

Independent Office of Audits And Investigations

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December 29, 2020

JEANIE WARD-WALLER
DEPUTY DIRECTOR
Planning and Modal Programs
California Department of Transportation

Dear Ms. Ward-Waller:

The Department of Finance, Office of State Audits and Evaluations (Finance), performed an Indirect Cost Rate Proposal (ICRP) audit of the Santa Barbara County Association of Governments' (SBCAG) ICRPs for fiscal years 2018-19 and 2019-20. The audit was performed to determine whether the ICRPs were prepared in compliance with Title 2 Code of Federal Regulations (CFR) Part 200, and the California Department of Transportation's Local Assistance Procedures Manual (LAPM). In addition, the audit was performed to recalculate fiscal years 2018-19 and 2019-20 rates if unallowable costs were identified. The final audit report, including SBCAG's response, is enclosed.

The audit determined that SBCAG included unallowable costs in their ICRP indirect cost pool. The amount; however, did not impact the rates.

Please provide our office with a corrective action plan addressing the recommendations in the enclosed report, including timelines, by February 26, 2021.

If you have any questions contact MarSue Morrill, Audit Chief, at marsue.morrill@dot.ca.gov.

Sincerely,

RHONDA L. CRAFT
INSPECTOR GENERAL

Enclosures
Final Audit Report

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