

**CENTRAL IOWA REGIONAL TRANSPORTATION
PLANNING ALLIANCE**

**INDEPENDENT AUDITOR'S REPORT
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS**

June 30, 2009

CENTRAL IOWA REGIONAL TRANSPORTATION PLANNING ALLIANCE

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Independent Auditor's Report

Central Iowa Regional Transportation Planning Alliance
Des Moines, Iowa

We have audited the accompanying financial statements of the governmental activities of Central Iowa Regional Transportation Planning Alliance as of and for the year ended June 30, 2009 which collectively comprise the Alliance's basic financial statements listed in the table of contents. These financial statements are the responsibility of Central Iowa Regional Transportation Planning Alliance's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of Central Iowa Regional Transportation Planning Alliance as of June 30, 2009, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated, April 30, 2010 on our consideration of Central Iowa Regional Transportation Planning Alliance's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis and budgetary comparison information on pages 4 through 6 and 14 through 15 are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. We did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Central Iowa Regional Transportation Planning Alliance's basic financial statements. The financial statements for the year ended June 30, 2008 (which are not presented herein) were audited by other auditors who expressed unqualified opinions on those financial statements. Other supplementary information including the Schedule of Expenditures of Federal Awards, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Martens & Company, CPA, LLP

West Des Moines, Iowa
April 30, 2010

CENTRAL IOWA REGIONAL TRANSPORTATION PLANNING ALLIANCE

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year ended June 30, 2009

Central Iowa Regional Transportation Planning Alliance (CIRTPA) provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2009. We encourage readers to consider this information in conjunction with the financial statements, which follow.

2009 FINANCIAL HIGHLIGHTS

- Revenues of CIRTPA's governmental activities decreased 4.1%, or approximately \$2,300, from fiscal 2008 to fiscal 2009.
- Program expenses decreased 6.2%, or approximately \$3,200, in fiscal 2009 from fiscal 2008.
- CIRTPA's net assets increased approximately \$5,000 from June 30, 2008 to June 30, 2009.

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of CIRTPA's financial activities.

The Government-wide Financial Statements consist of a statement of net assets and a statement of activities. These provide information about the activities of CIRTPA as a whole and present an overall view of CIRTPA finances.

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report the CIRTPA's operations in more detail than the government-wide statements by providing information about the most significant funds.

Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information further explains and supports the financial statements with a comparison of CIRTPA's budget for the year.

The Schedule of Expenditures of Federal Awards provides details of various federal programs benefiting CIRTPA.

BASIS OF ACCOUNTING

CIRTPA maintains its financial records on the basis of cash receipts and disbursement. Memorandum adjusting journal entries were prepared to convert the cash basis records to the accrual basis of accounting.

REPORTING CIRTPA'S FINANCIAL ACTIVITIES

Basic Financial Statements

All of CIRTPA's activities are accounted for in the general fund.

This fund is reported using the current financial resources measurement focus and the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed, short-term view of CIRTPA's general governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance CIRTPA's programs.

The required financial statements for governmental funds include a statement of net assets and a statement of revenues, expenditures and changes in fund balances.

The Statement of Net Assets presents all of CIRTPA's assets and liabilities, with the difference between the two reported as "net assets". Over time, increases or decreases in CIRTPA's net assets may serve as a useful indicator of whether the financial position of CIRTPA is improving or deteriorating.

The Statement of Activities presents information showing how CIRTPA's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods.

The Statement of Net Assets and the Statement of Activities report CIRTPA's transportation planning activities. Member assessments and federal grants finance most of these activities.

FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of financial position. The analysis that follows focuses on these changes in the net assets of governmental activities.

NET ASSETS OF GOVERNMENTAL ACTIVITIES

	<u>June 30,</u>	
	<u>2009</u>	<u>2008</u>
Current assets	<u>\$ 29,313</u>	<u>\$ 58,482</u>
Current liabilities	<u>21,976</u>	<u>56,130</u>
Unrestricted net assets	<u><u>\$ 7,337</u></u>	<u><u>\$ 2,352</u></u>

CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES

	<u>Year Ended June 30,</u>	
	<u>2009</u>	<u>2008</u>
Program revenues		
Operating grants	\$ 27,552	\$ 29,607
General revenues		
Member assessments	26,183	26,409
Unrestricted investment earnings	<u>4</u>	<u>17</u>
	<u>53,739</u>	<u>56,033</u>
 Program expenses		
Public works - transportation planning	46,288	49,898
General government	<u>2,466</u>	<u>2,009</u>
	<u>48,754</u>	<u>51,907</u>
 Increase (decrease) in net assets	\$ 4,985	\$ 4,126
Net assets (deficit), beginning of year	<u>2,352</u>	<u>(1,774)</u>
Net assets (deficit), end of year	<u>\$ 7,337</u>	<u>\$ 2,352</u>

Net assets of governmental activities increased from fiscal year 2008 by approximately \$5,000 due to decreased transportation planning expenditures and program revenues. CIRTPA's net assets are unrestricted net assets, that can be used to finance day-to-day operations without constraints established by debt covenants, legislation or other legal requirements.

INDIVIDUAL MAJOR FUND ANALYSIS

Governmental Fund Highlights

The General Fund showed an increase in fund balance of \$4,985 from the prior year to a balance of \$7,337.

BUDGETARY HIGHLIGHTS

Over the course of the year, CIRTPA amended its budget to reallocate expenditures among internally designated functions. CIRTPA's receipts were \$20,540 more than budgeted receipts, a variance of 38%. Total disbursements were \$25,316 more than budgeted disbursements, a variance of 52%.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CIRTPA has no capital assets or long term debt.

ECONOMIC FACTORS BEARING ON CIRTPA'S FUTURE

CIRTPA is entirely dependent upon Federal operating grants and member assessments to fund its operations.

CONTACTING CIRTPA'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, members and grantor agency with a general overview of CIRTPA's finances and operating activities. If you have questions or require additional information please contact the Program Coordinator, Merle Hay Center, 6200 Aurora Avenue, Suite 300W, Urbandale, Iowa 50322-2866.

BASIC FINANCIAL STATEMENTS

CENTRAL IOWA REGIONAL TRANSPORTATION PLANNING ALLIANCE

STATEMENT OF NET ASSETS

June 30, 2009

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 23,029
Due from other governmental units	
Iowa Department of Transportation	<u>6,285</u>
	<u>29,314</u>
LIABILITIES	
Due to other governmental units	
Des Moines Area Metropolitan Planning Organization	<u>21,977</u>
NET ASSETS	
Unrestricted	<u><u>\$ 7,337</u></u>

See accompanying notes to financial statements.

CENTRAL IOWA REGIONAL TRANSPORTATION PLANNING ALLIANCE

STATEMENT OF ACTIVITIES

June 30, 2009

	<u>Expenses</u>	<u>Charges For Services</u>	<u>Program Revenues Operating Grants Contributions and Restricted Interest</u>	<u>Net (Expense) Revenue and Changes in Net Assets</u>
Governmental activities				
Public works				
Transportation planning	\$ 46,288	\$ -	\$ 27,552	\$ (18,736)
General government	<u>2,466</u>	<u>-</u>	<u>-</u>	<u>(2,466)</u>
	<u>\$ 48,754</u>	<u>\$ -</u>	<u>\$ 27,552</u>	<u>\$ (21,202)</u>
General revenues				
Grants and contributions not restricted to specific purpose - member assessments				\$ 26,183
Unrestricted investment earnings				<u>4</u>
Change in net assets				4,985
Net assets, beginning of year				<u>2,352</u>
Net assets, end of year				<u>\$ 7,337</u>

See accompanying notes to financial statements.

CENTRAL IOWA REGIONAL TRANSPORTATION PLANNING ALLIANCE

BALANCE SHEET -
GENERAL FUND

June 30, 2009

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 23,029
Due from other governmental units	
Iowa Department of Transportation	<u>6,285</u>
	<u>29,314</u>
LIABILITIES AND FUND BALANCE	
Due to other governmental units	
Des Moines Area Metropolitan Planning Organization	<u>21,977</u>
Fund equity	
Fund balance, undesignated	<u><u>\$ 7,337</u></u>

See accompanying notes to financial statements.

CENTRAL IOWA REGIONAL TRANSPORTATION PLANNING ALLIANCE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - GENERAL FUND

For the Year Ended June 30, 2009

REVENUES

Intergovernmental	
Iowa Department of Transportation	\$ 27,552
Member assessments	26,183
Interest income	<u>4</u>
	<u>53,739</u>

EXPENDITURES

Operating	
Public works	
Program support and administration	12,472
General coordination and planning	19,611
Long range planning	9
Transit planning	2,346
Statewide urban design and specification manuals program	11,850
General government	<u>2,466</u>
	<u>48,754</u>
Excess of revenues over expenditures	4,985
Fund balance, beginning of year	<u>2,352</u>
Fund balance, end of year	<u><u>\$ 7,337</u></u>

See accompanying notes to financial statements.

CENTRAL IOWA REGIONAL TRANSPORTATION PLANNING ALLIANCE

NOTES TO FINANCIAL STATEMENTS

June 30, 2009

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

- A. Organization and Reporting Entity - The Central Iowa Regional Transportation Planning Alliance ("CIRTPA") was established on May 1, 1994 as a voluntary organization of city and county governments to serve as a designated regional transportation planning agency for the Iowa Department of Transportation and includes the counties of Boone, Jasper, Madison and Marion; portions of the counties of Dallas, Polk, Story and Warren; and the cities of Adel, Boone, Indianola, Knoxville, Nevada, Newton, Pella, Perry, Story City and Winterset. The Organization is a separate legal entity pursuant to Chapter 28E of the Code of Iowa with powers and purposes to carry out transportation planning activities proposed for federal surface transportation funding for the regional area.

The financial statements of Central Iowa Regional Transportation Planning Alliance have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board.

B. Basis of Presentation

Government-wide Financial Statements - The Statement of Net Assets and the Statement of Activities report information on all of the nonfiduciary activities of the organization.

The Statement of Net Assets presents the Organization's assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories.

Investment in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduction by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

Restricted net assets result when constraints placed on net asset use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets consist of net assets not meeting the definition of the two preceding categories. Unrestricted net assets often have constraints on resources imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions restricted to meeting the operational or capital requirements of a particular function. Member assessments and other items not properly included among program revenues are reported instead as general revenues.

CENTRAL IOWA REGIONAL TRANSPORTATION PLANNING ALLIANCE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2009

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

B. Basis of Presentation - Continued

The Organization reports the following major governmental funds:

The General fund is the general operating fund of the Organization. All general tax revenues and other revenues not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges and the capital improvement costs not paid from other funds.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Member assessments are recognized as revenues in the year for which they are assessed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, CIRTPA considers revenues to be available if they are collected within 60 days after year end.

Intergovernmental revenues (member assessments, grants and reimbursements from other governments) and interest are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by CIRTPA.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments and compensated absences are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

CIRTPA maintains its financial records on the cash basis. The financial statements of CIRTPA are prepared by making memorandum adjusting entries to the cash basis financial records.

- D. Budgets and Budgetary Accounting - CIRTPA adopts a budget and determines the per capita assessment rate for members on an annual basis. Amendments to the budget are made throughout the year as determined necessary by CIRTPA. The budgetary comparison and related disclosures are reported as Required Supplementary Information.

CENTRAL IOWA REGIONAL TRANSPORTATION PLANNING ALLIANCE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2009

2. RELATED PARTY DISCLOSURES

CIRTPA has entered into an agreement to employ the Des Moines Area Metropolitan Planning Organization (MPO), a designated metropolitan planning organization pursuant to Part 450 of Title 23 of the Code of Federal Regulations, to carry out a transportation planning process as outlined therein. Under terms of the agreement CIRTPA pays MPO fees based upon hourly rates for time actually spent by various personnel involved in the performance of the planning services.

The following is a summary of transactions and balances between the two entities .

	<u>2009</u>	<u>2008</u>
Charges for services	\$ 34,438	\$ 38,032
Due to DMAMPO	21,977	44,280

3. SUPPORT FROM GOVERNMENTAL UNITS

CIRTPA received substantially all of its revenues from federal and local governmental units. A significant reduction in the level of these revenues would have a significant effect on CIRTPA's programs and activities.

CIRTPA has received grants for the 2010 fiscal year as follows:

Contract No. 10RPA-11	<u>\$ 48,096</u>
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4. SUBSEQUENT EVENTS

The Organization has evaluated all subsequent events through April 30, 2010, the date the financial statements are available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CENTRAL IOWA REGIONAL TRANSPORTATION PLANNING ALLIANCE

**BUDGETARY COMPARISON SCHEDULE
OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND**

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2009

	<u>ACTUAL</u>	<u>BUDGETED AMOUNTS</u>		<u>FINAL TO ACTUAL VARIANCE</u>
		<u>ORIGINAL</u>	<u>FINAL</u>	
REVENUES				
Intergovernmental				
Iowa Department of Transportation	\$ 27,552	\$ 48,096	\$ 48,096	\$ (20,544)
Member assessments	26,183	25,974	26,183	-
Interest income	<u>4</u>	<u>-</u>	<u>-</u>	<u>4</u>
	<u>53,739</u>	<u>74,070</u>	<u>74,279</u>	<u>(20,540)</u>
EXPENDITURES				
Public works				
Program support and administration	12,472	13,086	13,086	(614)
General coordination and planning	19,611	28,442	28,442	(8,831)
Long range planning	9	9,987	9,987	(9,978)
Transit planning	2,346	8,605	8,605	(6,259)
Statewide urban design and specification manuals program	11,850	11,850	11,850	-
General government	<u>2,466</u>	<u>2,100</u>	<u>2,100</u>	<u>366</u>
	<u>48,754</u>	<u>74,070</u>	<u>74,070</u>	<u>(25,316)</u>
Excess of revenues over expenditures	4,985	-	209	4,776
Fund balance, beginning of year	<u>2,352</u>	<u>2,352</u>	<u>2,352</u>	<u>-</u>
Fund balance, end of year	<u>\$ 7,337</u>	<u>\$ 2,352</u>	<u>\$ 2,561</u>	<u>\$ 4,776</u>

See accompanying notes to financial statements.

CENTRAL IOWA REGIONAL TRANSPORTATION PLANNING ALLIANCE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY REPORTING

Year Ended June 30, 2009

In accordance with the Code of Iowa, CIRTPA annually adopts a budget following required public notice and hearing. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control is based upon nine major classes of disbursements known as functions, not by fund or fund type. These nine functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects and business type activities. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. During the year, budget amendments increased budgeted member assessments by \$209. These budget amendments are reflected in the final budgeted amounts.

OTHER SUPPLEMENTARY INFORMATION

CENTRAL IOWA REGIONAL TRANSPORTATION PLANNING ALLIANCE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2009

<u>GRANTOR PROGRAM</u>	<u>CFDA NO.</u>	<u>GRANT NO.</u>	<u>GRANT AMOUNT</u>	<u>DUE FROM GRANTOR BEGINNING OF YEAR</u>	<u>GRANT REVENUE RECEIPTS</u>	<u>PROGRAM EXPEN-DITURES</u>	<u>DUE FROM GRANTOR END OF YEAR</u>
INDIRECT:							
Federal Transit Administration Iowa Department of Transportation	20.205	08RPA-11	\$ 51,398	\$ 12,665	\$ 12,665	\$ -	\$ -
	20.205	09RPA-11	48,096	<u>-</u>	<u>11,753</u>	<u>27,552</u>	<u>15,799</u>
				<u>\$ 12,665</u>	<u>\$ 24,418</u>	<u>\$ 27,552</u>	<u>\$ 15,799</u>

Basis of Presentation

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Central Iowa Regional Transportation Planning Alliance and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

See accompanying independent auditor's report.



MARTENS & COMPANY, CPA, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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**Independent Auditor's 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**

Central Iowa Regional Transportation Planning Alliance
Des Moines, Iowa

We have audited the accompanying financial statements of the governmental activities and each major fund of Central Iowa Regional Transportation Planning Alliance as of and for the year ended June 30, 2009, which collectively comprise Central Iowa Regional Transportation Planning Alliance's basic financial statements listed in the table of contents and have issued our report thereon dated April 30, 2010. We conducted our audit in accordance with U.S. generally accepted auditing standards, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Central Iowa Regional Transportation Planning Alliance's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the overall Entity's 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 entity's 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 entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency in internal control described in Part II of the accompanying Schedule of Findings to be a significant deficiency in internal control over financial reporting.

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 entity's 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 in internal control that might be significant deficiencies or material weaknesses. However, we believe the significant deficiency described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Central Iowa Regional Transportation Planning Alliance's 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 or other matters that are required to be reported under *Government Auditing Standards*.

Central Iowa Regional Transportation Planning Alliance's responses to findings identified in our audit are described in the accompanying Schedule of Findings. While we have expressed our conclusions on Central Iowa Regional Transportation Planning Alliance's responses, we did not audit Central Iowa Regional Transportation Planning Alliance's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management and Central Iowa Regional Transportation Planning Alliance policy committee including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Central Iowa Regional Transportation Planning Alliance during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

Martens & Company, CPA, LLP

West Des Moines, Iowa
April 30, 2010

CENTRAL IOWA REGIONAL TRANSPORTATION PLANNING ALLIANCE

SCHEDULE OF FINDINGS

For the Year Ended June 30, 2009

Part I: Summary of the Independent Auditor's Results:

- (A) An unqualified opinion was issued on the financial statements.
- (B) A significant deficiency in internal control over financial reporting was disclosed by the audit of the financial statements, including a material weakness.
- (C) The audit did not disclose any noncompliance which is material to the financial statements.

CENTRAL IOWA REGIONAL TRANSPORTATION PLANNING ALLIANCE

SCHEDULE OF FINDINGS

Year ended June 30, 2009

Part II: Findings Related to the Financial Statements:

SIGNIFICANT DEFICIENCY:

II-A-09 Segregation of Duties - One important aspect of internal control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. We noted that the following functions are performed by one person:

1. Accounting System - Performing all general accounting functions.
2. Financial Reporting - Preparing, reconciling and distributing.
3. Cash - Reconciles bank and is also authorized to sign checks.

Recommendation - We realize that segregation of duties is difficult with a limited number of office employees. However, the Central Iowa Regional Transportation Alliance should review its control procedures to obtain the maximum internal control possible under the circumstances.

Response - We will consider this.

Conclusion - Response acknowledged. The Central Iowa Regional Transportation Alliance could segregate duties to the extent possible with existing personnel and utilize administrative personnel to provide additional control through review of financial transactions and reports.

INSTANCES ON NON-COMPLIANCE

No matters were noted.