



# SCTA

Sonoma  
County  
Transportation  
Authority

*Keeping Sonoma County Moving*

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August 9, 2006

Rodney Dole  
Auditor Controller  
585 Fiscal Drive, Suite 101F  
Santa Rosa, CA 95403-2819

RE: Audit Report for Fiscal Years ended June 30, 2005 and 2004

This communication is in response to the findings identified in the Auditor-Controller's report for the Sonoma County Transportation Authority (SCTA) financial audit for fiscal years ended June 30, 2004 and 2005.

The report states "management has violated the terms of the Transportation Funds for Clean Air (TFCA) contracts as it pertains to the use of funds". Management responds:

The SCTA receives the majority of its project funding on a cost reimbursement basis from the State of California. The time lag in receiving cost reimbursement has, at times, forced SCTA into a negative cash situation. While TFCA funds have never been intentionally, or literally, utilized to subsidize SCTA, inherent limitations of the accounting system in place result in the verification of positive cash balances at a reporting level consisting of the combination of both SCTA and TFCA funds. This has created the situation, which is the basis of the audit finding.

As previously stated, TFCA funds have never been directly expended on non-TFCA approved projects, and steps have been incorporated to insure that SCTA cash balances remain positive. Steps incorporated include the transfer of all approved Highway 101 expenditures from SCTA to the voter approved local sales tax Measure M Highway 101 fund, and strengthened cash monitoring.

It is also stated that the auditor has "been unable to determine if management has met the audit requirements of the Single Audit Act of 1984 as implemented by OMB A-133 for the fiscal years ending June 30, 2004 and 2005". Management responds:

**Suzanne Wilford**  
Executive Director

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Rodney Dole  
August 9, 2006  
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It has been determined that SCTA has met the audit requirements of the Single Audit Act of 1984, and as of the date of this response is currently undergoing single audits for fiscal years ended June 30, 2004, and 2005, by the Audit firm of Pisenti & Brinker, LLC.

A handwritten signature in cursive script that reads "Suzanne Wilford".

Suzanne Wilford  
Executive Director  
SCTA