AP-10: Audit Program for General Planning Procedures

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| Entity's Name: | Balance Sheet Date: |

| Audit Objectives | Audit Procedures for Consideration | N/A Performed by and Date | Workpaper Index |
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|  | **AUDIT OBJECTIVES** |  |  |
|  | 1. The audit has been properly planned, including developing an audit strategy, making an appropriate assessment of audit risk, and developing an audit plan. When applicable, subsequent changes to planning matters have been appropriately considered and documented. Audit procedures are appropriately performed and documented. |  |  |
|  | 1. Engagement team members have been properly directed and supervised. |  |  |
|  | 1. The audit documentation and planning procedures have been reviewed in accordance with firm policies. Sufficient appropriate audit evidence has been obtained. |  |  |
|  | 1. The firm’s quality control procedures for independence and other ethical requirements, client and engagement acceptance and continuance, human resources, and engagement performance have been followed. |  |  |
|  | **IDENTIFICATION CODES** |  |  |
|  | The letters preceding each of the above audit objectives (e.g., A, B, etc.) serve as identification codes. These codes are presented in the left column labeled "Audit Objectives" when a procedure accomplishes an objective. If the alpha code appears in a bracket (e.g., [A], [B], etc.), the audit procedure only secondarily accomplishes the objective. If an asterisk (\*) precedes a procedure, it is a preliminary step or follow-up step. |  |  |
| A, D | 1. Prior to other significant audit activities, perform client acceptance or continuance procedures by completing or updating . | JMW 6/28/2024 | **1100.00** |
| A | 1. Verify the type of audit requested by management. | JMW 6/28/2024 | See below |
| A | * 1. If the client has elected to have an ERISA Section 103(a)(3)(C) audit, and if not already done in conjunction with completing or updating , perform the following: | JMW 6/28/2024 | **1100.00** |
| A | * + 1. Ask plan management how it determined that the institution preparing and certifying the investment information is a qualified institution. | JMW 6/28/2024 | **1320.20**  **1320.30** |
| A | * + 1. Evaluate management’s assessment based on the relevant information in the DOL rules and regulations. | JMW 6/28/2024 | Assessed  **1320.30** |
| A | * + 1. If there are concerns about the certifying institution being a qualified institution, discuss the concerns with plan management. If management’s response is not considered sufficient to support the institution being a qualified institution, discuss the concerns with those charged with governance and determine the implications for the audit. | JMW 6/28/2024 | No concerns noted |
| A | 1. Obtain and read the plan instrument. Review correspondence files; permanent files; and prior period workpapers, financial statements, Form 5500 and related schedules, and auditor’s reports. Also read any current year interim financial statements, plan amendments, contracts, agreements, relevant ERISA, IRS, or DOL pronouncements, and plan correspondence with or reports from the IRS, DOL, trustees, investment advisors, insurers, etc. Request and inspect any correspondence with the IRS, DOL, or other relevant regulatory authorities. | JMW 6/28/2024 | See perm file at tab 2300 for Plan docs |
| A | 1. Determine whether the plan uses a service organization and if the service organization’s services are relevant to the preparation of the financial statements and its controls are significant to the plan’s system of internal control. If yes, perform the appropriate procedures in . | JMW 6/28/2024 | See tab 1305 for service organization docs |
| A | 1. Determine whether it will be necessary to use the work of an actuary or other specialist. If yes, see the Other General Planning Procedures section of this audit program for additional guidance on the following:  * Using the work of an auditor’s specialist. * Using the work of a management’s specialist. * Using specialists on the engagement team. | JMW 6/28/2024 | N/A - NDN |
| A | 1. Determine whether it will be necessary to obtain audited financial statements of trustees or insurance companies holding plan assets or with which the plan has insurance contracts. If necessary, make arrangements to obtain such statements. | JMW 6/28/2024 | N/A – NDN |
| A | 1. Perform the following to assess the location of records and the use of other auditors: | JMW 6/28/2024 | N/A – Records held at one location. Other auditors not used. |
| A | * 1. Consider whether it will be necessary to apply certain (agreed-upon) procedures at the plan sponsor or at other locations, such as selected employers participating in a multiemployer plan. | JMW 6/28/2024 | N/A – See above |
| A | * + 1. If you decide to have another auditor apply and report on the results of agreed-upon procedures for use as audit evidence, apply the procedures for Involvement of Another Office, Correspondent, or Affiliate, in the Other Procedures section of this program. | JMW 6/28/2024 | N/A – See above |
| A | * + 1. Make any necessary arrangements with the other auditor, including reaching an understanding about the procedures to be performed. | JMW 6/28/2024 | N/A – See above |
| A | * + 1. If another auditor is not able to apply the procedures, consider the need to visit the plan sponsor or participating employers to apply the procedures, and make arrangements to do so. | JMW 6/28/2024 | N/A – See above |
| A | 1. Establish and document an overall audit strategy that sets the scope, timing, and direction of the audit and the resources needed to perform the engagement. Consider the reporting objectives and other communication requirements. | JMW 6/28/2024 | **1100.20** |
| A, D | 1. Establish and document an understanding with the client by performing the following procedures: | JMW 6/28/2024 | See below |
| A, D | * 1. Provide an engagement letter to the client and obtain an acknowledgment. (See the letters at and .) | JMW 6/28/2024 | **1700.10** |
| A, D | * 1. If nonattest services are or will be performed for the client, complete to determine whether such services would create an independence threat. | JMW 6/28/2024 | **1100.40** |
| A, D | * 1. Discuss the type, expected scope, and timing of the audit with management. Also discuss the adequacy of working space for the audit team, access to client records, and assistance, if any, to be provided by the client. | JMW 6/28/2024 | **1700.10**  **1800.10** |
| A | 1. Communicate your responsibilities under GAAS to those charged with governance by performing the following: | JMW 6/28/2024 | See below |
| A | * 1. Communicate an overview of the planned scope, timing of the audit, including the nature and timing of expected communications, and significant risks. | JMW 6/28/2024 | **1700.10**  **1800.10** |
| A | * 1. If there have been any updates to the significant risks communicated to those charged with governance as part of the overview, or any additional significant risks identified, communicate such items to those charged with governance in a timely manner, in writing. | JMW 6/28/2024 | None noted |
| A, C | 1. Perform the following risk assessment procedures: | JMW 6/28/2024 | See below |
| A, C | * 1. Obtain and document an understanding of the plan, its environment, and the applicable financial reporting framework, and identify risks by completing or updating . | JMW 6/28/2024 | **1100.10** |
| A, C | * 1. Complete to document your engagement team discussion about the susceptibility of the plan’s financial statements to material misstatements due to fraud or error and the application of GAAP to the plan’s facts and circumstances. | JMW 6/28/2024 | **1100.20** |
| A, C | * 1. Complete to document your inquiries of management and others about risks of material misstatement (including fraud risks, related-party transactions and relationships, significant unusual transactions, and compliance with laws and regulations). If found, perform procedures in the Related-party and Prohibited Transactions and Significant Unusual Transactions section of . | JMW 6/28/2024 | **1100.30** |
| A, C | * 1. Obtain and document an understanding of the entity’s system of internal control by completing or updating , (for each significant transaction class and related aspects of the financial reporting process; for the entity’s IT environment; and for the design and implementation of identified controls), (for identified controls), , or (for each walkthrough performed), and (if relying on a SOC 1 report). | JMW 6/28/2024 | See tab 1200 |
| A, C  \* | * 1. Apply and document preliminary analytical procedures by (1) comparing account balances for the current period to similar amounts in the prior period annual financial statements or other expectations and (2) performing analytical procedures specifically related to contributions and, for a non-Section 103(a)(3)(C) audit, investment income to identify potential fraudulent financial reporting. Identify unusual or unexpected balances or relationships and consider whether matters identified have financial statement and audit planning implications, such as whether they indicate a higher risk of material misstatement due to error or fraud.  1. Complete to perform a retrospective review of accounting estimates reflected in the prior year financial statements to determine whether their outcome or subsequent reestimation indicates risks of material misstatement of current year accounting estimates or a possible bias on the part of management that may represent a risk of material misstatement due to fraud. If possible bias is identified, evaluate whether the circumstances represent a risk of material misstatement due to fraud. | JMW 6/28/2024  JMW 6/28/2024 | **1100.70**  NDN |
| A | 1. Determine and document materiality levels by completing . | JMW 6/28/2024 | **1100.60** |
| A | 1. Assess the risk of material misstatement at both the financial statement level and the relevant assertion level as follows: | JMW 6/28/2024 | See below |
| A | * 1. Develop your responses by completing . | JMW 6/28/2024 | **1200.20** |
| A | * 1. Evaluate the assessed risks of material misstatement and the appropriateness of the determination that a material audit area is not a significant audit area. Determine whether these decisions remain appropriate or revise your risk assessment accordingly. | JMW 6/28/2024 | Appropriate |
| A, D | 1. Develop an audit plan by performing the following procedures: | JMW 6/28/2024 | See below |
| A, D | * 1. Prepare audit work programs for each significant audit area covered by the audit, giving effect to the risk assessment, audit approach, and other responses summarized at . | JMW 6/28/2024 | See audit programs throughout Gen 4  **1200.20** |
| A, D | * 1. Tailor the audit programs to respond to the assessed risk of material misstatement. | JMW 6/28/2024 | See audit programs throughout Gen 4 |
| A, D | * 1. Ensure that the selection of audit procedures from year to year incorporates an element of unpredictability and consider adding documentation of how the audit team has incorporated or plans to incorporate the unpredictability. | JMW 6/28/2024 | **1330.30** |
| A, D | * 1. For any relevant assertions at that have a reduced control risk assessment (less than high) because of an expectation of the operating effectiveness of controls being tested or because substantive procedures alone will not provide sufficient appropriate audit evidence, perform tests of controls to support your risk assessment. Tests of controls can be documented using . | JMW 6/28/2024 | No reduced control risk |
| A, B, D | 1. Determine staffing assignments based on consideration of staff competence and capabilities, as well as audit risk. Discuss the audit objectives, audit strategy, audit plan responsibilities, and key dates with the engagement team. | JMW 6/28/2024 | **1100.20**  **1100.50** |
| B, C | 1. Obtain partner approval of the overall audit strategy, audit work programs, evaluation of the competence and capabilities of the engagement team members, staff assignments, and, if applicable, time budgets. | JMW 6/28/2024 | **1000.20**  **1000.30**  **1100.50** |
| [A] | 1. Consider the need to apply one or more additional procedures. | JMW 6/28/2024 | No additional procedures deemed necessary |
|  | Conclusion |  |  |
| \* | We have performed procedures and obtained sufficient appropriate audit evidence to achieve the audit risk assessment and planning objectives. The procedures performed, evidence obtained, and our conclusions are adequately documented. (If you are unable to conclude on any objective, prepare a memo documenting your reason and the implications for the engagement, including the audit report.) | JMW 6/28/2024 | See above |
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