



**Proposal for
Professional TDA Financial and Compliance Auditing Services**

February 4, 2019

PREPARED BY:



23161 Lake Center Drive, Suite 200
Lake Forest, CA 92630

GSA Contract No.: GS-23F-056AA

GSA SIN No.: 520-7

DUNS No.: 969763478

CAGE Code: 6K5C8

(Expires September 23, 2023 with an automatic extension for another five years)

Certified Small Business

Contact Person:

Andrea Jayasekara, CPA, MBA

Partner

(949) 552-7700 Extension 256

ajayasekara@conradllp.com

February 4, 2019

Ms. Sally DeGeorge, Finance Director
Ventura County Transportation Commission
950 County Square Drive, Suite 207
Ventura, CA 93003

Re: Request for Proposal – Professional TDA Financial and Compliance Auditing Services

Dear Ms. DeGeorge:

Conrad LLP (“Conrad”) is pleased to respond to the Ventura County Transportation Commission (“VCTC”) Request for Proposal (“RFP”) for Professional TDA Financial and Compliance Auditing Services to provide audit and attestation services for the Fiscal Years ending June 30, 2019 through 2021, plus two one-year options for 2022 and 2023. Conrad would be the best firm to perform the required services for the following reasons.

- **Our firm successfully performed these audit services on behalf of VCTC in the last 5 years.** Additionally, our firm is currently performing TDA audits and Measure A agreed-upon-procedures for the Riverside County Transportation Commission and Quechan Indian Tribe.
- Our Partners and Staff have a long history of providing high quality audit and accounting services to governmental agencies.
- We understand the scope of work to be performed, and we have the ability to deliver these services within the time frame required.
- Conrad will not use any subcontractors on this engagement.

We believe that our fee estimate and structure will provide VCTC with a fair and reasonable cost to perform the requested compliance services. The quote has been signed by Andrea Jayasekara, Partner of Conrad LLP, who is authorized to negotiate and make representations for and to bind on Conrad LLP’s behalf with VCTC.

We look forward to hearing from you so that we may discuss any questions you may have. You may contact Andrea Jayasekara at (949) 552-7700, extension 256, or by email at ajayasekara@conradllp.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andrea Jayasekara", written over a horizontal line.

Andrea Jayasekara, CPA, MBA
Partner

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Title Page

Conrad LLP (“Conrad”) is pleased to respond to the Ventura County Transportation Commission (“VCTC”) Request for Proposal (“RFP”) for Professional TDA Financial and Compliance Auditing Services to provide audit and attestation services for the Fiscal Years ending June 30, 2019 through 2021 plus two one-year options for 2022 and 2023.

Request for proposal’s subject: **Professional TDA Financial and Compliance Auditing Services**

Auditing firm’s name: **Conrad LLP**

Contact person:

Name: **Andrea Jayasekara**

Address: **23161 Lake Center Drive, Suite 200, Lake Forest, CA 92630**

Telephone number: **(949) 552 7700 extension 256**

Date of the proposal: **February 4, 2019**

Conrad is committed to perform the work within the time period specified. Timelines for the 1st year are below, which will be similar in the subsequent years as well.

<u>Milestone</u>	<u>Estimated Date</u>
Planning meeting with VCTC	August 2019
Schedule fieldwork and send out notifications to auditees	August 2019
Planning	September 2019
Fieldwork	October/November 2019
Report finalization	December 2019

This proposal is a firm and irrevocable offer that shall remain firm for 180 days.



Andrea Jayasekara, CPA, MBA
Partner

Introduction

Conrad was formed in 2011 as a Limited Liability Partnership. Conrad's headquarters are in Lake Forest, CA. Conrad focuses on auditing, consulting, and accounting for government clients. Our firm is a certified small business with 31 staff members working on government audits. Prior to the formation of Conrad, its Partners and Staff ("**Conrad Team**") were employed by **Conrad and Associates, LLP**, a 35-year-old CPA firm, and **Mayer Hoffman McCann PC's Irvine Office** which has been locally and nationally recognized for its expertise in governmental accounting and auditing. Conrad LLP has never filed bankruptcy and has no pending litigations, planned office closures, or impending mergers that would impede our ability to complete the project.

Andrea Jayasekara, CPA, Partner, will head the team assigned to working on VCTC TDA audits. She will be assisted by Mariana Beuchat, CPA, CGMA, Manager. Sam Perera, CPA, Partner, will serve as the Engagement Quality Reviewer on this engagement. All aforementioned personnel are Certified Public Accountants in the State of California and are of good standing.

Conrad provides all staff with numerous in-house seminars on governmental accounting and auditing. Each professional staff member is required to complete the minimum hours of continuing professional education as required by the American Institute of Certified Public Accountants ("AICPA") and in accordance with generally accepted government auditing standards ("GAGAS"). This includes completing 80 hours of continuing education and training every two years of which at least 24 hours are to be in subjects directly related to government auditing.

Staff Members of the firm are members of the AICPA, the California Society of Certified Public Accountants ("CalCPA"), the Association of Government Accountants ("AGA"), and the Association of Certified Fraud Examiners ("ACFE").



Our firm has developed quality control standards and procedures that have been subjected to AICPA standards of review. We believe it is important for you to know that Conrad received an unqualified opinion on the quality control of our accounting and audit practice for our most recent peer review. This means that when VCTC selects our firm to perform services, you will know that our firm has agreed to comply with the strict membership requirements of the Section to which we belong and has agreed to have our compliance with those requirements reviewed by others. Thus, there is a greater assurance that our personnel are adequately trained and up-to-date on professional developments. Accordingly, membership in this Division provides additional assurance that our firm will comply with professional accounting and auditing standards.

Conrad adheres to the strict quality control measures and high professional standards of the AICPA, and the California State Board of Accountancy (as well as other states when applicable).

Conrad's Partners and Staff have been providing audit services to federal, local, and state governments for decades. Our firm holds a current General Services Administration ("GSA") contract and specializes in governmental audit and accounting. Our Staff have become experts at providing peace of mind to clients who rely on us for our technical knowledge and quality customer service.

The Partners and Staff have conducted Performance, Financial, Compliance, Internal Control, and Information Technology related audits on behalf of the following agencies:

- Riverside County Transportation Commission ("RCTC")
- Ventura County Transportation Commission ("VCTC")
- San Diego Association of Governments ("SANDAG")
- Orange County Transportation Authority ("OCTA")
- United States Department of Transportation
- County of Maui
- Ominitrans
- Alameda Corridor Transportation Commission ("ACTC")
- Los Angeles County Metropolitan Transportation Authority ("LACMTA")
- California Public Employees' Retirement System ("CalPERS")
- California State Teachers' Retirement Systems ("CalSTRS")
- City of Los Angeles
- County of Los Angeles
- National Science Foundation ("NSF")
- United States Coast Guard Alaska
- Corporation for National Community Service ("CNCS")
- Department of Defense
- Department of Housing and Development
- Los Angeles County Employees Retirements Association ("LACERA")
- State of California
- United States Department of Health and Human Services
- United States Department of Agriculture ("USDA")
- Special Inspector General for Afghanistan Reconstruction ("SIGAR")
- Centers for Medicare & Medicaid Services ("CMS")
- United States Department of Justice
- United States Department of Labor
- United States Air Force

Andrea Jayasekara, Partner of Conrad LLP, is authorized to make representations for and to bind on Conrad LLP's behalf with VCTC. Her email address is ajayasekara@conradllp.com and her contact number is (949) 552-7700 extension 256.

Qualifications

The Partners and Managers of Conrad have successfully performed TDA Articles 3, 4, 8(a), 8(c), Low Carbon Transit Operations Program (“LCTOP”), State Transit Assistance (“STA”), and Proposition 1B audits on behalf of VCTC from 2014 through 2018. In addition, our TDA team successfully performed TDA and related audits/agreed-upon engagements for multiple agencies, as indicated below:

Ventura County Transportation Commission (“VCTC”)

Conrad has conducted audits of the Transportation Development Act (“TDA”) funds, (both Local Transportation Fund (“LTF”) and STA), Proposition 1B, and LCTOP for Fiscal Years 2014 through 2018.

Riverside County Transportation Commission (“RCTC”)

Conrad has been conducting TDA Articles 3, 4 and Proposition 1B audits and Measure A agreed-upon procedures for RCTC since 2016.

Quechan Indian Tribe

Conrad has been conducting TDA Article 8(c) audits for Quechan Indian Tribe since 2016.

San Bernardino Association of Governments (“SANBAG”)

In February 2015, Conrad was selected by SANBAG as on-call auditors to conduct pre-award pricing review. Our agreement continues from Fiscal Year 2015 through 2022. Conrad also conducted a Measure I agreed-upon procedure engagement for SANBAG for Fiscal Year 2016.

San Diego Association of Governments (“SANDAG”)

The Partners and Staff of Conrad have completed the TDA audit and agreed-upon procedures engagements related to *TransNet* sales tax revenue from 2010 through 2015.

Orange County Transportation Authority (“OCTA”)

The Partners and Staff of Conrad have completed on-call pricing reviews, TDA audits, and agreed-upon procedures engagements relating to the Measure M sales tax revenue from 2007 through 2010.

Corporate and Key Personnel

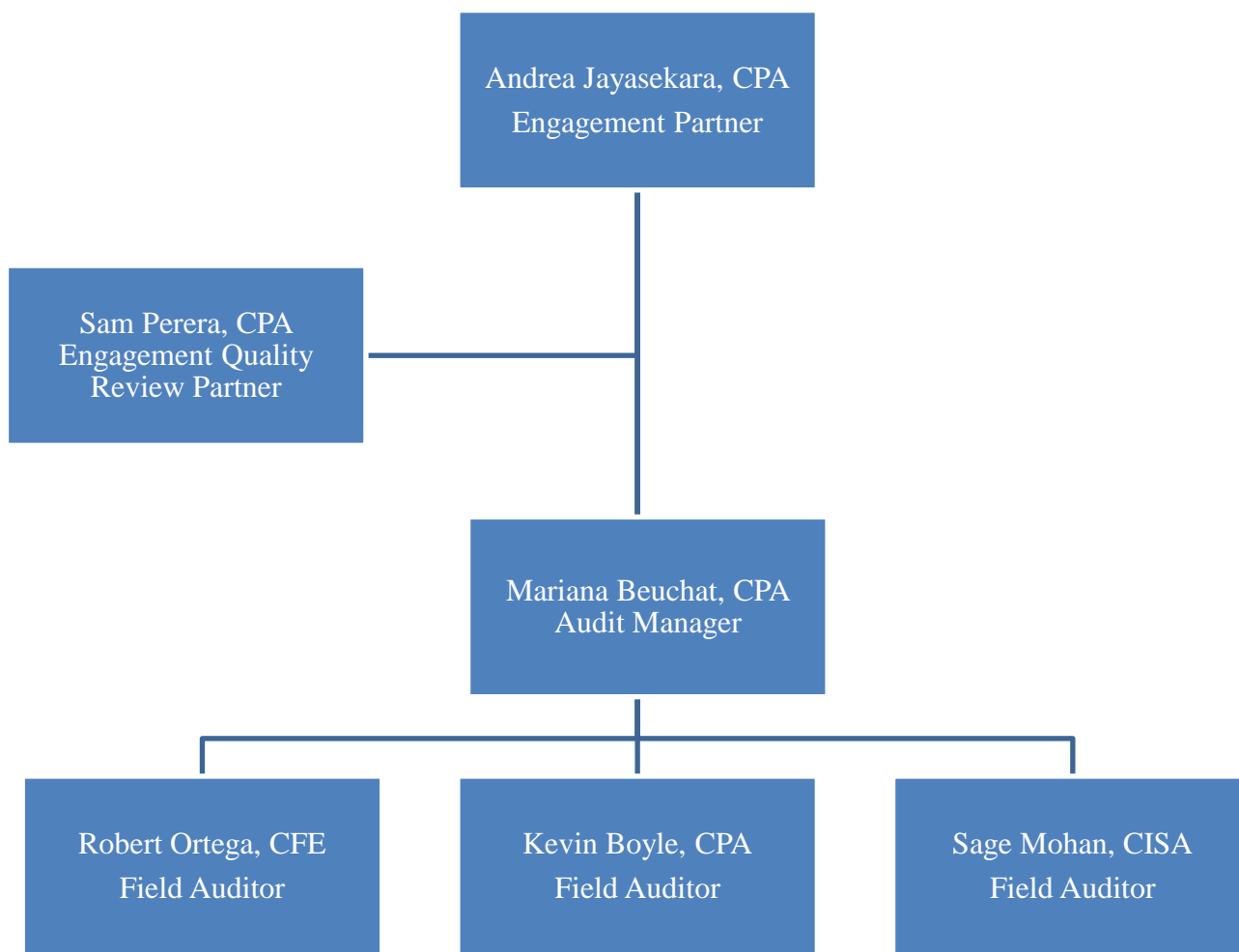
The successful outcome of any audit requires personnel with the managerial and technical skills to perform the work required. We believe that efficient administrative management and supervision of the audits are extremely critical factors in achieving the desired results for VCTC.

We have selected the following individuals to work with VCTC based on their experience and dedication to providing superior client service.

Ms. Andrea Jayasekara, CPA, MBA, Partner will be the **Engagement Partner** and has over 12 years of extensive government auditing experience, including serving as Audit Manager, or Auditor on the TDA audits performed on behalf of VCTC, RCTC, SANDAG, and OCTA, as well as performing numerous financial compliance audits on behalf of transit agencies. Additionally, she has strong internal control audit experience through the performance of SSAE 18 audits of the internal controls of service organizations. She will be assisted by **Ms. Mariana Beuchat, CPA, CGMA, Manager** who will serve as **Audit Manager** and **Sam Perera, Partner**, has been proposed as the **Engagement Quality Reviewer**. All Field Auditors assigned to the VCTC TDAs will have prior TDA experience.

See Appendix A for résumés of key personnel.

Our proposed organizational structure for providing audit services to VCTC is as follows:



Peer Review, Litigation, and Contract History

The peer review of Conrad included an examination of specific government engagements.

See Appendix B for Peer Review Report.

Conrad has not been the subject of any disciplinary action within the last five years, and no such action is pending by state regulatory bodies, professional organizations, or current and/or prior clients.

Client Assistance

Based on our prior experience, as needed by VCTC, we will provide clarification on current TDA regulation, and if the guidelines are not clear, then we will go the extra mile to reach out to CalTrans to obtain the required clarification. Conrad has flexibility to provide this service to VCTC and will assign Andrea Jayasekara, Partner and Mariana Beuchat, Manager for this purpose who will be available to VCTC and their claimants throughout the year.

References

Selected references of similar projects completed by Conrad are as follows:

Client	Scope of Work
Ventura County Transportation Commission Sally DeGeorge, CPA Finance Director 950 County Square Drive, Suite 207 Ventura, CA 93003 (805) 642-1591 ext. 112 ssellers@goventura.org	TDA Article 3, 4, 8(a), 8(c), Proposition 1B, STA, and LCTOP audits for Fiscal Years 2014 through 2018.
Riverside County Transportation Commission Theresia Trevino, Chief Financial Officer 4080 Lemon St. 3rd Fl., Riverside, CA 92502 (951) 787-7926 ttrevino@RCTC.org	TDA Article 3 and 4 audits and Measure A agreed-upon-procedures for Fiscal Years 2016 to-date.

Client	Scope of Work
Los Angeles County Employees Retirements Association Leisha Collins Senior Internal Auditor 300 North Lake Avenue, Suite 820 Pasadena, CA 91101-4199 (626) 564-6000 ext. 3516 tsanders@lacera.com	Financial audits for two of its investment properties, since Fiscal Year 2014.
San Bernardino County Transportation Authority Jeffery Hill Procurement Manager 1170 W. 3rd Street, 2nd Fl., San Bernardino, CA 92410 (909) 884-8276 jhill@sanbag.ca.gov	On call pricing review and Measure I audit/agreed-upon-procedures since 2014.

Current Clients

Conrad currently has or had in the past the following municipal clients.

- Ventura County Transportation Commission (“VCTC”)
- Riverside County Transportation Commission (“RCTC”)
- Orange County Transportation Authority (“OCTA”)
- California Public Employees’ Retirement System (“CalPERS”)
- California State Teachers’ Retirement Systems (“CalSTRS”)
- City of Los Angeles
- County of Los Angeles
- Los Angeles County Employees Retirements Association (“LACERA”)
- Los Angeles Metrolink
- Los Angeles Metropolitan Transportation Authority (“LACMTA”)

Audit Methodology

Project Planning Meeting

Once the project is awarded, we will schedule a planning meeting with the VCTC Finance Director. The purpose of this meeting will be to refine the nature, timing, and extent of the work to be performed. Additionally, we will obtain from VCTC all necessary allocation documents for the year to be audited. These documents may include schedules of funds allocated by entity, grant agreements that document the allocation for the year, any amendments or correspondence between the jurisdiction and VCTC, and any instructions or manuals provided to the jurisdictions as to how to account for grant funds and what constitutes an allowable expenditure. We will also use the planning meeting to discuss any concerns that VCTC has with any of the jurisdictions, or any fraud or potential fraud that may have occurred related to the program. Our Engagement Partners and Audit Managers will attend this meeting.

Scheduling the Audits

Immediately upon completion of the planning meeting, we will schedule all audits with each of the jurisdictions. Due to the deadlines required of this project, we will request that the jurisdictions allow us to review their records as soon as possible. Once scheduled, we will provide each agency with an audit notification letter and an initial document request. The scheduling of the audits will be performed by designated staff. Once all audits have been scheduled, we will provide VCTC with a schedule detailing the proposed dates of the audit fieldwork.

We will maintain a master schedule with all agencies to be audited. This schedule will include the following.

- A list of the agencies to be audited.
- The various audits to be performed for each agency.
- The Field Auditor assigned to the audit.
- Date of commencement of fieldwork.
- Date notification was sent to the agency.
- Date preliminary documentation is due back from the agency.
- Date the workpapers are due for management for review.
- Date workpapers were provided to management for review.
- Date the draft was sent to VCTC and agency for review.
- Date comments were received from VCTC and agency.
- Date revised draft was sent to VCTC and agency.
- Date management representation letter and subsequent event were sent to agency.
- Date management representation letter and subsequent event were received from agency.
- Date final report and management letter was sent to VCTC .
- Comments on issues impacting the audit, etc.

Planning

Conrad uses the software program, Caseware, to maintain audit workpapers, which is online and available for review in real-time. Prior to commencement of the VCTC TDA audit cycle, the Audit Manager will set up the Caseware workpaper templates to be used for all audits. The Caseware workpapers will include all the workpaper templates, report templates and the laws and regulations relevant to the audit. The laws and regulations will be determined based on the TDA Guidelines, PTMISEA Guidelines, and the 49 U.S.C. Section 5337 / FAST Act Section 3015 for State of Good Repair Grants. We will then provide training to all staff working on the TDA audits prior to commencing planning of the audits.

Each year, at the commencement of the planning phase of the audit, our engagement team will meet to disseminate the information received from the VCTC Finance Director during the planning meeting and identify for each client, areas (account balances, transaction classes, funds, activities, etc.) for which there is a heightened risk of fraud or misstatement. Additionally, we send out questionnaires to the agencies to obtain an understanding of the internal controls surrounding each program, entity and activity level controls, and fraud risk from an accounting and program perspective. These questionnaires enable us to get an understanding of the internal controls surrounding the program as well as the agency's attitude toward fraud and risk mitigation. We will then tailor our audit testing and transaction testing for the year to be specifically skewed to these areas of significant risk. We believe that this risk-focused approach toward testing in combination with analytical procedures is significantly more effective than prior approaches toward testing.

Once we receive the preliminary general ledger and trial balance from the agencies, we will be calculating the planning materiality, performance materiality, and trivial misstatement in order to determine what needs to be tested, and what exceptions require further probing. Additionally, at this stage, we perform a preliminary analytical review to determine if revenues, expenditures, assets, and liabilities for the current period look reasonable compared to the prior year, and request explanations from the agency for material variances.

Below is the number of hours assigned to each proposed segment, and breakdown of hours by staff level is below:

Agency	Article 3	Article 4	Article 8a	Article 8c	Prop 1B	LCTOP	STA/SGR Fund	STA Transfer	VCTC Intercity	Valley Express	ECTA
Camarillo	30		30				36				
County of Ventura	30										
Fillmore	30		30	34							
Ojai	40				30						
Oxnard	30		30	34							
Port Hueneme	40										
San Buenaventura	40										
Santa Paula	30		30	34							
Simi Valley	30	36			36		36				
Thousand Oaks	24	24	24	24	24		24				24
VCTC	20	0	0	0	16	12	36	8	24	24	0
Total	344	60	144	126	106	12	132	8	24	24	24

Total hours 1,004

Partner hours 60

Manager hours 180

Staff hours 960

Fieldwork

During this task, our staff will be onsite at the agency to conduct the audit. In general, the fieldwork will include the following: (The actual steps to be performed at any given jurisdiction may vary in order to address the specific facts and circumstances encountered.)

1. We will document the internal controls over the recording of TDA and Proposition 1B revenues and expenditures and evaluate for adequacy.
2. We will judgmentally select a sample of 30% to 50% of non-payroll expenditures. Generally speaking, the expenditure details provided for the TDA/Prop 1B programs are small, not requiring statistical sampling. The sampled items will be tested to ensure the expenditure was recorded in the proper period, the expenditure was properly supported, and the expenditure was allowable in accordance with the Public Utilities Code and California Code of Regulations and Proposition 1B.
3. If payroll expenditure is material, we will select three to five employees and 2 non-consecutive pay periods for testing.
4. We will be verifying 100% of the revenue received with VCTC and select a judgmental sample to test internal controls surrounding revenue recording.

5. The scope of our review of activity will include expenditures which the claimant has incurred during the period, as well as a review of projects for which funds were allocated but not yet expended.
6. We will review to determine if agency met match requirements per grant agreements and direction from VCTC on transferred funds.
7. We will determine whether any interest income should be allocated to the unspent grant funds.
8. We will verify cash, accounts receivable, account payable, and unearned revenue are adequately supported.
9. We will obtain asset schedule and supporting documentation to support the asset additions, disposals, and depreciation. We will review depreciation for reasonableness.
10. We will review unrecorded liabilities to ensure that all expenditures that relate to the audit period have been recorded in the correct period.
11. We will report whether agencies met the required ratios in accordance with the accordance with the Public Utilities Code and California Code of Regulations, such as the farebox ratio and operator efficiency standards.
12. We will review if agencies met other compliance requirements based on applicable laws and regulations.
13. We will prepare any necessary adjusting journal entries and provide copies of our proposed adjustments to the claimant for their review.

Fieldwork will be performed primarily by our Field Auditors. We typically will assign only one individual to perform the fieldwork at the agency.

Prepare Draft Report

Immediately upon the completion of fieldwork, our Field Auditors will prepare the draft report and submit it, along with the audit working papers, to the assigned Audit Manager for review. The Audit Manager will review the working papers and provide and document any review comments and request that the Field Auditor provide clarification. Should any audits be performed by an Audit Manager, the Engagement Partner will review the working papers. Once all comments are cleared, the working papers and draft report will be submitted to the Engagement Partner for review. After the Engagement Partner's review, the draft report will be submitted to the jurisdiction and VCTC for review and comment. We ask that the jurisdiction sign an acknowledgement form and return it to us with their comments on the draft report. This acknowledgement form serves as documentary evidence that the jurisdiction did, in fact, see and review the draft report. The acknowledgment also provides confirmation that the numbers on the draft report have not changed since fieldwork was completed. We will specify a date in which comments must be received by us in order that the report may be finalized in a timely manner. It is our plan that all draft reports will be issued within three weeks following completion of fieldwork.

Prepare Final Report

Upon receipt of comments from VCTC and/or the jurisdiction, we will modify the draft report if necessary. The draft report will then be finalized and submitted to the Engagement Partner for review and signature.

Bi-weekly Status Meeting

Throughout the course of the TDA Audit Program audits, our Engagement Shareholder and/or Project Managers will be in communication with the VCTC Finance Director. The purpose of this ongoing communication is to demonstrate to VCTC that the audits are progressing and will be completed by the required due dates. Additionally, this affords us the opportunity to notify VCTC on the front end should a controversial issue arise.

Support Services

Based on our prior experience, as needed by VCTC, we will tailor our audit approach when necessary to add new audits required to the schedule, be available to VCTC on short notice to respond to VCTC questions, keep constant communication with VCTC to update on the status of the audits, and proactively inform VCTC on any issues that come up, that would likely impact the completion of the audits in a timely manner. When VCTC requires clarification, we will review guidelines to provide a response, and if the guidelines are not clear, then we will go the extra mile to reach out to CalTrans to obtain clarification.

Special Issues, Problems, and Hurdles

Based on our prior experience, the biggest hurdle to completing the TDAs in a timely manner has been due to agencies not providing the required documentation in a timely manner. This arises when agencies do not provide the required preliminary items prior to fieldwork, are not ready when we are on-site for fieldwork, and follow-up items subsequent to fieldwork. This could be due to holidays, wildfires in the county, staff being on medical leave, the agencies being short staffed, conflicting regular work during the audit, or the low priority placed by the agency on the TDA audits. We have overcome this by trying our best to complete as much work as possible prior to going out for fieldwork and completing as much as possible during fieldwork, and then being in constant contact with the agency until the required information is received. Any unreasonable delays are then communicated to VCTC, and in extreme circumstances, we get VCTC to intercede.

Another problem we face is no continuity of TDA staff at the agency due to high staff turnover in some agencies. In such circumstances, we are patient and work with the new staff to understand the TDA program and the requirements and share with them the support that was provided in prior years to assist them generate the reports required.

In many cases, the agency staff is unaware of how to calculate the farebox recovery ratio, and do not understand that as auditors we cannot prepare it, due to independence reasons, as we cannot audit our own work.

Another issue is that if the Comprehensive Annual Financial Report (“CAFR”) is not issued prior to the TDA financial report, there are adjusting journal entries posted by the agency’s annual financial auditors, which cause prior year adjustments on the TDA reports in subsequent years. To avoid this, we try to plan the TDA audits around the agency’s annual financial audit and not issue the final report until the CAFR is finalized. Another issue we encounter is that if we schedule the audits too early, the agencies keep passing adjusting journal entries, which requires us to make multiple revisions to our workpapers.

Conclusion

We have reviewed the requirements in the RFP, and we commit to VCTC that we will assign all resources necessary to successfully complete this project by the required due dates. This is based on our past experience performing **Professional TDA Financial and Compliance Auditing Services**, the strong team we have built over the years, and the past relationship we have built with VCTC.

APPENDIX A - Resumes of Key Personnel

APPENDIX A – RESUMES OF KEY PERSONNEL

Andrea Jayasekara, Partner

Andrea has over 12 years of governmental auditing, accounting, and consulting experience. Andrea's experience includes serving as Manager on the TDA audits performed on behalf of **Ventura County Transportation Authority ("VCTC")**, Riverside County Transportation Commission ("RCTC"), Orange County Transportation Authority ("OCTA"), Los Angeles County Metropolitan Transportation Authority (LACMTA), and San Diego Association of Governments ("SANDAG"), as well as performing numerous financial and compliance audits on behalf of several transit agencies. Additionally, she has strong internal control audit experience through the performance of SSAE 18 Services Organization Control (formerly known as SSAE 16/SAS 70) audit of the internal controls of service organizations.

Employment History

- Conrad LLP: Partner - January 2016 to Present
- Conrad and Associates ("CBIZ-MHM"): Manager –2006 to 2016
- KPMG: Senior Manager - 2000 to 2006

Education

Master's in Business Administration
General, Postgraduate, Institute of Management
University of Sri Jayawardenepura, Sri Lanka

Professional Certifications

Certified Public Accountant, State of California, No. 109944

Relevant Experience

The following is a listing of TDA, and related audits Andrea has worked on during the last 10-years:

Ventura County Transportation Commission ("VCTC")

Andrea served as engagement manager on behalf of VCTC for the Transportation Development Act ("TDA") financial and compliance audits of various TDA funding recipients from Fiscal Year 2016 to-date.

Riverside County Transportation Commission ("RCTC")

Andrea served as engagement manager on behalf of RCTC for the TDA 3 and 4 audits and agreed-upon procedures engagements relating to the Measure A sales tax revenue from 2016 to-date.

San Diego Association of Governments ("SANDAG")

Andrea was the manager and auditor on TDA audits and agreed-upon procedures engagements related to *TransNet* sales tax revenue from 2010 through 2015.

Orange County Transportation Authority ("OCTA")

Andrea served as the manager on several on-call engagements and auditor on several TDA audits on behalf of OCTA for Fiscal Years 2007 through 2010. The on-call engagements included cost incurred audits, close out audits and compliance audits.

APPENDIX A – RESUMES OF KEY PERSONNEL

Sam Perera, Partner

Sam has over 19 years of governmental auditing, accounting, and consulting experience. Sam has served as Engagement Partner or Manager on the TDA audits performed on behalf of Riverside County Transportation Commission (“RCTC”), Ventura County Transportation Authority (“VCTC”), Orange County Transportation Authority (“OCTA”), and San Diego Association of Governments (“SANDAG”), as well as performing numerous financial and compliance audits on behalf of transit agencies. Sam is in charge of numerous on-call engagements with OCTA, the Los Angeles County Metropolitan Transportation Authority (“LACMTA”), Alameda Corridor Transportation Authority (“ACTA”), and Los Angeles County Employees Retirement Association (“LACERA”). In addition, he has performed financial statement audits on behalf of Omnitrans, and Sunline Transit. Additionally, he has strong internal control audit experience through the performance of SSAE 18 Services Organization Control (formerly known as SSAE 16/SAS 70) audits of the internal controls of service organizations.

Employment History

- Conrad LLP: Partner – March 2014 to present
- Mayer Hoffman McCann, PC: Shareholder – January 2006 to March 2014
- Conrad and Associates: Manager – January 1999 to January 2006
- Blue Cross of California: Auditor – March 1998 to December 1998

Education

Bachelor of Science in Business Administration, with an emphasis in Accounting
California State University, Northridge

Professional Certifications

Certified Public Accountant, State of California, No. 85858
Certified Fraud Examiner, No.121813
Chartered Global Management Accountant
Certified Information Technology Professional, No. 3294

Relevant Experience

The following is a listing of TDA and related audits Sam has worked on during the last 10-years:

Ventura County Transportation Commission (“VCTC”)

Sam served as the engagement partner for VCTC TDA Audits from Fiscal Year 2014 to-date.

Riverside County Transportation Commission (“RCTC”)

Sam served as engagement manager on behalf of RCTC for the TDA 3 and 4 audits and agreed-upon procedures engagements relating to the Measure A sales tax revenue from 2016 to-date.

San Diego Association of Governments (“SANDAG”)

Sam served as the engagement partner on the SANDAG TDA audit and agreed-upon procedures engagements related to *TransNet* from 2010 through 2013.

Orange County Transportation Authority (“OCTA”)

Sam served as the engagement partner on several engagements on behalf of OCTA, including TDA audits and Measure M agreed upon procedures from Fiscal Year 2007 through 2010.

APPENDIX A – RESUMES OF KEY PERSONNEL

Mariana Beuchat, Manager

Mariana has over 12 years of experience in local, state, and federal government accounting and audit services. Mariana has planned, performed, and supervised a variety of advisory, accounting, and review engagements for clients such as Ventura County Transportation Authority (“VCTC”), Orange County Transportation Authority (“OCTA”), and other Local Governments. Additionally, she has strong internal control audit experience through the performance of SSAE 18 Services Organization Control (formerly known as SSAE 16/SAS 70) audit of the internal controls of service organizations. Mariana has most recently performed the LTF and STA audits for several agencies in Ventura County.

Employment History

- Conrad LLP: Manager – 2014 to present
- Conrad and Associates (“CBIZ-MHM”): Supervising Senior – 2008 to 2013
- Glenn M. Gelman & Associates: Staff Accountant – 2006 to 2008

Education

Bachelor of Arts in Business Administration, with an emphasis in Accounting and Finance
California State University, Fullerton

Professional Certifications

Certified Public Accountant, State of California, No. 114518
Certified Global Management Accountant

Relevant Experience

The following is a listing of TDA and related audits Mariana has worked on during the last 10-years:

Ventura County Transportation Commission (“VCTC”)

Mariana served as engagement manager and auditor on behalf of VCTC for the TDA financial and compliance audits of various TDA funding recipients from Fiscal Year 2014 to-date.

Quechan Indian Tribe

Mariana served as engagement manager on behalf of the Quechan Indian Tribe for the TDA financial audit from Fiscal Year 2016 to-date.

Riverside County Transportation Commission (“RCTC”)

Mariana served as engagement manager on behalf of RCTC for the TDA 3 and 4 audits and agreed-upon procedures engagements relating to the Measure A sales tax revenue from 2016 to-date.

APPENDIX A – RESUMES OF KEY PERSONNEL

Field Auditors

Field Auditors on the proposal are Robert Ortega, CFE, Kevin Boyle, CFE, and Sage Mohan, CISA. Robert Ortega, Senior Manager, has worked on the VCTC TDAs since 2015. Kevin Boyle, Senior Associate, has worked on the VCTC TDAs since 2016. Sage Mohan, Senior Associate, has worked on the RCTC TDAs in 2018.

APPENDIX B – Peer Review

APPENDIX B – PEER REVIEW



POWELL & SPAFFORD, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Jessie C. Powell, CPA (Ret.)
Patrick D. Spafford, CPA

Licensed by the California Board of Accountancy
Members American Institute of Certified Public Accountants

System Review Report

To the Partners of Conrad, LLP
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Conrad, LLP (the firm) in effect for the year ended October 31, 2015. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by professional standards, engagements selected for review included audit engagements performed under *Government Auditing Standards*.

In our opinion, the system of quality control for the accounting and auditing practice of Conrad, LLP in effect for the year ended October 31, 2015, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency (ies)* or *fail*. Conrad, LLP has received a peer review rating of *pass*.

Powell & Spafford

May 4, 2016

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APPENDIX C – Attachment B

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Cost Proposal – Fiscal Year ending June 30, 2019					
Service	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Total Audit Fees, not to exceed	\$ 110,000*	\$ 110,000*	\$ 110,000*	\$ 110,000*	\$ 110,000*
Cost per additional audit, if applicable	\$ 2,125	\$ 2,125	\$ 2,125	\$ 2,125	\$ 2,125
Additional Services, if needed by labor category per hour					
Partner	\$ 110	\$ 110	\$ 110	\$ 110	\$ 110
Manager	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Staff	\$ 85	\$ 85	\$ 85	\$ 85	\$ 85
Admin	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60
Hour Estimate by Year					
Service	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Partner	60	60	60	60	60
Manager	180	180	180	180	180
Senior/ Staff	960	960	960	960	960
Administrative	0	0	0	0	0
Other (specify)	0	0	0	0	0
Total Hours	1,200	1,200	1,200	1,200	1,200

Note: *Audit fee, not to exceed includes reimbursable travel costs.

APPENDIX D – Attachment C

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Attachment C - Certification Regarding Debarment, Suspension and Other Ineligibility and Voluntary Exclusion

The firm of Conrad LLP certifies by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by an Federal department or VCTC. The above agency further certifies or affirms the truthfulness and accuracy of the contents of the statements submitted on or with this certification and understands that the provisions of 31 U.S.C. Section 3801 et. Seq. are applicable thereto.

Where the agency is unable to certify any of the statements in this certification, such Participant shall attach an explanation to this proposal.



Authorized Official

Partner

Title of Authorized Official

February 4, 2019

Date

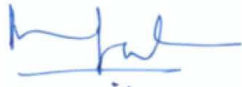
APPENDIX E – Attachment D

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Attachment D - Worker's Compensation Insurance Certification

As required by Section 1860 of the California Labor Code (Chapter 1000, Statutes of 1965), the Contractor shall secure the payment of Workmen's Compensation to its employees in accordance with the provisions of Section 3700 of the California Labor Code and shall furnish VCTC with a certificate evidencing such coverage together with verification thereof as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Workmen's Compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this Contract."



Authorized Official

Partner

Title of Authorized Official

February 4, 2019

Date

APPENDIX F – Compliance Certifications

APPENDIX F – COMPLIANCE CERTIFICATIONS

Equal Employment Opportunity Act

Conrad LLP is in compliance with the Equal Employment Opportunity Act and does not discriminate against anyone.

California Fair Employment Practices Act

Conrad LLP is in compliance with the California Fair Employment Practices Act and does not discriminate against anyone.

Title VI of the Civil Rights Act of 1964

Conrad LLP is in compliance with Title VI of the Civil Rights Act of 1964 and does not discriminate against anyone.

APPENDIX G – Insurance Coverage

A copy of the certificate will be provided on signing of the contract.