



Title Page

January 30, 2026

Proposal for Professional Auditing Services

Ventura County Transportation Commission

Submitted By:

Eide Bailly LLP
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Introduction

Your Goals, Our Commitment

Thank you for the opportunity to support the Ventura County Transportation Commission (VCTC) in achieving your goals through providing professional auditing services. We understand that today's business environment demands more than just technical expertise — it requires a partner who listens, adapts, and delivers value that aligns with your vision for success.

We've crafted this proposal with your team in mind, focusing on the outcomes that matter most to VCTC and the challenges you're navigating right now.

Our objective is simple: to help you move forward with confidence. Whether it's protecting what you've built, improving performance, or uncovering new ways to grow, Eide Bailly is here to offer thoughtful support and practical solutions. Our service is always grounded in a genuine understanding of your world.

VCTC won't just retain an experienced service provider — you'll continue working with a team that listens closely, responds quickly, and shows up with insight, not just answers. We've spent 70 years working with organizations in the government space, so we understand the pace, pressure, and purpose that drive your work. That perspective shapes everything we do.

We've tailored this proposal with VCTC's unique challenges and opportunities in mind. You can continue to expect:

- **Relationships come first.** Our professionals work side by side with clients, building a deep understanding of their goals, challenges, and operations. This collaborative mindset allows us to offer tailored advice and solutions from a team that truly knows their clients' organizations.
- **We believe in being more than just service providers — we're partners in your success.** Our team, from senior partners to support staff, stays involved year-round, offering timely, relevant insights, and fostering a relationship rooted in trust, responsiveness, and genuine care.
- **Every client is unique, and we take the time to understand their distinct qualities.** With firmwide collaboration and seamless knowledge sharing, our teams leverage the experience of professionals across industries to deliver customized support and proactive guidance.
- **Strong relationships are built on consistent, meaningful communication.** Eide Bailly's client service model emphasizes open dialogue, prompt responsiveness, and a collaborative approach that treats clients as peers, ensuring the best outcomes for every engagement.

We know your organization and understand where you're headed. Our team brings a thoughtful, hands-on approach designed to support VCTC's momentum, strengthen your foundation, and help you move forward with clarity. We're committed to being responsive, reliable advisors and would be glad to answer any questions as you evaluate next steps. We look forward to working with you now and in the future.

Warm regards,



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Roger Alfaro, CPA | Partner
909.755.2829 | ralfaro@eidebailly.com

This proposal is a firm and irrevocable offer for 180 days from the date of proposal submission.



Your Goals, Our Commitment

What Sets Us Apart

At Eide Bailly, we believe every organization has untapped potential. With more than 100 years of service and a team of over 3,500 professionals, we align our strengths with your ambitions to move you forward. Whether you're navigating today's challenges or preparing for what's next, our mission is to help you optimize performance, safeguard what you have built, and plan for future growth so your business is stronger today, and even stronger tomorrow.

Your experience with Eide Bailly will be different than working with other CPA and advisory firms. Yes, accounting is about numbers — but our business is about relationships. When you work with us, you'll feel the difference in how we collaborate, communicate, and genuinely care about your success. We deliver personalized service at a service-line level, while offering access to deep industry and service expertise across our national firm. Our professionals work with you to bring clarity, strategic thinking, and practical solutions to every engagement.

A Relationship, Not Just an Engagement

Our work with clients goes beyond the deliverables — it's a relationship built on trust, shared values, and measurable results. When you choose Eide Bailly, you'll continue to:

- Partner with people who take the time to understand you and your organization — not just the numbers.
- Gain insights from specialized teams to address challenges, meet objectives, and uncover new opportunities.
- Make smarter decisions backed by experienced advisors who care about your long-term success.
- Experience our proactive, hands-on service model — always focused on helping you operate at peak performance.

Licensed to Practice

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

Secretary of State Registration: 202020121001 | **State Board of Accountancy Permit:** 5973

Ventura County Transportation Commission

eidebailly.com | 4

Top 20
CPA
firm

1917
more than 100 years
in business

50+
offices in U.S.
& India

440+
partners

3,500+
talented
professionals

We Understand Governments

Our firm's Government Industry Group has 300+ full-time professionals who 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 government industry represents one of Eide Bailly's largest niche areas — with more than 1,300 government clients firmwide. We provide audit services for a variety of transit and transportation authorities, cities, counties, 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 government industry and will provide you with insightful advice.

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*.

Government Industry Involvement

Eide Bailly prioritizes staying current with changes to the government industry. We help clients adapt to changes within the existing standards and implement any new standards. Our team members are engaged in the government industry and are well positioned in organizations associated with government entities including:

- AGA (formerly Association of Government Accountants), local and national boards, and the Financial Management Standards Board.
- American Institute of Certified Public Accountants' (AICPA) Governmental Audit Quality Center (GAQC), Private Companies Practice Section (PCPS) Technical Committee.
- Governmental Accounting Standards Advisory Council (GASAC).
- Review committee of the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting.
 - **Brian Stavenger**, Partner, serves on the GFOA's Committee on Economic Development and Capital Planning.
 - **James Ramsey**, Partner, serves on the GFOA's Accounting, Auditing, and Financial Reporting Standing Committee.
- National Association of State Auditors, Comptrollers and Treasurers (NASACT).
- Association of Local Government Auditors (ALGA)

In addition, our team members have been sought out to present on government topics for multiple professional associations including the Institute of Internal Auditors and the Association of Certified Fraud Examiners.

Gerry Boaz, Governmental Accounting Standards Board (GASB) Implementation Specialist, has regularly attended GASB meetings since 2000 as part of his liaison duties and responsibilities for the State of Tennessee, State Auditor's Office, and provided detailed summaries of those meetings to the NASACT. Gerry's attendance on behalf of Eide Bailly at these meetings provides information for newsletters, e-blasts, and webinars.

1,300+
government
clients served

70+
years
experience

300+
dedicated
professionals

\$28.8
billion
three-year average
in single audits

We have been involved with many GASB task forces over the years that have shaped the future of state and local government accounting and financial reporting. Our task force participation include what became GASB No. 74 and 75 on Other Post-Employment Benefits (OPEB); GASB No. 103, *Financial Reporting Model Improvements*; the note disclosure project, which evolved into GASB Concepts Statement No. 7, *Communication Methods in General Purpose External Financial Reports That Contain Basic Financial Statements: Notes to Financial Statements—an amendment of GASB Concepts Statement No. 3*; and the current revenue and expense recognition (RER) model and voluntary digital financial reporting projects.

Due to our leadership positions, you will have access to information not available from other accounting firms.

Thought Leadership

A number of Eide Bailly partners are nationally recognized state and local government thought leaders who present at dozens of national venues throughout the year. These venues include:

GFOA; NASACT; California Society of Municipal Finance Officers; California State Association of County Retirement Systems; California Association of Public Retirement Systems; AGA National Professional Development Conference and multiple AGA chapters across the country; National Association of Housing and Redevelopment Officials (NAHRO); California, Florida, Iowa, Idaho, South Carolina, and Utah Societies of CPAs; and Colorado, Oregon, and Great Plains GFOAs.

Stay Current and Learn More

www.eidebailly.com

We also provide training for state and local agencies, including:

- Commonwealth of Massachusetts
- Florida GFOA School of Governance
- Florida GFOA seminars and conferences
- Florida State Society of CPAs
- Idaho State Auditor's Office
- Minnesota State Auditor's Office
- Mississippi State Auditor's Office
- Montana State Auditor's Office and State Controller's Office
- North Carolina State Auditor's Office and State Controller's Office
- North Dakota State Auditor's Office
- South Dakota State Auditor's Office
- State of Montana
- State of Nevada
- State of Tennessee Controllers' offices
- Texas AGA
- Texas State Auditor
- Virginia Beach IIA Chapter
- State of California State Controller's Office

Furthermore, an Eide Bailly retired partner was the author for the entire Governmental Library for Commerce Clearinghouse Wolters Kluwer (CCH). This library serves as the interpretative reference on government Generally Accepted Accounting Principles (GAAP), government best practices and government audits for governments, auditors, and educators nationwide.

Online Publications: 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 and emailed to our clients:

- [CMMC: How Department of Defense Contractors Can Comply with Evolving Cybersecurity Requirements](#)
- [GASB Advances Key Projects in September 2025 Meetings](#)
- [5 Benefits of Hiring a Virtual Chief Information Security Officer \(vCISO\)](#)
- [What Governments Need to Know About New Accounting Standards](#)

Team Qualifications

Connecting the Right Resources

We're passionate about our work — and your success. We've selected professionals for your service team who are the right fit for your engagement, based on their knowledge and experience in the government industry, as well as past experience with VCTC.

- **Kinnaly Soukhaseum** and **Roger Alfaro**, Engagement Partners, will be responsible for all aspects of the audit, meeting with management during the audit as well as throughout the year. They will work with the other team members to ensure VCTC's needs and deadlines are met. They are authorized to make representations and bind the firm in contract.
- **David Preciado** and **Erika Partida**, Audit Senior Managers, and **Michaelyn Roelle-McGrand**, Audit Manager, will work with Kinnaly, the rest of the team and VCTC management, coordinating all aspects of the audit process.

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.

Our engagement adheres to partner rotation, in accordance with California Government Code Section 12410.6(b).

Senior and Staff Associates

Once we determine the timing that works best for you, we'll assign a senior and staff associates to your engagement. Our seniors are experienced in public accounting, with several who specialize in the government industry.

All members of our staff are required to comply with necessary continuing professional education (CPE) requirements, and most members of our staff significantly exceed their required amount.



Team 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 higher retention rate, which translates to providing our clients with consistent service teams.

We'll 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.


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Ontario, CA 91764

Kinnaly Soukhaseum, CPA

Partner

909.755.2823 | ksoukhaseum@eidebailly.com



Kinnaly's practice includes audit, accounting and advisory services to government entities throughout California. She has been conducting audits of counties, cities, large regional and special purpose government agencies for over 20 years. Her experience also includes transit agencies, public utilities and single audits.

She 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 Health and Human Services, Department of Housing and Urban Development, Department of Homeland Security, Department of Transportation and a variety of other agencies.

Client Work

Advises and assists clients with disclosure, financial reporting and compliance requirements pursuant to the GFOA Certificate Program.

Provides training to staff through in-house conferences to ensure consistency and knowledge throughout the team, and also provides audit and accounting updates for many of her government clients.

Memberships

American Institute of Certified Public Accountants

Designation/Licensures

Certified Public Accountant

Education

Bachelor of Science, Business Administration - University of California, Riverside

Similar Clients

Ventura County Transportation Commission, San Bernardino County Transportation Authority, Orange County Transportation Authority, Port of Stockton, Santa Clara Valley Transportation Authority, Southern California Regional Rail Authority, North County Transit District

Roger Alfaro, CPA, CITP

Partner

I enjoy helping governments achieve the next level of operations, transparency, and knowledge.

909.755.2829 | ralfaro@eidebailly.com

Roger provides accounting, audit and advisory services to government entities across the nation, including transportation/transit, counties, cities, special districts, and state agencies. He has led engagement teams in risk assessment, internal and external audit planning, coordination of audit engagements, and communication with stakeholders and governing boards.

With more than 27 years of experience, Roger has advised and assisted clients with managing risk, governance and internal control, financial reporting and compliance with laws and regulations in accordance with GAGAS/Yellowbook Standards, AICPA professional standards, and Global Internal Audit/Redbook Standards.

He regularly performs financial statement audits and single audits for government agencies with assets exceeding \$1 billion.

Client Work

Advises and assists clients with disclosure, financial reporting and compliance requirements pursuant to the GFOA Certificate Program. He provides training to staff through in-house conferences to ensure consistency and knowledge throughout the team and also provides audit and accounting updates for many of his government clients.



Memberships

American Institute of Certified Public Accountants

California Society of Certified Public Accountants

Government Finance Officers Association 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

Similar Clients

Ventura County Transportation Commission, Metrolink, Samtrans, Santa Clara Valley Transportation Authority, Caltrain, Orange County Transportation Authority, Riverside County Transportation Commission, San Bernardino County Transportation Authority, OMNITRANS, North County Transit District

David Preciado, CPA

Senior Manager

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

909.755.2727 | dpreciado@eidebailly.com

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 10 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.



Memberships

American Institute of Certified Public Accountants

Designation/Licensures

Certified Public Accountant

Education

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

Similar Clients

Ventura County Transportation Commission, Riverside County Transportation Commission, San Bernardino County Transportation Authority, Victor Valley Transit Authority, Omnitrans

Erika Partida, CPA

Senior Manager

My goal is to provide exceptional client service by offering resources and being responsive to our clients.

949.420.5106 | epartida@eidebailly.com



Erika manages governmental audit engagements including developing the audit plan, managing staff on the engagements, serving as the key point of contact on engagements, communicating any issues identified during the audit and reviewing staff work and financial statements.

When you work with Erika, you can expect her to take her time to understand your organization and conduct an efficient audit.

Outside of work, Erika enjoys spending time with her family.

Client Work

Leads audit engagements of large governmental entities.

Provides resources to clients to aid in the implementation of new accounting pronouncements.

Supervises staff in the field.

Facilitates regular on-going status meetings with clients.

Issues financial statements timely in order to meet client deadlines.

Memberships

American Institute of Certified Public Accountants

Designation/Licensures

Certified Public Accountant

Education

Bachelor of Science, Accounting - University of La Verne, La Verne, California

Similar Clients

NCTD, OCTA, RCTC, Imperial County Local Transportation Authority

Michaelyn Roelle-McGrand

Manager

909.755.2682 | mmcgrand@eidebailly.com



Michaelyn provides audit services to governmental entities throughout California with a focus on cities, counties and special districts.

When you work with Michaelyn, you can expect her to take her time to understand your organization and work with you to meet your goals.

Outside of work, Michaelyn enjoys spending time with family, outdoors, on the lake and at the race track.

Client Work

More than six years experience working on audits of government and nonprofit entities

Memberships

American Institute of Certified Public Accountants

Designation/Licensures

Certified Public Accountant

Education

Master of Accountancy - Cal Poly Pomona, Pomona

Bachelor of Science, Business Administration, Accounting - Cal Poly Pomona, Pomona

Similar Clients

RCTC, MetroLink, OMNITRANS

Peer Review

Our AICPA membership requires a third-party peer review of our audit and accounting practice every three years. Our most recent quality review included several government engagements and received a rating of 'Pass'.



Report on the Firm's System of Quality Control

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 Public Company Accounting Oversight Board ("PCAOB") permanent inspection in effect for the year ended April 30, 2023. 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 on 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 and complying with a system of quality control to provide the Firm with reasonable assurance of performing and reporting in conformity with the requirements of 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 on in conformity with the requirements of applicable 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 and compliance with the Firm's system of quality control 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 April 30, 2023, 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

Atlanta, Georgia
January 9, 2024

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.



Qualifications

Understanding Your Needs

Based on the issued RFP and previous experience with VCTC, we understand your needs to include the following. We will:

- Prepare VCTC's Annual Comprehensive Financial Report (ACFR) and audit all funds.
- Perform a single audit on the expenditures of federal grants.
- Issue a management letter.
- Assist with implementation of applicable GASB pronouncements.
- Review the ACFR to ensure compliance with the requirements of the GFOA Certificate of Achievement for Excellence in Financial Reporting award program.

Commitment to VCTC

We welcome the opportunity to be your professional services firm and commit to providing the services listed above. In addition, we will:

- Provide ongoing help for questions, concerns and problems that arise whether they are anticipated or unexpected.
- Provide **Kinnaly Soukhaseum** and **Roger Alfaro** as your specific client service contacts 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.
- Perform the work within the time period, meeting your expectations.

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.

Experience with Transportation Authorities and Transit Agencies

We have extensive experience in the government transit arena and have served government clients for more than 70 years.

The proposed team members have worked on the following transit clients.

- **Ventura County Transportation Commission (VCTC) (Congestion Management)**
- Southern California Regional Rail Authority/Metrolink (Rail)
- Orange County Transportation Authority (OCTA) (Bus and Toll)
- Tri-County Metropolitan Transportation District of Oregon (Tri-Met) (Bus and Light Rail)
- Golden Gate Bridge, Highway and Transportation District (Toll, Bus, and Ferry)
- Peninsula Corridor Joint Powers Board (JPB) (Rail)
- Santa Clara Valley Transportation Authority (VTA) (Bus, Rail and Light Rail)
- Riverside County Transportation Commission (RCTC) (Congestion Management and Toll)
- San Bernardino County Transportation Authority (SBCTA) (Congestion Management)
- San Francisco Transportation (SFCTA) (Congestion Management)

Projects funded with the above programs that were audited by this team include:

- BART extension to San Jose
 - Phase I with an approximate cost of \$2.3 billion with \$900 million funding from FTA's Capital Investment Grant
 - Phase II with an approximate cost of \$5.5 billion with \$1.7 billion funding from FTA's newly established Expedited Project Delivery Pilot Program
- Transbay Terminal Center with an approximate cost of \$2.2 billion with \$600 million funding from FRA's High Speed Corridors and Rail program and TIFIA loans
- Peninsula Corridor Electrification Project with an approximate cost of \$1.9 billion with \$700 million funding from FTA's Federal Transit Capital Investment Grants and FTA's Transit and Intercity Rail Capital Program

Example Projects

Timely issuance of all reports for all projects.

TriMet District of Oregon

2022-Present | >\$230,000

Annual audit of the Financial Statements with Supplementary Information, Agreed Upon Procedures related to NTD, Compliance audits include Federal Compliance, debt compliance, Minimum Standards for Audits of Oregon Municipal Corporations, Agreed Upon Procedures related to Statewide Transportation Improvement Fund.

Santa Clara Valley Transportation Authority (VTA)

2004-Present | >\$160,000

Annual audit of the ACFR, Agreed Upon Procedures related to NTD, Compliance audits include Federal Compliance, Transportation Development Act, PTMISEA, Separate reports on the ATU pension plan and the OPEB pension plans, Audit also encompassed a multi-billion dollar project, the BART extension to San Jose.

Golden Gate Bridge, Highway and Transportation District

2007-Present | >\$100,000

Annual audit of the ACFR, Agreed Upon Procedures related to NTD, Compliance audits include Federal Compliance, Transportation Development Act, PTMISEA, Audit also encompassed multi-billion dollar projects such as the Suicide Barrier and the Bridge's Seismic retrofit project.

San Mateo County Transit District (SAMTRANS)

2019-Present | >\$160,000

ACFR preparation of PCJPB, SamTrans, and SMCTA-GFOA, Measure A, OMB *Uniform Guidance* Compliance, TDA compliance and AUP with respect to the NTD.

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*.

Transportation Experience

Your proposed Eide Bailly team specializes in transportation agencies. The team outlined in this proposal have worked on the following, ***in addition to those in the list to the right:***

- Peninsula Corridor Joint Powers Board (Rail),
- Santa Clara Valley Transportation Authority (Bus, Rail and Light Rail),
- North County Transit District,
- San Bernardino County Transportation Authority (Bus),
- San Francisco Transportation Authority (Congestion Management),
- Ventura County Transportation Commission (Congestion Management),
- Valley Regional Transit (Bus).

Experience Conducting Audits of National Transit Database Reports

We have experience conducting audits of the National Transit Database as required by Federal Transit Administration, including attest procedures for Bus, Rail, Demand Response, Ferry, Vanpool, Taxi, Commuter Bus, and Rapid Bus Modes. We are familiar with many systems used to track ridership data including TRAPEZE, TRANSTRACK SYSTEM and HASTUS software. We are experts with the filing requirements and have assisted and advised the following clients about the reporting requirements:

- Santa Clara Valley Transportation Authority: MBDO, MBPT, DRPT, LRDO,
- San Mateo County Transit District: MBDO, MBPT, DRPT,
- Peninsula Corridor Joint Power Board: MBPT, CRPT,
- Metrolink: DRPT, CRPT,
- Golden Gate Bridge, Highway and Transportation District: MBDO, MBPT, DRPT, DRTX, FBDO,
- Monterey-Salinas Transit: MBDO, MBPT, CBDO, CBPT, DRPT, DRTX,
- Victor Valley Transit Authority: MBDO, MBPT, DRPT, DRTX, VPPT,
- OMNITRANS: MBDO, MBPT, DRPT, DRTX, CRPT, VPPT,
- Orange County Transportation Authority: MBDO, MBPT, CBDO, CBPT, DRPT, DRTX, VPPT,
- Sunline Transit District: MBDO, DRDO, VPPT, and
- North County Transit District: CRPT, DRPT, DRTX, MBPT.

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.

Federal Programs Funded by the U.S. Department of Transportation

Our single audit experience includes auditing the following transit-related programs:

- 20.526 Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs,
- 20.321 Railroad Safety Technology Grants,
- 20.223 Transportation Infrastructure Finance and Innovation Act (TIFIA) Program,
- 20.516 Job Access and Reverse Commute Program,
- 20.505 Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research, and
- 20.319 High-Speed Rail Corridors and Intercity Passenger Rail Service – Capital Assistance Grants.



We are familiar with various aspects of federal funding including the CARES and CRRSAA Acts. We have read and fully understood the compliance requirements relating to the following Title 49, U.S.C. Sections 5307, 5309, 5311, and 5339(a) grants.

Projects funded with the above programs that were audited by this team:

- Bay Area Rapid Transit extension to San Jose.
 - Phase I with an approximate cost of \$2.3 billion with \$900 million funding from FTA's Capital Investment Grant.
 - Phase II with an approximate cost of \$5.5 billion with \$1.7 billion funding from FTA's newly established Expedited Project Delivery Pilot Program.
- Transbay Transit Center with an approximate cost of \$2.2 billion with \$600 million funding from FRA's High Speed Corridors and Rail program and TIFIA loans.

Peninsula Corridor Electrification Project with an approximate cost of \$1.9 billion with \$700 million funding from FTA's Federal Transit Capital Investment Grants and FTA's Transit and Intercity Rail Capital Program.

Eide Bailly has a three-year average of auditing more than \$28.8 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 government entities, we have familiarity with a wide variety of federal programs.

If VCTC expands their 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 programs are established. Paired with our many years of experience, we are qualified to effectively work with your organization to ensure that federal requirements are met.



Audit Methodology

A Demonstrated Approach

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

We value our business relationships and demonstrate this through 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 and remain connected throughout the year. This approach delivers the greatest benefit to our clients because we are able to stay abreast of changes in and updates to our clients' operating environments and collaborate to achieve optimal results.

Our clients experience a communication approach that stands apart in both style and frequency. Because we recognize effective interaction is critical throughout the entire audit process, our service and communication begins with planning and continues throughout the year. Additionally, we communicate collaboratively with our clients and include them in the process as our peers. Our clients offer a wealth of knowledge and information about their organization, and interacting with them as a business peer 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 workpapers 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.

Proposed Segmentation of the Engagement

Audit Work Plan



Our audit approach is designed for collaboration and optimal results. It consists of five major components: Planning, Interim Work, Fieldwork, Reporting, and Ongoing Communication. If awarded, we will discuss with management our proposed schedule, but we also have the flexibility to make any changes to meet reporting deadlines. The objectives of each component are:

Planning

- Discuss and finalize the engagement timeline, audit approach, and process.
- Discuss risks and concerns of the management and accounting staff, including the Board, if requested.
- Evaluate the nature of the operating environment (e.g., changes in volume, degree of system and reporting centralization, sensitivity of processed data, impact on critical business processes, potential financial impacts, planning conversions, and economic and regulatory environment).
- Review interim financial information and reports to identify significant risks and changes.
- Review significant estimate areas and consider underlying assumptions.
- Update our understanding of VCTC, its reporting units and their environments.
- Document internal control systems, including IT, and related changes from prior periods.
- Consider fraud, risk of noncompliance, illegal acts, abuse, etc.
- Assess audit risk and identify potential audit issues.
- Assess materiality and testing scopes, to the extent possible, and present audit plan.
- Prepare and communicate audit request lists and workpapers.
- Develop expectations regarding timing and audit progress.
- Gain understanding of single audit programs and perform an analysis of potential major federal programs.

Interim Work: Single Audit

Phase I: Risk Assessment and Planning

This phase encompasses the planning and risk assessment of your federal programs. The planning phase sets the tone as well as set the stage for an efficient and effective single audit. We'll work closely with management to properly identify federal programs and clusters to determine the major programs to be tested. The steps include:

- Determine grant awards and funding increments.
- Determine the Type A and Type B thresholds.
- Perform a review of the past two single audits and document the program risk to determine risk, for any programs above the threshold (Type A).
- Make final determination of major programs to be tested.
- Review applicable Uniform Guidance *Compliance Supplement* for any unusual items and determine direct and material compliance areas for each major program.

Phase II: Major Program Testing

After making the major program determination, we will test the major programs through the following steps:

- Obtain audit steps from the *Compliance Supplement*.
- Obtain the process and controls related to the direct and material compliance areas identified during planning. The controls for each 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 material weaknesses or material noncompliance to management.
- Hold periodic status meetings and discuss potential findings with management while our auditors are in the field.

Phase III: Assessment and Reporting

The above steps are based on the preliminary Schedule of Expenditures of Federal Awards (SEFA). Once the SEFA has been finalized, we will determine if any additional major programs are to be tested. We will:

- Perform major program testing steps for any newly identified programs.
- Review prior findings, if any, and determine if findings were cleared by management and do not need to be reported during the current year.
- Prepare the Schedule of Findings and Questioned Costs.
- Hold an exit conference with management and key grant personnel and provide a draft report of the single audit and any Yellow Book findings required to be reported. Findings are reviewed by the Manager and Engagement Partner prior to the exit conference.

Interim Work: Financial Statement

- Communicate with management to determine internal controls, perform walk-throughs and to discuss any potential audit issues.
- Determine audit procedures by area, based on results of 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.
- Provide weekly updates to VCTC staff.
- Hold exit conference with management.

Final Fieldwork

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

Reporting

- Review of financial statements by the Engagement Partner.
- Review of financial statements by the Technical Review Partner to obtain a second opinion on the completeness and adequacy of financial statement disclosures and audit procedures.
- Complete management letters and review with management.
- Prepare other communications to management and the Board.
- Assist with preparation of the Data Collection Form and the reporting package for submission to the Federal Audit Clearinghouse.
- Present to the 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 keep us up to date with continuing changes.
- Compare 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, upon request.

We take a “no surprises” approach to our engagements. We work closely with management and accounting personnel throughout the audit process, hold weekly meetings to review open items, discuss potential accounting or compliance issues, and provide periodic written or oral reports on the status of the audit to representatives of VCTC. At the end of fieldwork, we will hold an exit conference with management to discuss any potential findings and come to a conclusion. We strive not to have additional findings subsequent to the exit conference.

Audit Schedule

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



Activity	Timing
Planning	March/April
Interim Work	May
Fieldwork	Late September/October
Reporting	November
Ongoing Communication	Throughout the Year

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.

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 Bridge

Our client portal, EB Bridge, is designed to strengthen the relationship between Eide Bailly and our clients, facilitating collaboration and connection between our clients and employees. EB Bridge enables clients to engage effectively throughout their interactions with improved processes, better document management, and a more efficient annual client access review.

Suralink

Suralink is an interactive Provided by Client (PBC) software solution which improves the client experience for document exchange. This addition to our suite of tools saves a substantial amount of time managing PBC documents, creating increased efficiencies during your engagement.

Data Extraction Software

TeamMate Analytics: Eide Bailly designs our approach to incorporate the use of TeamMate Analytics to maximize efficiency while conducting a very effective audit. Through TeamMate Analytics, 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 developed by our audit team.

DataSnipper: Eide Bailly's audit approach is enhanced by the use of DataSnipper, a powerful Excel add-in that improves efficiency and fosters effective auditing practices. This innovative tool allows us to leverage artificial intelligence (AI) for automated document matching. With configurable templates for standardized audit procedures, DataSnipper streamlines workpaper preparation and review while enhancing collaboration within our audit practice.

CCH ProSystem fx Engagement by Wolters Kluwer

This software is used to perform the audit, retains the electronic workpapers and supporting documentation, performs project tracking and facilitates quality engagement review.

Artificial Intelligence (AI)

Eide Bailly's approved AI tools are Microsoft CoPilot and Ask Blue J. Microsoft CoPilot is available to be used throughout the organization to securely automate and enhance processes. Ask Blue J is available for use in our tax practice to research and analyze complex tax matters.

Our approved AI solutions are supported by a rigorous commitment to security, privacy, and compliance. All client data remains within our secure U.S. based environments and is never used to train external models. We leverage trusted platforms and enterprise-grade controls to ensure data protection, transparency, and traceability at every stage.

Flexibility to Meet Your Needs

Eide Bailly performs all engagements in a paperless environment. As a technology-driven firm, we've seen no issues in performing audit procedures off-site from our clients. We utilize tools, such as using Microsoft Teams, which allows us to communicate with our clients face to face, while sharing screens, to make the process as seamless as possible. We host webinars to educate our clients on changing circumstances and how to successfully navigate those changes. We have no concerns completing this audit remotely should VCTC desire it. We'll discuss with management which approach, remote versus on-site, works best for you.

Level of Staffing and Number of Hours

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



Activity	Partner	Manager	Senior	Staff	Other	Total
Planning	2	6	12	12	2	34
Interim Work	6	10	22	24	1	63
Fieldwork	16	32	72	82	-	202
Exit Conference	2	2	4	4	-	12
Final Report	4	6	21	28	4	63
Total	30	56	131	150	7	374

Statistical Sampling

Sampling may be performed for tests of controls, compliance testing and substantive tests of certain accounts and transactions. During our basic financial statement audit, 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 planning or fieldwork.

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

Analytical Procedures

Analytical procedures will be applied throughout general planning to improve our understanding of your operations and to identify audit areas for increased attention. These will assist in planning the nature, timing and extent of other procedures, and will be applied to all balance sheet, revenue/receipt and expense/expenditure areas. Procedures include 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 Year-end Fieldwork: Analytical procedures are used 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. The expectation is developed 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 business because the key factors that influence your business may be expected to affect the financial data.

During Reporting: Our last step is to perform a final analytical review at the financial statement level to ensure we comprehensively understand 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 such changes are consistent with the knowledge of your business and our audit evidence.

These procedures typically consider trends based on several previous years, instead of comparison only with the prior period.

Internal Control Structure

A significant aspect of the planning process involves understanding each reporting unit's internal control environment, including IT controls and, where relevant, testing of internal controls. The following is a summary of our process regarding internal controls over financial reporting and compliance:

Internal Controls over Financial Reporting

Our approach will start with any documentation related to internal controls already developed. We review that documentation to obtain an overview of the internal control system and then conduct interviews with your 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. By completing control testing in these areas, we expect to reduce substantive testing to conduct an efficient audit. Our approach will be focused on key process controls or overall system controls, rather than detailed control processes. We will also focus on key IT related controls in areas such as revenue, payroll and claims, for more efficiency from an audit perspective relative to the control process.

Our risk-based approach incorporates control testing and substantive tests of balances, where appropriate. In certain areas that are not as significant, we will conduct the audit using a primarily substantive approach. Our experience is that substantively auditing a balance rather than completing an extensive control test is often more efficient and effective.

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 identifies 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.

The approach to understand your internal controls includes:

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

The timely completion of this work allows us to perform our work efficiently and promptly communicate any potential recommendations.

In addition, our engagement approach is based on:

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

Determining Laws and Regulations Subject to Audit Test Work

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

During our audit procedures, we will:

- Perform tests of compliance with certain provisions of laws, regulations, contracts and grants.
- 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.
- Combine compliance tests of laws and regulations involving the inspection of documentation supporting transactions with substantive tests of transactions and tests of control procedures.

Our audit will meet all applicable federal and state requirements. Samples will be used to the extent necessary to support our conclusions on compliance with laws and regulations.

Drawing Audit Samples

We design our audit procedures for compliance using sampling procedures to result in sample items being selected on a random basis. To accomplish this, we utilize our data extraction software, TeamMate Analytics, to ensure our selections meet the established criteria while maintaining the random selection. We also use samples across different audit areas to be as efficient as possible while testing the necessary items to get comfortable with the applicable balances. 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.

Anticipated Audit Issues

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're 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 finish scheduled fieldwork, 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.

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, and schedule quarterly calls to stay in touch.
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 government clients.

Under this 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 our staff are expected to embrace as part of our service culture.

Most audits have issues that arise from time to time; however, we will resolve these issues through frequent communications with you, and by helping you with implementation issues, adjusting journal entries or communications with GASB staff.

We're experienced in transitioning many clients from predecessor professional service providers. In each case, we worked closely with client personnel and accomplished the transition with minimal disruption of client activities. We further minimize the disruption to VCTC by staffing our first-year engagement with higher level resources, including managers and partners in detailed level work to assist with the set-up of documentation.

Assistance from Your Staff

Your service team will meet with VCTC's management for initial planning and a pre-audit conference to discuss audit schedules and review prior year problems (if any). We'll then provide VCTC personnel a Prepared by Client Guide (PBC), which highlights the work papers and information needed for the engagement process. We'll 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 engagement, our use of VCTC personnel will include answering questions, updating schedules, addressing issues identified, and obtaining support documentation. Our processes focus on performing the engagement efficiently, which includes constant communication amongst the team members so we're not asking redundant questions or requesting the same document several times. We also hold weekly meetings with management to determine the audit status and any outstanding items to be addressed. This keeps 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 fieldwork ensures the success of meeting the mutually agreed upon deadlines.

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 allows us a deeper understanding of the risks surrounding VCTC and the ability to perform a thorough audit without a learning curve. Our preliminary review results in 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 to change your engagement team while retaining the organizational insight we gain over the years, if you think you would benefit from auditor rotation. Eide Bailly's government professionals have extensive experience in the industry and an important advantage from the firm's focus on continuing education. These individuals are well positioned in organizations associated with government entities, such as the AICPA and GAQC, the primary purpose of which is to promote the importance of quality government audits, and have held leadership roles in the GFOA.

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

Maintaining Positive Relationships

Our number one goal is to meet VCTC's expectations while providing the necessary required audit services. We work with our teams to provide the best client service and select team members based on that goal. However, there are times we may not meet that expectation or fall short in meeting client satisfaction. When those times occur, we admit our shortcomings and meet with management to determine on an agreed upon plan to improve those areas.

As the engagement partners, **Kinnaly Soukhaseum** and **Roger Alfaro** are responsible for monitoring VCTC's satisfaction of our services and will meet with management during the year to evaluate the overall satisfaction and make any necessary adjustments.

Our clients know and respect us for our positive culture — we're also proud to be **ranked in the 2025 Vault Top 25 Accounting Firms list for client interaction**. Negative comments are relatively infrequent. Over the past three years, Eide Bailly's Net Promoter Score (NPS) has maintained at or been near 70. For context, the professional survey firm ClearlyRated reports an average NPS of 38 for the accounting industry. While we know our score reflects a high level of satisfaction, we're committed to consistent and regular improvements to drive continual improvements for our client base.

Client Assistance

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.

Several of our professionals serve on committees that have direct input into writing new standards. This enables our involvement from the beginning and ability to 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.

Government Webinar Series

Learn about the latest GASB updates and implementation strategies, issues affecting governments, best practices, and pitfalls to avoid.

[Learn More](#)

GFOA's Certificate of Achievement for Excellence in Financial Reporting

Eide Bailly's government professionals are well-positioned in organizations associated with government entities. We are members of the AICPA's GAQC, the primary purpose of which is to promote the importance of quality government audits. We have also held leadership roles in the GFOA at both the national and local levels.

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. We current work with more than 100 clients that maintain the GFOA's Certificate of Achievement for Excellence in Financial Reporting.

Several members of our firmwide government team are members of the GFOA's Special Review Committee (SRC) for the Certificate of Achievement for Excellence in Financial Reporting, including:

- Ahmad Gharaibeh, Partner (10 years on SRC)
- Nathan Edelman, Partner (8 years on SRC)
- Michael Michelsen, Partner (15 years on SRC)
- Lealan Miller, Partner (15 years on SRC)
- Brian Stavenger, Partner (15 years on SRC)
- Brian Unsen, Partner (15 years on SRC)
- Brad Thiesen, Senior Manager (10 years on SRC)
- Jamie Fay, Partner (7 years on SRC)
- Jessica Andersen, Partner (5 years on SRC)

For those clients that we assisted with their initial submission to the certificate program, we used various resources. We worked closely with the entity in providing concise feedback in our review of the final statements. We also use internal Generally Accepted Accounting Principles (GAAP) checklist, GFOA's Governmental GAAP checklist as well as drawing upon our extensive experience with similar government entities that submit their annual ACFRs.

We review ACFRs each year supplied by GFOA's SRC and provide all our staff with this valuable experience as well. We know how important maintaining the GFOA Certificate of Achievement for Excellence in Financial Reporting is to VCTC; we will continue to work with you to maintain this certification.



References

Experience You Can Trust

As a top 20 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.



Riverside County Transportation Commission	
Contact	Sergio Vidal , Chief Financial Officer 951.787.7926 svidal@rctc.org
Total Hours	1,200 hours
Scope of Work	ACFR-GFOA Audit, OMB Uniform Guidance Compliance and AUP with respect to the commuter assistance program, standalone audit reports of toll road operations, and debt covenant compliance report.
Date	2020-Present
Partner	Roger Alfaro
TriMet District of Oregon	
Contact	Cara Fitzpatrick, CPA Director Of Financial Services 503.962.4817 FitzpatC@TriMet.org
Total Hours	800 hours
Scope of Work	Audit, debt compliance, OMB Uniform Guidance Compliance, agreed-upon procedures (AUP) audits with respect to the NTD and STIF, and IT Audit.
Date	2022-Present
Partner	Ahmad Gharaibeh
San Mateo County Transit District (SAMTRANS)	
Contact	Annie To , Director of Finance 650.399.6256 ToA@samtrans.com
Total Hours	550 hours
Scope of Work	ACFR preparation of PCJPB, SamTrans, and SMCTA-GFOA, Measure A, OMB Uniform Guidance Compliance, TDA compliance and AUP with respect to the NTD
Date	2015-Present
Partner	Ahmad Gharaibeh

Lane Transit	
Contact	Pamela Strutz, CPA Director of Finance 541.682.6161 Pamela.Strutz@ltd.org
Total Hours	480 hours
Scope of Work	ACFR preparation, AUP related to NTD, Compliance audits include Federal Compliance, OMS Compliance, AUP for STIF.
Date	2023-Present
Partner	Ahmad Gharaibeh

Golden Gate Bridge, Highway & Transportation District	
Contact	Cody Smith , Director of Accounting 415.923.2228 csmith@goldengate.org
Total Hours	>2,000 hours
Scope of Work	ACFR-GFOA preparation, OMB Uniform Guidance Compliance, TDA Compliance, PTMISEA Audit and AUP with respect to NTD
Date	2007-Present
Partner	Ahmad Gharaibeh

Santa Clara Valley Transportation Authority	
Contact	Grace Ragni , Assistant Controller 408.321.7019 Gracita.Ragni@vta.org
Total Hours	820 hours
Scope of Work	ACFR-GFOA preparation, OMB Uniform Guidance Compliance which included extension of the BART to San Jose, AUP with respect to NTD, ATU Pension Plans.
Date	2004-Present
Partner	Ahmad Gharaibeh

Certifications

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

The Consultant, Eide Bailly LLP, certifies by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or VCTC. The above Consultant 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 Consultant is unable to certify any of the statements in this certification, such Consultant shall attach an explanation to this proposal.


Authorized Official

Partner
Title of Authorized Official

January 29, 2026
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

Partner
Title of Authorized Official

January 29, 2026
Date

Compliance Statements

Eide Bailly is in compliance with the Equal Employment Opportunity Act, the California Fair Employment Practices Act, and Title VI of the Civil Rights Act of 1964.

Price Proposal

Expected Fees

Our fees are based on the complexity of the issue and the level of expertise required by our team members to effectively address it. If you request additional services, we'll obtain your agreement on fees before commencing work to avoid surprises or hidden fees. We propose the following fees based on our understanding of the scope of work and the level of involvement of VCTC's staff:

Attachment A - Audit Cost Proposal

Cost Summary - Fiscal Year ending June 30th					
Service	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030
Financial Audit and related reports	64,600	67,184	69,872	72,666	75,573
Single Audit and related reports	9,500	9,880	10,275	10,687	11,114
Total for Fiscal Year (Not-to-exceed)	74,100	77,064	80,147	83,353	86,688
Cost of Additional Single Audit (if required)	7,125	7,410	7,706	8,014	8,334

Hours and Rate Estimate by Year	2025/2026		2026/2027		2027/2028		2028/2029		2029/2030	
Provider	Rate	Hours								
Partner	\$400	30	\$416	30	\$433	30	\$450	30	\$468	30
Manager	350	56	364	56	379	56	394	56	410	56
Senior	200	131	208	131	216	131	225	131	234	131
Staff	180	150	187	150	194	150	202	150	210	150
Administrative	100	7	104	7	108	7	112	7	116	7
Other (Specify)										
Total Hours	-	374	-	374	-	374	-	374	-	374

The professional fees listed above are inclusive of all out-of-pocket expenses and you'll not be billed for expenses such as travel time, mileage, and meals. Total fees include a 5% technology fee used to support and enhance the quality work we provide by investing in technology.

Billing Policy Regarding Inquiries

We know clients appreciate access to all 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.

Future Year Pricing Guarantees

Our fee increases for future years are consistent with inflationary increases in the industry. They are contingent upon no major changes to VCTC, and that significant accounting and auditing rule changes and procedures remain consistent with current requirements. Fees don't include additional time that could be incurred due to changes to the scope of the engagement.

The Best Value for Your Dollar Spent

We greatly value our working relationship and remain committed to supporting your team in a way that delivers long-term success. While fees are an important consideration, we hope they are not the deciding factor. We are more than willing to discuss the proposed fees, estimated hours, audit responsibilities, and overall scope of work to ensure the engagement aligns with your needs and expectations. With year-round communication, invitations to educational events, access to resources on any accounting and regulation changes and information on other topics of interest to your industry, our staff will continue to build our trusting relationship with VCTC. Our current clients value this all-encompassing approach over lower fees, with additional charges for involvement beyond the conclusion of an engagement.



The Right Choice for VCTC

Our longstanding relationship with VCTC has allowed us to build efficiencies into the audit process to enable an efficient and effective audit process. We will continue to leverage this historical knowledge to provide value to VCTC beyond our assurance engagement.

We understand and recognize the careful consideration that VCTC must undertake when determining whether to continue with Eide Bailly as your current accounting firm or transition to a new firm. Other firms responding to your proposal request will highlight their abilities to create a smooth transition; however, the reality is that a transition will cause some inconvenience to VCTC's management and staff. Sometimes circumstances exist that may ultimately drive your decision to switch firms, but we hope to highlight all the reasons not to.

The following are some of the many reasons why we think our relationship with VCTC continues to be the best fit:

- Partner rotation requirements allow us to provide a fresh, objective view of the audit without causing additional disruption by replacing the entire audit team or approach.
- Our extensive experience in the higher education industry extends firmwide and continues to provide additional resources at VCTC's disposal.
- Inquiries from management regarding technical issues, including phone calls throughout the year, are not billed separately and reflect our commitment to serve you beyond traditional offerings.
Our philosophy is to be proactive in our conversations with management, rather than identify potential issues during the audit engagement.
- Our willingness to be a trusted advisor extends beyond management, as demonstrated by recommendations and discussions on numerous occasions.

Advantages of Working with Us

Depth of Resources

We have the ability to rotate partners to provide a fresh, objective view.

Additional Offerings

Extensive experience extends firmwide and continues to provide additional resources at your disposal.

Senior-Level Involvement

Partners and managers are extensively involved throughout the audit process.

Proactive Communication

We're responsive and direct, and we'll continue to present information relevant to decision-making.

A Trusted Advisor

We strive to be your trusted advisor, making recommendations and identifying mutually beneficial business opportunities.

- We have demonstrated our responsiveness in returning email communications and phone calls so that you receive answers to inquiries on a timely basis.
- We have addressed difficult conversations with management and are direct in our communications.
- We continue to present management and the audit committee with important information that is relevant to decision making.
- Our partners and managers spend extensive time in the field, so any issues identified are resolved in the field and not at the conclusion of the audit.

Eide Bailly has made a commitment to provide you with a level of service and attention that surpasses our competitors, and more importantly, makes you feel as valued as you are.

Exceeding Expectations and Achieving Goals

For us, work goes beyond mere tasks; we view it as an opportunity to assist you in addressing challenges, reaching objectives, and following your passions. After carefully assessing your requirements and investing time in understanding VCTC, we believe we're an ideal fit for this opportunity.

We're committed to being responsive, reliable advisors and would be glad to answer any questions as you evaluate next steps. We want to make sure you have everything you need to make your decision.

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We Want to Work with You

Our goal objective is simple: to help you move forward with confidence. Whether it's protecting what you've built, improving performance, or uncovering new ways to grow, Eide Bailly is here to offer thoughtful support and practical solutions. We look forward to working with you.