

SOUTHERN CALIFORNIA



**ASSOCIATION of
GOVERNMENTS**

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First Vice President

Cheryl Viegas-Walker, El Centro

Second Vice President

Michele Martinez, Santa Ana

Immediate Past President

Greg Pettis, Cathedral City

**Executive/Administration
Committee Chair**

Carl Morehouse, San Buenaventura

Policy Committee Chairs

Community, Economic and

Human Development

Margaret Finlay, Duarte

Energy & Environment

Deborah Robertson, Rialto

Transportation

Alan Wapner, San Bernardino

Associated Governments

MEETING OF THE

AUDIT COMMITTEE

Tuesday, June 10, 2014

10:00 a.m. – 11:00 a.m.

**SCAG Offices
818 W. 7th Street, 12th Floor
Policy Committee Rm. A
Los Angeles, CA 90017
(213) 236-1800**

Teleconference and Videoconference will be available

(Location information included in packet)

If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Carmen Summers at (213) 236-1984 or via email summers@scag.ca.gov.

Agendas & Minutes for the Audit Committee are also available at:

www.scag.ca.gov/committees.htm

SCAG, in accordance with the Americans with Disabilities Act (ADA), will accommodate persons who require a modification of accommodation in order to participate in this meeting. SCAG is also committed to helping people with limited proficiency in the English language access the agency's essential public information and services. You can request such assistance by calling (213) 236-1993. We request at least 72 hours (three days) notice to provide reasonable accommodations. We prefer more notice if possible. We will make every effort to arrange for assistance as soon as possible.

***Audit Committee Membership
June 10, 2014***

Members

1. Hon. Michele Martinez, (**Chair**)
2. Hon. Carl Morehouse, San Buenaventura
3. Hon. Cheryl Viegas-Walker, El Centro
4. Hon. Greg Pettis, Cathedral City
5. Hon. Glen Becerra, Simi Valley
6. Hon. Margaret Finlay, Duarte
7. Hon. Leroy Mills, Cypress
8. Hon. Edward H. J. Wilson, Signal Hill

Representing

District 16, SCAG, 2nd Vice-President
District 47, SCAG, President
District 1, SCAG, 1st Vice-President
District 2, SCAG, Imm. Past President
District 46,
District 35
District 18
Gateway Cities COG

Teleconference Locations

Hon. Greg Pettis
Marriott Downtown Hotel
280 W. Jefferson Street
Louisville, KY 40202

Hon. Glen Becerra
Southern California Edison
2244 Walnut Grove Ave.
Rosemead, CA 91770

Hon. Ed Wilson, CPA (Inactive)
Vice Mayor Signal Hill
City Hall
2175 Cherry Ave.
Signal Hill, CA 90755

Videoconference Locations

Imperial County SCAG Office
1405 North Imperial Avenue
Suite 1
El Centro, CA 92243

Orange County SCAG Office
600 South Main, Suite 906
Orange, CA 92863

Ventura County SCAG Office
950 County Square Drive
Suite 101
Ventura, CA 93003

AUDIT COMMITTEE AGENDA JUNE 10, 2014

TIME PG#

The Audit Committee may consider and act upon any of the items listed on the agenda regardless of whether they are listed as information or action items.

CALL TO ORDER & PLEDGE OF ALLEGIANCE

(Hon. Michele Martinez, Chair)

ROLL CALL

PUBLIC COMMENT PERIOD – Members of the public desiring to speak on items on the agenda, or items not on the agenda, but within the purview of the Audit Committee must fill out and present a speaker’s card to the Assistant prior to speaking. Comments will be limited to three (3) minutes per speaker provided that the Chair has the discretion to reduce this time limit based on the number of speakers. The Chair may limit the total time for all public comments to twenty (20) minutes.

REVIEW and PRIORITIZE AGENDA ITEMS

SELECTION OF VICE CHAIR

CONSENT CALENDAR

Approval Items

- | | | | |
|---|------------|--|---|
| 1. <u>Minutes of the March 11, 2014 Meeting</u> | Attachment | | 1 |
|---|------------|--|---|

ACTION ITEM

- | | | | |
|---|------------|--------|---|
| 2. <u>FY 2013-14 External Financial Audit Workplan</u> <i>(Basil Panas, Chief Financial Officer)</i> | Attachment | 20 min | 7 |
|---|------------|--------|---|

Recommended Action: Provide direction to SCAG’s External independent auditors concerning their audit of the fiscal year-ending June 30, 2014.

INFORMATION ITEMS

- | | | | |
|---|------------|--------|----|
| 3. <u>Financial Transparency Report</u> <i>(Darin Chidsey, Director, Policy, Strategy & Legislation)</i> | Attachment | 10 min | 25 |
| 4. <u>Internal Audit Status Report</u> <i>(Richard Howard, Internal Auditor)</i> | Attachment | 10 min | 29 |

AUDIT COMMITTEE AGENDA JUNE 10, 2014

TIME PG#

STAFF REPORTS

1. Leyton Morgan, Contracts Manager,
Audit Services Follow-up Report for
RFP 14-018-C1
2. Catherine Kirschbaum, Chief Information Officer,
Debbie Dillon, Deputy Executive Director,
Business Resumption Activities

FUTURE AGENDA ITEMS

Any member or staff desiring to place items on a future agenda may make such a request.

ANNOUNCEMENTS

ADJOURNMENT

Audit Committee
of the
Southern California Association of Governments

March 11, 2014

Minutes

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE AUDIT COMMITTEE. AN AUDIO OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

The Audit Committee held its meeting at the SCAG offices in downtown Los Angeles.

Members Present

Representing

| | |
|--|---|
| Hon. Cheryl Viegas-Walker, El Centro, (Chair) | District 1, SCAG 2 nd Vice-President |
| Hon. Greg Pettis, Cathedral City | District 2, SCAG President (Via Teleconference) |
| Hon. Carl Morehouse, San Buenaventura | District 47, SCAG 1st Vice-President (Via Videoconference) |
| Hon. Glen Becerra, Simi Valley | District 46, SCAG Imm. Past President |
| Hon. Margaret Finlay, Duarte, (Vice Chair) | District 35 |
| Hon. Leroy Mills, Cypress | District 18 |

Members Not Present

| | |
|---------------------------------------|--------------------|
| Hon. Edward H. J. Wilson, Signal Hill | Gateway Cities COG |
|---------------------------------------|--------------------|

CALL TO ORDER & PLEDGE OF ALLEGIANCE

Hon. Cheryl Viegas-Walker, Chair, called the meeting to order at 10:00 a.m.

ROLL CALL

A roll call was taken at 10:00 a.m. It was determined that a quorum was present.

PUBLIC COMMENT PERIOD

None.

REVIEW and PRIORITIZE AGENDA ITEMS

None.

Audit Committee
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Southern California Association of Governments

March 11, 2014

Minutes

CONSENT CALENDAR

Approval Items

1. Minutes of December 4, 2013 Meeting

A MOTION was made (Finlay) and SECONDED (Mills) to approve the Consent Calendar Approval Items. The motion was passed by the following vote:

AYES: Viegas-Walker, Pettis, Finlay, Mills
NOES: None
ABSTAIN: Morehouse

ACTION ITEMS

2. FY 2013-14 External Auditor Selection

Basil Panas, Chief Financial Officer provided a brief overview of the procurement selection process for the FY 2013-14 External Auditor. He noted that interviews of the Proposal Review Committee's (PRC) finalist were conducted on March 10, 2014 and Vasquez & Co., LLC were the auditors selected by the PRC. Mr. Panas explained that the new contract will be structured for one (1) year with two (2) one year options.

Hon. Cheryl Viegas-Walker, Chair, commented that based on the interviews conducted, experience and qualifications, Vasquez & Co., LLC was the top choice of all three PRC members. She noted that because only four (4) out of the 16 firms downloaded the RFP (i.e., indicating interest in it) actually submitted, she requested staff to provide details of a staff inquiry with the 12 firms that did not submit, to ensure that the RFP process is open, fair and transparent.

SCAG staff responded to the comments and questions expressed by the Committee members, including responses pertaining to the audit services budget, a criteria or policy for auditing recruitments, and Peer Reviews conducted for external auditor's work papers. In addition, Mr. Panas reported that a future payroll audit in SCAG's payroll department will be conducted.

A MOTION was made (Becerra) and SECONDED (Finlay) to support the PRC's recommendation for FY 2013-14 External Auditor Selection and make a formal recommendation to the Regional Council. The motion was passed by the following vote:

AYES: Viegas-Walker, Pettis, Becerra, Morehouse, Finlay, Mills
NOES: None
ABSTAIN: None

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Minutes

3. SCAG Financial Reporting

Basil Panas, Chief Financial Officer, reported on the prior request for SCAG staff to review ways to make more available information regarding SCAG's current financial reporting practices, including alternative financial and budget transparency options available in the marketplace, such as an "Open.Gov" subscription service used by other agencies, such as the City of Simi Valley.

Mr. Panas reported that OpenGov.com is a subscription service whereby SCAG would send in an Excel file of financial data on a frequency of SCAG's choosing. He noted that the estimated cost to an agency similar to SCAG would be approximately \$6,000 to \$10,000 annually.

Discussion ensued on the merits or value of subscribing to an external website company in order for SCAG's financial data to be made easily accessible, and on the comments and concerns expressed by the Committee members, including a less costly in-house alternative.

The discussion concluded with Hon. Viegas-Walker, Chair, requesting staff to implement options for creating more transparency regarding SCAG finances.

A MOTION was made (Finlay) and SECONDED (Mills) for SCAG staff to return with options for creating more financial transparency, such as a creating a webpage on SCAG's website devoted to improving the agency's financial transparency. The motion was passed by the following vote:

AYES: Viegas-Walker, Pettis, Becerra, Morehouse, Finlay, Mills
NOES: None
ABSTAIN: None

INFORMATION ITEMS

4. Internal Audit Status Report

Richard Howard, Internal Auditor, discussed highlights of the internal audit report and provided an update on the following:

- Three (3) pre-award contract audits that were completed since the last Audit Committee meeting on December 4, 2013; and
- Three (3) pre-award contract audits that are currently in process.

There were no additional discussions or comments made on this item.

5. Travel Expense Audit Report

Richard Howard, Internal Auditor, provided an update on the audit report of travel expense reimbursements made by SCAG to its employees for the Fiscal Year ended June 30, 2013. He noted the audit revealed that the great majority of the expenses reimbursed were reasonable and

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Minutes

allowable and in conformity with applicable federal and state regulations. There were some expenses that did not conform to SCAG policies, and those were repaid to SCAG.

Discussion ensued on several issues, including details of reimbursable and allowable employee expenses, clarification of the current employee expense policy, and on the comments and concerns expressed by the Committee members, including an allowance or company credit card assistance for Hasan Ikhata, SCAG's Executive Director.

Hasan Ikhata, Executive Director, in response to questions from Hon. Leroy Mills regarding a monthly allowance, asked Richard Howard, Internal Auditor, to review any personal tax ramifications of additional income the allowance would generate.

Debbie Dillon, Deputy Director, Administration, noted that Catherine Kirschbaum, Chief Information Officer, could evaluate how an electronic expense reimbursable submission can be implemented as part of SCAG's Records Management System, which is currently in progress.

Hon. Cheryl Viegas-Walker noted that it was time to review the current travel expense and reimbursement policies and to reintroduce (in a 10-15 minute presentation) the policies to the RC members.

It was the consensus of the Committee to direct staff to send them the web links of the travel expense and reimbursement policies for both SCAG employees and RC members. She also commented that any enhancements in the way expense reimbursements are processed for Hasan Ikhata will be discussed during his annual review process.

6. Project Management Audit Report

Richard Howard, Internal Auditor, provided an update on the Risk Assessment review which was requested by the Audit Committee members at the December 3, 2013 meeting. The Project Management Audit covered the area of efficiency and performance audit on how projects are managed. The review is expected to be completed by June 30, 2014. The results will be made available at the next Audit Committee, date to be determined.

There were no additional discussions or comments made on this item.

FUTURE AGENDA ITEMS

- Employee and Regional Council Expense Reimbursement Policies.
- Enhancements and implementation of an in-house Financial Database website.

STAFF REPORT

Hasan Ikhata Executive Director, expressed appreciation to Hon. Cheryl Viegas-Walker for her commitment and dedication to the Board.

Audit Committee
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Joann Africa reported that staff is in process of recommending modifications to the Regional Council Policy Manual. .

ADJOURNMENT

Hon. Cheryl Viegas-Walker, Chair, adjourned the meeting at 11:15 a.m. The next regular meeting of the Audit Committee will be determined at a later date.

Minutes Approved by:



Basil Panas, Chief Financial Officer
Staff to the Audit Committee

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SOUTHERN CALIFORNIA



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801 S. Grand Avenue, Suite 400, Los Angeles, CA 90017-4646 ♦ Member of the Government Finance Officers Association
♦ (213) 873-1700 ♦ Fax (213) 873-1777 ♦ www.vasquezcpa.com
Contact: Mr. Gilbert Vasquez, CPA ♦ Dated: June 10, 2014

June 10, 2014

Audit Committee
Southern California Association of Governments
818 West Seventh Street, 12th Floor
Los Angeles, CA 90017-3435

Dear Members of the Audit Committee:

We are pleased to have the opportunity to meet with you to present our plan for the audit of Southern California Association of Governments for the year ending June 30, 2014.

This presentation has been prepared to discuss the audit.

We look forward to meeting with you to present this information, address your questions and discuss any other matters of interest to the Audit Committee.

Please feel free to contact me at (213) 873-1706 with any questions you may have.

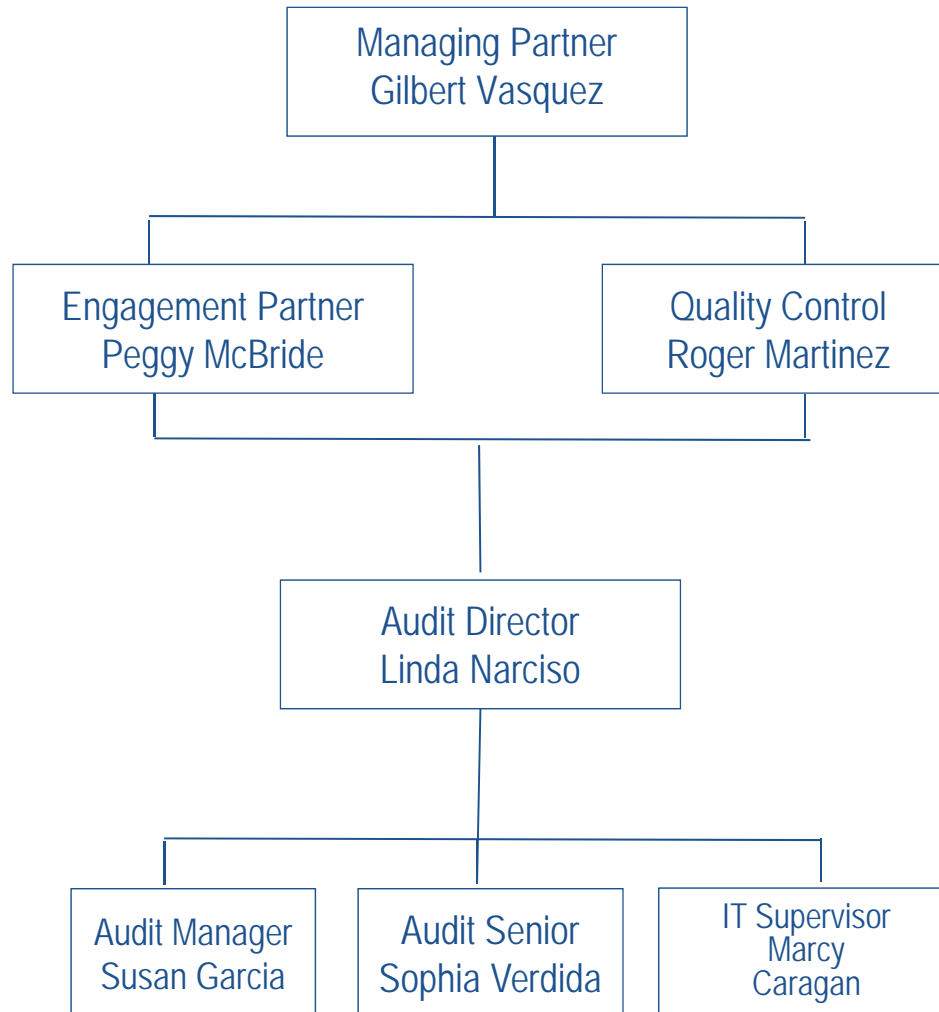
Very truly yours,

Peggy McBride
Engagement Partner
Vasquez & Company LLP

AGENDA

- The Audit Team
- Scope of Services
- Levels of Assurance
- Audit Process
- SCAG and Vasquez Expectations
- Areas of Emphasis and Planned Audit Approach
- Independence
- Audit Timeline
- New GASB Pronouncements
- Questions

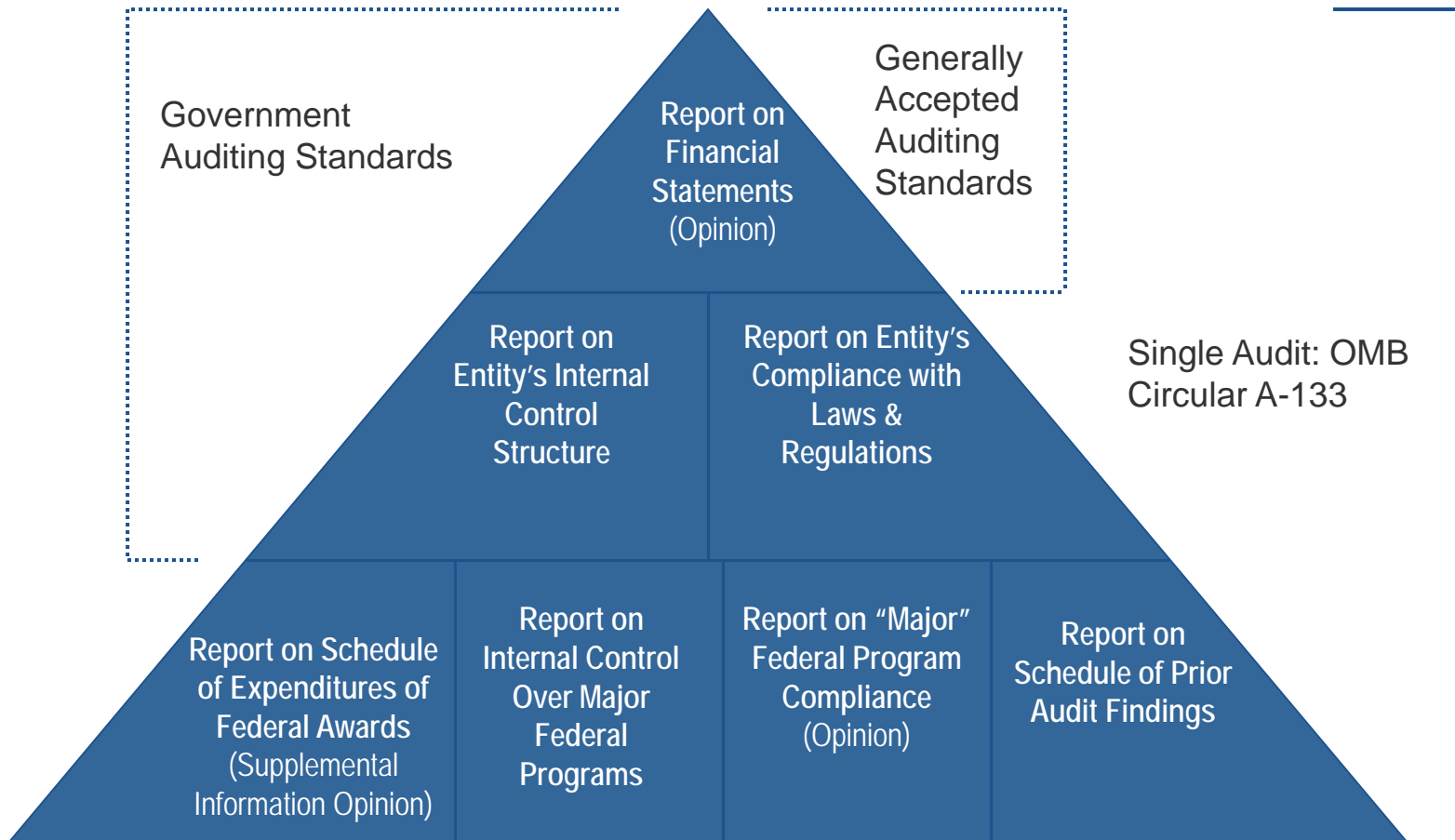
Audit Team



SCOPE OF SERVICES

- Report on Financial Statements
- Report on Compliance and Internal Controls Required by Generally Accepted Governmental Auditing Standards
- Report on Schedule of Expenditure of Federal Awards and on Compliance and Internal Controls as Required by Office of Management and Budget (OMB) Circular A-133

LEVELS OF ASSURANCE



AUDIT PROCESS

- Planning and updating our knowledge of the organization
- Preliminary risk assessments
 - Cash and cash equivalents
 - Revenue, accounts receivable and deferred revenue
 - Expenditures and accounts payable
 - Capital assets

AUDIT PROCESS

- Internal controls testing
 - Billings and cash receipts
 - Procurement and cash disbursements
 - Payroll
 - IT general controls
 - GL maintenance/ closing process
 - Accounting and administrative controls over federal awards

AUDIT PROCESS

- Plan and perform substantive audit procedures
- Conclude as to sufficiency of audit evidence
- Conclude regarding critical accounting matters
- Evaluate the financial statements and disclosures
- Present audit results to Management and the Audit Committee
- Issue Auditor's Reports.

SCAG EXPECTATIONS

We have identified areas that we believe outline SCAG's expectations. Please let us know if you have additional expectations.

- Understand SCAG's business and operating environment.
- Communicate frequently and timely.
- Commit to frequent meetings to discuss critical accounting matters and discuss areas of judgment.
- Maintain high standards of quality with an efficient approach.
- Identify significant audit findings and propose adjustments in a timely manner.
- Perform audits under applicable standards.

VASQUEZ EXPECTATIONS

- Update our staff with the flow of information through the various departments and accounting systems and the system of internal controls.
- Provide requested audit schedules, supporting information and confirmation requests of third parties in a timely manner.
- Take responsibility for all accounting decisions.
- Continue to provide normal and reasonable access to accounting personnel.
- Assist in preparation of the Comprehensive Annual Financial Report (CAFR) and footnotes and take responsibility for preparation of SCAG's Financial Statements*.
- Prepare the management's discussion and analysis, transmittal letter and statistical tables for the CAFR.
- Post appropriate closing entries to minimize the number of audit adjusting entries required.
- Disclose all known or suspected fraud or illegal acts affecting SCAG.
- Complete Vasquez & Company LLP Client Survey Questionnaire.

* If we assist in the preparation of the financial statements SAS 115 requires that we evaluate if it is a control deficiency, a significant deficiency or a material weakness. Further, you will still need to take responsibility for the financial statements.

AUDIT AREAS OF EMPHASIS AND PLANNED APPROACH

| Audit Focus Area | Planned Approach |
|---|--|
| Cash and cash equivalents | <ul style="list-style-type: none"> • Confirm cash and investment balances at year end. • Test bank reconciliation statements. • Test controls over cash receipts and disbursements. |
| Revenue, accounts receivable and deferred revenue | <ul style="list-style-type: none"> • Confirm selected receivables at year end. • Test subsequent collections and perform search for unrecorded revenues. • Perform analytical procedures on revenue accounts. • Test for proper revenue recognition. |
| Expenditures and accounts payable | <ul style="list-style-type: none"> • Perform analytical procedures on expenditure accounts. • Perform search for unrecorded liabilities. |
| Capital assets | <ul style="list-style-type: none"> • Test and evaluation propriety of additions during the year. • Perform test of reasonableness of depreciation. |

AUDIT AREAS OF EMPHASIS AND PLANNED APPROACH

| Audit Focus Area | Planned Approach |
|---|---|
| Procurement | <ul style="list-style-type: none"> • Perform test of controls over procurement. |
| Compliance with grant agreements and OMB Circular A-133 | <ul style="list-style-type: none"> • Test compliance with grant agreements and the requirements set forth in the OMB A-133 Compliance Supplement • Test internal accounting and administrative controls over compliance with major program requirements. |
| Fraud | <ul style="list-style-type: none"> • Inquire of selected management and staff regarding their knowledge of actual, allegations or suspicions of fraud. • Review Form 700 (Statement of Economic Interests) of selected management and Regional Council members. |

INDEPENDENCE

There are no relationships between any of our representatives and SCAG that in our professional judgment may reasonably be thought to bear on independence.

Vasquez & Company LLP meets the independence requirements of the Government Auditing Standards (2011), as published by the United States Government Accountability Office (“Yellow Book”) as it relates to SCAG.

AUDIT TIMELINE

| Description | Responsibility | Scheduled Date |
|--|----------------|----------------------------------|
| Entrance Meeting (presentation of the audit plan to the Audit Committee) | V&Co | June 10, 2014 |
| Entrance meeting with Finance - Interim Work | V&Co/SCAG | June 2, 2014 |
| Interim Work | V&Co | June 2 to June 13, 2014 |
| Entrance conference - Year End | V&Co/SCAG | September 15, 2014 |
| Year End Fieldwork | V&Co | September 15 to October 24, 2014 |
| Exit meeting | V&Co/SCAG | October 24, 2014 |
| Draft report | V&Co | October 27, 2014 |
| Presentation to the Audit Committee | V&Co | November 2014 |
| Final report | V&Co | December 2014 |

NEW GASB PRONOUNCEMENTS

- GASB 66** – Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62 (effective for 2014 audit)
- GASB 67** – Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25. (effective 2014 audit)
- GASB 68** – Financial Reporting for Pension Plans – an amendment of GASB Statement No. 27. (effective 2015 audit)
- GASB 69** – Government Combinations and Disposals of Government Operations (effective for 2015 audit)
- GASB 70** – Accounting and Financial Reporting for Nonexchange Financial Guarantees (effective for 2014 audit)
- GASB 71** – Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68 (effective for 2015 audit)

QUESTIONS AND DISCUSSION

THANK YOU!

We look forward to working closely with you and management during the FY 2013-2014 audit.

CONTACT INFORMATION

➤ Gilbert Vasquez

Email Address: g_vasquez@vasquezcpa.com

Telephone No.: (213) 873-1700 ext.200

➤ Peggy McBride

Email Address: p_mcbride@vasquezcpa.com

Telephone No.: (213) 873-1700 ext.206

➤ Linda Narciso

Email Address: l_narciso@vasquezcpa.com

Telephone No.: (213) 873-1700 ext.243

REPORT

DATE: June 10, 2014

TO: Audit Committee

FROM: Darin Chidsey, Director, Policy, Strategy & Legislation 213-236-1836,
Chidsey@scag.ca.gov

SUBJECT: Financial Transparency

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:

Review the staff recommendation for enhancing SCAG's financial and operational transparency.

EXECUTIVE SUMMARY:

At its meeting on March 11, 2014, the Audit Committee, in its effort to enhance SCAG's financial transparency, directed SCAG staff to explore methods for conveying its budget information to stakeholders in a more meaningful, easy-to-understand manner for agency stakeholders. SCAG staff was asked to review and explore new ways to present the agency's financial information and developed the attached Budget & Finances web page mockup as one way to enhance SCAG's financial transparency online. Staff seeks the committee's review, input and direction on the attached mockup.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan Goal 3: Enhance the Agency's Long Term Financial Stability and Fiscal Management.

BACKGROUND:

At its meeting on March 11, 2014, SCAG's Audit Committee received information on ways for the agency to provide more transparency regarding its budget and finances, and directed staff to refine options for providing more meaningful information about SCAG's budget and finances without using external vendors.

Currently, SCAG's financial information is presented as a list of various PDF documents under the title "Overall Work Program," here <http://www.scag.ca.gov/about/Pages/Overall%20Work%20Program.aspx>. Staff compared this budget presentation format with a number of other of municipal and metropolitan planning organization websites which, to enhance their agency's credibility, are emphasizing financial transparency and displaying their budget and financial information in ways that are clearer and easier for stakeholders to access and understand. Following that review, staff determined that key elements of SCAG's financial information that can be presented in a more user-friendly manner include:

- Composition of SCAG's funding sources, including membership dues
- Progress reports on major SCAG initiatives
- Budget vs. actual on General Fund, Overall Work Program
- Summary budget expenditure information

The attached "Budget & Finances" web page mockup includes sample information about the current budget with links to charts and tables showing anticipated revenues and expenditures. Links to past budget

REPORT

information is also available. Additionally, the mockup shows sample information for the current fiscal year work plan and links to quarterly progress reports.

Staff seeks the Audit Committee's review and input on the attached mockup.

FISCAL IMPACT:

No additional budget will be needed for providing this level of transparency.

ATTACHMENT:

SCAG Budget & Finances web page mockup.

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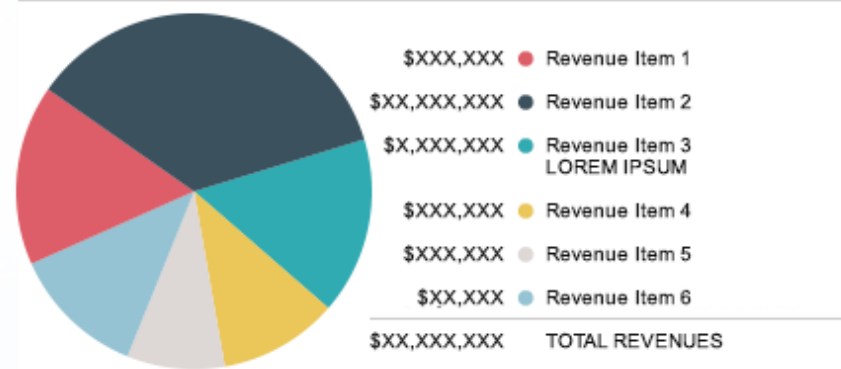
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SCAG Budget & Finances

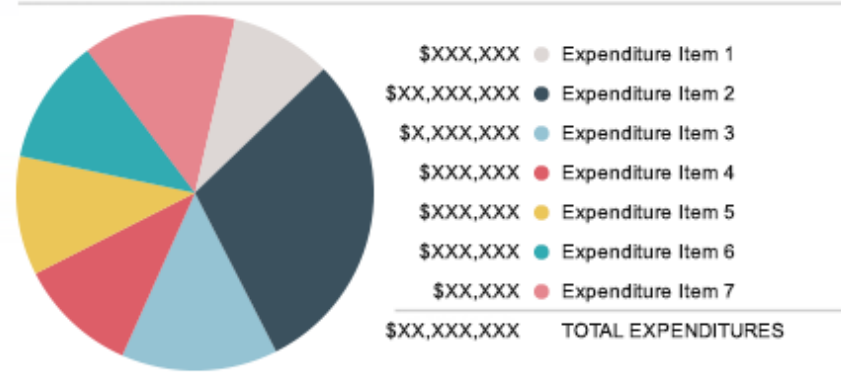
FY 14 Budget

The following charts and tables show SCAG's FY14 budget (PDF), including anticipated revenues and expenditures as approved by the SCAG Regional Council on May 1, 2014. Past budgets are available for FY13, FY12, and FY11. For more information, contact Bernice Villanueva at (213) 236-1892.

SCAG revenues, FY14



SCAG expenditures, FY14



FY 14 Work Plan

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See the [SCAG FY14 work plan and budget document](#). Staff progress reports will be posted quarterly below:

- [SCAG FY14 1st Quarter Staff Report](#)
- [SCAG FY14 2nd Quarter Staff Report](#)
- [SCAG FY14 3rd Quarter Staff Report](#)
- [SCAG FY14 4th Quarter Staff Report](#)

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On this page:

[FY 14 Budget](#)

[FY 14 Work Plan](#)

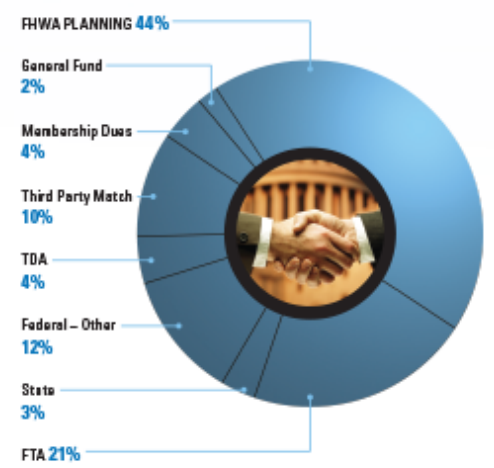
More in this section:

[FY 13](#)

[FY 12](#)

[FY 11](#)

SCAG sources, FY14



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REPORT

DATE: June 10, 2014

TO: Audit Committee

FROM: Richard Howard, Internal Auditor, (213) 236-1905, howard@scag.ca.gov

SUBJECT: Internal Audit Status Report

RECOMMENDED ACTION:

For Information Only – No Action Required.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 3 – Enhance the Agency's Long Term Financial Stability and Fiscal Management.

BACKGROUND:

Since the last Audit Committee meeting March 11, 2014, four pre-award audits of contract proposals were completed.

The four consist of the following:

1. HDR Engineering \$263,284
2. Gruen Associates \$398,660
3. Cambridge Systematics \$374,997
4. BAE Urban Economics \$299,965

There were no questioned costs on the four preawards.

As reported at the meeting in March, an audit of Project Management was started in February 2014 and is continuing. So far, four projects are being reviewed out of 26 that were started and closed in the period of July 2012 through February 2014. Additional projects in the 26 will be reviewed starting July 1st. No major findings have been noted to date.

The Association of Local Government Auditors (ALGA) confirmed that a peer review can be scheduled as early as October 2014. Two staff members of the Accounting Department have been assisting in work paper assembly and review and scanning workpapers in anticipation of a peer review.

The audit workplan for the coming fiscal year includes completion of the Project Management Audit, contract preaward audits and performance audits of the other major areas that the Audit Committee designated in its Risk Assessment Input from last year.

FISCAL IMPACT:

None.

ATTACHMENTS:

None.