

SACRAMENTO TRANSPORTATION AUTHORITY PERFORMANCE AUDIT OBJECTIVES AND PERFORMANCE STANDARDS

The scope of the performance audit encompasses the time period from July 1, 2018, to
June 30, 2023

GOAL 1. DETERMINE COMPLIANCE WITH THE MEASURE A ORDINANCE

1. MEASURE A REVENUE DISTRIBUTION

Objective: Determine if the distribution of Measure A revenues is in accordance with the voter-approved expenditure plan

Performance Standard: Measure A Ordinance – STA 04-01 Exhibit A

Objective: Determine if ongoing allocations are based on annually updated population and lane mile data in compliance with the Ordinance

Performance Standard: Measure A Ordinance – STA 04-01 Exhibit A Sections IV A and B and Section IX

2. ELIGIBILITY AND TIMELINESS OF CAPITAL PROGRAM AND ONGOING ALLOCATION EXPENDITURES

Objective: Determine if all capital project expenditures meet eligibility criteria as adopted by the STA Board in August 2021

Performance Standard: Definition of Eligible Expenditures, Agenda Item #8 August 12, 2021

Objective: Determine if Capital contract awards agree with total project expenditures

Performance Standard: None

Objective: Determine the effectiveness of when Capital Allocation and Expenditure Contracts are executed and expended.

Performance Standard: The percent of funds expended within the original contract term and the total number of years to expend the entire contract amount.

Objective: Determine if all ongoing allocation expenditures meet eligibility criteria as adopted by the STA Board in August 2021.

Performance Standard: Definition of Eligible Expenditures, Agenda Item #8 August 12, 2021

Objective: Determine if ongoing allocation funds are spent timely.

Performance Standard: The percent of funds expended within the annual amount provided and the available fund balance as a percentage of the annual amount provided.

3. INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE (ITOC)

Objective: Determine if the ITOC is operating in compliance with the Ordinance

Performance Standard: Measure A Ordinance – STA 04-01 Section II A and Exhibits A and B

4. ESTABLISHMENT OF THE SACRAMENTO COUNTYWIDE TRANSPORTATION MITIGATION FEE PROGRAM (SCTMFP)

Objective: Confirm that each local agency established an impact fee program in compliance with the Ordinance

Performance Standard: Measure A Ordinance – STA 04-01 Section VII

5. ADMINISTRATION EXPENSES

Objective: Verify that administration allocations and expenditures are limited to 0.75 percent of sales tax revenue as required under the Ordinance

Performance Standard: Measure A Ordinance – STA 04-01 Sections II B and Exhibit A Section XIII

6. MAINTENANCE OF EFFORT

Objective: Determine if Measure A funds were used to match other funding sources

Performance Standard: None

Objective: Create a summary of each funding source and amount for a sample of capital projects

Performance Standard: None

Objective: Determine that Measure A funding does not supplant or replace existing road funding programs or to replace requirements for new development to provide for its own road needs.

Performance Standard: Measure A Ordinance – STA 04-01 Section II C

7. INTERNAL CONTROLS OVER PROCUREMENT AND CASH DISBURSEMENT PROCESS

Objective: Evaluate internal controls over payment processing to determine if there are any deficiencies in the design of the internal control environment

Performance Standard: Tested as part of the annual financial audit

GOAL 2: PROGRAM REVENUE AND BOND FINANCING

8. MEASURE A SALES TAX REVENUES

Objective: Document the process for developing revenue projections, implementation of changes to the original projection and make recommendations for process improvements

Performance Standard: None

9. SCTMFP REVENUES

Objective: Determine if local agencies are charging the appropriate fees and remitting them to the STA timely

Performance Standard: Measure A Ordinance – STA 04-01 Section VII

10. BOND ISSUANCE

Objective: Document the cost and effectiveness of when bonds were issued and expended in relation to capital program needs

Performance Standard: None

11. FISCAL AND PERFORMANCE AUDITS AND ANNUAL BUDGETS

Objective: Determine if timely annual fiscal audits were performed as required by the law

Performance Standard: Measure A Ordinance – STA 04-01 Section II A, Exhibits A and B and California Public Utilities Code Section 180105

Objective: Determine if timely annual budgets were approved by the Board

Performance Standard: California Public Utilities Code Section 180105

GOAL 3: ASSESS PROGRAM EFFECTIVENESS

12. DOCUMENTATION OF PROGRAM MANAGEMENT PROCEDURES

Objective: Document and evaluate the Authority's strategies to maximize funding and reduce program costs. The amount of grant funds awarded to Measure A funded projects for each SACOG Funding Round, SB 1 Competitive Funding Round, including the SB1 Local Partnership Formulaic Program and State Competitive Programs through the audit period. The amount and % of competitive grant funds at SACOG and the State available for Measure A funded project categories compared to the amount and % of Measure A project categories.

Performance Standard: None

Objective: Document project status reporting and the status of each project in the voter-approved expenditure plan

Performance Standard: None

13. ACCOMPLISHMENTS DURING THE AUDIT PERIOD

Objective: Document the program's actual accomplishments during the audit period in comparison to anticipated accomplishments

Performance Standard: Consistent with prior audit approach.

Objective: Document and evaluate capital improvement project budget versus actual expenditures through current audit period.

Performance Standard: None