



**CONSOLIDATED PLANNING
COMMITTEE**

**10TH Street Place, 1010 Tenth Street
5th Floor Auditor/Controller Dept Rm 5121**

Modesto, CA

April 28, 2009 • 10:00 A.M.

**TECHNICAL ADVISORY
COMMITTEE**

**Ceres City Hall – Council Chambers
2210 Magnolia Street**

Ceres, CA

April 30, 2009 • 2:00 P.M.

**CITIZENS ADVISORY
COMMITTEE
StanCOG Conference Room
900 H Street, Suite D
Modesto, CA
April 29, 2009 • 7:00 P.M.**

California Brown Act Requires:

This Agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans With Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (California Government Code § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact Sabrina Pinheiro, at (209) 525-4600, during regular business hours, at least twenty-four hours prior to the time of the meeting.

Notice Regarding Non-English Speakers:

Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the StanCOG Policy Board shall be in English and anyone wishing to address the Board is advised to have an interpreter or give StanCOG a 48 hour notice so that StanCOG can provide an interpreter from any language not English into the English language.

PUBLIC PARTICIPATION

Matters not on the posted agenda may be addressed by the general public at the beginning of the regular agenda and any off-agenda matters before the Committee for consideration. However, California law prohibits taking action on any matter which is not on the posted agenda unless it is determined to be an emergency by the Committee. Any member of the public wishing to address the Committee will be limited to five minutes or the discretion of the Chair.

Questions: Contact Cindy Malekos at (209) 525-4600.

AGENDA

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENTS

These matters may be presented only by interested persons in the audience. Discussion is limited to five minutes or at the discretion of the Chair.

4. CONSENT CALENDAR

A. Approval of Technical Advisory Committee Minutes of 3/26/09 (by Technical Advisory Committee only on April 30, 2009)

B. Approval of Citizens Advisory Committee Minutes of 3/25/09 (by Citizens Advisory Committee only on April 29, 2009)

- C. Motion to Approve StanCOG's Independent Audit Report—Fiscal Year Ending June 30, 2008
- D. Motion to Approve the FY 2008/09 Local Transportation Fund Non-Transit Claim: City of Waterford
- E. Motion to Approve the FY 2008/09 Local Transportation Fund Non-Transit Claim: County of Stanislaus
- F. FY 2009 Minority Race Conscious Disadvantaged Business Enterprise (DBE) Program

5. PRESENTATIONS-None

6. DISCUSSION/ACTION ITEMS

- A. Motion to Approve the Request for Proposal (RFP) for Consulting Services for the 2011 Regional Transportation Plan (RTP) and RTP Environmental Impact Report (EIR)
- B. Motion to Approve the FY 2009/10 Proposed Overall Work Program (OWP) and Budget
- C. Motion to Approve the \$18,900 Funding Request for the California Partnership for the San Joaquin Valley
- D. Discussion on StanCOG Advisory Committee Structure

7. INFORMATION ITEMS

The following items are for information only.

- A. Policy Board Minutes of 4/8/09
- B. Social Services Transportation Advisory Council (SSTAC) Minutes of 4/8/09
- C. Amendment #6 to the 2009 Interim Federal Transportation Improvement Program (FTIP) - Type 1 Administrative Amendment
- D. Unmet Transit Needs—Final Public Hearing
- E. Proposition 1B, Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) Allocation Request Submitted
- F. 2009 American Recovery and Reinvestment Act Certification
- G. Congestion Mitigation and Air Quality (CMAQ) Policy Update

8. CALTRANS REPORT

9. EXECUTIVE DIRECTOR'S REPORT

10. ADJOURNMENT

Next regularly scheduled meetings:

Consolidated Planning Committee	Technical Advisory Committee	Citizens Advisory Committee
May 26, 2009 10:00 AM	May 28, 2009 2:00 PM	May 27, 2009 7:00 PM
10 th Street Place, 1010 Tenth St.	Ceres City Hall	StanCOG Conference Room
Basement Training Rm. B-300	Council Chambers	900 H Street, Suite D
Modesto, CA	Ceres, CA	Modesto, CA



CONSENT CALENDAR

**TECHNICAL ADVISORY COMMITTEE (TAC)
MEETING
Ceres City Hall
Council Chambers
Ceres, California**

Minutes of March 26, 2009

MEMBERS PRESENT: Vice-Chair Steve Hallam (City of Oakdale); Brad Kilger, Glenn Gebhardt (City of Ceres); David Chase (City of Hughson); Firoz Vohra (City of Modesto); Michael Holland (City of Newman); Cleve Morris (City of Patterson); Dave Melilli (City of Riverbank); Stan Risen, Laurie Barton (Stanislaus County); Chuck Deschenes (City of Waterford)

ALSO PRESENT: John Gedney (Caltrans Division 10, Stanislaus); Vince Harris, Vince Canales, Lark Downs, Jeanette Fabela, Jaylen French, Cindy Malekos, Scott Philips, Carlos Yamzon (StanCOG)

Vice-Chairman Steve Hallam called the Technical Advisory Committee meeting to order at 2:00 P.M.

1. ROLL CALL

2. PUBLIC PARTICIPATION

These items may be presented only by interested persons in the audience. Discussion is limited to five minutes or at the discretion of the Chair.

3. CONSENT CALENDAR

It was requested that Item 3E be moved to the Oral Report section, and that Items 3B, C, and D be pulled for discussion.

A. Approval of Technical Advisory Committee Minutes (2/26/09)

B. FY 2007/08 Local Transportation Fund Non-Transit Claim: City of Modesto

Stan Risen asked how the funds from the Financial Expenditure Plan will be used. Executive Director Vince Harris explained that at some point they will be returned to the jurisdictions, except for \$10,000 which is being proposed in the FY 09/10 StanCOG budget to develop a new Expenditure Plan if requested.

***By Motion (Stan Risen/David Chase)**, and unanimous vote, the Technical Advisory Committee recommended that the Policy Board approve the FY 2008/09 Local Transportation Fund Non-Transit Claim, City of Modesto.

C. FY 2008/09 Local Transportation Fund Non-Transit Claim: City of Modesto

D. FY 2008/09 Overall Work Program (OWP) and Budget Amendment #4

Stan Risen asked for clarification as to what the Public Involvement and Legal funds will be used for. Executive Director Vince Harris explained that a consultant would be retained to design a newsletter, annual report, and other public involvement materials. With regards to the legal funds, he stated that they were somewhat under budgeted this year, and that they are needed for legal evaluation of AB 32 and SB375 and other items such as the development of the Employee Handbook.

E. Congestion Mitigation and Air Quality (CMAQ) Programming for Federal Fiscal Year (FFY) 2010/11 and Federal Fiscal Year (FFY) 2011/12 (Moved to Item 6C)

***By Motion (David Chase/Chuck Deschenes)**, and unanimous vote, the Technical Advisory Committee recommended that the Policy Board approve Items A, C and D of the Consent Calendar.

4. PRESENTATIONS

(None)

5. PUBLIC HEARINGS

(None)

6. ORAL REPORT ITEMS

A. The Northern San Joaquin Valley Regional High Occupancy Vehicle (HOV) Lanes and Ramp Metering Master Plan, Final Report

Executive Director Vince Harris explained that this report was previously brought to the Committee for acceptance and the current item requests stronger language in adopting the report. Senior Planner Carlos Yamzon noted that at the March 24th Consolidated Planning Committee (CPC) meeting, Stanislaus County asked for this item to be pulled from the Policy Board Agenda for further review by the jurisdictions.

***By Motion (Brad Kilger/Firoz Vohra)**, and unanimous vote, the Technical Advisory Committee recommended that the Northern San Joaquin Valley Regional High Occupancy Vehicle (HOV) Lanes and Ramp Metering Master Plan Final Report be continued to next month's agenda so that the jurisdictions can further review it and determine what the impact would be on their projects.

B. Amend the FY 2009/10 Transportation Development Act Apportionments

Executive Director Vince Harris explained that StanCOG received the second quarter State Transit Assistance (STA) apportionment funds in March as well as a letter from the State revising the STA estimate for FY 08-09. Staff had originally recommended to retain the second quarter STA funds until FY 09/10 but based upon suggestions at both the CPC and the Citizens Advisory Committee (CAC) meetings, Staff is revising their recommendation to instead distribute the funds in the current fiscal year.

***By Motion (Chuck Deschenes/Stan Risen)**, and unanimous vote, the Technical Advisory Committee accepted the revised recommendation by Staff to distribute the STA funds in the current fiscal year.

C. Congestion Mitigation and Air Quality (CMAQ) Programming for Federal Fiscal Year (FFY) 2010/11 and Federal Fiscal Year (FFY) 2011/12 (Moved from Item 3E)

Executive Director Vince Harris explained that this item is a request for a call for projects for CMAQ funds for fiscal years 2010/11 and 2011/12. Senior Planner Carlos Yamzon reported that at the CPC meeting, there was a discussion about changing the formula to 50% competitive and 50% formula or whether to keep it at the status quo. There was an informal vote held. Seven jurisdictions voted for the status quo, two voted to change the formula, and one was absent. He also reported that at the CPC meeting, there was a discussion about \$1.3 million in CMAQ funds that are available from FY 09/10 since there was no call for projects for that year.

***By Motion (Michael Holland/Dave Melilli)**, and a roll call vote (6 Yes—Ceres, Hughson, Newman, Oakdale, Patterson, Riverbank, 3 No—Stanislaus County, Modesto, Waterford, and 1 Absent-Turlock), the Technical Advisory Committee recommended that the Policy Board approve the Congestion Mitigation and Air Quality (CMAQ) Programming for Federal Fiscal Year (FFY) 2010/11 and Federal Fiscal Year (FFY) 2011/12, as well as distribute the \$1.3 million from Federal Fiscal Year (FFY) 2009/10 to be used to complete underfunded projects.

It was noted by the County and the cities of Modesto and Waterford that they voted no due to lack of information as to the criteria that would be used to distribute the \$1.3 million.

7. INFORMATION ITEMS

- A. State Route 99 Business Plan Financial Program and Economic Benefit Study**
- B. Policy Board Minutes (2/19/09 and 3/11/09)**
- C. Social Services Transportation Advisory Council (SSTAC) Minutes (3/11/09)**

8. CALTRANS REPORT

John Gedney reported that the Assembly passed the recommendation for the formula distribution of the Economic Stimulus funds that morning. He also reported that the Strategic Growth Council is expecting \$900 million of funding to be allocated in July for local planning.

9. EXECUTIVE DIRECTOR'S REPORT

Executive Director Vince Harris stated that he had no formal report in addition to the items he already reported on.

10. ITEMS FROM THE FLOOR

Michael Holland requested that the Executive Director send out a reminder to the City Managers and the County CEO that the TAC is comprised of City Managers and the County CEO only. Executive Director Vince Harris replied that he would be glad to do that. Chairman Steve Hallam acknowledged that this was Senior Planner Lark Downs' last TAC meeting due to his upcoming retirement. He thanked him for his service and wished him well on his retirement. Lark Downs thanked the Chairman and the Committee. He also announced that a letter has been sent to all mayors requesting nominations for members of the Citizens Advisory Committee as there are a few openings on the Committee at this time.

ADJOURNMENT

The Technical Advisory Committee Meeting adjourned at 3:22 p.m.

Next regularly scheduled meeting:

Consolidated Planning Committee

April 28, 2009 @ 10:00 AM

10th Street Place
1010 Tenth Street
Room 2005
Modesto, CA

Technical Advisory Committee

April 30, 2009 @ 2:00 PM

Ceres City Hall
Council Chambers
2210 Magnolia Street
Ceres, CA

Signed



Minutes prepared by Cindy Malekos, Personnel and Administration Manager

**CITIZENS ADVISORY COMMITTEE (CAC) MEETING
StanCOG Conference Room
900 H Street, Suite D
Modesto, California**

Minutes of March 25, 2009

MEMBERS PRESENT: Chairman Gil Bostwick; Bill Axtell; Stephen Bonrepos; Greg Dugovic; Ed Maring; Dennis Wann

ALSO PRESENT: Vince Harris; Lark Downs; Cindy Malekos; Carlos Yamzon (StanCOG)

Chairman Bostwick called the Citizens Advisory Committee meeting to order at 7:00 P.M.

1. ROLL CALL

After the roll call was taken, the Chairman recognized retiring CAC member Ed Maring. He presented him with a Certificate of Appreciation for his eight years of service, and thanked him for his invaluable input as a voice for the West Side of the region. Lark Downs also expressed his appreciation to Mr. Maring for providing a steady voice of reason during his tenure on the Committee. Mr. Maring thanked everyone for the recognition and said that he enjoyed the opportunity to work with the Committee and with StanCOG staff over the years.

2. PUBLIC PARTICIPATION

Vance Kennedy, a member of the public, expressed his concern for the North County Corridor (NCC) project, and said he wanted to become more acquainted with the process. The Chairman noted that while the NCC was not on the Agenda this evening, Staff could certainly provide Mr. Kennedy with a report on the project during the Executive Director's Report.

3. CONSENT CALENDAR

A. Approval of Citizens Advisory Committee Minutes (1.28.09)

B. FY 2007/08 Local Transportation Fund Non-Transit Claim: City of Modesto

C. FY 2008/09 Local Transportation Fund Non-Transit Claim: City of Modesto

D. FY 2008/09 Overall Work Program (OWP) and Budget Amendment #4

E. Congestion Mitigation and Air Quality (CMAQ) Programming for Federal Fiscal Year (FFY) 2010/11 and Federal Fiscal Year (FFY) 2011/12

**By Motion (Greg Dugovic, Ed Maring), and unanimous vote, the Citizens Advisory Committee approved the Consent Calendar.*

4. PRESENTATIONS

(None)

5. PUBLIC HEARINGS

(None)

6. ORAL REPORT ITEMS

A. The Northern San Joaquin Valley Regional High Occupancy Vehicle (HOV) Lanes and Ramp Metering Master Plan, Final Report

Executive Director Vince Harris explained that this report was previously brought to the Committee for acceptance and the current item requests stronger language in adopting the report. Senior Planner Carlos Yamzon noted that at the March 24th Consolidated Planning Committee (CPC) meeting, Stanislaus County asked for this item to be pulled from the Policy Board Agenda.

***By Motion (Stephen Bonrepos, Ed Maring)**, and unanimous vote, the Citizens Advisory Committee approved the adoption of the Northern San Joaquin Valley Regional High Occupancy Vehicle (HOV) Lanes and Ramp Metering Master Plan Final Report.

B. Amend the FY 2009/10 Transportation Development Act Apportionments

Executive Director Vince Harris explained that on March 9th, StanCOG received the second quarter State Transit Assistance (STA) apportionment funds as well as a letter from the State Controller's Office revising the STA estimate for FY 08-09. There was consensus among Committee members, after considerable discussion, that the funds should be used in 2008/09 rather than in 2009/10 as recommended in the staff report. The CAC felt that there were multiple benefits from having the funds spent in the current year rather than waiting for next year.

***By Motion (Dennis Wann/Greg Dugovic)**, and unanimous vote, the Citizens Advisory Committee did not approve the amendment to the FY 2009/10 Transportation Development Act Apportionments as recommended in the Staff Report.

7. INFORMATION ITEMS

A. State Route 99 Business Plan Financial Program and Economic Benefit Study

Senior Planner Carlos Yamzon explained that Caltrans has established a proposed project funding approach for State Route 99.

B. Policy Board Minutes (2.19.09 and 3.11.09)

C. Social Services Transportation Advisory Council (SSTAC) Minutes (3.11.09)

8. CALTRANS REPORT

There was no Caltrans report.

9. EXECUTIVE DIRECTOR'S REPORT

Executive Director Vince Harris reported that Staff is concentrating on the administration of Economic Stimulus funds for this region. He also stated that he traveled with Policy Board Chairman Farrell Jackson, to Washington, DC, last month. They, along with other Policy Council members from the Valley, participated in the annual Valley One Voice trip to meet with area representatives regarding transportation issues effecting our region. This year, the strategy focused on State Route 99 as the backbone of the Valley. They also discussed reauthorization of the Transportation Bill that is due to expire on October 1st. He also reported that the North County Corridor (NCC) project is proceeding on schedule. The County is the lead agency on the project. A Joint Powers Authority (JPA) has been established consisting of Stanislaus County and the cities of Riverbank, Oakdale and Modesto. The Public Works Director for the County, Matt Machado, is the Project Manager for the NCC. Their last

meeting was on March 11th and there was a substantial turnout from the public. He emphasized that no preferred alignment has been selected. The environmental document phase is currently underway. Chairman Gil Bostwick added that there is a lot of information available about the NCC on the Stanislaus County website as well as the StanCOG website.

10. ITEMS FROM THE FLOOR

Before closing the meeting, Chairman Gil Bostwick acknowledged that this is Senior Planner Lark Downs' last meeting due to his upcoming retirement. He thanked Mr. Downs for his help over the years and wished him well in his retirement.

11. ADJOURNMENT

The Citizens Advisory Committee Meeting adjourned at 8:08 p.m.

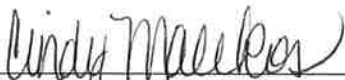
Next regularly scheduled meeting:

April 29, 2009 @ 7:00 PM

StanCOG Office

900 H Street, Suite D

Modesto, CA

Signed 

Minutes prepared by Cindy Malekos, Personnel and Administration Manager

TO: Consolidated Planning Committee
Citizens Advisory Committee
Technical Advisory Committee

STAFF REPORT
Motion

FROM: Vincent Canales, Finance Director 

DATE: April 16, 2009

SUBJECT: StanCOG's Independent Audit Report – Fiscal Year Ending June 30, 2008

Recommendation:

By Motion, Recommend that the Policy Board accept and file StanCOG's Independent Audit Reports for the fiscal year ending June 30, 2008.

Background

The CPA firm of Dedekian, George, Small and Markarian completed their independent auditor's report on StanCOG's Annual Financial Report and Compliance Report for the year ended June 30, 2008. Both reports are enclosed for your review.

Discussion

StanCOG received an unqualified or "clean," opinion on its financial statements. On page 8 of the Compliance Report, the auditors summarize the results of their audit. Page 9 summarizes the status of the prior year audit findings. No findings or management letter comments were reported by the Independent Auditor.

vcanales@stancog.org

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STANISLAUS COUNCIL OF GOVERNMENTS

COMPLIANCE REPORTS

JUNE 30, 2008

TABLE OF CONTENTS

	<u>Page</u>
Report on compliance with rules and regulations of the Transportation Development Act	1
Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with "Government Auditing Standards"	2-3
SINGLE AUDIT REPORTS	
Report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133	4-5
Schedule of expenditures of federal awards	6
Notes to the schedule of expenditures of federal awards	7
FINDINGS AND RECOMMENDATIONS SECTION	
Schedule of findings and questioned costs	8
Summary schedule of prior audit findings	9

REPORT ON COMPLIANCE WITH
RULES AND REGULATIONS OF THE
TRANSPORTATION DEVELOPMENT ACT

The Board of Directors
Stanislaus Council of Governments
Modesto, California

We have audited the financial statements of the Stanislaus Council of Governments for the year ended June 30, 2008, and have issued our report thereon dated March 20, 2009.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; *Government Auditing Standards* issued by the Comptroller General of the United States; and was further made to determine compliance with the rules and regulations of the Transportation Development Act as required by Sections 6661, 6662, and 6751 of the California Code of Regulations (including Public Utility Code 99245), and the California Administrative Code. Among the items considered were determination of the Stanislaus Council of Government's ability to receive funds allocated to it, the propriety of expenditures in accordance with the Transportation Development Act and compliance with provisions of Proposition 1B (PTMISEA) funding.

In our opinion, the results of our tests indicated the Stanislaus Council of Governments complied in all material respects with the provisions referred to above.

This report is intended solely for the information and use of the audit committee, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Dedekian, George, Small & Markarian
Accountancy Corporation
March 20, 2009

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REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"

The Board of Directors
Stanislaus Council of Governments
Modesto, California

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Stanislaus Council of Governments, as of and for the year ended June 30, 2008, which collectively comprise the Stanislaus Council of Governments' basic financial statements and have issued our report thereon dated March 20, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in "Government Auditing Standards," issued by the Comptroller General of the United States; and the "Basic Audit Program and Reporting Guidelines for California Special Districts," as prescribed by the California State Controller's Office pursuant to Section 26909 of the Government Code.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Stanislaus Council of Governments' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Stanislaus Council of Governments' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Stanislaus Council of Governments' internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Stanislaus Council of Governments' ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Stanislaus Council of Governments' financial statements is more than inconsequential will not be prevented or detected by the Stanislaus Council of Governments' internal control.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"
(CONTINUED)

Internal Control Over Financial Reporting (Continued)

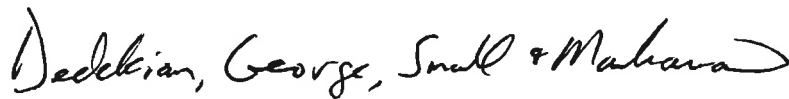
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Stanislaus Council of Governments' internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Stanislaus Council of Governments' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under "Government Auditing Standards."

This report is intended solely for the information and use of the Stanislaus Council of Governments' management and Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Dedekian, George, Small & Markarian
Accountancy Corporation
March 20, 2009

SINGLE AUDIT REPORTS

REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133

The Board of Directors
Stanislaus Council of Governments
Modesto, California

Compliance

We have audited the compliance of the Stanislaus Council of Governments with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that are applicable to each of its major federal programs for the year ended June 30, 2008. The Stanislaus Council of Governments' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Stanislaus Council of Governments' management. Our responsibility is to express an opinion on the Stanislaus Council of Governments' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in "Government Auditing Standards," issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Stanislaus Council of Governments' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Stanislaus Council of Governments' compliance with those requirements.

In our opinion, the Stanislaus Council of Governments complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control Over Compliance

The management of the Stanislaus Council of Governments is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Stanislaus Council of Governments' internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of the Stanislaus Council of Governments' internal control over compliance.

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