

CITY 2018 Audit Programs

June 30, 2018 or the _____ Months Ended _____

CASH AND INVESTMENTS

PROCEDURE	DONE BY	W/P REF	N/A	REMARKS
<p>Procedures:</p> <p>A. Observe cash on hand, if any.</p> <p>B. Obtain one (1) monthly Clerk's report provided to the City Council and determine the report foots and trace ending fund balances to the general ledger. Determine if the report contains all transaction classes and beginning and ending fund balances.</p> <p>NOTE: A "Clerks report" is a monthly report showing receipts, disbursements, transfers and balances for each fund and in total. Total fund balance for all funds should reconcile to the City's bank reconciliation.</p> <p>C. Cash In Bank and Investments:</p> <ol style="list-style-type: none"> 1. Determine whether bank reconciliations are performed monthly. NOTE: The reconciliations should reconcile all bank and investment accounts to total fund balance for all funds. A bank reconciliation is not a summary of bank activity with a list of cleared transactions. 2. Determine whether bank reconciliations are reviewed by an independent person. 3. Obtain bank reconciliations for two (2) months and perform the following: <ol style="list-style-type: none"> a. Verify reconciling items to support. b. Foot the bank reconciliation(s). c. Consider confirming bank account and investment balances. d. Obtain a list of outstanding checks at the end of the selected month(s). Ensure the list of outstanding checks includes check number, amount and date written for each listed check and verify listed outstanding checks cleared the bank after the selected month(s). e. Determine reasonableness of outstanding check that did not clear in the following month. 4. Trace reconciled balance for selected months to general ledger account balances and to monthly reports provided to the City Council. Report variances identified. 5. If any bank reconciliations are not performed, perform reconciliation for at least one month. <p>NOTE: It may be helpful to perform reconciliation for a second month to determine whether the variance, if any, noted in the first reconciliation is isolated.</p>				

