



Southwest Washington Regional Transportation Council Exit Conference April 23, 2013

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Meeting Agenda

The purpose of our exit conference is to share the results of our independent audit and to provide a forum for open discussion. We are pleased to review our draft reports and discuss other topics as listed below with you.

- Financial statement audit report and other required communications
- Federal grant compliance audit report
- Recommendations not included in our audit reports
- Report publication
- Audit cost analysis
- Your next scheduled audit
- Customer service survey

Preliminary audit results and recommendations were shared in detail with management and personnel as they were developed during the audit. We would like to thank staff for their cooperation and timely response to our requests during the audit.

We take seriously our responsibility of serving citizens by promoting accountability, fiscal integrity and openness in state and local government. We believe it is critical to citizens and the mission of the Council that we work together as partners in accountability to prevent problems and constructively resolve issues. As such, we encourage your comments and questions.

Financial Statement Audit

Report

Our draft financial statement report includes our opinion on the financial statements. It also includes our report on internal control over financial reporting and on noncompliance and other matters as required by *Government Auditing Standards*.

An unmodified opinion will be issued on the financial statements, which means that we believe they are presented fairly, in all material respects.

In relation to our report, we would like to bring to your attention:

- No significant deficiencies in internal control over financial reporting were identified.
- No instances of noncompliance were identified that could have a direct and material effect on the determination of financial statement amounts.
- There were no material misstatements in the financial statements corrected by management during the audit.
- Uncorrected misstatements in the audited financial statements are related to immaterial items for an employee benefit liability (OPEB) and two other relatively small items affecting capital assets and compensated absence liabilities. We agree with management's representation that these misstatements are immaterial to the fair presentation of the financial statements.

Federal Grant Compliance Audit

Report

Our draft report discloses the results of our audit of compliance and internal controls over federal grant programs.

Recommendations not included in the Audit Reports

We are pleased to report no audit recommendations.

Concluding Comments

Report Publication

Audit reports are published on our website and distributed via e-mail in an electronic .pdf file. We also offer a subscription service that allows you to be notified by email when audit reports are released or posted to our website. You can sign up for this convenient service at: www.sao.wa.gov/EN/News/Subscriptions

Audit Cost Analysis

	2010*	2010 – 2011**	2012 (estimate)*
Audit Cost	\$4,519.5	\$8,532	\$5,500
Council's Total Expenses	\$1,936,904	\$3,573,582	\$1,364,990
Cost as % of Expenses	.02%	.02%	.04%

*Financial Single audits only

**Accountability and Financial Single (also hourly audit costs increased July 1, 2011)

Your Next Scheduled Audit

Your next audit is scheduled to be conducted in 2013 and will cover the following general areas:

- Accountability for Public Resources
- Financial Statement
- Federal Programs

The estimated cost for the next audit based on the current billing rate is \$9,200. This preliminary estimate is provided as a budgeting tool and not a guarantee of final cost.

Customer Service Survey

An invitation to complete a customer service survey will be emailed to Patty Raedy, Accountant. Your feedback is important to our commitment to continually develop and improve our audit process.

Please don't hesitate to contact our Office throughout the year when you have questions. Our website also offers many resources, including a client HelpDesk for your auditing and accounting questions.