

2004		2005		2006	
FGH	Total	ABCD	FGH	Total	ABCD
\$ 71.7	\$ 139.6	\$ 72.1	\$ 75.3	\$ 147.6	\$ 75.6
\$ -	\$ 0.2	\$ 0.2	\$ -	\$ 0.2	\$ 0.2
\$ -	\$ 9.3	\$ 10.7	\$ -	\$ 10.7	\$ 11.5
\$ 71.7	\$ 149.1	\$ 83.2	\$ 75.3	\$ 158.5	\$ 87.3
\$ 47.4	\$ 99.4	\$ 45.6	\$ 49.8	\$ 95.4	\$ 47.1
\$ 9.1	\$ 17.9	\$ 9.7	\$ 10.1	\$ 19.8	\$ 10.7
\$ -	\$ 8.5	\$ 7.5	\$ -	\$ 7.5	\$ 8.1
\$ 56.5	\$ 114.8	\$ 62.8	\$ 59.9	\$ 122.7	\$ 65.9
\$ 16.2	\$ 34.3	\$ 28.4	\$ 15.4	\$ 33.8	\$ 21.4
\$ 7.9	\$ 16.6	\$ 8.9	\$ 8.5	\$ 17.4	\$ 9.2
\$ 0.1	\$ 1.1	\$ 1.2	\$ 0.1	\$ 1.3	\$ 1.2
\$ 2.0	\$ 17.7	\$ 10.1	\$ 8.6	\$ 18.7	\$ 10.4

auditing, assurance & accounting services

TCBA has the capability to support its clients – government, nonprofit and corporate – in the following areas of assurance, accounting and auditing:

- Internal audits
- Annual financial audits
- Performance and compliance audits
- Vulnerability and risk assessments
- Internal control reviews
- Management and operational audits
- Forensic audits
- CFO Act and FMFIA compliance
- Quality control / peer reviews
- Information technology security audits
- Corporate letters for Board Financial
- Corporate governance – Sarbanes-Oxley Act compliance and internal control evaluations
- Agreed-upon procedures engagements
- Accounting support services, such as compilations and reconciliations

Selected engagements by type of client and services rendered are summarized below:

A. STATE AND LOCAL GOVERNMENTS

TCBA provides extensive services to state and local government entities. Because of our major physical presence in Washington, DC and Los Angeles,

California, TCBA has long-standing and continuing relationships with local government clients on the East and West coasts of the United States.

WASHINGTON, DC METROPOLITAN AREA

1. Audit of District of Columbia Responsibility and Management Assistance Authority (the Control Board)

TCBA performed the financial statement audits of the District of Columbia Control Board for fiscal years 1995 through 1999. TCBA also conducted a systems analysis to determine the Control Board's accounting systems needs, installed an appropriate system, and designed reports to be generated by that system. For fiscal years 2000 and 2001, TCBA provided the following accounting services to the Control Board:

- Preparation of monthly, quarterly and yearly financial statements, including Agency statements for the escrow accounts;
- Maintenance of the accounting system; and
- Performance of other accounting services as required.

In addition, we assisted the Control Board in performing close-out accounting tasks. These tasks included, but were not limited to, coordinating with the D.C. Office of

the Inspector General with respect to the Control Board's financial activities, including the financial audit for the year ended September 30, 2001.

2. Financial Audit of the District of Columbia Government

TCBA has been a subcontractor to a national accounting firm conducting the annual financial statement and OMB Circular A-133 audit of the District of Columbia government for 7 of the last 9 years. The City's annual budget is more than \$5 billion, which includes the budget for the DC Public Schools. TCBA has been responsible for auditing internal controls and compliance with laws and regulations for the high-risk City-wide functions: procurement, payroll, accounts payable, and loans. The Firm has also been responsible for the financial audits of the following agencies and funds:

- DC Public Schools
- Department of Housing and Community Development
- Lottery and Charitable Games Control Board
- Department of Corrections
- Department of Public Works
- Department of Employment Services
- Unemployment Compensation Trust Fund
- Disability Trust Fund

3. Audit of DC Government's 401(a) Defined Contribution Plan

TCBA audits the DC Government's 401(a) Plan's financial statements. The Plan has over \$218 million in plan assets and 18,000 participants. In addition to performing the multi-year audits of the financial statements, TCBA performs detailed audit and reconciliation of participant

accounts to total Plan assets and performs special audit procedures related to plan forfeitures and the transition to a new program manager, which occurred in 1999.

4. Audit of DC Government's 457 Deferred Compensation Plan

TCBA audits the DC Government's 457 Plan's financial statements. The Plan has over \$263.6 million in plan assets and 11,000 participants. TCBA performs the multi-year audits of the Plan's financial statements as well as a detailed audit and reconciliation of participant accounts to total Plan assets and performs special audit procedures related to plan forfeitures and the transition to a new program manager, which occurred in 2002.

5. Accounting Services for the DC Office of the Chief Financial Officer

TCBA has provided numerous services to the DC Office of the Chief Financial Officer (OCFO) under task orders and individual contracts. We were retained by OCFO to assist the Office of Finance and Treasury in preparing financial statements. TCBA was responsible for reconciling the City's pooled cash. This was a City-wide cash account with 4,000 transactions per month, representing monthly receipts of \$200 million. The monthly reconciliation involved cash transactions for all deposits such as wire transfers, cash receipts, and credit card receipts, as well as transfers between the District and the Federal government. There were eight depository accounts.

We also reconciled the main disbursement account. This account had an average volume of 8,000 transactions per month, representing monthly disbursements of \$350 million.

6. Financial Audit of DC Housing Finance Agency (DCHFA)

TCBA has performed the annual financial statement and single audit of the DCHFA since 1997. DCHFA generates funds from public and private sources to increase the supply and lower the cost of funds available for residential mortgages and for the construction of multi-family rental properties in the District of Columbia. DCHFA maintains five funds with over \$1 billion in assets and \$100 million in annual revenues.

TCBA also performs the audit of the Schedule of Receipts and Expenditures for the Agency's McKinney Act Fund. This is a \$3.5 million fund, which is restricted for use on housing for low-income residents. TCBA also assisted DCHFA with the implementation of GASB 34 in 2002.

7. Reconciliation of Payroll/Personnel Information for the District of Columbia Government

TCBA performed a comprehensive data reconciliation of the DC Government's payroll and personnel records with the City's seven healthcare insurers. TCBA compared extracts of the personnel and payroll files for all District employees for three years (over 40,000 records) to electronic data fields, such as SSN, hire date, termination date, and health benefit code, to the insurers' records in order to identify any data discrepancies that would cause incorrect payments to be made to the health insurers that could potentially result in employees not receiving the proper health insurance coverage.

We further researched questionable discrepancies by reviewing the documentation in the employee's person-

nel file. As a result of this comparison, we identified more than \$6 million of potential recoveries for overpayment for the DC Government.

8. Compliance Audit for the DC Housing Authority (DCHA)

TCBA assisted DCHA by assessing its process for complying with the Davis-Bacon Act, which provides wage protection to non-government workers on construction projects. DCHA's federally funded residential construction projects must pay construction laborers the prevailing wage established by the Department of Labor for the Washington metropolitan area. Accordingly, TCBA reviewed existing documentation and interviewed responsible staff to assess DCHA's program for monitoring Davis-Bacon Act compliance. We also assessed DCHA's processes and tools for monitoring contractors' compliance. This included reviewing selected payrolls for certain projects to determine if there was any falsification. Ultimately, TCBA developed a policies and procedures manual for DCHA based on the control objectives to ensure continued monitoring of compliance with the Davis-Bacon Act.

9. Audit of the DC Retirement Board

The DC Retirement Board is an independent agency of the DC Government and it is responsible for managing the assets of the Teachers' Retirement Fund and the Police and Firefighters' Retirement Fund. Since fiscal year 2000, TCBA has performed the audit of the financial statements of these two funds including the following:

- Schedule of Employer Contributions
- Schedule of Actual Methods and Assumptions

- Schedule of Revenues by Source and Expenses by Type
- Schedule of Investment Information
- Schedule of Five Percent Reportable Series of Transactions

These retirement funds have combined plan assets of more than \$2 billion. In addition, we also assist the Board in evaluating whether administrative expenditures were made in accordance with established procedures, rules, and regulations. TCBA also assisted with implementation of GASB 34 in 2002.

10. Audit of Enrollment for DC Public Schools

Since 1997, TCBA has audited the enrollment count of the DC Public Schools (DCPS) and reviewed the process for enrollment and residency verification. This audit represents a critical process in determining the amount of financial assistance DCPS and public charter schools receive on an annual basis.

To conduct the enrollment count, TCBA's staff physically observe each student at every public and public charter school and accumulate, summarize, and report the enrollment totals. In addition to the physical verification of the students, we review the residency files for every student and the placement forms for every special education student, comparing our results to information in DCPS student information system. TCBA utilizes electronic scanning technology with manual data entry to create a database of over 77,000 students attending over 200 schools – tracking student, school, grade, residency, special education, and language proficiency.

11. Audits of D.C. Unclaimed Property Returns

Under an engagement with the DC Office of the Controller, TCBA assisted the DC Government in recovering over \$10 million in unclaimed property that should have been forwarded to the Government by various

entities. TCBA examined unclaimed property returns submitted by companies operating in the District of Columbia. The purpose of the examinations was to determine whether companies complied with the City's Uniform Disposition of Unclaimed Property Act.

12. Review of Indirect Cost Rate Plans for the District of Columbia Government

TCBA, in association with a national CPA firm, provided cost accounting services to maximize the potential recovery of indirect costs for special revenue and enterprise fund programs operated by the District of Columbia and to ensure that the District's rate development process equitably distributed its costs and ensured reasonable cost recovery. Accordingly, TCBA developed, implemented, and prepared indirect cost rate proposals for each major agency in compliance with OMB Circular A-87 and 45 CFR Part 95.

13. Verification of Business Tax Accounts for the District of Columbia Government

TCBA assisted the DC Office of Tax and Revenue (OTR) in validating its business tax receivables. Under this contract, TCBA staff:

- Analyzed the backlog of 24,000 franchise (corporations and unincorporated business) and personal property tax returns rejected by the Business Tax Information System (BTIS). In conjunction with reviewing and correcting the returns, TCBA assisted OTR in identifying and correcting system and processing deficiencies and errors that caused the large number of rejections.
- Analyzed taxpayer receivable accounts for hotel, sales, and withholding taxes for over 20,000 accounts to identify and correct errors in the account balances.

14. Audit of Public Housing Tenants' Accounts Receivable

As a subcontractor to a national CPA firm, TCBA audited the individual rent receivable accounts for over 4,000 tenants of the DC Department of Public and Assisted Housing. Discrepancies existed between the rent amount charged, the amount collected, and the amount recorded in the subsidiary accounting ledger for each tenant. These discrepancies resulted from increases in tenant income which increased the rent, tenant transfers to apartments where a different rate of rent was charged, or tenants who received no income but were due payments for utilities. After a detailed review of each tenant's records, TCBA determined that many owed the DC government additional payments.

15. Management Audit of DC Public Schools

TCBA and a national accounting firm performed a management audit of enrollment and related services for the DC Public Schools (DCPS) for a five-year period. The audit of the enrollment records included:

- Verification of historical enrollment numbers,
- Examination of the pattern of enrollment for the periods of the audit and the administrative actions taken to project and verify enrollment,
- Verification of the consistency and timeliness of enrollment reports submitted to the Board of Education, City Council, Federal Government, and the Committee on Public Education,
- Evaluation of the internal control system and determination of the accuracy of enrollment records maintained at each schools and DCPS' central offices, and
- Recommendations for improving internal control deficiencies.

16. Financial Audit of the Economic Development Finance Corporation

Since 1995, TCBA has performed the annual financial audit of the District of Columbia Economic Development Finance Corporation and its subsidiary, the Neighborhood Economic Development Corporation, which have over \$20 million in combined assets. These entities are quasi-government corporations that provide loans, financial and technical assistance to small businesses located in the District of Columbia.

17. Financial Audit of Maryland Department of Business and Economic Development Funds

TCBA performs the annual financial statement audits of the eight economic development programs/funds managed by the Division of Financing Programs of the Maryland Department of Business and Economic Development: Maryland Economic Development Assistance Authority and Fund; Economic Development Opportunities Program Fund; Smart Growth Economic Development Infrastructure Fund; Maryland Industrial Development Financing Authority; Maryland Small Business Development Financing Authority; Maryland Competitive Advantage Financing Fund; Maryland Enterprise Investment Fund; and Maryland Economic Adjustment Fund. These funds are enterprise funds of the State of Maryland and collectively, these funds provide millions of dollars in grants, loans, and other economic incentives to enhance the expansion of small business and economic development in the State of Maryland.

18. Performance Audit of Wicomico County, Maryland

TCBA served as a subcontractor on a project to conduct a performance audit of Wicomico County, Maryland government, including the school system, which accounts for 48 percent of the County's budget. TCBA had responsibility for the performance audit of the school system and for the review of the internal controls for information technology systems.

As part of this engagement, TCBA performed a comparative analysis of the school system's business processes and costs to other school systems in the region. Our objectives were to identify areas in which the county could reduce costs or improve service, identify activities or expenses that could be consolidated or eliminated, and determine whether there were county-provided services that could better be provided by some other entity.

19. Management Audit of the Prince George's County Public School System

TCBA participated in a comprehensive performance audit of the Prince George's County Public Schools. The purpose of the study was to assess the following departments and programs:

- Administrative Services, Risk Management, Pupil Transportation, Plant Operations, Facilities Maintenance and Office of School Security,
- Central office and other offices that provide instructional or support services and direction (including Executive Administration, Division of Budget, Finance and Management),
- Administrative Offices of Pupil Personnel Services, Student Records, and Student Transfers,
- Guidance, School Psychologists, and Staff Development Administration,
- Special Education Administrative Services, and

- Procurement department.

20. Financial Audit of the Housing Authority of Prince George's County

TCBA performs the annual financial statement and OMB Circular A-133 audits of the Prince George's County Housing Authority, including the Residential Development Corporation and the Urban Development Corporation. The Authority has an annual budget of more than \$37 million and has issued approximately 30 multi-family and single-family mortgage revenue bonds with outstanding principal balances of approximately \$350 million.

21. Financial Audit of Baltimore City Public School System

TCBA performs the annual financial audit of the Baltimore City Public School System (BCPSS). In addition, TCBA performs the compliance audit in accordance with OMB Circular A-133. BCPSS receives approximately \$115 million in Federal funds. TCBA also assisted BCPSS with its GASB 34 implementation in fiscal year 2002.

22. Audit of the Expenses of the Prince George's County Board of Education

The Board of Education of Prince George's County, Maryland engaged TCBA to audit expenses incurred by individual Board Members, the Board Office, and senior management personnel reporting to the Office of the Superintendent of Schools for the period July 1, 1996 to April 30, 2000.

23. Annual Financial Audit of the DC Water and Sewer Authority

TCBA performs the annual audit of the DC Water and Sewer Authority (WASA). WASA provides water and

sewer services to residents, businesses, federal and municipal customers in the Washington DC area. WASA has net assets of \$750 million and operating revenues of \$250 million. TCBA also performs an annual financial and compliance audit of WASA's federal grant programs in accordance with *Government Auditing Standards* and OMB Circular A-133. TCBA also assisted WASA with implementation of GASB 34 in fiscal year 2002.

24. Financial Audit of DC Tobacco Settlement Financing Corporation

TCBA performs the annual audit of the District of Columbia Tobacco Settlement Financing Corporation (TSFC). TSFC is a special purpose, independent instrumentality of the District of Columbia created by the Tobacco Settlement Financing Act of 2000. TSFC issued Tobacco Bonds in the amount of \$521,105,000 on March 13, 2001.

25. WMATA Federal Grants Close-Out Audit

TCBA reviewed federal grant expenses and draw-downs of cash for a 15-year period to assist the Comptroller's Office of the Washington Metropolitan Area Transit Authority in closing out federal grants received for the construction of the Washington, DC area-wide subway system. Results of this review were presented to the U.S. Department of Transportation.

26. Single Audit and Financial Audit of Several Maryland Towns

TCBA performs financial and single audits for several towns in Maryland. Uniform financial statements are required to be filed with the Maryland state government for inclusion in the state's Comprehensive Annual Financial Report.

27. Financial Audit of Prince George's County Public Schools

For 5 years, TCBA performed the annual financial statement and single audits under OMB Circular A-133 of Prince George's County Public Schools (PGCPS), the 18th largest school system in the United States. PGCPS has 130,000 students in 183 schools and has an annual operating budget of \$1 billion.

28. Financial Audit of the Metropolitan Washington Council of Governments

TCBA performs the annual audit of the Metropolitan Washington Council of Governments (COG). COG receives most of its revenue from Federal, state, and local governments. Its members consist of 20 city, county and state governments in Maryland and Virginia and the District of Columbia municipal government. COG has five main Federal grantors: U.S. Departments of Transportation, Housing and Urban Development, Defense, and Health and Human Services and the Environmental Protection Agency.

COG has net assets of over \$14 million and operating revenues of \$23 million, most of which is federal expenditures. TCBA performs both financial and compliance audits of COG in accordance with *Government Auditing Standards* and OMB Circular A-133. TCBA also assisted COG in its GASB 34 implementation in fiscal year 2003.

LOS ANGELES AREA

From its office in Los Angeles County, California, TCBA has serviced its expanding clientele and established long-term relationships on the west coast of the United States. Major engagements performed from this office are summarized below:

29. Review of the Los Angeles Housing Department's Administration and Management of the Earthquake Emergency Loan Program

TCBA conducted a performance audit of the City of Los Angeles Housing Department's Federally funded Earthquake Emergency Loan Program. The EELP was a \$330 million loan program funded by the U.S. Department of Housing and Urban Development to help restore housing damaged by the 1994 Northridge earthquake. The objectives of the performance audit were to assess the adequacy of LAHD's procedures for monitoring contractor compliance with the wage requirements of the Davis-Bacon Act and low-income hiring requirements under the HUD Section 3 program; to assess the adequacy of the LAHD's loan review and approval process; and to assess the adequacy of the LAHD's construction oversight program.

30. Financial and Performance Audits for the South Coast Air Quality Management District

The South Cost Air Quality Management District (AQMD) is required to maintain healthy air quality in the Los Angeles Basin, an area of 12,000 square miles that includes Los Angeles County, Orange County, and portions of Riverside and San Bernardino Counties. TCBA has completed several audits for AQMD, including two biennial financial and compliance audits of more than 40 cities and other entities receiving air quality improvement funds under Assembly Bill 2766. TCBA conducted audits of recipients of these funds to determine how the revenues were spent and whether the activities were in compliance with program requirements.

TCBA has conducted two state-mandated triennial performance audits of the AQMD. These audits consisted of a review of the effectiveness, efficiency, and economy of AQMD's operations. TCBA also reviewed AQMD's policies, procedures, and activities to determine compliance with Federal and state requirements. TCBA reformed an organizational assessment to determine the impact of the downsizing on the agency's ability to achieve its goals. Accordingly, we compared the number of management, supervisory, and line worker positions for each of the last six years with total employment for those years and then assessed how the mix changed after the downsizing.

TCBA also reviewed AQMD's stationary source fee structure to determine the relationship between the costs of issuing permits and the possible revenue generated through the process. We also examined the costs and possible revenue along with the emissions fee structure and recommended realignment of the fee structure.

31. Forensic Accounting for the County of San Diego

The County of San Diego retained TCBA to determine whether costs billed to the County by the contractor were justified. Accordingly, we reviewed invoices, phone records, bank account records, credit card receipts, and other documents to determine what expenditures had been made and whether they had benefited the county or the contractor.

32. Review of the Los Angeles Police Relief Association (LAPRA)

TCBA conducted a review of the Los Angeles Police Relief Association for the Los Angeles City Controller's Office. LAPRA is a nonprofit organization created to

administer health, dental, and life insurance benefits to active and retired LAPD officers. The purpose of our review was to assess how well LAPRA performed its duties and responsibilities and to determine whether LAPRA adequately accounted for the estimated \$5 to \$7 million per month in City subsidy payments. Our review consisted of interviewing LAPRA management and staff, reviewing and assessing the adequacy of LAPRA's key business processes, and performing substantive tests of the financial transactions and database records.

33. Managed Competition Audits for the County of San Diego

As a cost-containment measure, the County of San Diego implemented a managed competition program through which the County weighs the costs and benefits of outsourcing versus performing a job in house. TCBA has assisted the County on two such bids by reviewing the costs proposed by the County and by private sector contractors to provide workers compensation claim administration and correctional health services. In both cases, we identified avoidable and unavoidable costs and evaluated whether it was cost effective for the County or the contractors to provide the services.

34. Financial and Compliance Audits for the Community Redevelopment Agency of the City of Los Angeles

Under an audit support services contract with the Community Redevelopment Agency, TCBA has conducted several financial/compliance audits. One was a financial audit of \$26 million in Residential Mortgage Bonds (1985 Series A). These bonds provide funding for residential mortgages in specified areas of Los Angeles. Repayment of bonds and bond interest expense is funded by mortgage payments received and

investment earnings. Along with providing an opinion on the bond program financial statements, TCBA also reviewed the trustee's compliance with bond indenture requirements and applicable SEC reporting requirements.

35. Compliance Review of the OCTA's ADA Certification Program

TCBA was engaged by the Orange County Transportation Authority (OCTA) to conduct a performance review of its certification program for providing paratransit to people whose disabilities prevent them from using the fixed-route service. The objectives of the review were to determine whether OCTA's process for determining eligibility was in compliance with the Americans with Disabilities Act of 1990 (ADA); to determine whether ACCESS application determinations were appropriate, properly categorized, and consistently applied; and to determine the integrity of the OCTA database.

36. Performance Audit for San Diego County

TCBA conducted a performance audit of San Diego County's Service Area Program, which is designed to ensure that unincorporated areas within the County receive adequate services. Normally residents of incorporated areas receive road maintenance, tree trimming, culvert maintenance, and other services, which are paid for out of the General Fund. Residents of unincorporated areas, however, may form County Service Areas and be billed for the County services they receive.

37. Audits of Transportation Development Act Funds

TCBA was retained by OCTA to audit recipients of Transportation Development Act (TDA) funds. OCTA

administers the TDA and its various components including Article 3, which is the Bikeways and Pedestrian Facilities Program. As such, OCTA is responsible for ensuring that the TDA funds allocated and disbursed to agencies within the county are used in accordance with applicable TDA rules and regulations and OCTA policies and procedures. To assist in this oversight capacity, TCBA conducted audits of as many as 32 agencies that received approximately \$2.3 million in TDA funds under Article 3.

38. Financial Audit of the Inglewood Unified School District

TCBA serves as auditor of Inglewood Unified School District (IUSD). Accordingly, TCBA performs IUSD's financial statement audit and the single audit in accordance with OMB Circular A-133 and prepares IUSD's schedule of Federal awards in accordance with generally accepted governmental auditing standards as included in the *Standards and Procedures for Audits of California K-12 Local Educational Agencies*.

In addition to the audit, TCBA performed a payroll investigation for IUSD to determine whether allegations of unauthorized salary increases for several employees were valid. The investigation included audit of payroll history, board minutes, salary adjustments and interviews with personnel and payroll staff.

39. Financial and Performance Audits for the Los Angeles County Metropolitan Transportation Authority (MTA)

TCBA has provided financial and performance audit services for MTA's Internal Audit Department since 1996. This work consists of third-party compliance audits of construction and engineering contracts per-

formed in accordance with *Government Auditing Standards*. The objectives of the audits are to determine the reasonableness, allowability, and allocability of incurred costs. TCBA has performed audits of more than 200 MTA contractors and identified more than \$10 million in questioned costs.

40. Financial and Compliance Audit of Proposition A and Proposition C Funds

TCBA conducted an audit of the receipt and expenditure of more than \$5 billion of Proposition A and Proposition C sales tax revenues for the Los Angeles County MTA, as required by passage of the MTA Reform and Accountability Act of 1998. The objectives of the audit were to verify that MTA properly accounted for Proposition A and Proposition C sales tax revenues and that the expenditure and allocation of these revenues were in compliance with Proposition A and C guidelines.

41. Compliance Audits of Measure M for Orange County Transportation Authority

TCBA assisted the Orange County Transportation Authority in determining compliance with Measure M in 10 Orange County cities. Measure M authorizes a portion of the sales tax collected to be turned back to the cities to supplement local funds spent for transportation. The cities must use the funds for local street and road projects. Our audit included an assessment of the cities' internal controls over the Measure M funds, determination of the cities' eligibility for program participation, determination of their compliance with requirements for depositing and maintaining program funds, and analysis of the cities' spending for local streets and roads.

42. Financial and Compliance Audits of the Riverside County Transportation Commission

TCBA served as subcontractor to a national accounting firm in conducting financial and compliance audits of the Riverside County Transportation Commission. This included performing financial and compliance audits of funds for three articles of the Transportation Development Act as well as audits of compliance with Measure A.

43. Fund/Agency Audits for the County of San Diego

TCBA conducted financial audits of several funds and agencies for the County of San Diego. These included the Service Authority for Freeway Emergencies, Abandoned Vehicle Abatement Service Authority, Inmate Welfare Trust Fund, and Probation Commissary Fund.

44. Annual Audits of West Contra Costa and Oakland Unified School Districts

TCBA conducts financial statement and compliance audits of the general purpose financial statements of the West Contra Costa and Oakland Unified School Districts. TCBA also performs the single audit in accordance with *Government Auditing Standards*, OMB Circular A-133 and *Standards and Procedures for Audits of California K-12 Local Education Agencies*.

TCBA also conducts the financial and management audit of the Districts' bond programs.

45. Financial and Compliance Audits of the Los Angeles Community Development Bank

The Community Development Bank (CDB) is a public-private partnership between the City and County of Los

Angeles and the U.S. Department of Housing and Urban Development. It is designed to stimulate investment in the City and County of Los Angeles and to create/retain jobs for residents in the Empowerment Zone. TCBA was retained in 2000 to perform quarterly financial and compliance reviews to ensure compliance with HUD requirements pertaining to the Community Development Block Grant program, Economic Development Initiative, and HUD Section 3 regulations. Since 2001, TCBA has also conducted the annual financial and single audits of the CDB.

OTHER STATE AND LOCAL GOVERNMENTS

With the capability to deploy staff to meet client needs in any geographic area, TCBA has successfully served several other State and Local Government clients, including the following:

46. Operations Review of the Workers' Compensation Program for the City of Newark, New Jersey

TCBA was retained by the City of Newark to perform an operational review of the Insurance Fund Commission's financial management structure and the medical services provided by authorized physicians related to the Workers' Compensation Program. The review includes an examination of the processing procedures, an evaluation of the efficiency and effectiveness of those procedures, and an evaluation of financial management controls and development of recommendations for process improvement and identification of opportunities for improvements in areas such as training, automation, and risk management. The review also includes a comparison of the program to those in other similar sized cities and a cost benefit analysis of the services provided by program physicians. Upon completion of the operational review, TCBA will also work with the City to develop a standard accounting operating procedures manual for the Commission.

47. Financial Audit of State of Connecticut Clean Water Fund

TCBA performed the annual financial and single audits of the State of Connecticut Clean Water Fund. This \$500 million entity was formed by the State Government to fund the construction and/or improvement of wastewater and sewage treatment facilities and was funded jointly by state and Federal government appropriations. This engagement required an interim analysis of the Fund's financial condition and forecast financial position and the issuance of comfort letters to bond underwriters. The audits included a review of over 100 loans made to local jurisdictions.

48. Financial Audit of Federal Highway Funds for the Virgin Islands Government

TCBA was engaged in a joint venture with a St. Thomas, VI, CPA firm to perform an audit of U.S. Federal Highway Administration (FHWA) funds awarded to the Virgin Islands government to upgrade roads and bridges. Thirty-eight grants totaling more than \$50 million were audited. The audit was performed in accordance with *Government Auditing Standards*, and the results were presented to both the VI government and the FHWA.

B. FEDERAL GOVERNMENT AND QUASI-GOVERNMENT AGENCIES

1. Accounting Services for the U.S. Bureau of the Census

In response to external auditors and GAO findings, TCBA was retained by the U.S. Bureau of the Census (BOC) Finance Division to provide accounting and

financial management technical support services. The objective of the engagement is to assist the Finance Division in developing and implementing proper accounting and financial management practices including internal controls that are in accordance with generally accepted government accounting principles. This is a task order engagement, and two of the task orders awarded to date have been for accounting services. TCBA has had as many as 15 accountants on site at BOC.

TCBA has essentially become the outsourced accounting department for the BOC, reconciling general ledger and non-general ledger accounts. Accounting tasks performed by TCBA include the following:

- Validating the existing cost analysis and reconciliation procedures and documentation, and executing changes, as appropriate, based on sound accounting and internal control practices,
- Developing desk procedures and documentation for analysis and reconciliation of ten accounts,
- Reconciling general ledger accounts relating to the closing of the financial records,
- Reviewing and testing financial transactions relating to BOC's Automated Property Management System,
- Compiling BOC's year-end financial records and preparing the annual financial statements,
- Resolving reconciliation differences prior to month-end closings, and
- Performing monthly analysis of accounts, explaining any large or unusual variances.

2. Accounting Services for the Centers for Disease Control and Prevention

TCBA is providing accounting and consulting assistance to the Centers for Disease Control (CDC) in