



TO: Elizabeth Pauli, City Manager
FROM: Susan Calderon, Assistance Finance Director/Controller
VIA: Andy Cherullo, Finance Director
COPY: Government Performance and Finance Committee; Audit Advisory Board; D'Angelo Baker, City Council Assistant
PRESENTER: Saundra Groshong, State Auditor's Office Audit Manager and Thuy Huynh, State Auditor's Office Assistant Audit Manager
SUBJECT: State Auditor's Office - 2021 Transportation Benefit District (TBD) Exit Financial and Accountability Audit and 2022 Entrance Audit Conference
DATE: June 6, 2023

PRESENTATION TYPE:
Informational Briefing

SUMMARY:

The Audit Advisory Board meets as needed to review communications from external auditors. At the June 6, 2023 meeting, the State Auditor's Office (SAO) will conduct a 2021 Financial and Accountability audit exit conference for the Transportation Benefit District and the City's 2023 Audit Entrance Conference with the Board. The Audit Advisory Board should receive the reports, discuss any matters of interest with the external auditors, and provide the auditors or staff with direction regarding upcoming audit work.

BACKGROUND:

The Audit Advisory Board supports the Government Performance and Finance Committee in carrying out its audit advisory, oversight and liaison functions. These functions include: ensuring coordination of audit needs and working with the independent auditors; making audit management recommendations; and acting as liaison between the City Council and the City Manager's Office with regard to the audits of programs, functions, and activities.

ISSUE:

An audit exit conference is an opportunity for the auditor to present their audit results and address any questions that the Committee and Board may have regarding the reports. SAO has completed the 2021 TBD Financial and Accountability audit and will conduct the audit exit conference. They will provide the following information: (1) the clean (unmodified) audit opinions, (2) audit findings, and (3) other required communications. The committee will then have an opportunity to ask any questions.

An audit entrance conference is an opportunity for the auditor to present their audit plan and seek feedback. SAO is preparing for the City's 2022 audit work and will conduct the audit entrance conference. Information will include (1) the scope and audit process, (2) new reporting requirements and (3) other required communications. SAO will inquire about areas of concern from the committee and answer any questions.

ALTERNATIVES:

This is an information briefing only. There are no alternatives presented.

FISCAL IMPACT:

This is an information briefing only. There is no fiscal impact.

RECOMMENDATION:

This is an information briefing only. There is no recommendation.