

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

546



SUBMITTAL DATE:
July 5, 2012

FROM: Economic Development Agency

SUBJECT: Notification of the Perris Valley Cemetery District FY2011/12 Annual Audit

RECOMMENDED MOTION: That the Board of Supervisors receive and file the SAS 114 Planning Letter/Audit Planning Letter from Teaman, Ramirez & Smith, Inc., Certified Public Accountants, to conduct the annual audit of the Perris Valley Cemetery District for the year ending June 30, 2012.

BACKGROUND: The Economic Development Agency for the Perris Valley Cemetery District has engaged the services of Teaman, Ramirez & Smith, Inc., Certified Public Accountants, to conduct the annual audit of the financial statements according to the U. S. Generally Accepted Auditing Standards and Government Auditing Standards.

(Continued)

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 6,300	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2012/13

COMPANION ITEM ON BOARD AGENDA: No

SOURCE OF FUNDS: Cemetery Services Revenue

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY:

County Executive Office Signature

Jennifer L. Sargent

Policy ☐

Consent ☒

Dep't Recomm.: ☒

Policy ☐

Consent ☒

Per Exec. Ofc.: ☒

Prev. Agn. Ref.:

District: 5/5

Agenda Number

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.15

FISCAL PROCEDURES APPROVED
PAUL ANGULO, CPA, AUDITOR-CONTROLLER
BY: 7/3/12
DATE: 7/3/12
Dep'tal Concurrence: SAMUEL WONG
FORM APPROVED COUNTY COUNSEL
BY: 6/21/12
ANNE T. SAHHAR

BACKGROUND: (Continued)

This audit will include examination of evidence supporting the amounts and disclosures in the financial statements and evaluating the internal controls, assessment of risk of material misstatement, and determine the extent of further audit procedures.

The field work is expected to commence on August 8, 2012, with a report expected to be issued in September, 2012.

Attachment:

Teaman, Ramirez & Smith, INC. Letter

May 18, 2012

Board of Supervisors
Perris Valley Cemetery District
Perris, California

We are engaged to audit the financial statements of the governmental activities and each major fund of Perris Valley Cemetery District for the year ended June 30, 2012. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibility under U.S. Generally Accepted Auditing Standards and Government Auditing Standards

As stated in our engagement letter dated May 3, 2012, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of the District. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will also perform tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests is not to provide an opinion on compliance with such provisions.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Our responsibility for *management's discussion and analysis* and the *required supplementary information* accompanying the financial statements, as described by professional standards, is to apply certain limited procedures, which primarily consist of inquiries of management regarding the methods of measurement and presentation. However, we are not required to audit the information or express an opinion on it.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We expect to begin our final audit on approximately August 6, 2012 and issue our report in September 2012.

This information is intended solely for the use of the Board of Supervisors and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Teaman Ramirez & Smith, Inc.