

CITY OF SAN RAFAEL

Measure A Compliance Report

Attachment A – Procedures Performed

June 30, 2019

10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.
11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:
 - a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regard to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
 - b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regard to the project.
 - c. Bid Award – Reviewed City/Town Council Agendas and Minutes along with Staff Reports in regard to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.
12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity to ensure that internal policies and procedures were followed in regard to the selection of professional service firms.
13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.
14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:
 - a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity’s payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
 - b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.
15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.
16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity’s funding agreement/contract with the Authority.

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Attachment B - Findings and Observations

June 30, 2019

2019-1 Observation – General ledger detail for Measure A expenditures were not reconciled:

During the review of the segregated general ledger for Measure A revenue and expenditures, it was noted that the accounting detail for Measure A funds did not reconcile with the supporting documentation submitted to TAM for reimbursement. It was noted that the supporting documentation did provide the correct maintenance and utility costs for the correct locations dictated in the fund agreement, however, in the general ledger, not all of the submitted costs were posted to the correct accounts that were set aside for Measure A funds.

Effect:

Without all expenditures associate with Measure A funds being posted to the appropriate account that was set aside for Measure A, it's difficult to identify Measure A expenditures based on the accounting records alone.

Recommendation:

We recommend that the City ensure that all expenditures associated with Measure A funds be posted to the correct general ledger accounts.

Questioned Cost:

None noted.

City's response:

The City agrees with the audit's observation. Moving forward, City staff will review the accounting records prior to year-end and ensure only and all legitimate expenses related to the project are coded correctly to the proper account.

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Attachment C – Schedule of Funding Allocations and Expenditures

June 30, 2019

Measure A Allocation					
Period Audited	Agreement Number	Measure A Strategy	Agreement Date	Available Amount*	
FY2018-19	A-2017-017	Interest Fund	7/8/2016	\$22,461	
Measure A Expenditures					
Project Audited		Measure A Strategy		Amount	
Multi-Use Path Maintenance for Puerto Suello Hill Pathway		Interest Fund		\$44,922	
Total Measure A Reimbursement*				\$22,461	

* Available Amount and Total Measure A Reimbursement amounts are 50% of the Measure A Expenditures.