Valleywise Health Administrative Policy & Procedure

Effective Date: 08/06

Reviewed Dates: 02/11, 01/13, 01/15, 01/17, 11/18, 10/22, 11/24

Revision Dates: 09/07, 03/09, 02/10, 09/20, 08/26

Policy #: 99001 G – Finance

Policy Title: Annual External Audit

Scope:
- **[X] District Governance (G)**
- **[ ] System-Wide (S)**
- **[ ] Division (D)**
- **[ ] Multi-Division (MD)**
- **[ ] Department (T)**
- **[ ] Multi-Department (MT)**
- **[ ] FQHC (F)**

Policy:

The Board of Directors will engage independent external auditors to conduct an annual audit of the Maricopa County Special Health Care District's financial statements in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, used by the Comptroller General of the United States. Such audit will be planned and performed to obtain reasonable assurance that the financial statements are free of material misstatement.

The external auditors should review at a minimum, existing internal controls and compliance with legal and regulatory requirements in order to issue an opinion on whether the financial statements present fairly, in all material respects, the financial position of the District and its changes in financial position and cash flows in conformity with accounting principles generally accepted in the United States.

Also, the external auditors will present the Board with a management letter identifying material weaknesses if any, discovered during the audit process.

The independent external auditors will report to the Board.

It is the Board's responsibility to hold management accountable for taking corrective action related to issues identified in the management letter and to address other issues noted by the external auditors. The Board shall require a written response from management identifying what steps will be taken to correct the issues noted, and timely follow-up should be done by management to ensure that all items have been addressed appropriately.

Valleywise Health Policy & Procedure - Approval Sheet
(**Before submitting, fill out COMPLETELY**.)

POLICY RESPONSIBLE PARTY: Chief Governance Officer and Clerk of the Board

DEVELOPMENT TEAM(S): Compliance Department, Finance Department

Policy #: 99001 G – Finance

Policy Title: Annual External Audit

e-Signers: Melanie Talbot, Chief Governance Officer and Clerk of the Board

Place an X on the right side of applicable description:

New -

Retire - **Reviewed -**

Revised with Minor Changes -

Revised with Major Changes - X

Please list revisions made below: (Other than grammatical changes or name and date changes) Deleted: This letter will be deemed to be proprietary and such that its disclosure may cause demonstrable and material harm to the District and would place the District at a competitive disadvantage in the marketplace. This letter, therefore, is deemed not subject to public disclosure pursuant to A.R.S. § 48-5541.01(M). Added: independent

Reviewed and Approved by in Addition to Responsible Party and E-Signer(s):

Committee:	**N/A**
Reviewed for HR:	**N/A**
Reviewed for EPIC:	**N/A**
Other:	**N/A**
Other:	**N/A**
Other: Maricopa County Special Health Care District Board of Directors	**08/26**