

Attachment A
AGREEMENT BETWEEN THE VENTURA COUNTY TRANSPORTATION
COMMISSION AND Eide Bailly, LLP FOR PROFESSIONAL SERVICES

This is an agreement (“Agreement”) by and between the Ventura County Transportation Commission, hereinafter referred to as VCTC, and Eide Bailly, LLP hereinafter referred to as CONTRACTOR, to provide professional Financial Auditing services is entered into this _____ day of _____, 2020 (“Effective Date”).

VCTC and CONTRACTOR agree as follows:

1. STATEMENT OF AGREEMENT

VCTC hereby engages CONTRACTOR, and CONTRACTOR hereby accepts such engagement, to perform the services on the terms and conditions herein described, and as set forth in this Agreement. CONTRACTOR hereby warrants that it has the professional qualifications, experience and facilities to properly perform said services and hereby agrees to undertake and complete the performance thereof.

2. DESCRIPTION OF SERVICES

The services to be performed by CONTRACTOR are those set forth and incorporated herein in Attachment 1 (“Scope of Services”) and Attachment 2 (Request for Proposals for Professional Financial Auditing Services dated December 6, 2019) of this Agreement, and the specifications attached thereto and as further described in Contractor’s proposal January 23, 2020 set forth and incorporated herein in Attachment 3 to this Agreement. In the event of a conflict between any specific provision of this Agreement and any provision of Attachment 1, Attachment 2 or Attachment 3, the provisions of this Agreement shall prevail. In the event of a conflict between any specific provision of Attachment 1, Attachment 2, and Attachment 3, the provisions of Attachment 1 shall prevail over conflicting provisions of Attachment 2 and Attachment 3, and the provisions of Attachment 2 shall prevail over conflicting provisions of Attachment 3. All work performed by the CONTRACTOR shall be performed in a good and workmanlike manner.

3. TERM

The term of this Agreement shall commence on the Effective Date and shall continue for three (3) years from the Effective Date (“Initial Term”), unless extended by VCTC’s exercise of its extension option discussed below or otherwise terminated pursuant to Article 18 below.

VCTC may elect to extend the term of this Agreement by exercising a one-time extension option for two (2) additional years (“Extension Option”). VCTC may elect to exercise this Extension Option by providing written notice to CONTRACTOR of its intent to exercise the Extension Option prior to the expiration of the Initial Term.

4. CHANGES IN THE WORK

The VCTC may, at any time, by written order to CONTRACTOR make changes within the general Scope of Services, including but not limited to revising or adding to the work or deleting portions thereof. Upon agreement of the parties and receipt of notice of change to the Scope of Services, CONTRACTOR shall immediately take all necessary steps to comply therewith.

5. COMPENSATION/INVOICING

5.1 - The total compensation payable by VCTC, to CONTRACTOR, for completion of the Scope of Services for the Initial Term shall not exceed \$156,000 (“Initial Term NTE”). If VCTC exercises its Extension Option, the total combined compensation for the Initial Term and the Extension Option term shall not exceed \$264,000 (“Total NTE Amount”).

In each year of this Agreement, the CONTRACTOR agrees to charge VCTC the rates outlined below for each service for each fiscal year ("Annual Rates") :

\$46,000 for Fiscal Year 2019/2020, \$46,000 for Fiscal Year 2020/2021, \$46,000 for Fiscal Year 2021/2022, \$46,920 for Fiscal Year 2022/2023 and \$47,859 for Fiscal Year 2023/2024. If additional Single Audits are necessary, the additional compensation payable by VCTC, to CONTRACTOR for such Single Audits, shall not exceed per additional Single Audit \$3,000 for Fiscal Years 2019/2020 through Fiscal Year 2021/2022, \$3,060 for Fiscal Year 2022/2023 and \$3,121 for Fiscal Year 2023/2024

During the Initial Term, VCTC shall not be obligated to pay CONTRACTOR for costs incurred in excess of the Initial Term NTE or the Annual Rates unless approved in writing by VCTC prior to CONTRACTOR's commencement of the work.

If VCTC exercises its Extension Option, VCTC shall not be obligated to pay CONTRACTOR for costs incurred in excess of the Total NTE Amount or the Annual Rates unless approved in writing by VCTC prior to CONTRACTOR's commencement of the work.

52 - CONTRACTOR will bill VCTC monthly for completed work. VCTC will pay CONTRACTOR within thirty (30) days of receipt of a satisfactory invoice. Each invoice shall be supported by employee name, labor category, hours worked, etc. in the performance of the Agreement during the period covered by each invoice.

6. AUDITING STANDARDS

The audits performed pursuant to the Scope of Services shall be performed using the most current version of each of the following:

- i. Generally accepted auditing standards as set forth by the American Institute of Certified Public Accounts.
- ii. The standards applicable to financial audits contained in the Government Auditing Standards issued by the Comptroller General of the United States.
- iii. The provisions of the U. S. Office of Management and Budget (OMB) "Super Circular" or 2 Code of Federal Regulations (CFR) 200 and any applicable updates as adopted.
- iv. State of California Transportation Development Act (TDA) including the requirements of the Southern California Association of Governments' Transportation Development Act Conformance Auditing Guide.
- v. Special District, Transit District Reporting and Transportation Reporting Requirements, as specified by the California State Controller.

7. PROGRESS AND COMPLETION

CONTRACTOR shall commence work on the Scope of Services to be performed upon full execution of this Agreement and shall consider full execution of this Agreement as Notice to Proceed. All services shall be completed as mutually agreed upon by both parties; deviations from the schedule shall be approved by VCTC. Progress reports, which include a summary of work completed during the billing period, will be provided by the CONTRACTOR with each invoice.

8. ASSIGNMENT AND SUBCONTRACTING

8.1 - This Agreement is for professional services and CONTRACTOR may not assign its rights under this Agreement nor delegate the performance of its duties without the VCTC's prior written consent.

8.2 - CONTRACTOR shall complete all work under this Agreement. Contractor may assign duties to another contractor or to any subcontractor only upon prior written consent of the VCTC. Any assignment or delegation without VCTC's prior written consent shall be void.

8.3 – CONTRACTOR will act as an independent contractor and is not an employee, officer, agent, partner or joint venture of VCTC by virtue of this Agreement. CONTRACTOR agrees that its workers performing services under this Agreement shall be either (1) employees of CONTRACTOR, or (2) shall meet all of the following three requirements to qualify as independent contractors: (a) be free from control and direction of CONTRACTOR; (b) perform work that is outside the usual course of CONTRACTOR's business; and (c) be customarily engaged in an independently established trade, occupation or business of the same nature as the work the individual performs for the CONTRACTOR. CONTRACTOR will defend, indemnify, and hold VCTC harmless from any claims, demands, liabilities, costs, and expenses arising from CONTRACTORS misclassification of workers providing services as independent contractors under this Agreement.

9. RELATIONSHIP OF THE PARTIES

CONTRACTOR is, and at all times retains the status of, an independent contractor and shall represent the will of VCTC only as to the results of the subject matter of this Agreement, and not as to the manner in which the services herein are performed. CONTRACTOR shall have complete control and responsibility over the details and performance of the services herein required to complete the Agreement, and in no event shall CONTRACTOR be considered an officer, agent, servant or employee of VCTC.

10. KEY PERSONNEL

Jessica Andersen, Engagement Partner, Roger Alfaro, Review Partner, Lauryn Stapleton, Senior Manager and David Preciado, Senior in-charge, are considered essential to the work being performed under this Agreement; unless required by professional government auditing standards (GAS) substitution for these individuals will not be made without the prior written consent of the VCTC.

11. INSURANCE

CONTRACTOR shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the CONTRACTOR, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

- i. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- ii. Automobile Liability: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONTRACTOR has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
- iii. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease. (Not required if CONTRACTOR provides written verification it has no employees)

- iv. Professional Liability (Errors and Omissions) Insurance appropriate to the CONTRACTOR's profession, with limit no less than \$2,000,000 per occurrence or claim, \$4,000,000 aggregate.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The VCTC, its officers, officials, employees, and volunteers are to be covered as additional insureds on the auto policy with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the CONTRACTOR; and on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the CONTRACTOR's insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 23 37 forms if later revisions used).

Primary Coverage

For any claims related to this contract, the CONTRACTOR's insurance coverage shall be primary insurance as respects the VCTC, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the VCTC, its officers, officials, employees, or volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.

Notice of Cancellation

CONTRACTOR may not permit coverage under the policies described above to be canceled without notice to the VCTC.

Waiver of Subrogation

CONTRACTOR hereby grants to VCTC a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the VCTC by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the VCTC has received a waiver of subrogation endorsement from the insurer.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to the VCTC.

Claims Made Policies

If any of the required policies provide coverage on a claims-made basis:

- i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
- ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
- iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the CONTRACTOR must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

Verification of Coverage

CONTRACTOR shall furnish the VCTC with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the VCTC before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONTRACTOR's obligation to provide them. The VCTC reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors

CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein.

Special Risks or Circumstances

VCTC reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Self-Insured Retentions

Any insurance policy required by this Agreement that includes a self-insured retention that must be paid by a named insured as a precondition of the insurer's liability, or which has the effect of providing that payments of the self-insured retention by others, including additional insureds or insurers do not serve to satisfy the self-insured retention, such policies shall not have an express prohibition on the payment of the self-insured retention by a person other than the named insured. .

12. PERMITS

To the extent applicable, CONTRACTOR shall, at CONTRACTOR's expense, obtain all necessary permits and licenses necessary to perform and complete the work under this Agreement, give all notices, and pay all fees and taxes required by law. Any permits required from VCTC shall be granted to CONTRACTOR at no cost.

13. INDEMNIFICATION

Notwithstanding the existence of insurance coverage required of CONTRACTOR pursuant to this Agreement, CONTRACTOR shall save, keep, indemnify, hold harmless and defend VCTC and its appointed and elected officials, officers, employees and agents, from every claim or demand made and every liability, loss, damage or expense of any nature whatsoever and all costs or expenses incurred in connection therewith, which arise at any time and occur or arise out of CONTRACTOR's performance pursuant to this Agreement. CONTRACTOR's indemnification obligations extend to any actions by CONTRACTOR, its officers, agents or employees, including but not limited to, its subcontractors, in performance of the work required pursuant to this agreement. CONTRACTOR's indemnification obligations include any such liability imposed by reason of any infringement or alleged infringement of rights of any person or persons, firm or corporation, in the performance of the work hereunder or of any article or material supplied, utilized or installed pursuant to this Agreement. Notwithstanding the foregoing, Contractor's indemnity obligations hereunder shall apply only to the extent that liability arises from Contractor's negligence or wrongful acts or omissions. Contractor shall not be required to indemnify and hold harmless VCTC, its officers, agents or employees (VCTC Indemnitees) for any such claims, damages, penalties, obligations or liabilities attributable to the negligence of VCTC Indemnitees.

14. NON-DISCRIMINATION

CONTRACTOR shall not discriminate in the hiring of employees or in the employment of subcontractors on the basis of sex, race, religion, age, natural origin, handicap, or any other basis prohibited by law. CONTRACTOR shall comply with the provisions of the Fair Employment and Housing Act and applicable laws promulgated thereunder.

15. RECORDS AND AUDITS

The CONTRACTOR's accounting systems shall conform to generally accepted accounting principles (GAAP), enable the determination of costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices. All accounting records and other supporting papers, including audit working papers, of CONTRACTOR connected with performance under this Agreement shall be maintained for a minimum of seven years from the date of final payment to CONTRACTOR and shall be held open to inspection and audit by representatives of the following non-exhaustive list of parties or their designees:

- The Ventura County Transportation Commission
- California State Auditor General
- California State Controller's Office
- California Department of Transportation
- U.S. General Accounting Office (GAO)
- Auditors of entities of which the VCTC is a sub recipient of grant funds
- Any agencies included in the audit of federal grants

In addition, the CONTRACTOR shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance for VCTC.

16. VCTC USE OF AUDITED FINANCIAL STATEMENTS

VCTC shall be free to publish its' audited financial statements (including the report of CONTRACTOR) as it sees fit – whether it is in an offering statement, on VCTC or another government's web site, or somewhere else – without having to obtain prior permission from the CONTRACTOR, provided that all of the following conditions have been met:

- i. The CONTRACTOR's report accompanies the same complete set of financial statements for which an opinion was rendered.
- ii. The financial statements are not used in a potentially misleading manner.
- iii. No material subsequent event has occurred that might render the financial statements potentially misleading.

17. ATTORNEY'S FEES

In the event an action is filed by either party to enforce rights under this Agreement, the prevailing party shall be entitled to recover a reasonable attorney's fee in addition to any relief granted by the court.

18. TERMINATION BY VCTC

This Agreement may be terminated by the VCTC at any time upon thirty (30) days' written notice. In full discharge of any obligation to CONTRACTOR in respect of this Agreement and upon such termination, the VCTC shall pay for the costs and noncancelable commitments incurred prior to the date of termination and fair closeout costs in accordance with the Annual Rates, not to exceed amounts specified in Article 5, and any applicable hourly rates in the event of partial completion of a task at the time of termination. CONTRACTOR shall take all reasonable steps to minimize termination costs. In no event, however, shall the VCTC be obligated to pay CONTRACTOR any amount in excess of the total funds committed by the VCTC up to the time of termination to support the work.

19. NOTICES

19.1 - All notices to the VCTC under this Agreement shall be in writing and sent to:

Ms. Sally DeGeorge, Director of Finance

Ventura County Transportation Commission
950 County Square Drive, Suite 207
Ventura, CA 93003

19.2 - All notices to CONTRACTOR under this Agreement shall be in writing and sent to:

Ms. Jessica Andersen, Engagement Partner
Eide Bailly, LLP
25231 Paseo De Alicia, St. 100
Laguna Hills, CA 92653-4615

20. ENTIRE AGREEMENT, MODIFICATION, AND EFFECTIVE DATE

20.1 - This Agreement constitutes the entire Agreement between the parties and supersedes all previous agreements and understandings related to the work performed under this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by a party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statement or promise not contained in the Agreement shall not be valid or binding.

20.2 - This Agreement may not be altered, amended, or modified except by a written instrument signed by the duly authorized representative of both parties.

20.3 - This Agreement shall be effective upon full execution by both VCTC and CONTRACTOR in accordance with Article 3 above, such full execution shall be considered a Notice to Proceed.

21. GOVERNING LAW/VENUE

This Agreement shall be governed by and construed in accordance with the laws of the State of California with venue in the County of Ventura. This Agreement is executed and to be performed in the County of Ventura.

22. BREACHES AND DISPUTE RESOLUTION PROCEDURE

Claims for Damages - Should either party to the Agreement suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts he is legally liable, a claim for damages therefor shall be made in writing to such other party within a reasonable time after the first observance of such injury of damage.

Remedies - Unless this Agreement provides otherwise, all claims, counterclaims, disputes and other matters in question between the VCTC and the Contractor arising out of or relating to this Agreement or its breach will be decided in a court of competent jurisdiction within the State of California with venue in the County of Ventura.

Rights and Remedies - The duties and obligations imposed by this Agreement and the rights and remedies available hereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the VCTC, Contractor shall constitute a waiver of any right or duty afforded any of them under the Agreement, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

23. SEVERABILITY

If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

VENTURA COUNTY TRANSPORTATION COMMISSION

Claudia Bill de la Pena, Chair

Date

APPROVED AS TO FORM:

Steven T. Mattas, General Counsel

Date

CONTRACTOR – Eide Bailly, LLP

Jessica Andersen, CPA

Date

ATTACHMENT 1

SCOPE OF SERVICES

For each year of this Agreement, CONTRACTOR is required to complete the following services:

CONTRACTOR is required to audit all funds of VCTC in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller of the United States.

CONTRACTOR is required to review and assist in the preparation of VCTC's Comprehensive Annual Financial Report (CAFR) including accompanying schedules and notes.

CONTRACTOR is required to assist with implementation of applicable Governmental Accounting Standards Board pronouncements.

CONTRACTOR shall prepare auditors' reports and opinions on VCTC's basic financial statements which will include both VCTC-Wide Financial Statements and Fund Financial Statements.

CONTRACTOR shall apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each fund of VCTC.

CONTRACTOR shall perform a Single Audit on the expenditures of federal grants in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200 and 225 as applicable and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of VCTC's financial statements in accordance with Government Auditing Standards and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards in accordance with the current regulations. CONTRACTOR's single audit report will include an appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, including reportable conditions and material weaknesses, as applicable, and follow up on prior audit findings where required. Contractor shall also file the Single Audit report with the Federal Clearing House.

CONTRACTOR shall issue a separate "management letter" that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are considered to be non-reportable conditions, if applicable. Prior to issuance of the final management letter, CONTRACTOR shall deliver a draft copy to VCTC for review and management's responses.

VCTC intends to submit its CAFR each year to the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting awards program. CONTRACTOR shall review VCTC's CAFR to ensure compliance with the requirements of the award program.

CONTRACTOR shall attend a minimum of one VCTC Commission meeting per fiscal year for the purpose of discussing the audit and its conclusions.

CONTRACTOR shall provide an electronic file of each auditor prepared report in a jpeg and pdf format.

If CONTRACTOR becomes aware of any irregular or illegal acts or indications of any illegal acts committed by the Executive Director, General Counsel, and/or the Finance Director, CONTRACTOR shall make an immediate, written report of all irregularities and illegal acts or indications of illegal acts.

VENTURA COUNTY TRANSPORTATION COMMISSION

REQUEST FOR PROPOSALS FOR PROFESSIONAL AUDITING SERVICES



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

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VENTURA COUNTY TRANSPORTATION COMMISSION REQUEST FOR PROPOSALS PROFESSIONAL AUDITING SERVICES

INTRODUCTION

General Information

The Ventura County Transportation Commission (VCTC) is requesting proposals from qualified Certified Public Accountants to perform professional auditing services beginning with the fiscal year ending June 30, 2020. VCTC is contemplating a multi-year contract (three years) with a renewal option for one additional two-year term in addition to performing other financial audits as specified below. These audits are to be performed in accordance with auditing standards generally accepted in the United States of America, the standards set forth for financial audits contained in Government Auditing Standards and the U.S. Office of Management and Budget (OMB) Super Circular.

To be considered, four (4) printed copies and one electronic copy (usb) of the proposal and bids must be submitted by 3:00 PM on Thursday, January 23, 2020 to:

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

There is no expressed or implied obligation for the VCTC to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. Proposals submitted are subject to public inspection and will be evaluated by a review committee.

During the evaluation process, VCTC reserves the right, where it may serve the agency's best interest, to request additional information or clarification from proposers, or to allow corrections of errors and/or omissions. At the discretion of the VCTC, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The VCTC reserves the right to retain all proposals submitted and to use any idea(s) in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the VCTC and the firm selected.

It is anticipated the selection of a firm will be completed by February 21, 2020. Following the notification of the selected firm, it is anticipated that a recommendation and proposed contract will be prepared for review and approval by the Commission at its March 6, 2020 meeting. VCTC reserves the right to reject any or all proposals, to waive any non-material irregularities or information in any proposal, and to accept or reject any items or combination of items.

Term of Engagement

It is the intent of VCTC to contract for the services presented herein for a term of three (3) years. VCTC reserves the right to extend the term of this contract for one (1) additional two-year term subject to the satisfactory negotiation of terms, including a price acceptable to both the agency and the selected firm and concurrence of the VCTC's Board. The proposal package shall present all inclusive audit fees for each year of the contract term.

Fees shall include costs for each year including the one additional two-year option. An itemized cost break down shall be submitted for the Principal and any additional staff. VCTC requires the total costs be stated as a “not to exceed” basis. The “not to exceed” fee shall be inclusive of labor, travel, report preparation, printing, and all other expenses incurred by the auditor.

Fees shall be billed monthly based on work completed. Payments will be made in arrears. The VCTC shall reimburse the auditor as promptly as practical after receipt of acceptable invoices which detail the expenses, hours and the period for which payment is requested.

SERVICES REQUIRED

Scope of Work

Required Services:

VCTC desires the firm to audit all funds of the agency in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller of the United States. The Audit firm will be required to review and assist with the preparation of the agency’s Comprehensive Annual Financial Report (CAFR) including accompanying schedules and notes. The auditor will be required to assist with implementation of applicable Governmental Accounting Standards Board pronouncements. The audit firm will render their auditors’ report and opinion on the basic financial statements which will include both Government-Wide Financial Statements and Fund Financial Statements. The audit firm will also apply limited audit procedures to Management’s Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each fund of the Commission.

The audit firm will perform a Single Audit on the expenditures of federal grants in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200 and 225 as applicable and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of VCTC’s financial statements in accordance with Government Auditing Standards and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards in Accordance with the current regulations. The single audit report will include appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, including reportable conditions and material weaknesses, as applicable, and follow up on prior audit findings where required.

The audit firm shall issue a separate “management letter” that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are considered to be non-reportable conditions, if applicable. Prior to issuance of the final management letter, the auditor shall deliver a draft copy to VCTC for review and management’s responses.

The Commission intends to submit its CAFR each year to the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting awards program. The selected auditor shall be expected to review the Commission’s CARF to ensure compliance with the requirements of the award program.

The auditor will be required to attend a minimum of one Commission meeting for the purpose of discussing the audit and its conclusions. The auditor shall provide an electronic file of each auditor prepared report in a jpeg and pdf format.

Additional Use of Financial Statements and Reports:

VCTC shall be free to publish its' audited financial statements (including the report of the independent auditor) as it sees fit – whether it is in an offering statement, on the government's web site, or somewhere else – without having to obtain prior permission from the auditor, provided that all of the following conditions have been met:

- The independent auditor's report accompanies the same complete set of financial statements for which an opinion was rendered.
- The financial statements are not used in a potentially misleading manner.
- No material subsequent event has occurred that might render the financial statements potentially misleading.

Auditing Standards

To meet the requirements of this request for proposals, the audits shall be performed using the most current version of each of the following:

1. Generally accepted auditing standards as set forth by the American Institute of Certified Public Accounts.
2. The standards applicable to financial audits contained in the Government Auditing Standards issued by the Comptroller General of the United States.
3. The provisions of the U. S. Office of Management and Budget (OMB) "Super Circular" or 2 Code of Federal Regulations (CFR) 200 and any applicable updates as adopted.
4. State of California Transportation Development Act (TDA) including the requirements of the Southern California Association of Governments' Transportation Development Act Conformance Auditing Guide.
5. Special District, Transit District Reporting and Transportation Reporting Requirements, as specified by the California State Controller.

Working Paper Retention

All working papers and reports must be retained, at the auditor's expense, for a minimum of seven (7) years after the last year of the contract, unless the auditor is notified in writing by the VCTC of the need to extend the retention period. The auditor will be required to make working papers available, upon request, including, but not limited to the following parties or their designees:

- The Ventura County Transportation Commission
- California State Controller's Office
- California Department of Transportation
- U.S. General Accounting Office (GAO)
- Auditors of entities of which the VCTC is a sub recipient of grant funds
- Any agencies included in the audit of federal grants

In addition, the auditor shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

Irregularities and Illegal Acts

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware of to the following parties: Executive Director, Agency Attorney and the Finance Director.

DESCRIPTION OF GOVERNMENT

Background Information

The Ventura County Transportation Commission was created by Senate Bill 1880 (Davis), Chapter 1136 of the Public Utilities Code in September of 1988. On January 1, 1989 VCTC became operational and assumed the resources and transportation responsibilities of the Ventura County Association of Governments (VCAG).

The Commission is responsible for establishing transportation policies, setting priorities and coordinating activities between the various transportation operators, agencies, cities and the County. Its mission is to improve mobility within the county and increase funding to meet transportation needs. The Commission controls and/or reviews the allocation of federal, state and local funds for highway, transit, rail, aviation, bicycle and other transportation projects including but not limited to Congestion Mitigation and Air Quality Improvement Program funds (CMAQ), Transportation Enhancement Activities Program funds (TEA), State Transportation Improvement Program funds (STIP), Surface Transportation Program funds (STP), Transportation Development Act funds (TDA), State Transit Assistance funds (STA), State of Good Repair (SGR), Federal Transit Administration funds (FTA), etc. The Commission is also designated to act as the Airport Land Use Commission (ALUC), the Consolidated Transportation Service Authority (CTSA), the Sales Tax Authority and the Congestion Management Agency (CMA). The VCTC also manages the operation and expansion of the callbox system for the Service Authority for Freeway Emergencies (SAFE).

The VCTC is currently governed by a seventeen member board composed of one elected official from each of the ten cities, all five supervisors and two citizens. In addition to the above membership, the Governor appoints an Ex-Officio member to the Commission, usually the Caltrans District Director. For more information about VCTC, please visit our website at www.goventura.org.

Finance Operations

The VCTC has a staff of 21 employees. All accounting functions are performed in-house by the Finance Director, Senior Accountant and Accounting Technician with the exception of the Local Transportation Fund (LTF), the State Transit Assistance fund (STA), the State of Good Repair (SGR) fund and Service Authority for Freeway Emergencies (SAFE) whose functions are shared between VCTC and the Ventura County Auditor-Controller's office.

The VCTC maintains a General Fund, five special revenue funds (Local Transportation Fund, State Transit Assistance Fund, State of Good Repair Fund, Service Authority for Freeway Emergencies Fund, Santa Paula Branch Line Fund) and two proprietary funds (VCTC Intercity and Valley Express).

The VCTC adopts an annual budget as required by law and utilizes it as a management tool to analyze financial activity for its fiscal year ending June 30th. A copy of the Fiscal Year 2019/2020 budget can be obtained at VCTC's website www.goventura.org on the financial page.

VCTC's computerized systems are run on a Local Area Network (LAN). The accounting functions are computerized and currently VCTC is using Sage 50 on a Windows platform.

VCTC's previous auditors were on-site for 3-5 days twice each year (interim and final audit period). The full contract of five years was utilized with the previous auditors. The previous years' fees for audits were as follows: \$42,000 (as two single audits were required) for 2014/2015, \$40,405 for 2015/2016, \$41,310 for 2016/2017, \$42,215 for 2017/2018 and \$43,120 for 2018/2019. One single audit was included in the above amounts unless otherwise stated. Total hours reported to VCTC for the audits were 279 hours for 2014/2015, 175 hours for 2015/2016, 159 hours for 2016/2017, and 475 hours for 2017/2018. Total hours for 2018/2019 are incomplete but at 366 hours through October billing. Additional hours may have been expended by the Pun Group and not reported to VCTC as the not-to-exceed amounts were met. During

this contract period, VCTC added special revenue and proprietary funds and GASB statements were implemented at no additional charge from the auditors.

Major anticipated changes in the upcoming years to be audited include moving to new office space and implementation of GASB statements as required. No additions of special revenue or proprietary funds are anticipated at this time. VCTC may add additional staff as needed in the next five year period.

Prior Reports and Work Papers

The Pun Group conducted the Ventura County Transportation Commission's most recent audit. The work papers of the previous audits are the property of the previous auditor and may be viewed by the successful proposer. A copy of the Fiscal Year 2018/2019 audit is available on VCTC's website at www.goventura.org on the financial page for reference purposes but is not meant to limit the scope of work required.

Addenda

VCTC reserves the right to revise or amend the RFP documents prior to the stated proposal submitted deadline. Any such revisions will be made by written addenda to this RFP and posted on the Commission's website. Since such postings of addenda on the Commission's website is considered constructive notice of the document change, potential proposers are encouraged to check the Commission's website routinely for relevant postings.

Questions

All requests for clarification and/or additional information shall be made by proposer in writing by emailing the project manager, Sally DeGeorge, at ssellers@goventura.org. All requests must be submitted before the stated deadline. The Commission will respond to all written questions within a reasonable time. If changes to the RFP document are required, a written addendum will be issued. Questions and responses will be posted on the Commission's website and are considered constructive notice. Potential proposers are encouraged to check the Commission's website routinely for relevant postings.

TIME REQUIREMENTS

Proposal Dates

The following is a list of key dates. VCTC reserves the right to modify this schedule if it is in their best interest to do so. If VCTC does modify the schedule, it shall be posted on the VCTC website and is considered constructive notice. Potential proposers are encouraged to check the Commission's website routinely for relevant postings.

<u>Activity</u>	<u>Date</u>
Question deadline/cut-off	January 7, 2020 at 3:00 p.m.
Proposal due date	January 23, 2020 at 3:00 p.m.
Interviews (at VCTC's discretion)	Week of February 10, 2020
Auditor selection/Board Approval	March 6, 2020

Audit Dates

Audit planning, documentation of systems of internal control and compliance and transaction testing should be completed during the interim stage. VCTC prefers to have the interim audit in early May. It is estimated that VCTC will close its books and be ready for the final audit by early October. The final reports should be issued late October or early November.

The auditor shall provide all draft reports and recommendations for improvements to the Finance Director within a reasonable time period after the last day of field work. The auditor should be available for any meetings that may be necessary to discuss the draft audit reports. Once all issues of discussion are resolved, the reviewed CAFR, Single Audit report and other reports shall be delivered to the Finance Director. The auditor shall provide VCTC with final changes to the CAFR plus a signed CAFR opinion letter in a jpeg for insertion into the CAFR, as well as PDF copies of the final reports, including but not limited to, the single audit report, SAS 114 report and management letter (if applicable) by early November. The auditor will need to input the single audit information into the Federal Data Collection Forms at the completion of the audit. The auditor will be required to attend a minimum of one Commission meeting for the purpose of discussing the audit and its conclusions, most likely at the Commission's December meeting.

PROPOSAL REQUIREMENTS

General Requirements

Any inquiries concerning the request for proposals should be directed to Sally DeGeorge, Finance Director, via email at ssellers@goventura.org. Questions and answers will be posted on the VCTC website at www.goventura.org on the financial page. Contact with personnel of the agency other than the above regarding this request for proposals may be grounds for elimination from the selection process.

All proposing auditors shall submit four (4) printed copies and one electronic copy (USB) of the proposal and bids. Facsimiles, emails and electronic media shall NOT be accepted as submittal of printed copies. Materials shall be received at the VCTC office at 950 County Square Drive, Suite 207, Ventura, CA 93003 no later than 3:00 p.m. on January 23, 2020 for a proposing auditor to be considered. The proposal shall include:

1. Title Page – A title page showing the request for proposals subject; the auditing firm's name; the name, address and telephone number of the contact person; and the date of the proposal.
2. Introduction – Briefly introduce yourself including the size of the firm, the size of the governmental audit staff, and the principal supervisory and management staff you are anticipating assigning to this audit. Include affirmation that the proposer and all assigned key professional staff are properly licensed for public practice as a Certified Public Accountant in the State of California. Also include your on-going efforts to keep staff current and knowledgeable in governmental accounting practices as well as the interest in maintaining continuity of auditing staff assigned to clients over time. Indicate the persons authorized to make representations for and to bind the firm including their titles, mailing addresses, e-mail addresses and telephone numbers.
3. Peer Review – The firm is requested to submit a copy of its most recent external quality control review (peer review) with a statement whether the review included an examination of specific government engagements. The firm shall state whether it has been the subject of any disciplinary action within the last three years, or if any such action is pending by state regulatory bodies or professional organizations. If such conditions exist, information is to be provided as to the circumstances and status of the disciplinary action.
4. Qualifications – Explain your understanding of the work to be done and why the firm believes it to be best qualified to perform the engagement. Specifically include any experience with public transit and transportation and similar commissions as well as a list of all current municipal clients. Explain your experience with single audits as well as FTA and TDA requirements. The proposal should also include a commitment to perform the work within the time period including a draft schedule and a statement that the proposal is a firm and irrevocable offer for 180 days and signed.

5. Audit Methodology – The proposal should set forth a work plan and time line, including your philosophy or approach to conducting the audit, major areas to be reviewed, the services to be performed as required in Section II of this request for proposals. Proposers should include, but not be limited to, the following information on their audit approach with the audit for VCTC:
 - a. Proposed segmentation of the engagement.
 - b. Level of staff and number of hours to be assigned to each proposed segment of the engagement.
 - c. Estimated sample size and the extent to which statistical sampling is to be used in the engagement.
 - d. Type and extent of analytical procedures to be used in this engagement.
 - e. Approach to be taken to gain and document an understanding of the agency's internal control structure.
 - f. Approach to be taken in determining the laws and regulations that will be subject to audit test work.
 - g. Approach to be taken in drawing audit samples for purposes of tests of compliance.

After review of VCTC's budgets and audits, please describe any anticipated differences in accounting methodology or suggested changes you may have with the VCTC's current methods. The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the agency.

6. Client Assistance – Explain how you assist your clients with changes as new GASB pronouncements are implemented. Explain how you assist your clients with CAFR review and GFOA submittal for Certificate of Achievement for Excellence in Financial Reporting.
7. References – The auditor's general experience and reputation in the local government auditing/accounting field are an important part of the firm's qualifications. Please include a minimum of three references with contact information, scope of work and dates of service that the firm performed similar services for. VCTC reserves the right to contact any or all of the listed references regarding the audit services performed by the proposer.
8. Certifications/Statements – The auditor shall provide VCTC with signed copies of:
 - a. Certificate Regarding Debarment, Suspension, and Other Ineligibility and Voluntary Exclusion (Attachment B);
 - b. Assurance of Compliance with Worker's Compensation Insurance Requirements (Attachment C);
 - c. A Statement assuring compliance with Equal Employment Opportunity Act;
 - d. A Statement assuring compliance with the California Fair Employment Practices Act;
 - e. A Statement assuring compliance with Title VI of the Civil Rights Act of 1964.
9. Price Proposal – The cost of each year's engagement should be listed separately on a "not to exceed" basis. Costs should be detailed by proposed staff and estimated hours for each year. All expense reimbursements will be charged against the total all-inclusive maximum price submitted in this proposal. Costs for the VCTC audits should be detailed separately. Price should include the cost of additional Single Audits. See Attachment A, "Audit Cost Proposal" for formatting example.

Proposal Evaluation

VCTC staff shall examine and evaluate all proposals for the purpose of ascertaining their completeness and responsiveness to the provisions of this RFP. Proposers that do not meet the mandatory requirements will be eliminated from further consideration. The top qualified candidates may be scheduled for an interview for review and ranking by the review committee. The top proposer will be invited to participate in contract negotiations with the VCTC for audit services. If these negotiations should fail to produce an agreement, the second ranked proposer will be invited to participate in contract negotiations. A recommendation for award of a contract will be made to the VCTC Board.

Firms whose proposals are determined by VCTC to be non-responsive or unqualified, shall be notified of their rejection in writing by VCTC. Such notification shall be issued by VCTC after consideration of the proposal results by the VCTC Board.

The VCTC reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected. VCTC also reserves the right, without prejudice, to reject any or all proposals submitted. Award of the contract will be made to the independent audit firm, who, based on evaluation of all responses and criteria, is determined to be the best qualified to perform the audit.

Proposals will be evaluated by a VCTC review panel based on the criteria and rating system in Attachment D, Professional Auditing Services RFP Evaluation Form

Contract

A sample contract is provided in a separate Attachment E - Sample Contract which is separate from this document. By submitting a proposal, the proposer represents that it has reviewed the attached Sample Contract and, other than through the question and answer process, will not seek to alter or revise its terms and conditions and will comply with all requirements of the contract. Should the proposer have concerns, questions or recommended changes to the Sample Contract requirements, those concerns and requested changes must be specified in detail and submitted in writing to the Commission as set forth in the Questions section

Insurance

All proposers doing business with the Commission are required to obtain appropriate insurance coverage within the prescribed minimum limits set forth in Attachment E - Sample Contract. The required insurance certificates must comply with all requirements of the standards as shown in the contract and must be provided upon executed contract and prior to commencement of work.

Attachment A - Audit Cost Proposal

Cost Summary – Fiscal Year ending June 30th					
Service	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Financial Audit and related reports	\$	\$	\$	\$	\$
Single Audit and related reports	\$	\$	\$	\$	\$
Total for Fiscal Year (not-to-exceed)					
	\$	\$	\$	\$	\$
Cost of Additional Single Audit if required	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$

Hours and Rate Estimate by Year										
Provider	2019/2020		2020/2021		2021/2022		2022/2023		2023/2024	
	Rate	Hours	Rate	Hours	Rate	Hours	Rate	Hours	Rate	Hours
Partner										
Manager										
Senior										
Staff										
Administrative										
Other (specify)										
Total Hours										

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

The agency, _____,
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 any 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

Title of Authorized Official

Date

Attachment C - 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

Title of Authorized Official

Date

Attachment D - Professional Auditing Services RFP Evaluation Form

Firm: _____

Date: _____

1. Mandatory Elements - Proposers that do not meet the mandatory requirements will be eliminated from further consideration. These are considered essential qualifications which cannot be overcome by other considerations or credentials.
 - a. The audit firm is independent and licensed to practice in California.
 - b. The audit firm's professional personnel have received adequate continuing professional education.
 - c. The firm has no conflict of interest with regard to any other work performed by the firm for the VCTC.
 - d. The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.
 - e. The firm submits a copy of its most recent peer review report and the firm has a record of quality audit work.
 - f. The firm will retain work papers for at least 7 years.

2. Technical Qualifications – Points for technical qualifications will be awarded as follows:
 - a. Understanding of the engagement _____(0-15 points)
 - b. Quality and experience of staffing, including staffing hours _____(0-15 points)
 - c. Previous Government auditing experience including Transit, Transportation and Rail _____(0-15 points)
 - d. Experience with GASB, CAFR, etc. and outreach assistance to VCTC _____(0-15 points)
 - e. Funding knowledge of FTA, TDA, Prop 1B,etc. _____(0-10 points)
 - f. Adequacy of proposed staffing plan (hours/levels) and cost _____(0-15 points)
 - g. Interview and presentation _____(0-15 points)
 - Total Score _____(100 points maximum)

Prepared by _____

December 6, 2019

To Whom It May Concern:

The Ventura County Transportation Commission (VCTC) is requesting proposals from qualified Certified Public Accountants to perform professional auditing services beginning with the fiscal year ending June 30, 2020. VCTC is contemplating a multi-year contract (three years) with a renewal option for one additional two-year term. Enclosed please find a copy of the Request for Proposals for Professional Auditing Services.

Any inquiries concerning the request for proposals should be directed to Sally DeGeorge, Finance Director, in writing at ssellers@goventura.org.

Sincerely,

Sally DeGeorge
Finance Director

Enclosures

Mailing List of RFP's:

Brown Armstrong Accountancy	4200 Truxtun Ave Ste 300	Bakersfield	CA	93309	Eric Xin exin@bacpas.com	661-342-4971
Charles Z Fedak & Co, CPAs	6081 Orange Ave, 2nd Floor	Cypress	CA	90630	Paul J. Kaymark paul@czfcpa.com	714-527-1818
Conrad LLP	23702 Birtcher Dr	Lake Forest	CA	92630	sperera@conradllp.com	949-552-7700
Cossolias, Wilson, Dominguez, Leavit	5151 Murphy Canyon Road Ste 135	San Diego	CA	92123	John Dominguez jdominguez@cwdlcpa.com	858-565-2700
Crowe Horwath	400 Capitol Mall Ste 1400	Sacramento	CA	95814	Tina Treis Tina.Treis@crowehorwath.com	916-441-1000
Davis Farr, CPAs	2301 Dupont Drive Ste 200	Irvine	CA	92612	mdavis@davisfarr.com	949-474-2020
Deloitte & Touche	695 Town Center Dr. Ste 1200	Costa Mesa	CA	92626		714-436-7100
Eadie and Payne LLP	1839 W Redlands Blvd	Redlands	CA	92373	Eden Casareno ecasareno@eadiepaynell.com	909-793-2406
Ernst & Young, LLP	18111 Von Karman Ave Ste 1000	Irvine	CA	92612	Anastasia Mitchell anastasia.mitchell@ey.com	949-794-2300
Fechter & Company	2865 Sunrise Blvd Ste 102	Rancho Cordova	CA	95742	Ester Dunnaway e.dunnaway@fechtercpa.com	916-333-5360
HDL	1340 Valley Vista Dr Ste 200	Diamond Bar	CA	91765	Andrew Nickerson anickerson@hdlcompanies.com	909-861-4335
Haskell & White LLP	8001 Irvine Center Drive, Ste 300	Irvine	CA	92618	Wayne Pinnell wpinnell@hwcpa.com	949-450-6200
KPMG	550 S. Hope St Ste 1500	Los Angeles	CA	90071	Felicia Cartagena fcartagena@kpmg.com	818-227-6900
Lance, Soll & Lunghard, LLP	203 North Brea Blvd. Ste 203	Brea	CA	92821	Richard Kikuchi Richard.kikuchi@lslcaps.com	714-672-0022
Leaf & Cole	2810 Camino Del Rio South Ste. 200	San Diego	CA	92108	Steven Northcote swnothcote@leaf-cole.com	619-294-7200
Lopez and Company, LLP	14728 Pipline Ave Ste F	Chino Hills	CA	91709	Richard Lopez rlopez@lopezllp.com	626-583-1116
Macias, Gini & O'Connell LLP	2029 Century Park East, Ste 1500	Los Angeles	CA			310-277-3373

Marcia Fritz & Company	5530 Birdcage St. Ste 105	Citrus Heights	CA	95610	Chad Martin chad@fritzrusseelcpa.com	916-966-9366
Maze & Associates	3478 Buskirk Ave Ste 215	Pleasant Hill	ca	94523	Amy Meyer	925-930-0902
McGladrey LLP	515 S. Flower 41 st Floor	Los Angeles	CA	90071	Ralph Berry Ralph.berryiii@mcgladrey.com	213-330-4800
McGowan Guntermann	111 E Victoria Ave	Santa Barbara	CA	93101	Chris Reed creed@mcgowan.com	805-962-9175
Moss, Levy & Hartzheim	5800 Hannum Ave. Ste E	Culver City	CA	90230	Craig Hartzheim chartzheim@mlhpcas.com	310-273-2745
Nasif Hicks Harris & Co	104 Anapanu St. Ste B	Santa Barbara	CA	930101	Sara Turner sturner@nhhco.com	805-966-1521
Punn & McGeady	9 Corporate Park Ste 130	Irvine	CA	92606	Kenneth Pun kpun@pm-llp.com	949-777-8800
Rahban CPA & Consulting, Inc.	10940 Wilshire Blvd. Ste 1600	Los Angeles	CA	90024	srahban@rahbancpa.com	424-901-8361
Rogers, Anderson, Malody & Scott LLP	735 East Carnegie Dr Ste 100	San Bernardino	CA	92408	Brianna Pascoe BPascoe@Ramscpa.net	909-889-0871
Shinault Baker & Company	5060 California Ave Ste 650	Bakersfeild	CA	93309	Megan Simpson msimpson@shinaultbakercpa.com	661-322-9485
Van Lant & Fankhanel, LLP	25901 Kellogg St.	Loma Linda	CA	92354	Greg Fankhanel gfankhanel@vlfcpa.com	909-856-6879
Vasin, Heyn & Company	5000 N. Parkway Calabasas Ste 201	Calabasas	CA	91302	cauinaga@vhcoaudit.com	818-222-3500
Vasquez & Co. LLP	801 S. Grand Ave. Ste 400	Los Angeles	CA	90017	Donald Nino d_nino@vasquezcpa.com	213-873-1700
Vavrinek Trine Day & Co, LLP	8270 Aspen Street	Rancho Cucamonga	CA	91729	Roger Alfaro ralfaro@vtdcpa.com	909-466-4410
Vicenti, Lloyd & Stutzman	2210 E. Route 66 Ste 100	Glendora	CA	91740	Christy Gill cgill@vlsllp.com	626-857-7300
White, Nelson, Diehl, Evans LLP	2875 Michelle Dr. Ste 300	Irvine	CA	92606	Nitin Patel npatel@wndecpa.com	714-978-1300



INSPIRED TO KEEP AN EYE ON THE HORIZON

January 23, 2020

Response to Request for Proposal for Professional Auditing Services

VENTURA COUNTY TRANSPORTATION COMMISSION

Submitted By:

Eide Bailly LLP
25231 Paseo De Alicia, St. 100
Laguna Hills, CA 92653-4615

Jessica Andersen, CPA
Engagement Partner
949.420.5107 | jandersen@eidebailly.com

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2. Introduction

WE WANT TO WORK WITH YOU.

Thank you for giving Eide Bailly LLP the opportunity to propose on audit services for Ventura County Transportation Commission (“VCTC”). We’ve served the government industry for more than 50 years and work with more than 900 government clients throughout the nation.

Through serving these clients, our professionals have gained focused expertise regarding government organizations and will provide you with insightful advice that aids in managing the finances of VCTC. We understand your specific challenges, needs and goals and have fine-tuned our process to create a more effective and efficient engagement.

We stay abreast of current issues impacting government organizations and grow our knowledge by attending workshops and trainings. During your engagement, we will work closely with your management team to identify issues and provide responsive solutions that are tailored to your organization. In addition, you will experience partner involvement during all phases of the engagement, as well as throughout the year. At Eide Bailly, we make it a priority to be accessible to our clients, which includes returning phone calls and e-mails in a timely manner.

Government Experience

The service team assigned has experience providing audit services to several other similar clients in the government industry. This experience will bring VCTC a different and unique perspective to your audit not seen by other firms. Not only will we provide the expected compliance and financial statement support but, with our experience with other governments, we can bring best practices to VCTC. We strongly believe in providing our clients value added services and support, not only during the audit, but throughout the year.

The following pages highlight our firm’s strengths and demonstrate why Eide Bailly merits serious consideration. Know that you will be a highly valued client. Our people would be proud to work with Ventura County Transportation Commission and build a trusting relationship with your team. Please contact me if you would like to discuss any aspect of this proposal.

Sincerely,



Jessica Andersen, CPA
Engagement Partner
949.420.5107
jandersen@eidebailly.com

1 EXPERIENCE
Our experienced professionals are committed to the industries we serve. We focus on training, and we like to think of ourselves as thought leaders.

2 PEOPLE
We’re a team of collaborators and innovators. Our culture is the heart of our firm, and we’re always working together to do things differently and better.

3 COMMUNICATIONS
Open, honest, frequent communication ensures that you’re not in for any surprises. We’ll stay in touch throughout the year so you feel understood, connected and confident.

4 CORPORATE RESPONSIBILITY
We consider ourselves good corporate citizens—caring for our people, giving back to our communities, and taking care of our environment.

STANDING OUT FROM THE CROWD



2. Introduction

WHAT INSPIRES YOU, INSPIRES US.

With more than 100 years of service, your experience will be different than working with other CPA firms. Our professionals deliver industry and subject matter expertise resourcefully, ensuring that we're providing guidance that directly reflects your needs.

Eide Bailly is a Top 25 CPA firm in the nation with offices in 14 states. Our clients benefit from local, personal service and, at the same time, enjoy access to more than 2,500 professionals with diverse skill sets and experiences, including 275 full-time professionals who participate in our Governmental Services Group.

We pride ourselves on being leaders in the industries we serve, offering valuable perspectives beyond our core strength of accounting and tax compliance. We're here to help guide the strategy and operations of your organization, and we aim to make sure our clients feel connected and understand the process.

Our people are optimistic and good-natured—we know you'll enjoy working with us as much as we enjoy working with each other. Our service style is hands-on, and we're always looking for new ways to solve your problems or help you embrace opportunities.

Our Promise to Clients

Our work with clients is more than an engagement. It's a relationship, built on value and trust—and results. When working with Eide Bailly, you will:

- Work with professionals who truly care about your entity and will take the time to get to know you and your organization.
- Gain insight from our industry and service specialists to accomplish your objectives, address challenges and leverage new opportunities.
- Make better operational decisions knowing you are guided by trusted advisors who care about your success.

AT A GLANCE



top 25 CPA firm in the nation



offices in 14 states



325+ partners



2,500+ staff



one Eide Bailly

2. Introduction

Independence

Eide Bailly is independent of VCTC as defined by the generally accepted auditing standards and the U.S. Government Accountability Office’s *Government Auditing Standards*. Within the past five years, the firm has not had any relationships involving VCTC.

The second general standard for auditing requires the audit organization and the auditors be free from personal and external impairments to independence. As defined by these standards, Eide Bailly is independent in fact and in appearance, and no relationships, either personal or professional, exist that would cause our firm to not be impartial in dealing with VCTC.

Should Eide Bailly enter into any professional relationships deemed relevant during the course of this engagement, we will notify you in writing of such relationship.

Licensed to Practice

Eide Bailly and each of the professional staff assigned to VCTC are properly registered and licensed to practice in California.

Firm Registrations:

- CA Secretary of State Registration Number – 201 997 098 003
- CA State Board of Accountancy Permit Number – 5973

All assigned key professional staff have complied with governmental qualification standards, including governmental continuing education requirements.

Team Certifications	State	Certificate Number
Jessica Andersen	California	95190
Roger Alfaro	California	80259
Lauryn Stapleton	California	125915
David Preciado	California	141103



2. Introduction

AN EXPERIENCED SERVICE TEAM

We're passionate about our work—and your success. We have selected professionals for your service team who are the right fit for your engagement, based on their knowledge and experience in the governmental industry.

Jessica Andersen will lead the engagement team and serve as the Client Relationship Partner and **Roger Alfaro** will serve as the Audit/Technical Review Partner. **Lauryn Stapleton** will serve as the Audit Manager; **David Preciado** will serve as the Senior/In-Charge for the engagement. These professionals are licensed to practice public accounting and bring strong credentials and a desire to work with VCTC. If awarded these engagements, these individuals will serve as your primary contacts. Additional resources will support the project team as necessary.

Because we are committed to the government industry, we provide our professionals, as well as our clients, with specific, ongoing training related to governmental issues. This investment ensures not only our people, but the sector in general stays current on the unique challenges and opportunities that are present so that as many people as possible are in the best position to address these issues.

Senior Associate and Staff Members

All of our seniors have more than two years of experience in public accounting, with several who specialize in the government industry. We require Yellow Book compliance for all members of our assurance staff. This means no fewer than 24 hours of specific Government Education courses each two-years. Most members of our audit staff significantly exceed that amount.

Once an agreeable timeline has been determined, we will assign additional talented seniors and staff to your engagement.

2. Introduction

We know the importance of a strong business relationship, so we keep staffing changes to a minimum year-to-year. Eide Bailly has a high retention rate, allowing us to provide stability. Your service team has extensive experience in the governmental industry. You'll find profiles for each team member in **Appendix A**. The following information will provide an overview of your service team:



Jessica Andersen, CPA

ENGAGEMENT/LEAD PARTNER - 949.420.5107 | jandersen@eidebailly.com

Mailing address: 25231 Paseo De Alicia, Ste. 100 | Laguna Hills, CA 92653-4615

Jessica will serve as the engagement partner. As a partner of Eide Bailly, Jessica is authorized to make representations and bind the firm. She will be responsible for directing the activities of the team, coordinating all services and ensuring the timely delivery of quality services. She has more than 15 years in public accounting with experience in the governmental industry throughout her career. Her experience includes cities, counties, special districts and not for profit agencies. Jessica is located in the Laguna Hills, California office.



Roger Alfaro, CPA, CITP

AUDIT/TECHNICAL REVIEW PARTNER - 909.755.2829 | ralfaro@eidebailly.com

Roger will serve as the audit partner and will play an active role in the engagement process and provide technical review and assistance to the engagement team. He has more than 20 years in providing accounting, audit and advisory services to commercial and governmental entities throughout California. His expertise includes the complex accounting and regulatory requirements for single audit compliance, and he is recognized as a leader in Uniform Guidance audit requirements. Roger is located in the Riverside, California office.



Lauryn Stapleton, CPA

AUDIT SENIOR MANAGER - 909.466.4410 | lstapleton@eidebailly.com

Lauryn will serve as the audit project manager and will participate in the day-to-day management and delivery of services to the Commission. She will coordinate the execution of the audit plan and oversee the engagement team. She has more than eight years in public accounting and has a specialized in local government throughout her career. Lauryn holds a California CPA license and is located in the Rancho Cucamonga office.



David Preciado, CPA

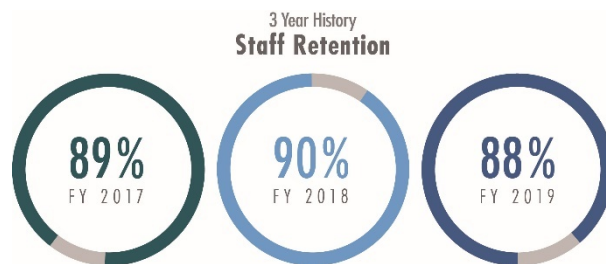
AUDIT SENIOR/IN-CHARGE - 909.755.2727 | dpreciado@eidebailly.com

David will serve as the senior auditor/in-charge and will be assisting in the timely delivery of quality services. He has more than five years of experience in auditing governmental clients. David is located in the Rancho Cucamonga office.

2. Introduction

Staff Continuity

To help ensure a strong business relationship and to minimize disruptions, we keep staffing changes to a minimum. Compared to the national average, Eide Bailly experiences a high retention rate which translates to providing our clients with consistent service teams. We will strive for continuity of staff for your engagement. With this continuity comes quality, as team members' knowledge of your organization grows from year to year.



Should the need arise to change any of the key engagement personnel, we will notify you in writing and provide the qualifications of the proposed replacement. Upon your approval, new engagement personnel will join your service team.

Continuing Education

Because we are committed to the industries we serve, we provide our professionals with specific, ongoing training. This investment ensures our people stay current on the unique challenges and opportunities within the industry sectors so that they are in the best position to help clients address these issues.

Firmwide, our continuing professional education program (CPE) requires all professional staff obtain education that exceeds the requirements of the American Institute of Certified Public Accountants (AICPA) and where applicable, *Government Auditing Standards*. The firm places a strong emphasis on lifelong learning and recognizes the importance of developing our professionals to best serve our clients. This past year we provided our client service professionals with an average of 46 hours of professional education, compared with the 40-hour accounting industry requirement. In addition, we regularly share information among the audit teams in different offices to ensure we are providing clients with the latest thinking and best possible solutions. Our governmental professionals obtain CPE through the following means:

- Government-specific seminars sponsored by the AICPA and Government Audit Quality Center (GAQC).
- Seminars sponsored by the Government Finance Officers Association (GFOA).
- Involvement with local chapters of the GFOA and CSMFO (we teach and attend GFOA and CSMFO conferences, regularly).
- Eide Bailly seminars specific to governmental issues which are taught by our experienced managers and partners.



By expanding our knowledge of issues important to government organizations, we are able to provide more in-depth, knowledgeable solutions to our clients. Additional communications, webinars and training are provided throughout the year on a variety of topics important to state and local governments.

3. Peer Review

Eide Bailly is a member of the American Institute of Certified Public Accountants. Our membership with the AICPA requires a third-party peer review of our audit and accounting practice every three years. A copy of our firm's most recent peer review is below. The quality review included several government engagements and received a rating of 'Pass'. No letter of comments was issued.



Report on the Firm's System of Quality Control

December 28, 2017

To the Partners of Eide Bailly LLP and the
National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Eide Bailly LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 31, 2017. 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 (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

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. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

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.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans, audits performed under FDICIA, and examinations of service organizations [SOC 1 and SOC 2 engagements].

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Eide Bailly LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 31, 2017, 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*. Eide Bailly LLP has received a peer review rating of *pass*.

Cherry Bekaert LLP

Cherry Bekaert LLP

3. Peer Review

Litigation/Disciplinary Actions

The firm and its partners, as well as our clients, may periodically be the subject of investigations, formal or informal inquiries, or requests for information from a variety of regulatory agencies. It is the policy of the firm not to discuss these matters, or any client-related matters, outside of the firm. It is the firm's opinion that none of these activities have a material impact to the firm.

No member of the engagement team assigned to VCTC has been the subject of investigation or action by any law enforcement or regulatory agency in the past three years.



EXPERTISE THAT MATTERS

4. Qualifications

Professional Services Requested

Based on your request for proposal, we understand your needs as outlined below:

- Audit all funds of the agency in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller of the United States. Eide Bailly will review and assist with the preparation of the VCTC's Comprehensive Annual Financial Report (CAFR) including accompanying schedules and notes. The auditor will be required to assist with implementation of applicable Governmental Accounting Standards Board (GASB) pronouncements. Eide Bailly will render their auditors' report and opinion on the basic financial statements which will include both Government-Wide Financial Statements and Fund Financial Statements. The audit firm will also apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each fund of the Commission.
- Perform a Single Audit on the expenditures of federal grants in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200 and 225 as applicable and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of VCTC's financial statements in accordance with *Government Auditing Standards* and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards in Accordance with the current regulations. The single audit report will include appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, including reportable conditions and material weaknesses, as applicable, and follow up on prior audit findings where required.

Commitment to VCTC

We welcome the opportunity to be your professional services firm and will:

- Provide ongoing help for questions, concerns and problems that arise whether they are anticipated or unexpected.
- Provide **Jessica Andersen** as your specific client service contact who will coordinate your service team and provide managers and staff to assist management with informed and accurate solutions.
- Provide experienced professionals who possess the depth and expertise to handle significant or complicated issues.

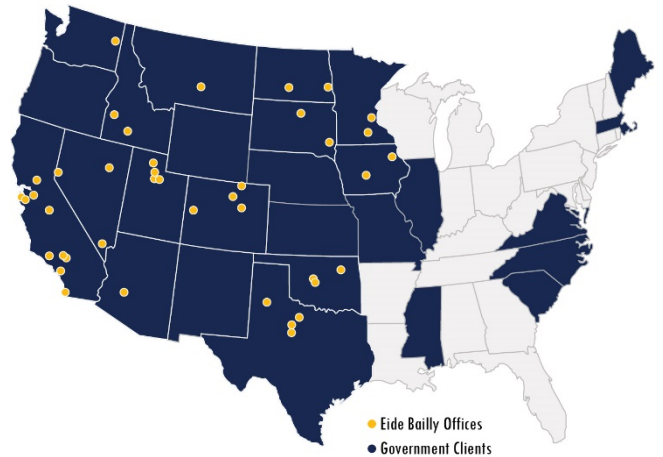
When you work with Eide Bailly, your experience will be different than working with other CPA firms. Our professionals are thought leaders who strive to become your trusted business advisors by delivering insightful advice and industry knowledge.

4. Qualifications

WE UNDERSTAND GOVERNMENTS

The firm has 275 full-time professionals who participate in our Governmental Services Group. These professionals share information, learn from others and stay up-to-date on industry developments. To gain the greatest benefit, the knowledge is shared with professionals across the firm.

The governmental industry represents one of Eide Bailly's largest niche areas—with more than 900 governmental clients firmwide. We provide audit services for a variety of cities, counties, special districts, colleges and universities, fire relief agencies, housing authorities, school districts, state agencies and tribal entities. Through serving these clients, our professionals have gained focused expertise in the governmental industry and will provide you with insightful advice that aids in managing the finances of VCTC.



These services include, but are not limited to, evaluating internal control structure, assessing control risk and performing tests of controls, as well as testing compliance with applicable laws and regulations in accordance with *Government Auditing Standards*.

Vavrinek, Trine, Day, & Co., LLP is now Eide Bailly

We are pleased to announce that Vavrinek, Trine, Day & Co. LLP (VTD) is now Eide Bailly. With 10 offices throughout California, as part of Eide Bailly, our geographic reach extends to 14 states west of the Mississippi and our staff count grows to more than 2,500.

A significant percentage of VTD's current practice was devoted to the governmental sector. VTD provide governmental auditing and specialized accounting services to over 300 governmental agencies. Ventura County Transportation Commission will have access to these professionals, as well as the entire Eide Bailly Governmental Services Group.

Government Industry Involvement

In an industry where standards continually evolve and change, Eide Bailly makes it a priority to stay current and assist our clients with necessary changes. In addition to helping clients implement new standards, we also help them adapt to changes within the existing standards. Our team members are truly engaged in the governmental industry and are well positioned in organizations associated with governmental entities. We are leaders in the Governmental Accounting Standards Advisory Council (GASAC), the AICPA's Governmental Audit Quality Center, AICPA State and Local Government Expert Panel and Private Companies Practice Section (PCPS) Technical Committee, local and national boards of the Association of Government Accountants (AGA), including the Financial Management Standards Board, and the review committee for the Government Finance Officer's Association's (GFOA) Certificate of Excellence for Achievement in Financial Reporting. Due to our leadership positions, VCTC will have access to information not available from other accounting firms.

4. Qualifications

Eide Bailly also regularly attends Governmental Accounting Standards Board (GASB) meetings throughout the year and we communicate the results of those meetings to our clients through our newsletters, e-blasts and webinars. We are also involved with GASB's financial reporting reexamination task force shaping the future of state and local governmental accounting and reporting and participate in the reexamination of the revenue and expense model and note disclosure projects with GASB.

Public Transit and Transportation Experience

Our governmental practice is a key to our firm's success. We do not use governmental clients to fill our down time. Eide Bailly specializes in performing audits for large California Transportation Agencies. Our experience includes:

- Reviewing and preparing Comprehensive Annual Financial Reports (CAFR) that meet all GFOA requirements.
- Single Audit [Uniform Guidance] - Programs funded by the Department of Transportation such as the Highway Planning and Construction federal program and experience with capital projects funded by the Federal Transit Administration and Federal Railroad Administration.
- National Transit Database - Attest procedures for Bus, Rail, Demand Response, Ferry, Vanpool, Taxi, Commuter Bus and Rapid Bus Modes. We are experts with the filing requirements and have assisted and advised clients about the reporting requirements.
- Sales tax measures - We audit or have experience auditing a number of sales tax measures including Measure A of Marin, Measure B of Alameda, Measure BB of Alameda, Measure Q of Monterey, Measure M2 of Orange County, Measure B of Santa Clara and Measure A of Santa Clara and Measure I of the County of San Bernardino.
- Auditing compliance with the Transportation Development Act (TDA) - for sections 6661, 6663, and 6664 stipulated in the TDA Handbook including the requirements of Prop 1B.
- Special District and Transit District Reporting Requirements, as specified by the California State Controller.

The following list summarizes some of our experience with transit and transportation agencies:

- Tahoe Area Regional Transit
- San Bernardino County Transportation Authority
- Alameda County Transportation Commission
- Capital Southeast Connector JPA
- Golden Gate Bridge District
- High Desert Connector JPA
- Marin Transportation Authority
- Monterey Salina Transit District
- Omnitrans
- Orange County Transportation Authority
- Peninsula Corridor Joint Powers Board
- San Joaquin Regional Rail Commission
- San Mateo County Transit District
- Santa Clara Valley Transportation Authority
- Solano County Transportation Authority
- SR 91 Express Lanes
- Transbay Joint Powers Authority
- Victor Valley Transit Authority
- North County Transit
- Metrolink
- Sacramento Area Council of Governments

4. Qualifications

Specific Transportation Federal Compliance Audit Experience

Eide Bailly invests a significant amount of time in developing our understanding of new audit requirements under the Uniform Grant Guidance. We regularly present to industry groups on new auditing, reporting and compliance requirements, including the Institute of Internal Audits, California State Association of County Auditors and the GFOA. In addition, each of our professional audit associates that conduct single audit are required to attend a minimum of 8 hours of continuing professional education specifically for single audit.

Below are some of the programs we have experience in auditing;

- Department of Transportation.
 - Highway Planning and Construction Cluster.
 - Airport Improvement Program.
 - Highway System Federal Transit Cluster.
 - Transit Services Programs Cluster.
 - Highway Safety Cluster.
 - High Speed Rail Corridors and Intercity Passenger Rail Service – Capital Assistance Grants.

Specific compliance and reporting requirements are unique because the auditor must have an understanding of the Federal Transit Administration programs such as the National Mass Transportation Assistance Act and the MAP-21 Moving Ahead for Progress in the 21st Century and as mentioned before, the National Transit Database. Below are projects that the firm has experience auditing:

- U.S. Department of Transportation.
 - BART extension to San Jose with funding of over \$2 billion.
 - Transbay Terminal Center with federal funding of over \$2 billion.
 - CalTrain electrification project with federal funding of over \$1 billion.
 - Anaheim Regional Transportation Intermodal Center with funding of over \$1 billion.

4. Qualifications

Government Services Experience

Eide Bailly has extensive experience in providing audits and other services to local governments. A summary of governmental clients that we have served include:

CITIES

City of Alameda
 City of Brawley
 City of Brentwood
 City of Chico
 City of Concord
 City of Dana Point
 City of Davis
 City of Fairfield
 City of Folsom
 City of Foster City
 City of Glendale
 City of Gonzales
 City of Grand Terrace
 City of Greenfield
 City of Huntington Park
 City of Indian Wells
 City of Laguna Beach
 City of Laguna Niguel
 City of Lemon Grove
 City of Los Altos
 City of Monte Sereno
 City of Napa
 City of Oceanside
 City of Palmdale
 City of Paramount
 City of Pleasanton
 City of Rancho Mirage
 City of Rancho Palos Verdes
 City of Rohnert Park
 City of Roseville
 City of Sacramento
 City of San Jacinto
 City of San Leandro
 City of San Ramon
 City of Santa Clara
 City of Santa Clarita
 City of Santa Cruz
 City of Saratoga
 City of South Gate
 City of South Lake Tahoe
 City of Suisun City
 City of Temecula
 City of Temple City
 City of Walnut
 City of Whittier

COUNTY GOVERNMENTS

County of Imperial
 County of Orange
 County of Placer
 County of Riverside
 County of Sacramento
 County of San Bernardino
 County of San Diego
 County of San Joaquin
 County of Shasta
 County of Solano
 County of Sonoma
 County of Ventura
 County of Yolo

FIRST 5 COMMISSIONS

Contra Costa First 5 Commission
 First 5 Sacramento
 Fresno First 5 Commission
 Los Angeles First 5 Commission
 Orange County Childrens & Families Commission
 Riverside First 5 Commission
 San Bernardino First 5 Commission
 Sonoma First 5 Commission
 Yolo First 5 Commission

TRANSIT AGENCIES

Capital Southeast Connector JPA
 High Desert Connector JPA
 Imperial County Transportation Commission
 Omnitrans
 Orange County Transportation Authority
 Sacramento Area Council of Governments
 San Bernardino County Transportation Authority
 San Joaquin Regional Rail Commission
 Santa Clara Valley Transportation Authority
 SR 91 Expresslanes
 Ventura County Transportation Commission
 Solano County Transportation Authority

POWER AGENCIES

Alameda Municipal Power
 Glendale Water and Power
 Marin Energy Authority
 Silicon Valley Power

STATE AGENCIES

Department of Water Resources - Electric Fund
 Department of Water Resources -
 State Water Development System Fund

WATER AGENCIES

Beaumont Cherry Valley Water District
 Elsinore Valley Municipal Water District
 Helix Water District
 Montara Water and Sanitary District
 Monterey Regional Water Pollution Control Agency
 Moulton Niguel Water District
 Municipal Water District of Orange County
 Reclamation District #2035
 Sacramento County Water Agency
 Sacramento Groundwater Authority
 Santa Clara Water District
 Santa Margarita Water District
 Suisun-Solano Water Authority
 Yolo-Davis Clean Water JPA
 Yucaipa Valley Water District

SEWER, SANITATION & FLOOD AGENCIES

Alameda County Waste Management Authority
 Bayshore Sanitary District
 Central Contra Costa Sanitary District
 Central Marin Sanitation Agency
 Cupertino Sanitary District
 Delta Diablo Sanitation District
 East Bay Discharge Authority
 Fairfield-Suisun Sanitary District
 Knights Landing Community Services District
 Madison Community Services District
 Orange County Waste & Recycling
 Oro Loma Sanitary District
 Riverside County Waste Management
 Ross Valley Sanitation District
 Sacramento Area Sewer District
 Sacramento Regional County Sanitation District
 Union Sanitary District
 Vallejo Sanitation and Flood Control District
 West Bay Sanitary District
 West Valley Sanitation District

OTHER AGENCIES

Sacramento County Airport System
 Sacramento Solid Waste Fund
 Yolo County Habitat JPA
 Yolo Solano Air Quality District
 East Bay Regional Park District

4. Qualifications

Single Audit Experience

Eide Bailly has experience providing single audits related to federal expenditures which ensure our clients remain compliant. Our single audits include an audit of both the financial statements and the federal awards. We also assist in the preparation of the data collection form and prepare the reporting package for submission to the federal audit clearinghouse.

Eide Bailly audits more than \$9.5 billion in federal expenditures, which provides us with extensive experience in single audits. Not only are we on the forefront of new regulations, but because of our vast experience with governmental entities, we have familiarity with a wide variety of federal programs. As VCTC looks to expand its current federal programs, we can pull from our expansive database of federal programs that we have audited and provide consultation on what has worked effectively for other entities. This will help VCTC establish strong controls and processes over new federal programs rather than trying to rework controls and processes after the program are established.

Our single audit experience includes the Department of Education, Department of Housing and Urban Development, Department of Agriculture, Department of Commerce, Department of Interior, Department of Transportation, Department of Justice, Department of Labor, Department of the Treasury, Department of Health and Human Services, Homeland Security, National Foundation on the Arts and the Humanities, Environmental Protection Agency, Department of Energy, Office of the National Drug Control Policy, Department of Defense, and the Bureau of Land Management.

Paired with our many years of experience, we are qualified to effectively work with your organization to ensure that federal requirements are met.

Committed to Meeting Your Deadlines

We understand your requested timeline and have the resources to meet your deadlines.

Eide Bailly commits to you that if your team is prepared for the audit when our team is in the field, we will meet your deadlines. We will work closely with your team through the planning stages to clearly define expectations and the items required from your team in order to facilitate an efficient audit to enable us to meet your deadlines. The draft schedule is located within the Audit Methodology approach section.

Firm Offer

This proposal response is a firm and irrevocable offer to perform work related to this request for proposal (RFP) and is valid for a period of 180 days from the signed due date of the proposal.



5. Audit Methodology

AUDIT METHODOLOGY

At Eide Bailly, we promise you a better overall experience. While we recognize that multiple firms are capable of accomplishing the objectives of an audit, Eide Bailly appreciates that every situation and every organization is different, and we tailor our approach based on the needs of each client.

Eide Bailly values its business relationships and demonstrates this through our partner and manager involvement. Our senior level professionals are involved with our clients and accessible throughout the year. They do not delegate all tasks to staff, but rather stay involved on-site during fieldwork as well as stay connected throughout the year. This approach delivers the greatest benefit to our clients in that we are able to stay abreast of changes in and updates to our client's operating environment and partner with them to achieve optimal results.

Our clients experience a communication approach that stands apart in both style and frequency. Because we recognize that effective communication is critical throughout the entire audit process, our service approach is one where communication begins with planning and continues throughout the year. Additionally, we take a collaborative communication approach with our clients and include them in the process as our peers. Our clients offer a wealth of knowledge and information about their organizations and communicating with them as a business partner ultimately produces the best outcome.

Prior to beginning the engagement, we will discuss with management:

- The engagement timeline.
- The audit approach and process.
- Additional considerations that may affect scope, schedules and work papers to be prepared by your personnel.

Upon appointment as your auditor, we will discuss the audit schedules and work with you to ensure the timeline meets your needs and makes the most effective use of your staff members' time.

5. Audit Methodology

a. Proposed segmentation of the engagement.

Audit Schedule

The following table identifies the structure of our audit for VCTC reports and the timing of each section.

Engagement Timeline

Activity	Timing
Planning, documentation of systems of internal control and compliance and transaction testing	Early May
Fieldwork	Early October
Draft reports	Late October – Early November
Reporting	November
Ongoing Communication	Throughout the engagement

We will meet your deadlines. By engaging in thorough audit planning and communications with management, we begin each engagement with a strong understanding of the various deadlines for each of the financial and single audits and the steps involved along the way to meet these deadlines. An audit project plan will be developed between our team and VCTC and then followed closely, and we will work with VCTC’s management team to customize our auditing services and specific timelines to your needs. We believe in clear, up-front and open communication with no surprises.

b. Level of staff and number of hours to be assigned to each proposed segment of the engagement.

Level of Staffing and Number of Hours

Below is our proposed level of staffing and estimated hours for each segment of the audit.

	Partner	Manager	Seniors	Staff	Other	Total
Planning	2	4	7	6	1	20
Single Audit/Interim	14	28	52	48	1	143
Fieldwork	14	28	52	48	4	146
Reporting	5	10	19	18	4	56
Total	35	75	130	120	10	365

5. Audit Methodology

Audit Process

Our audit approach is designed to collaborate with VCTC and achieve optimal results. The approach consists of five major components: Planning, Interim, Fieldwork, Reporting, and Ongoing Communication. If awarded, we will discuss with management our proposed schedule but have the flexibility to make any changes in order to meet the reporting deadlines. The objectives of each component are described in the following pages.

Planning

- Discuss and finalize the engagement timeline, audit approach and process.
- Discussions with management and accounting staff, including the Board, if requested, to address any risks or concerns that they may have.
- Evaluate the nature of the operating environment (for example, changes in volume, degree of system and reporting centralization, sensitivity of processed data, the impact on critical operational processes, potential financial impacts, planning conversions, and economic and regulatory environment).
- Review of interim financial information and reports to identify significant risks and changes early.
- Review of significant estimate areas and consideration of underlying assumptions early in process.
- Gain an understanding of VCTC and its reporting units and their environments.
- Documentation of internal control systems, including IT, and related changes from prior periods.
- Consideration of fraud, risk of noncompliance, illegal acts, abuse, etc.
- Assessment of audit risk and identification of potential audit issues.
- Assessment of materiality and testing scopes to the extent possible and presentation of audit plan.
- Preparation and communication of audit request lists and work papers.
- Development expectations regarding timing and audit progress.
- Gain understanding of single audit programs and perform an analysis of potential major federal programs.

Interim Fieldwork – Single Audit

Our approach to performing the single audit is broken into three different phases:

- Phase I – Risk assessment and planning.
- Phase II – Major program testing.
- Phase III – Assessment and reporting.

Phase I – Risk Assessment and Planning

This phase basically encompasses the planning and risk assessment of your federal programs. The planning phase, if done correctly, will set the tone of the single audit as well as set the stage for an efficient and effective single audit. We will work closely with management to properly identify federal programs and clusters to determine the major programs to be tested.

5. Audit Methodology

The steps associated with risk assessment and planning include:

- Determine grant awards and funding increments.
- Determine the Type A and Type B thresholds.
- For any programs above the threshold (Type A) perform a review of the past two single audits and document the program risk to determine if the program is high risk or low risk.
- Make final determination of major programs to be tested based on the above steps.
- Review the applicable Uniform Guidance *Compliance Supplement* for any unusual items for each of the major programs, as well as determine which compliance areas are direct and material for each major program.

Phase II – Major Program Testing

After making the major program determination as noted above, we will test the major programs. Our steps for each major program is as follows:

- Obtain the audit steps from the *Compliance Supplement* which provides the audit steps for each major program.
- Based on the direct and material compliance areas identified during the planning phase, obtain from management the process and controls relating to those direct and material compliance areas. The controls for each compliance area need to address the five components of Committee of Sponsoring Organizations of the Treadway Commission (COSO) as required by Uniform Guidance.
- Select samples for control and compliance testing.
- Perform control testing for effectiveness and compliance testing of selected transactions.
- Report any material weaknesses or material noncompliance to VCTC’s management.
- Provide periodic meetings to discuss the status of the single audit testing. Any potential findings are discussed with management while our auditors are in the field and are concluded during fieldwork.

Phase III – Assessment and Reporting

The above steps are based on the preliminary SEFA. Once the SEFA has been finalized, we will determine if any additional major programs are to be tested. We will perform the following steps:

- If additional major programs have been identified, perform the steps as noted in the major program testing for the new programs.
- Review the prior findings, if any, and perform steps to determine if the findings were cleared by management and do not need to be reported during the current year.
- Prepare the Schedule of Findings and Questioned Costs.
- Have an exit conference with management and key grant personnel and provide a draft report of the single audit as well as any Yellow Book findings required to be reported. These findings are reviewed by the manager and engagement partner prior to the exit conference. This is done so there are no surprises after we pull out of the field.

5. Audit Methodology

Interim Fieldwork – Financial Statement

- Discussions with management to determine internal controls, perform walk-throughs, test controls, as applicable, and discuss any potential audit issues.
- Determine audit procedures by area, based on results of audit planning and risk assessment.
- Determine confirmation needs.
- Prepare listing of audit information requested from VCTC.
- Review minutes, resolutions and ordinances.
- Perform tests of legal compliance.
- Regular updates to VCTC staff.
- Exit conference with management.

Final Fieldwork

- Audit areas based on risk assessment.
- Obtain and prepare schedules and analyses supporting the financial information.
- Draft financial statements.
- Discuss findings with management, if any.
- Discuss proposed journal entries with management, if any.
- Finalize single audit testing.
- Regular updates to VCTC staff.
- Exit conference with management.

Reporting

- Review of the financial statements by the partner over the engagement
- Review of financial statements by a partner not otherwise associated with the audit to obtain a “second opinion” on the completeness and adequacy of financial statement disclosures and audit procedures.
- Completion of management letters and review with management.
- Preparation of other communications to management and Board.
- Assistance with preparation of the Data Collection Form and the preparation of the reporting package for submission to the Federal Audit Clearinghouse.
- Presentation to Board at its regularly scheduled meeting, if requested.

Ongoing Communication

- Obtain interim financial statements throughout the year for review
- Analyze significant changes and identify areas to further tailor our audit plans and to keep us up-to-date with continuing changes
- Compare the interim results to year-end results for the past few years to identify potential issues in the financial reporting process
- Participate periodically at your Board meetings, and any other meetings, at the Boards request.

5. Audit Methodology

c. Estimated sample size and the extent to which statistical sampling is to be used in the engagement.

Statistical Sampling

Sampling may be performed for tests of controls, compliance testing and substantive tests of certain accounts and transactions. During our audit of basic financial statements, we will also select various transactions for testing based on materiality assessed at the appropriate level. These transactions may include such items as capital asset additions, expenditures, subsequent disbursements and subsequent receipts. We will be pleased to discuss specific sample sizes and selection methods when they are determined, either during audit planning or during fieldwork.

We will select the appropriate sample size to support our conclusions in compliance with laws and regulations. We will use confirmations in the areas of cash and investments, receivables and other areas deemed necessary.

d. Type and extent of analytical procedures to be used in this engagement.

Analytical Procedures

Eide Bailly will apply analytical procedures throughout general planning to improve our understanding of your operations and to identify audit areas for increased attention. These will be applied to assist in planning the nature, timing and extent of other procedures. They will be applied to all balance sheet, revenue/receipt and expense/expenditure areas. These procedures include, but are not limited to, the comparison of current year to prior year and budget amounts. Areas that show results different from those anticipated or planned will be further investigated to determine the validity of the variance.

During the year-end audit fieldwork, we use analytical procedures to test whether errors affecting account balances or classes of transactions have occurred by comparing the recorded amount with an independently developed expectation of that amount. We develop the expectation in such a way that a significant difference between the expectation and the recorded amount is indicative of a financial statement misstatement, unless we can obtain and corroborate explanations for the difference. Analytical procedures are a natural extension of our understanding of your operations because the key factors that influence your operations may be expected to affect the financial data.

In the audit reporting phase, we perform a final analytical review at the financial statement level as the last step to ensure that we have gained a comprehensive understanding of the financial statements during the audit engagement and to determine whether the financial statements are appropriately presented and contain appropriate disclosures. Such final analytical procedures highlight and explain significant changes from the previous year and ensure that such changes are consistent with the knowledge of your operations and our audit evidence. These procedures typically consider trends based on several previous years instead of comparison only with the prior period.

5. Audit Methodology

e. Approach to be taken to gain and document an understanding of the agency's internal control structure.

Internal Control Structure

A significant aspect of the planning process involves understanding each reporting units' internal control environment, including information technology (IT) controls and, where relevant, testing of internal controls.

The following is a summary of the process Eide Bailly uses regarding internal controls over financial reporting and compliance:

Internal Controls over Financial Reporting

Our approach will start with any documentation related to internal controls that have already been developed. We review that documentation to obtain an overview of the internal control system and then conduct interviews with VCTC's staff to complete the documentation of our understanding related to internal controls and significant changes each year.

After conducting the interviews, we will evaluate the internal control system design and expected operating effectiveness for significant areas depending on the reporting unit. We expect that by completing control testing in these areas, it will allow us to reduce substantive testing and conduct an efficient audit.

Our approach toward control testing will be focused on key process controls or overall system controls, rather than detailed control process testing. We will also focus on key IT related controls in process areas such as revenue, payroll and claims, as they tend to allow more efficiency for an audit perspective relative to the control process.

Eide Bailly utilizes a risk-based approach incorporating both control testing and substantive tests of balances, where appropriate. In certain areas that we do not consider as significant, we will plan to conduct the audit using a primarily substantive approach. It has been our experience that it is often more efficient and effective to substantively audit a balance rather than complete an extensive control test.

Internal Controls over Compliance

Our approach for internal controls over compliance associated with federal programs is similar to the approach regarding internal controls over financial reporting related to accumulation, documentation, and evaluation of the control environment.

Test of controls over compliance are required for major federal programs. Our approach is to identify key controls applicable to direct and material compliance requirements for testing, as well as incorporating results from tests of internal controls over financial reporting and IT.

5. Audit Methodology

The approach we will take to gain an understanding of your internal controls includes:

- Interview VCTC personnel.
- Review organizational charts, accounting and procedure manuals and programs.
- Write-up system narratives.
- Evaluate items selected for testing.
- Review controls over financial information systems.

The timely completion of this work will assist us in performing our work efficiently and communicate any potential recommendations as soon as possible.

In addition, our engagement approach is based on the following:

- Observations we believe will help VCTC achieve its objectives will be shared. We will also be pleased to respond to inquiries you may have about financial or other business matters.
- The assistance to be provided by your personnel, including the preparation of schedules and analyses of accounts, will be discussed with the finance department. The timely completion of this work will assist us in performing our work efficiently.

f. Approach to be taken in determining the laws and regulations that will be subject to audit test work.

Determining Laws and Regulations Subject to Audit Test Work

During the planning process, we will also discuss with VCTC management and personnel the laws and regulations to which VCTC is subject. The objective of our discussion will be to determine those laws and regulations that could have a material impact on the financial statements and those laws and regulations pertinent to VCTC's federal financial assistance programs. Pertinent to our discussion will be our knowledge of such laws and regulations and our knowledge of *Government Auditing Standards*. We are aware of the applicable requirements and consider them when determining the necessary audit procedures for VCTC.

We will perform tests of VCTC's compliance with certain provisions of laws, regulations, contracts and grants. We will assess the risk of material misstatement resulting from violations of laws and regulations having a direct and material effect on the determination of financial statement amounts. These laws and regulations can relate to items such as budgetary compliance, purchasing compliance and cash and investment compliance, as well as single audit compliance, as applicable.

We will combine compliance tests of laws and regulations that involve the inspection of documentation supporting transactions with substantive tests of transactions and tests of control procedures. Our audit will meet all federal and state requirements, as applicable. Samples will be used to the extent necessary to support our conclusions on compliance with laws and regulations.

5. Audit Methodology

g. Approach to be taken in drawing audit samples for purposes of tests of compliance.

Approach to Drawing Audit Samples

We design our audit procedures for compliance using sampling procedures to result in sample items being selected on a random basis.

We will be pleased to discuss specific sample sizes and selection methods when they are determined, either during audit planning or during fieldwork. We will select the appropriate sample size to support our conclusions in compliance with laws and regulations. We will use confirmations in the areas of cash and investments, and other areas deemed necessary.

We will perform tests of VCTC's compliance with certain provisions of laws, regulations, and contracts. We will assess the risk of material misstatement resulting from violations of laws and regulations having a direct and material effect on the determination of financial statement amounts. These laws and regulations can relate to items such as budgetary compliance, purchasing compliance and cash and investment compliance, as applicable.

We will combine compliance tests of laws and regulations that involve the inspection of documentation supporting transactions with substantive tests of transactions and tests of control procedures. Our audit will meet all federal and state requirements, as applicable. Samples will be used to the extent necessary to support our conclusions on compliance with laws and regulations.

Anticipating Potential Audit Problems

Eide Bailly understands the potential for problems that may arise while conducting our audit and we are prepared to address any issues with you as they arise. We are committed to making our relationships work and do what it takes to make our clients feel comfortable even if it means late-night conference calls. We will also work our schedule so when we leave the field, we will be 95% done with the audit and any wrap-up will be related to report issues. We believe we have a system in place that, combined with the experience we have gained, will translate to meeting your reporting deadlines with a smooth and efficient audit.

Communication before, during and after the audit is a hallmark of Eide Bailly's audit process. As part of our collaborative approach, we will meet with management during audit planning to gain a thorough understanding of VCTC's expectations and any changes to the organization. During the audit process, we will communicate progress through oral and written status updates and discuss significant audit issues as they arise. At the conclusion of the audit, we will jointly evaluate the effectiveness of the audit and any recommendations for future changes.

5. Audit Methodology

Communication

As noted above, our service model does not view the audit process as an annual “event.” Instead, we communicate with management on an ongoing basis and keep you apprised of accounting pronouncements, changes in regulations and other changes that may impact VCTC. Our communication with management will include the following:

- Personal interaction between the team serving VCTC and management in the form of meetings, phone calls and emails. We like to be involved with clients throughout the year to help address ongoing issues that impact your operations. Our preferred communication is through face-to-face meetings, or at least phone conversations. We value your time and attempt to keep meetings relevant, appropriate and productive.
- Status updates as audits progress with appropriate members of management through oral and written communications.
- Ongoing communication of important regulatory changes and accounting updates occurs via email, shortly after the changes are announced or finalized.
- Occasional webinars and seminars on topics of critical interest to our governmental clients will communicate important information for management to be aware of.

Under this communications approach, we will discuss specific preferences you have in communicating with us including frequency and style. As we get to know your organization, our process will become increasingly customized to VCTC, yet it will still follow the framework we have put together as guidelines that our staff are expected to embrace as part of our service culture.

Assistance from VCTC

Your service team will meet with the VCTC’s management for initial planning and pre-audit conference to discuss audit schedules and review prior year audit problems (if any). We will then provide VCTC personnel a Prepared by Client Guide (PBC) which highlights the workpapers and information needed for the audit process. We will hold meetings with the accounting personnel throughout the audit process determining the list of open items and the plan to finalize those items.

During the audit, our use of VCTC personnel will include answering questions, updating schedules, addressing issues identified, and obtaining support documentation. Our audit processes focus on performing the audit efficiently which includes constant communication amongst the team members, so we are not asking redundant questions or requesting the same document several times. We also hold regular meetings with management to determine the status of the audit as well as outstanding items that need to be addressed. This will keep the number of hours needed by VCTC personnel to a minimum.

We ask our clients to have the requested schedules, documentation, confirmations and financial statements prepared by the requested dates. Having these items prepared before we arrive for final field work will ensure the success of meeting the mutually agreed upon deadlines.

5. Audit Methodology

Use of Technology

Eide Bailly staff utilizes progressive and effective software to streamline processes and make them as efficient as possible. These technologies include:

EB Connect (Client Portal)

The Eide Bailly Client Portal is the standard for delivering electronic documents in a secure manner to and from our clients. Email is not a secure means of exchanging documents and our client portal can handle much larger files than email.

Clients know their confidential information is secure and safe and appreciate the improved organization, documentation and communication by using the Client Portal. Many efficiencies are created by leveraging technology and sharing information and knowledge on the Client Portal and result in reducing the amount of time needed on site during an engagement.

Eide Bailly performs all engagements in a paperless environment. By utilizing paperless processes, we are able to bring experts from across our firm into every engagement. What this means to you – better service, timely reporting and cost-effective solutions.

Data Extraction Software

Eide Bailly designs our approach to incorporate the use of TeamMate Analytics--to maximize efficiency while conducting a very effective audit. Through TeamMate, we can extract information from related databases and create databases that check for duplicate payments, summarize payments, extract journal entries from specific accounts, develop expectations for analytical procedures and recalculate system calculations among a host of other procedures that are developed by our audit team.

Other Tools

- **Accounting Research Manager (ARM)** – Internet access of all accounting and auditing standards. Areas include GASB, FASB, AICPA, PCAOB and other resource material. We can access this material at any given time and can provide a quick response to any technical question you may have.
- **CCH ProSystem fx Engagement by Wolters Kluwer** – Software to facilitate the audit, retains the electronic workpapers and supporting documentation, performs project tracking and facilitates quality review.

5. Audit Methodology

Supervisory Review and Quality Control Procedures

All of our documents have levels of review. The various levels are determined by our risk assessment during the planning stages of the audit. Typically, a review will include the following:

- **Seniors** will review all work performed by staff.
- **Managers** will review work performed by seniors as well as review key significant areas that was prepared by staff and reviewed by the senior. Some of these areas include accounts receivable, investments, capital assets, long term debt and pension liabilities, other liabilities, net position classification and single audits.
- **Partners** will review areas that are deemed high from a risk perspective as well as the single audit.
- **Technical review** will review the report for proper and technical aspects making sure everything is report properly. As a firm, we require all single audits and reporting to be reviewed by another partner with specific government experience.

We will hold an exit conference with management and provide periodic written or oral reports on the status of the audit to representatives of VCTC. The success of the audit is dependent on the amount of open communication throughout the year and not just during the audit period. We will work closely with management and the accounting personnel throughout the audit process and will hold weekly meetings to go over open items as well as discuss any potential accounting or compliance issues identified during the audit. We believe in no surprises. When we perform the exit conference, we will hold a final discussion on any potential findings and will come to a conclusion during the conference. Our goal is to have no additional findings subsequent to the exit conference.

5. Audit Methodology

File Storing and Workpaper Retention

Audit and accounting files, including all workpapers that are a part of the files supporting our audit, review, compilation or attestation engagements involving continuing clients of the firm, will be retained for eight years from the date of the financial statements, except for the following circumstances:

- Reports prepared for other clients that require a longer retention period due to statute or regulatory provisions.
- If the firm has been served a subpoena for the client records or has received notice of a claim involving the engagement, consideration should be given if the eight-year retention period is adequate.
- If there are any engagement records of continuing future significance that should be retained for a longer period, they should be marked for a special retention period.
- If the engagement records are subject to record retention requirements imposed by federal, state or local governmental regulations, or a federal audit guide or contractual arrangement as a condition of performing the engagement, consideration should be given if the eight-year retention period is adequate.
- If the client is undergoing an IRS examination or has been advised that an examination will take place, consideration should be given if the eight-year retention period is adequate and workpapers will be provided as required by law.

Information needed longer than these guidelines should be included in carry forward or permanent files.

We understand and will make working papers available upon request, including, but not limited to the following parties or their designees:

- The Ventura County Transportation Commission.
- California State Controller's Office.
- California Department of Transportation.
- U.S. Government Accountability Office (GAO).
- Auditors of entities of which the VCTC is a sub recipient of grant funds.
- Any agencies included in the audit of federal grants.

Prior to any audit and accounting files being destroyed, each person responsible for the billing of clients will get a list of the files scheduled for deletion to review and approve.

5. Audit Methodology

Multi-Year Approach

We attempt to retain the majority of the audit team in order to develop a historical perspective of the operating and control environment of VCTC. This historical perspective allows us a deeper understanding of the risks surrounding VCTC and the opportunity to perform a thorough audit without a learning curve. The result of our preliminary review is a planned calendar of audit events, timing and expectations based on the budgets and related materials, organizational charts, manuals and programs, and financial and other management information systems.

We also have the resources within our offices to change your current engagement team while retaining the historical perspective that we gain over the years, if you feel you would benefit from auditor rotation. The individuals in Eide Bailly's government group have extensive experience in the industry and benefit from the firm's focus on continuing education. Our governmental professionals are well-positioned in organizations associated with governmental entities, such as the AICPA and Governmental Audit Quality Center, the primary purpose of which is to promote the importance of quality government audits. We have also held leadership roles in the GFOA.

We will be available to VCTC throughout the year as a resource to answer questions, have discussions and confirm the appropriate accounting treatment for unique or infrequent transactions.

AN INNOVATIVE APPROACH



6. Client Assistance

Thought Leadership

A number of partners at Eide Bailly are nationally recognized as state and local government thought leaders who present at dozens of national venues throughout the year. These include: GFOA; National Association of State Auditors, Comptrollers, and Treasurers; California Society of CPAs; California Society of Municipal Finance Officers; Oregon and Washington Government Finance Officers Association; the California State Association of County Retirement Systems; the California Association of Public Retirement Systems; AGA National Professional Development Conference; National Association of Housing and Redevelopment Officials (NAHRO); Iowa Society of CPAs; Idaho Society of CPAs; Utah Society of CPAs; and Colorado GFOA.

We also provide training for state and local agencies. **Kurt Schlicker**, an Eide Bailly Senior Manager, presented recently at the State of Washington Department of Ecology's Grant & Loan Financial Management Training. Other agencies include Controllers' offices of the State of Tennessee, Texas State Auditor, State of Montana, Commonwealth of Massachusetts and the State of Nevada.

Our Government Services Group also includes **David Sundstrom**, a Senior Consulting Manager, who was most recently a GASB Board member from 2009 until June 2019. During that time, David co-developed 38 standards for the Board. Prior to his service with the GASB, his reputation as auditor/controller for Sonoma and Orange Counties and with other governments throughout California is beyond reproach.

Online Publications – VCTC will also have access to resources on our Eide Bailly Government Industry website. We publish articles related to hot issues within the government accounting arena. Below is a list of some of the recent articles posted to our website.

- Common Single Audit Findings and Remediation Series: Matching, Level of Effort, and Earmarking.
- Is Your Government Ready for This Fiscal Year-End and Beyond?
- Dispatches from GASB's Meetings.
- Cybersecurity: Not Just an "IT" Issue.
- Create an Internal Audit with More Value.

Visit our website to sign up for our newsletters, e-blasts and webinars: www.eidebailly.com/insights

6. Client Assistance

CAFR Experience

Some of our clients ask us to prepare or provide additional review and critique of their CAFR or other financial reports that the client prepares in addition to or in lieu of the CAFR. If our client prepares the CAFR containing audited financial statements, it is our responsibility to provide assurance that the information contained in the CAFR articulates to the work that has been audited during the engagement. We use additional disclosure checklists and procedures that are updated for each new standard that is released to gain this assurance.

In some cases, we provide a review of the previously issued CAFR for readability, clarity and consistency with standards. We base this review not only on disclosure checklists but also peer trends and techniques. We perform this service for clients such as the Office of the State Controller of California, reporting to management suggested changes annually.

We work with and refer to the Governmental Accounting, Auditing, and Financial Reporting (Blue Book) and its supplements as an additional source of guidance when assisting our clients in preparation of the CAFR.

Implementation of New Standards

In an industry where standards continually evolve and change, Eide Bailly makes it a priority to stay current and assist our clients with necessary changes. In addition to helping clients implement new standards, we also help them adapt to changes within the existing standards.

Additionally, several Eide Bailly professionals serve on committees that have input into how new standards are written. This enables us to be involved from the beginning and influence the final outcome. Our clients benefit from our strong understanding of the standards and how they may affect their organization. We will work with VCTC to create a plan to address new standards one to two years prior to implementation. The following new standards are set for implementation as indicated below:

Effective Date - Reporting Periods Beginning After	GASB Statement No.	Statement	Reporting Periods Ending December 31,	Reporting Periods Ending June 30,
12/15/2018	GASB-84	<i>Fiduciary Activities</i>	2019	2020
12/15/2018	GASB-90	<i>Majority Equity Interests</i>	2019	2020
12/15/2019	GASB-87	<i>Leases</i>	2020	2021
12/15/2019	GASB-89	<i>Accounting for Interest Cost Incurred before the End of a Construction Period</i>	2020	2021
12/15/2020	GASB-91	<i>Conduit Debt Obligations</i>	2021	2022
		Implementation Guides and Updates		
6/15/2019	2019-1	<i>Implementation Guidance Update—2019</i>	2020	2020
12/15/2018	2019-2	<i>Fiduciary Activities</i>	2019	2020
12/15/2019	2019-3	<i>Leases</i>	2020	2021

6. Client Assistance

Effective Date - Reporting Periods Beginning After	GASB Statement No.	Proposed GASB Pronouncements (if approved as drafted) continued	Reporting Periods Ending December 31,	Reporting Periods Ending June 30,
6/15/2020	See Note*	<i>Omnibus 2020 (Some parts effective upon issuance)</i>	2021	2021
12/15/2020		<i>Internal Revenue Code Section 457 Deferred Compensation Plans That Meet the Definition of a Pension Plan and Supersession of GASB Statement 32</i>	ON HOLD	ON HOLD
6/15/2020		<i>Replacement for Interbank Offered Rates</i>	2021	2021
6/15/2020, 12/15/2020		<i>Implementation Guide Update - 2020</i>	2021	2021
6/15/2021		<i>Subscription-Based Information Technology Arrangements</i>	2022	2022
6/15/2021		<i>Public-Private and Public-Public Partnerships and Availability Payment Arrangements</i>	2022	2022
*Note	Slated to be approved January 27, 2020 for release			

6. Client Assistance

GFOA Certificate of Achievement for Excellence in Financial Reporting

Because we know how important achieving the GFOA Certificate of Achievement for Excellence in Financial Reporting is to clients, we work with them to achieve this certification. Below is a summary list of some of our government audit clients who have been awarded and currently maintain the GFOA's Certificate of Achievement for Excellence in Financial Reporting:

CITIES

City of Agoura Hills
 City of Alameda
 City of Camarillo
 City of Chico
 City of Concord
 City of Dana Point
 City of Davis
 City of Fairfield
 City of Glendale
 City of Indian Wells
 City of La Palma
 City of Laguna Beach
 City of Laguna Niguel
 City of Lake Tahoe
 City of Palmdale
 City of Paramount
 City of Pleasanton
 City of Rancho Mirage
 City of Rancho Palos Verdes
 City of Roseville

City of Sacramento
 City of San Leandro
 City of Santa Clarita
 City of Santa Cruz
 City of South Lake Tahoe
 City of Suisun City
 City of Temecula
 City of Temple City
 City of Walnut
 City of Walnut Creek
 City of Whittier

COUNTIES

County of Orange
 County of Placer
 County of Sacramento
 County of San Bernardino
 County of San Diego
 County of Solano
 County of Sonoma
 County of Ventura

OTHER AGENCIES

Alameda County Transportation Commission
 Alameda Municipal Power
 Chino Valley Fire District
 First 5 Los Angeles
 First 5 Orange County
 First 5 Riverside
 Golden Gate Bridge, Highway and Transportation District
 Helix Water District
 Monterey-Salinas Transit
 Omnitrans
 Peninsula Corridor Joint Powers Board
 San Mateo County Transit District
 San Mateo County Transportation Authority
 Santa Clara Valley Transportation Authority
 Santa Clara Valley Water District
 Solano Transportation Authority
 Western Riverside Council of Governments

6. Client Assistance

Access to Specialists

Our senior professionals work closely together so you receive valuable service from people who understand your needs and know your business. We have developed several industry groups, one of which is dedicated to the government industry. Through this industry group, we are able to connect our clients with specialists throughout the firm. We have included a few of our government industry leaders below.



Jodi Daugherty, CPA – Partner-in-Charge of Government Services

Jodi joined the firm in 1995 and has extensive experience in a wide variety of public accounting services. Her client portfolio is just as diverse – she has worked with governmental entities, nonprofit organizations, multifamily and public housing authorities and retirement plans. Jodi manages audits for many governmental entities, and also plays an active role in audits of federal awards in both the non-profit and governmental sectors. Jodi has worked with various governmental entities, including counties, cities, highway districts, school districts, housing authorities and institutes of higher education, working with several governments that prepare and submit a CAFR to the GFOA every year.



Eric Berman, CPA – Partner

Eric brings more than 28 years of public accounting experience and is unique in the fact he not only possesses nationally recognized audit experience, but also preparer, educator and authorship experience. His experience includes acting as the Deputy Comptroller for the Commonwealth of Massachusetts, where he ran the State's audit for 11 years. He was also the Chief Financial Officer of the Massachusetts Water Pollution Abatement Trust and served as Vice Chairman on the Government Accounting Standards Advisory Council to GASB. Eric is a nationally recognized expert on public employee retirement systems, OPEB, derivatives, the single audit, governance and other important topics. He is also the author of the entire governmental library of reference information and audit programs for CCH Wolters Kluwer. His experience with states includes leadership positions with the National Association of State Auditors, Comptrollers and Treasurers. He has provided consulting expertise nationwide on a number of complex topics facing states, cities, counties and special districts.



7. References

SIMILAR CLIENT REFERENCES

As a top 25 CPA firm, we've built our business on relationships and believe our clients to be the best critics of our service. The clients below have similarities to your organization, and we encourage you to contact them to learn about their Eide Bailly experiences.

Similar Clients

Orange County Transportation Authority (OCTA)

Janet Sutter, Executive Director
550 South Main Street, Orange, CA 92863
714.560.5591 jsutter@octa.net

Type of Service: Audit of Comprehensive Annual Financial Report, Single Audit, TDA Compliance, Prop 1B, 91 Express Lanes, Measure M AUP's
Dates of Service: +7 years, most recent audit performed in FY 2018

City of Santa Clarita

Brittany Houston, Finance Manager
23920 Valencia Boulevard, Santa Clarita, CA 91355
661.255.4996 bhouston@santa-clarita.com

Type of Service: Audit of Comprehensive Annual Financial Report, Single Audit, Agreed Upon Procedures over: City's Appropriation Limit, Successor Agency/Housing Authority, Air Quality Improvement Fund, **Transit Fund**, Santa Clarita Public Television Authority Audit, Open Space Preservation District Audit, Santa Clarita Watershed Authority
Dates of Service: +3 years, most recent audit performed in FY 2019



What Our Clients Say

"The City of Dilworth has worked with Eide Bailly for more than 25 years. Through the years, we have built a strong working relationship and value their professionalism. Their staff is extremely knowledgeable and provides a caring attitude at all times. The city appreciates their timely and efficient delivery of our audit and the willingness to answer questions throughout the year."

Sherri Farwell
Finance Officer,
City of Dilworth

References

San Bernardino County Transportation Authority

Hilda Flores, CPA, Chief of Accounting and Procurement
11170 W. 3rd Street, 2nd Floor, San Bernardino, CA 92410-1715
909.884.8276 hflores@gosbcta.com

Type of Service: Audits of transit operations (including 6 transit operators such as Morongo Basin Transit Authority and over 20 local governments, mainly cities), Single Audits for the transit operators, including the Federal Transit Cluster, NTD report for the transit operators, TDA Compliance
Dates of Service: +7 years, most recent audit performed in FY 2019

County of Ventura

Jeff Burgh, Auditor-Controller
800 S. Victoria Avenue, Ventura, CA 93003
916.340.6210 Jeff.Burgh@ventura.org

Type of Service: County of Ventura CAFR– GFOA Award, County of Ventura RDA, Audit of Ventura County Medical Center (Major Fund), Single Audit
Dates of Service: +7 years, most recent audit performed in FY 2018

Sacramento Area Council of Government

Loretta Su, Finance Director
1415 L Street, Suite 300, Sacramento, CA 95814
(909) 884-8276 lsu@sacog.org

Type of Service: Comprehensive Annual Financial Report (GFOA), Single Audit, Proposition 1B
Dates of Service: +7 years, most recent audit performed in FY 2019


8. Certifications/Statements

b. Assurance of Compliance with Worker's Compensation Insurance Requirements (Attachment C);

Attachment C - 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 Jessica Andersen, CPA

Partner

Title of Authorized Official

January 23, 2020

Date

8. Certifications/Statements

c. A Statement assuring compliance with Equal Employment Opportunity Act;

Equal Opportunity Employment

Eide Bailly LLP is committed to the principles of Equal Employment Opportunity and Affirmative Action. We believe our continued success depends on the full and effective utilization of qualified persons, regardless of race, color, creed, religion, national origin, sex (including gender identity or pregnancy), age, handicap, marital status, Vietnam Era military service and any other legally protected class.

All staff recruiting, hiring, training, compensation, benefits, tuition aid, transfers, promotions, social or recreational programs, and on-the-job treatment are to be administered in accordance with this commitment.

Every staff member is expected to comply with the spirit and intent of our Equal Employment Opportunity/Affirmative Action policy. We will continue to monitor all of our personnel actions to ensure compliance with the objectives set forth above. To ensure implementation and monitoring of these policies, we designate the Human Resources Director as our Equal Employment Opportunity Officer. It will be their responsibility, among other things, to review reports of employment results, to review, as necessary, individual personnel actions, and to appoint others to accomplish the ends which we are striving to achieve. They will also be responsible for monitoring all Equal Employment Opportunity activities, as required by federal, state and local agencies.

The CEO of Eide Bailly LLP will receive and review reports on the progress of the program. If any staff member or applicant for employment believes he/she has been discriminated against, please contact Human Resources Dept., Eide Bailly LLP, 4310 17th Ave S, PO Box 2545, Fargo, North Dakota, 58108-2545.

We continue to believe that our policies regarding equal employment opportunities are necessary not only to comply with Federal and State laws and obligations, but also because they represent a valid business requirement and contribution to the community in which we work.

First Focus

An important Eide Bailly initiative is our First Focus Program, the purpose of which is to foster and improve the advancement of women in their careers at Eide Bailly. This is a key element of the firm's Strategic Plan. The First Focus Program is designed to enable the retention and advancement of female leaders, and to ensure career opportunities for women that parallel those afforded men in the firm. All Eide Bailly personnel receive training and education to help increase awareness of the unintentional biases we may have—both positive and negative—which shape and affect our behaviors and interactions with those around us.

The program is also designed to empower women to think of themselves as executives on paths of progression to firm leadership, and to increase the number of female leaders in the Firm to reflect the demographics of the Firm at large. **Firmwide, women make up 29% of our partners.** The national average for women partners in CPA firms, recently reported by the AICPA, is 24%

8. Certifications/Statements

d. A Statement assuring compliance with the California Fair Employment Practices Act;

It is Eide Bailly's policy to make all employment decisions without unlawful regard or consideration for any individual's race, color, religion, sex, age, national origin, ancestry, military or veteran status, citizenship, physical or mental disability, medical condition, genetic information, marital status or sexual orientation, gender, gender identity, or gender expression ("Protected Categories"). It is the responsibility of every staff member to ensure that discrimination or harassment on any of these impermissible bases does not occur in the workplace.

In addition to the Protected Categories listed above, California's Fair Employment and Housing Act and other statutes prohibit discrimination on the basis of denial of Family and Medical Care Leave and physical disability to specifically include HIV/AIDS and gender identification. Further, sexually harassing conduct is deemed unlawful in California regardless whether the conduct is motivated by any sexual desire.

e. A Statement assuring compliance with Title VI of the Civil Rights Act of 1964.

Eide Bailly LLP is committed to the principles of Equal Employment Opportunity and Affirmative Action. We believe our continued success depends on the full and effective utilization of qualified persons, regardless of race, color, creed, religion, national origin, sex, sexual orientation, gender identity, pregnancy, age, handicap, marital status, Vietnam Era military service and any other legally protected class.

All staff recruiting, hiring, training, compensation, benefits, tuition aid, transfers, promotions, social or recreational programs, and on-the-job treatment are to be administered in accordance with this commitment.

Every staff member is expected to comply with the spirit and intent of our Equal Employment Opportunity/Affirmative Action policy. We will continue to monitor all of our personnel actions to ensure compliance with the objectives set forth above. To ensure implementation and monitoring of these policies, we designate the Human Resources Director as our Equal Employment Opportunity Officer. It will be their responsibility, among other things, to review reports of employment results, to review, as necessary, individual personnel actions, and to appoint others to accomplish the ends which we are striving to achieve. They will also be responsible for monitoring all Equal Employment Opportunity activities, as required by federal, state and local agencies.

9. Price Proposal

EXPECTED HOURS AND FEES

Our fees are based on the complexity of the issue and the experience level of the staff members necessary to address it. If you request additional services, we will obtain your agreement on fees before commencing work, so there are no surprises or hidden fees.

We propose the following not-to exceed fees based on our understanding of the scope of work and the level of involvement of VCTC’s staff:

➤➤➤ Cost Summary – Fiscal Year ending June 30th

Services	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Financial Audit and related reports	\$41,500	\$41,500	\$41,500	\$42,330	\$43,177
Single Audit and related reports*	4,500	4,500	4,500	4,590	4,682
Total for Fiscal Year (not-to-exceed)	\$46,000	\$46,000	\$46,000	\$46,920	\$47,859
Cost of Additional Major Program					
Single Audit (if required)	\$3,000	\$3,000	\$3,000	\$3,060	\$3,121
*For 1 Major Program					

Out-of-Pocket Fees

The professional fees listed above are inclusive of all out-of-pocket expenses and you will not be billed for expenses such as travel time, mileage, and meals.

➤➤➤ Hours and Rate Estimate by Year

Provider	2019/2020		2020/2021		2021/2022		2022/2023		2023/2024	
	Rate	Hours	Rate	Hours	Rate	Hours	Rate	Hours	Rate	Hours
Partners	\$240	35	\$240	35	\$240	35	\$240	35	\$240	35
Managers	\$180	70	\$180	70	\$180	70	\$180	70	\$180	70
Sr. Associates	\$135	130	\$135	130	\$135	130	\$135	130	\$135	130
Staff/Associates	\$115	120	\$115	120	\$115	120	\$115	120	\$115	120
Administrative	\$65	10	\$65	10	\$65	10	\$65	10	\$65	10
Total Hours		365		365		365		365		365

9. Price Proposal

Billing Policy Regarding Telephone Inquiries

We know clients appreciate access to all of their service team members. We embrace this opportunity for constant communication and will ensure our team members are available when you have questions and issues. This service is included in the scope of the engagement. If a particular issue surfaces that falls outside the scope of this engagement, we'll bring it to your attention and obtain approval before proceeding.

A COLLABORATIVE APPROACH



Additional Resources

LET US HELP YOU WITH MORE.

We pride ourselves on being leaders in the government industry, offering valuable perspectives beyond our core strength of accounting and tax compliance. We're business advisors who want to help guide the strategy and operations of your organization, and we'll make sure you feel connected and understand the process. Our professionals work closely together so you receive valuable service from people who understand your needs and know your business.

When you work with us, you'll have access to the knowledge and talents of more than 2,500 professionals across our firm. This includes specialized tax knowledge, a full spectrum of audit/assurance services and our many specialized services, such as:

Cybersecurity

Our professionals have deep IT backgrounds, specializing in a broad range of security services allowing us to tailor solutions to your needs. We work with every level of your organization—your boards and executives, technical IT admins and general users—to provide insight and guidance so you can feel confident your data is protected.

Forensic Accounting

We have seasoned professional with years of relevant investigative experience. We have served several hundred clients, including numerous governmental entities, with investigative needs.

Our forensic accountants are experienced in assisting with internal, civil, criminal and insurance recovery investigations related to allegations of theft, fraud and accounting irregularities. The forensic methodologies and technology used by our team of specialists help get to the facts of these situations and are court proven. We understand the urgency of resolving these types of matters and take pride in delivering a quality work product in an efficient and timely matter.



DRIVEN TO HELP YOU SUCCEED

Why Choose Eide Bailly

WE WANT TO WORK WITH YOU.

To us, work isn't just work; we see it as a chance to help you solve problems, achieve goals and pursue passions. After thoughtfully reviewing your needs and taking the time to understand your business, we feel we're the best fit for this opportunity.

We can connect you with the knowledge, resources and solutions that help bring confidence to your business decisions. We want to work with you!

If you have questions or would like additional information, don't hesitate to contact us. We want to make sure you have everything you need to make your decision.



Jessica Andersen, CPA

Engagement Partner

949.420.5107

jandersen@eidebailly.com

What inspires you, inspires us.

We're driven to help clients take on the now and the next with inspired ideas, solutions and results. We look forward to working with you.

Appendix A – Team Profiles

TEAM PROFILES

JESSICA ANDERSEN, CPA

Partner

949.420.5107 | jandersen@eidebailly.com
25231 Paseo De Alicia, Ste. 100
Laguna Hills, CA 92653-4615



Jessica provides audit, accounting and advisory services to governmental entities, nonprofit organizations and other clients throughout California. Her governmental entity focus is on cities, counties and special districts, including transit and public utility agencies. Previously, Jessica began her professional career with a Big 4 International firm working with large commercial, healthcare, nonprofit, higher education and governmental agencies.

Within the government sector, Jessica has performed the financial and compliance audits of federal awards in accordance with Uniform Guidance. Her Single Audit experience includes audits of programs from the Department of Transportation, Department of Housing and Urban Development, Department of Health and Human Services and a variety of other agencies.

Jessica advises and assists her clients with disclosure, financial reporting and compliance requirements pursuant to the Government Finance Officers Association (GFOA) Certificate Program. She has provided individualized training and assisted numerous clients with the implementation of new accounting standards and the Uniform Guidance.

Local Transit Agencies Served

City of Laguna Beach (with Transit fund)
City of Santa Clarita (with Transit fund)
Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor Agency
Morongo Basin Transit Authority
Mountain Area Regional Transit Authority
Orange County Transportation Authority (TDA/Measure M)
San Bernardino County Transportation Authority (TDA/Measure I)

Memberships

American Institute of Certified Public Accountants

California Society of Certified Public Accountants

Government Finance Officers Association (GFOA) Certificate Program Special Review Committee

Designation/Licensures

Certified Public Accountant

Education

Bachelor of Science, Accountancy – Finance California State University, Northridge

Bachelor of Science, Business Administration, Finance – California State University, Northridge

ROGER ALFARO, CPA, CITP
Partner

909.755.2829 | ralfaro@eidebailly.com
19340 Jesse Ln., Ste. 260
Riverside, CA 92508-5079



Roger provides accounting, audit and advisory services to commercial and governmental entities throughout California. His experience includes manufacturing, healthcare, nonprofit and governmental entities including cities, counties, special districts and state agencies.

Roger began his professional career with a Big 4 International firm working with large commercial and governmental entities. His expertise includes the complex accounting and regulatory requirements for single audit compliance, and he is recognized as a leader in Uniform Guidance audit requirements. He has conducted financial statement audits for commercial and public companies and single audits for governmental agencies with assets exceeding \$1 billion.

As a speaker and trainer, Roger has provided individualized workshops focusing on reporting requirements, new accounting pronouncements and AICPA professional standards. His expertise in this area is recognized by his clients, his peers and staff.

Local Transit Agencies Served

Alameda County Transportation District
Alameda County Transportation Improvement District
Omnitrans
Orange County Transportation Authority
San Bernardino County Transportation Authority
San Mateo County Transit District
Santa Clara Valley Transportation Authority
Ventura County Transportation Commission

Memberships

American Institute of Certified Public Accountants

California Society of Certified Public Accountants

Government finance Officers Association (GFOA) Certificate Program Special Review Committee

Designation/Licensures

Certified Public Accountant

Certified Information Technology Professional

Education

Bachelor of Science, Business Administration – California State University, San Bernardino

LAURYN STAPLETON, CPA

Senior Manager

909.466.4410 | lstapleton@eidebailly.com
10681 Foothill Blvd., 300
Rancho Cucamonga, CA 91730-3831



Lauryn has been conducting audits for over eight years. She has specialized in performing audits of governmental agencies including cities, counties, transportation agencies, special districts, single audits, agreed-upon procedures engagements and TDA compliance audits. Lauryn has worked on a variety of clients, from larger entities that hold financial statement line items worth billions of dollars to small special districts.

As Senior Manager, Lauryn oversees engagements from start to finish. She serves as a direct resource for any client needs. Lauryn believes the key to a successful audit engagement is proper planning, including obtaining a detailed understanding of the entity and its operations, and on-going communication. Lauryn understands the importance of obtaining an understanding of the entity's internal control structure and can provide insight on best practices in internal controls. Additionally, Lauryn understands the importance of meeting client deadlines, and makes it a priority to deliver timely work. Lauryn is available to assist clients throughout the year with issues that may arise including new accounting standards and complex accounting transactions.

Client Work:

- Worked with various governmental entities leading assurance engagement teams through planning, performing and supervising engagements.
- Experience providing financial statement auditing and compliance testing, including single audits required by Uniform Guidance.
- Experience drafting financial statements with client provided trial balance reports.
- Serves as a resource to provide expertise on accounting issues on an on-going basis.

Local Transit Agencies Served

City of Barstow (Transit Fund)
San Bernardino Association of Governments (TDA/Measure I Audits)
Ventura County Transportation Commission
Victor Valley Transit Authority

Memberships

American Institute of Certified Public Accountants

Designation/Licensures

Certified Public Accountant

Education

Bachelor of Science – Accounting
California State University – Long Beach

DAVID PRECIADO, CPA
Senior Associate

INSPIRATION: My goal is to further my own professional development and create valuable client relationships by providing services to the best of my ability.

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David works closely with our clients during the planning of audit engagements in an effort to provide a seamless service. He also provides the engagement team with five years of audit experience to aid in the performance of the audit to ensure client expectations are met.

David understands that each client is unique. You can expect him to take the time to have an understanding of your situation and be prepared for client interaction and to offer solutions. David believes that challenges presented during the course of an audit engagement can be overcome by being prepared and maintaining a strong line of communication.

Outside of work, David enjoys spending time with friends and hanging out with his two dogs, Rip and Rosie. He also enjoys watching hockey and playing drums.

Client Work

David has successfully provided services to nonprofit and governmental entities including cities, counties, water districts and transit agencies.

Local Transit Agencies Served

San Bernardino County Transportation Authority
(including TDA/Measure I)
Imperial County Transportation Commission

Memberships

American Institute of Certified
Public Accountants

Designation/Licensures

Certified Public Accountant

Education

Bachelor of Arts, Business
Administration, Accounting –
California State University, San
Bernardino

CULTURE

THE FOUNDATION OF SUCCESS



Caring for our external and internal clients with a passion to go the extra mile.

Respecting our peers and their individual contributions.

Conducting ourselves with the highest level of integrity at all times.

Trusting and supporting one another.

Being accountable for the overall success of the Firm,
not just individual or office success.

Stretching ourselves to be innovative and creative, while managing the related risks.

Recognizing the importance of maintaining a balance between work and home life.

Promoting positive working relationships.

And, most of all, enjoying our jobs ... and having fun!



What inspires you, inspires us.

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