



Pre-Audit Communications

AUDIT AND COMPLIANCE COMMITTEE

Presented By
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Discussion Outline

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REQUIRED
COMMUNICATIONS

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SIGNIFICANT AUDIT
AREAS

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TIMING/STAFFING

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OPPORTUNITY FOR
EXECUTIVE SESSION



Required AUDITOR COMMUNICATIONS

OUR RESPONSIBILITY

- To express an opinion on the financial statements.
- The audit is designed to obtain reasonable (not absolute) assurance that the financial statements are free from material misstatement.
- To express an opinion on the Organization's compliance with 45 CFR Part 155.

MANAGEMENT'S RESPONSIBILITY

- The preparation and fair presentation of the financial statements.
- Compliance with 45 CFR Part 155.
- We are not a level of internal control.

PLANNING AND PERFORMING THE AUDIT

- We consider internal control, but do not express an opinion on it.
- We perform tests in key audit areas; those tests may change from year to year.



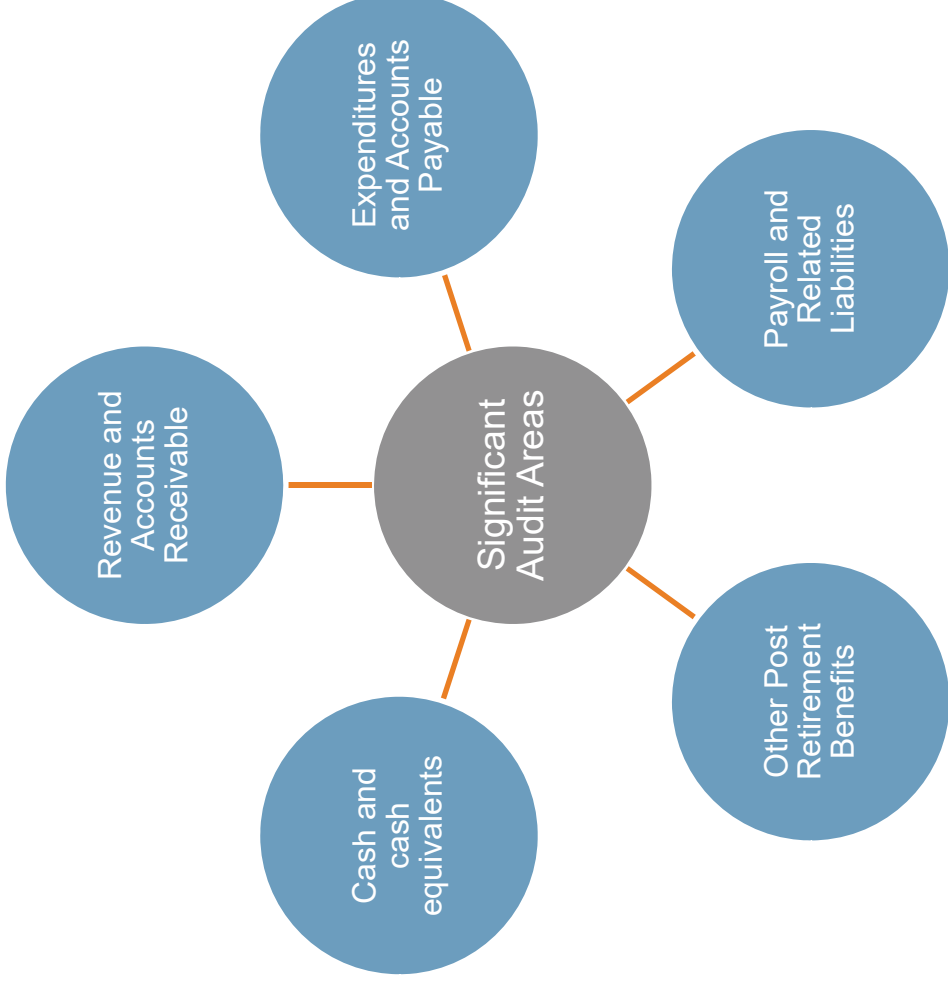
Required AUDITOR COMMUNICATIONS

AUDIT RESPONSIBILITIES, CONCLUDED

- We utilize a risk-based audit approach.
- We will communicate other items to you at the conclusion of the engagement, including:
 - Audit adjustments and passed audit adjustments,
 - Internal control matters, if identified,
 - Difficulties, disagreements, and consultations with other accountants,
 - Aspects of accounting practices, and
 - Management representations.



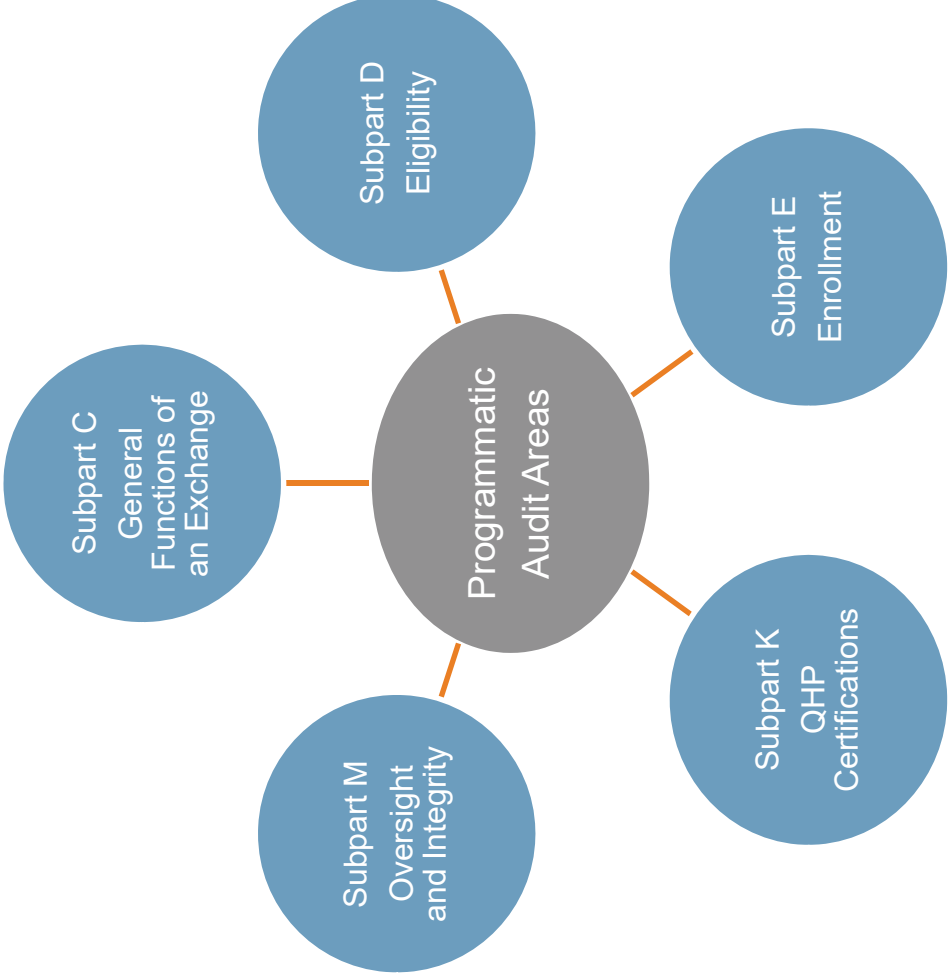
Significant Audit Areas



In addition, we will select some areas and transactions to test in order to preserve the element of unpredictability and to modify our audit approach, as necessary, based on any new information that may come to our attention.



Programmatic Audit Areas





Timing

Planning

Currently underway

Year-End
Fieldwork

Week of August 6th

Draft
Reports

By September 15th

Audit
Presentation

October 17th



Timing - Programmatic Audit

Fieldwork/Interviews
Week of September
10

Draft Reports and
Related Letters
By March 15, 2019

Final Programmatic
Audit Reports
By March 29, 2019



Planning Questions

- Any knowledge of fraud or suspected fraud?
- Views on the risk of fraud?
- What are higher risk areas from your perspective?
- Any instances of noncompliance with laws and regulations?
- Any lawsuits?
- Any commitments or contingencies?
- Any board votes that might have an impact on the financial statements for 2018? Any significant changes in operations or policy?
- Any other events, internal or external, that could have a financial impact on WAHBE?
- Any other items to discuss?



Contact Us

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This report/communication is intended solely for the information and use of the Audit and Compliance Committee and management and is not intended to be, and should not be, used by anyone other than these specified parties.