
Date: March 19, 2025

To: The Honorable Board of Directors

From: Teresa Velarde, Manager of Internal Audit

Committee: No Committee Review

Staff Contact: Teresa Velarde, Manager of Internal Audit

Subject: Internal Audit Quarterly Status Report for March 2025 (Written)

Executive Summary:

The Audit Committee Charter requires a written status report to be prepared and submitted each quarter. The Internal Audit (IA) Quarterly Status Report includes a summary of significant internal and external audit activities for the reporting period. During this quarter, IA staff completed the following projects and is also discussed in detail in the attached status report:

- Fiscal Year 2024/25 Annual Audit Plan Amendment.
- 2025 Review of Capitalization Thresholds and Prior Audit Observations.
- 2025 Petty Cash Audit and Follow-Up Review.
- 2025 Accounts Payable Audit: Pay Estimates.
- IA continues to assist the Finance and Accounting teams with coordination on the financial audit, several auditor communication letters and information.
- Staff participated in various training to enhance audit skills and Agency-required training, as well as to stay compliant with auditing standards, the approved Internal Audit Charter and to stay current with auditing practices.
- Worked on various other ongoing audit projects, routine administrative tasks, and additional requirements.

IA continues to participate in various committees and discussions and assists with requests for review of department standard operating procedures and provides recommendations. The attached Quarterly Status Report provides details of the activities for this quarter. IA projects and activities are scheduled through the Board-approved Annual Audit Plan and as documented in the Charters.

Budget Impact *Budgeted (Y/N): Y Amendment (Y/N): N Amount for Requested Approval*

Regional Sewerage *Technical Committee (Y/N):*
Policy Committee (Y/N):

Prior Board Action:

On December 18, 2024, the Board approved the Audit Committee and IA Charters. The Charters require a Quarterly Status Report.

On June 19, 2024, the Board approved the Fiscal Year 2024/25 Annual Audit Plan.

Environmental Determination:

Not Applicable

Attachments:

Attachment 1 - [Internal Audit Quarterly Status Report - March 2025](#)

Attachment 2 - [Tone at the Top December 2024](#)

Attachment 3 - [Tone at the Top February 2025](#)