



CORPUS CHRISTI REGIONAL
TRANSPORTATION AUTHORITY

**AUDIT, FINANCE, AND HEALTH INSURANCE
SUBCOMMITTEE MEETING AGENDA**

**Wednesday, March 24, 2010
RTA Board Room
5658 Bear Lane
Corpus Christi, Texas
11:00 a.m.**

1. Review of Subcommittee Report – June 24, 2009..... Attachment 1
2. Update on 2009 Audit Attachment 2
3. Adjournment

In compliance with the Americans Disability Act, individuals with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact the Assistant Secretary to the Board at 903-3561 at least 48 hours in advance so that appropriate arrangements can be made.

Chair: Mary Saenz
Members: Vangie Chapa, Gloria Perez, Crystal Lyons

On **Friday, March 19, 2010** this Notice was posted by **Beth Vidaurri, Executive Assistant** at the RTA Administrative Offices, 5658 Bear Lane, Corpus Christi, Texas.

ATTACHMENT 1

AUDIT, FINANCE, AND HEALTH INSURANCE
SUBCOMMITTEE MEETING REPORT
WEDNESDAY, JUNE 24, 2009
RTA BOARD ROOM
5658 BEAR LANE
CORPUS CHRISTI, TEXAS
11:00 a.m.

Subcommittee Members Present: Anna Flores (Chair), Vangie Chapa

Subcommittee Members Absent: Crystal Lyons, Mike Rendon

Board Members Present: Mary Saenz, Sara Salvide

Staff Members Present: Ed Carrion (CEO), Jorge Cruz-Aedo, Susan Vinson, Laura Yaunk

Public Present: Rosie Aguiar, RTAEA

Ms. Flores called the meeting to order at 11:10 a.m.

Review of Subcommittee Report – April 29, 2009

The Subcommittee report was approved.

RFP Process and Selection Criteria for Financial Auditors

Ms. Vinson stated that Collier, Johnson, and Woods, PC had completed the second option year of their contract. She noted the following timeline for the RFP: 1) issue the RFP by September 1, 2009; 2) make a recommendation to the Administration Committee by October 28, 2009; and 3) present for Board approval on November 4, 2009.

Ms. Vinson identified the evaluation criteria as follows: the firm's qualities and responsiveness; staff assigned to the audit; Disadvantaged Business Enterprise (DBE) participation; relevant experience and approach to RTA's audit; and cost. She emphasized that the cost proposal would be considered after all other factors had been evaluated.

Responding to Ms. Saenz question on staff assigned to the audit, Ms. Vinson stated that firms submitting their proposals would specifically identify assigned staff; including the responsible partner(s) and appropriate supervisors that would work on the audit; the nature and extent of their involvement; and their resumes in order to show compliance with continuing professional education standards listed in the Governmental Audit Standards.

Ms. Flores inquired about the point system for DBE participation. Ms. Vinson stated that the point system was an Agency standard for this type of service contract.

In response to Ms. Saenz, Ms. Vinson said that the overall experience of the Agency with Collier, Johnson, and Woods, PC had been very satisfactory.

There being no further business, the meeting was adjourned at 11:21 a.m.

Submitted by: Laura Yaunk

**REGIONAL TRANSPORTATION AUTHORITY
AUDIT, FINANCE, AND HEALTH INSURANCE SUBCOMMITTEE
PRESENTATION DOCUMENT**

DATE: March 24, 2010
SUBJECT: 2009 Audit Update

Background

The Corpus Christi Regional Transportation Authority was created under statutes of the State of Texas, in particular, the Local Government Code and the Texas Transportation Code. The Texas Transportation Code, Section 451.451, Subchapter J, require the financial statements and required supplementary information of the financial statements be independently audited annually. The Authority is also required by federal regulations to undergo an independent audit related to its federal grants, commonly referred to as the Single Audit. Additionally, it is good business practice to have independent audits and reviews of an organizations financial records and business practices.

On November 4, 2009, the Board of Directors approved staffs recommendation of the certified public accounting firm of Collier, Johnson and Woods, P.C., as the independent auditor for the CCRTA. The firm was awarded a three year contract with two one year options, a total of five years, to do the independent audit for the CCRTA for year ending December 31, 2009. It has been business practice to have multi-year agreements with accounting firms but rotation, at some point, is also healthy for organizations.

The CCRTA releases a Comprehensive Annual Financial Report in which the audit is incorporated. As the title refers, this report goes beyond normal year ending financial report and audit. The report is intended to fully disclose all aspects of operations, including sections titled Management's Discussion and Analysis, Supplementary Information, and Statistical Section, providing users of this report with critical information on the financial results of operations for the reporting period.

Additionally, the Comprehensive Annual Financial Report is submitted to the Government Finance Officers Association of the United States and Canada for review and evaluation to determine eligibility in receiving the Certificate of Achievement for Excellence in Finance Reporting, the highest form of recognition in financial reporting in the United States for not-for-profit organizations. The CCRTA has received the award for the past five years.

Discussion

Work began on the 2009 Audit in December 2009 with end of year inventory verifications. During the month of January and February the work has consisted of

reviews and analysis of accounts and ledger balances, this work being done electronically between the CCRTA and the audit firm. Beginning in March of 2010, field work is underway in reviewing the accounting and financial records of the CCRTA and reviews of accounting and financial controls. To date no findings have been reported to management on the firm's review of accounting and financial records. Field work is expected to be completed in April with the final audit report due no later than May. In addition to the audit, the auditors will provide a Management Letter/Report to the CCRTA if there are any findings and or recommendations for internal controls and financial and/or accounting findings. To date, no items have been brought for management consideration.