



UDSA INTERNAL AUDIT UPDATE

Finance & Audit Committee

December 12, 2018

2018 Audit Plan Status

Completed Testing for UDSA Key Internal Controls. - 2013 T/TE, 2015, 2016A, 2016B, and 2017 Series

- Revenue – Billed kWh Sales
- Debt Service Payments
- Budget
- “Charge” Rate Calculation
- Days Sales Outstanding /Net Write Off Calculations
- Monthly Servicer Certificates
- Semi-Annual Servicer Certificates
- Monthly Tracking Report
- Funding of Collection Account

FOR CONSIDERATION

December 12, 2018

TO: The UDSA Finance and Audit Committee of the Board of Trustees

FROM: Thomas Falcone

REQUEST: Approval of the 2019 UDSA Internal Audit Plan

Requested Action

The Finance and Audit Committee is requested to approve the 2019 UDSA Internal Audit Plan (the “Plan”).

Background

In accordance with the International Standards for the Professional Practice of Internal Auditing (the “Standards”), LIPA annually establishes an Internal Audit Plan. The Standards provide in relevant part that the chief audit executive (i.e. the Vice President - Audit) must establish a risk-based plan to determine the priorities of the internal audit activity, consistent with the organization’s goals. Additionally, as set forth in the Standards, the chief audit executive must communicate the internal audit activity’s plans and resource requirements, including significant interim changes, to senior management and the Board for review and approval.

Discussion

The 2019 UDSA Internal Audit Plan includes testing of key internal controls of the UDSA processes.

Recommendation

Based upon the foregoing, I recommend approval of the above-requested action by the adoption of the Resolution in the form attached.

Attachment

Exhibit A Resolution

EXHIBIT A

RESOLUTION APPROVING THE 2019 UDSA INTERNAL AUDIT PLAN

RESOLVED, that consistent with the attached memorandum, the UDSA Finance and Audit Committee of the Board Trustees hereby approves the 2019 Internal Audit Plan.