

Orange County Power Authority
Policy Number 015: Accounting Policy

Purpose

The purpose of this policy is to document the Orange County Power Authority's (OCPA) method of accounting, audit schedule, and standards of internal controls.

Policy

1. OCPA will establish accounting practices that conform to Generally Accepted Accounting Principles (GAAP) for governmental entities.
2. An independent firm of Certified Public Accountant (CPAs) shall perform an annual financial audit and an official annual financial report shall be issued no later than 6 months following fiscal year-end. Copies of such audit report will be filed with the State Controller and each member agency within 15 days of receipt of said audit by the Board.
3. Quarterly, the OCPA Accounting Statements, including a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows shall be submitted to the OCPA Board of Directors.
4. Internal control procedures will be developed and routinely updated to ensure accurate financial reporting and an effective internal control structure over the assets of OCPA.
5. A representation letter shall be presented to the OCPA Board of Directors by the independent certified public accounting firm no later than 60 days from issuance of OCPA's audited financial report.