

Performance of Agreed Upon Procedures March 29, 2012

Executive Committee
Virginia Local Government Auditors Association

Authority and Scope

The Bylaws of the Virginia Local Government Auditors Association (VLGAA) Article VI, Section 1 states, "The president shall appoint an audit committee to perform an annual audit of the Association's financial accounts and records. The Annual Audit Report shall be communicated to the Association's membership in the newsletter." The Audit Committee was appointed by the VLGAA President to audit the VLGAA financial records for the period from January 1, 2011, to December 31, 2011.

Audit Process

The responsibilities of the Audit Committee, according to the Operations Manual, were to: audit all Association financial records and prepare an annual audit report for submission to the Executive Committee; review and test controls over reported income and expense activities; and maintain a file of records and correspondence to pass on to any successor at the close of the Association year.

- A proof of cash was performed for the VLGAA checking account and money market account at Wells Fargo (successor bank to Wachovia). All sections of the proof of cash reconciled. There were no outstanding transactions at year end.
- All deposit receipts agreed to bank statement deposits and the database accounting records. VLGAA conference attendance records provided accurate information. All interest earnings were recorded properly.
- All disbursements per the checkbook register agreed to bank statements and the database accounting records. All checks issued had supporting documentation.

Opinion

Based upon the performance of the Agreed Upon Procedures for the Review of VLGAA Financial Activities for the period from January 1, 2011, to December 31, 2011, receipts were recorded, disbursements were made, and records were maintained in accordance with stated operational procedures.

A 2011 proof of cash and a comparative schedule of dues, interest and seminar income, disbursements and cash balances for the calendar year ended December 31, 2010, and December 31, 2011, are attached.

Recommendations

While all deposits were verified to bank records, collections should be promptly deposited in accordance with VLGAA bylaws – "monthly except when total collections on hand exceed \$500; in that case, the funds will be deposited within one week."

Overall, the Treasurer is commended for a job well done.



Chris Pietsch
2011 Audit Committee