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- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
 - San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies
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Revised Support Material for Agenda Item No. 2

Independent Taxpayer Oversight Committee

January 12, 2016

1:30 p.m.

Location:

SANBAG

First Floor Lobby

Santa Fe Depot, 1170 W. 3rd Street

San Bernardino, CA

DISCUSSION CALENDAR

2. Results of Agreed-Upon Procedures Engagement Conducted by Conrad, LLP, Certified Public Accountants

Review the results of the Agreed-Upon Procedures Engagement and provide comments as appropriate for the SANBAG Board of Directors. **Duane Baker**

Attachment No. 1 was revised due to the finding of the expenditure incurred for the purchase of a plaque was removed because the plaque is a customary expense for big construction projects and it is permanently placed on the structure. The plaque normally is part of the construction project, but it was procured separately, and was identified during the audit, but it is an eligible expense under Policy 40007.

Attachment No. 1

REVISED

**SAN BERNARDINO
ASSOCIATION OF GOVERNMENTS**

**Agreed-Upon Procedures
Measure I Funds Invoice Testing**

**For the Period
July 1, 2011 through June 30, 2015**



Hilda Flores, CPA
Chief of Fiscal Resources
San Bernardino Associated Governments
1170 West 3rd Street, 2nd Floor
San Bernardino, CA 92410

We have performed the procedures enumerated below, which were agreed to by the San Bernardino Association of Governments ("SANBAG"), solely to assist you with respect to reviewing invoices pertaining to Measure I ordinance for the period July 1, 2011 through June 30, 2015. SANBAG's management is responsible for reviewing and ensuring that the invoices were in accordance with the Measure I ordinance. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

Our procedures performed and the results of those procedures are as follows:

- 1) We reviewed approximately 10-15 contracts, identified compliance requirements, and documented items of significance.

Results: No exceptions were noted as a result of our procedures.

- 2) We reviewed the 10-Year Delivery Plan and Measure I Ordinance, identified compliance requirements, and documented items of significance.

Results: No exceptions were noted as a result of our procedures.

- 3) We reviewed SANBAG policies and procedures and documented items of significance.

Results: No exceptions were noted as a result of our procedures.

- 4) We reviewed internal audit results, and documented items of significance.

Results: No exceptions were noted as a result of our procedures.

- 5) We randomly selected 10% of the vouchers and ensured that the vouchers were supported, allowable, and all compliance requirements as well as internal procedures were met.

Hilda Flores, CPA
Chief of Fiscal Resources

Results: In the following table we have summarized the items selected for testing.

<u>Description/Task</u>	<u>Number of Items Tested</u>	<u>Amount Tested</u>
Transit and Passenger Rail	7	\$ 553,647
Major Project Delivery	147	43,867,403
Fund Administration and Programing	17	<u>4,488,579</u>
Total	171	<u>\$ 48,909,629</u>

As a result of our procedures, one exception was noted. We identified that contract #00-1000004 did not contain a non-discrimination clause as required per Policy 11000 Section V.D. However, we did note that the expenditures relating to the contract were allowable.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the invoices pertaining to the Measure I Ordinance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users listed above and is not intended to be and should not be used by anyone other than those specified parties.

Conrad LLP

Lake Forest, California
December 12, 2015