

Agenda Date:	May 21, 2009
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Continued Item:	No

## Board Agenda Item

TO: Air Pollution Control District Board

FROM: Terry Dressler, Air Pollution Control Officer

CONTACT: Donald Kendig, CPA, Business Manager (961-8854)

SUBJECT: APCD Fiscal Year 2007-08 Financial and Single Audit

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### RECOMMENDATIONS:

1. Receive and file the attached Fiscal Year 2007-08:
  - a. APCD Comprehensive Annual Financial Report (CAFR), also containing the Financial Audit Report
  - b. Single Audit Report
  - c. Independent Auditors' Letter to the Board of Directors

### DISCUSSION:

Each year, financial statements and an independent audit must be prepared on the APCD's financial status. In addition, APCD must undertake a federally mandated "Single Audit" any fiscal year the APCD expends more than \$500,000 of federal funds. Lastly, as part of concluding the engagement, the independent auditors prepare a letter to the Board of Directors summarizing their responsibility, significant APCD policies, estimates, and adjustments, and other pertinent audit considerations.

#### 2007-08 Comprehensive Annual Financial Report (CAFR)

The attached CAFR was prepared by the APCD Fiscal Division, under the direction of APCD management. The independent accounting firm Nasif, Hicks, Harris & Co., LLP prepared the included Financial Audit Report.

#### 2004-05 Single Audit Report

Federal expenditures were \$512,080 in fiscal year 2007-08, so the APCD undertook a federally mandated "Single Audit" that requires the independent auditors to issue a report on the APCD's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal compliance involving the administration of federal awards.

The independent accounting firm Nasif, Hicks, Harris & Co., LLP prepared the attached Single Audit report for the APCD. It has been separated from the CAFR, to allow for more focused distribution of the District's federal award information to interested parties.

#### ATTACHMENTS

1. Fiscal Year 2007-08 APCD Comprehensive Annual Financial Report (CAFR), also containing the Financial Audit Report
2. Fiscal Year 2007-08 Single Audit Report
3. Fiscal Year 2007-08 Independent Auditors' Letter to the Board of Directors