

AUDIT PROPOSAL FOR SBRETC JPA

QUESTIONS AND ANSWERS

February 1, 2010

1. Who was your previous auditor?
 - a. No previous audit was performed.

2. What accounting system do you use?
 - a. We use the San Bernardino County's FAS general ledger system for tracking all activity.
 - i. The basis of accounting Modified Accrual.
 - ii. A/P and A/R maintained on sight in Excel.
 - iii. No payroll – staff is supported by Board Member Agencies and instructors are paid as contractors or supported by Board Member Agencies.

3. Why were the years prior to 2009 not audited?
 - a. Previous years had not been audited.

4. Why are you requesting an audit now?
 - a. The JPA financials are done through the County of San Bernardino Fire Department. We had assumed that when the County was audited, our program was also audited. We recently found out that our program did not get a thorough audit.

5. Who maintains the accounting system?
 - a. San Bernardino County

6. What is the history of the FAA Grant?
 - a. 1998 – The JPA submitted the FAA grant proposal.
 - b. 1999 – The grant was awarded to the SBRETC JPA.
 - c. 2004 – Ground breaking for construction.
 - d. 2006 – Open for business.

7. How many fiscal staff are involved in the JPA?
 - a. San Bernardino County Fire Department handles the fiscal portion of the JPA.

8. How many total employees are contracted by the JPA?
 - a. There are no paid employees. Staffing is in-kind from JPA partners. Instructors are paid through their own departments.

9. Can you please list the other member agencies that participate in the JPA?
 - a. JPA Partners are San Bernardino Community College District (Crafton Hills College), City of San Bernardino Fire Department and County of San Bernardino Fire Department.

10. What are the major sources of revenue for SBRETC?
 - a. Income from training classes.

11. What are the major sources of expenses for SBRETC?
 - a. Training, maintenance, and insurance.

12. Has the San Bernardino Regional Emergency Training Center, JPA been audited for fiscal years prior to June 30, 2006?
 - a. No.

13. Is the fiscal year ended June 30, 2006, the JPA's first year of operations?
 - a. Yes

14. Does the San Bernardino Regional Emergency Training Center, JPA, have any Federally or State funded grants?
 - a. There was a grant from the F.A.A. for construction of SBRETC for \$3.5 million dollars.
 - b. All monies were spent between 03/04 through 06/07.

15. Are there any grants received with specific compliance requirements?
 - a. The grant above from the F.A.A.

16. Is there a deadline for completion of the 2006-2009 audits imposed by a third-party or SBRETC?
 - a. The deadline has not been determined by the JPA Board.

17. Financial Statements for 2006-2009: Would SBRETC prefer comparative financial statements (i.e. two separate sets of comparative financial statements for 2007/2006 and 2009/2008) or separate financial statements for each year (i.e. four separate financial statements for 2006-2009)? We prefer comparative financial statements which we also believe will be more cost effective.
 - a. Please give us a quote for the comparative. If the JPA Board says no, we will notify you.

18. Do we have any current loans?
 - a. One Lease Purchase agreement with Kansas State Bank of Manhattan.
 - i. The original balance was \$60,348.84.
 - ii. Payments are monthly of \$1,149.67.
 - iii. Current balance is about \$16,726.34, scheduled to be paid off March of 2011.

19. Do we have copies of Balance Sheet, Assets and Liabilities, Financial Statements, Annual Reports?
 - a. At this time we have not located an asset/depreciation listing.
 - b. Bank Reconciliations – none, all money is posted into the County's pooled fund, bank statements are not issued.
 - c. All deposits and payment of bills is done through County Fire's Fiscal Services Division which forwards everything to the County Auditor Controller for final handling.