REVIEW GUIDE FOR WATER PROGRAMS AUDITS

DATE REPORT RECEIVED		DATE REVIEW COMPLETED	DATE ENTERED IN RCFTS				
REVIEW	APPROVED (SIGNATURE)		TITLE				
BASED UPON MY REVIEW, THE AUDIT IS CONSIDERED: ACCEPTABLE - ACCEPTABLE - UNACCEPTABL SIGNIFICANT F			- MINOR FOLLOW-UP				
• 0	rganization Name:						
• Ci	• City: County:						
• Ty	ype of Organization: P	ublic Body: Nonprofit: _	Indian Tribe:				
• A	uditor's Name:		Audit Date:				
REVIEW ITEMS SHOULD BE RESPONDED TO AS FOLLOWS: Y (YES); N (NO); N/A (NOT APPLICABLE). REVIEW ITEMS REQUIRING WRITTEN EXPLANATION SHOULD BE REFERENCED BY ITEM NUMBER AND DETAILED IN THE NOTES BELOW.							
General Review							
		Review Item	Response				
1.	Was the audit report and 150 days of the end of th	accompanying information receive borrower's fiscal year?	ed within				
2.	Does the audit report cov	er a 12-month period?					

Auditor's Report

	Review Item	Response		
3.	Did the auditor sign and date the Auditor's Report?			
4.	Does the Auditor's Report include a statement that the audit was conducted in accordance with generally accepted auditing standards (GAAS) and generally accepted government auditing standards (GAGAS)?			
5.	Does the Auditor's Report include a statement that the financial statements were prepared in accordance with generally accepted accounting principles (GAAP)? Note: If the financial statements were prepared on a basis other than GAAP, did the auditor disclose the nature of the variance (i.e., cash basis, modified cash basis)?			
6.	Did the auditor issue an unqualified opinion? Note: If an unqualified opinion was not issued, did the auditor disclose the reason(s) for the qualification in the Auditor's Report?			
Financial Statements				
	Review Item	Response		
7.	Did the borrower submit a complete set of financial statements:			
	a. Balance Sheet/Statement of Financial Position;			
	b. Statement of Revenue and Expense/Statement of Activities;			
	c. Statement of Cash Flows.			

Financial Statements

	Review Item	Response
8.	Does a review of the financial statements disclose any items that require follow-up by Rural Development (i.e., unusual items, negative balances, etc.)?	
9.	Does the audit report contain the following supplemental reports:	
	 Report on Compliance and Internal Control Based on an Audit Performed Under GAGAS; 	
	b. Schedule of Findings and Questioned Costs; and	
	c. Corrective Action Plan.	
10.	Did the auditor sign and date the Report on Compliance and Internal Control Based on an Audit Performed Under GAGAS?	
11.	Does the Report on Compliance and Internal Control include a statement that the audit was conducted in accordance with generally accepted government auditing standards (GAGAS)?	
12.	Do the notes to financial statements disclose any significant deficiencies, noncompliance with RUS regulations, contingent liabilities, illegal acts, or other items that require follow-up by Rural Development?	
	Audit Resolution	
	Review Item	Response
13.	Did the auditor issue audit findings that require follow-up by the borrower?	

	Audit Resolution	
	Review Item	Response
14.	If audit findings were issued, did the borrower submit a corrective action plan that addresses each audit finding?	
15.	Are there any items in the corrective action plan, Report on Compliance and Internal Control, or Schedule of Findings and Questioned Costs that require follow-up by Rural Development?	
<u>REF</u>	No. REVIEW NOTES (Detail deficiencies, telephone contacts, follow-up	o, etc.)