



DATE: June 28, 2018

TO: Transportation Authority of Marin Board of Commissioners

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

SUBJECT: Review and Acceptance of 2018 Measure A Half-Cent Transportation Sales Tax Compliance Auditee Selection List (Action), Agenda Item No. 6f

RECOMMENDATION:

The TAM Board reviews and accepts the 2018 Measure A Half-Cent Transportation Sales Tax Compliance Auditee Selection List. The Finance and Policy Executive Committee Executive Committee reviewed the list of the funding recipients selected for the 2018 compliance audit cycle and voted unanimously to refer it to the TAM Board for review and approval at its June 11, 2018 meeting.

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. The 2018 audit cycle is the eighth one.

DISCUSSION/ANALYSIS:

Funding Recipients Recommended for the 2018 Compliance Audit:

The 2018 Compliance Audit Cycle will cover Measure A Half-Cent Sales Tax expenditures which occurred in or prior to FY2017-18. Those audits will help TAM further confirm that all Measure A Half-Cent Sales Tax funds are spent in accordance with the requirements of the Expenditure Plan. Based on the requirement of the Compliance Audit Policy, a total of five compliance audits are recommended to be conducted for this round as presented in the table on Page 2.

Proposed Measure A Fund Recipients Selected for the 2018 Compliance Audit Cycle

No.	Fund Recipient	Measure A Funding Strategy
Interest Revenue Funding Usage		
	None	
Strategy 1 Local Bus Transit System		
1	Marin Transit	Local Transit, for all Measure A funds received for its FY2017-18 transit operation and capital needs
Strategy 2 Highway 101 Gap Closure		
	None	
Strategy 3 Local Transportation Infrastructure		
2	City of Mill Valley	Strategy 3.1, Major Roads, for Miller Avenue Streetscape Plan Project
3	Town of Ross	Strategy 3.2, Local Roads, for its usage of the FY2016-17 Measure A Local Roads funds for Lagunitas Road Pavement Rehabilitation Project
Strategy 4 School Related Congestion and Safer Access to Schools		
4	Parisi Associates	Strategy 4.1 & 4.3, Safe Routes & Safe Pathways to School, for all Measure A funds received under the Safe Routes to School professional contract
5	All City Management Services	Strategy 4.2, Crossing Guards for usage of funds in FY2017-18
6	City of Novato	Strategy 4.3, Safe Pathways to School, Major Capital Project, for Measure A funds received for Plum Street Sidewalk Improvement Project

FISCAL CONSIDERATION:

Funding needed for this effort is included in the FY2018-19 Annual Budget and staff expects the task will be finished on schedule and within budget.

NEXT STEPS:

Funding recipients selected for the 2018 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.