

AGENDA: June 3, 2004

TO: Budget and Administration/Personnel Committee
FROM: Linda Wilshusen, Executive Director
RE: Triennial Performance Audit of the SCCRTC

RECOMMENDATIONS:

Staff recommends that the Regional Transportation Commission:

1. Accept the SCCRTC Triennial Performance Audit;
 2. Forward it to the Budget and Administration/Personnel Committee to review the recommendations and make recommendations to the RTC on any followup activities.
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BACKGROUND

The Commission and transit operators receiving Transportation Development Act (TDA) funds are required by state law to have an independent performance audit of their operations conducted every three years. The objective of the audits is to determine compliance with state requirements and to evaluate the efficiency, effectiveness and economy of their operations. The audited agency must respond to any recommendations in the audits. The Commission contracted with the firm of Moss, Levy and Hartzheim, CPAs to perform the audits covering fiscal years 01-02, 02-03, 03-04 (three years ending June 30, 2004).

DISCUSSION

The Performance Audit for SCCRTC is attached. Recommendations for action are made in only one of the five functional areas examined, Administration and Management. These recommendations are summarized in the Executive Summary on page 2 and discussed on pages 8, 9 and 10 of the report. The Auditors recommend review and consideration of the following:

1. County's salary cap
2. Integration of the budget and accounting systems
3. Options to change the operational arrangement between the SCCRTC and the County.

Staff recommends forwarding the Performance Audit to the Budget and Administration/Personnel Committee for its review and development of any followup actions. The Budget and Administration/Personnel Committee has been involved in these issues for some time, since similar recommendations have been made in prior Performance Audits.

SUMMARY

The Triennial Performance Audit for the SCCRTC has been prepared in accordance with state law. Staff recommends forwarding the Audit to the Budget and Administration/Personnel Committee for its review and recommendation.

Attachment 1: Triennial Performance Audit of the SCCRTC

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