



OFFICE OF THE  
STATE AUDITOR

# Preparation Checklist

Revised February 2021

## Fraud Risk Assessment

Refer to the Implementation Guide for more detailed explanations of concepts and criteria. See [resources.auditor.utah.gov/s/article/Fraud-Risk-Assessment-Implementation-Guide](https://resources.auditor.utah.gov/s/article/Fraud-Risk-Assessment-Implementation-Guide)

To complete the assessment, identify or obtain the following:

1. Name of the Board/Council Chair Jay Capener
2. Name of the Clerk/Finance Officer Jamie Williams
3. Name of the Treasurer Lyle Holmgren
4. Copies of credit/purchasing card statements, payments and supporting documentation.
5. Copies of bank reconciliations for all bank accounts and related bank statements.
6. Copies of the following policies if they existed during the assessment period:
  - a. Conflict of Interest
  - b. Procurement
  - c. Ethical Behavior
  - d. Reporting fraud and abuse
  - e. Travel
  - f. Credit/Purchasing Cards
  - g. Personal use of entity assets
  - h. IT and computer security
  - i. Cash receipting and deposits
7. Copy of the CPA's license, if there is a CPA who is a member of the staff. Provide the contract for a contract accountant who is a CPA. Do not provide the independent auditor's CPA license. The independent auditor is not management.
8. Copy of the diploma if a member of the staff has a bachelor's degree in accounting (not required if documentation was provided for number 7 above).
9. Copies of the commitment to ethical behavior by the officials/officers of the entity.
10. Copies of the training certificate for the Office of the State Auditor board member training completed during the last 4 years.
11. Documentation (certificates, agendas, etc.) demonstrating that a member of the management team had at least 40 hours of financial training during the last year.
12. Copy of the internal audit plan for the assessment period.
13. Name of the internal auditor and a list of duties. If contractually performed, provide a copy of the contract.
14. Copies of any internal audit reports issued during the assessment period or last year, whichever is longer.
15. Copy of the audit committee charter.
16. A list of audit committee members during the assessment period.
17. Minutes or agendas for audit committee meetings. If meetings are confidential, a list of action items from those meetings will suffice.

# Fraud Risk Assessment

Continued

\*Total Points Earned: **375**/395 \*Risk Level: Very Low Low Moderate High Very High  
> 355 316-355 276-315 200-275 < 200

	Yes	Pts
1. Does the entity have adequate basic separation of duties or mitigating controls as outlined in the attached Basic Separation of Duties Questionnaire?	✓	200
2. Does the entity have governing body adopted written policies in the following areas:		
a. Conflict of interest?	✓	5
b. Procurement?	✓	5
c. Ethical behavior?	✓	5
d. Reporting fraud and abuse?	✓	5
e. Travel?	✓	5
f. Credit/Purchasing cards (where applicable)?	✓	5
g. Personal use of entity assets?	✓	5
h. IT and computer security?	✓	5
i. Cash receipting and deposits?	✓	5
3. Does the entity have a licensed or certified (CPA, CGFM, CMA, CIA, CFE, CGAP, CPFO) expert as part of its management team?	✓	20
a. Do any members of the management team have at least a bachelor's degree in accounting?	✓	10
4. Are employees and elected officials required to annually commit in writing to abide by a statement of ethical behavior?		20
5. Have all governing body members completed entity specific (District Board Member Training for local/special service districts & interlocal entities, Introductory Training for Municipal Officials for cities & towns, etc.) online training ( <a href="http://training.auditor.utah.gov">training.auditor.utah.gov</a> ) within four years of term appointment/election date?	✓	20
6. Regardless of license or formal education, does at least one member of the management team receive at least 40 hours of formal training related to accounting, budgeting, or other financial areas each year?	✓	20
7. Does the entity have or promote a fraud hotline?	✓	20
8. Does the entity have a formal internal audit function?	✓	20
9. Does the entity have a formal audit committee?	✓	20

\*Entity Name: Bear River Water Conservancy District

\*Completed for Fiscal Year Ending: 2025 \*Completion Date: 10/9/2025

\*CAO Name: Chance Baxter \*CFO Name: Lyle Holmgren

\*CAO Signature: \_\_\_\_\_ \*CFO Signature: \_\_\_\_\_

\*Required

# Basic Separation of Duties

See the following page for instructions and definitions.

	Yes	No	MC*	N/A
1. Does the entity have a board chair, clerk, and treasurer who are three separate people?	✓			
2. Are all the people who are able to receive cash or check payments different from all of the people who are able to make general ledger entries?			✓	
3. Are all the people who are able to collect cash or check payments different from all the people who are able to adjust customer accounts? If no customer accounts, check "N/A".			✓	
4. Are all the people who have access to blank checks different from those who are authorized signers?	✓			
5. Does someone other than the clerk and treasurer reconcile all bank accounts OR are original bank statements reviewed by a person other than the clerk to detect unauthorized disbursements?			✓	
6. Does someone other than the clerk review periodic reports of all general ledger accounts to identify unauthorized payments recorded in those accounts?	✓			
7. Are original credit/purchase card statements received directly from the card company by someone other than the card holder? If no credit/purchase cards, check "N/A".	✓			
8. Does someone other than the credit/purchase card holder ensure that all card purchases are supported with receipts or other supporting documentation? If no credit/purchase cards, check "N/A".	✓			
9. Does someone who is not a subordinate of the credit/purchase card holder review all card purchases for appropriateness (including the chief administrative officer and board members if they have a card)? If no credit/purchase cards, check "N/A".	✓			
10. Does the person who authorizes payment for goods or services, who is not the clerk, verify the receipt of goods or services?	✓			
11. Does someone authorize payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".	✓			
12. Does someone review all payroll payments who is separate from the person who prepares payroll payments? If no W-2 employees, check "N/A".	✓			

\* MC = Mitigating Control