



Quality Control Review on a Single Audit of the Riverside County Transportation Commission, Riverside, CA

Self-Initiated

Federal Transit Administration and Federal Highway Administration | QC2023039 | July 12, 2023

What We Looked At

We performed a quality control review (QCR) on the single audit that Eide Bailly LLP performed for the Riverside County Transportation Commission's (RCTC) fiscal year that ended June 30, 2021. During this period, RCTC expended approximately \$626.8 million from U.S. Department of Transportation (DOT) programs. Eide Bailly determined that DOT's major programs were the Federal Transit Administration's Federal Transit Cluster and the Federal Highway Administration's Transportation Infrastructure Finance and Innovation Act Program.

Our QCR objectives were to determine whether (1) the audit work complied with the Single Audit Act of 1984, as amended, the Office of Management and Budget's Uniform Guidance, and the extent to which we could rely on the auditor's work on DOT's major programs and (2) RCTC's reporting package complied with the reporting requirements of the Uniform Guidance.

What We Found

Eide Bailly complied with the requirements of the Single Audit Act, the Uniform Guidance, and DOT's major programs. We found nothing to indicate that Eide Bailly's opinion on DOT's major programs was inappropriate or unreliable. In addition, we did not identify deficiencies in RCTC's reporting package that required correction and resubmission.

Contents

Memorandum	1
QCR Objectives	3
QCR Results	3



Memorandum

Date: July 12, 2023

Subject: FINAL REPORT: Quality Control Review on a Single Audit of the Riverside County, Riverside, CA Transportation Commission | Report No. QC2023039

From: Ingrid Harris, Program Director 

To: Single Audit National Coordinator, Office of Program Oversight and Office of Transit Safety & Oversight, Federal Transit Administration

Program Integrity Team Leader, Office of the Chief Financial Officer, Federal Highway Administration

The U.S. Department of Transportation (DOT) is the cognizant¹ Federal single audit² Agency for the Riverside County Transportation Commission (RCTC). Eide Bailly performed the single audit for the RCTC's fiscal year that ended June 30, 2021.³ During this period, RCTC expended approximately \$626.8 million from DOT grant programs. Eide Bailly determined that DOT's major programs were the Federal Transit Administration's (FTA) Federal Transit Cluster and the Federal Highway Administration's (FHWA) Transportation Infrastructure Finance and Innovation Act Program.

Eide Bailly rendered an unmodified opinion on RCTC's financial statements and compliance with the requirements of each DOT major program and did not question any costs.⁴ We performed a quality control review (QCR) on Eide Bailly's

¹ A cognizant agency for audit is the Federal agency that provides the predominant amount of direct funding to a non-Federal entity that expends over \$50 million in Federal funding.

² A single audit, as required by the Single Audit Act of 1984, as amended, combines a financial statement audit with other required audit coverage. Under the act, a single audit is required when a non-Federal entity expends more than \$750,000 of Federal funds during a fiscal year.

³ Copies of single audit reports prepared pursuant to the Office of Management and Budget's (OMB) Uniform Guidance are available for download at <https://facdissem.census.gov>.

⁴ Under Title 2 of the Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the auditor is required to render an opinion on the entity's financial statements, identify inappropriate use of Federal funds, and report internal control and compliance deficiencies that affect Federal grant programs.

audit work as it pertains to DOT's major programs included in the single audit and on RCTC's reporting package.⁵

We appreciate the courtesies and cooperation of Eide Bailly's representatives during this review. If you have any questions concerning this report, please get in touch with me or Matthew Straw, DOT's National Single Audit Coordinator.

cc: The Secretary
DOT Appointee for Single Audits
DOT Single Audit Liaison
Audit Liaison, FTA
Audit Liaison, FHWA
Chief Financial Officer, Riverside County Transportation Commission
Partner, Eide Bailly

⁵ The reporting package submitted by the grantee to the Federal Audit Clearinghouse includes the financial statements, the schedule of expenditures of Federal awards, the schedule of prior audit findings (if applicable), and the auditor's report(s) on (a) the financial statements; (b) internal control over financial reporting and compliance and other matters; and (c) compliance for each major program. In addition, a data collection form is submitted to provide information about the auditee, its Federal programs, and the results of the audit.

QCR Objectives

Our QCR objectives were to determine whether (1) the audit work complied with the Single Audit Act of 1984, as amended, the Office of Management and Budget's Uniform Guidance, and the extent to which we could rely on the auditors' work on DOT's major programs and (2) RCTC's reporting package complied with the reporting requirements of the Uniform Guidance.

QCR Results

Our QCR entailed reviews of Eide Bailly's audit work and RCTC's reporting package.

Review of Audit Work

Eide Bailly complied with the requirements of the Single Audit Act, the Uniform Guidance, and DOT's major programs. We found nothing to indicate that Eide Bailly's opinion on each DOT major program was inappropriate or unreliable. Accordingly, we assigned Eide Bailly an overall rating of **pass**.⁶

Review of Reporting Package

In our desk review⁷ of RCTC's reporting package submitted to the Federal Audit Clearinghouse, we did not identify any deficiencies that required correction and resubmission.

⁶ The Council of Inspectors General on Integrity and Efficiency provides guidance for inspectors general entitled *QCR Guide for Single Audits*. This guide includes a methodology for rating auditors' work with three possible ratings—pass, pass with deficiencies, and fail.

⁷ The objectives of this desk review include determining whether the audit report is acceptable under the Uniform Guidance's reporting requirements and identifying any quality issues that may warrant followup audit work and/or revisions to the reporting package.

U.S. Department of Transportation
Office of Inspector General

Fraud & Safety Hotline

<https://www.oig.dot.gov/hotline>
hotline@oig.dot.gov
(800) 424-9071

OUR MISSION

OIG enhances DOT's programs and operations by conducting objective investigations and audits on behalf of the American public.



1200 New Jersey Ave SE
Washington, DC 20590
www.oig.dot.gov