STAFF REPORT

MEETING DATE:	**December 12, 2017**
SUBJECT:	**Accept Fiscal Year 2016/17 Fiscal and Compliance Audit**
AGENDA ITEM:	**5-6**
STAFF CONTACT:	**Dave Wallace, Chief Fiscal Officer**

STAFF RECOMMENDATION:
It is recommended that the board of directors accept the independent audit for the year ending June 30, 2017.

DISCUSSION:
Each year an independent auditor performs an audit and reports on the agency's Comprehensive Annual Financial Report (CAFR).

The Pun Group has completed their audit of the agency for the year ending June 30, 2017. SRTA received an unqualified audit opinion, meaning that SRTA's financial condition, position, and operations are:

1. In accordance with generally accepted accounting principles;
2. In compliance with statutory requirements and regulations; and
3. Supported by adequate documentation.

The auditor is recommending that the Board of Directors adopt more stringent policies in requiring local jurisdictions to submit required financial information on a timely basis and improve controls over subrecipient monitoring. The executive director has responded to, and agrees with, the auditor's findings and recommendations.

The auditor has met with the fiscal committee to discuss the audit as well as any findings and recommendations.

ALTERNATIVES:
The board of directors may accept the audit report and recommendations with specific clarifications.

FINANCING:
Findings in the audit have no impact on agency finances.

Daniel S. Little, AICP, Executive Director

Attachment:
Audited Financial Statements and Supplementary Information Available Online at:
http://srta.ca.gov/DocumentCenter/Home/View/3866