

DESK REVIEW FOR 2009-2010 AUDITS OF SCHOOL DISTRICTS
(WHEN NO SINGLE AUDIT IS REQUIRED)

SCHOOL CODE:		SCHOOL DISTRICT:					
AUDIT FIRM:				DATE REVIEW STARTED:			
AUDIT ACCEPT: A AR S SI		QCR BOA DATE:		N/A		DATE REVIEW COMPLETED:	
DATE F/S REC'D:		RECEIVED MANAGEMENT LETTER				AUDITOR:	
		Y N					
Condition F,RC, NC,II	To:	Date of Follow- up	Date Response Received	Amount Question Costs	Amount Received	Condition Resolved Y N P	Second Request Date
NOTES:							
RPT		MGMT CO				AUTHORIZER	

I. Schedule of Findings and Questioned Costs:

1. Number of Findings Current Year? _____
 Number of Findings Prior Year? _____
 Questioned Costs Per Audit? \$ _____
 Check last year's desk review Y N/A

2. Internal Control Weaknesses

A. Significant Deficiencies _____	C. Material Noncompliance _____
B. Material Weaknesses _____	D. Management Letter Comments _____

3. Is the school district's response required? Yes ___ No ___
 If yes, is response included in the report? Yes ___ No ___
 Acceptable? Yes ___ No ___ Follow up Action (Use schedule above)

II. Financial Statements:

1. Financial statement presentation and note disclosures:

A. MD&A? Pp. _____	Yes ___	No ___
B. Government wide F/S?	Yes ___	No ___
C. Complete and comply with GAAP?	Yes ___	No ___
D. Balance Sheet contains required funds? Pp. _____	Yes ___	No ___
E. Balance Sheet contains accrued liabilities?	Yes ___	No ___

2. Comparison of General Fund balance between audit and FID-Per FID\$ _____
 If fund deficit, when was DEP approved? _____ -Per Audit \$ _____

3. Transfer from School Service Fund to General Fund? If so, reference and identify – is it allowable?
Transfer from Debt Service Fund to General Fund? If so, reference and identify – is it allowable?
4. Notes/reports disclose questioned/unsupported costs material or significant to the financial statements: Yes ___ No ___ If yes, are they reflected appropriately in notes and reports? Yes ___ No ___ If no, reference and identify.
5. Material/significant violations of finance - related legal and contractual provisions (deficit(s), excess of expenditures over appropriations in individual funds, etc.))
Yes ___ No ___ Reference and identify, if not appropriately reflected in the notes, reports and schedules.
Line items:

	Rev
	Exp
	Trans
	GF Fund Bal

III. Review of Reports and Schedules:

1. Auditor's opinion on the financial statements:

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Unqualified	Qualified	Adverse	Disclaimer of Opinion

2. Opinion or explanatory information has material or significant effect on the financial statements. Yes ___ No ___ If yes, reference and explain.

3. REPORTS: Mark "X" for the acceptable, make notes for follow-up.

Acceptable

- () Auditor's Report on the Financial Statements
- () Compliance Report Based on the Examination of the Basic Financial Statements
- () Report on Internal Controls Related to the Financial Statements
- () Other reports--fraud, abuse or illegal act is Discovered or suspected (N/A)

All applicable reports are included and acceptable Yes _____ No _____

4. SCHEDULES: Mark "X" for the acceptable, make notes for follow-up.

Acceptable

- () A. Schedule of Findings & Questioned Costs (N/A)
- () (1) Presentation of findings

DEFINITIONS FOR CONCLUSIONS ON THE DESK REVIEW FORM

Acceptable - The report is usable without change or with minor changes. The report generally meets the objectives of the audit and needs of the users. The auditor has substantially complied with State and Federal requirements and professional standards. Examples include (1) the report does not identify intended users, (2) the schedule of federal financial assistance includes erroneous project numbers, (3) a report letter includes items that are not applicable and (4) footnotes are missing.

Acceptable with Reservation - The report is acceptable or usable by MDE with additional explanations or assurances from the auditor. The audit is not in complete compliance with State or Federal requirements or professional standards, however, the auditor has committed to making the corrections in the subsequent audit. Errors do not have a significant impact on the audit for most users, therefore, revised reports are not required. Examples include (1) the Schedule of Federal Financial Assistance does not have additional columns as required by the Manual, (2) the report is lacking a schedule of Federal Financial Assistance provided to subrecipients and (3) the subsequent audit is being done and the auditors have corrected the problem.

Substandard - The report/audit requires major changes. It requires correction and reissuance of one or more report letters or schedules. The deficiencies diminish the reliability and usability of the report. Examples of these types of deficiencies include (1) failure to identify the categories of internal control, (2) insufficient information in audit findings, (3) programs not tested, (4) significant violation of the 50% rule and (5) report is missing.

Significantly Inadequate - The report contains deficiencies that make the audit report unusable for fulfilling one or more objectives of the audit. The deficiencies are material and pervasive in nature. The deficiencies are identified with several report components. Examples of this type of deficiency include (1) the lack of a required report component and failure to provide it to the Department upon request, and (2) the auditor or audit organization does not meet the qualification standard.