

# **SACRAMENTO TRANSPORTATION AUTHORITY AUDITOR SERVICES AGREEMENT STA-27-AUD-001**

**THIS AGREEMENT** is made at Sacramento, California, as of \_\_\_\_\_ by and between the Sacramento Transportation Authority (“STA”), a local transportation authority formed pursuant to California Public Utilities Code section 180000 et seq. and Brown Armstrong Accountancy Corporation (“Auditor”), a California corporation.

## **RECITALS**

**WHEREAS**, STA is required under California Public Utilities Code section 180105(c) to cause a post audit of the financial transactions and records of the Authority to be made at least annually by a certified public accountant;

**WHEREAS**, STA is required under its Measure A Ordinance and Transportation Expenditure Plan to conduct compliance audits to ensure that each recipient agency is expending funds in accordance with the provisions and guidelines established for Measure A revenues;

**WHEREAS**, STA is required under its Measure A Ordinance and Transportation Expenditure Plan to supervise periodic performance audits based upon performance standards adopted by the STA Board for each program or project funded in whole or in part with Measure A sales tax funds, report on progress in meeting such standards, and make recommendations for improving overall program performance;

**WHEREAS**, STA issued a publicly posted Request For Proposals for financial statement audit and performance / compliance agreed-upon procedures services, with proposals due August 12, 2026, and selected Auditor as the preferred firm to provide the required services;

**WHEREAS**, the STA Board of Directors desires to retain a qualified auditor to perform the Annual Comprehensive Financial Report audit and the Performance / Compliance Agreed-Upon Procedures engagement described in this Agreement;

**WHEREAS**, Auditor represents that it possesses the experience, knowledge, licenses, qualifications, and capacity necessary to perform, prepare, and deliver professional audit and agreed-upon procedures services consistent with this Agreement; and

**WHEREAS**, STA is authorized to enter into this Agreement pursuant to California Public

**NOW, THEREFORE**, in consideration of the mutual promises hereinafter set forth, STA and Auditor agree as follows:

1. **Services.** Subject to the terms and conditions set forth in this Agreement, Auditor shall provide to STA the services described in Exhibit A. Auditor shall provide said services at the time, place, and in the manner specified in Exhibit A. The Auditor shall not be compensated for services outside the scope of Exhibit A unless prior to the commencement of such services: (a) Auditor notifies the STA that such service is deemed an additional service and Auditor estimates the additional compensation required for this activity; and (b) the STA, after notice, agrees to and approves the additional service and compensation in writing.

2. **Payment.** STA shall pay Auditor for services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit B. The payments specified in Exhibit B shall be the only payments to be made to Auditor for services rendered pursuant to this Agreement unless, pursuant to paragraph 1 above, STA approves additional compensation for additional services. Auditor shall submit all billings for said services to STA in the manner specified in Exhibit B; or, if no manner be specified in Exhibit B, then according to the usual and customary procedures and practices which Auditor uses for billing clients similar to STA.

3. **Facilities and Equipment.** Except as set forth in Exhibit C, Auditor shall, at its sole cost and expense furnish all facilities and equipment which may be required for furnishing services pursuant to this Agreement. STA shall furnish to Auditor only the facilities and equipment listed in Exhibit C according to the terms and conditions set forth in Exhibit C.

4. **General Provisions.** The general provisions set forth in Exhibit D, which include insurance requirements, are part of this Agreement. In the event of any inconsistency between said general provisions and any other terms or conditions of this Agreement, this Agreement shall control over the general provisions.

5. **STA Representative.** The STA Representative specified in Exhibit A, or the representative's designee, shall administer this Agreement for the STA.

6. **Exhibits.** All exhibits referred to herein are attached hereto and are by reference incorporated herein.

Executed as of the day above stated.

Sacramento Transportation Authority

Brown Armstrong Accountancy Corporation

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Kevin Bewsey  
Executive Director

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Ryan Nielsen  
Partner

Approved as to Form:

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General Counsel

Attachments:

- Exhibit A - Representatives and Services to be Provided
- Exhibit B - Fee Schedule and Manner of Payment
- Exhibit C - Facilities and Equipment to be provided by STA
- Exhibit D - General Provisions
- Exhibit E - Performance / Compliance Audit Objectives and Performance Standards
- Exhibit F - Auditor Proposal

**SACRAMENTO TRANSPORTATION AUTHORITY**  
**EXHIBIT A**  
**AUDITOR SERVICES AGREEMENT**

**REPRESENTATIVES AND SERVICES TO BE PROVIDED**

**1. Representatives:**

The STA Representative for this Agreement is:

**Dustin Purinton, Chief Financial Officer** (916) 323-0894

All Auditor's questions pertaining to this agreement will be referred to the above-named person or the representative's designee.

The Auditor's Representative for this Agreement is:

**Ryan Nielsen, Partner** (661) 324-4971

All STA questions pertaining to this Agreement will be referred to the above-named person. All correspondence to the STA will be addressed to:

Sacramento Transportation Authority  
801 12<sup>th</sup> Street Floor 5  
Sacramento, CA 95814  
Attn: Dustin Purinton, Chief Financial Officer  
[dustin@sacta.org](mailto:dustin@sacta.org)

**2. Services to be provided:**

Auditor shall provide a combined engagement consisting of: (1) the Annual Comprehensive Financial Report audit of STA, including SAVSA as applicable; and (2) the Performance / Compliance Agreed-Upon Procedures engagement relating to Measure A recipient entities and programs. The engagements are separate service components under one Agreement, and each component shall be performed in accordance with the applicable professional standards, scope, schedule, and deliverables described below.

**a. Annual Comprehensive Financial Report Audit**

Auditor shall examine STA's financial statements for the fiscal year ending June 30,

2027. The examination shall be made in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States and shall include all procedures necessary for an opinion regarding whether the financial statements are presented fairly in accordance with generally accepted accounting principles.

The financial statement audit shall include compliance procedures necessary to support the financial statement audit and related auditor reporting. These procedures may include, as applicable, testing compliance with Public Utilities Code Division 19, the Measure A Ordinance and Expenditure Plan, California Vehicle Code section 22710, applicable contracts, and the appropriations limitations set forth in California Constitution Article XIII B.

The financial statement audit shall include assistance and review necessary to support STA's continued participation in the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting program, including a review of the ACFR based on certificate requirements as part of the review process.

STA staff will be available to be interviewed during the audit and will prepare trial balances, schedules, account analyses, and data as required for an auditor-prepared ACFR.

Auditor shall make the work papers available during the audit and for a period of at least three years thereafter to representatives of any state or local agency that provides funding to STA or SAVSA, subject to applicable professional standards and lawful restrictions.

**b. Performance / Compliance Agreed-Upon Procedures**

Auditor shall conduct a Performance / Compliance Agreed-Upon Procedures engagement for the fiscal year ending June 30, 2026. The engagement shall be performed in accordance with standards established by the American Institute of Certified Public Accountants and Government Auditing Standards issued by the Comptroller General of the United States.

The procedures shall focus on verifying performance and compliance with applicable laws, regulations, and contractual requirements related to Measure A entities. The specific objectives and performance standards are included in Exhibit E.

Before fieldwork begins, STA and Auditor shall document in writing the specific procedures to be performed for each applicable objective in Exhibit E. The finalized procedures must be approved in writing by the STA Representative and shall be considered part of Exhibit E without increasing compensation unless STA approves an amendment under Sections 1 and 2 of this Agreement.

STA staff will be available to be interviewed during the agreed-upon procedures engagement and will prepare schedules, account analyses, and data as required for the AUP report.

Auditor shall coordinate entity fieldwork schedules with STA staff and work with entity staff to schedule interviews and obtain documentation as required.

Auditor shall make the work papers available during the engagement and for a period of at least three years thereafter to representatives of any state or local agency that provides funding to STA, subject to applicable professional standards and lawful restrictions.

**c. Schedule and Required Products**

Auditor shall coordinate audit planning and test work with STA's ERP implementation schedule, including interim procedures relating to data conversion, opening balances, system controls, and implementataion-related accounting, as applicable to the engagement.

| Milestone / Product                                                                                                       | Required timing                                           |
|---------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| Entrance conference with ITOC and overview of auditor responsibilities                                                    | Q4 2026                                                   |
| ERP Implementation Interim                                                                                                | Q4 2026                                                   |
| ERP Anticipated Go Live                                                                                                   | Q1 2027                                                   |
| Interim fieldwork (FY2026-27) and agreed-upon procedures (FY2025-26)                                                      | As early as practicable. No later than June 2027.         |
| Final fieldwork agreed-upon procedures (FY2025-26)                                                                        | Q2 2027                                                   |
| Final fieldwork (FY2026-27)                                                                                               | Early September 2027 (due to 60 day measurability period) |
| Delivery of digital copies of audit report, internal control report, management letter, and agreed-upon procedures report | No later than November 2, 2027                            |

The above dates may be extended upon mutual written consent of STA's and Auditor's representatives.

**d. Term and Options**

The term of this Auditor Services Agreement will expire on March 31, 2028, unless earlier termination or extended as provided herein. STA, by and through its Executive Director

and subject to applicable approval requirements, shall have the option to extend the Agreement for each of the two subsequent audit cycles, based on satisfactory performance as determined by the Independent Taxpayer Oversight Committee and the Executive Director. The option years shall cover the ACFR audits for fiscal years ending June 30, 2028, and June 30, 2029, and the Performance / Compliance AUP engagements for fiscal years ending June 30, 2027, and June 30, 2028.

**SACRAMENTO TRANSPORTATION AUTHORITY**  
**EXHIBIT B**  
**AUDITOR SERVICES AGREEMENT**

**FEE SCHEDULE AND MANNER OF PAYMENT**

STA shall pay Auditor for services rendered pursuant to this Agreement based on actual time incurred, subject to the all-inclusive not-to-exceed amounts set forth below. The cost proposal shall include separate pricing for each service component and each fiscal year identified in the RFP. For clarity, each contract-year total combines the ACFR audit for the fiscal year identified in the applicable column with the Performance/Compliance AUP engagement for the immediately preceding fiscal year.

| Service component                        | Base year            | Option year 1        | Option year 2        |
|------------------------------------------|----------------------|----------------------|----------------------|
| ACFR audit                               | FY 2026-27: \$45,600 | FY 2027-28: \$46,968 | FY 2028-29: \$48,377 |
| Performance / Compliance AUP             | FY 2025-26: \$12,160 | FY 2026-27: \$12,525 | FY 2027-28: \$12,901 |
| Total all-inclusive not-to-exceed amount | <b>\$57,760</b>      | <b>\$59,493</b>      | <b>\$61,278</b>      |

Auditor may submit progress billings not more often than monthly based on actual time incurred. Invoices shall identify the service component, fiscal year, personnel classification, hours, hourly rate, and reimbursable expenses, if any. Reimbursable expenses are included in the all-inclusive not-to-exceed amount unless expressly authorized otherwise in writing.

STA shall make no payment for extra, further, or additional services or expenses unless such services or expenses and the price thereof are agreed to in advance, prepared in writing, and executed by Auditor and STA.

Requests for payment shall be sent to: Sacramento Transportation Authority, 801 12th Street, Floor 5, Sacramento, CA 95814, Attn: Dustin Purinton, Chief Financial Officer, [dustin@sacta.org](mailto:dustin@sacta.org).

**SACRAMENTO TRANSPORTATION AUTHORITY**  
**EXHIBIT C**  
AUDITOR SERVICES AGREEMENT

**FACILITIES AND EQUIPMENT TO BE PROVIDED BY  
STA**

STA shall furnish facilities and equipment as may be required for Auditor's use in quality, quantity, and location as STA, in its sole discretion, determines to be appropriate. Such facilities may include a desk(s) or table(s), private workspace, office supplies and equipment, and telephone.

Except as previously set forth, Auditor shall, at his/her sole cost and expense, furnish all other facilities and equipment which may be required to provide services pursuant to this Agreement.

**SACRAMENTO TRANSPORTATION AUTHORITY**  
**EXHIBIT D**  
**AUDITOR SERVICES AGREEMENT**

**GENERAL PROVISIONS**

1. **Independent Contractor.** At all times during the term of this Contract, Auditor shall be an independent Contractor and shall not be an employee of the STA. STA shall have the right to control Auditor only insofar as the results of Auditor's services rendered pursuant to this Contract; however, STA shall not have the right to control the means by which Auditor accomplishes services rendered pursuant to this Agreement.

Auditor acknowledges and agrees that Auditor is not entitled to receive any STA employee benefits, including but not limited to, medical, dental, and retirement benefits, life and disability insurance, sick leave or any other similar benefits provided to STA employees.

2. **Licenses; Permits; Etc.** Auditor represents and warrants to STA that Auditor has all licenses, permits, qualifications and approvals of whatsoever nature which are legally required for Auditor to practice its profession. Auditor represents and warrants to STA that Auditor shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals which are legally required for Auditor to practice its profession.

3. **Time.** Auditor shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for satisfactory performance of Auditor's obligations under this Agreement. Neither party shall be considered in default of this Agreement to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.

4. **Auditor Not Agent.** Except as STA may specify in writing, Auditor shall have no authority, express or implied, to act on behalf of STA in any capacity whatsoever as an agent. Auditor shall have no authority, express or implied, pursuant to this Agreement to bind STA to any obligation whatsoever.

5. **Assignment Prohibited.** No party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.

6. **Personnel.** Auditor shall assign only competent personnel to perform services pursuant to this Agreement. In the event that STA, in its sole discretion, at any time during the term of this Agreement, desires the removal of any person or persons assigned by Auditor to perform services pursuant to this Agreement, Auditor shall remove any such person promptly after receiving notice from STA of the desire of STA for the removal of such person or persons.

7. **Standard of Performance.** Auditor shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in California. All products that Auditor delivers to STA pursuant to this Agreement shall be prepared in a professional manner and conform to the standards of quality normally observed by a person practicing in Auditor's profession.

8. **Termination.** STA shall have the right to terminate this Agreement for convenience at any time by giving no less than 15 days' prior written notice of such termination to Auditor. In the event STA gives such notice of termination, Auditor shall immediately cease rendering services pursuant to this Agreement at the conclusion of the notice period, which shall commence upon mailing or service.

In the event STA terminates this Agreement:

(1) Auditor shall deliver copies of all fully paid for Reports (as defined below) prepared by it pursuant to this Agreement. Any information, advice, recommendations or other content of any memoranda, reports, deliverables, work product, presentations, or other communications Auditor provides under this Agreement (collectively, "Reports"), other than STA's original information, are for STA's internal use only, consistent with the purpose of the Services, and except as otherwise required under California law. STA will not rely on any draft Report. Unless required by an audit or other attestation professional standard, Auditor will not be required to update any final Report for circumstances of which we become aware or events occurring after delivery.

(2) STA shall pay Auditor the reasonable value of services rendered by Auditor pursuant to this Agreement; provided, however, STA shall not in any manner be liable for lost profits which might have been made by Auditor had Auditor completed the services required by this Agreement. In this regard, Auditor shall furnish to STA such financial information as in the reasonable judgment of the STA Representative is necessary to determine the reasonable value of the services rendered by Auditor. In the event of a dispute as to the reasonable value of the services rendered by Auditor, the decisions of the Executive Director of the STA shall be final. The foregoing is cumulative and does not affect any right or remedy which either party may have in law or equity.

**Termination for Cause:** STA shall have the right to terminate this Agreement in the event of a

material breach by Auditor following the provision to Auditor of written notice specifically identifying the alleged breach and Auditor's failure to cure such breach within thirty (30) days following receipt of such notice. In the event of such termination, STA shall provide written notice to Auditor, at which time Auditor shall immediately cease rendering services under this Agreement.

STA shall not be required to make payment or compensation for disputed items to Auditor in the event of a material breach of the terms of this Agreement.

9. **Equal Employment Opportunity.** During the performance of this agreement, Auditor, for itself and successors in interest, agrees as follows:

- (A) **Compliance with Regulations:** Auditor shall comply with the Executive Order 11246 entitled "Equal Employment Opportunity", as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60), hereinafter referred to as the "Regulations".
- (B) **Nondiscrimination:** Auditor, with regard to the work performed by it after award and prior to completion of the work pursuant to this Agreement, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual preference in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Auditor shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- (C) **Solicitations for Subcontractors, Including Procurements of Materials and Equipment:** In all solicitations either by competitive bidding or negotiations made by Auditor for work to be performed under any subcontract, including procurement of materials or equipment, each potential subcontractor or supplier shall be notified by Auditor of Auditor's obligation under this Agreement and the Regulation relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual preference.
- (D) **Information and Reports:** Auditor shall provide all existing information and reports required by Regulations, or orders and instructions issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the STA to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of Auditor is in the exclusive possession of another who fails or refuses to furnish this information, Auditor shall so certify to the STA, and shall

set forth what efforts it has made to obtain the information.

- (E) **Sanctions for Noncompliance:** In the event of noncompliance by Auditor with the nondiscrimination provisions of this Agreement, the STA shall impose such contract sanctions as it may determine to be appropriate including, but not limited to:

- (1) Withholding of payments to Auditor under contract until Auditor complies;
- (2) Cancellation, termination, or suspension of the Agreement, in whole or in part.

- (F) **Incorporation of Provisions:** Auditor shall include provisions of Paragraphs A through E above in every subcontract, including procurements of materials and leases of equipment, unless exempted by Regulations, order, or instructions issued pursuant thereto. Auditor shall take such action with respect to any subcontract or procurement as the STA may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event Auditor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, Auditor may request that STA enter such litigation to protect the interests of STA.

10. **Insurance Requirements.** During the duration of this Agreement, Auditor shall maintain the following noted insurance:

Broad Form Comprehensive Liability  
Business Auto Liability  
Workers' Compensation & Employers' Liability  
Professional Liability (Errors and Omissions)

- (A) **Minimum Scope of Insurance**

Coverage shall be at least as broad as:

- (1) Broad Form Comprehensive General Liability.
- (2) Automobile Liability, code 1 "any auto".
- (3) Workers' Compensation as required by the Labor Code of the State of California, and Employers' Liability Insurance.
- (4) Professional Liability (Errors and Omissions) insurance against loss due to error, omissions, or malpractice.

- (B) **Minimum Limits of Insurance.**

Auditor shall maintain limits no less than:

- (1) Comprehensive General Liability: \$1,000,000 per occurrence and in the aggregate for bodily injury and property damage.
- (2) Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage.
- (3) Workers' Compensation and Employers' Liability: Workers' compensation limits as required by the Labor Code of the State of California.
- (4) Professional Liability (Errors and Omissions): \$1,000,000 limit per occurrence and in the aggregate.

(C) **Other Insurance Provisions.**

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

- (1) General Liability and Automobile Liability Coverages
  - (A) The STA, its officials, employees and volunteers are to be covered as insured as respects: liability arising out of activities performed by or on behalf of the Auditor; products and completed operations of the Auditor; premises owned, leased or used by the Auditor; or automobiles owned, leased, hired or borrowed by the Auditor. The coverage shall contain no special limitations on the scope of protection afforded to the STA, its officials, employees or volunteers.
  - (B) The Auditor's insurance coverage shall be primary insurance as respects the STA, its officials, employees and volunteers. Any insurance or self-insurance maintained by the STA, its officials, employees, or volunteers shall be in excess of Auditor's insurance and shall not contribute with it.
  - (C) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the STA, its officials, employees, or volunteers.
  - (D) Coverage shall state that Auditor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respects to the limits of the insurer's liability.
- (2) Workers' Compensation and Employers' Liability Coverages

The insurer shall agree to waive all rights of subrogation against the STA, its officials, employees and volunteers for losses arising from work performed by Auditor for the STA. This requirement may, however, be waived in individual cases at the discretion of the STA.

(3) All Coverages

Should any of the above-described policies be cancelled before the expiration date thereof without substitution of substantially similar coverage, Auditor will endeavor to provide 30 days written notice to STA. However, a failure to provide such notice shall impose no obligation or liability of any kind upon Auditor.

(D) **Acceptability of Insurers.**

Insurance is to be placed with insurers with a Bests' rating of no less than A: XIII. This requirement may, however, be waived in individual cases, provided, however, that in no event will a carrier with a rating below A:X be acceptable.

(E) **Verification of Coverage.**

Auditor shall furnish the STA with certificates of insurance reflecting endorsements affecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms acceptable to the STA and are to be forwarded to the STA Representative named in Exhibit A

(F) **Payment Withhold.**

The STA will withhold payments to Auditor if certificates of insurance and endorsements required in Paragraph E above have not been provided.

11. **Access and Retention of Audit Working Papers.**

Upon authorization from the STA Representative, Auditor shall provide for access to the audit working papers to the STA staff, STA Governing Board or its designee, other government audit staff, Federal Government Accounting Office, and those specifically authorized by the STA Representative other than those workpapers that are considered proprietary in nature. Auditor shall provide for the retention of the audit working papers for at least three years after the date of the audit reports, or longer if requested by the STA staff or Governing Board.

**12. Disclosure of Lobbying Activities**

Auditor certifies, by signing this contract, to the best of its knowledge, that:

(A) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(B) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities" in accordance with its instructions.

**13. Indemnification.**

CONTRACTOR shall indemnify, keep, and save harmless the AUTHORITY, and its directors, officers, agents, and employees against all suits, claims or actions arising out of any injury to persons or property that may occur, or that may be alleged to have occurred, arising from the performance of this Agreement by the CONTRACTOR caused by an act or omission of the CONTRACTOR or its employees, subcontractors, or agents. CONTRACTOR further agrees to defend all such actions, suits, or claims and pay all charges of attorneys and all other incurred costs and expenses. If any judgment is rendered against the AUTHORITY or any of the other individuals enumerated above in any such action, CONTRACTOR shall, at its expense, satisfy and discharge the same. This indemnification shall survive termination of the Agreement.

**SACRAMENTO TRANSPORTATION AUTHORITY**  
**EXHIBIT E**  
**AUDITOR SERVICES AGREEMENT**

**PERFORMANCE / COMPLIANCE AUDIT OBJECTIVES AND  
PERFORMANCE STANDARDS**

The scope of the performance audit encompasses the time period from July 1, 2025, to June 30,  
2026

**GOAL 1. DETERMINE COMPLIANCE WITH THE MEASURE A ORDINANCE**

**1. MEASURE A REVENUE DISTRIBUTION**

Objective: Determine if the distribution of Measure A revenues is in accordance with the voter-approved expenditure plan

Performance Standard: Measure A Ordinance – STA 04-01 Exhibit A

Objective: Determine if ongoing allocations are based on annually updated population and lane mile data in compliance with the Ordinance

Performance Standard: Measure A Ordinance – STA 04-01 Exhibit A Sections IV A and B and Section IX

**2. ELIGIBILITY AND TIMELINESS OF CAPITAL PROGRAM AND ONGOING ALLOCATION EXPENDITURES**

Objective: Determine if all capital project expenditures meet eligibility criteria as adopted by the STA Board in August 2021, the Ordinance, and applicable laws. A selection of agencies and projects will be provided by the ITOC. Minimum of 4 Agencies for the Ongoing Program and a minimum of 3 agencies for Capital Program dependent on materiality.

Performance Standard: Definition of Eligible Expenditures, Agenda Item #8 August 12, 2021

Objective: Determine if Capital contract awards agree with total project expenditures

Performance Standard: None

Objective: Determine the effectiveness of when Capital Allocation and Expenditure Contracts are executed and expended.

Performance Standard: The percentage of funds expended within the original contract term and the total number of years to expend the entire contract amount.

Objective: Determine if all ongoing allocation expenditures meet eligibility criteria as adopted by the STA Board in August 2021. A selection of agencies will be provided by the ITOC.

Performance Standard: Definition of Eligible Expenditures, Agenda Item #8 August 12, 2021

Objective: Determine if ongoing allocation funds are spent timely.

Performance Standard: The percentage of funds expended within the annual amount provided and the available fund balance as a percentage of the annual amount provided.

Objective: Determine if each agency's accounting system, as it specifically relates to the accounting for and control over all Measure A. Including interest income and indirect rate allocations.

Performance Standard: Definition of Eligible Expenditures, Agenda Item #8 August 12, 2021, and Ongoing Annual Programs Memorandum of Understanding

### **3. INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE (ITOC)**

Objective: Determine if the ITOC is operating in compliance with the Ordinance

Performance Standard: Measure A Ordinance – STA 04-01 Section II A and Exhibits A and B

### **4. ESTABLISHMENT OF THE SACRAMENTO COUNTYWIDE TRANSPORTATION MITIGATION FEE PROGRAM (SCTMFP)**

Objective: Confirm that each local agency established an impact fee program in compliance with the Ordinance

Performance Standard: Measure A Ordinance – STA 04-01 Section VII

### **5. ADMINISTRATION EXPENSES**

Objective: Verify that administration allocations and expenditures are limited to 0.75 percent of sales tax revenue as required under the Ordinance

Performance Standard: Measure A Ordinance – STA 04-01 Sections II B and Exhibit A Section XIII

### **6. MAINTENANCE OF EFFORT**

Objective: Determine if Measure A funds were used to match other funding sources

Performance Standard: None

Objective: Create a summary of each funding source and amount for a sample of capital projects

Performance Standard: None

Objective: Determine that Measure A funding does not supplant or replace existing road funding programs or to replace requirements for new development to provide for its own road needs.

Performance Standard: Measure A Ordinance – STA 04-01 Section II C

## **7. INTERNAL CONTROLS OVER PROCUREMENT AND CASH DISBURSEMENT PROCESS**

Objective: Evaluate internal controls over payment processing to determine if there are any deficiencies in the design of the internal control environment

Performance Standard: Tested as part of the annual financial audit.

## **GOAL 2: PROGRAM REVENUE AND BOND FINANCING**

### **8. MEASURE A SALES TAX REVENUES**

Objective: Document the process for developing revenue projections, implementation of changes to the original projection and make recommendations for process improvements

Performance Standard: None

### **9. SCTMFP REVENUES**

Objective: Determine if local agencies are charging the appropriate fees and remitting them to the STA timely

Performance Standard: Measure A Ordinance – STA 04-01 Section VII

### **10. BOND ISSUANCE**

Objective: Document the cost and effectiveness of when bonds were issued and expended in relation to capital program needs

Performance Standard: None

### **11. FISCAL AND PERFORMANCE AUDITS AND ANNUAL BUDGETS**

Objective: Determine if timely annual fiscal audits were performed as required by the law

Performance Standard: Measure A Ordinance – STA 04-01 Section II A, Exhibits A and B and California Public Utilities Code Section 180105

Objective: Determine if timely annual budgets were approved by the Board

Performance Standard: California Public Utilities Code Section 180105

## **GOAL 3: ASSESS PROGRAM EFFECTIVENESS**

### **12. DOCUMENTATION OF PROGRAM MANAGEMENT PROCEDURES**

Objective: Document and evaluate STA's strategies to maximize funding and reduce program costs. The amount of grant funds awarded to Measure A funded projects for each SACOG Funding Round, SB 1 Competitive Funding Round, including the SB1 Local Partnership Formulaic Program and State Competitive Programs through the audit period. The amount and % of competitive grant funds at SACOG and the State available for Measure A funded project categories compared to the

amount and % of Measure A project categories.  
Performance Standard: None

Objective: Document project status reporting and the status of each project in the voter-approved expenditure plan  
Performance Standard: None

### **13. ACCOMPLISHMENTS DURING THE AUDIT PERIOD**

Objective: Document the program's actual accomplishments during the audit period in comparison to anticipated accomplishments  
Performance Standard: Consistent with prior audit approach.

Objective: Document and evaluate capital improvement project budget versus actual expenditures through current audit period.  
Performance Standard: None

**SACRAMENTO TRANSPORTATION AUTHORITY**  
**EXHIBIT F**  
AUDITOR SERVICES AGREEMENT



# STA

PREPARED FOR  
**Sacramento Transportation  
Authority**

PREPARED BY  
**Brown Armstrong Accountancy Corporation**  
Ryan L. Nielsen, CPA | Partner  
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# PROPOSAL

FINANCIAL STATEMENT AUDIT &  
PERFORMANCE/COMPLIANCE  
AGREED-UPON PROCEEDURES SERVICES

**AUGUST 12, 2026**



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## Cover Letter

August 12, 2026

Dustin Purinton  
Chief Financial Officer  
Sacramento Transportation Authority  
801 12<sup>th</sup> Street, Floor 5  
Sacramento, California 95814-2947

Dear Mr. Purinton:

Brown Armstrong Accountancy Corporation (Brown Armstrong) is pleased to submit this proposal to provide Annual Comprehensive Financial Report (ACFR) audit services for the Sacramento Transportation Authority (STA) for the fiscal year ending June 30, 2027, and Performance/Compliance Agreed-Upon Procedures (AUP) services for the fiscal year ending June 30, 2026. Both engagements include the STA's option to renew for two subsequent fiscal years. Through our current Performance/Compliance AUP engagement, we have established a productive working relationship with STA personnel and developed a thorough understanding of the Measure A program, reporting requirements, and the objectives of the Independent Taxpayer Oversight Committee (ITOC). This familiarity enables us to begin work efficiently while maintaining the independence, objectivity, and professional skepticism expected of your auditors. We look forward to the opportunity to build upon this relationship by delivering high-quality audit services that provide value to the STA and its stakeholders.

We have thoroughly read your request for proposal (RFP) and understand its requests. We feel that we are the best candidate to meet your needs as listed in the Scope of Services section of the RFP. We are committed to the efficient completion of both the ACFR audit and Performance/Compliance AUP engagement on or before the deadlines specified in the RFP. At Brown Armstrong, we understand that your timeframes must be met. As one of our key strengths, we develop an approach by which specific deliverables are achieved within set timeframes. We will work with you to develop a timeline that meets your specific requirements, meeting dates, fieldwork dates, status reporting dates, and final report dates.

Known as one of the largest regional accounting firms in Central California, Brown Armstrong's mission is "to exceed expectations and provide opportunities." Our 57 employees advance this mission by combining responsive client service with extensive experience auditing governmental entities, transit and transportation agencies, transportation planning authorities, and programs supported by voter-approved funding measures such as Measure A. We have audited numerous agencies similar to yours for four decades.

Our approach, people, commitment to timelines, and dedication to financial reporting excellence make Brown Armstrong the best-qualified firm to meet your needs.

I certify that the requirements of the project as described in the RFP have been reviewed, all addenda have been received, and I have conducted all necessary due diligence to confirm material facts upon which this proposal is based.

This proposal is a firm and irrevocable offer for ninety (90) days.

All correspondence and other contacts during the selection process should be directed to Ryan L. Nielsen, CPA, Partner, at 4200 Truxtun Avenue, Suite 300, Bakersfield, CA 93309, Tel (661) 324-4971.

Ryan L. Nielsen, CPA, Partner, will negotiate with the STA on behalf of the Firm and is authorized to contractually bind Brown Armstrong Accountancy Corporation, and can be reached at Tel (661) 324-4971. I, the undersigned, certify that I am duly authorized to represent the above named firm and am empowered to submit and negotiate the terms of this bid with STA. In addition, I certify that I am authorized to contract with the STA on behalf of the above named firm. Please contact me if I can clarify or expand on any item contained in this proposal. We are available for an oral presentation, if requested.

Sincerely,

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION



By: Ryan L. Nielsen, CPA  
Partner

California Corporation Number: C0808648

Incorporation Date: February 10, 1977

Registered as:

Brown Armstrong Accountancy Corporation  
4200 Truxtun Avenue, Suite 300  
Bakersfield, CA 93309

Title of person signing on behalf of the corporation: Partner

## 5.1 Approach

We have thoroughly read your request for proposal and understand the audit and agreed-upon procedures services to be provided as listed in the Scope of Services section. We understand the Sacramento Transportation Authority (STA) is seeking a qualified certified public accounting firm to perform (1) an independent audit of STA's Annual Comprehensive Financial Report (ACFR), in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, and (2) a Performance/Compliance Agreed-Upon Procedures (AUP) engagement related to Measure A entities, performed in accordance with standards established by the American Institute of Certified Public Accountants and Government Auditing Standards issued by the Comptroller General of the United States. SAVSA is included as a special revenue fund within the scope of the ACFR audit. We also understand STA is seeking to receive the Government Finance Officers Association (GFOA) Certificate of Achievement of Excellence in Financial Reporting for the ACFR. Our commitment to performance and efficient completion of both engagements on or before the dates specified in your request for proposal, and our vast experience with governmental entities, including transit agencies, makes us a prime candidate as your auditors.

Our approach to both engagements is based on a thorough understanding of the environment and risks, and is non-intrusive to your day-to-day operations, while remaining a hands-on approach that makes you feel comfortable and part of the process.

### 5.1.1 Financial Statement (ACFR) Audit Approach

Based on experience auditing California transportation agencies, we have developed standard audit plans, which have been tailored to comply with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, Pronouncements of the Governmental Accounting Standards Board (GASB), and will include, as applicable, compliance procedures related to Public Utilities Code Division 19, the Measure A Ordinance and Transportation Expenditure Plan, California Vehicle Code Section 22710, applicable contracts and the appropriations limitations established by Article XIII B of the California Constitution.

The methods employed to formulate our auditors' opinions consist of several functions. These functions and the related time requirements, as well as the timing, are as follows:

#### Planning

Upon notification of award of the contract, we will commence planning of the engagement by reviewing copies of key work papers from the predecessor auditor, prior year financial statements, procedural manuals, minutes, and performance of other planning procedures. From the information we gather during planning, we will develop a preliminary audit strategy and form an audit risk assessment. We will also develop an information request list detailing requested items needed for interim and year-end procedures and will email to the audit liaison prior to scheduled interim and final fieldwork. We utilize ShareFile for uploading and downloading of information. We also have a section in our work papers where we save all information provided by the client. During the first day of interim work, we will hold a pre-audit conference.

Prior to performing interim and year-end fieldwork, we will perform preliminary analytics. We do this by developing expectations based on historical experience and known current year factors and investigating any significant departures at the financial statement level to determine if we can reach our level of comfort for certain audit areas. Much of the planning is performed remotely, including mailing of confirmations, sample selections, and review of minutes of the Board of Directors.

During interim and year-end fieldwork, we perform tests of controls of audit areas, substantive procedures, compliance testing, and interview of key staff.

#### Analytical Procedures

We will perform analytical procedures during all phases of our audit (audit planning, fieldwork and audit completion). We will also perform substantive analytical procedures, where we use analytical procedures as the principal substantive test of a significant financial statement assertion, based on the auditor's judgment and on the expected effectiveness and efficiency of available procedures.

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## Sacramento Transportation Authority

### Evaluation of Internal Control in Connection with the Financial Statement Audit

This phase is the cornerstone of the examination. Internal accounting control generally comprises the plan of organization and the procedures and records that are concerned with the safeguarding of assets and the reliability of financial records. We use inquiry, both written and oral, to document our understanding of STA's internal control structure. We then test our understanding with compliance auditing, sometimes called tests of transactions. Based on our experience with transportation agencies, we will focus our evaluation of the internal control system in the following areas: controls over disbursements and purchasing, and controls over payroll.

We will begin by preparing memoranda to describe the internal control system. The memoranda are prepared based on information obtained through our inquiry and observation of STA personnel, and from our review of STA's organizational charts, procedural manuals and programs, and documented financial and management information systems. Our memorandum will then be reviewed to isolate significant strengths and weaknesses that would affect the extent of our substantive audit procedures to be employed. Each strength is then tested and the results subjected to evaluation. These evaluations assist us in determining the amount of reliance we can place on the significant strengths we have identified.

At this point in our plan, we will have a progress conference with the Executive Director and/or designated personnel to summarize the results of our study and evaluation of internal control. This conference will occur in accordance with the approved Calendar of Activities. Based on the results of our study and evaluation of the internal control structure, we will then perform compliance tests on the following:

| Review Area                        | Sample Size |
|------------------------------------|-------------|
| Receipts and revenues              | 25-60       |
| Disbursements and accounts payable | 25-60       |
| Payroll and related liabilities    | 25-60       |

Compliance testing will be performed by staff with direct supervision by Ms. Cabezzas. Any findings will be discussed with management for accuracy and the process of development of recommendations immediately started.

### Final Audit Plan

Based on the results of our study and evaluation of the internal control structure, the results of our compliance review, and the results of our planning analytical procedures, we prepare our final audit plan. The plan is documented in our audit programs in accordance with auditing standards generally accepted in the United States of America and reviewed by the engagement partner for approval. Prior to commencement of final fieldwork, a final Provided by Client (PBC) list will be provided to and discussed with management of STA in accordance with the approved Critical Dates List.

### Final Fieldwork

In this phase of the examination, we obtain sufficient competent evidential matter to afford a reasonable basis for our opinions and reports. This evidential matter is obtained through the performance of substantive procedures consisting of inspection, observation, inquiry, confirmation, and analytical tests.

At the end of our fieldwork, we will have an exit conference with the Executive Director and/or finance manager of STA. The purpose of this meeting will be to summarize the results of our fieldwork and to review significant findings. As part of this conference, we will review significant audit adjustments and items needed to complete the audit, if any exist. We will also review significant commitments and contingencies discovered during our audit and the need for disclosure. This conference will occur at the end of fieldwork.

At the conclusion of fieldwork, Brown Armstrong will begin preparation of the financial statements and related reports. Based on the trial balances, schedules, account analyses and supporting data prepared by STA, Brown Armstrong will prepare the ACFR, including the government-wide, fund and supplemental financial statements and related notes, for management's review and approval.

### Final Review

The review process is constant throughout the engagement. The engagement manager reviews each working paper prepared by a staff assistant. The engagement partner then reviews all working papers and all financial statements and reports to be issued. These financial statements and reports are then reviewed by a governmental audit partner not directly involved in the engagement for concurrence of opinion prior to release of these statements and reports to STA.

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Sacramento Transportation Authority

## Completion of the Audit

All of our planning, supervision and review will be focused upon delivering the required reports and comply with all items listed in the RFP.

## Proposed Schedule of Work and Deadlines – ACFR

| Timing                | Phase                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Staff    | Hours     |
|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-----------|
| May                   | <b>Planning and Administration</b> <ul style="list-style-type: none"> <li>Review prior year work papers.</li> <li>Review and evaluate STA's accounting and financial reporting. Prepare an overall memo of recommendations, potential issues, and suggestions for improvements.</li> <li>Entrance Conference with Management to discuss audit approach, timing, assistance and issues. Discuss SAS-99 approach.</li> <li>Prepare overall memo confirming audit procedures, timing and assistance.</li> <li>Prepare detailed work plan and audit programs, audit budget and staffing schedule. Provide schedules to management.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Partner  | 3         |
|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Manager  | 20        |
|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Senior   | 5         |
|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Staff    | 5         |
|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Clerical | <u>3</u>  |
|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |          | <u>36</u> |
| August                | <b>Interim Audit Fieldwork</b> <ul style="list-style-type: none"> <li>Obtain and document our understanding of the following key internal control systems through walkthroughs, interviews of staff, and reviews of supporting documentation: <ul style="list-style-type: none"> <li>➤ Budgeting,</li> <li>➤ Revenue, billing, accounts receivable and cash collections,</li> <li>➤ Purchasing, expenditures, accounts payable and cash disbursements,</li> <li>➤ Capital assets and journal entry procedures,</li> <li>➤ Payroll,</li> </ul> </li> <li>Review minutes of Board meetings and other key committees.</li> <li>Coordinate and assist STA staff in the preparation of all appropriate confirmation requests including: <ul style="list-style-type: none"> <li>➤ Bank accounts</li> <li>➤ Investment accounts</li> <li>➤ Grants</li> <li>➤ Revenue from governmental agencies</li> <li>➤ Attorney letters</li> <li>➤ Others, as required</li> </ul> </li> <li>Hold periodic progress conferences with Management to discuss preliminary audit findings.</li> <li>Obtain preliminary trial balance and input in our systems for interim analytical procedures.</li> </ul> | Partner  | 2         |
|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Manager  | 20        |
|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Senior   | 15        |
|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Staff    | 15        |
|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Clerical | <u>0</u>  |
|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |          | <u>52</u> |
| September/<br>October | <b>Year-End Audit Procedures</b> <ul style="list-style-type: none"> <li>Entrance conference with Management.</li> <li>Follow-up on all outstanding confirmations.</li> <li>Verify and validate account balances by including invoices, vouchers, resolutions, minutes, and other documentation, as required.</li> <li>Perform analytical review of revenues and expenditures. Determine reasons for material differences between budget and actual, test and verify management attestations.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Partner  | 3         |
|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Manager  | 25        |
|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Senior   | 30        |
|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Staff    | 30        |
|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Clerical | <u>0</u>  |
|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |          | <u>88</u> |

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Sacramento Transportation Authority

| Timing   | Phase                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Staff                                             | Hours                                     |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-------------------------------------------|
|          | <b>Year-End Audit Procedures Continued</b> <ul style="list-style-type: none"> <li>Complete payroll testing from journals to quarterly 941s.</li> <li>Perform a search for unrecorded liabilities by reviewing disbursements subsequent to June 30, testing terms of contractual obligations, and interviewing staff.</li> <li>Perform agreed-upon procedures.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                   |                                           |
| November | <b>Reporting</b><br>Draft all reports for: <ul style="list-style-type: none"> <li>➤ Government-wide, fund and supplemental financial statements, and notes</li> <li>➤ Independent Auditors' Report</li> <li>➤ Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance</li> <li>➤ Management Letter</li> <li>➤ Letter to the Governing Board</li> <li>➤ Fund Financial Statement Reports</li> <li>➤ Independent Accountant's Report on Agreed-Up On Procedures — Appropriations Limit (Article XIII B), issued as a separate report from the ACFR audit opinion</li> <li>• Prepare report to STA's Audit and Finance Committee.</li> <li>• Finalize all reports, findings and recommendations and deliver electronically by November 2, 2027.</li> <li>• Available to present all reports to ITOC, STA management and the Governing Board, as requested.</li> </ul> | Partner<br>Manager<br>Senior<br>Staff<br>Clerical | 4<br>15<br>10<br>10<br>7<br><br><u>46</u> |
|          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Total<br>Hours                                    | 222                                       |

## 5.1.2 Performance/Compliance Agreed-Up On Procedures (AUP) Approach

Our AUP approach addresses each goal and objective identified in the RFP for the Measure A Ordinance, as summarized below.

### Goal 1: Determine Compliance with the Measure A Ordinance

#### Measure A Revenue Distribution

| Objective                                                                                                                     | Performance Standard                                                         |
|-------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Determine if the distribution of Measure A revenues is in accordance with the voter-approved expenditure plan                 | Measure A Ordinance – STA 04-01 Exhibit A                                    |
| Determine if ongoing allocations are based on annually updated population and lane mile data in compliance with the Ordinance | Measure A Ordinance – STA 04-01 Exhibit A Sections IV A and B and Section IX |

# TECHNICAL PROPOSAL

Sacramento Transportation Authority

## Eligibility and Timeliness of Capital Program and Ongoing Allocation Expenditures

| Objective                                                                                                                                                                                                                                                                                                                                          | Performance Standard                                                                                                                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Determine if all capital project expenditures meet eligibility criteria as adopted by the STA Board in August 2021, the Ordinance, and applicable laws. A selection of agencies and projects will be provided by the ITOC. Minimum of 4 Agencies for the Ongoing Program and a minimum of 3 agencies for Capital Program dependent on materiality. | Definition of Eligible Expenditures, Agenda Item #8                                                                                              |
| Determine if Capital contract awards agree with total project expenditures                                                                                                                                                                                                                                                                         | None                                                                                                                                             |
| Determine the effectiveness of when Capital Allocation and Expenditure Contracts are executed and expended                                                                                                                                                                                                                                         | The percentage of funds expended within the original contract term and the total number of years to expend the entire contract amount.           |
| Determine if all ongoing allocation expenditures meet eligibility criteria as adopted by the STA Board in August 2021. A selection of agencies will be provided by the ITOC.                                                                                                                                                                       | Definition of Eligible Expenditures, Agenda Item #8 August 12, 2021                                                                              |
| Determine if ongoing allocation funds are spent timely.                                                                                                                                                                                                                                                                                            | The percentage of funds expended within the annual amount provided and the available fund balance as a percentage of the annual amount provided. |
| Determine if each agency's accounting system, as it specifically relates to the accounting for and control over all Measure A. Including interest income and indirect rate allocations.                                                                                                                                                            | Definition of Eligible Expenditures, Agenda Item #8 August 12, 2021, and Ongoing Annual Programs Memorandum of Understanding                     |

## Independent Taxpayer Oversight Committee (ITOC)

| Objective                                                           | Performance Standard                                              |
|---------------------------------------------------------------------|-------------------------------------------------------------------|
| Determine if the ITOC is operating in compliance with the Ordinance | Measure A Ordinance – STA 04-01 Section II A and Exhibits A and B |

## Establishment of the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP)

| Objective                                                                                         | Performance Standard                        |
|---------------------------------------------------------------------------------------------------|---------------------------------------------|
| Confirm that each local agency established an impact fee program in compliance with the Ordinance | Measure A Ordinance – STA 04-01 Section VII |

## Administration Expenses

| Objective                                                                                                                                | Performance Standard                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|
| Verify that administration allocations and expenditures are limited to 0.75 percent of sales tax revenue as required under the Ordinance | Measure A Ordinance – STA 04-01 Sections II B and Exhibit A Section XIII |

# TECHNICAL PROPOSAL

Sacramento Transportation Authority

## Maintenance Of Effort

| Objective                                                                                                                                                                      | Performance Standard                                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| Determine if Measure A funds were used to match other funding sources                                                                                                          | The Maintenance of Effort testing will have updated criteria that will be tested with all jurisdictions with Streets and Roads |
| Create a summary of each funding source and amount for a sample of capital projects                                                                                            | The Maintenance of Effort testing will have updated criteria that will be tested with all jurisdictions with Streets and Roads |
| Determine that Measure A funding does not supplant or replace existing road funding programs or to replace requirements for new development to provide for its own road needs. | Measure A Ordinance – STA 04-01 Section II C                                                                                   |

## Internal Controls Over Procurement and Cash Disbursement Process

| Objective                                                                                                                                       | Performance Standard                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|
| Evaluate internal controls over payment processing to determine if there are any deficiencies in the design of the internal control environment | Tested as part of the annual financial audit |

## Goal 2: Program Revenue and Bond Financing

### Measure A Sales Tax Revenues

| Objective                                                                                                                                                                      | Performance Standard |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Document the process for developing revenue projections, evaluate the implementation of changes to the original projection, and make recommendations for process improvements. | None                 |

### SCTMFP Revenues

| Objective                                                                                          | Performance Standard                        |
|----------------------------------------------------------------------------------------------------|---------------------------------------------|
| Determine if local agencies are charging the appropriate fees and remitting them to the STA timely | Measure A Ordinance – STA 04-01 Section VII |

### Bond Issuance

| Objective                                                                                                       | Performance Standard |
|-----------------------------------------------------------------------------------------------------------------|----------------------|
| Document the cost and effectiveness of when bonds were issued and expended in relation to capital program needs | None                 |

# TECHNICAL PROPOSAL

Sacramento Transportation Authority

## Fiscal and Performance Audits and Annual Budgets

| Objective                                                                      | Performance Standard                                                                                            |
|--------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| Determine if timely annual fiscal audits were performed as required by the law | Measure A Ordinance – STA 04-01 Section II Exhibits A and B and California Public Utilities Code Section 180105 |
| Determine if timely annual budgets were approved by the Board                  | California Public Utilities Code Section 180105                                                                 |

## Goal 3: Assess Program Effectiveness

### Documentation of Program Management Procedures

| Objective                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Performance Standard |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Document and evaluate the Authority's strategies to maximize funding and reduce program costs. The amount of grant funds awarded to Measure A funded projects for each SACOG Funding Round, SB 1 Competitive Funding Round, including the SB1 Local Partnership Formulaic Program and State Competitive Programs through the audit period. The amount and % of competitive grant funds at SACOG and the State available for Measure A funded project categories compared to the amount and % of Measure A project categories. | None                 |
| Document project status reporting and the status of each project in the voter-approved expenditure plan                                                                                                                                                                                                                                                                                                                                                                                                                       | None                 |

### Accomplishments During the Audit Period

| Objective                                                                                                          | Performance Standard                  |
|--------------------------------------------------------------------------------------------------------------------|---------------------------------------|
| Document the program's actual accomplishments during the audit period in comparison to anticipated accomplishments | Consistent with prior audit approach. |
| Document and evaluate capital improvement project budget versus actual expenditures through current audit period.  | None                                  |

## Proposed Schedule of Work and Deadlines - AUPs

### Performance of AUPs

We will begin the test work stage of the agreed upon procedures with an entrance conference with STA staff. STA staff will be requested to provide us with all population data files for the period covered in spreadsheet format from which to draw our samples. Consistent with STA's guidance, we will test approximately 20% of the total dollar amount of transactions for each agency selected, drawing a variety of expenditure types, which is expected to result in approximately two to five transactions per agency. Agency and project selections will follow the audit rotation schedule provided by STA. The universe from which the sample is drawn begins at the beginning of the period covered and ends with the end of that period. If a null is picked, it is replaced in draw sequence until sufficient live items comprise the planned sample size.

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## Sacramento Transportation Authority

### Exit Conference with Management

An important process in our engagement plan is to hold an exit conference with management. The purpose of the exit conference is to discuss the results of the AUPs, communicate to management any reportable conditions identified during our AUPs to allow management to respond to the finding(s) and discuss the draft report and timeline of the final delivery of the reports.

### Final Reports

A draft report is prepared which identifies observations we have made in the course of our work with respect to accounting practices which are not generally accepted, deficiencies in internal control and operational inefficiencies, if any. At appropriate times operating personnel are consulted to ensure the correctness of our understanding. These findings are then communicated in writing to management and the Board together with our specific recommendations for improvements in accounting practices, operating practices and internal control procedures.

### Supervision and Review

The review process is constant throughout the engagement. Each working paper prepared by a staff accountant is reviewed by the engagement supervisor. All working papers are then reviewed by the engagement partner.

To be effective, the reviews must be conducted as the engagement progresses and as each important step is completed. Our procedure is for the engagement partner to review the work at the conclusion of each significant task through the engagement as an integral quality control procedure. The report thereon is then reviewed by a quality control partner not directly involved in the engagement for concurrence prior to release of the report to STA.

| Timing               | Phase                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| May                  | <b>Planning and Coordination</b> <ul style="list-style-type: none"><li>• Coordinate with STA management to establish the engagement timeline and critical dates</li><li>• Confirm AUP objectives and applicable performance standards in Attachment A</li><li>• Develop and finalize procedures to be performed</li><li>• Coordinate anticipated fieldwork schedules with the agencies</li><li>• Establish communication protocols and responsibilities for the engagement</li><li>• </li></ul>                                                                                                                                                                                                                |
| September            | <b>AUP Testing</b> <ul style="list-style-type: none"><li>• Begin agreed-upon procedures work</li><li>• Obtain population data and other information required from STA</li><li>• Obtain agency and project selections from the ITOC, as applicable</li><li>• Develop sample selections and provide information requests to STA and selected agencies</li><li>• Obtain supporting documentation for selected samples</li><li>• Interview STA and entity personnel, as applicable</li><li>• Perform the agreed-upon procedures specified in Attachment A</li><li>• Evaluate results against applicable objectives and performance standards</li><li>• Discuss exceptions or potential findings with STA</li></ul> |
| October/<br>November | <b>Completion of the AUPs and Reports Issuance</b> <ul style="list-style-type: none"><li>• Complete outstanding agreed-upon procedures</li><li>• Prepare draft agreed-upon procedures reports and review supporting documentation by engagement supervisor</li><li>• Complete engagement partner and quality control reviews</li><li>• Discuss results and findings with STA</li><li>• Electronic issuance of agreed upon procedure reports by November 2, 2027</li></ul>                                                                                                                                                                                                                                      |

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## Sacramento Transportation Authority

Initial FY 2025-26 AUP Timing: The FY 2025-26 Performance/Compliance AUP will follow a modified schedule due to the timing of the current procurement. Consistent with STA's response to proposer questions, Brown Armstrong will coordinate the timing of the initial AUP engagement with STA following contract award. The FY 2025-26 AUP work is anticipated to be performed in March/April and finalized during the summer. Subsequent AUP engagements will follow the recurring schedule presented below.

## 5.2 Discussion of Issues

STA's financial statement audit and Performance/Compliance Agreed-Upon Procedures require an approach that addresses evolving financial reporting requirements while also recognizing the unique compliance and accountability requirements of the Measure A program. Based on our understanding of the scope, we have identified the following key areas of focus and our recommended approach to addressing them.

| Key Consideration                                     | Brown Armstrong's Approach                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Emerging GASB Standards &amp; ACFR Reporting</b>   | Evaluate the applicability and impact of GASB Statements Nos. 103, 104, and 105; identify required changes to presentation and disclosures early in the audit; and consider applicable GFOA reporting requirements to support STA in maintaining its Certificate of Achievement.                                                                                                                                                       |
| <b>Internal Controls &amp; Compliance</b>             | Evaluate relevant controls over financial reporting and compliance, with particular attention to Measure A revenues and expenditures, applicable contracts, statutory requirements, and other compliance provisions incorporated into the financial statement audit.                                                                                                                                                                   |
| <b>New ERP Implementation (Aclarian)</b>              | Coordinate with STA to understand the timing, data conversion, and control changes associated with the transition to Aclarian (planned go-live January 2027); evaluate the impact on beginning balances, capitalization of implementation costs, and internal controls during the transition period; and adjust audit procedures as necessary to address risks arising from the mid-engagement system change.                          |
| <b>Performance/Compliance AUP</b>                     | Coordinate early with STA and participating entities, tailor procedures to the agencies and projects selected by the ITOC, and efficiently address the performance and compliance objectives established in Attachment A.                                                                                                                                                                                                              |
| <b>Prior-Year AUP Management Letter Comments</b>      | Review the status of the management letter comments issued in connection with the prior Performance/Compliance AUP engagement, confirm with STA and applicable Measure A entities whether corrective action has been implemented, and specifically follow up on each carried-forward item as part of current-year testing to determine whether it has been resolved, remains outstanding, or should be elevated in the current report. |
| <b>Communication &amp; Resolution of Audit Issues</b> | Communicate potential findings as they arise, confirm relevant facts with STA and entity personnel, evaluate their significance, and work toward timely resolution before final reporting.                                                                                                                                                                                                                                             |

### Workpaper Retention

Brown Armstrong will retain workpapers for both the ACFR audit engagement and the Performance/Compliance AUP engagement in accordance with applicable professional and firm retention requirements, and will make them available during each engagement and for at least three years thereafter to representatives of state or local agencies providing funding to STA and SAVSA.

## 5.3 Firm Information

Our firm has extensive experience in audits of local governments, having performed over 900 audits of public agencies over the past five (5) years. Several of these are local government agencies with a population of over 50,000 and over \$100 million in general governmental revenues. We currently audit and provide agreed-upon procedure services to transits, counties, cities, and numerous other local governments. Exhibit III of this proposal presents a summary of our recent governmental experience.

Our governmental audit staff is made up of thirty-eight (38) professionals who are experts in their field. We have crafted expertise in auditing the public sector since the birth of the company. Through tireless planning, relationship building, and knowledge of the realm, we are dedicated to serving our clients and exceeding their needs and expectations.

| <i>Our Staff</i>     |           | <i>Governmental Audit Staff</i> |           |
|----------------------|-----------|---------------------------------|-----------|
| <b>Partners</b>      | 8         | <b>Partners</b>                 | 6         |
| <b>Managers</b>      | 10        | <b>Managers</b>                 | 7         |
| <b>Seniors</b>       | 9         | <b>Seniors</b>                  | 8         |
| <b>Staff</b>         | 14        | <b>Staff</b>                    | 14        |
| <b>Support Staff</b> | <u>16</u> | <b>Support Staff</b>            | <u>3</u>  |
|                      | <u>57</u> |                                 | <u>38</u> |

### 5.3.1 Legal Name of Firm

Our firm's legal name in the State of California is Brown Armstrong Accountancy Corporation.

### 5.3.2 Location(s) and Telephone Number(s)

We have three (3) offices located throughout the state of California. We have additional offices in Fresno and Stockton to better service our clients' needs. Our main office is located in Bakersfield, California. All assigned personnel will be employed on a full-time basis from the Bakersfield office. Pertinent information for those offices are as follows:

#### **Bakersfield Office**

4200 Truxtun Avenue, Suite 300  
Bakersfield, CA 93309  
T: (661) 324-4971  
F: (661) 324-4997

#### **Fresno Office**

8050 N. Palm Avenue, Suite 300  
Fresno, CA 93711  
T: (559) 476-3592  
F: (661) 324-4997

#### **Stockton Office**

2423 West March Lane, Suite 202  
Stockton, CA 95207  
T: (209) 888-4751  
F: (661) 324-4997

### 5.3.3 Date Firm Established

Brown Armstrong was established in 1974 and became a Corporation in 1977.

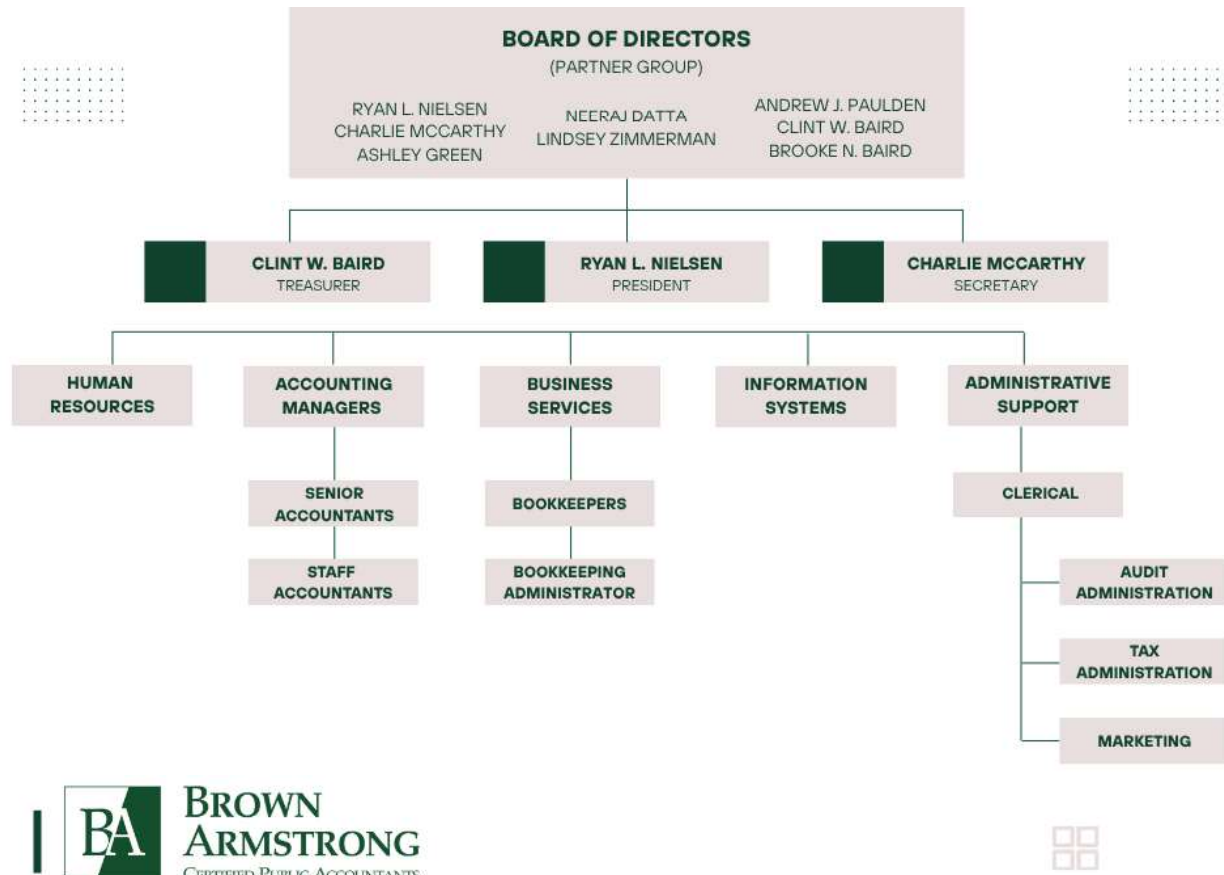
### 5.3.4 Type of Organization (Partnership, Corporation, Etc.), and Where Incorporated, if Applicable

Brown Armstrong Accountancy Corporation is a C Corporation and was incorporated in the County of Kern, Bakersfield, California.

# TECHNICAL PROPOSAL

Sacramento Transportation Authority

## 5.3.5 Firm Organization Chart



## TECHNICAL PROPOSAL

*Sacramento Transportation Authority*

### 5.3.6 Names and Resumes of Firm's Officers, Principals, and Other Key Personnel Applicable to This Engagement

STA requires auditors who can quickly identify and understand the pertinent issues and promptly provide assistance whenever and wherever needed. This cannot be accomplished without a comprehensive knowledge of operations. Brown Armstrong has assembled a key group of professionals that possess a firm grasp of the subject matter, as well as the experience, confidence, and friendliness you deserve. Our staff will be there when you need them, and they will be continually involved in the audit procedures. This will allow you to have access to decision makers and the resources you need at all times.

Resumes of the primary engagement team are included at Exhibit I of this proposal.



#### TEAM



**ENGAGEMENT PARTNER**

RYAN NIELSEN, CPA



**TECHNICAL REVIEW PARTNER**

NEERAJ DATTA, CPA, CGMA



**ENGAGEMENT MANAGER**

MELISSA CABEZAS, CPA



**ENGAGEMENT SENIOR**

KAROLINA OCHOA-CONTRERAS

### 5.3.7 Types of Services Normally Provided by Subconsultants

No subconsultants will be used in providing the required services to STA.

# TECHNICAL PROPOSAL

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## 5.3.8 A Brief Description of Similar Projects for Which the Firm Has Provided Services During the Past 5 Years

Below are three (3) of our most recent clients that may be contacted as references for audits similar to this one.

### Napa Valley Transportation Authority

|                                              |                                                                                                                                                                                                                 |
|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description and Location             | Auditing and Agreed-Upon Procedures; Napa, CA                                                                                                                                                                   |
| Scope of Work                                | Annual Financial Audit, TDA Compliance, Single Audit, Measure T Compliance and Performance Audits                                                                                                               |
| Total Value of Services Performed (per year) | \$44,000                                                                                                                                                                                                        |
| Budget Performance                           | 100%                                                                                                                                                                                                            |
| Schedule Performance                         | On-time                                                                                                                                                                                                         |
| Key Personnel Involved                       | Ryan L. Nielsen   Melissa Cabezzas                                                                                                                                                                              |
| Sub Consultants Involved                     | None                                                                                                                                                                                                            |
| 2025 Financial Statements                    | <a href="https://nvta.ca.gov/wp-content/uploads/2026/02/NVTA-FY25-and-FY24-Financial-Statements-Final.pdf">https://nvta.ca.gov/wp-content/uploads/2026/02/NVTA-FY25-and-FY24-Financial-Statements-Final.pdf</a> |

### Peninsula Corridor Joint Powers Board

|                                              |                                                                                         |
|----------------------------------------------|-----------------------------------------------------------------------------------------|
| Project Description and Location             | Auditing; San Carlos, CA                                                                |
| Scope of Work                                | Annual Financial Audit, Single Audit, Measure RR Audit                                  |
| Total Value of Services Performed (per year) | \$67,520                                                                                |
| Budget Performance                           | 100%                                                                                    |
| Schedule Performance                         | On-time                                                                                 |
| Key Personnel Involved                       | Ryan L. Nielsen   Melissa Cabezzas                                                      |
| Sub Consultants Involved                     | None                                                                                    |
| 2025 Financial Statements                    | <a href="https://www.caltrain.com/media/36371">https://www.caltrain.com/media/36371</a> |

### Monterey Salinas Transit District

|                                              |                                                                                                                                             |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description and Location             | Auditing and Agreed-Upon Procedures; Monterey, CA                                                                                           |
| Scope of Work                                | Annual Financial Audit, TDA Compliance, Single Audit, NTD AUP, RTA                                                                          |
| Total Value of Services Performed (per year) | \$54,840                                                                                                                                    |
| Budget Performance                           | 100%                                                                                                                                        |
| Schedule Performance                         | On-time                                                                                                                                     |
| Key Personnel Involved                       | Ryan L. Nielsen   Melissa Cabezzas                                                                                                          |
| Sub Consultants Involved                     | None                                                                                                                                        |
| 2025 Financial Statements                    | <a href="http://mst.org/wp-content/media/Financial-Statements-Final.pdf">http://mst.org/wp-content/media/Financial-Statements-Final.pdf</a> |

# TECHNICAL PROPOSAL

Sacramento Transportation Authority

## 5.3.9 A List of From Three to Five Former Clients for Whom the Firm Has Performed Services Similar to Those Described in This RFP

### Stanislaus Council of Governments

|                                  |                                                                                                                                  |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| Project Description and Location | Auditing; Modesto, CA                                                                                                            |
| Scope of Work                    | Annual Financial Audit, Measure L, Single Audit                                                                                  |
| Dates of Service                 | 2013 – 2018                                                                                                                      |
| Address                          | 1111 I Street, Suite 308<br>Modesto, CA 95354                                                                                    |
| Contact                          | Karen Kincy, Senior Financial Services Specialist<br>(209) 525-4640   <a href="mailto:Kkincy@stancog.org">Kkincy@stancog.org</a> |
| Website                          | <a href="https://www.stancog.org/">https://www.stancog.org/</a>                                                                  |

### San Joaquin Council of Governments

|                                  |                                                                                                              |
|----------------------------------|--------------------------------------------------------------------------------------------------------------|
| Project Description and Location | Auditing; Stockton, CA                                                                                       |
| Scope of Work                    | Annual Financial Audit, TDA Compliance, Single Audit, Other Agreed Upon Procedures                           |
| Dates of Service                 | 2007 - 2019                                                                                                  |
| Address                          | 555 E. Weber Ave.<br>Stockton, CA 95202                                                                      |
| Contact                          | Gracie Orosco, Chief Accountant<br>(209) 235-0454   <a href="mailto:gorosco@sicog.org">gorosco@sicog.org</a> |
| Website                          | <a href="https://www.sjcog.org/">https://www.sjcog.org/</a>                                                  |

### Fresno County Transportation Authority

|                                  |                                                                                                                            |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| Project Description and Location | Auditing; Fresno, CA                                                                                                       |
| Scope of Work                    | Annual Financial Audit, Single Audit                                                                                       |
| Dates of Service                 | 2010 - 2023                                                                                                                |
| Address                          | 2220 Tulare Street, Suite 2101<br>Fresno, CA 93721                                                                         |
| Contact                          | Denise DiBenedetto, Contracts Administrator<br>(559) 453-5023   <a href="mailto:denise@thefcta.com">denise@thefcta.com</a> |
| Website                          | <a href="https://measurec.com/">https://measurec.com/</a>                                                                  |

### Prior Transit Client Financials

Brown Armstrong has identified financial statements from prior transit engagements as evidence of our experience serving comparable transit clients. As we have not experienced any more recent transit client losses, the financial statements referenced relate to older engagements. To satisfy the RFP requirement while avoiding the unnecessary inclusion of lengthy financial statements within the proposal, we have provided links to each former client's respective website, where the applicable financial statements are publicly available for review.

## 5.3.10 Current and Future Firm and Personnel Commitments to Other Projects in Sufficient Detail to Confirm the Firm's Ability to Commit to the STA

As is typical in California governmental audit practice, much of Brown Armstrong's governmental and transit client base, including STA, falls within the same August through November audit season. Brown Armstrong manages this through staffing depth rather than sequencing: with 35 governmental audit professionals across three offices, the firm maintains sufficient bench strength at each staff level to serve multiple concurrent governmental engagements during peak season without compromising the hours or attention committed to any one client. The hours shown below reflect capacity already built into the firm's staffing model for this concurrent season, not availability contingent on rescheduling other clients.

| Team Member              | STA Role                 | # of Current Governmental Clients | Annual Hours Committed to Other Engagements* | Approximate % Availability |
|--------------------------|--------------------------|-----------------------------------|----------------------------------------------|----------------------------|
| Ryan Nielsen, CPA        | Engagement Partner       | 21                                | 745                                          | 59%                        |
| Neeraj Datta, CPA, CGMA  | Technical Review Partner | 21                                | 1,019                                        | 43%                        |
| Melissa Cabezzas, CPA    | Engagement Manager       | 29                                | 1,133                                        | 40%                        |
| Karolina Ochoa-Contreras | Engagement Senior        | 19                                | 1,641                                        | 18%                        |

\* Typical annual chargeable capacity: ~1,800–2,000 hours

Brown Armstrong is proud of its timely delivery of quality reports to all our audit clients. During our planning phase, we will develop a Calendar of Activities that we will use to make sure key tasks are completed within set time frames. Our scheduling methods ensure that assigned personnel are not overscheduled and are available to commit the time required to assigned projects. We place an emphasis on Partner, Manager, and Senior level involvement with our audits to ensure the highest quality, due professional care and expertise.

Brown Armstrong has reviewed its existing book of governmental and transit engagements against the option-year term of this contract (FY 2026-27 through FY 2028-29) and confirms the following:

- The proposed engagement team's current client commitments are recurring, multi-year governmental audit relationships with established fieldwork schedules; none are known to introduce new fieldwork obligations during STA's proposed interim (August–October) or final reporting (September–November) windows through the option-year term.
- No new engagements have been accepted, or are currently under negotiation, that would require reassignment of the proposed engagement partner, manager, senior, or technical review partner during the FY 2026-27 through FY 2028-29 period.
- Brown Armstrong's internal capacity planning process is reviewed annually as part of the firm's engagement acceptance procedures. Should any conflict arise in a future year of this agreement, Brown Armstrong will notify STA in advance and propose a replacement with equivalent or greater qualifications and experience, consistent with the staffing continuity terms described below in this section.
- Brown Armstrong's continued growth in governmental and transit audit services is managed to preserve capacity for existing long-term clients, including STA, rather than expanding into new engagements at the expense of committed service levels.

We want to provide the most stable staffing available during our partnership. Excessive personnel turnover can complicate engagements and decrease the efficiency of the audit due to “catch-up” time needed. Our mission to provide stable staffing during the engagement is fundamental to our approach. To ensure STA's maximum benefit from their working relationship with Brown Armstrong, we will continue to maintain the highest level of staff continuity throughout the course of the engagement. The engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted, or are assigned to another office. We understand that STA staff retains the right to approve or reject replacements. We also understand that other audit personnel may be changed at our discretion, provided that replacements have substantially the same or better qualification or experience. If STA wishes to rotate staff members to enhance independence, we are willing to discuss those terms in the engagement.

## 5.3.11 Lists of Contracts Terminated by Clients for Convenience or Default within the Past Three Years

Brown Armstrong has had no contracts terminated, partially or completely, by a client for convenience or default within the past three years.

## 5.3.12 Government Finance Officers Association Award Program Assistance

The Partners assigned to this engagement are very well versed with this program and are aware of the requirements of what it takes to receive the award, such as report content, statistics and graphic presentation. Our Partners will assist management with understanding the requirements to help produce an award-winning financial report.

Listed below are recent Brown Armstrong clients whose ACFRs received the GFOA Certificate.

| Cities                                                 | Counties                | Special Districts                        |
|--------------------------------------------------------|-------------------------|------------------------------------------|
| City of Bakersfield                                    | County of San Benito    | East Bay Regional Park District          |
| City of Huron                                          | County of Fresno        | Napa Sanitation District                 |
| City of Fresno                                         | County of Merced        | Tehachapi Cummings County Water District |
| City of Laguna Woods                                   | County of Riverside     |                                          |
| City of Morro Bay                                      | County of San Joaquin   |                                          |
| City of Paso Robles                                    | County of Santa Barbara |                                          |
| City of St. Helena                                     | County of Santa Cruz    |                                          |
| City of Tulare                                         | County of Tulare        |                                          |
| City of Visalia                                        | County of Napa          |                                          |
| Retirements                                            |                         | Transits                                 |
| City of Fresno Employees' Retirement System            |                         | Golden Empire Transit District           |
| Merced County Employees Retirement Association         |                         | Marin County Transit District            |
| Sacramento County Employees Retirement Association     |                         | Monterey-Salinas Transit                 |
| San Bernardino County Employees Retirement Association |                         | Peninsula Corridor Joint Powers Board    |
| San Diego County Employees Retirement Association      |                         | San Joaquin Regional Transit District    |
| San Joaquin County Employees Retirement Association    |                         |                                          |
| San Mateo County Employees Retirement Association      |                         |                                          |
| Santa Barbara County Employees Retirement Association  |                         |                                          |
| Sonoma County Employees Retirement Association         |                         |                                          |
| Stanislaus County Employees Retirement Association     |                         |                                          |
| Tulare County Employees Retirement Association         |                         |                                          |
| Ventura County Employees Retirement Association        |                         |                                          |

## 5.3.13 A Statement of the Firm's Current Equal Opportunity Policy

The Firm is an equal opportunity employer and makes employment decisions on the basis of merit. We want to have the best available people in every job. Therefore, the Company does not discriminate, and does not permit its employees to discriminate against other employees or applicants because of race, color, religion, sex, sexual orientation, gender identity or expression, pregnancy, marital status, national origin, citizenship, veteran status, ancestry, age (40 or over), physical or mental disability (an impairment that limits a major life activity), medical condition (cancer-related or genetic characteristic), or any other consideration made unlawful by applicable laws. Equal employment opportunity will be extended to all persons in all aspects of the employer-employee relationship, including recruitment, hiring, upgrading, training, promotion, transfer, compensation, benefits, discipline, layoff, recall and termination.

This policy not to discriminate in employment also includes, but is not limited to, the following:

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## *Sacramento Transportation Authority*

- 1) The Firm will employ those applicants who possess the necessary skills, education, and experience for the position, without regard to race, color, religion, sex, pregnancy, national origin, ancestry, sexual orientation, age, marital status, gender identity, physical or mental disability, or medical condition.
- 2) No employee will aid, abet, compel, coerce, or conspire to discharge or cause another employee to resign because of race, color, religion, sex, pregnancy, national origin, ancestry, sexual orientation, age, marital status, gender identity, physical or mental disability, or medical condition.
- 3) The Firm will establish rates of pay and terms, conditions, or privileges of employment without regard to race, color, religion, sex, pregnancy, national origin, ancestry, sexual orientation, age, marital status, gender identity, physical or mental disability, or medical condition.
- 4) The Firm will use, for job referral purposes, only those employment agencies that do not discriminate on the basis of race, color, religion, sex, pregnancy, national origin, ancestry, sexual orientation, age, marital status, gender identity, physical or mental disability, or medical condition.

The Firm seeks to comply with legal requirements to ensure equal employment opportunities for persons who are qualified individuals with a disability. In order to make known to the Firm the person's disability, any applicant or employee who requires accommodation in order to perform the essential functions of the job should contact the Human Resources Administrator and request such an accommodation. The individual with the disability should specify what accommodation he or she needs to perform the job. The Firm will then engage in a good faith interactive process with the employee or applicant to determine what, if any, effective accommodations can be made for the employee or applicant. The Firm will conduct an investigation to identify the barriers that make it difficult for the applicant or employee to have an equal opportunity to perform his or her job. The Firm will identify possible accommodations, if any, that will help eliminate the limitation. If the accommodation is reasonable and will not impose an undue hardship, the Firm will make the accommodation.

If an employee believes they have been subjected to any form of unlawful discrimination, they are to provide a written complaint to the Human Resources Administrator as soon as possible. If the complaint relates to the Human Resources Administrator, provide the complaint to the President of the Firm. An employee's complaint should be specific and should include the names of the individuals involved and the names of any witnesses. The Firm will immediately undertake an effective, thorough and objective investigation and attempt to resolve the situation.

If the Firm determines that unlawful discrimination has occurred, effective remedial action will be taken, commensurate with the severity of the offense. Appropriate action will also be taken to deter any future discrimination. The Firm will not retaliate against an applicant or employee for filing a complaint and will not willingly permit retaliation by management employees or co-workers.

It is the responsibility of all Officers, managers, seniors, supervisors, and employees to carry out to the fullest extent the purpose and intent of the Firm's policy regarding equal employment opportunity. All members of management are responsible for the implementation of this program as it relates to their individual departments.

Employment decisions shall, therefore, comply with all applicable state and federal laws prohibiting discrimination in employment.

## 5.3.14 Additional Pertinent Information to Aid STA in Assessing the Firm's Qualifications and Experience

### Additional Transit Entity Experience

Anaheim Transportation Network  
Antelope Valley Transit Authority  
Central Contra Costa Transit Authority  
Eastern Contra Costa Transit Authority  
Fresno County Transportation Authority  
Gold Coast Transit District  
Golden Empire Transit District  
Kern Council of Governments  
Kings County Area Public Transit Agency  
Marin County Transit District  
Monterey-Salinas Transit  
Napa Valley Transportation Authority  
Peninsula Corridor Joint Powers Board  
Riverside Transit Agency

Sacramento Transportation Authority  
San Joaquin Council of Governments  
San Joaquin Regional Transit District  
San Luis Obispo Council of Governments  
San Luis Obispo Regional Transit Authority  
Santa Barbara Metropolitan Transit District  
Santa Cruz Metropolitan Transit District  
Solano County Transit  
Stanislaus Council of Governments  
Stanislaus Regional Transit Authority  
SunLine Transit Agency  
Tulare County Transit Authority  
Tulare County Regional Transit Agency

### TDA Experience

#### **Kern Council of Governments**

- City of Bakersfield - *TDA Funds*
- City of Arvin - *TDA Funds*
- California City - *TDA Funds*
- City of Delano - *TDA Funds*
- City of Maricopa - *TDA Funds*
- City of McFarland - *TDA Funds*
- City of Ridgecrest - *TDA Funds*
- City of Taft - *TDA Funds*
- City of Tehachapi - *TDA Funds*
- County of Kern - *TDA Funds*
- North of the River Recreation and Parks - *TDA Funds*

#### **Tulare County Association of Governments**

- City of Dinuba - *TDA Funds*
- City of Exeter - *TDA Funds*
- City of Farmersville - *TDA Funds*
- City of Lindsay - *TDA Funds*
- City of Porterville - *TDA Funds*
- City of Tulare - *TDA Funds*
- City of Visalia - *TDA Funds*
- City of Woodlake - *TDA Funds*
- County of Tulare - *TDA Funds*

#### **Gold Coast Transit District**

- City of Ojai - *TDA Funds*
- City of Oxnard - *TDA Funds*
- City of Port Hueneme - *TDA Funds*
- City of Ventura - *TDA Funds*
- County of Ventura *TDA Funds*

#### **San Joaquin Council of Governments**

- City of Lodi - *TDA and Measure K Funds*
- City of Escalon - *TDA and Measure K Funds*
- City of Manteca - *TDA and Measure K Funds*
- City of Ripon - *TDA and Measure K Funds*
- City of Stockton - *TDA and Measure K Funds*
- City of Tracy - *TDA and Measure K Funds*
- County of Stockton - *TDA and Measure K Funds*

#### **Miscellaneous TDA Experience**

- San Joaquin Regional Transit District
- San Joaquin Regional Rail Commission
- City of Paso Robles TDA
- City of St. Helena TDA
- County of Napa TDA
- City of Eastvale - *TDA Funds*
- City of Lake Elsinore - *TDA Funds*
- City of Menifee - *TDA Funds*
- City of Moreno Valley - *TDA Funds*
- City of Perris - *TDA Funds*
- City of Temecula - *TDA Funds*
- County of Riverside - *TDA Funds*

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## 5.4 Cost Proposal

Listed below is the total all-inclusive, not-to-exceed price to perform the Annual Comprehensive Financial Report audit for fiscal years 2026-27 through 2028-29 and the Performance/Compliance Agreed-Upon Procedures engagement for fiscal years 2025-26 through 2027-28.

| All-Inclusive Fee<br>For Fiscal Year Ended June 30        |            |                 |                  |                  |                  |                  |
|-----------------------------------------------------------|------------|-----------------|------------------|------------------|------------------|------------------|
|                                                           | Hours      | Hourly<br>Rates | 2025-26          | 2026-27          | 2027-28          | 2028-29          |
| <b>ACFR Audit</b>                                         |            |                 |                  |                  |                  |                  |
| Partners                                                  | 10         | \$475           | \$ -             | \$ 4,750         | \$ 4,893         | \$ 5,039         |
| Manager                                                   | 72         | \$275           | -                | 19,800           | 20,394           | 21,006           |
| Senior                                                    | 48         | \$160           | -                | 7,680            | 7,910            | 8,148            |
| Staff                                                     | 48         | \$125           | -                | 6,000            | 6,180            | 6,365            |
| Clerical                                                  | 2          | \$80            | -                | 160              | 165              | 170              |
| <b>ACFR Audit Total</b>                                   | <b>180</b> |                 | <b>\$ -</b>      | <b>\$ 38,390</b> | <b>\$ 39,542</b> | <b>\$ 40,728</b> |
| <b>ACFR Preparation</b>                                   |            |                 |                  |                  |                  |                  |
| Partners                                                  | 2          | \$475           | \$ -             | \$ 950           | \$ 979           | \$ 1,008         |
| Manager                                                   | 8          | \$275           | -                | 2,200            | 2,266            | 2,334            |
| Senior                                                    | 12         | \$160           | -                | 1,920            | 1,978            | 2,037            |
| Staff                                                     | 12         | \$125           | -                | 1,500            | 1,545            | 1,591            |
| Clerical                                                  | 8          | \$80            | -                | 640              | 659              | 679              |
| <b>ACFR Preparation Total</b>                             | <b>42</b>  |                 | <b>\$ -</b>      | <b>\$ 7,210</b>  | <b>\$ 7,426</b>  | <b>\$ 7,649</b>  |
| <b>Measure A Compliance and Performance AUP</b>           |            |                 |                  |                  |                  |                  |
| Partners                                                  | 12         | \$475           | \$ 5,700         | \$ 5,871         | \$ 6,047         | \$ -             |
| Manager                                                   | 16         | \$275           | 4,400            | 4,532            | 4,668            | -                |
| Senior                                                    | 0          | \$160           | -                | -                | -                | -                |
| Staff                                                     | 12         | \$125           | 1,500            | 1,545            | 1,591            | -                |
| Clerical                                                  | 7          | \$80            | 560              | 577              | 594              | -                |
| <b>Measure A Compliance and<br/>Performance AUP Total</b> | <b>47</b>  |                 | <b>\$ 12,160</b> | <b>\$ 12,525</b> | <b>\$ 12,901</b> | <b>\$ -</b>      |
| <b>Total All-Inclusive Maximum Price</b>                  | <b>269</b> |                 | <b>\$ 12,160</b> | <b>\$ 58,125</b> | <b>\$ 59,869</b> | <b>\$ 48,377</b> |

# TECHNICAL PROPOSAL

*Sacramento Transportation Authority*

## **Rates for Additional Professional Services**

We do not anticipate that additional services will be necessary to complete the audit. If it should become necessary for STA to request Brown Armstrong to render any additional services to either supplement the services requested in the Request for Proposal, or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an amendment to the contract between STA and the Firm. Any such additional work agreed to between STA and the Firm shall be performed at the same rates set forth in the schedule of professional fees and expenses included in this cost proposal.

## **Manner of Payment**

Brown Armstrong agrees to progress payments on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with our cost proposal. Interim billings shall cover a period of not less than a calendar month. We understand the final payment will be made after delivery of the final reports.

## Exhibit I

## Engagement Team Resumes



### Contact

✉ [rnielsen@ba.cpa](mailto:rnielsen@ba.cpa)  
 ☎ 661-324-4971  
 📍 Bakersfield, California  
 🌐 [www.ba.cpa](http://www.ba.cpa)

### Education

California State University, Bakersfield  
*Bachelors of Science Degree in Business  
 and Public Administration with a  
 Concentration in Accounting*  
 2003

### Experience

#### Transits

Anaheim Transportation Network  
 Antelope Valley Transit Authority  
 Eastern Contra Costa Transit Authority  
 Fresno County Transportation Authority  
 Gold Coast Transit District  
 Golden Empire Transit District  
 Kern Council of Governments  
 Kern County TDA Fund Recipients  
 Kings County Area Public Transit District  
 Marin County Transit District  
 Monterey-Salinas Transit  
 Napa Valley Transportation Authority

Peninsula Corridor Joint Powers Board  
 Riverside Transit Agency  
 Sacramento Transportation Authority  
 San Joaquin Council of Governments  
 San Joaquin County TDA Fund Recipients  
 San Joaquin Regional Transit District  
 San Luis Obispo Council of Governments  
 Santa Barbara Metropolitan Transit District  
 Santa Cruz Metropolitan Transit District  
 Solano County Transit  
 SunLine Transit Agency

## Ryan L. Nielsen

Engagement Partner, CPA

### Background

Ryan Nielsen is a partner with over 23 years of experience in governmental accounting. He began his career here in Bakersfield at Brown Armstrong while working on his accounting degree from CSUB. Since graduating with high honors in 2003, Ryan has grown within the firm serving a diverse client base. His expertise ranges from public transit and transportation planning to family owned oil and gas producers. He also has gained great experience in large publicly traded companies.

Ryan has always ensured that we have the highest level of audit, tax, and consulting services for all of his clients through relationship building. He is actively involved in a number of professional organizations such as the California Transit Association, American Institute of Certified Public Accountants, the California Society of Certified Public Accountants, and the California Municipal Finance Officers Association.

### Roles and Responsibilities

- Overall responsibility for the audit and delivery of client service
- Approves the overall audit risk assessment and audit procedures
- Communicates with executive management, and members of STA, regarding audit planning, fieldwork and reporting
- Available throughout the year to ensure proactive issue identification and service delivery



## Neeraj Datta

Technical Review Partner, CPA, CGMA

### Background

Neeraj, a partner in our Bakersfield office, serves as the technical review partner on the project and has been with Brown Armstrong since 2012. He brings more than 23 years of auditing experience, including over 15 years focused on governmental auditing. Prior to joining the firm, his experience included work with Big Four accounting firms such as KPMG in San Francisco and New York, Ernst & Young in New York, and Deloitte & Touche in Toronto. His primary focus is governmental entity audit and accounting, with specialties that include special districts, counties, cities, retirement systems, and investment funds.

Neeraj has always ensured that we provide the highest level of audit and consulting services to all our clients. He currently serves as the firm's Quality Control Partner and chair of the Audit Quality Committee. He is actively involved in several professional organizations such as the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants.

### Roles and Responsibilities

- Responsible for assisting the Engagement Partner in performing the audit risk assessment and design audit procedures
- Assists in audit documentation review in significant areas
- Reviews financial statements to ensure they are in conformance with GAAP and GFOA requirements
- Advises the audit team regarding technical matters and provides concurring approval of financial statements and audit reports

### Contact

✉ [ndatta@ba.cpa](mailto:ndatta@ba.cpa)

☎ 661-324-4971

📍 Bakersfield, California

🌐 [www.ba.cpa](http://www.ba.cpa)

### Education

Dehli University, India  
Bachelor of Commerce Honors Degree  
with a Concentration in Accounting  
1988

### Experience

#### Transits

Golden Empire Transit District  
Kern Council of Governments  
Riverside Transit Agency  
San Joaquin Regional Transit District  
Tulare County Association of Governments  
Tulare County Transit Authority  
Tulare County Regional Transit Agency

#### Special Districts

Cawelo Water District  
Carpinteria Valley Water District  
Goleta Water District  
Mojave Air and Space Port  
Pixley Public Utility District  
Port Hueneme Water Agency  
North of the River Municipal Water District

#### Retirements

Fresno County Employees' Retirement Association  
Imperial County Employees' Retirement System  
Marin County Employees' Retirement Association  
San Bernardino County Employees' Retirement Association  
San Diego County Employees' Retirement Association  
Tulare County Employees' Retirement Association  
Ventura County Employees' Retirement Association

#### Pension Plans

Community Action Partnership of Madera, Inc. 403b  
Community Action Partnership of San Luis Obispo, Inc. 403b  
Hoffmann Hospice of the Valley, Inc. 403b  
Proteus, Inc. 403b

#### Cities

Bakersfield  
Fresno  
Pasadena  
Tulare  
Turlock

#### Counties

Fresno  
Napa  
Tulare



## Melissa Cabezzas

Engagement Manager, CPA

### Background

Melissa is the engagement manager of the project and located in our Bakersfield office. She has more than 19 years of governmental auditing experience at Brown Armstrong. Her primary business focus is governmental entities audit and accounting. Her audit specialties include special districts, transit districts, cities, and counties.

Melissa will be highly involved in the field work and a face to face presence for Brown Armstrong. She and the supervisor accountant will be easily accessible to STA at all times. Her ability to manage an audit has become invaluable for Brown Armstrong. She is actively involved in a number of professional organizations such as the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants.

### Contact

✉ mcabezzas@ba.cpa

☎ 661-324-4971

📍 Bakersfield, California

🌐 www.ba.cpa

### Education

California State University, Bakersfield  
*Bachelor of Science Degree in Business Administration, Concentration in Accounting and Business Administration*  
 2008

### Experience

#### Transits

Antelope Valley Transit Authority  
 Golden Empire Transit District  
 Gold Coast Transit District  
 Kern Council of Governments  
 Kings County Area Public Transit Agency  
 Marin County Transit District  
 Monterey-Salinas Transit  
 Napa Valley Transportation Authority  
 Peninsula Corridor Joint Powers Board  
 Riverside County Transportation Commission  
 Riverside Transit Agency  
 Sacramento Transportation Authority  
 San Joaquin Council of Governments  
 San Luis Obispo Council of Governments  
 San Luis Obispo Regional Transit Authority  
 San Luis Obispo South County Transit  
 Santa Barbara Metropolitan Transit District  
 Santa Cruz Metropolitan Transit District  
 Solano County Transit  
 SunLine Transit Agency

#### Cities

Bakersfield  
 Morro Bay

#### Counties

Merced  
 Riverside  
 San Luis Obispo  
 Santa Barbara  
 Santa Cruz  
 Tulare

#### Special Districts

Bear Mountain Recreation and Park District  
 Buena Vista Water Storage District  
 Cawelo Water District  
 Golden Valley Municipal Water District  
 Goleta Water District  
 Kern Delta Water District  
 Lamont Public Utility District  
 Lebec County Water District  
 Merced Subbasin GSA  
 Mojave Air and Space Port  
 Mojave Public Utility District  
 North Kern Cemetery District  
 Port Hueneme Water Agency  
 Western Riverside County Regional Conservation Authority



## Karolina Ochoa-Contreras

Engagement Senior

### Background

Karolina is an engagement senior in our Bakersfield office with over 4 years of auditing experience at Brown Armstrong. She has shown excellent performance in compiling and preparing financial statements, performing tests and analytical reviews, as well as creating strong working relationships with clients. She has executed audits in the past with little issues and is great at maximizing efficiency while performing audit work.

### Contact

✉ kochoa-contreras@ba.cpa

☎ 661-324-4971

📍 Bakersfield, California

🌐 [www.ba.cpa](http://www.ba.cpa)

### Education

California State University, Stanislaus  
*Bachelor of Science Degree in Business  
 in Accounting*  
 2018

### Experience

#### Transits

Central Contra Costa Transit Authority  
 Eastern Contra Costa Transit Authority  
 Golden Empire Transit District  
 Kings County Area Public Transit Agency  
 San Joaquin Regional Transit District

#### Counties

Merced  
 Napa  
 Santa Cruz

#### Special Districts

Buena Vista Water Storage District  
 East Bay Regional Park District  
 Investment Trust of California  
 Port Hueneme Water Agency  
 Sonoma County Public Safety Consortium  
 South San Joaquin Irrigation District

#### Retirements

Imperial County Employees' Retirement System  
 Marin County Employees' Retirement Association  
 Mendocino County Employees' Retirement Association  
 Sacramento County Employees' Retirement System  
 San Diego County Employees' Retirement Association  
 San Francisco Bay Area Rapid Transit – Money Pension Plan  
 San Francisco Bay Area Rapid Transit – Deferred Compensation Plan

San Joaquin County Employees' Retirement Association  
 San Joaquin Regional Transit District Retirement Plan  
 San Luis Obispo County Pension Trust  
 San Mateo County Employees Retirement Association  
 Stanislaus County Employees Retirement Association  
 Sonoma County Employees' Retirement Association

## Exhibit II

## External Quality Control Review Report



## Report on the Firm's System of Quality Control

April 10, 2025

To the Shareholders of Brown Armstrong Accountancy Corporation  
and the Peer Review Committee of the CalCPA Peer Review Program

We have reviewed the system of quality control for the accounting and auditing practice of Brown Armstrong Accountancy Corporation (the firm) in effect for the year ended October 31, 2024. 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 [aicpa.org/prsummary](http://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 a compliance audit under the Single Audit Act and an audit of an employee benefit plan.

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 Brown Armstrong Accountancy Corporation in effect for the year ended October 31, 2024, 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*. Brown Armstrong Accountancy Corporation has received a peer review rating of *pass*.

MUN CPAs, LLP

MUN CPAs, LLP | 1760 Creekside Oaks Drive, Suite 160, Sacramento, CA 95833 | [www.muncpas.com](http://www.muncpas.com)

GLENDALE • ROSEVILLE • SACRAMENTO • ZEPHYR COVE • KAUAI

# EXHIBITS

## Sacramento Transportation Authority

### Exhibit III

#### Summary of Recent Governmental Experience

##### TRANSITS

Anaheim Transportation Network  
Antelope Valley Transit Authority  
Central Contra Costa Transit Authority  
Eastern Contra Costa Transit Authority  
Fresno County Transportation Authority  
Gold Coast Transit District  
Golden Empire Transit District  
Kern Council of Governments  
Kings County Area Public Transit Agency  
Marin County Transit District  
Monterey-Salinas Transit  
Napa Valley Transportation Authority  
Peninsula Corridor Joint Powers Board  
Riverside County Transportation Commission  
Riverside Transit Agency  
San Bernardino County Transportation Authority  
San Joaquin Council of Governments  
San Joaquin Regional Transit District  
San Luis Obispo Council of Governments  
San Luis Obispo Regional Transit Authority  
Santa Barbara Metropolitan Transit District  
Santa Cruz Metropolitan Transit District  
Solano County Transit  
Stanislaus Council of Governments  
Stanislaus Regional Transit Authority  
SunLine Transit Agency  
Tulare County Association of Governments  
Tulare County Regional Transit Agency

##### NON-PROFITS

Bakersfield ARC  
California Association of County Treasurers and Tax Collectors  
California Association of Public Authorities for IHSS  
Civil Justice Association of California  
Community Action Partnership of Kern  
Community Action Partnership of San Luis Obispo  
Community Action Partnership of Madera County  
Kern County Bar Association  
Missionary Church Western Regional  
Tranquil Waters Guidance Center  
Valley Consortium for Medical Education  
Women's Center – High Desert

##### HEALTHCARE

Liberty Health Advantage  
Heritage Provider Network  
Heritage California Medical Group  
Heritage New York Medical Group  
Southwest Health Care District  
Riverside County Health System  
- Medical Center

##### SPECIAL DISTRICTS

Antelope Valley East Kern Water Agency  
Antelope Valley Fair Association  
Friends of the Antelope Valley Fair  
Bear Mountain Recreation and Park District  
Buena Vista Water Storage District  
California Valley Community Services District  
Carpinteria Valley Water District  
Cawelo Water District  
Channel Islands Beach Community Services District  
East Bay Regional Park District  
Eastern Kern Air Pollution Control District  
Friant Water Authority  
Friends of the Kern County Fair  
Golden Valley Municipal Water District  
Goleta Water District  
Indian Wells Valley Groundwater Authority  
James Water Bank Authority  
Kern Local Agency Formation Commission  
Kern Delta Water District  
Kern Tulare Water District  
Kern Water Bank Authority  
Lake Isabella Community Services District  
Lamont Public Utility District  
Las Posas Valley Watermaster  
Lebec County Water District  
Merced Subbasin Groundwater Sustainability Agency  
Mojave Public Utility District  
Napa Local Agency Formation Commission  
North Kern Cemetery District  
North Coast Unified Air Quality Management District  
Olcese Water District  
Riverside County Habitat Conservation Agency  
Pixley Public Utility District  
Plumas-Eureka Community Services District  
Port Hueneme Water Agency  
San Joaquin Area Flood Control Agency  
San Joaquin Valley Air Pollution Control District  
San Luis Obispo County Integrated Waste Management Authority  
Shafter Recreation and Park District  
Sonoma County Public Safety Consortium  
South San Joaquin Irrigation District  
Tehachapi-Cummings County Water District  
The 15<sup>th</sup> District Agriculture Association - Kern County Fair  
West Valley County Water District  
Westside Mosquito and Vector Control District

##### COUNTY RETIREMENTS

|             |                |               |
|-------------|----------------|---------------|
| Fresno      | Mendocino      | Santa Barbara |
| Imperial    | Sacramento     | Sonoma        |
| Kern        | San Bernardino | Stanislaus    |
| Los Angeles | San Diego      | Tulare        |
| Marin       | San Joaquin    | Ventura       |
| Merced      | San Mateo      |               |

##### OTHER RETIREMENTS

City of Fresno Employees' Retirement Systems  
Los Angeles Fire and Police Pension System  
Los Angeles City Employees' Retirement System  
San Francisco Bay Area Rapid Transit District  
Money Purchase Plan and Deferred Compensation Plan  
San Joaquin Regional Transit District Retirement Plans  
San Luis Obispo County Employees' Pension Trust

##### CITIES

Bakersfield  
Fresno  
Huron  
Laguna Woods  
Morro Bay  
Paso Robles  
St. Helena  
Tulare  
Turlock  
Visalia

##### COUNTIES

Fresno  
Kern  
Merced  
Riverside  
San Benito  
San Joaquin  
Santa Barbara  
Santa Cruz  
Stanislaus  
Tulare  
Napa

##### FIRST 5

Kern  
Merced  
Monterey  
Napa  
San Benito  
San Mateo  
Sonoma  
Stanislaus  
Ventura