



September 9, 2020

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Janet Sutter, Executive Director
Internal Audit Department

Subject: Communications by Independent Financial Statement Auditor

Overview

Crowe, LLP, the independent financial statement auditor of the Orange County Transportation Authority, is in the process of conducting the fiscal year 2019-20 audit. In connection with the audit, Crowe, LLP, is communicating the planned scope and timing of the audit, as well as soliciting input on any matters of which the Board of Directors or the Finance and Administration Committee has knowledge that may have a material bearing on the Orange County Transportation Authority's financial statements for the year ended June 30, 2020.

Recommendation

Receive and file as an information item.

Background

In connection with its annual audit of the Orange County Transportation Authority's (OCTA) financial statements for the fiscal year ended June 30, 2020, Crowe, LLP (Crowe), is required to make certain inquiries and communications.

Discussion

Crowe has prepared a letter (Attachment A) to the Finance and Administration Committee (Committee) and the Board of Directors (Board) of OCTA with the purpose of making certain inquiries and communications. Specifically, Crowe has requested that the Committee and/or the Board inform Crowe of any matters of which the Committee and/or the Board may be aware of that could have a significant impact to the financial statements of OCTA taken as a whole. OCTA

staff has provided the auditors with information related to claims, liabilities, and contingencies; however, the auditors also welcome input from the Committee and the Board on any areas of concern.

Secondly, Crowe is required to provide certain communications to those charged with governance with regard to audit scope and timing. The attached letter reflects Crowe's plan to complete the audit and issue an opinion on the financial statements no later than October 30, 2020.

Summary

OCTA's independent financial statement auditors are making certain inquiries and communications in relation to their audit of the financial statements of OCTA as of June 30, 2020.

Attachment

- A. Letter from Crowe, LLP, to the Board of Directors and Finance and Administration Committee, Orange County Transportation Authority, dated August 10, 2020

Prepared by:



Janet Sutter
Executive Director, Internal Audit
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