

SACRAMENTO TRANSPORTATION AUTHORITY
AUDIT FINDINGS
AUDIT OF FISCAL YEAR ENDED JUNE 30, 2009

Caltrans Measure A

FINDING – Measure A expenditures incurred for the US 50 bus/carpool lane project consisted primarily of salary charges, overhead, and “adjustments.” Auditors were unable to recalculate a sampling of salary charges using the timesheet and payroll information submitted by Caltrans. Auditors requested supplemental documentation to perform the calculations. In addition, they requested that Caltrans submit additional information regarding the entries identified as “adjustments.”

FOLLOW UP – Caltrans has compiled the supporting documentation for submission to the Auditors, but has not yet identified how project staff hours can be reconciled back to the timesheets. Auditors continue to correspond with Caltrans regarding the finding, and staff expects resolution in the next few weeks.

County of Sacramento Abandoned Vehicle

FINDING – The County had several instances in which pay rates used to bill the Authority were understated compared to published labor rates. Also, in two instances, the hours reported on timesheets were improperly excluded from SAVSA billings. Both of these findings resulted in a small understatement of billings. The Auditors also found a slight overstatement of the number of tows reported to SAVSA relative to County records. While none of these issues was determined to be material they do highlight a weakness in the County’s overall control structure.

FOLLOW UP – Auditors recommend that County ensure that controls are in place to detect hours- and rate-related reporting errors. They also recommend that the County institute a procedure to reconcile tow company invoices with the number of tows entered into the County system. Noting that these findings are quite similar to the two prior years, staff has requested that the County Neighborhood Services Agency provide written correspondence describing how the Auditors’ recommendations will be addressed.

City of Sacramento Abandoned Vehicle

FINDING – Auditors noted one instance in which safety equipment used by a building inspector was erroneously charged to SAVSA.

FOLLOW UP – City staff has submitted written commitment that future operating expense submittals will be subject to additional verification of documentation.

Prior Year Findings

City of Elk Grove Measure A: Auditors noted that the City's Measure A status report for year ended June 30, 2008 over-reported expenditures for the Sheldon Road/SR99 interchange project due to some expenditures being reported twice. The City adjusted the claim, and the discrepancy did not result in overpayment of Measure A funds. Auditors also noted that some amounts reported on the status report as expenditures actually represented amounts claimed rather than actual expenditures.

Current Status: During the 2009 audit, there were no discrepancies between the City's Measure A status report and its actual Measure A expenditures.

City of Sacramento Measure A: City appeared to improperly spend Measure A maintenance funds on the widening of Del Paso Road. Del Paso Road widening is not included in the Measure A Countywide Expenditure Plan (CTEP), and road widening is not an eligible use of Measure A street/road maintenance funds.

Current Status: City submitted written clarification of this matter. For efficiency, City conducted two simultaneous projects on Del Paso Road. One project widened the existing pavement to add lanes. No Measure A funds were expended on that component. The other project rehabilitated the existing paved section. Authority staff determined that the affected Measure A funds were properly expended on that component.

City of Sacramento Abandoned Vehicle: City had a few issues with incorrect personnel expenditures and tow number discrepancies.

Current Status: During the 2009 audit, there were no inconsistencies in number of reported tows and no errors in the coding of personnel costs.

County of Sacramento Abandoned Vehicle: Auditors found an instance of missing timesheets, incorrect labor rates, and discrepancy in the number of reported tows. None of these issues were determined to be material, but they do highlight some weakness in the County's overall control structure.

Current Status: Staff requested that County submit a written response of how these control issues will be addressed. We note that similar discrepancies related to salary costs and number of tows were found again during the FY 2009 audit. SAVSA staff has sent a written request to the County Neighborhood Services Agency to provide written correspondence describing how the Auditors' recommendations will be addressed.