



# Internal Review Checklist for Annual Financial Report

(This tool is to assist in determining the accuracy of the financial information that has been prepared by someone other than the reviewer as part of the internal control system used by management)

Schedules and Reports	Reviewed	Comments & Attachments
<input checked="" type="checkbox"/> <b>Annual Report Cover Sheet and Review</b>		
<input type="checkbox"/> Is the current contact information, signature and MCAG number shown?	<input type="checkbox"/>	
<input checked="" type="checkbox"/> <b>Bank Reconciliation</b>		
<input type="checkbox"/> Does the combined fund total ending balance on the financial statements equal the 12/31 bank statements? <b>Attach a copy of the bank statements plus the reconciliation worksheet that shows outstanding checks, deposits in transit, and adjustments.</b>	<input type="checkbox"/>	
<input checked="" type="checkbox"/> <b>C-4/C-5's Financial Statement</b>		
<input type="checkbox"/> Are beginning cash and investments the same as prior year ending? <b>If not, is there a note to the financial statements discussing the correction to the prior year amount? Were these adjustments reviewed by someone other than finance staff?</b>	<input type="checkbox"/>	
<input type="checkbox"/> Is the ending balance (by fund) on the financial statements equal to the ending fund balances for each fund on Schedule 01	<input type="checkbox"/>	
<input type="checkbox"/> Do the revenues and expenditures on the statements equal those on Schedules 01?	<input type="checkbox"/>	
<input type="checkbox"/> Was a C4 prepared for all funds except those funds required to be reported on a C5?	<input type="checkbox"/>	
<input type="checkbox"/> Was a C5 prepared for all fiduciary funds? (primarily applies to cities and counties)	<input type="checkbox"/>	
<input type="checkbox"/> Have beginning and ending fund balances been allocated between "unreserved and reserved" fund balances?	<input type="checkbox"/>	
<input checked="" type="checkbox"/> <b>Notes to the Financial Statements</b>		
<input type="checkbox"/> Have the SAO annual updates been incorporated? (refer to the BARS template)	<input type="checkbox"/>	
<input type="checkbox"/> <b>Note 1</b> – does it <b>only</b> reflect notes that are applicable to your entity?	<input type="checkbox"/>	
<input type="checkbox"/> Have " <b>reserved</b> " fund balances been explained in the notes?	<input type="checkbox"/>	
<input type="checkbox"/> Are support docs attached or referenced to support "reserve" designations?	<input type="checkbox"/>	
<input type="checkbox"/> <b>Note #_ – Budget</b> – Is there a separate budget note? Does it include all amendments adopted throughout the year? Have the budget note numbers been reconciled to financials?	<input type="checkbox"/>	
<input type="checkbox"/> <b>Note #_ - Component Units, Joint Ventures and Related Parties</b> – does your entity have control (voting majority) or ongoing financial interest or financial responsibility (debt) for a separate organization or governmental entity? If so, has an appropriate note disclosure been included? Does your entity have "related parties" disclosures?	<input type="checkbox"/>	
<input type="checkbox"/> <b>Note #_ – Debt Service Requirements</b> – does the total outstanding debt equal the amortization schedules? Are work papers/excel spreadsheets, etc., available for review?	<input type="checkbox"/>	
<input type="checkbox"/> Does the note segregate between principal and interest, reporting the next 5 years individually and then rolling into 5 year increments thereafter until payoff?	<input type="checkbox"/>	
<input type="checkbox"/> Does the note include <b>all</b> debt that is reported on Schedule 09 (Schedule of Liability)?	<input type="checkbox"/>	
<input type="checkbox"/> Have separate statements within the note been provided for Refunding? Or Debt Guarantees?	<input type="checkbox"/>	
<input type="checkbox"/> <b>Note #_ – External Investment Pool – (Counties Only)</b> Does your county sponsor an investment pool for the investment of surplus funds of monies of special purpose districts and participating cities/towns? Has a note disclosure been provided?	<input type="checkbox"/>	



<b>☑ Schedule 01 – Detail of Expenditures</b>		
<input type="checkbox"/> Is the grand total of actual expenditures (excluding ending fund balances) for each fund equal to the total expenditures on the financial statements?	<input type="checkbox"/>	
<input type="checkbox"/> Is there only one (1) general fund being reported?	<input type="checkbox"/>	
<input type="checkbox"/> Is there only one (1) proprietary fund reported for each activity that reflects all operations? <input type="checkbox"/> Ex. Water Operations + Water Reserve + Water Debt Service = Water Fund	<input type="checkbox"/>	
<input type="checkbox"/> Is there a regular review or monitoring of expenditures to feel confident that the distribution of expenses such as payroll has been appropriately recorded to the fund in which the expense actually occurred? <b>Explain</b>	<input type="checkbox"/>	
<input type="checkbox"/> Have ending fund balances been recorded in each fund?	<input type="checkbox"/>	
<input type="checkbox"/> Have ending fund balances been allocated between "unreserved and reserved" fund balances?	<input type="checkbox"/>	
<b>☑ Schedule 06 – Schedule Summary of Bank Reconciliation (cities only) NOTE: Replaces Schedule 07 and 11</b>		
<input type="checkbox"/> Has Schedule 06 been prepared and replaced Schedules 07 & 11 (CITIES/TOWNS ONLY)?	<input type="checkbox"/>	
<input type="checkbox"/> Are the beginning bank balance the same as the beginning bank statements on 1/1?	<input type="checkbox"/>	
<input type="checkbox"/> Has all of the bank deposits and withdrawals been entered for the year?	<input type="checkbox"/>	
<input type="checkbox"/> Have reconciliation items been considered and entered onto Schedule 06?	<input type="checkbox"/>	
<input type="checkbox"/> Does the "unreconciled variance" (Item #23) equal zero?	<input type="checkbox"/>	
<b>☑ Schedule 07 - Disbursement Activity (counties only) NOTE: May be replaced by Schedule 06</b>		
<input type="checkbox"/> Is the beginning balance the same as the ending balance from the prior year?	<input type="checkbox"/>	
<input type="checkbox"/> Does the total disbursements equal the total on Schedule 11?	<input type="checkbox"/>	
<input type="checkbox"/> Have there been allocations to the Prior Year and Current Year Open Periods?	<input type="checkbox"/>	
<input type="checkbox"/> Do the Open period totals equal the approvals made by Council?	<input type="checkbox"/>	
<b>☑ Schedule 09 - Liabilities</b>		
<input type="checkbox"/> Does the schedule reflect ALL outstanding debt and liabilities? <ul style="list-style-type: none"> <li>○ Compensated Absences (including 941 tax liability, PERS, etc)</li> <li>○ Liabilities for landfills closure and post closure</li> <li>○ Notes payable (BANs, TANs, GANs, etc.)</li> <li>○ Loans and other payment to other governments</li> <li>○ Miscellaneous debt (lines of credit, etc.)</li> <li>○ Environmental liabilities (pollution remediation)</li> <li>○ Claims and judgements (if any)</li> </ul>	<input type="checkbox"/>	
<input type="checkbox"/> Pension Liability – have the number been verified to the DRS PEFI report?	<input type="checkbox"/>	
<input type="checkbox"/> Does it include installment sales contracts and lease-purchase agreements?	<input type="checkbox"/>	
<input type="checkbox"/> Are the beginning balances the same as the ending balance from the prior year? If not have, were the adjustments reviewed by someone other than the treasurer?	<input type="checkbox"/>	
<input type="checkbox"/> Does amount reported as "reduced" equal Schedule 01 principal payment BARS code?	<input type="checkbox"/>	
<input type="checkbox"/> Does the amount reported as "additions" equal Schedule 01 loan proceeds code?	<input type="checkbox"/>	
Do the ending balances equal the Lending agency annual statement of loan activity? <b>Attach copies of year end statements</b>	<input type="checkbox"/>	

<input checked="" type="checkbox"/> <b>Schedule 11 -Statement of Cash Activity – for Counties only NOTE: may be replaced by Schedule o6</b>		
<input type="checkbox"/> Ending fund balance equal the combined total of all funds "ending cash" on C4 + C5	<input type="checkbox"/>	
<input type="checkbox"/> Does the ending fund balance for each fund Schedule 11 = ending fund balance on Schedule 01	<input type="checkbox"/>	
<input checked="" type="checkbox"/> <b>Schedule 15 and 16 -Schedule of Expenditures of State &amp; Federal awards</b>		
<input type="checkbox"/> Has a separate schedule been prepared for federal awards and state awards?	<input type="checkbox"/>	
<input type="checkbox"/> Is there support documentation that equals the amounts shown on the Schedule 16?	<input type="checkbox"/>	
<input type="checkbox"/> Did the city receive a federal loan? If so, are the loan proceeds shown?	<input type="checkbox"/>	
<input checked="" type="checkbox"/> <b>Schedule 19 - Labor Relations Consultant(s)</b>		
<input type="checkbox"/> Was this mandatory schedule completed?	<input type="checkbox"/>	
<input checked="" type="checkbox"/> <b>Schedule 20 - Sales and Use Tax for Public Facilities – Rural Counties</b>		
<input type="checkbox"/> Required in Counties Only (except King, Pierce and Snohomish)?	<input type="checkbox"/>	
<input checked="" type="checkbox"/> <b>Schedule 21 - Risk Management</b>		
<input type="checkbox"/> Required if you have self-insured programs such as unemployment (Ex. reimbursable agreements with ESD), worker's compensation or other forms of self-insurance.	<input type="checkbox"/>	
<input checked="" type="checkbox"/> <b>Schedule 22 - Questionnaire for Audit Assessment</b>		
<input type="checkbox"/> Required for most special purpose districts and those entities that either have average annual revenues less than \$300,000 or do not receive an on-site audit.	<input type="checkbox"/>	
<b>Print Name of Reviewer:</b>		<b>Date of Review:</b>
<b>Signature of Reviewer:</b>		