

Exhibit to Agenda Item # 1

SMUD 2020 Financial Statement External Audit Plan.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, December 8, 2020, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

Sacramento Municipal Utility District

Finance & Audit Committee Meeting – 2020 Financial Statement Audit Plan

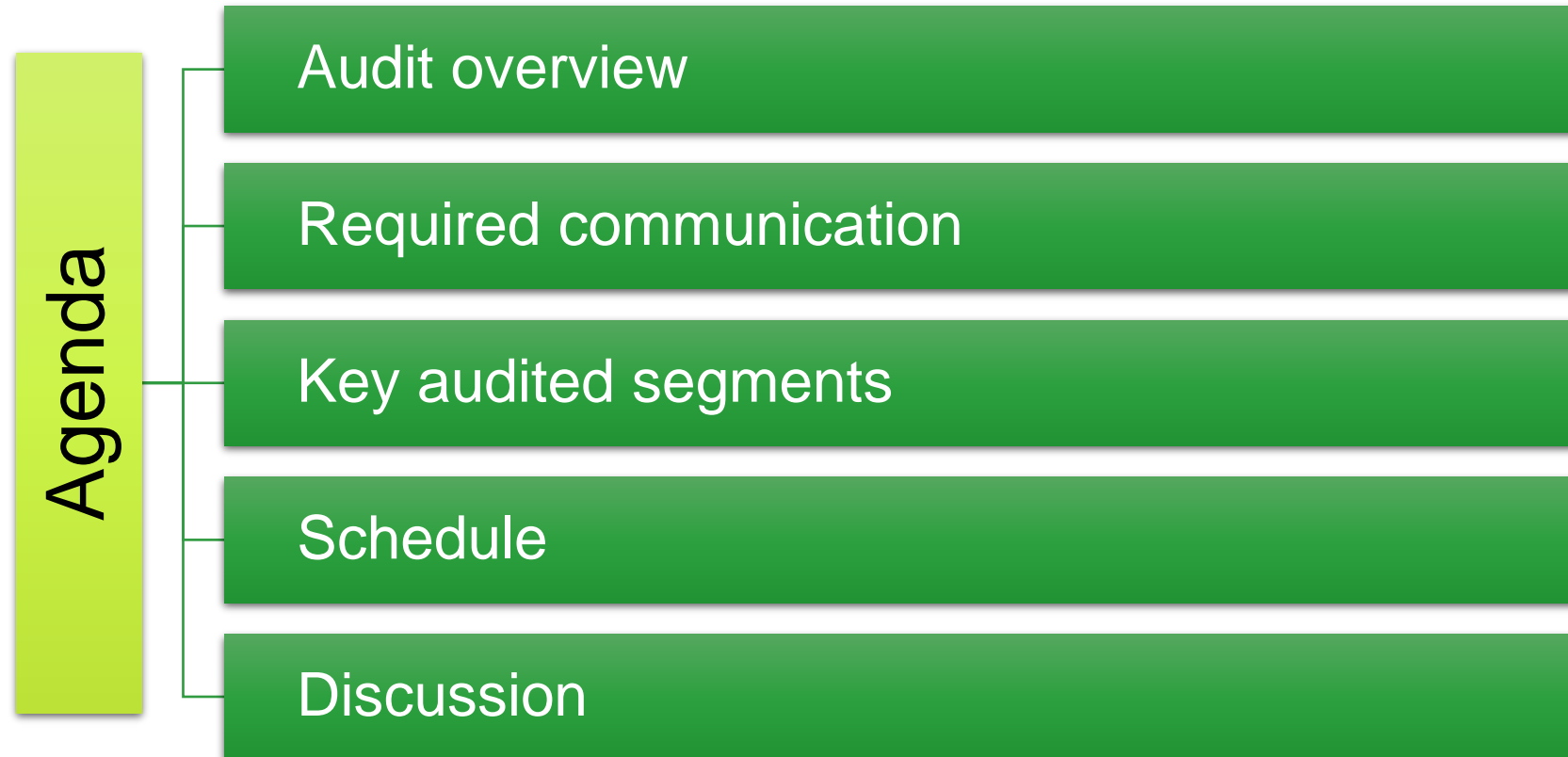
December 8, 2020



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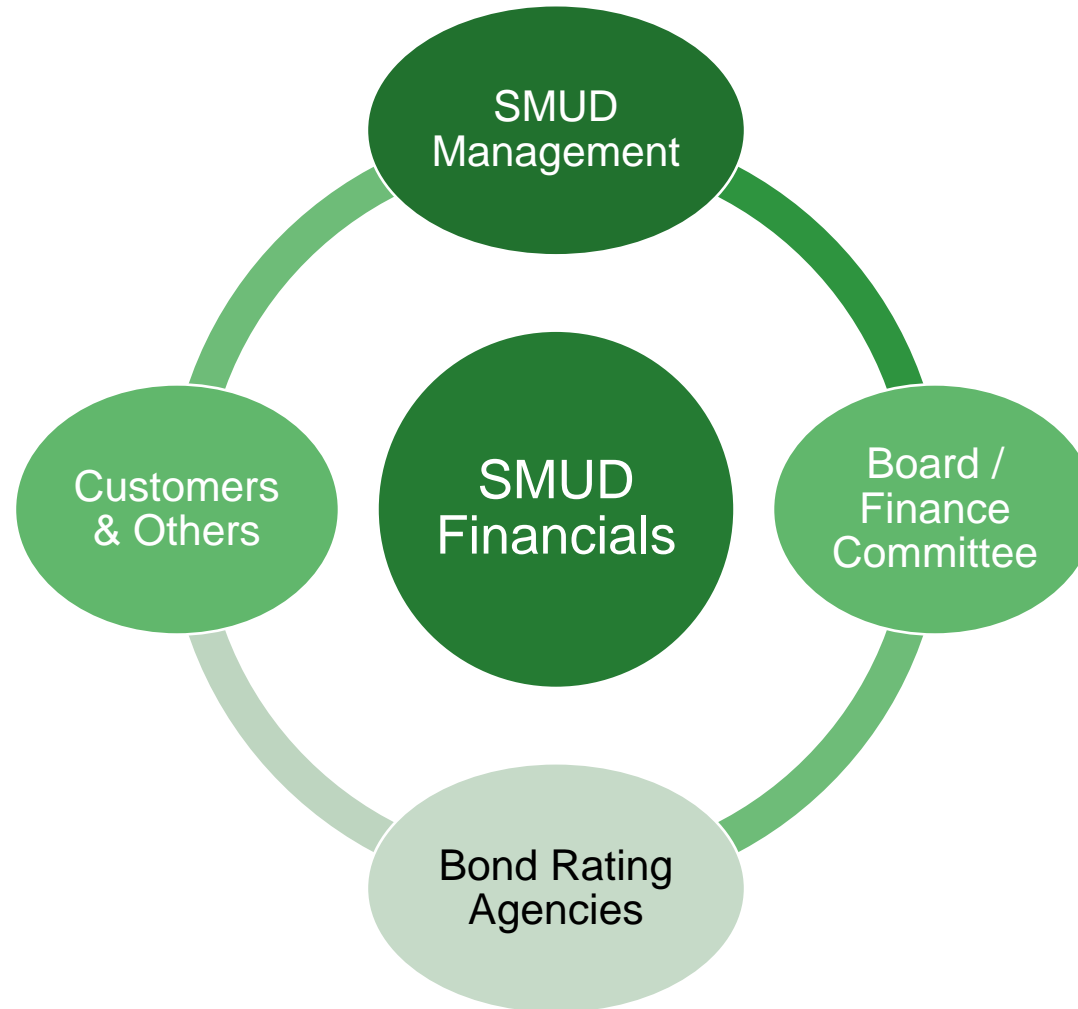


SMUD Pre-Audit Discussion



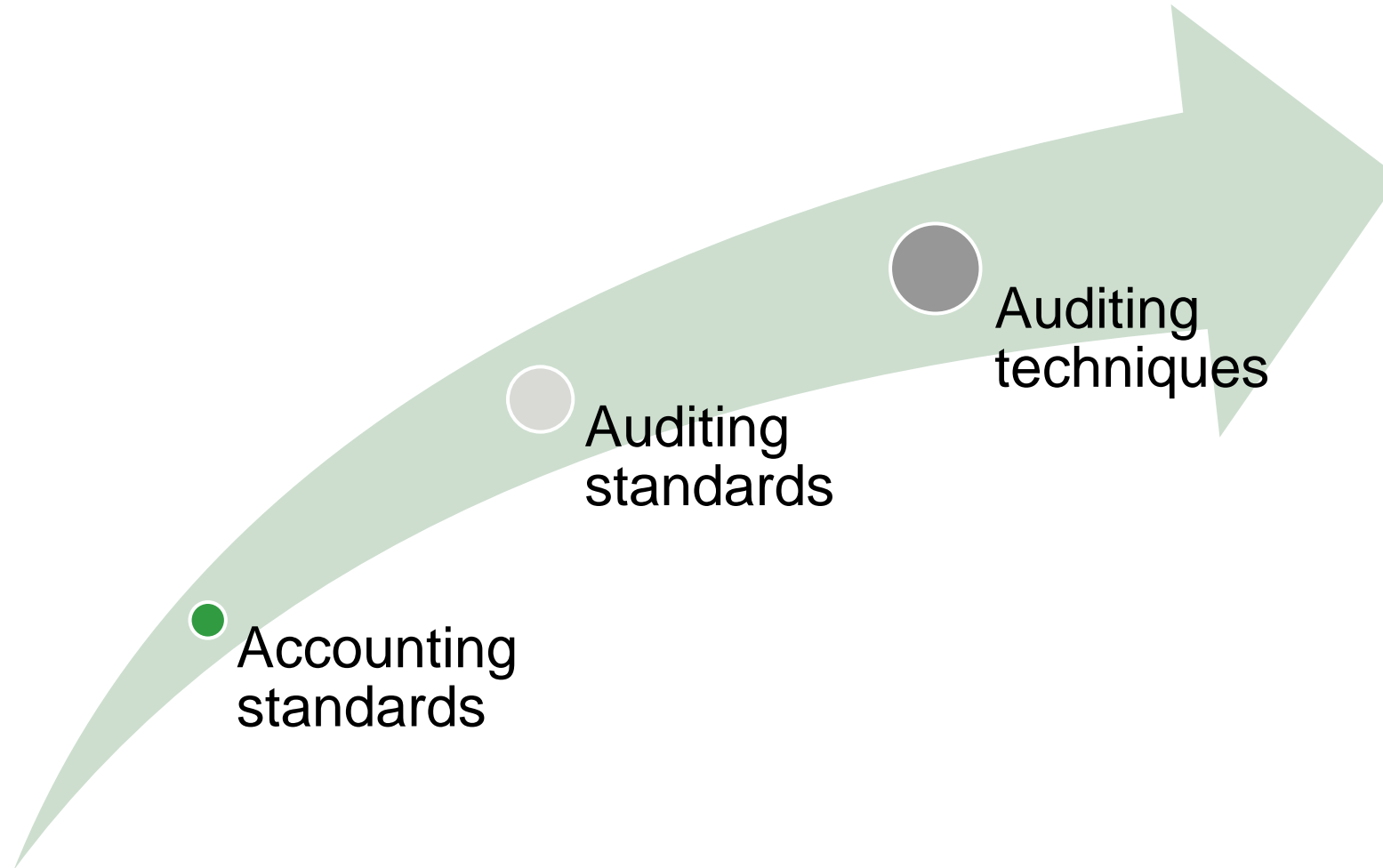
SMUD

Who's reading our financial statements?

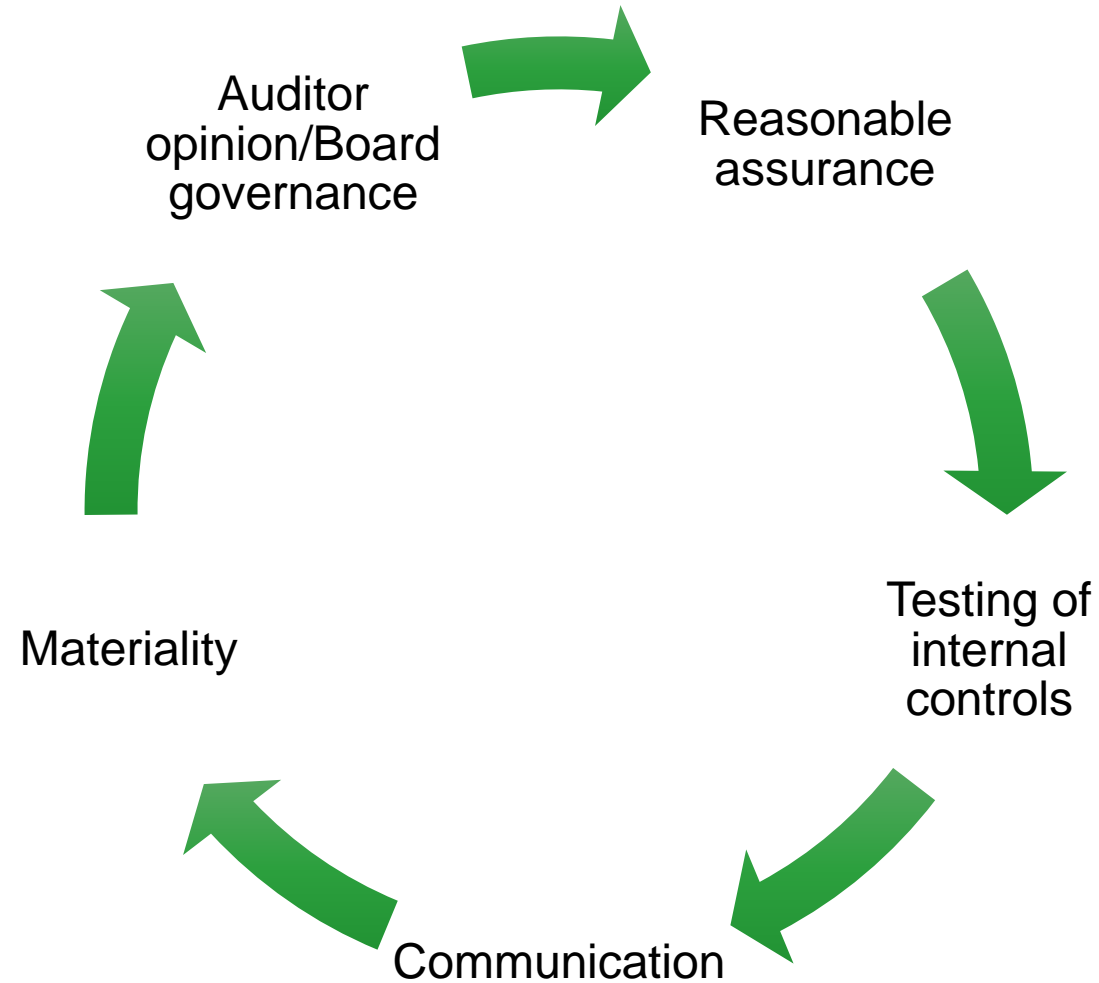


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What's new in the accounting and auditing world?

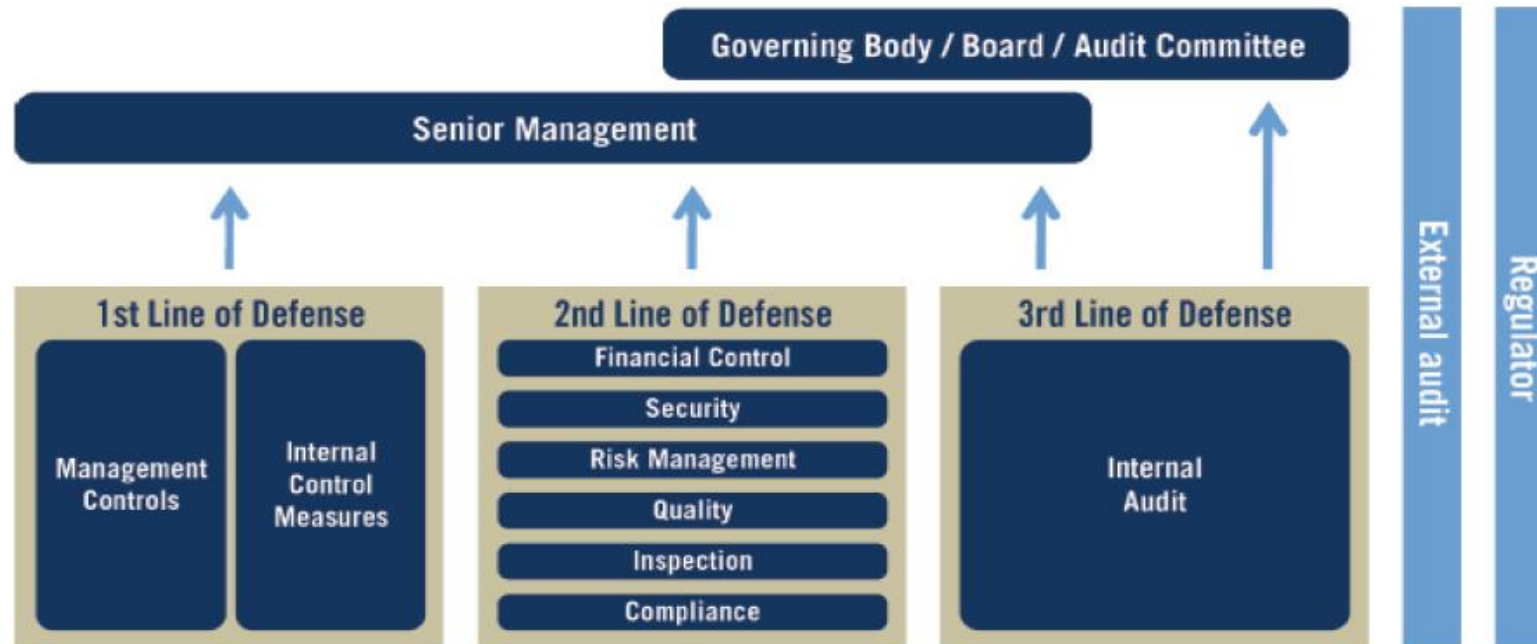


SMUD Required Auditor Communication



Audit Work Plan Main Areas of Audit Focus

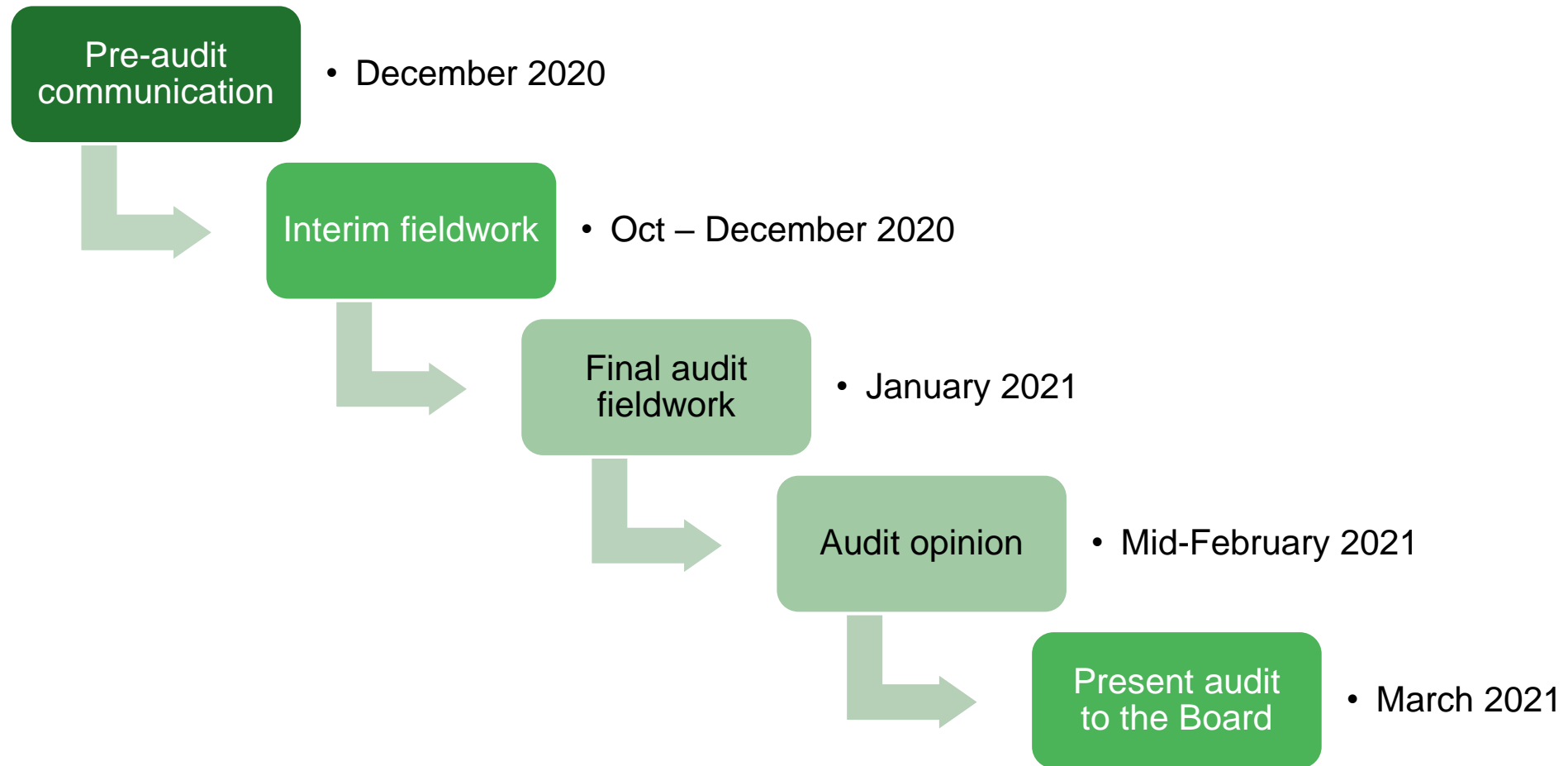
Area of Focus	Area of Focus
Control environment	Internal controls
Information technology	Cash and investments
Regulatory assets and liabilities	Derivative contracts
Fixed assets	Revenues and receivables
Expenditures and payables	Financing and debt
Cost of production	Compliance with laws and regulations
Payroll	Contracts and contingencies
Financial reporting	Board and Finance Committee presentations



Institute of Internal Auditors' Three Lines of Defense in Effective Risk Management and Control

We encourage Board and Finance Committee input into the audit process – areas for further review and focus on controls, areas of concern, areas for further financial reporting and analysis, and areas of compliance with laws and regulations.

SMUD Audit Schedule – 2020 Audit



We appreciate the help of the SMUD
Accounting and Audit and Quality Services
team in assisting in the audit!





Discussion

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