

M E M O R A N D U M

TO: Board of Trustees

FROM: Audit Committee
Phil Horan, Kendra Wong and Peter Morris

SUBJECT: Annual Status Report to the IVGID Board of Trustees relative to the Audit Committee Activities for 2018

DATE: May 1, 2019

Matters Relating to the Fiscal Year Ended June 30, 2018:

1. The Audit Committee met December 13, 2017 to ratify the selection of the District's auditor for the year ending June 30, 2018. The Board of Trustees approved that appointment and the State was informed of the designation of the auditor according to Statute.
2. Audit Committee members have had access to correspondence addressed to the Board of Trustees. Several of these items referred to audit and financial reporting issues. The Audit Committee Chair discussed the consideration of this correspondence with the Audit Engagement Partner during the September 2018 Fieldwork. The Audit Engagement Partner indicated no further action was deemed necessary.
3. The Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2018 was received November 30 by District Staff and was distributed through the Agenda Packet for the December 12, 2018 meetings. The Independent Auditor's Report is Unmodified. Further, their Report on Internal Control and Compliance has no items to report. The Audit Committee and the Board accepted the June 30, 2018 CAFR and had it distributed as required by Statute.
4. After the December 12 meeting, the Audit Committee received the Independent Auditor's letter on professional responsibility. This sometimes is called the communication with those charged with governance. It is addressed to the Audit Committee and is intended solely for the Audit Committee, the Board of Trustees, and management. All Trustees received a copy of this letter.

Other Matters Going Forward:

1. With the revision of Policy 15.1.0, the Audit Chair asked Staff to propose a method to identify and track correspondence or other contacts that might be made to the Audit Committee outside of process for Board of Trustee correspondence. Staff recommended the establishment of an email account through ivgid.org specifically for the Audit Committee. This accounts allows the receipt to be date and time stamped and provide a ready method for tracking responses, referrals of these contacts, as well as any resolution. The email account is administered by the District Clerk and accessible by the Audit Committee members.

The District General Manager and District Clerk made a report to the Audit Committee about activity on the account through December 12, 2018.

2. The Committee asked Senior Staff to clearly communicate to all Staff, the invitation for confidential communication with the Audit Committee. A special section has been established on the District's Staff Intranet that presents the Policy 15.1.0 and provides the Audit Chair's and Committee Members contact information. The District General Manager had this completed through the Senior Team.
3. For the sake of efficiency, the Audit Committee ratified the designation of Eide Bailly, LLP for approval by the Board of Trustees, for the fiscal year ending June 30, 2019, for the December 12, 2018 meetings.