



**NAPA-VALLEJO WASTE
MANAGEMENT AUTHORITY**

Agenda Date: 4/12/2012

Agenda Placement: 7A

Napa-Vallejo Waste Management Authority Board Agenda Letter

TO: Board of Directors

FROM: Luthy, Richard - Executive Director
Napa-Vallejo Waste Management Authority

REPORT BY: Karen Querin, Audit Manager - 707-253-4588

SUBJECT: Accountants' Report on Applying Agreed-Upon Procedures for the Quarters Ending September 30 and December 31, 2011

RECOMMENDATION

DRTS QUARTERLY FINANCIAL AUDIT

REQUESTED ACTION: Accept Accountants' Report on Applying Agreed-Upon Procedures for the Quarters ending September 30 and December 31, 2011.

EXECUTIVE SUMMARY

Staff recommends acceptance of the Accountants' Report on Applying Agreed-Upon Procedures as they pertain to the revenues, accounts receivable and internal controls for the Devlin Road Transfer Station for the quarters ending September 30 and December 31, 2011.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

This engagement was performed at the request of the Authority and, in accordance with the agreed-upon procedures, specific steps were performed with respect to the accounts receivable, revenue and operations of Northern Recycling Operations & Waste Services, LLC, associated with Devlin Road Transfer Station, for the quarters ended September 30 and December 31, 2011.

Results of the Engagement:

The exceptions noted during the engagement for the quarters ended September 30 and December 31, 2011 have been grouped by exception type (i.e. Accounts Receivable):

Finding Type	September 30, 2011 Number of Exceptions	December 31, 2011 Number of Exceptions
Accounts Receivable	4	4
Revenue	2	4
Internal Controls	4	4
Total Exceptions	10	12

Please see attached reports for a detail description of the exceptions, recommendations, and management responses. Please note that management's responses to each exception have been included; however, we did not review the responses, and accordingly express no opinion on them. Additional detail is available upon request.

SUPPORTING DOCUMENTS

- A . Agreed Upon Procedures Report QTE 9-30-11
- B . Agreed Upon Procedures Report QTE 12-31-11

Executive Director: Approve
Reviewed By: Martha Burdick