

# REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

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Policy Type : Fiscal Management  
Policy Title : Audit Report Filing Policy  
Policy number : 500.12  
Date Adopted : November 12, 2009  
Date Amended : September 13, 2012  
May 12, 2016 (reviewed by staff)

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## AUDIT REPORT FILING POLICY

Subdivision (c) of Government Code section 6505 establishes RWA's legal obligations in regard to annual audits of its financial statements, providing that the previous fiscal year's audit report must be provided to the State Controller, RWA members, Contracting Entities and any member of the public requesting a copy of the audit within 12 months after the end of that fiscal year. Section 28 of the RWA joint powers agreement (JPA) provides for a shorter, six-month deadline for RWA's independent auditor to complete the annual audit and for staff to file the audit report with the State Controller and each RWA Member and Contracting Entity. Because of the time required after the June 30 end of RWA's fiscal year for staff to prepare the financial statements, for the independent auditor to conduct the audit and prepare the annual audit report, and due to the bi-monthly frequency of the regular Board meetings, staff generally is unable to present the audit report to the Executive Committee for initial approval and to file the report with Members and Contracting Entities until January of the following year, which is after the December 31 deadline called for in Section 28 of the RWA JPA.

In lieu of amending the RWA JPA to modify the six-month filing deadline provided in Section 28 of the RWA JPA, this Policy authorizes staff to submit the annual audit report to the Executive Committee and to file it with the State Controller, all RWA Members and Contracting Entities, and any other person or entity requesting a copy of the annual audit report as soon as practical after RWA's independent auditor completes that report, but in no case any later than the 12-month filing deadline provided in subdivision (c) of Government Code section 6505.