

ALAMEDA CORRIDOR FINANCIAL AUDIT SERVICES

Request for Proposals dated March 6, 2025

Responses to Questions

Issued March 20, 2025

1. **Please provide the fees paid for audit services for each of the past three years. If applicable, please indicate if there were any billings above contracted amounts for “out-of-scope” or additional services not contemplated at contract award.**

Fees paid for audit services: FY 2024 \$104,848; FY2023 \$98,741; FY2023 \$92,988.
There was not out-of-scope work.

2. **Does ACTA draft the ACFR and/or the Management’s Discussion and Analysis section of the report or are these compiled annually by the auditors?**

The management discussion and analysis is drafted by ACTA management.

3. **When will the final trial balance and audit support be ready to begin the audit each year?**

Per the RFP, after the completion of fieldwork on October 9.

4. **Did ACTA adopt GASB 94, Public-Private and Public-Public Partnerships, and GASB 96, Subscription-Based Information Technology Arrangements, in the prior years? Has ACTA evaluated the impact of GASB 101, Compensated Absences, on the organization and its financial statements?**

No.

5. **Do you typically have adjusting journal entries? If so, how many do you typically have?**

ACTA has very few adjustments, typically 1 or 2.

6. **What are the expectations for the performance of the fieldwork? Any preferences to perform the work remotely, on-site, or a hybrid model? Will Board meeting presentations be held virtually or in-person?**

Fieldwork may be done remotely. The presentation by the Auditor to ACTA's Audit Committee must be done in person.

7. **What is ACTA's preferred timeline for the completion of interim and year-end audit procedures?**

There are no interim audits. Fieldwork is to be completed by October 9. Please see the RFP, Attachment 2, scope of work for Audit timing.

8. **When are the draft and final financial statements due each year?**

The draft is due October 23, and the final is due November 5.

9. **Is the incumbent firm allowed to propose?**

Yes.

10. **Did the incumbent auditors meet the pre-determined deadlines? Have there been delays in audits in prior years? If so, what caused these delays?**

Yes, there were no delays.

11. **Is there anything about your current audit process that you would like changed in the future?**

No, but we are open to suggestions.

12. **Have there been any disagreements between management and your independent auditor during the prior three engagements?**

No.

13. **What are the three biggest challenges affecting ACTA?**

The haven't been any challenges facing ACTA's audits.

14. **We have reviewed the RFP and do not believe we have any exceptions to request related to it. Will ACTA be open to requests from our legal team related to the contract during negotiations to help ensure we meet our Firm's risk standards and our work is insurable?**

No. Please state the requests in your proposal.

15. **Has there been any turnover in management during the past year?**

No.

16. **Has there been any turnover in accounting staff during the past year?**

There has been one retirement. Otherwise, there have been no changes.

17. **What accounting software do you use? Any plans for change?**

ACTA uses Sparkrock 365. There are no plans for a change.

18. **How many journal entries were proposed by the auditor in the prior year?**

One.

19. **Are any management letter comments outstanding from the prior year?**

No.

20. **May we receive a copy of last year's management letter?**

Please see the financial statement on ACTA's website.

21. **How many major programs are subject to a Single Audit?**

None.

22. **Any known or suspected fraud?**

No.

23. **When will the books be ready for the audit?**

September 8.

24. Are financial records available electronically?

Yes.

25. Is remote auditing acceptable?

Please see answer to question 6.

26. Who prepares the financials?

ACTA staff.

27. Were there any significant transactions (e.g., bond issuance, leases) during the year?

Yes, the Series 2024 bond issuances totaling \$216,232,755.30.

28. Significant changes to operations or funding sources?

No.

29. Significant construction or capital projects?

No.

30. Any audits or inspections by regulatory agencies?

No.

31. Any changes to the governance structure of ACTA?

No.

32. Is the incumbent auditor invited to bid?

Yes.

33. What were the audit fees for the prior year?

See answer to Question 1.

34. **Will the ACTA allow the work to be performed remote with the understanding that certain key meetings will require onsite visits?**

See answer to Question 6.

35. **How many programs are anticipated to be major programs for fiscal 2025?**

None.

36. **Have any programs had modified opinions in the last three years?**

No.

37. **Can you provide the hours and costs for these services in the prior year?**

N/A

38. **How many audit adjustments were proposed by the auditors in last year's audit?**

One.

39. **How many accounting entries were made after the year-end trial balance is given to the auditor?**

One.

40. **What is your preference of performing the audit remotely vs. on-site assuming no restrictions? Are you open to a combined approach?**

See answer to Question 6.

41. **In the RFP, Exhibit G includes an affidavit of company status and indicates that at least one box related to the organizations SBE status must be checked. Exhibit G also states that the SBE percentage required is zero. If the proposing firm does not meet the of an SBE, is the affidavit of company status required?**

Yes. A large firm may check the box for OBE, "Other Business Enterprise"

42. **The sample contract has several references to several different types of pricing – fixed fee, time and materials, etc. Does the Authority prefer a fixed fee to be submitted? Or time and materials?**

ACTA prefers fixed fee pricing. We also want the Auditor/Proposer to provide time and materials rates.

43. **Per review of the sample contract, there are certain sections that may be in conflict with the AICPA professional standards and independence requirements. May we submit such exceptions for your consideration in our proposal submission? Also, can you please provide the current audit agreement with your current provider?**

Yes. Please see attachments for the agreement and amendments.

44. **About how many hours were incurred on the audit in the prior year?**

402 hours.

45. **To be respectful of any budgetary commitments, how much has the authority budgeted for external auditing services in FY 2025?**

\$140,000.



ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

3760 KILROY AIRPORT WAY, SUITE 200, LONG BEACH, CA 90806 • (562) 247-7777 • FAX (562) 247-7090

ACTA DCC
Sent / Received

May 7, 2015

MAY 7 2015

Ms. Olga Darlington, Senior Manager
Moss Adams LLP
2707 Colby Avenue, Suite 801
Everett, WA 98201

Subject: Alameda Corridor Transportation Authority
Agreement No. 855

Dear Ms. Darlington:

Please find enclosed a fully executed original of our contract for your files. We look forward to meeting with you in June and working with you and your staff on this year's audit engagement. Please contact me at your earliest convenience to schedule the interim and year-end work. Thank you.

Sincerely,

April See
Financial Systems Manager

cc: J. Preusch
J. Putman
S. Wagner

AUTHORITY AGREEMENT NO. C0855

**AGREEMENT BETWEEN
THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY
AND
MOSS ADAMS LLP**

THIS AGREEMENT, made and entered into by the Alameda Corridor Transportation Authority ("AUTHORITY"), and Moss Adams LLP ("AUDITOR").

WITNESSETH:

WHEREAS, AUTHORITY has a need for an annual financial statement audit, and

WHEREAS, AUTHORITY desires to retain an AUDITOR to provide such services annually and AUDITOR desires to provide such services.

NOW, THEREFORE, in consideration of the premises and of the terms, covenants and conditions hereinafter contained to be kept and performed by the respective parties,

IT IS MUTUALLY AGREED AS FOLLOWS:

Section I. **SECTION HEADINGS.**

The section headings appearing herein shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions of this Agreement.

Section II. **TERM OF AGREEMENT.**

The term of this Agreement shall be deemed to have commenced as May 1, 2015 and, subject to the provisions of Section IX, shall be for a term of five years. This Agreement may be extended by AUTHORITY for a second term of five years.

Section III. **SERVICES TO BE PERFORMED BY AUDITOR.**

A. **General**

Auditing of the AUTHORITY's financial statements for the fiscal years ending June 30, 2015 – June 30, 2019, with the option to audit the AUTHORITY's financial statements for each of the five subsequent fiscal years through fiscal year ending June 30, 2024. The audits are to be performed in accordance with the provisions contained in this Agreement.

B. **Scope of Work to be Performed**

The AUTHORITY desires the AUDITOR to express an opinion on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles. The AUDITOR shall also be responsible for performing certain limited procedures involving supplementary information required by the Governmental Accounting Standards Board and mandated by generally accepted auditing standards.

C. Auditing Standards to be Followed

To meet the requirements of this Agreement, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants (AICPA), the standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards* (December 2011 Revision), the provisions of the Single Audit Act of 1984 (as amended in 1996) and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* (and as superseded by OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards), including all compliance supplements, and the AICPA accounting and auditing guide *Audits of State and Local Governments*.

D. Reports to be Issued

Following the completion of the audit of the fiscal year's financial statements, the AUDITOR shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles, including an opinion on the fair presentation of the supplementary schedule of expenditures of federal awards in relation to the audited financial statements, if required.
2. A report on compliance and internal control over financial reporting based on an audit of the financial statements
3. A report on compliance and internal control over compliance applicable to each major federal program, if required.

In the required report[s] on compliance and internal controls, the AUDITOR shall communicate any reportable conditions found during the audit. A reportable condition include a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements, or to comply with a type of compliance requirement of a federal program.

Reportable conditions that are also material weaknesses shall be identified as such in the report. Reportable conditions also include fraud, material noncompliance with provisions of laws, regulations, contract, and grant agreements, and abuse.

Non-reportable conditions discovered by the AUDITOR, such as nonmaterial instance of noncompliance may be reported in a separate letter to management.

Reporting to the Audit Committee. AUDITOR shall assure themselves that the AUTHORITY's Audit Committee is informed of each of the following:

1. The AUDITOR's responsibility under generally accepted auditing standards and government auditing standards
2. An overview of the planned scope and timing of the audit
3. Significant findings from the audit

4. Significant accounting policies
5. Management judgments and estimates
6. Significant audit adjustments
7. Uncorrected audit adjustments
8. Disagreements with management
9. Difficulties with management
10. Management consultation with other accountants
11. Major issues discussed with management prior to retention
12. Management advisory services
13. Other matters including fraud, and noncompliance with the provisions of laws and regulations

E. Special Considerations

1. The AUTHORITY has determined that the United States Department of Transportation will function as the cognizant agency in accordance with the provisions of the Single Audit Act of 1984 (as amended in 1996) and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and as superseded by OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, including all compliance supplements.
2. The Schedule of Expenditures of Federal Awards and related AUDITOR's report, as well as the reports on compliance and internal controls are not to be included in the comprehensive annual financial report, but are to be issued separately.

F. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the AUDITOR's expense, for a minimum of five (5) years following audit completion and delivery of the final audit report to the AUTHORITY, unless the AUDITOR is notified in writing by the AUTHORITY of the need to extend the retention period. The AUDITOR will be required to make working papers available, upon request and with AUTHORITY's written approval, to the following parties or their designees:

- United States Department of Transportation
- U.S. General Accounting Office (GAO)
- Parties designated by the federal or state governments or by the AUTHORITY as part of an audit quality review process
- Auditors of entities of which the AUTHORITY is a recipient or sub-recipient of grant funds

- Auditors of entities of which the AUTHORITY has agreements that allows such entities to perform audit of the AUTHORITY
- Any party or entity specifically authorized by the AUTHORITY in writing

In addition, the AUDITOR shall respond to the reasonable inquiries of successor Auditors and allow successor Auditors to review working papers relating to matters of continuing accounting significance. Access to working papers, other than as required by law or regulation, shall require execution of an appropriate access letter by the recipient.

Section IV. TIME REQUIREMENTS

A. Schedule for Annual Audit

Each of the following should be completed by the AUDITOR no later than the dates indicated. In the event a referenced date falls on a Saturday, Sunday, or AUTHORITY holiday, such date shall be deemed to be the next business day immediately following the specified date.

1. Detailed Audit Plan

The AUDITOR shall provide the AUTHORITY by July 1 of each year, an Engagement Letter, detailed audit plan and a list of all schedules to be prepared by the AUTHORITY.

2. Fieldwork

The AUDITOR shall begin fieldwork by the first Tuesday in September. The AUDITOR shall complete all fieldwork by the first Friday in October.

3. Draft Reports

The AUDITOR shall have drafts of the audit reports and recommendations to management available for review by the Chief Financial Officer by the fourth Friday in October for FY2015, and the third Friday in October in subsequent years.

3. Final Reports

The final reports, including PDF versions, shall be provided to AUTHORITY management by the first Wednesday in November. The final audit reports and recommendations to management shall be ready to be presented to the Audit Committee on the second Thursday in November. The final audited financial statements shall be ready to be presented to AUTHORITY's Governing Board on the second Thursday in November generally following the Audit Committee meeting.

B. Entrance Conferences, Progress Reporting and Exit Conferences

Week of the

Entrance conference with the AUTHORITY

2nd Monday in August

- The purpose of this meeting will be to discuss key audit issues and problems

and review the detailed audit plan.
This meeting will also be used to establish overall liaison for the audit and to make arrangements for work space and other needs of the AUDITOR.

Entrance conference with Chief Financial Officer and other key personnel.

1st Tuesday in September

- The purpose of this meeting will be to discuss how detailed field work will be performed, acquaint AUTHORITY and audit proposer personnel, and review audit timeline.

Exit conference with Chief Financial Officer and other key personnel

3rd Friday in October

- The purpose of this meeting will be to summarize the results of the field work and to review significant findings or outstanding issues

C. Date Final Report is Due

The Chief Financial Officer and his staff shall prepare draft financial statements, notes and all required supplementary schedules no later than the fourth Friday in September. The AUDITOR shall provide all recommendations, revisions and suggestions for improvement to the Chief Financial Officer by the second Friday in October. AUTHORITY and AUDITOR will work together to complete the draft. A revised report, including draft AUDITOR's reports shall be delivered by the fourth Friday in October for FY2015, and the third Friday in October in subsequent years.

The Chief Financial Officer and his staff will complete their review of the draft report as expeditiously as possible. During that period, the AUDITOR should be available for any meetings that may be necessary to discuss the audit reports. Once all issues for discussion are resolved, the final signed report shall be immediately provided to the AUTHORITY in a PDF version, with bound and printed copies delivered to the Chief Financial Officer by the first Wednesday in November. Appropriate management personnel from the audit proposer should be available to attend the Audit Committee and Governing Board meetings as required.

Section V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Finance Related Departments and Clerical Assistance

Appropriate AUTHORITY staff and responsible management personnel will be available during the audit to assist the AUDITOR by providing information, documentation and explanations. The preparation of confirmations will be the joint responsibility of the AUDITOR and the AUTHORITY.

B. Information Technology (IT) Assistance

IT personnel will be available to provide assistance in setting up the appropriate access to an AUTHORITY printer and wide area network. Audit proposers should provide their own computers and software for use in the field.

C. Statements and Schedules to be Prepared by the Staff of the AUTHORITY

The staff of the AUTHORITY will prepare the draft of financial statements including any required supplementary information and notes. The AUTHORITY will prepare all schedules necessary to perform the audit.

D. Work Area, Telephones, Photocopying, FAX Machines, and Internet Access

The AUTHORITY will provide the AUDITOR with reasonable work space, desks and chairs. The AUDITOR will also be provided with access to telephone lines, photocopying facilities, FAX machines, and internet connections subject to the AUTHORITY's restrictions on the use of such equipment.

E. Report Preparation

Report preparation, editing and printing shall be the responsibility of the AUDITOR. The number of reports to be printed for distribution will be determined annually during the audit period.

Section VI. PAYMENT OF FEES.

A. AUDITOR's Fees and Expenses and Payment for the services rendered to AUTHORITY by AUDITOR pursuant to Section III of this Agreement, shall be paid to AUDITOR as an annual amount detailed in Exhibit A, attached hereto. All fees and expenses shall not exceed \$448,150 during the term of the Agreement without prior written approval of AUTHORITY.

B. Payment to AUDITOR shall be made by AUTHORITY from time to time in due course of payments, but not more frequently than once each month, and only upon the submission of an itemized invoice showing in reasonable and complete detail the services rendered and reimbursable costs and expenses incurred in connection with the services rendered. AUDITOR shall certify on said invoice as follows:

"I certify under penalty of perjury that the above invoice is just and correct according to the terms of AUTHORITY Agreement No. C0855 and that payment has not been received. I further certify that none of the items contained in said invoice have been submitted for reimbursement to any other company or agency."

Further, AUDITOR shall certify that its members and employees have performed the work and incurred the costs and expenses in full conformance with the provisions of this Agreement and that it is entitled to receive said amount pursuant to the terms of this Agreement. The final payment of each annual amount detailed in Exhibit A shall not be due or paid until all reports and statements have been delivered, all work has been completed, and all presentations and briefings have been made.

C. In addition, AUTHORITY shall reimburse AUDITOR for all reasonable, out-of-pocket expenses incurred in performing the work specified herein. Such out-of-pocket expenses over \$50.00 must be supported by appropriate documentation for reimbursement. Such expenses may include expenses which would be reimbursable to AUTHORITY employees if incurred by them in the performance of their duties.

Section VII. SUCCESSION OF INTEREST.

This Agreement shall be binding upon and shall inure to the benefit of AUDITOR as presently constituted or as changed hereafter by the death or retirement therefrom of any present Partners, by admission of new Partners, or by the death or retirement of any thereof.

Section VIII. NOTICE.

The following addresses shall serve as the places to which notices and other correspondence between the parties shall be sent:

- A. AUDITOR: Olga A. Darlington, Senior Manager
Moss Adams LLP
2707 Colby Avenue, Suite 801
Everett, WA 98201
- B. AUTHORITY: James P. Preusch, CFO
ACTA
3760 Kilroy Airport Way, Suite 200
Long Beach, California 90806

All such notices shall be delivered personally to the other parties, or shall be deposited in the United States mail, properly addressed as aforesaid, with postage fully prepaid by certified or registered mail, and shall be effective upon receipt.

Section IX. TERMINATION.

This Agreement and all services to be rendered hereunder may be terminated at any time by AUTHORITY, upon written notice from AUTHORITY, with or without cause. In such event, all Deliverables, at the option of AUTHORITY, shall become the property of AUTHORITY and shall be delivered to AUTHORITY or to any party designated within seven (7) days of any such termination. Notwithstanding the foregoing, Deliverables issued in the name of AUDITOR may not be altered or modified without AUDITOR's consent, and AUDITOR may retain a copy of Deliverables for archival purposes. "Deliverables" are all final audit reports and other completed deliverables provided to the AUTHORITY under this Agreement, excluding AUDITOR Materials contained or embodied therein. AUDITOR shall own: (i) its working papers and any engagement documentation; and (ii) its general accounting-related skills, know-how, expertise, ideas, concepts, methods, techniques, processes, software, materials or other intellectual property which may have been discovered, created, received, developed or derived by AUDITOR either prior to or as a result of providing services under the Agreement (collectively, "AUDITOR Materials"). AUTHORITY shall have a non-exclusive, non-transferable license to use AUDITOR Materials for its own internal use and only for the purposes for which they are delivered to the extent they form part of a Deliverable. AUDITOR and its personnel are free to use and employ their general skills, know how, and expertise, and to use, disclose, and employ any generalized ideas, concepts, know-how, methods, techniques, or skills gained or learned during the course of this Agreement so long as they acquire and apply such information without any unauthorized use or disclosure of confidential or proprietary information of AUTHORITY. In the event of such termination, AUDITOR shall be paid for all satisfactory work, unless such termination is made for cause, in which event compensation, if any, shall be adjusted in light of particular facts and circumstances involved in such termination.

In addition, AUDITOR may terminate this Agreement at any time for any reason by written notice. AUDITOR is subject to applicable rules of professional conduct when terminating such a client engagement. If AUDITOR terminates the engagement, AUDITOR will take all reasonable and practical steps to protect the AUTHORITY's interests.

Section X. EMPLOYMENT OF Auditors.

AUDITOR will not employ or otherwise incur any obligation to pay Auditors, specialists or experts for services in connection with this Agreement without prior written approval of AUTHORITY.

Section XI. INSURANCE.

AUDITOR hereby warrants that upon full execution of this Agreement, AUDITOR has and will maintain throughout the term of this Agreement, Worker's Compensation Insurance as required by the laws of the State of California. AUDITOR shall certify that it is aware of the provisions of Section 3700 of the California Labor code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that AUDITOR shall comply with such provisions before commencing the performance of the Audit. AUDITOR shall submit Workers' Compensation policies whether underwritten by the state insurance fund or private carrier, which provide that the public or private carrier waives its right of subrogation against the AUTHORITY in any circumstance in which it is alleged that actions or omissions of the AUTHORITY contributed to the accident. Such Worker's Compensation and occupational disease requirements shall include coverage for all employees of AUDITOR, and for all employees of any subcontractor or other vendor retained by AUDITOR.

Section XII. AGREEMENT CONTAINS ENTIRE CONTRACT.

The provisions of this Agreement contain the entire terms of the Agreement between the parties hereto and said Agreement may not be changed or modified in any manner except by written amendment fully executed by AUTHORITY and AUDITOR.

Section XIII. LAW OF CALIFORNIA APPLIES.

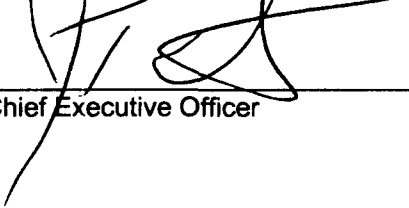
This Agreement and every question arising hereunder shall be construed or determined according to the laws of the State California.

Section XVI. NO ASSIGNMENT.

This Agreement contemplates the personal professional services of AUDITOR, its members and professional employees, and it is acknowledged by the parties hereto that a substantial inducement to AUTHORITY for entering into this Agreement was, and is, the professional reputation and competence of AUDITOR. Neither this Agreement nor any interest therein may be assigned.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement.

**ALAMEDA CORRIDOR TRANSPORTATION
AUTHORITY**

Date 5/6/15 By: 
Chief Executive Officer

MOSS ADAMS LLP

Date 4/29/2015 By: 
Senior Manager

APPROVED AS TO FORM:
City Attorney – Michael N. Feuer

By: 
Deputy City Attorney

Date: May 6, 2015

EXHIBIT A
AUTHORITY AGREEMENT NO. C0855
AGREEMENT BETWEEN
THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY
AND
MOSS ADAMS LLP
Detail of Annual Audit Fees

Total All-Inclusive Maximum Price for FY 2015 Audit	\$82,250
Total All-Inclusive Maximum Price for FY 2016 Audit	\$85,540
Total All-Inclusive Maximum Price for FY 2017 Audit	\$88,960
Total All-Inclusive Maximum Price for FY 2018 Audit	\$93,400
Total All-Inclusive Maximum Price for FY 2019 Audit	<u>\$98,000</u>
Contract not to Exceed Value	\$448,150

The following discounted blended rates will be utilized for all audit work conducted for the AUTHORITY for the year ended June 30, 2015:

	<u>Discounted</u> <u>Blended</u> <u>Rates</u>
Audit Partner	\$ 170
Audit Senior Manager	\$ 170
Audit Manager	\$ 170
Senior Accountant	\$ 170
Staff Accountant	\$ 170

MAR 7 2016

**FIRST AMENDMENT TO AGREEMENT NO. 855
 BETWEEN THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY AND
 MOSS ADAMS LLP**

THIS FIRST AMENDMENT to Agreement No. 855 is made and entered into by the Alameda Corridor Transportation Authority ("AUTHORITY"), acting by and through its Governing Board, and MOSS ADAMS LLP ("AUDITOR").

WHEREAS, an Agreement between AUTHORITY and AUDITOR was entered into commencing May 1, 2015 for a term of five years, to provide financial statement audits and single audits for fiscal years ending June 30, 2015 through June, 30, 2019, with a not to exceed payment amount of \$448,150; and

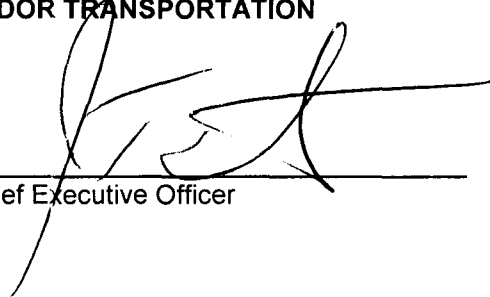
WHEREAS, at its January 14, 2016 meeting, AUTHORITY's Governing Board authorized additional services for the audit of the Railroads' systems used for AUTHORITY fee assessment and daily train movement reporting with a not to exceed payment amount of \$30,000.

NOW, THEREFORE, in consideration of the terms, covenants and conditions hereinafter provided, IT IS MUTUALLY AGREED AS FOLLOWS:

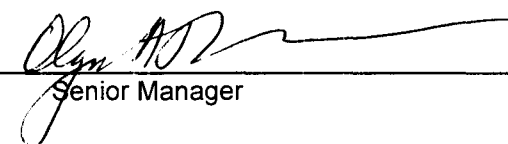
1. Section III. SERVICES TO BE PERFORMED BY AUDITOR – A. General is hereby amended to add the service of a one-time audit of the Railroads' systems used for AUTHORITY verification of fee assessment and daily train movements.
2. Section III. SERVICES TO BE PERFORMED BY AUDITOR – B. Scope of Work to be Performed is hereby amended to add to the scope of work an audit of the Railroads' systems used for AUTHORITY verification of fee assessment and daily train movements, said scope of work shall be carried out as attached herein in Exhibit B and by this reference made a part hereof.
3. Section VI. PAYMENT OF FEES – A. is hereby amended by increasing the compensation amount by \$30,000 for a total not-to-exceed payment amount of \$478,150.
4. Exhibit A. DETAIL OF ANNUAL AUDIT FEES shall be amended to add a line item entitled "Railroads' Electronic Systems Audit, 2016" with a payment amount of \$30,000 and revise the "Total Contract Not to Exceed Value" line item to \$478,150.
5. Except as amended herein above at items 1, 2, 3, and 4, all remaining terms and conditions of Agreement No. 855, remain in full force and effect, and otherwise unamended.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Agreement No. 855 as provided below:

**ALAMEDA CORRIDOR TRANSPORTATION
AUTHORITY**

Date 2/17/16 By: 
Chief Executive Officer

MOSS ADAMS LLP

Date 2/27/16 By: 
Senior Manager

APPROVED AS TO FORM:
City Attorney – Michael N. Feuer

By: 
Deputy City Attorney

Date: February 16, 2016

EXHIBIT A

AUTHORITY AGREEMENT NO. C0855

**AGREEMENT BETWEEN
THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY
AND
MOSS ADAMS LLP**

Detail of Annual Audit Fees

Total All-Inclusive Maximum Price for FY 2015 Audit	\$82,250
Total All-Inclusive Maximum Price for FY 2016 Audit	\$85,540
Total All-Inclusive Maximum Price for FY 2017 Audit	\$88,960
Total All-Inclusive Maximum Price for FY 2018 Audit	\$93,400
Total All-Inclusive Maximum Price for FY 2019 Audit	<u>\$98,000</u>
Annual FY Audits not to Exceed Value	\$448,150
Railroads' Electronic Systems Audit, 2016 – See Exhibit B	<u>\$ 30,000</u>
Total Contract not to Exceed Value	\$478,150

The following discounted blended rates will be utilized for all audit work conducted for the AUTHORITY for the year ended June 30, 2015:

	<u>Discounted</u> <u>Blended</u> <u>Rates</u>
Audit Partner	\$ 170
Audit Senior Manager	\$ 170
Audit Manager	\$ 170
Senior Accountant	\$ 170
Staff Accountant	\$ 170

EXHIBIT B
 AUTHORITY AGREEMENT NO. C0855
Alameda Corridor Transportation Authority
Review of Railroads Revenue Reporting - 2016
Scope of Work

I. Purpose

Evaluate processes and systems used by Union Pacific and BNSF (collectively “the Railroads”) in their self-assessment and daily reporting to ensure they are being determined in accordance with the terms of Section 7.3 of the Use and Operating Agreement, First Amendment to the Use and Operating Agreement and Implementation and Settlement Agreement.

II. Goals

- Review and become familiar with RAVS related documents to understand ACTA’s monthly reconciliation and the claim process between the railroads and ACTA.
- Gain understanding of the internal control processes in place for the self-assessment and daily reporting process to ACTA.
- Identify key controls in place related to self-assessment and daily reporting process
- Evaluate IT systems used in capturing information used for the self-assessment and daily reporting process
- Ensure the attributes used for self-assessment process and daily reporting are in accordance with terms of Section 7.3 of Use and Operating Agreement and First Amendment to the Use and Operating Agreement by selecting a sample of transactions and testing existence and effectiveness of key controls;
- Report any findings or exceptions noted;
- Develop recommendations to improve existing processes/methodologies;

III. Areas of Focus

- | | |
|--|--|
| <ul style="list-style-type: none"> • IT systems (specific applications/databases) • Internal control processes | <ul style="list-style-type: none"> • Reporting mechanisms • Error correction mechanisms in place |
|--|--|

IV. Work Plan

Phase 1 – Project Planning and Ongoing Management

- | | |
|-----|--|
| 1.1 | Determine detailed scope of work with ACTA project team |
| 1.2 | Schedule on-site work and interviews with the Railroads personnel |
| 1.3 | Submit document request list and sample of transactions to Railroads |
| 1.4 | Conduct project management and ongoing progress reporting |

Phase 2 – On-site work & analysis

- | | |
|-----|---|
| 2.1 | Obtain and review internal documentation including, but not limited to: <ul style="list-style-type: none"> • Policies and procedures for capturing and self-reporting revenue; • Identify the data sets utilized for daily reporting and self-assessment by each railroad; • Identify criteria utilized by each railroad to filter information from the data sets; • Selection of transactions from data downloads; |
|-----|---|

**Alameda Corridor Transportation Authority
Review of Railroads Revenue Reporting - 2016
Scope of Work**

IV. Work Plan	
2.2	Conduct interviews with Railroads' personnel
2.3	Perform analysis of information obtained
2.4	Perform attribute testing on selected transactions
Phase 3 – Develop recommendations & follow up	
3.1	Develop observations and recommendations for process improvements for ACTA based on analysis performed
3.2	Document preliminary findings or exceptions, if applicable
3.3	Review preliminary findings and recommendations with ACTA project team
Phase 4 – Reporting	
4.1	Develop draft report
4.2	Review with ACTA management team
4.3	Obtain feedback and revise report as appropriate
4.4	Present final report (verbal and written formats) to project team and the Board

V. Schedule			
Phase	January/February	March/April	May/June
1. Project planning and ongoing management	▲ — — — — —	— — — — —	— — — — —
2. On site work & analysis	— — — — —	— — — — —	
3. Develop recommendations & follow up		— — — — —	— — — — —
4. Reporting			— — — — —

VI. Budget	
Estimated budget of 100-125 hours and a fee range of \$20,000 - \$25,000, for each engagement; Out of pocket costs will be based on actual expenses, not to exceed \$3,800 for each engagement;	



ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

3760 KILROY AIRPORT WAY, SUITE 200, LONG BEACH, CA 90806 • (562) 247-7777 • FAX (562) 247-7090

ACTA DCC
Sent / ~~Received~~

MAR 13 2017

March 13, 2017

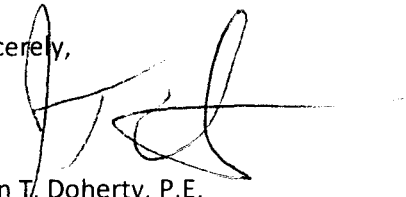
Ms. Olga Darlington, Partner
Moss Adams LLP
2707 Colby Avenue, Suite 801
Everett, WA 98201

Subject: Alameda Corridor Transportation Authority
Agreement No. 855 - Amendment #2

Dear Ms. Darlington:

Enclosed is a fully executed amendment for your files. Should you have any questions regarding the amendment please contact April See at (562) 247-7078. We are looking forward to working with you and your team on this important audit.

Sincerely,



John T. Doherty, P.E.
Chief Executive Officer

cc: J. Putman
A. See
M. Tyler
S. Wagner

**SECOND AMENDMENT TO AGREEMENT NO. 855
BETWEEN
THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY
AND
MOSS ADAMS LLP**

THIS SECOND AMENDMENT to Agreement No. 855 is made and entered into by the Alameda Corridor Transportation Authority ("AUTHORITY"), acting by and through its Governing Board, and MOSS ADAMS LLP ("AUDITOR").

WHEREAS, an Agreement between AUTHORITY and AUDITOR was entered into commencing May 1, 2015 for a term of five years, through April 30, 2020, providing financial statement audits and single audits for fiscal years ending June 30, 2015 through June, 30, 2019, ; and

WHEREAS, one amendment was subsequently issued in February 2016, increasing the consideration and authorizing additional services; and

WHEREAS, at its February 9, 2017 meeting, AUTHORITY's Governing Board authorized the allocation of an additional \$10,000 for services for the audit of the Railroads' systems used for AUTHORITY fee assessment and daily train movement reporting.

NOW, THEREFORE, in consideration of the terms, covenants and conditions hereinafter provided, IT IS MUTUALLY AGREED AS FOLLOWS:

1. Section VI. PAYMENT OF FEES – A. is hereby amended by increasing the compensation amount by \$10,000 for a total not-to-exceed payment amount of \$488,150.
2. Exhibit A, DETAIL OF ANNUAL AUDIT FEES is hereby removed and replaced in its entirety with the attached "Exhibit A".
3. Except as amended herein all remaining terms and conditions of Agreement No. 855 shall remain in full force and effect.
4. The effective date of this amendment shall be the date of its execution by ACTA's Chief Executive Officer.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to Agreement No. 855 as provided below:

ALAMEDA CORRIDOR TRANSPORTATION
AUTHORITY

Date 3/13/17

By: 
Chief Executive Officer

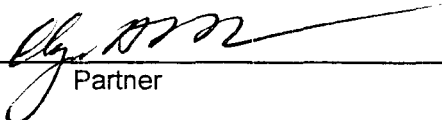
ATTEST

Date 3/13/17

By: Mario M. Miller
Title: Board Secretary

MOSS ADAMS LLP

Date 2/22/2017

By: 
Partner

ATTEST

Date 2/22/2017

By: E.W. Miller
Title: Partner

APPROVED AS TO FORM

March 9, 2017
MICHAEL N. FEUER, Los Angeles City Attorney

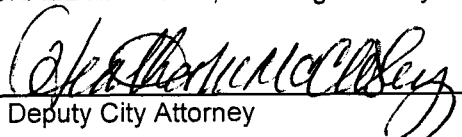
By: 
Deputy City Attorney

EXHIBIT A

AUTHORITY AGREEMENT NO. C0855

AGREEMENT BETWEEN THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY AND MOSS ADAMS LLP

Detail of Annual Audit Fees

Total All-Inclusive Maximum Price for FY 2015 Audit	\$82,250
Total All-Inclusive Maximum Price for FY 2016 Audit	\$85,540
Total All-Inclusive Maximum Price for FY 2017 Audit	\$88,960
Total All-Inclusive Maximum Price for FY 2018 Audit	\$93,400
Total All-Inclusive Maximum Price for FY 2019 Audit	<u>\$98,000</u>
Annual FY Audits not to Exceed Value	\$448,150
Railroads' Electronic Systems Audit, 2016 – See Exhibit B	<u>\$ 40,000</u>
Total Contract not to Exceed Value	\$488,150

The following discounted blended rates will be utilized for all audit work conducted for the AUTHORITY for the year ended June 30, 2015:

	<u>Discounted</u> <u>Blended</u> <u>Rates</u>
Audit Partner	\$ 170
Audit Senior Manager	\$ 170
Audit Manager	\$ 170
Senior Accountant	\$ 170
Staff Accountant	\$ 170

Blended rates utilized for the subsequent year ends will be adjusted proportionally, based upon the increase in maximum price from one year to the next.

Rates utilized for the Railroads' Electronic Systems Audit will be billed based upon the following hourly rates:

Partner-Audit	\$420.00
Senior Manager-Audit	\$390.00
Senior Manager-IT	\$250.00



ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

3760 KILROY AIRPORT WAY, SUITE 200, LONG BEACH, CA 90806 • (562) 247-7777 • FAX (562) 247-7090

ACTA DCC
Sent ~~7~~ Received

JAN 3 2019

January 3, 2020

Ms. Olga Darlington, Partner
Moss Adams LLP
2707 Colby Avenue, Suite 801
Everett, WA 98201

Subject: Alameda Corridor Transportation Authority
Agreement No. 855 - Amendment #3

Dear Ms. Darlington:

Enclosed is a fully executed amendment for your files. Should you have any questions regarding the amendment please contact April See at (562) 247-7078. We are looking forward to continuing to work with the Moss Adams team over the next several years.

Sincerely,

James P. Preusch
Interim Chief Executive Officer

cc: J. Putman
A. See
M. Tyler
S. Wagner

THIRD AMENDMENT TO AGREEMENT NO. 855
BETWEEN
THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY
AND
MOSS ADAMS LLP

THIS THIRD AMENDMENT to Agreement No. 855 is made and entered into by the Alameda Corridor Transportation Authority ("AUTHORITY"), acting by and through its Governing Board, and MOSS ADAMS LLP ("AUDITOR").

WHEREAS, an Agreement between AUTHORITY and AUDITOR was entered into commencing May 1, 2015 for a term of five years, through April 30, 2020, providing financial statement audits and single audits for fiscal years ending June 30, 2015 through June, 30, 2019; and

WHEREAS, two amendments were subsequently issued in February 2016 and March 2017, increasing the consideration and authorizing additional services; and

WHEREAS at its December 12, 2019 meeting, ACTA's Governing Board approved this Third Amendment which extends the term for three years, increases the compensation amount by \$298,585 and adds additional services;

NOW, THEREFORE IT IS MUTUALLY AGREED AS FOLLOWS:

1. Section II. TERM OF AGREEMENT is amended to read:

"Section II. TERM OF AGREEMENT.

The term of this Agreement shall be deemed to have commenced as of May 1, 2015 and, subject to the provisions of Section IX, shall be for a term of eight years, expiring on April 30, 2023."

2. Section III. SERVICES TO BE PERFORMED BY AUDITOR is amended to add Subparagraph E to read:

"E. ACCOUNTING SOFTWARE SYSTEM SELECTION SERVICES.

On an as-needed basis and upon written direction of the AUTHORITY's Chief Executive Officer or his designee, AUDITOR shall provide the services set forth in Exhibit C to assist the AUTHORITY in the review, evaluation and potential selection of a new accounting software system. AUDITOR shall charge the AUTHORITY for these services at the hourly billing rates set forth in Exhibit A-2."

/////

3. Section VI. PAYMENT OF FEES, Subparagraph A is amended to read:

“A. AUDITOR shall be paid for the services rendered to AUTHORITY pursuant to Section III of this Agreement at the rates and in the amounts set forth in Exhibit A, Exhibit A-1 and Exhibit A-2. The maximum payable under this Agreement, including reimbursable expenses, shall be Seven Hundred Eighty-Six Thousand Seven Hundred Thirty-Five Dollars (\$786,735).”

4. Exhibit A-1, attached hereto, is incorporated and made a part of the Agreement.
5. Exhibit A-2, attached hereto, is incorporated and made a part of the Agreement.
6. Exhibit C, attached hereto, is incorporated and made a part of the Agreement.

Except as amended herein all remaining terms and conditions of Agreement No. 855 shall remain in full force and effect.

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Amendment No. 3
Agreement No. 855
MOSS ADAMS LLP

The effective date of this amendment shall be the date of its execution by
ACTA's Interim Chief Executive Officer.

IN WITNESS WHEREOF, the parties hereto have executed this Third
Amendment to Agreement No. 855 on the date to the left of their signatures.

Dated: Jan 3, 2019²⁰

ALAMEDA CORRIDORY
TRANSPORTATION AUTHORITY, by
its Governing Board

By: [Signature]
JAMES P. PREUSCH
Interim Chief Executive Officer

Attest: [Signature]
MARIA MELENDRES
Board Secretary

Dated: _____, 2019

MOSS ADAMS LLP

By: [Signature]
Olga A. Darlington, Partner
(Print/type name and title)

Attest: [Signature]
Mary Wright, Partner
(Print/type name and title)

APPROVED AS TO FORM

December 30, 2019
MICHAEL N. FEUER, Los Angeles City Attorney

By: [Signature]
Heather M. McCloskey, Deputy
ACTA Co-General Counsel

EXHIBIT A-1
 AUTHORITY AGREEMENT NO. C0855
 AGREEMENT BETWEEN THE ALAMEDA CORRIDOR
 TRANSPORTATION AUTHORITY
 AND
 MOSS ADAM LLP
 Detail of Annual Audit Fees
 FY2020-FY2022 Audits

Page 1 of 3

Fee Proposal

2020

Service Description	Fee
Financial statement audit for Alameda Corridor Transportation Authority for the year ending June 30, 2020	\$70,180
Single audit	\$11,440
Attendance at your audit committee meetings, including: <ul style="list-style-type: none"> ▪ Presentation of audit results ▪ Communication of internal control issues ▪ Management letter 	Included
Estimated reimbursable expenses for travel, meals, and mileage	\$1,500
5% administrative and technology fee which includes use of technology and equipment, report processing, printing, mailing, and out-of-pocket confirmation request expenses	\$4,080
Total	\$87,200

2021-2022

Service Description	2021	2022
Financial statement audit for Alameda Corridor Transportation Authority for the years ending June 30	\$73,370	\$76,560
Single audit	\$11,960	\$12,480
Attendance at your audit committee meetings, including: <ul style="list-style-type: none"> ▪ Presentation of audit results ▪ Communication of internal control issues ▪ Management letter 	Included	
Estimated reimbursable expenses for travel, meals, and mileage	\$1,600	\$1,700
5% administrative and technology fee which includes use of technology and equipment, report processing, printing, mailing, and out-of-pocket confirmation request expenses	\$4,265	\$4,450
Total	\$91,195	\$95,190

Billing Rates Standard Compared to Discounted Blended Rates by Year

Our standard hourly rates are reflected below; however, our fees will be fixed as noted above and reflect a discount from our standard rates as shown in the "discounted blended rates" section in the table below.

Staff Level	Standard Hourly Rates	Discounted Blended Rates		
		2020	2021	2022
Partner	\$500–\$575	\$220	\$230	\$240
Senior Manager	\$350–\$500	\$220	\$230	\$240
Manager	\$250–\$350	\$220	\$230	\$240
Senior	\$200–\$250	\$220	\$230	\$240
Staff	\$150–\$200	\$220	\$230	\$240

Schedule of Hours by Staff Level and Scope of Work

Staff Level	Planning and Controls	Substantive Procedures	Reporting	Single Audit	Total
Partner	8	4	8	4	24
Senior Manager /Manager	14	30	15	8	67
Senior	21	95	8	20	144
Staff	17	95	4	20	136
Total	60	224	35	52	371

FEE DETAILS

Subject	The Details
Progress Billing	Progress billings are based on hours and expenses completed at the time of billing. Bills are due upon receipt. We reserve the right to charge interest on accounts over 30 days past due.
Expenses	Our engagement letter will provide an estimate of the expenses for the services to be provided. Direct travel expenses will be billed monthly as incurred. As noted in the fee estimate above, Moss Adams will include a standard 5% administrative and technology fee as part of standard expenses on all engagements. This fee covers certain costs that some firms bill separately, including report processing charges, confirmation fees, filing fees, technology fees, and administrative billable time.

Subject	The Details
Cost Overruns	During the course of the audit, we'll measure our progress against our planned budget. If situations arise that are significantly different than our expectations, we'll bring them to your attention immediately and discuss various options before we proceed. We'll meet weekly during the course of fieldwork with the appropriate parties to ensure there are open lines of communication between our organizations.
Future New Audit, Review, and Accounting Standards	Our fee estimate discussed herein is based on accounting and professional standards that exist and are applicable as of the date of this proposal. To the extent that future rulemaking activities require modification to our audit approach, procedures, scope of work, etc., we'll advise you of such changes and the impact on our fee proposal. If we're unable to agree on the additional fees, if any, that may be required to implement any new accounting, auditing, and review standards that are required to be adopted and applied as part of our engagement, we reserve the right to withdraw from the engagement, regardless of the stage of completion.
Routine Phone Calls and Emails	Our policy is to not charge for short telephone calls seeking miscellaneous advice unless those consultations require significant additional work or research. If a matter requires further follow-up, we'll discuss a fee estimate with you before incurring significant time.
Research and Consultation	If we're requested to provide significant research or consultation service, we'll estimate the number of hours necessary to provide the requested services. We'll then provide a fee quote for your approval before commencing any work. Our fees for these services are generally at our standard billing rates.
Single Audit	Our fee estimate for the single audit is based on the assumption that you'll have one major program for fiscal year ending June 30, 2020 and that there may be more major programs in each subsequent fiscal year. If additional major programs are required to be audited, we estimate the additional cost at \$6,000 to \$8,000 per major program.
Audit Preparation	Our proposed fees are based on the presumption that your books and records will be ready for audit and minimal audit adjustments will be required. If accounting assistance is required to reconcile accounts, we'll discuss the issues with you, and additional fees will be billed separately, at our standard rates. Additionally, our fee quote assumes that we won't identify any audit findings, including significant deficiencies or material weaknesses. If potential audit findings are identified, costs for investigating and reporting them will be in addition to our audit fees.

Assurance, tax, and consulting offered through Moss Adams LLP. Investment advisory services offered through Moss Adams Wealth Advisors LLC. Investment banking offered through Moss Adams Capital LLC.

EXHIBIT A-2
AUTHORITY AGREEMENT NO. C0855
AGREEMENT BETWEEN THE ALAMEDA CORRIDOR TRANSPORTATION
AUTHORITY
AND
MOSS ADAM LLP
Detail of Consulting Service Fees

Services provided to AUTHORITY, related to the selection and procurement of new accounting software, as outlined in Exhibit C, will be on a time and materials basis. The hourly rates for the services are provided below:

Partner/Engagement reviewer	\$360
Director	\$300
Project Manager	\$275
Functional Consultants	\$250
Technical Lead	\$250

EXHIBIT C
AUTHORITY AGREEMENT NO. C0855
Alameda Corridor Transportation Authority
Software Selection Services
Scope of Work



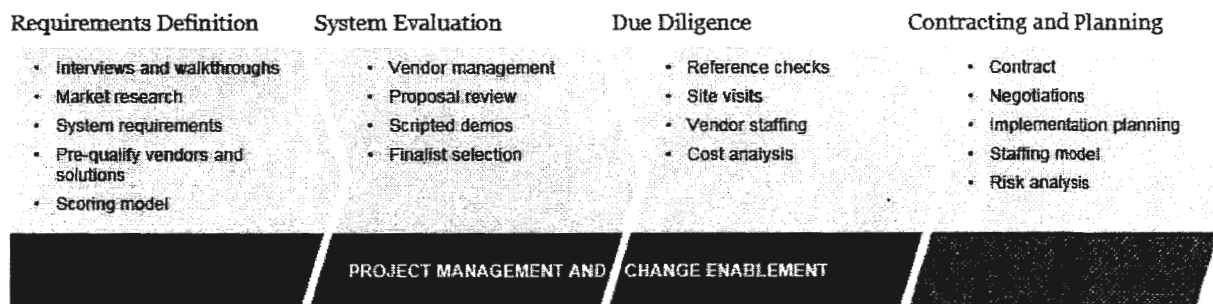
SYSTEM SELECTION SERVICE OVERVIEW

The Moss Adams Approach

We provide system selection assistance to organizations who have challenges with their legacy system and are looking to evaluate system options for a more robust solution capable of supporting their business processes and future growth.

Our team of accomplished consultants combines extensive knowledge of business processes with an outstanding track record of providing system selection services. Our project approach is guided by standard methodologies that, while tailored to each client's unique circumstances, have proven successful in hundreds of engagements. This approach will help you manage the system acquisition process in a structured manner and provide all the information you need to make a rational, fact-, and risk-based decision.

Our System Selection Process



System Selection Best Practices

- Tie business objectives to technology objectives
- Focus on present and future business processes and associated technical requirements
 - Universal clarity, understanding, and agreement on what is "working well" or "can/should be improved"
 - Identify gaps and plan to close them
 - Prioritize solutions (e.g., impact and timing: pre-implementation, during implementation, post-implementation) for any sources of "pain" or inefficiency, and avoid "automating inefficiency"
- Leverage a cross-functional team, including senior management
- Provide strong project management
- Develop an approach that is vendor agnostic, yet vendor aware
- Deliver adequate change management through planning, communication, and knowledge transfer
- Achieve timely results with thoroughness, accuracy, and objectivity

System Selection services for ACTA

Coaching Assistance During System Selection

We will participate in a coaching role starting with fact-finding and review of the system requirements gathered. We will help you pre-qualify relevant vendors to target in the evaluation process. This information will be used to determine which vendor systems will be shortlisted for evaluation.

For the vendor evaluation phase, the RFP package for the vendors and the vendor demo script will be prepared by you with guidance and review by our team. We will provide our templates towards this end, attend all demos, and convene the project team to select a finalist based on the information obtained from the RFP responses and software demonstrations. As part of this process, we will coach you through the tasks necessary to obtain reference checks for prospective vendors.

Any additional professional services will be provided as requested by ACTA in order to select and implement a new system.

NOV 5, 2020

FOURTH AMENDMENT TO AGREEMENT NO. 855
BETWEEN
THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY
AND
MOSS ADAMS LLP

THIS FOURTH AMENDMENT to Agreement No. 855 is made and entered into by the Alameda Corridor Transportation Authority ("AUTHORITY"), acting by and through its Governing Board, and MOSS ADAMS LLP ("AUDITOR").

WHEREAS, an Agreement between AUTHORITY and AUDITOR was entered into commencing May 1, 2015 for a term of five years, through April 30, 2020, providing financial statement audits and single audits for fiscal years ending June 30, 2015 through June, 30, 2019; and

WHEREAS, three amendments were approved by the Governing Board in February 2016, March 2017 and November 2019, increasing the compensation, extending the term and authorizing additional services; and

WHEREAS, at its October 29, 2020 special meeting, ACTA's Governing Board approved this Fourth Amendment which increases the compensation amount by \$60,000 and adds additional services;

NOW, THEREFORE IT IS MUTUALLY AGREED AS FOLLOWS:

1. Section III. SERVICES TO BE PERFORMED BY AUDITOR is amended to add Subparagraph F to read:

"H. ERP IMPLEMENTATION ADVISORY SERVICES

On an as-needed basis and upon written direction of the AUTHORITY's Chief Executive Officer or his designee, AUDITOR shall provide the services set forth in Exhibit D to assist the AUTHORITY in the implementation of a new ERP-based accounting software system. AUDITOR shall charge the AUTHORITY for these services at the hourly billing rates set forth in Exhibit A-2."

2. Section VI. PAYMENT OF FEES, Subparagraph A is hereby deleted in its entirety and replaced with the following provision:

"A. AUDITOR shall be paid for the services rendered to AUTHORITY pursuant to Section III of this Agreement at the rates and in the amounts set forth in Exhibit A, Exhibit A-1 and Exhibit A-2. The maximum payable under this Agreement, including reimbursable expenses, shall be Eight Hundred Forty-Six Thousand Seven Hundred Thirty-Five Dollars (\$846,735)."

3. Exhibit D, attached hereto, is incorporated and made a part of the Agreement.

Except as amended herein all remaining terms and conditions of Agreement No. 855 shall remain in full force and effect.

/////

/////

/////


The effective date of this amendment shall be the date of its execution by ACTA's Chief Executive Officer.

IN WITNESS WHEREOF, the parties hereto have executed this Fourth Amendment to Agreement No. 855 on the date to the left of their signatures:

Dated: November 3, 2020


ALAMEDA CORRIDORY
TRANSPORTATION AUTHORITY, by
its Governing Board

By: 
Michael C. Leue, P.E.
Chief Executive Officer

Attest: 
Maria M. Melendres
Board Secretary

Dated: October 29, 2020

MOSS ADAMS LLP

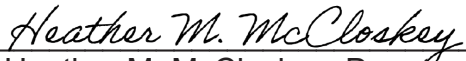
By: 
Olga A. Darlington, Partner
(Print/type name and title)

Attest: _____

(Print/type name and title)

APPROVED AS TO FORM

November 2, 2020
Michael N. Feuer, City of Los Angeles City Attorney

By: 
Heather M. McCloskey, Deputy
ACTA Co-General Counsel

**Amendment No. 4
Agreement No. 855
MOSS ADAMS LLP**

The effective date of this amendment shall be the date of its execution by ACTA's Chief Executive Officer.

IN WITNESS WHEREOF, the parties hereto have executed this Fourth Amendment to Agreement No. 855 on the date to the left of their signatures:

ALAMEDA CORRIDORY
TRANSPORTATION AUTHORITY, by
its Governing Board

Dated: _____, 2020

By: _____
Michael C. Leue, P.E.
Chief Executive Officer

Attest: _____
Maria M. Melendres
Board Secretary

MOSS ADAMS LLP

Dated: _____, 2020

By: _____

(Print/type name and title)

Attest:  _____

Labi Rabi, Managing Partner

(Print/type name and title)

APPROVED AS TO FORM

_____, 2020
Michael N. Feuer, City of Los Angeles City Attorney

By: _____
Heather M. McCloskey, Deputy
ACTA Co-General Counsel

EXHIBIT D
AUTHORITY AGREEMENT NO. C0855
Alameda Transportation Authority
ERP Implementation Advisory Services
Scope of Services

Moss Adams understands that ACTA is interested in implementation review and advisory services during its ERP software implementation. The goal of our implementation advisory services is to evaluate the implementation deliverables, system configurations, and processes against requirements and best practices and offer recommendations. To assist ACTA during this engagement, we'll perform the following advisory services:

Implementation Review Work Plan	
Phase 1 - Project Initiation	
1.1	Review project plan prepared by your implementation vendor for risk assessment.
Phase 2 - Project Analysis	
2.1	Attend the Requirements Workshop to review current processes and key implementation priorities.
2.2	Review Business Requirements Document prepared by your vendor to understand the business process requirements to be configured.
Phase 3 - Project Configuration	
3.1	Perform an assessment of the system setup/configuration by your vendor for compliance with requirements and agreed-upon design between ACTA and the vendor.
3.2	Perform an assessment of the training agenda prepared by your implementation vendor and the planned approach to training sessions and provide a summary of any perceived deficiencies.
3.3	Perform an assessment of the data migration strategy and assess the data cleanup and data conversion plans, and provide a gap log for any perceived design deficiencies related to completeness and accuracy of the controls.
3.4	<div>Perform system controls review:<ul style="list-style-type: none">Perform an assessment of the system access management, including configured system roles and permissions and provide a gap log of any perceived Segregations of Duties conflicts for existing functional areas and staff constraints and provide recommendations as appropriate.Perform an assessment of financial processes controls design, including system and accounting preferences, query-based alerts, system audit trails, approval workflow, and provide a gap log of any perceived deficiencies in the control design and provide recommendations as appropriate.Perform an assessment of the change management controls for the implementation, taking into consideration Software Development Life Cycle best practices, including controls related to authorization, testing, approval, release, and documentation of changes during the configuration and data migration between the development and production instances. Provide a gap log of any perceived deficiencies in the controls design and provide recommendations.</div>
Phase 4 - Project Deployment	
4.1	Review and assess the test scripts and provide recommendations.

Implementation Review Work Plan	
4.2	Perform an assessment of all end user testing documentation.
4.3	Perform an assessment of the go live cut-over checklist.
Phase 5 - Project Go Live	
5.1	Verify completion of project control documentation and summarize all perceived deficiencies in documentation of the implementation project deliverables and provide recommendations as appropriate.
5.2	Review findings and recommendations with project team (one iteration).
Phase 6 - Post Go Live Optimization	
6.1	Review post go live optimization deliverables from vendor and provide recommendations

Assumptions:

- ACTA's staff and vendor will be responsible for actively managing and executing the implementation project.
- Our role will be limited to implementation assessment and recommendations as may be appropriate.
- ACTA's staff will participate in all phases of the project.
- Timely completion of tasks identified in the work plan will depend on full participation of ACTA and vendor personnel and a commitment to the estimated time.
- Adequate documentation on current processes and systems will be available.
- Implementation project timeline and cost is estimated based on RFP published as part of the system selection project.

Schedule:

Moss Adams is prepared to commence this project in November 2020, assuming ACTA personnel are readily available to meet and work with our team members. An elapsed time of approximately two to three months is expected to complete the work. This is considered an accelerated schedule designed to meet your needs in this situation. Factors that could influence the overall schedule include staff availability, availability of documentation, extent of supplemental analysis, desired level of documentation, holidays, and employee leave time.

Responsibility for Controls and Operating Environment:

You are responsible for your control environment. We may advise you about business practices and their application, however, you will remain responsible for (i) the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Company involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the control environment; (ii) adjusting the control environment to correct for potential weaknesses; and (iii) identifying and ensuring that the Company complies with applicable laws and regulations.

Management Responsibilities:

Our professional standards require that we remain independent with respect to our attest clients, including those situations where we also provide nonattest services such as those identified in the preceding paragraphs. As a result, Company management must accept the responsibilities set forth below related to this engagement:

- Assume all management responsibilities.
- Oversee the service by designating an individual, preferably within senior management, who possesses skill, knowledge, and/or experience to oversee our nonattest services. The individual is not required to possess the expertise to perform or reperform the services.
- Evaluate the adequacy and results of the nonattest services performed.

- Accept responsibility for the results of the nonattest services performed.

It is our understanding that Kevin Scott, CFO, has been designated by the Company to oversee the nonattest services and that in the opinion of the Company he is qualified to oversee our nonattest services as outlined above. If any issues or concerns in this area arise during the course of our engagement, we will discuss them with you prior to continuing with the engagement.

Charges for Services:

Our fees are based upon the hourly rates of individuals assigned to the project, plus expenses. Fees will be billed monthly as incurred on a time and materials basis, according to the rates in Exhibit A-2. The professional fees for the project are expected to range from \$37,500 to \$45,000, plus expenses. The estimated professional fees assume two to three-month project. Any additional time beyond three months will be billed on a time and material basis.

In addition to fees, we will charge you for expenses. Our invoices include a flat expense charge, calculated as five percent (5%) of fees, to cover expenses such as copying costs, postage, administrative billable time, report processing fees, filing fees, and technology expenses. Travel expenses and client meals will be billed separately and are not included in the 5% charge.

We can jointly manage the budget for this engagement at project initiation through discussions regarding project scope, resource availability, assignment of duties between ACTA and Moss Adams team members, the anticipated level of effort, and overall project timing. If our time is less than anticipated, we will bill the lesser amount. If our time is more than anticipated, we will discuss this with you before proceeding further.

FIFTH AMENDMENT TO AGREEMENT NO. 855
BETWEEN
THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY
AND
MOSS ADAMS LLP

THIS FIFTH AMENDMENT to Agreement No. 855 is made and entered into by the Alameda Corridor Transportation Authority ("AUTHORITY"), acting by and through its Governing Board, and MOSS ADAMS LLP ("AUDITOR") as follows:

1. Section VI. PAYMENT OF FEES, Subparagraph A is hereby deleted in its entirety and replaced with the following provision:

"A. AUDITOR shall be paid for the services rendered to AUTHORITY pursuant to Section III of this Agreement at the rates and in the amounts set forth in Exhibit A, Exhibit A-1 and Exhibit A-2. The maximum payable under this Agreement, including reimbursable expenses, shall be Eight Hundred Seventy-Six Thousand Seven Hundred Thirty-Five Dollars (\$876,735)."

Except as amended herein all remaining terms and conditions of Agreement No. 855 shall remain in full force and effect.

The effective date of this amendment shall be the date of its execution by ACTA's Chief Executive Officer.

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(Signature page follows)

**Amendment No. 5
Agreement No. 855
MOSS ADAMS LLP**

IN WITNESS WHEREOF, the parties hereto have executed this Fifth Amendment to Agreement No. 855 on the date to the left of their signatures:

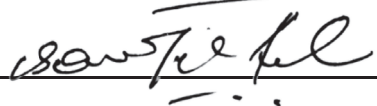
Dated: June 23, 2021


ALAMEDA CORRIDOR
TRANSPORTATION AUTHORITY, by
its Governing Board

By: 
MICHAEL LEUE
Chief Executive Officer

Attest: 
MARIA MELENDRES
Board Secretary

Dated: June 22, 2021

MOSS ADAMS LLP
By: 
Labi Rabi, Partner
(Print/type name and title)

Attest: 
Matt Parsons, Partner
(Print/type name and title)

APPROVED AS TO FORM

June 29, 2021
Michael N. Feuer, City of Los Angeles City Attorney

By: Heather M. McCloskey Digitally signed by Heather M. McCloskey
Date: 2021.06.29 10:49:09 -07'00'
Heather M. McCloskey, Deputy
ACTA Co-General Counsel

SIXTH AMENDMENT TO AGREEMENT NO. 855
BETWEEN
THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY
AND
MOSS ADAMS LLP

THIS SIXTH AMENDMENT to Agreement No. 855 is made and entered into by the Alameda Corridor Transportation Authority ("Authority"), acting by and through its Governing Board, and MOSS ADAMS LLP ("Auditor").

WHEREAS, the Authority and Auditor entered into Agreement No. 855 commencing May 1, 2015, for services to provide financial statement audits and fiscal year single audits; and

WHEREAS, the Authority and Auditor now enter into this amendment to extend the term by two years and increase the total compensation amount by \$205,548 in order to continue the services under the Agreement; and

NOW, THEREFORE IT IS MUTUALLY AGREED AS FOLLOWS:

1. Section II. TERM OF AGREEMENT is amended to read:

"Section II. TERM OF AGREEMENT.

The term of this Agreement shall be deemed to have commenced as of May 1, 2015 and, subject to the provisions of Section IX, shall be for a term of ten years, expiring on April 30, 2025."

2. Section VI. PAYMENT OF FEES, Subparagraph A is amended to read:

"A. AUDITOR shall be paid for the services rendered to AUTHORITY pursuant to Section III of this Agreement at the rates and in the amounts set forth in Exhibit A, Exhibit A-1, Exhibit A-2 and Exhibit A-3. The maximum payable under this Agreement, including reimbursable expenses, shall be One Million Eighty-Two Thousand Two Hundred Eighty-Three Dollars (\$1,082,283)."

3. Exhibit A-3, attached hereto, is incorporated and made a part of the Agreement.

Except as amended herein all remaining terms and conditions of Agreement No. 855 shall remain in full force and effect.

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MOSSADAMS

November 22, 2022

Mr. Kevin Scott

Chief Financial Officer

Alameda Corridor Transportation Authority
3760 Kilroy Airport Way #200
Long Beach, CA 90806

Dear Kevin:

It's been our pleasure to work with Alameda Corridor Transportation Authority and we look forward to many more years of close partnership where we're able to serve as your advisors.

Prosperity is built on the ability to recognize opportunity—and the willingness to seize it, even with the acceleration of change and complexity. We certainly hope Alameda Corridor Transportation Authority has seen value from what we offer our clients: a rare blend of inspiration and technical excellence that helps you discover and claim the future.

We understand that the following reports will be required to be issued on an annual basis:

- Report on financial statements in conformity with generally accepted accounting principles
- Report on the fair presentation of the supplementary schedule of expenditures of federal awards
- Report on compliance and internal control over financial reporting
- Report on compliance and internal control over compliance applicable to each major federal program
- Communication with the Audit Committee

We're committed to keeping Alameda Corridor Transportation Authority a long-term and extremely satisfied client of Moss Adams. Our personal promise is to ensure you receive the best service Moss Adams is capable of providing.

Sincerely,

Matt Parsons, CPA
Partner
(949) 292-4093
matt.parsons@mossadams.com

Fee Proposal

2023–2024

Service Description	2023	2024
Financial statement audit for Alameda Corridor Transportation Authority for the years ending June 30	\$81,000	\$84,240
Single audit	\$13,000	\$13,520
Attendance at your audit committee meetings, including: <ul style="list-style-type: none"> Presentation of audit results Communication of internal control issues Management letter 	Included	
Estimated reimbursable expenses for travel, meals, and mileage	\$2,000	\$2,200
5% administrative and technology fee which includes use of technology and equipment, report processing, printing, mailing, and out-of-pocket confirmation request expenses	\$4,700	\$4,888
Total	\$100,700	\$104,848

Billing Rates Standard Compared to Discounted Blended Rates by Year

Our standard hourly rates are reflected below; however, our fees will be fixed as noted above and reflect a discount from our standard rates as shown in the “discounted blended rates” section in the table below.

Staff Level	Standard Hourly Rates	Discounted Blended Rates	
		2023	2024
Partner	\$600–\$725	\$250	\$260
Senior Manager	\$400–\$600	\$250	\$260
Manager	\$300–\$400	\$250	\$260
Senior	\$250–\$300	\$250	\$260
Staff	\$200–\$250	\$250	\$260

Schedule of Hours by Staff Level and Scope of Work

Staff Level	Planning and Controls	Substantive Procedures	Reporting	Single Audit	Total
Partner	8	4	8	4	24
Senior Manager /Manager	14	30	15	8	67
Senior	22	95	8	20	145
Staff	21	95	4	20	140
Total	65	224	35	52	376

FEE DETAILS

Subject	The Details
Progress Billing	Progress billings are based on hours and expenses completed at the time of billing. Bills are due upon receipt. We reserve the right to charge interest on accounts over 30 days past due.
Expenses	Our engagement letter will provide an estimate of the expenses for the services to be provided. Direct travel expenses will be billed monthly as incurred. As noted in the fee estimate above, Moss Adams will include a standard 5% administrative and technology fee as part of standard expenses on all engagements. This fee covers certain costs that some firms bill separately, including report processing charges, confirmation fees, filing fees, technology fees, and administrative billable time.
Cost Overruns	During the course of the audit, we'll measure our progress against our planned budget. If situations arise that are significantly different than our expectations, we'll bring them to your attention immediately and discuss various options before we proceed. We'll meet weekly during the course of fieldwork with the appropriate parties to ensure there are open lines of communication between our organizations.
Future New Audit, Review, and Accounting Standards	Our fee estimate discussed herein is based on accounting and professional standards that exist and are applicable as of the date of this proposal. To the extent that future rulemaking activities require modification to our audit approach, procedures, scope of work, etc., we'll advise you of such changes and the impact on our fee proposal. If we're unable to agree on the additional fees, if any, that may be required to implement any new accounting, auditing, and review standards that are required to be adopted and applied as part of our engagement, we reserve the right to withdraw from the engagement, regardless of the stage of completion.
Routine Phone Calls and Emails	Our policy is to not charge for short telephone calls seeking miscellaneous advice unless those consultations require significant additional work or research. If a matter requires further follow-up, we'll discuss a fee estimate with you before incurring significant time.

Subject	The Details
Research and Consultation	If we're requested to provide significant research or consultation service, we'll estimate the number of hours necessary to provide the requested services. We'll then provide a fee quote for your approval before commencing any work. Our fees for these services are generally at our standard billing rates.
Single Audit	Our fee estimate for the single audit is based on the assumption that you'll have one major program for fiscal years ending June 30, 2022-2023 and that there may be more major programs in each subsequent fiscal year. If additional major programs are required to be audited, we estimate the additional cost at \$10,000 per major program.
Audit Preparation	Our proposed fees are based on the presumption that your books and records will be ready for audit and minimal audit adjustments will be required. If accounting assistance is required to reconcile accounts, we'll discuss the issues with you, and additional fees will be billed separately, at our standard rates. Additionally, our fee quote assumes that we won't identify any audit findings, including significant deficiencies or material weaknesses. If potential audit findings are identified, costs for investigating and reporting them will be in addition to our audit fees.