Tacoma City of Tacoma Memorandum

**TO:** Elizabeth Pauli, City Manager
**FROM:** Susan Calderon, Assistant Finance Director/Controller
**VIA:** Andy Cherullo, Finance Director
**COPY:** Government Performance and Finance Committee – Audit Advisory Board
**SUBJECT:** State Auditor's Office 2016 Federal and Financial Audit Exit Conference
**DATE:** October 18, 2017

**SUMMARY:**
The Audit Advisory Board meets as needed to review communications from the external auditors. At the October 18, 2017 meeting, the State Auditor's Office (SAO) will conduct a 2016 federal and financial audit exit conference with the Board. The Audit Advisory Board will have the opportunity to review the report, discuss any matters of interest with the external auditors, and provide the auditors and/or staff with direction regarding the audit work. The audits were issued a clean report with results consistent if not better than previous year.

**BACKGROUND:**
Council Resolution 36620 (August 16, 2005) established the Audit Advisory Board and charged it with, among other things, "...ensuring coordination of audit needs of the City Council and the work of independent auditors retained by the City to audit City programs, functions, and activities; making audit management recommendations to the City Council...".

**ISSUE:**
SAO has completed the 2016 audit work for the City of Tacoma and will conduct the audit exit conference. Information provided will include 1) the clean (unmodified) audit opinion given, 2) audit findings, and 3) other required communications with governance.

**ALTERNATIVES:**
None.

**FISCAL IMPACT:**
None.

**RECOMMENDATION:**
The Audit Advisory Board should conduct the audit exit conference with the SAO and provide the auditors or staff with direction regarding the audit work.