

# SHASTA LAFCO

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## **Report to the Shasta Local Agency Formation Commission**

**From: Jan Lopez, Executive Officer**

**Meeting Date: January 9, 2013**

**Agenda Item #: 8.a. (1)**

**Subject: Advisory CPA Services (Information Only)**

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### **Background and Discussion**

At the time the Request for Proposals (RFP) went out for the 2011-12 audit, the Commission also requested proposals to provide advisory CPA services to an audit committee. During a subsequent discussion, the Commission deferred appointment of an audit committee to a later date.

One of the issues raised by Don Reynolds, LLC, the firm hired to perform the 2011-12 audit, was a need for improved internal controls and data input. We are currently re-establishing the fiscal records for 2013-14 and 2012-13, and need CPA support in assuring our chart of accounts and electronic bookkeeping systems accurately reflect the operations of this agency.

We do not require a labor-intensive analysis, but rather guidance in establishing the appropriate systems and migrating our financial data accurately into this system for improved accounting and fiscal reporting. We estimate between 5-10 professional hours will be used to provide this CPA support and have budgeted accordingly.

Because Kathy Bull has county government budget experience and is proficient in QuickBooks, we are able to do the work in-hours with support and guidance from a CPA advisor.

### **Conclusions and Recommendations**

We recommend proceeding with this action in order to effectively prepare for the upcoming 2014-15 Budget Hearings.