



January 11, 2017

To: Finance and Administration Committee

From: Darrell Johnson, Chief Executive Officer
Janet Sutter, Executive Director
Internal Audit Department

Subject: Fiscal Year 2015-16 Auditor's Communication to Those Charged with Governance

Overview

The Orange County Transportation Authority is required to obtain an independent auditor's opinion on its Comprehensive Annual Financial Report, various fund financial statements, schedules, and agreements. Vavrinek, Trine, Day & Company, LLP, an independent accounting firm, conducted the annual audit of the Orange County Transportation Authority's financial statements, schedules, and agreements for fiscal year 2015-16, and has issued reports thereon. Vavrinek, Trine, Day & Company, LLP, as required by United States Generally Accepted Auditing Standards and Office of Management and Budget Circular A-133, has herewith issued its Auditor's Communication to Those Charged with Governance.

Recommendation

Receive and file as an information item.

Background

Pursuant to United States Generally Accepted Auditing Standards and Office of Management and Budget Circular A-133, Vavrinek, Trine, Day & Company, LLP (VTD) is required to communicate significant matters related to its audits of the Comprehensive Annual Financial Report (CAFR), fund financial statements, schedules, and agreements of the Orange County Transportation Authority (OCTA) that are relevant to the responsibilities of those charged with overseeing the financial reporting process.

Discussion

VTD completed its annual audit of OCTA's CAFR, fund financial statements, schedules, and agreements and has issued independent auditor opinions for the fiscal year (FY) ended June 30, 2016. As part of its responsibilities, VTD has also issued documented communication to those charged with governance. The purpose of this communication is to outline the scope and responsibilities of the auditor in relation to the audit, significant findings resulting from the audit, and any difficulties or disagreements with management encountered during the audit.

VTD has indicated they encountered no significant difficulties or disagreements when dealing with management during the course of the audit. VTD's communication to those charged with governance for FY 2015-16 is included herewith as Attachment A.

Summary

In connection with its annual audit of OCTA's CAFR, fund financial statements, schedules, and agreements for FY 2015-16, VTD has issued a letter which provides required communication as to the scope, responsibilities, and observations of the auditor arising during the audit.

Attachment

- A. Letter to the Board of Directors, Orange County Transportation Authority, from Vavrinek, Trine, Day & Company, LLP, signed October 31, 2016

Prepared by:



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Executive Director, Internal Audit
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