REPORT TO SHASTA COUNTY RTPA

SUBJECT		MEETING DATE	ITEM NUMBER
Acceptance of RTPA Triennial Performance Audit		02/26/02	3-3

RECOMMENDATION
It is recommended that the Board accept the triennial performance audit of the Regional Transportation Planning Agency (RTPA) for the fiscal years ending June 30, 1998, 1999, 2000.

SUMMARY
In accordance with the rules and regulations governing the Transportation Development Act (TDA) and state and federal planning funds, a triennial performance audit must be completed for the Transportation Planning Agency. Some findings were noted by the auditor. Each of the auditor's recommendations is addressed within the discussion that follows.

DISCUSSION
The provisions of the California Public Utilities Code, Section 99246 and the California Code of Regulations, Article 5.5, Section 6662.5 require a triennial performance audit of the Transportation Planning Agency be submitted to the Director of the California Department of Transportation. The audit for fiscal years ended June 30, 1998/99/2000 has been completed and reviewed by staff. Recommendations are as follows:

Finding

- The policy manual should be updated to include criteria, rules, and regulations for the evaluation of community transit service claims filed under Article 4.5 of the TDA and the determination of the cost effectiveness of the proposed community transit services.

RTPA Response

- The SCRTPA will develop over the coarse of the next year a policy to incorporate the criteria, rules, and regulations as addressed in Article 4.5 Section 99275 of the TDA. Prior to approving claims, the SCRTPA shall make all of the following findings: That the proposed community transit service is responding to a transportation need currently not being met in the community of the claimant, that the service shall be integrated with existing transit services if appropriate, that the claimant has prepared an estimate of revenue, operating costs, and patronage, and that a performance criteria has been set.

Finding

- The PUC Section 99245 requires the agency to ensure that all claimants to whom it allocates funds submit to it and to the State Controller's Office annual certified fiscal and compliance audits within 180 days after the end of the fiscal year. The agency may grant an extension of up to 90 days as it deems necessary.

RTPA Response

- The SCRTPA agrees with the recommendation and will implement over the next year a policy that requires all claimants to whom it allocates TDA funds submit to SCRTPA and SCO their annual fiscal and compliance audit within the required time. The SCRTPA will also explore the option of having the claimants include the TDA audit within their annual fiscal and compliance audits.

Finding

- The California Code of Regulations Section 6642 requires that the Agency submit to the State Controller an audit of its accounts and records within twelve months of the end of the fiscal year. Based on audit review, the audit had been submitted after the required filing had elapsed.

RTPA Response

- RTPA staff will implement policies and procedures to ensure that the annual audits are submitted within the required timeline.

Finding

- PUC Section 99246 and 99248 requires operators to conduct and transmit a triennial performance audit to the Agency by the start of the second fiscal year following the last fiscal year of the triennium. If the audit is not transmitted, the Agency is to withhold funds until the audit is received.

RTPA Response

- The RTPA agrees with the recommendation and will develop a policy to ensure compliance.

OTHER AGENCY INVOLVEMENT
Upon acceptance, the audits must be forwarded to the State Controller's Office.

FINANCING
This action will have no financial impact.

Daniel J. Kovacich

Daniel J. Kovacich, Executive Officer

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