

## Request for Proposals S-00043: Fiscal & Compliance Audits Q&A

1. Can you please provide a copy of the most recently completed claimant's audits? Also, can you provide the following:

- Most recent audit of SRTA, including Single Audit
- Most recent management comment letter issued by external auditors
- Most recent communication to the SRTA Board issued by external auditors

a. SRTA's historical fiscal reports can be found on SRTA's website: [Fiscal Reports | Shasta Regional Transportation Agency, CA \(https://www.srta.ca.gov/237/Fiscal-Reports\)](https://www.srta.ca.gov/237/Fiscal-Reports)

TDA Claimants of the Shasta Region are the cities of Anderson, Redding, and Shasta Lake, and the County of Shasta. The transit operator is Redding Area Bus Authority (RABA). The Consolidated Transit Services Agency (CTSA) was Dignity Health Connected Living (DHCL) until June 30, 2025. As of July 1, 2026, SRTA has now designated RABA as the CTSA.

The financial statements and auditor reports for each claimant can be found at the sites listed below:

City of Anderson: [2024 Anderson City of ACFR FINAL.pdf \(https://cms3.revize.com/revize/andersoncanew/2024\\_Anderson%20City%20of\\_ACFR\\_FINAL.pdf?t=202502211746150&t=202502211746150\)](https://cms3.revize.com/revize/andersoncanew/2024_Anderson%20City%20of_ACFR_FINAL.pdf?t=202502211746150&t=202502211746150)

City of Shasta Lake: [City of Shasta Lake FY 2023-24 ACFR \(https://www.cityofshastalake.gov/ArchiveCenter/ViewFile/Item/1065\)](https://www.cityofshastalake.gov/ArchiveCenter/ViewFile/Item/1065)

City of Redding: [Redding ACFR 4 - Financial Statements.xlsx \(https://files.cityofredding.gov/Document%20Center/Departments/Finance/Accounting/Financial%20Reports/2024/2024-06-30%20City%20of%20Redding%20ACFR%20FYE%202024.pdf?t=202510141231050&t=202510141231050\)](https://files.cityofredding.gov/Document%20Center/Departments/Finance/Accounting/Financial%20Reports/2024/2024-06-30%20City%20of%20Redding%20ACFR%20FYE%202024.pdf?t=202510141231050&t=202510141231050)

County of Shasta: [0001.70 - Shasta TDA Final Financial Statements \(County of Shasta AUD 2024 \[6/30/2024\] \(In Process\)\) \(https://www.shastacounty.gov/media/64751\)](https://www.shastacounty.gov/media/64751)

Redding Area Bus Authority (RABA): [ACFR RABA 2024 \(https://cms3.revize.com/revize/reddingbusauthority/Document%20Center/About%20Raba/Reports/Financial%20Reports/RABA%20ACFR%202023-24%20Final-PDF.pdf?t=202505051835190&t=202505051835190\)](https://cms3.revize.com/revize/reddingbusauthority/Document%20Center/About%20Raba/Reports/Financial%20Reports/RABA%20ACFR%202023-24%20Final-PDF.pdf?t=202505051835190&t=202505051835190)

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Dignity Health Connected Living (DHCL): [DHCL TDA Compliance Report FY 2023-24 \(https://www.srta.ca.gov/DocumentCenter/View/10077/TDA-Compliance-AUP-Final-Report---DHCL-63024\)](https://www.srta.ca.gov/DocumentCenter/View/10077/TDA-Compliance-AUP-Final-Report---DHCL-63024)

- 2. Is the predecessor audit bidding for this project?**
  - a. They may or may not bid, that is up to the company. SRTA maintains a fair and competitive process for all bids and makes no assumptions as to who will or will not bid on our RFPs until the proposals have been submitted by the bid deadline.
- 3. Are you sharing what the 2024 audit fee was? If so, what was it?**
  - a. Audit services for FY 2023/24 was \$36,751.
- 4. What is the reason that you are considering changing the auditor?**
  - a. The existing contract term has come to an end. Periodic competitive procurements are required under SRTA policies as well as federal and state laws.
- 5. Will your prior auditors be invited to bid?**
  - a. All eligible firms that can meet the RFP requirements are invited to submit a proposal. The previous auditors are eligible to submit a proposal if they choose to.
- 6. How many staff did the audit team consist of in the past and when did the auditors come on site?**
  - a. One staff auditor and one partner for final review. The audit was completed 100% remotely.
- 7. Is the scope of the services requested the same as last year?**
  - a. Yes.
- 8. Have there been any changes in your accounting system or software since last year?**
  - a. No.
- 9. Do you expect to have any retirement or replacement of key employees?**
  - a. No.
- 10. How many weeks did your prior auditors require for your last audit?**
  - a. This information is not available. Estimate two to three weeks.
- 11. How many weeks/hours were spent by the prior auditors in the field?**
  - a. The FY 2022/23 audit was completed in approximately 482 hours.
- 12. When did the on-site fieldwork take place?**
  - a. All work was completed remotely.
- 13. How many hours did your auditors estimate needing for performance of the FY 2024 audit? Could you please provide breakout by audit phase, if known?**
  - a. Hours estimates were not provided for the FY 2023/24 audit. Proposals are based on the scope of work and required deliverables.
- 14. What is the desired timeline for the following:**
  - i. **Interim Fieldwork** – February 2026

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- ii. **Final Fieldwork** – March 2026
  - iii. **Issuance of each Audit Report** – Fiscal & Compliance, March 2026; Single Audit, April 2026.
- 15. What were the prior year audit fees, and can you please break these down by components?**
- a. See Question 3. No breakdown was provided.
- 16. What is the current year budget for auditing services?**
- a. The FY 2026/27 budget for auditing services is currently \$39,000.
- 17. When will a closed trial balance be available for the audit with all closing entries recorded?**
- a. February 2026.
- 18. Is there anything specific that you are looking for with the successor auditors?**
- a. SRTA's primary objective is to complete the audit before the required deadline with minimal or no findings.
- 19. What are the things you liked and did not like about your current auditors?**
- a. Successful proposers will have public agency expertise, work that is thorough, timely, and responsive. The work schedule, timeline, and auditor commitments should be communicated clearly.
- 20. Who prepared the Agency's Annual Financial Report in FY 2024, the auditors or the Agency?**
- a. SRTA contracted with a CPA consultant for a pre-audit and draft basic financial statements.
- 21. How many adjusting entries did you have last year?**
- a. Less than ten.
- 22. Do you expect to have a single audit this year?**
- a. Yes.
- 23. How many major programs are you expecting for FY 2025?**
- a. SRTA typically has four federal programs for planning funds: Federal Highway Administration (FHWA) – Metropolitan Planning; Federal Transit Administration (FTA) – Metropolitan Planning; FTA – State Planning & Research, Part I; and, FTA – Section 5304.
- 24. How much were the total federal expenditures for FY 2025?**
- a. Approximately \$1.3 million.
- 25. We noted the Agency's final FY 2024 audit reports are not yet posted to the Agency's website, and also that the FY 2023 audit reports were not issued until around August-September 2024. Could you please describe any reasons for the delays?**
- a. Please review the associated staff report, which addresses the prior audit delays: [7-9 Fiscal Compliance Audit](#)

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**([https://www.srta.ca.gov/DocumentCenter/View/10059/7-9\\_Fiscal\\_Compliance\\_Audit](https://www.srta.ca.gov/DocumentCenter/View/10059/7-9_Fiscal_Compliance_Audit))**

- 26. Could you please share a copy of the final FY 2024 audit report, if available?**
- As of this posting, only a draft is available. Please visit SRTA's Fiscal Reports page referenced in Question 1. This page will be updated with the final audit report when it becomes available.
- 27. Would the Agency be open to having the majority of the audit being performed remotely?**
- Yes, remote work is preferred.
- 28. What was the Agency's experience with remote auditing? Would you suggest any changes?**
- The previous three audits have been completed 100% remotely. This method is preferred.
- 29. Is the majority of supporting documentation maintained electronically (e.g. PDF), such as checks, vendor invoices, cash receipts, timecards, personnel files?**
- Yes, SRTA maintains electronic documents for most of its transactions.
- 30. Who is your current auditor? How many years have they provided your audit services?**
- Eide Bailly, LLP is completing the audit report for FY 2023/24. They have been under contract with SRTA since the FY 2020/21 audit cycle.
- 31. Has your organization (or its employees) been under any governmental investigation or regulatory examination in the past?**
- No.
- 32. Are you aware of, or do you suspect, any fraud in your organization? Have there been any allegations of fraud against SRTA or anyone in your organization in the past two years?**
- No.
- 33. Did you have any disagreements with your prior auditor?**
- No.
- 34. Has SRTA undergone any audits or inspections by regulatory agencies?**
- In the Single Audit of FY 2020/21, there was a compliance finding relating to written procedures on advances, which was immediately corrected. This finding had to be reported to Caltrans and was subsequently found to be resolved.
- 35. Have there been any changes to the governance structure of the Agency during the audit period?**
- No.
- 36. Has the organization entered into any contracts, issued a bond, begun a major project, or become party to litigation that are not reflected in the prior audit? Please describe.**
- No.

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**37. What accounting system do you use? Has the Accounting system changed in the past year?**

- a. Intuit QuickBooks Desktop, version 24.0. No changes.

**38. What are your major concerns?**

- a. Implementing the new GASB standards such as SBITA, Leases, and Compensated Absences.

**39. What meetings do you require the auditor to attend? When and where are they held?**

- a. For FY 2024/25 SRТА's audit reports will tentatively go to the board April 30, or June 24, 2026. All meetings can be attended virtually.
- b. Auditors should plan to attend SRТА's Fiscal & Policy Committee meetings to present the draft audit and respond to Fiscal & Policy Committee questions, with remote attendance preferred. Attendance at the Board of Directors may depend on direction provided at SRТА's Fiscal & Policy Committee meetings. SRТА Board of Directors meetings are in person and available on Zoom.