



### Professional Services - Contract Task Order

The Contractor hereby agrees to perform the work detailed below in accordance with all the terms and conditions of the Contract referenced below. The Contractor shall furnish the necessary facilities, professional, technical and supporting personnel required by this Task Order as detailed below.

Contract No. S16083 Task Order No. 918

Contractor: RSM US LLP SAP Requisition No. 3000003413  
(Attach Purchase Requisition Form)

Description: VRF Compliance Auditing Services - FY18

Term: Effective 09/01/17 and continue in effect through 08/31/18  
Date (Contract term cannot exceed 7 years without Board Approval)

Compensation: (check one)  T&M  CFFF  FFP

Task Order Value: FFP \$ 110,000.00  
ODCs \$ 2,800.00  
TOTAL: \$ 112,800.00

(To be completed by Contracts Administrator)  
Contract Value available to authorize this Task Order: \$1,408,000.

**Funding Information:** (Check funding sources)  
 Federal Funds:  FTA/Transit or  FHWA/Highways  State Funds  
 Caltrans Local Assistance Program  Measure A  MBTIP Funds  
 Other: VRF Surcharge Proceeds (CMA funding)

**COMPENSATION:** For the complete and satisfactory performance of services under this Task Order, Contractor shall be paid in accordance with the compensation provisions in the Master Contract referenced above.

**Scope of Services:** (check one)

- See details below of Scope
- See attached Scope of Services

Four (4) cities as described in the attached Scope of Services

**Key Personnel:** List additional Personnel authorized to provide services under this Task Order. (check one)

- See details below of Personnel (Name/Classification)
- See attached List of Personnel (Name/Classification)

Bill Eggert, Director and VTA Auditor General  
Lily Rogers, Risk Advisory Services Manager  
Emily Fu, Risk Advisory Services Sr. Associate  
Other VTA management-approved subject matter experts as required



**Professional Services - Contract Task Order**

**Subcontractors:** List additional Subcontractors authorized to provide services under this Task Order. (check one)

See details below of Subcontractors (Indicate SBE/DBE status)

See attached List of Subcontractors (Indicate SBE/DBE status)

Pat Hagan, Consultant Subject Matter Expert

**Approvals:** Group/Project Manager is required to obtain OS&DB's signature prior to submitting to Contracts.

OS&DB: SBE/DBE Goal \_\_\_\_\_ NSG \_\_\_\_\_ %  
(Specifically established for this Task Order)

*[Signature]* 1/16/18  
 OS&DB Manager Date  
*Stephen Flynn* JAN 12, 2018

*[Signature]* 1-16-18  
 Task Manager AMIN CURANI Date

Group/Project Manager \_\_\_\_\_ Date \_\_\_\_\_

*[Signature]* 1-16-18  
 Project Director or Division Chief Date

Capital Projects Group \_\_\_\_\_ Date \_\_\_\_\_

DocuSigned by:  
 (Required for all SVRT Agreements)  
*Carolyn Vargas* 1/24/2018

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 Reviewed by Contracts Administrator \_\_\_\_\_ Date \_\_\_\_\_

Santa Clara Valley Transportation Authority  
 By: *[Signature]* 1/25/2018  
E4CE93FA2C8C410... Date  
 Nuria I. Fernandez

Contractor DocuSigned by:  
 By: *[Signature]* 1/24/2018  
59414A38517942F... Date  
 Bill Eggert

Name (print): \_\_\_\_\_  
Title: General Manager/CEO

Name (print): Bill Eggert  
Title: Director



RSMUSLLP

**Vehicle Registration Fee (VRF) Audit  
Scope of Services**

**A. Project Name**

Vehicle Registration Fee (VRF) Compliance Audit

**B. Scope of Services**

**Purpose:** Provide audit services on behalf of VTA, as relevant to Vehicle Registration Fees, under the State Bill 83 resolution adopted by the VTA Board on June 3, 2010.

**Objective:** Review for compliance each VTA Member Agency (the 15 cities in the county and the County of Santa Clara) that received Measure B Vehicle Registration Fee funds for local road improvement and repairs. The individual Member Agencies are:

- Campbell
- Cupertino
- Gilroy
- Los Altos
- Los Altos Hills
- Los Gatos
- Milpitas
- Monte Sereno
- Morgan Hill
- Mountain View
- Palo Alto
- San Jose
- Santa Clara
- Saratoga
- Sunnyvale
- County of Santa Clara

**Approach:** Combination of on-site and off-site procedures that may include:

- Review of annual reports submitted to VTA
- Performance of process walkthroughs with the appropriate personnel/process owner(s), as required to understand relevant documentation and complete fieldwork
- Test of expenditures for compliance with the VRF Funding Agreement and sample-based testing of expenditures, as required
- Review of interest earned and applied to eligible projects in compliance with the VRF Funding Agreement
- Review of existing process documentation and key control support, including policies, procedures, etc. as needed to evaluate
- Develop a report for VTA and the Member Agency including any dis-allowed expenditures identified during the review
- Prepare a summary report for VTA at the end of each fiscal year

**Project Assumptions:**

- Assessments will be performed on a rotational approach. Each Member Agency will be audited every third year.
- The recurring audit will examine the previous three fiscal years as one campaign, and each fiscal year's unaudited expenditures, carryover, interest, etc. will be audited for compliance as a component of the recurring audit.

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AUDIT | TAX | CONSULTING

Santa Clara Valley Transportation Authority  
 VRF Scope of Services  
 September 12, 2017  
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- VTA will provide administrative and liaison services, as needed, between the Auditor General and Member Agency being audited, including facilitation of document requests and scheduling support for on-site fieldwork and meetings.
- Documentation for all existing processes and key control support is in place, readily accessible, and in good format for review and use by our personnel.
- Client data and management needed for our personnel to conduct the work described herein are readily available throughout our work.

**Standards:** AICPA Consulting Standards will be used. The procedures to be performed will not constitute an audit, review, or compilation of VTA's or the Member Agencies' financial statements or any part thereof, nor the external examination of management's assertions concerning the effectiveness of the VTA's or the Member Agencies' internal control systems or an examination of compliance with laws, regulations or other matters other than the provisions of the funding agreement.

### C. Fees and Expenses

Fees for the project will include audit fees for each entity, per fiscal year reviewed; fees for audit program development, project management, administration and reporting; and actual expenses (such as mileage). The planned fees for fiscal years 2018 – 2020 are detailed below:

#### Fiscal Year 2018:

City 1	\$24,000 (covers audit of four fiscal years)
City 2	\$24,000 (covers audit of four fiscal years)
City 3	\$24,000 (covers audit of four fiscal years)
City 4	\$24,000 (covers audit of four fiscal years)
City 5	\$24,000 (covers audit of four fiscal years)
AG Planning, Administration and Reporting Expenses (estimated)	\$16,000 <i>% 5 Cities</i>
	<u>\$5,000</u> <i>% 5 "</i>
<b>Total FY18</b>	<b>\$141,000</b>

#### Fiscal Year 2019 – projected, subject to review:

City 6	\$30,500 (covers audit of five fiscal years)
City 7	\$30,500 (covers audit of five fiscal years)
City 8	\$30,500 (covers audit of five fiscal years)
City 9	\$30,500 (covers audit of five fiscal years)
City 10, San Jose	\$45,000 (covers audit of five fiscal years)
AG Planning, Administration and Reporting Expenses (estimated)	\$16,500
	<u>\$5,500</u>
<b>Total FY19</b>	<b>\$189,000</b>

#### Fiscal Year 2020 – projected, subject to review:

City 11	\$37,000 (covers audit of six fiscal years)
City 12	\$37,000 (covers audit of six fiscal years)
City 13, County of Santa Clara	\$54,000 (covers audit of six fiscal years)
City 14	\$37,000 (covers audit of six fiscal years)
City 15	\$37,000 (covers audit of six fiscal years)
City 16	\$37,000 (covers audit of six fiscal years)
AG Planning, Administration and Reporting Expenses (estimated)	\$17,000
	<u>\$6,000</u>
<b>Total FY20</b>	<b>\$262,000</b>