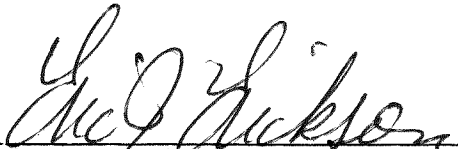


BE IT HEREBY RESOLVED by the Board of Supervisors of Mariposa County, a political subdivision of the State of California, that the Board of Supervisors hereby approved the following document, and Chairman, ERIC J. ERICKSON, is hereby authorized to sign same:


Agreement with Bartig, Basler & Ray for FY 82-83 Transit System Audit

PASSED AND ADOPTED by the Mariposa County Board of Supervisors this 4th day of October 1983, by the following vote:

AYES: Barrick, Dalton, Erickson, Taber
NOES: None
ABSENT: Moffitt
ABSTAINED: None


ERIC J. ERICKSON, Chairman
Mariposa County Board of Supervisors

ATTEST:


ELLEN BRONSON, County Clerk
Ex Officio Clerk of the Board

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MARIPOSA COUNTY BOARD OF SUPERVISORS
ACTING AS MARIPOSA COUNTY TRANSIT SYSTEM

AUDIT CONTRACT

THIS AGREEMENT, made and entered into as of the 30th day of June, 1983, by and between Bartig, Basler & Ray, hereinafter referred to as "ACCOUNTANT", and the 1983/84 MARIPOSA COUNTY BOARD OF SUPERVISORS, ACTING AS MARIPOSA COUNTY TRANSIT SYSTEM, hereinafter referred to as "TRANSIT SYSTEM".

W I T N E S S E T H:

I. That for and in consideration of the sum hereinafter agreed to be paid to ACCOUNTANT, ACCOUNTANT agrees to make for TRANSIT COMMISSION, pursuant to the provisions of Section 99245 of the Public Utilities Code, Division 10, Part II, Chapter 4, Article 3, which reads as follows:

Each transportation planning agency, transit development board created pursuant to Division II (commencing with Section 120000), and county transportation commission shall be responsible to ensure that all claimants to whom it directs the allocation funds pursuant to this chapter shall submit to it an annual certified fiscal audit conducted by an entity other than the claimant.

A report on the audit shall be submitted to the transportation planning agency, transit development board, or county transportation commission within 180 days after the end of the fiscal year. However, the responsibility entity may grant an extension of up to 90 days as it deems necessary. The report shall include a certification that the funds allocated to the claimant pursuant to this chapter were expended in conformance with applicable laws and rules and regulations. Except for the first report, the report shall also include the audited amounts for the fiscal year prior to the fiscal year audited.

A careful and complete examination of the accounts and records of the TRANSIT SYSTEM of the County of Mariposa for the fiscal year July 1, 1982 to June 30, 1983. A "careful and

complete examination" is defined as a review of records within the offices of the County of Mariposa, establishing by means of testing that items of cash reported as having been received have in fact been received and recorded by the said offices. It shall also include the testing of disbursements by reference to cancelled warrants and supporting documents supplied by vendors or other supporting evidence of payment.

II. ACCOUNTANT agrees to appear in person before the TRANSIT SYSTEM of the County of Mariposa, at any time during the performance of this contract, and to consult with and report as to the progress of the audit and all other matters pertaining thereto, when requested to do so.

III. ACCOUNTANT may consult with the County Counsel of Mariposa County of legal problems arising during the course of the audit.

IV. ACCOUNTANT shall commence the required audit immediately upon the signing of this contract, and shall prosecute the audit diligently until completed. The audit shall be conducted according to those generally accepted auditing standards as recognized by the American Institute of Certified Public Accountants and as set forth by the State of California Business, Transportation and Housing Agency, Department of Transportation, Division of Mass Transportation, in the Transportation Development Auditing, and Financial Reporting.

V. ACCOUNTANT shall have access to and shall be permitted to use figures, tabulations, statistical schedules, and other data already assembled or prepared by the County Auditor and the County Treasurer or the personnel of their respective offices for County purposes, but such statements shall not be copied verbatim and used as a representation of results of services for the final report of audit. This does not preclude the use of these statements in the audit report where acknowledgement is made that they were prepared by the County Auditor or the County Treasurer. Neither the County Auditor or the County Treasurer nor any member of their respective staffs shall be employed by ACCOUNTANT

in connection with the within audit, nor shall the County Auditor or the County Treasurer nor any personnel in their respective departments be called upon to perform any service other than the performance of the regular duties of their respective offices.

VI. ACCOUNTANT shall supervise the work of all persons selected by him. In the event ACCOUNTANT sub-contracts any portion of this work, ACCOUNTANT agrees to select only such auditing firms and accountants as may be approved in writing by TRANSIT SYSTEM prior to the performance of any work sub-contracted. Should the services of any personnel employed by ACCOUNTANT be, for any reason whatsoever, unsatisfactory to TRANSIT SYSTEM, such personnel shall be promptly removed from the assignment. Notice of such unsatisfactory performance shall be given in writing by TRANSIT SYSTEM to ACCOUNTANT, and shall be effective immediately upon receipt thereof. The term "personnel" as used hereinabove includes auditing firms.

VII. All books, records, figures, notes, materials, and information of every character, kind, and description of the ACCOUNTANT or ACCOUNTANT'S employees relating to this contract shall be retained by ACCOUNTANT in confidential files for a period of five years. Said records shall be made available at ACCOUNTANT'S office during all regular business hours to the TRANSIT SYSTEM, and to all subsequent TRANSIT SYSTEM'S and their respective agents for the requisite five-year period, after which said records may be burned.

VIII. The examinations, findings, and reports of ACCOUNTANT shall be held as confidential by him and reported only to TRANSIT SYSTEM and the responsible State of California Business Transportation and Housing Agency, Department of Transportation office.

IX. TRANSIT SYSTEM shall pay ACCOUNTANT out of current funds of said TRANSIT SYSTEM for the services herein specified a sum not to exceed four hundred Dollars (\$ 400) as determined by the number of hours of service of each class of accountants and clerical help actually and necessarily engaged in said audit at the hourly rates set out in Exhibit B attached hereto. At the end of each calendar month prior to delivery of the final report of audit ACCOUNTANT shall file a certified statement with TRANSIT SYSTEM specifying the number of hours of service of each class of accountant and clerical help employed in the performance of such services during said month together with the actual amount due for said month as computed upon the hourly rates set forth in Exhibit B. Upon approval of said statement by TRANSIT SYSTEM, sixty percent of the total amount due for services rendered during said month shall be paid to ACCOUNTANT by the County Treasurer out of the TRANSIT SYSTEM upon warrants drawn by the County Auditor. Upon the completion of all services and delivery of the final report of audit as herein provided, ACCOUNTANT shall file a certified statement specifying the total number of hours of service of each class of accountant and clerical help employed in the performance of all services rendered during the term of this contract together with the total amount of money to be paid for all services rendered during the term of the contract together with the total amount of money to be paid for all services rendered during the term of the contract, computed upon the hourly rates set forth in Exhibit B. Upon approval of said statement by TRANSIT SYSTEM, said amount, less the total of all monthly progress payments which have been made to ACCOUNTANT, shall be paid to ACCOUNTANT by the County Treasurer out of the TRANSIT SYSTEM Fund of said County upon warrants drawn by the County Auditor. However, it is mutually understood and agreed that TRANSIT SYSTEM shall not pay ACCOUNTANT

more than said maximum of four hundred Dollars (\$ 400)
for all services rendered pursuant to this contract, except for such additional services
as may be required by TRANSIT SYSTEM or pursuant to the following paragraphs.

X. In the event the audit develops irregularities or unforeseen conditions
requiring investigation beyond the scope of the regular audit, a report of such conditions
shall be made by ACCOUNTANT to TRANSIT SYSTEM. Should further investigation be authorized
and directed by TRANSIT SYSTEM, additional compensation therefore shall be paid to
ACCOUNTANT at the hourly rates of each class of accountants and clerical help engaged in
said additional services as set forth in Paragraph IX above. Payment for additional
services as aforesaid shall be upon certificate by ACCOUNTANT specifying the hours of
service of each class of accountants and clerical help engaged therein and, upon approval
by TRANSIT SYSTEM, shall be paid by the County Treasurer out of the TRANSIT SYSTEM Fund of
County upon warrants drawn by the County Auditor.

XI. ACCOUNTANT shall bear the expense incidental to the typing of reports
and for stationery and materials used in the report and during the course of the audit.
ACCOUNTANT shall bear all incidental traveling expenses incurred by ACCOUNTANT and his
staff.

XII. It is further mutually agreed that the TRANSIT SYSTEM may terminate this
contract at any time. ACCOUNTANT shall be entitled to receive pro-rate payment for the
services which he has rendered prior to the notification of such termination.

XIII. Upon completion of the final report and not later than December 31,
1983, the final report of the audit shall be submitted by ACCOUNTANT to TRANSIT SYSTEM.

XIV. ACCOUNTANT shall file copies of each final report as follows: Eight
copies for TRANSIT SYSTEM; one copy for the State of California, Business Transportation
and Housing Agency, Department of Transportation.

- XV. The final report shall contain at least the following:
- (a) An opinion letter setting forth a description of ACCOUNTANT'S services and an opinion in conformity with Rule 58 of the California State Board of Accountancy on the fairness of the balance sheet and statements of revenues, expenditures, receipts, disbursements, and surplus or balance of each and every fund. If ACCOUNTANT is unable to render an unqualified opinion and a qualified opinion is given, the reasons for such qualifications shall be fully explained.
 - (b) Financial statements consisting of the balance sheet, statements of revenues, expenditures, receipts, disbursements, and surplus or balance of each and every fund, and statements of changes in fund balances.
 - (c) All other exhibits, schedules, and other data necessary to proper presentation of the results of the examination.
 - (d) Comments on the following:
 - (i) Any indication of the misappropriation of public money or the irregular disbursement thereof. (In addition, ACCOUNTANT shall submit an immediate oral or written report to TRANSIT SYSTEM upon discovery of any such indication of misappropriation or irregular disbursement).
 - (ii) The effectiveness of the accounting system and the internal control features, including an examination of budget appropriations and funds to see that they are being properly accounted for.
 - (iii) Any improper maintenance or non-maintenance of required books, records, or accounts pertaining to financial transaction.
 - (iv) The action taken, if any, on those recommendations contained in the 1981/82 TRANSIT SYSTEM report.

- (v) Recommendations on required changes to bring COUNTY'S accounting procedures within applicable provisions of California law.
- (vi) Comments on State requirements for accrual accounting procedures vs. cash accounting procedures and recommendations related to said procedures.

XVI. It is further agreed by and between the parties hereto that in the event ACCOUNTANT performs services under this contract which are subsequently determined not to be charges against the TRANSIT SYSTEM, neither TRANSIT SYSTEM nor any of its members shall be held personally liable for any such expenditures.

XVII. This contract requires the approval of the TRANSIT SYSTEM of the County of Mariposa in order to become effective.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed as of the day and year first hereinabove written.

ACCOUNTANT

 1983/84 MARIPOSA COUNTY BOARD OF SUPERVISORS
 ACTING AS MARIPOSA COUNTY TRANSIT SYSTEM

ATTEST:

Edna Bernier
 Clerk of the Board

Eric J. Jackson
 Chairman

LEGAL SUFFICIENCY:

 County Counsel