



**January 23, 2019**

**To:** Finance and Administration Committee

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

**Subject:** Fiscal Year 2017-18 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 and various fund financial statements. Vavrinek, Trine, Day & Company, LLP, an independent accounting firm, conducted the annual audit of the Orange County Transportation Authority's financial statements for fiscal year 2017-18, and, 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) and fund financial statements 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 and fund financial statements and has issued independent auditor opinions for the fiscal year (FY) ended June 30, 2018. 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 2017-18 is included herewith as Attachment A.

***Summary***

In connection with its annual audit of OCTA's CAFR and fund financial statements for FY 2017-18, VTD has issued a letter that provides required communication as to the scope, responsibilities, and observations of the auditor arising during the audit.

***Attachment***

- A. Letter from Vavrinek, Trine, Day & Company, LLP, to the Board of Directors, Orange County Transportation Authority, dated October 31, 2018

**Prepared by:**



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