

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

907



FROM: Successor Agency to the Redevelopment Agency

SUBMITTAL DATE:
June 13, 2013

SUBJECT: Notification of the Successor Agency 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 Successor Agency for the period ending June 30, 2013.

BACKGROUND: The Successor Agency to the Redevelopment Agency for the County of Riverside has engaged the services of Teaman, Ramirez & Smith, Inc., Certified Public Accountants, to conduct the annual audit of the financial statements for the Successor Agency, according to the U. S. Generally Accepted Auditing Standards and Government Auditing Standards.

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.

Robert Field

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 35,000	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 OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: Successor Agency Administrative Funds	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: *Jennifer L. Sargent*
Jennifer L. Sargent

County Executive Office Signature

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: *Samuel Wong* 6/12/13
 DATE: 6/12/13
 SAMUEL WONG
 DEPARTMENT OF COUNTY CLERK
 ANITA C. WILLIS
 BY: *Anita C. Willis* 5-16-13
 DATE: 5-16-13
 ANITA C. WILLIS
 COUNTY CLERK

Dep't Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

2013 JUN 13 6W 5:10
 RECEIVED RIVERSIDE COUNTY

4-3

Prev. Agn. Ref.: 4-1 of 5/14/13

District: ALL

Agenda Number:

April 22, 2013

Board of Supervisors
Successor Agency to the Redevelopment
Agency for the County of Riverside
County of Riverside, CA

We are engaged to audit the financial statements of the Successor Agency to the Redevelopment Agency for the County of Riverside (the "Agency") for the year ending June 30, 2013. 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 Responsibilities under U.S. Generally Accepted Auditing Standards and *Government Auditing Standards*

As stated in our engagement letter dated April 10, 2013, our responsibility, as described by professional standards, is to express an opinion 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 will consider the internal control of the Agency. Such considerations will be 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 Agency'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 the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

As part of the audit, we will assist with the preparation of the financial statements and related notes. However, this assistance does not constitute an audit under *Government Auditing Standards* and is considered nonaudit services. Management is responsible for overseeing and accepting responsibility for these services.

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 Agency 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 Agency or to acts by management or employees acting on behalf of the Agency. 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 communicate any internal control related matters that are required to be communicated under professional standards.

We expect to begin our final audit fieldwork on approximately August 19, 2013 and issue our report approximately in September 2013.

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

Very truly yours,

Seaman Ramirez & Smith, Inc.