

Engagement Excellence >>>

Responsibilities and Timeline

AGREE

 Develop and agree on written terms of engagement with the client



OBTAIN

 Obtain information about client's accounting and financial reporting system



ASSESS

 Assess the risk of material misstatement, whether due to error or fraud



 Design and perform audit procedures based on assessed risk of material misstatement



CONCLUDE

 Analyze results, draw conclusions, and form an opinion about the financial statement



REPORT

 Prepare and issue audit opinion and other communications to prescribed recipients



6 months before audit

- Discuss audit schedule
- Sign and return engagement letter
 - Schedule the audit
 - Send engagement letter
 - Provide core policy assertion letter template

Prior to client's fiscal year-end

 Audit preparation list and sample documents provided to client (via binder, Portal, or email)

Maximum of 90 days after close of financial year

- Finalize all financial transactions
- Prepare financial statements per SDA Accounting Manual

1 month prior to On-site Time

- Audit preparation items provided to auditor
- Sign & return policy assertions on letterhead
 - Review files for completeness



2 weeks prior to On-site Time

- Respond to auditor queries
 - Review client documents
 - Determine if client is ready OR
 - Consider need to withdraw



2 weeks prior to On-site Time

- Sign accounting agreement if needed
- Discuss accounting services if needed OR
- Start withdraw process and required communication

Audit Preparation >

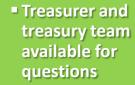


2 weeks prior to On-site Time



Audit planning and risk assessment performed





 Work on audit procedures at auditor's office

Audit On-site Time

- Officers available for Entrance meeting
- Treasury team available for queries
 - Audit procedures at client office

End of On-site Time— if all audit issues resolved



- Exit interview (if no pending items)
- Close of Engagement (COE)



OR

End of On-site Time— if pending audit issues



Sign audit extension

- Audit status meeting

 discuss pending
 items and deadlines
- Prepare engagement extension letter

Engagement Extension - maximum 30 days

- Provide documentation as needed for pending items
 - Auditor resolution of pending/open items

Audit Performance >



Close of Audit Extension



Exit Interview

- Exit Interview (all outstanding issues resolved)
- Close of Engagement (COE)

From COE to a maximum of 53 days



 Respond to audit inquiries as needed

- Prepare audit reports
- Audit Quality review
- Report approval
- Auditor follow up

From COE to a maximum of 53 days

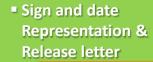
- Draft report released to officers
- Draft letter for Representation & Release provided to officers for signature

Week after Draft release



- Client reviews draft report
- Contact auditor with any questions

No later than 60 days after COE



 Audit report released to management and chair of audit committee

No later than 60 days after audit report release

- Provide report to audit committee
- Provide auditor with responses to findings shared with audit committee

Audit Reporting



