material account balances and classes of transactions.
- Determination of the risk of material misstatement at the financial statement and relevant assertion levels.
- Auditor's response to the risks identified.
- Identification of the federal programs.
- Determination of major federal programs and the applicable compliance requirements.
- Applicability of account balances and classes of transactions to federal programs.

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PROCEDURE	YES	NO	REMARKS
1. Did the prior year report on the financial statements include departures from an unmodified opinion?			
2. Did the prior year report identify any significant deficiencies or material weaknesses?			
3. Have various account balances or transactions required significant adjustments in prior audits?			
4. Was the approach in the prior year primarily substantive?			
5. Were any significant errors or instances of fraud noted in the prior audit?			
6. Is there any indication there could be substantial doubt about the RIZ's ability to continue as a going concern?			
7. Does the audit require special expertise?			
8. Are specialized skills needed to determine the effect of IT on the audit, to understand the IT controls or to design tests of controls?			
9. Are there any new accounting and/or auditing pronouncements that may affect the current audit?			
10. Are there any specialized accounting practices or principles applicable to the RIZ? (i.e. pensions)			
11. Have there been any significant changes in accounting practices for the RIZ?			
12. Are there any economic conditions or recent developments that affected the RIZ's operations? (inflation, interest rates, technological changes)			
13. Are there any special regulatory or reporting requirements that apply? (Single Audit)			
14. Is the RIZ economically dependent on a major industry or company such that a change in the industry or company would adversely affect the RIZ?			
15. Has there been a change in state or federal funding that would significantly impact the operations of the RIZ?			
16. Is any aspect of the RIZ profit motivated?			
17. Have there been any significant changes in the function or responsibilities of the RIZ?			
18. Do the financial statements require use of significant accounting estimates or fair value determinations?			
19. Does the RIZ have multiple locations for significant operations?			

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PROCEDURES	DONE BY	REMARKS
<p>20. Complete the fraud risk assessment form.</p> <p>21. Document the following on the audit strategy form.</p> <ul style="list-style-type: none"> a. Identify material account balances and classes of transactions. Consider preliminary planning materiality as well as qualitative matters such as volume of transactions, susceptibility of assets to theft, etc. b. Assess the inherent risk by assertion for each of the material account balances and classes of transactions identified above and document the results. c. Assess control risk. d. Considering the understanding obtained of the RIZ (including its environment and internal controls) and the determination of inherent and control risks, assess the risks of material misstatement (whether due to fraud or error) at financial statement and relevant assertion levels and assess detection risk. e. Document overall responses to the risks identified and the design of further audit procedures (audit approach). f. If Single Audit is applicable, identify the major federal programs using the Single Audit - Audit Strategy form. g. Identify the material account balances and classes of transactions applicable to major federal programs. h. Identify the compliance requirements applicable to each major federal program. i. Indicate whether test of controls are applicable or comment on whether controls do not exist or cannot be tested. <p>22. Identify other matters considered in determining the audit strategy.</p> <p>23. Identify any matters that could increase the risk of material misstatement of the financial statements due to errors, fraud and other non-compliance.</p>		