



DATE: November 22, 2013
TO: STA Board
FROM: Susan Furtado, Accounting & Administrative Services Manager
RE: STA's Annual Audit Fiscal Year (FY) 2012-13

Background:

The Solano Transportation Authority (STA) is annually required to prepare an audited financial statement in accordance with Government Accounting Standards Board Statement Number 34 (GASB 34) and the Office of Management and Budget (OMB) Circular A-133 (Audits of State, Local Government, and Non-Profit Organizations).

Vavrinek, Trine, Day (VTD) & Co, LLP, a Certified Public Accountant (CPA) firm from Palo Alto, California, is the auditing firm retained by the STA to perform the STA's annual financial reviews and funding compliance, appraise STA's accounting internal controls, and issue Single Audit Reports. VTD has extensive experience in conducting governmental audits with concentration in transit program and activities in accordance with Government Auditing Standards Board (GASB), the provisions of the Single Audit Act Amendments of 1996, and the OMB Circular A-133.

Discussion:

In October 2013, Vavrinek, Trine, Day & Co, LLP performed their fourth annual financial review, funding compliance, and internal controls audit for STA. Their audit evaluation resulted of a thoroughly-prepared audit process noting no matters involving internal control over financial reporting and its operation to be considered of any material weaknesses. The audit report is formatted to reflect GASB reporting requirements and compliance.

Vavrinek, Trine, Day & Co, LLP issued STA's Basic Financial Statements and Single Audit for FY 2012-13, which reflects an overall financial position with no reportable deficiencies or material weakness that will adversely affect STA's primary missions. The audit did not disclose any reportable findings or questions in accordance with GASB 34 and OMB Circular A-133.

The annual audit for FY 2012-13 is the eighth consecutive fiscal year STA has received an unqualified audit report. This fiscal and administrative requirement is sufficient to ensure that STA funds are used in compliance with all applicable Federal statutory and regulatory provisions, and costs were reasonable and necessary for operating its programs.

Fiscal Impact:

None

Recommendation:

Receive and file.

Attachment:

- A. Solano Transportation Authority Basic Financial Statements for the Year Ended June 30, 2013. (Copies have been provided to the STA Board Members under separate enclosure. Copies are available upon request by contacting the STA office at (707) 424-6075.)