



Board Committee Report

MEETING DATE: JUNE 10, 2020 **ITEM NUMBER:** 10A(ix)

SUBJECT: Audit and Compliance Committee

DATE: June 24, 2020

FROM: Directors Rubalcava-Garcia and La Belle

PRESENTATION BY: Directors Rubalcava-Garcia and La Belle

SUMMARY OF COMMITTEE MEETING

- On June 10, 2020, the committee met by teleconference to review the preliminary 2018 audit reports and discuss the findings. The committee drafted the response letter which is on the June 25, 2020 Board of Directors meeting agenda, along with the audit reports, for full Board review and approval.
- Earlier this year, the District was informed by the CDFA Audit Office that OC FEC, along with other DAAs in the State, would need to arrange for services from an independent audit firm for the 2019 audit, since CDFA's audit staff was being called into service on other priorities from the Governor's Office.
- Staff developed an RFQ with a not to exceed figure of \$50,000. Qualifications included prior experience with auditing California State agencies and a requirement that at least 40% of the firm's business be devoted to auditing services.
- The District received five bids, the lowest of \$32,500 being from Lance Soll & Lunghard, LLP of Brea.
- The contract with Lance Soll & Lunghard is on the June Consent Calendar.

FOLLOW-UP

The audit response letter will be sent to CDFA upon approval. Once the contract with Lance Sol & Lunghard, LLP is approved by the Board, staff will work with the firm to initiate the 2019 audit.