

Town of Los Gatos

Audit Plan Summary

JUNE 30, 2024



Chavan and Associates, LLP
Certified Public Accountants

ATTACHMENT 1

Audit Process

1 • Audit Planning & Preparation

2 • Audit Execution

3 • Audit Reporting

4 • Follow-up

Auditing Standards

- **AICPA's Statements on Auditing Standards**
- **GAO/GAGAS**
- **Auditor's Objective**
- **Reasonable Assurance**
- **Materiality**

Significant Areas and Risk Areas - Interim

- Federal compliance: **Pending**
- Cash receipts. **No Exceptions, 3 sites and 26 transactions.**
- Payroll and payroll allocations between departments, funds and sources. **Sampled 10 employees over four pay periods and recalculated their pay in addition to onboarding controls testing and position control.**
- Disbursements and purchases. **Sampled 33 transactions with zero deviations.**
- Credit cards. **Sampled 5 employees with zero deviations.**
- Bid testing. **Sampled 5 contracts/projects.**
- Measure G. **Tested 73% of the total spent as of interim with no exceptions.**

Significant Areas and Risk Areas - Year-end

- Journal Entries
- Cash and Investments
- AR and Revenue
- Capital Assets
- Interfund Transactions
- Accounts Payable and Expenditures
- Pensions and OPEB

Timeline

- Interim testing done
- Year-end testing 10/9
- Year-end exit conference 10/13
- List of recommendations 10/20
- List of audit adjustments 10/20
- Draft reports and letters 10/30
- Final reports and letters 11/20
- Report to commission and council as needed.

Questions

