



December 18, 2020

To the Management of the  
Madera County Transportation Authority  
Madera, California

In planning and performing our audit of the financial statements of the Madera County Transportation Authority (the "Authority") as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances 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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

However, during our audit we became aware of an other matter that is an opportunity for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comment and suggestion regarding the matter. This letter does not affect our report dated December 18, 2020 on the financial statements of the Authority.

We will review the status of the comment during our next audit engagement. We have already discussed the comment and suggestion with various Authority personnel, and we will be pleased to discuss it in further detail at your convenience, to perform any additional study of the matter, or to assist you in implementing the recommendation.

This communication is intended solely for the information and use of management of the Authority, and others within the Authority, and is not intended to be, and should not be, used by anyone other than those specified parties.

Sincerely,

*Price Paige & Company*

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### **Disbursement Review**

A strong internal control system should include controls that mitigate risks created when there is an insufficient segregation of accounting duties.

Accordingly, we recommend that the Executive Director obtain a report of disbursements at least quarterly made from the Authority's cash accounts held at Madera County. The Executive Director should scan the report for unusual and/or unauthorized vendors or other unusual activity.