



**DATE:** June 22, 2017

**TO:** Transportation Authority of Marin Board of Commissioners

**FROM:** Dianne Steinhauser, Executive Director  
Li Zhang, Chief Financial Officer

**SUBJECT:** Review and Acceptance of 2017 Measure A Half-cent Transportation Sales Tax Compliance Audit Selection List (Action), Agenda Item No. 6m

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**RECOMMENDATION:**

The Board reviews and accepts the 2017 Measure A Half-cent Transportation Sales Tax Compliance Audit Selection List. The Finance and Policy Executive Committee reviewed the list of the funding recipients selected for the 2017 compliance audit cycle and voted unanimously to refer it to the TAM Board for review and approval.

**BACKGROUND:**

The Measure A Half-cent Transportation Sales Tax Expenditure Plan provides TAM with the authority to audit all Measure A fund recipients for their use of the sales tax proceeds. Independent compliance audits are explicitly permitted under the terms and conditions of TAM's funding agreements/contracts with all Measure A Half-cent Transportation Sales Tax funding recipients. The TAM Board adopted the Measure A Compliance Audit Policy at its October 28, 2010 Board meeting and the implementation of the Policy started in 2011, with audit of Measure A Half-cent Sales Tax expenditures occurred in or prior to FY2010-11.

**DISCUSSION/ANALYSIS:**

**Funding Recipients Recommended for the 2017 Compliance Audit:**

The seventh round of compliance audits will cover Measure A Half-cent Sales Tax expenditures occurred in or prior to FY2016-17. Based on the requirement of the Compliance Audit Policy, a total of five compliance audits are recommended to be conducted for this round to confirm that all Measure A Half-cent Sales Tax funds are spent in accordance to the requirements of the Expenditure Plan, as presented in the table on Page 2.

**Measure A Fund Recipients Selected for the 2017 Compliance Audit Cycle**

| No.   | Fund Recipient       | Measure A Funding Strategy  |
|---|----------------------|---|
| <b>Interest Revenue Funding Usage</b>                                   |                      |   |
|   | None                 |   |
| <b>Strategy 1 Local Bus Transit System</b>                              |                      |   |
| 1   | Marin Transit        | Local Transit, for all Measure A funds received for its FY2016-17 transit operation and capital needs   |
| <b>Strategy 2 Highway 101 Gap Closure</b>                               |                      |   |
|   | None                 |   |
| <b>Strategy 3 Local Transportation Infrastructure</b>                   |                      |   |
| 2   | County of Marin      | Strategy 3.1, Major Roads, for Sir Francis Drake Boulevard Rehabilitation in Ross Valley  |
| 3   | Town of San Anselmo  | Strategy 3.2, Local Roads, for its usage of the Measure A Local Roads funds in or prior to FY2016-17  |
| <b>Strategy 4 School Related Congestion and Safer Access to Schools</b> |                      |   |
| 4   | Town of Corte Madera | Strategy 4.3, Safe Pathways to School, major capital project, for Measure A funds received for Tamalpais Drive Pedestrian Crossing Enhancement Project                |
| 5   | Town of Fairfax      | Strategy 4.3, Safe Pathways to School, small capital project, for Measure A funds received for Sir Francis Drake Blvd and Taylor Road Rectangular Rapid Flash Beacons |

**FISCAL CONSIDERATION:**

Funding needed for this effort is included in the FY2017-18 Annual Budget and staff expects the task will be finished on schedule and within budget.

**NEXT STEPS:**

Funding recipients selected for the 2017 Compliance Audit cycle will be formally notified once the TAM Board approves the staff recommendation. Staff will also conduct a workshop in August to provide fund recipients opportunities to fully understand the compliance audit process and requirements. A detailed audit timeline will be made available at the workshop as well. All compliance audit reports will be presented to the Citizens' Oversight Committee, Finance and Policy Executive Committee, and the TAM Board for review and acceptance once they are finalized.