

**EXTERNAL AUDITOR ANNUAL AUDIT PLAN  
FISCAL YEAR END JUNE 30, 2013**



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**I. Audit Team**

**II. Audit Timeline**

A. Fieldwork

- Interim: May 20, 2013 – June 28, 2013
- Year-end: August 26, 2013 – November 1, 2013

B. Risk and Audit Committee Presentation

- November 2013
  - Independent Auditor's Report (Basic Financial Statements)
  - Report to the Risk and Audit Committee (required communications)
  - Verbal Summary of Management Comments and Recommendations
- March 2014
  - Management Comments and Recommendations Report

**III. Scope of Services and Deliverables**

A. Audit of the Basic Financial Statements

B. Independent Auditor's Report

C. Report to the Risk and Audit Committee (required communications)

D. Management Comments and Recommendations Report

**IV. Independent Auditor Responsibilities**

A. Conduct audit in accordance with auditing standards generally accepted in the United States of America

B. Opine on the basic financial statements

C. Report on the fairness of the supplementary information

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**V. Management Responsibilities**

- A. Prepare financial statements in accordance with applicable accounting and financial reporting standards
- B. Design, implement and monitor internal controls over financial reporting and compliance (laws, regulations, contracts, etc.)
- C. Prepare corrective action plan addressing management comment recommendations made by independent auditor

**VI. Audit Approach**

- A. Risk Assessment
- B. Significant and High Risk Audit Areas
  - i. Investments and Related Income
  - ii. Estimated Insurance Claims Liability
  - iii. Contributions
  - iv. Benefit Payments
  - v. Premium Revenue
  - vi. Claims Expense
  - vii. Actuarial Valuation and Disclosures

**VII. Current Year Accounting Pronouncements**

- A. GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This statement is effective for the periods beginning after December 15, 2011.
- B. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This statement is effective for the periods beginning after December 15, 2011.