

# Finance Committee

June 3, 2026 | 3:00 pm – 4:30 pm



## Onsite:

Greater Portland Transit District  
114 Valley Street, Conference Room A | Portland, ME 04102

## Remote:

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/83746486913?pwd=WWplCvksYLOkbafCTmn5gImQQIyHpP.1>

Passcode: 190105 | Webinar ID: 837 4648 6913

Phone: (646) 931-3860 | Telephone participants: \*9 to raise hand, \*6 to unmute

## MEETING AGENDA

AGENDA ITEM	PRESENTER	ACTION or INFORMATION
<b>1. Call Meeting to Order (3:00)</b>	Josh Remy, Committee Chair	N/A
<b>2. Public Comment (3:00-3:05)</b> The Finance Committee welcomes public comment. For items NOT listed on this agenda, the chair will recognize speakers at this point on the agenda. For items on the agenda, the chair will recognize public comment following the staff presentation. There is a 3-minute time limit per speaker.	Josh Remy, Committee Chair	Information
<b>3. Approval of Meeting Minutes (3:00-3:05)</b> The committee will be asked to approve minutes from the May 6, 2026 meeting of the Finance Committee.	Josh Remy, Committee Chair	<b>ACTION</b>
<b>4. 2025 Financial Audit (3:05 – 3:35)</b> RKO staff will present the 2025 Financial Audit.	Casey Leonard, RKO	<b>ACTION</b>
<b>5. Selection of Financial Audit Firm (3:35 – 3:55)</b> Staff will present its initial review of proposals submitted by firms seeking to secure Metro's 5-year contract for auditing services. The committee will be asked to review, make a selection, or otherwise direct staff on next steps.	Shelly Brooks, Chief Financial Officer	Information/ <b>ACTION</b>
<b>6. 2026 Budget Admendment (3:55-4:25)</b> Staff are seeking approval to amend the 2026 Operating and Capital Budget to add operating revenue and expenses related to Scarborough fixed route and microtransit pilot service scheduled to start in October 2026; and capital plans related to	Glenn Fenton, Executive Director	<b>ACTION</b>

facility acquisition and construction and vehicle purchases to apply for projects to be added to the PACTS region's TIP and allow for future discretionary grant applications.		
<p><b>6. Future Agenda Items (4:25 – 4:30)</b></p> <p>Committee members may request future agenda items.</p> <ul style="list-style-type: none"> <li>• Long Range Financial Forecasting- August</li> <li>• Funding Strategy for CIP- August</li> <li>• Fleet Replacement Schedule- August</li> <li>• <b>Advertising Revenue Phase Out- August/September</b></li> <li>• Facility Funding Strategy Followup- September</li> <li>• 2027 Operating and Capital Budget- September/October</li> <li>• 2026 FTA Triennial Review- October/November</li> <li>• Review Financial Policies- October/November</li> <li>• 2027 TAN Financing- November/December</li> </ul>	Josh Reny, Committee Chair	Information
<p><b>7. Upcoming Meetings (4:25 – 4:30)</b></p> <ul style="list-style-type: none"> <li>• Staff Appreciation Day – June 24, 2026 at 11:00 am</li> <li>• Board of Directors – June 25, 2026 at 4:00 pm</li> <li>• Finance Committee – August 5, 2026 at 3:00 pm</li> <li>• Mkt/Coms Committee – August 12, 2026 at 3:30 pm</li> <li>• Plan/Ops Committee – August 19, 2026 at 10:30 am</li> <li>• Advocacy Committee – August 20, 2026 at 3:00 pm</li> <li>• Executive Committee – August 26, 2026 at 3:30 pm</li> </ul>	Josh Reny, Committee Chair	Information
<p><b>8. Adjournment (4:30)</b></p>	Josh Reny, Committee Chair	<b>ACTION</b>

*As of November 9, 2022 Greater Portland METRO is holding meetings of the Board of Directors (and its committees) in hybrid format, both in person at METRO's offices and via webinar. The remote portions of all meetings are conducted in accordance with the requirements of [METRO's Remote Participation Policy](#) (adopted August 25, 2022) as well as LD 1772, PL 2022 Ch. 666, and 1 MRSA Chapter 13, Subchapter 1.*



**Greater Portland Metro Finance Committee**  
**Wednesday, May 6, 2026 at 3:00 pm**  
**DRAFT Meeting Minutes:**

Member:	Municipality:	Role:	Status:
Josh Reny	South Portland	Chair	Present
Paul Bradbury	Portland	Vice Chair	Present
Merrill Barter	Falmouth	Member	Present
Tom Poirier	Gorham	Member	Present
Ed Suslovic	Portland	Non-voting Attendee	Present

Staff Present	Identified Members of the Public
Shelly Brooks – Chief Financial Officer	Andrew Clark, Transit Program Manager- GPCOG
Glenn Fenton – Executive Director	
Chad Heid – Chief Transportation Officer	
Mike Tremblay- Director of Transit Planning	
Megan Hannan- Director of Gov Affairs & Comm Engagement	

- I. **With a Quorum in place, this meeting was called to Order By:** Josh Reny at: 3:00 pm
  
- II. **Public Comment:**  
 No members of public were present.
  
- III. **Approval of April 1, 2026 Draft Meeting Minutes:**  
 Merrill Barter motioned, seconded by Paul Bradbury to approve the April 1, 2026 meeting minutes. After a roll call vote, the motion passed unanimously of those present.
  
- IV. **PACTS Transit Funding Formula**  
 Andrew Clark, Transit Program Manager at Greater Portland Council of Governments presented the process for allocating the regional transit funding received from FTA. Ed Suslovic discussed the impact of the funding formula allocation not being as favorable post Metro-South Portland Bus merger. Andrew explained that they needed a formula that would accommodate all agencies- large and small.
  
- V. **Fare Policy Analysis:**

Glenn Fenton provided an update on the regional fare policy analysis, including revised estimated impacts on ridership and revenue. Staff estimate that the implementation of open fare payments will supplement some of the estimated revenue shortfall presented. The final recommended fare policy changes will be presented to the Executive Committee for approval at their May 28<sup>th</sup> meeting. Josh questioned if cash would be eliminated with the implementation of “tap to pay”, staff explained that was not considered at this time. The committee discussed the importance of the marketing plan for “tap to pay”. Staff explained some plans include wrapping buses, bus stop signage and social media posts and videos. The full marketing campaign will be presented to the Marketing and Communications Committee.

**VI. Future Agenda Items:**

- Audit Services RFP Selection- June
- 2025 Financial Audit- June
- Scarborough Pilot Service Budget Approval- June
- Long Range Financial Forecasting- August
- Funding Strategy for CIP- August
- Fleet Replacement Schedule- August
- Facility Funding Strategy Follow-up- September
- 2026 FTA Triennial Review- October/November
- Review Financial Policies- October/November

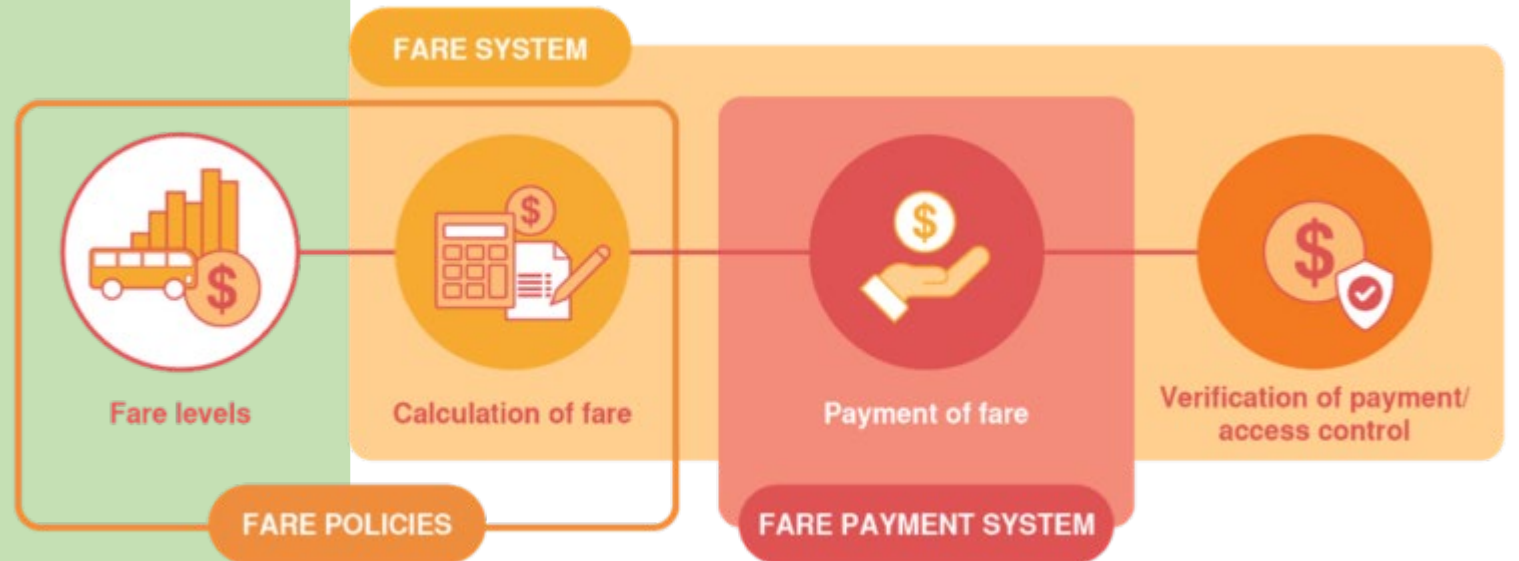
**VII. Upcoming Meetings:**

- Plan/Ops Committee – May 20, 2026 at 10:30 am
- Mkt/Coms Committee – May 20, 2026 at 3:30 pm
- Advocacy Committee – May 21, 2026 at 3:00 pm
- Executive Committee – May 27, 2026 at 3:30 pm

**VIII. Adjournment:** Merrill Barter motioned, Tom Poirier seconded. Josh Reny adjourned the meeting at 3:43 pm.

# GREATER PORTLAND METRO

## Fare Policy Analysis Update



# Fare Policy Analysis

## Public Information Events

### Public Meetings:

- Portland Public Library - April 9, 2026
- Westbrook Community Center – April 11, 2026
- Saco Transportation Center – April 13, 2026  
(BSOOB)
- Virtual Meeting – April 14, 2026
- Online Survey - Ongoing



# Fare Policy Analysis

## Proposed Fare Policy Changes

Fare Category	Current	Proposed
Base full fare (local)	\$2.00	\$2.25
Base reduced fare (local)	\$1.00	\$1.10
Base full fare (Breez)	\$4.00	\$4.50
Base reduced fare (Breez)	\$2.00	\$2.20
Fare cap daily (full fare)	\$6.00	\$6.50
Fare cap daily (reduced fare)	\$3.00	\$3.00
Fare cap monthly (full fare)	\$60.00	\$65.00
Fare cap monthly (reduced fare)	\$30.00	\$30.00
Ten-ride pass	\$18.00	Eliminate
Tap and pay	Not available	\$2.25

# Fare Policy Analysis

## Projected Impacts

2025 Actual fare revenue: \$2,497,500

Projected 2026 fare revenue: \$2,654,967

Budgeted 2026 fare revenue: \$2,818,319

6.3% higher than 2025 actual fare revenue

5.8% lower than 2026 budget

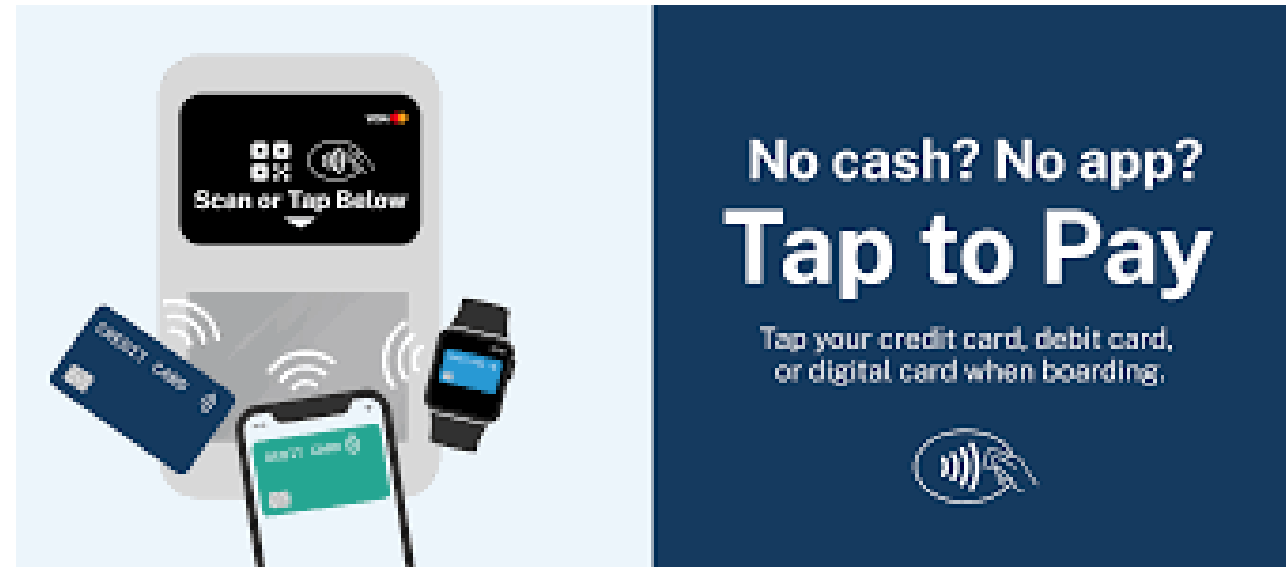
Projected revenue shortfall: (\$163,352)

Projection includes anticipated -0.76% reduction in ridership (13k rides)

# Fare Policy Analysis

## Tap to Pay

- 3.5% increase in ridership (cash payers only)
- Potential for up to 5% increase
- 2026 prorated based on undefined launch date



# Fare Policy Analysis

## Next Steps

- Revised Revenue Projection to Finance Committee (May 6)
- Public Comment Period Ends (May 20)
- Final Recommended Fare Policy to Executive Committee (May 28)
- BS00B Transit Committee Approval (June 2026)
- Board Final Approval (June 25)
- Implementation (August 1, 2026)

# PACTS Regional Transit Funding Policy

GP Metro Finance Committee

May 6, 2026







Andrew Clark, GPCOG

# Regional Transit Funding

- FTA apportions **~\$30 million annually** to the region.
- This funding is programmed across a multi-agency, multi-modal network.
- In 2024, the Policy Board approved a performance-driven, outcomes-based approach for suballocating funding among the region's transit agencies.



# FTA Formula Funding

Program	Capital	Operations
<p><b>Section 5307</b> Urbanized Area Formula Grants</p>		
<p><b>Section 5310</b> Enhanced Mobility of Seniors and Individuals with Disabilities Formula Grants</p>		
<p><b>Section 5337</b> State of Good Repair Formula Grants</p>		
<p><b>Section 5339(a)</b> Bus and Bus Facilities Formula Grants</p>		

# FTA Formula Funding

<b>Program</b>	<b>FFY 2025 Apportionment</b>	<b>FFY 2026 Apportionment</b>	<b>Percent Change</b>
<b>Section 5307</b>	\$15,118,792	\$15,470,528	+2%
<b>Section 5310</b>	\$306,923	\$328,899	+7%
<b>Section 5337</b>	\$13,228,053	\$13,509,538	+2%
<b>Section 5339(a)</b>	\$356,733	\$374,165	+5%
<b>Total</b>	<b>\$29,010,501</b>	<b>\$29,683,130</b>	

# Developing a Performance-Based Process

Prior to FFY 2024, funding was suballocated according to agency "need" and informal negotiation. That process was:

## Disconnected from regional goals

- **Connect 2050**—double ridership and vehicle revenue hours regionwide by 2050
- **Transit Tomorrow**—increase frequency, hours of operation, and access to transit
- **Transit Together**—serve the most people and serve the people who need it most

## Inconsistent with federal law

- Federal law requires a performance-driven, outcome-based approach to planning and programming.

# Developing a Performance-Based Process

## National Best Practice Research

- **9** interviews with agencies around the country

## Individual Agency Feedback

- **33** one-on-one conversations with the transit agencies

## Collaborative Decision Making and Compromise

- **14** Transit Task Force meetings over two years

# A Performance-Based Approach

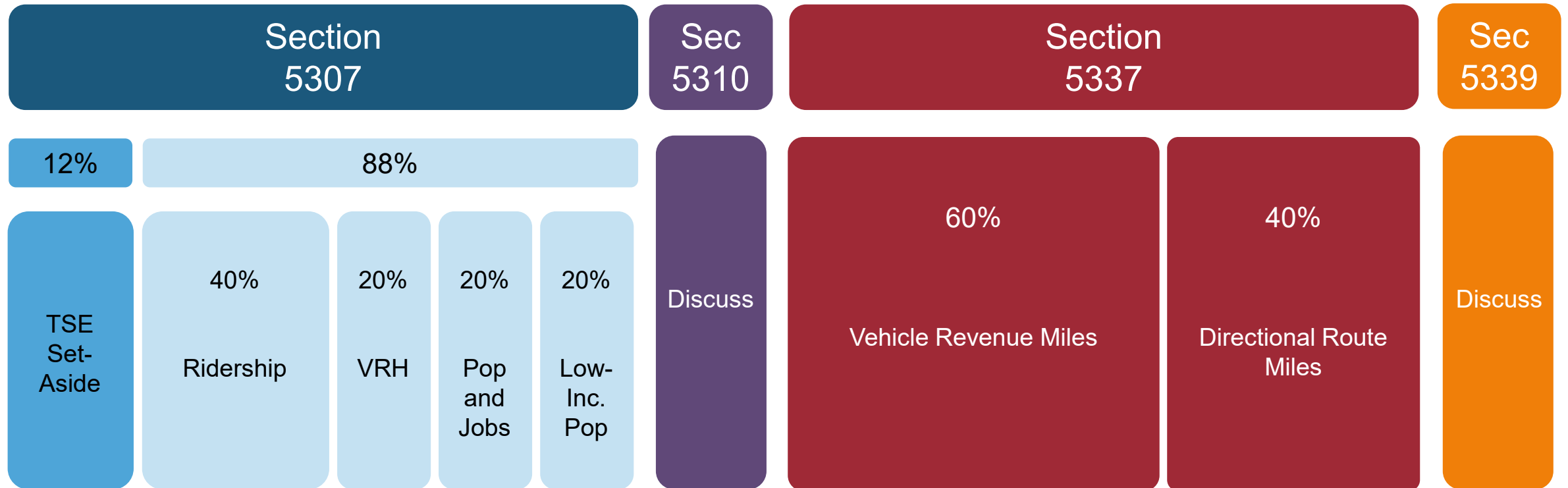


# Developing a Performance-Based Process

For Section 5307 funding, the Transit Task Force identified the following **metrics** to best incentivize progress on regional goals and priorities:

- **Ridership**—a measure of how many people are using the service
- **Vehicle Revenue Hours**—a measure of how much service is provided
- **Population and Jobs Near Transit Stops and Stations**—a measure of transit's ability to serve higher-density areas in the region
- **Low-Income Population Near Transit Stops and Stations**—a measure of transit's ability to serve the most transit-dependent riders in the region

# Performance-Based Process



# Performance-Based Process

## SAMPLE CALCULATION

Section 5307  
**\$11 million**

12%

**88% ≈ \$10 million**

TSE  
Set-  
Aside

40%

Ridership

20%

VRH

20%

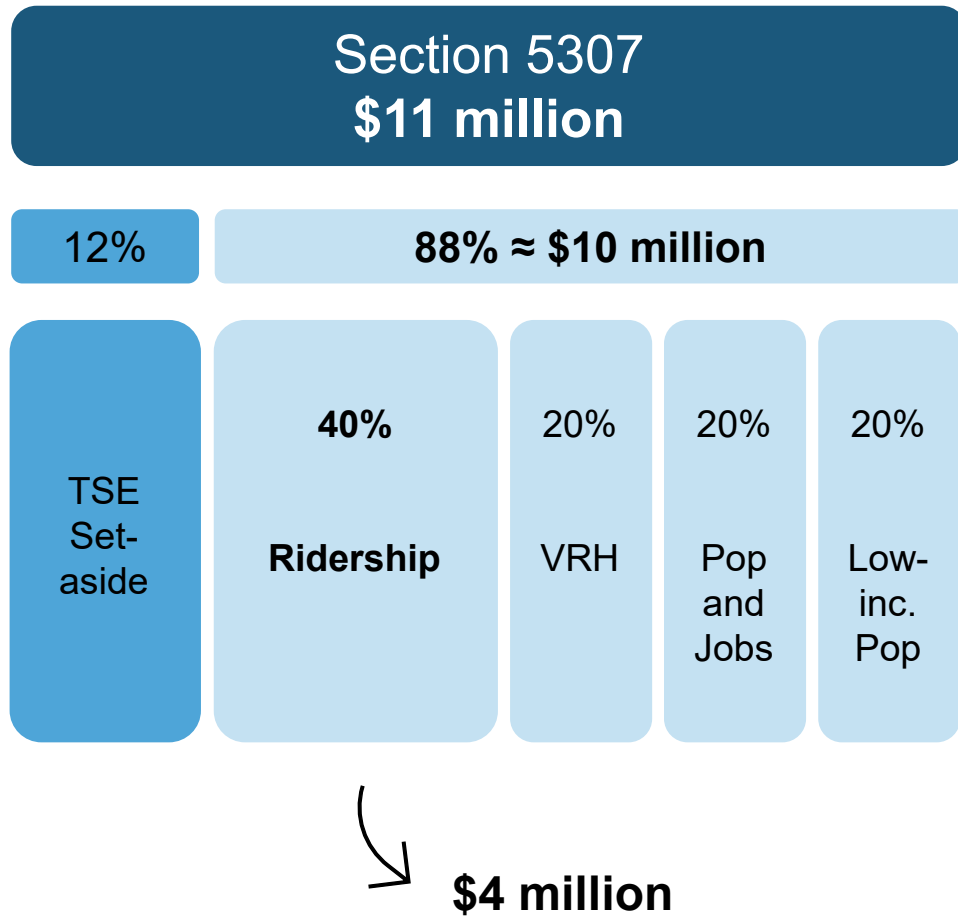
Pop  
and  
Jobs

20%

Low-  
Inc.  
Pop

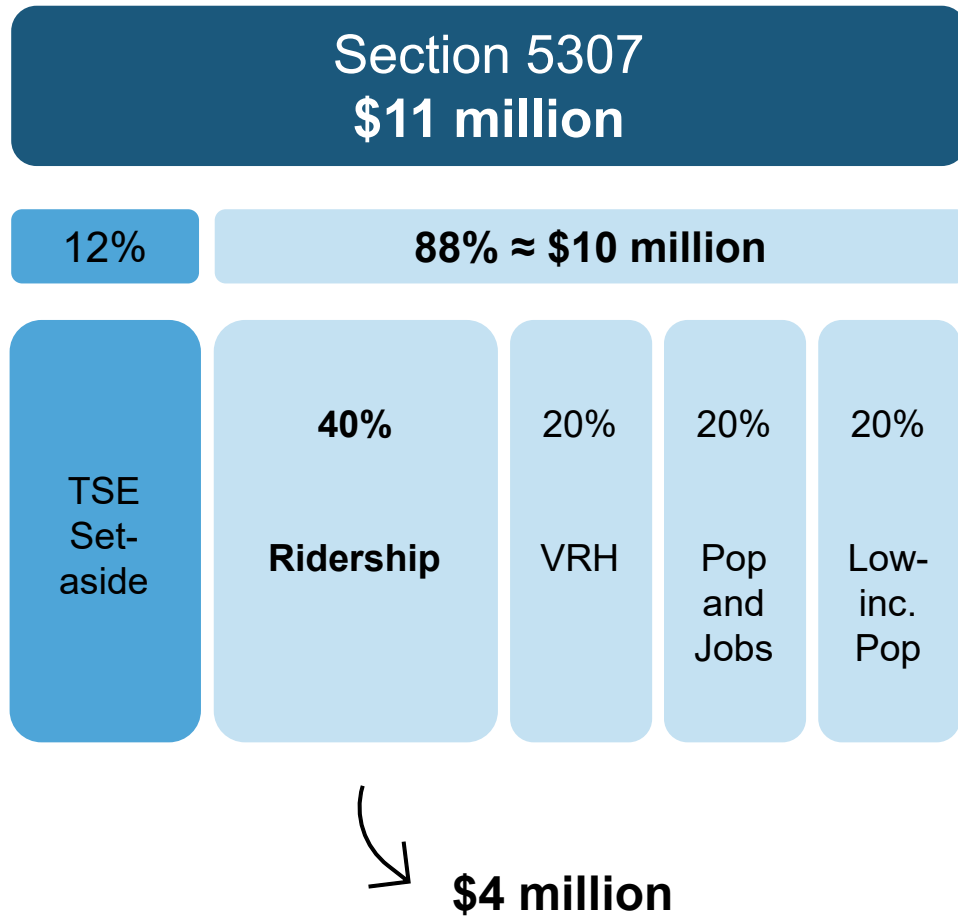
# Performance-Based Process

## SAMPLE CALCULATION

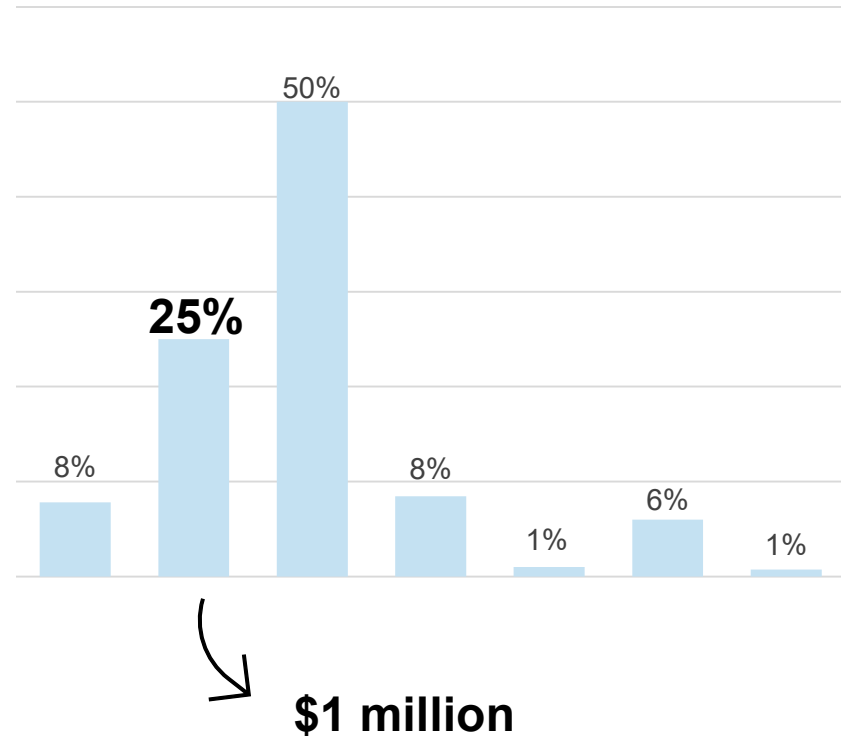


# Performance-Based Process

## SAMPLE CALCULATION

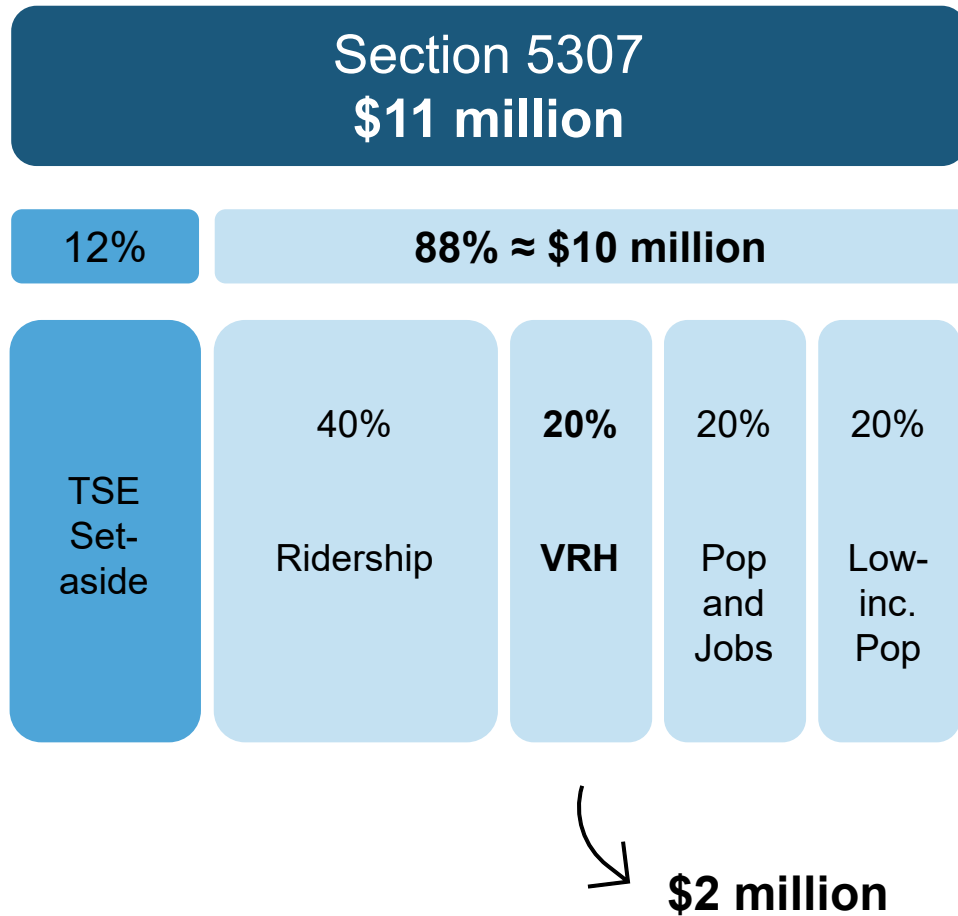


Three-Year Average Percentage of Regional Ridership



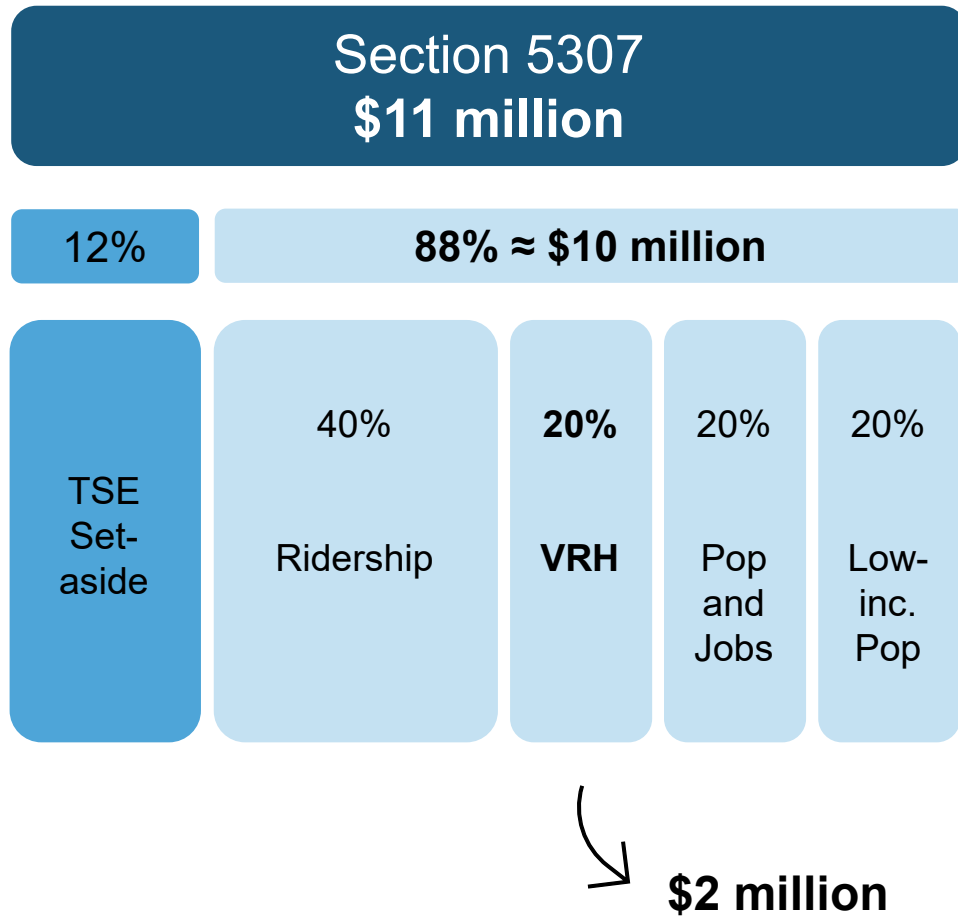
# Performance-Based Process

## SAMPLE CALCULATION

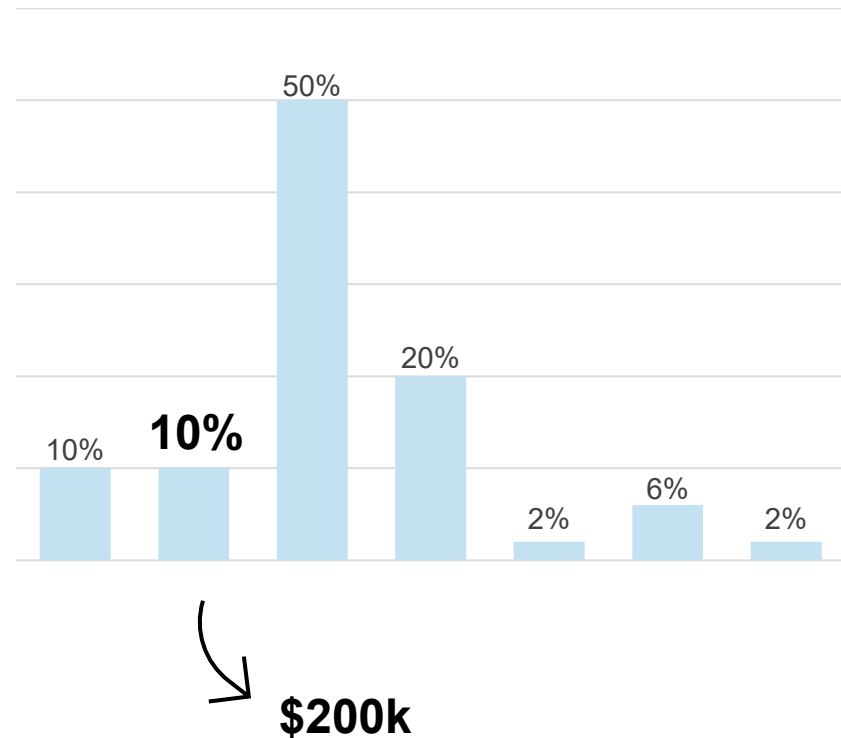


# Performance-Based Process

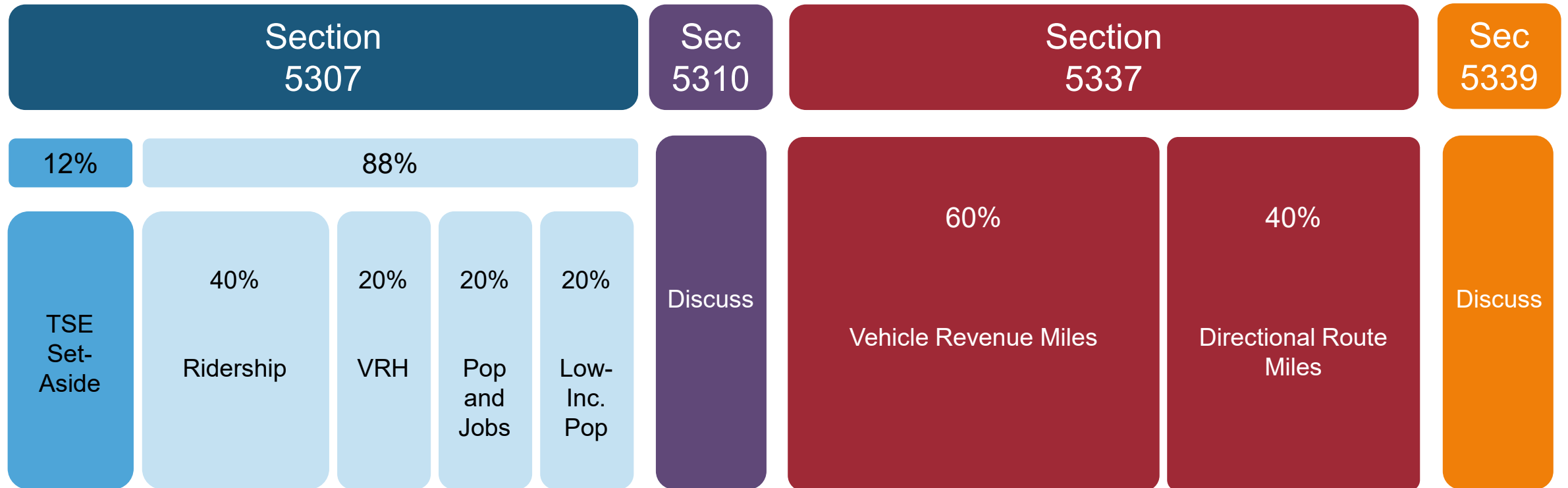
## SAMPLE CALCULATION



### Three-Year Average Percentage of Regional VRH



# Performance-Based Process



# Performance-Based Process

The formula outputs and proposed projects are subject to **review and adjustment**.

- Must have sufficient local match
- Can request a funding "transfer" from another agency
- Leftover Section 5310 and Section 5339(a) funding is suballocated; not carried forward

# Performance-Based Process

We use projections to help monitor trends and anticipated future funding levels.

These projections are for planning purposes only; funding decisions are driven by performance outcomes.

If funding trends are heading in the wrong direction, the agencies, the Transit Task Force, the Policy Board, and staff can be proactive in developing a solution.

# Final Discussion Points

**Roles and responsibilities** for final approval of suballocations, and communication thereof with FTA

- Staff develop one split letter for all funding
- RTAC and the Policy Board review and approve
- Designated recipients sign
- Staff submit to FTA



# Final Discussion Points

A process to **monitor funding** trends and patterns

- Staff annually develop a summary of funding trends
- Transit Task Force, RTAC, and Policy Board review



# Final Discussion Points

A process to **review and amend** the policy

- Maintain alignment with the long-range plan and other efforts
- Allow for amendment from time to time





## FINANCE COMMITTEE

## AGENDA ITEM 4

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### DATE

June 3, 2026

### SUBJECT

2025 Financial Audit

### PURPOSE

Review and accept the 2025 financial audit as completed by RKO.

### BACKGROUND/ANALYSIS

Metro Finance Committee acts as the Board's Audit Committee, and, as such, receives the annual audit. A copy of the power point presentation from RKO is attached for the Committee's review.

### FISCAL IMPACT

As discussed.

### RECOMMENDATION

Accept the FY 2025 Financial Audit and move to the Executive Committee and then the Board of Directors for Approval.

### CONTACT

Shelly Brooks, CFO  
207-221-8710  
sbrooks@gpmetro.org

### ATTACHMENTS:

Attachment A - 2025 Statement of Auditing Standards (SAS)  
Attachment B – 2025 Financial Statements  
Attachment C - 2025 Uniform Guidance Report  
Attachment D- RKO Presentation

May 27, 2026

To the Board of Directors of the  
Greater Portland Transit District

We have audited the financial statements of the Greater Portland Transit District for the year ended December 31, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our meeting with the Finance Committee Chair on March 9, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards, *Government Auditing Standards*, and the Uniform Guidance

As stated in our engagement letter dated December 1, 2025, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the Greater Portland Transit District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the Greater Portland Transit District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with the Uniform Guidance, we examined, on a test basis, evidence about the Greater Portland Transit District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the Greater Portland Transit District's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the Greater Portland Transit District's compliance with those requirements.

## Significant Audit Matters

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Greater Portland Transit District are described in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2025. We noted no transactions entered into by the Greater Portland Transit District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of depreciation expense, which is based on estimated useful lives of assets.
- Management's estimate of its other postemployment benefit liability, which is based on actuarial reports.
- Management's estimate of the discount rate used to measure the SBITA and lease assets and liabilities, which is based on the Greater Portland Transit District's estimated incremental borrowing rate.
- Management's estimate of sick leave that is more likely than not to be used as paid time off, which is based on historical sick time usage.

We evaluated the methods, assumptions, and data used to develop them in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The misstatements described on the attached schedule of *Adjusting Journal Entries*, some of which were material, were corrected by management.

The attached schedule of *Passed Adjusting Journal Entries* summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial both individually and in aggregate to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated May 27, 2026. See the attached copy of the representation letter, which was signed by management.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Greater Portland Transit District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Greater Portland Transit District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis and the Schedule of Changes in the District's Total Health Plan OPEB Liability and Related Ratios, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedule of Revenues and Expenses – Budget and Actual, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the Greater Portland Transit District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script, reading "Rungun Newton Ouellette".

**Greater Portland Transit District  
Adjusting Journal Entries  
12/31/2025**

Account	Description	Debit	Credit
<b>001</b>			
<i>To adjust deferred outflows &amp; inflows and OPEB expense to actual at year end.</i>			
1-1000-319999	Deferred Outflows of Resources	0.00	53,165.00
1-1000-224001	OPEB-Deferred Inflows/Outflows	0.00	223,809.00
1-41005500-529999	OPEB Expense	<u>276,974.00</u>	<u>0.00</u>
<b>Total</b>		<b><u>276,974.00</u></b>	<b><u>276,974.00</u></b>
<b>002</b>			
<i>To correct accounts receivables for BIW 2026 Revenue.</i>			
1-1000-411210	Organization Route Guarantees	28,875.00	0.00
1-1000-112000	Accounts Receivable	<u>0.00</u>	<u>28,875.00</u>
<b>Total</b>		<b><u>28,875.00</u></b>	<b><u>28,875.00</u></b>
<b>003</b>			
<i>To correct FY24 ending lease values for corrected lease term.</i>			
1-1000-121010	Right to Use Asset - Lease	791,850.26	0.00
1-1000-221020	Lease Liability	0.00	900,962.89
1-1000-121020	Accumulated Amortization	31,009.32	0.00
1-36003300-522000 LEASE	Operating Lease	<u>78,103.31</u>	<u>0.00</u>
<b>Total</b>		<b><u>900,962.89</u></b>	<b><u>900,962.89</u></b>
<b>004</b>			
<i>To adjust 151 St. John Street lease accounts to actual at year-end.</i>			
1-1000-226000	Def Inflow of Resources- Lease	159,210.06	0.00
1-1000-415200 ATLAN	Rental of Property	0.00	159,210.06
1-1000-112010	Lease Receivable	0.00	164,667.47
1-1000-415202 ATLAN	Rental of Property - Interest Revenue	0.00	17,736.76
1-1000-415200 ATLAN	Rental of Property	182,404.23	0.00
1-41005500-526001	Amortization Expense	287,493.56	0.00
1-1000-121020	Accumulated Amortization	0.00	287,493.56
1-1000-221020	Lease Liability	255,838.21	0.00
1-36003300-522001 LEASE	Lease Interest Expense	90,204.03	0.00
1-36003300-522000 LEASE	Operating Lease	<u>0.00</u>	<u>346,042.24</u>
<b>Total</b>		<b><u>975,150.09</u></b>	<b><u>975,150.09</u></b>
<b>005</b>			
<i>To remove one year subscription the Equans timekeeping subscription.</i>			
1-1000-121030	Right to Use Asset SBITA	0.00	27,961.21
1-1000-221030	Subscription Liability	27,961.21	0.00
1-41005500-526001	Amortization Expense	0.00	2,330.10
1-1000-121020	Accumulated Amortization	2,330.10	0.00
1-1000-221030	Subscription Liability	0.00	27,961.21
1-36003300-522001 SBITA	Subscription Interest Expense	0.00	978.36
3-170008-502106 AVL	Technology Services- AVL	28,939.57	0.00
1-1000-111000	Cash	28,939.55	0.00
9-9999-210001	Due To/Due From Fund 1000	0.00	28,939.55
3-3000-111000	Cash	0.00	28,939.55
9-9999-210003	Due To/Due From Fund 3000	<u>28,939.55</u>	<u>0.00</u>
<b>Total</b>		<b><u>117,109.98</u></b>	<b><u>117,109.98</u></b>

**Greater Portland Transit District  
Passed Upon Adjusting Journal Entries  
12/31/2025**

Account	Description	Debit	Credit
<i>This cleared the bank before year end, and should not be reconciled with cash, and is also listed in accounts payable at year-end, so we will record this to correct.</i>			
1-1000-111000	Cash	0.00	24,808.38
1-1000-211000	Accounts Payable	<u>24,808.38</u>	<u>0.00</u>
<b>Total</b>		<b><u>24,808.38</u></b>	<b><u>24,808.38</u></b>

May 27, 2026

Runyon Kersteen Ouellette  
20 Long Creek Drive  
South Portland, Maine 04106

This representation letter is provided in connection with your audit of the financial statements of the Greater Portland Transit District, which comprise the respective financial position as of December 31, 2025 and 2024, and the respective changes in financial position and cash flows for the years then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of May 27, 2026, the following representations made to you during your audit.

**Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated December 1, 2025 including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) The methods, significant assumptions and data used in making accounting estimates and their related disclosures, are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.



- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.
- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the Greater Portland Transit District is contingently liable, if any, have been properly recorded or disclosed.

### **Information Provided**

- 11) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the Greater Portland Transit District from whom you determined it necessary to obtain audit evidence.
  - d) Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the Greater Portland Transit District and involves—
  - Management,
  - Employees who have significant roles in internal control, or
  - Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the Greater Portland Transit District financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.



18) We have disclosed to you the identity of the Greater Portland Transit District related parties and all the related party relationships and transactions, including any side agreements.

**Government-specific**

19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

20) We have a process to track the status of audit findings and recommendations.

21) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.

22) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.

23) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.

24) The Greater Portland Transit District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance, or net position.

25) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

26) We have appropriately identified, recorded, and disclosed all leases in accordance with GASB Statement (GASBS) No. 87.

27) We have appropriately disclosed or recognized conduit debt obligations and/or certain arrangements associated with conduit debt obligations in accordance with GASBS No. 91.

28) We have appropriately disclosed, identified, and recorded public-private and public-public partnerships and availability payment arrangements in accordance with GASBS No. 94.

29) We have appropriately identified, recorded, and disclosed subscription-based information technology arrangements in accordance with GASBS No. 96.

30) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.

31) We have appropriately measured, recorded, and disclosed compensated absences and other salary-related payments in accordance with GASBS No. 101.

32) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

33) As part of your audit, you assisted with preparation of the financial statements and disclosures and schedule of expenditures of federal awards. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee



the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures and schedule of expenditures of federal awards.

- 34) The Greater Portland Transit District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 35) The Greater Portland Transit District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 36) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest and properly disclose all other joint ventures and other related organizations.
- 37) The financial statements include all fiduciary activities required by GASBS No. 84, as amended.
- 38) The financial statements properly classify all funds and activities in accordance with [GASBS No. 34](#), as amended.
- 39) All funds that meet the quantitative criteria in [GASBS Nos. 34](#) and [37](#) for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 40) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 41) Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.
- 42) Provisions for uncollectible receivables have been properly identified and recorded.
- 43) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 44) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 45) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 46) Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.
- 47) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 48) We have appropriately disclosed the Greater Portland Transit District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.



49) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

50) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

51) With respect to the supplementary information other than RSI:

- a) We acknowledge our responsibility for presenting the supplementary information other than RSI in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information other than RSI, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information other than RSI have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- b) If the supplementary information other than RSI is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information other than RSI no later than the date we issue the supplementary information other than RSI and the auditor's report thereon.

52) With respect to federal award programs:

- a) We are responsible for understanding and complying with and have complied with, the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards.
- b) We acknowledge our responsibility for preparing and presenting the schedule of expenditures of federal awards (SEFA) and related disclosures in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
- c) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.



- d) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- e) We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.
- f) We are responsible for establishing, designing, implementing, and maintaining, and have established, designed, implemented, and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- g) We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- h) We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards OR confirm that there were no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal awards.
- j) We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- k) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- l) Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E).
- m) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.



- n) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- q) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.
- r) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- t) We have charged costs to federal awards in accordance with applicable cost principles.
- u) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- v) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- w) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.

Signed:   
(Finance Director)

Date: 5/27/2026





**GREATER PORTLAND TRANSIT DISTRICT**

**Financial Statements**

**For the Years Ended December 31, 2025, and 2024**

**GREATER PORTLAND TRANSIT DISTRICT**  
**Financial Statements**  
**For the years ended December 31, 2025, and 2024**

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## Independent Auditor's Report

To the Board of Directors of the  
Greater Portland Transit District

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the Greater Portland Transit District, as of and for the years ended December 31, 2025, and 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Greater Portland Transit District, as of December 31, 2025, and 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Greater Portland Transit District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Greater Portland Transit District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Greater Portland Transit District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Greater Portland Transit District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules related to the OPEB liability, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Greater Portland Transit District's basic financial statements. The Schedule of Revenues and Expenses – Budget and Actual is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Revenues and Expenses – Budget and Actual is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues and Expenses – Budget and Actual is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2026, on our consideration of the Greater Portland Transit District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Greater Portland Transit District's internal control over financial reporting and compliance.



May 27, 2026  
South Portland, Maine

**GREATER PORTLAND TRANSIT DISTRICT**  
**Management Discussion and Analysis**  
**Fiscal Year Ended December 31, 2025**

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The Greater Portland Transit District (GPTD) is a municipal transit district formed under M.R.S.A. Title 30-A, Part 2.5, Section 163, providing public transportation to the member cities of Portland, South Portland and Westbrook, and the Towns of Brunswick, Falmouth, Freeport, Gorham and Yarmouth. The following is a narrative guide to aid the reader in understanding GPTD's financial performance and status that is presented in the financial statements and accompanying notes.

As a recipient of federal funds, GPTD is also required to undergo a single audit in conformity with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). This "single audit" is designed to meet the special requirements of federal grantor agencies to assure proper handling and accounting of federal funds.

**Financial Highlights**

- **Capital Assets.** Capital assets, net of depreciation and amortization decreased in 2025 by \$1,684,751, about 9.36%. This reflects capital improvements for the building/facility, the addition of capital equipment for various departments, and the addition of Right to Use Asset Subscriptions; which provided an increase in capital assets of about \$1,219,828 (excluding construction in progress). This was entirely offset by annual asset depreciation and amortization, totaling \$2,596,663, along with the retirement of two of the District's older transit buses, equaling \$740,574, which provided the overall net decrease in capital assets.
- **Current Liabilities.** The decrease in current liabilities of \$13,003, or 0.62%, reflects a \$94,158 and \$138,313 decrease in accounts payable and payables to other governments, respectively, a decrease of \$93,688 in accrued payroll costs, and an increase in other liabilities of \$90,003 at year-end. Additionally, the District saw increases in both the current portions of lease payable and accrued compensated absences of \$19,084 and \$86,290, respectively. In addition, there is an increase of \$72,810 for unearned fare revenue, representing regional purchases of stored value and single ride tokens that have not yet been used for rides. Finally, an increase of \$44,969 in the current portion of subscription payables.
- **Noncurrent Liabilities.** Noncurrent liabilities decreased by \$420,906, about 10.23%, which is inclusive of \$274,922 in principal reduction of our lease payable. Refer to Page 17 for additional detail. Notes payable also declined due to regular principal pay downs over the year. Accrued compensated absences decreased by \$119,950, which primarily reflects retirements and other employee departures partially offset by wage increases. Other postemployment benefits (OPEB) liability increased by \$81,779. The 2025 OPEB liability is \$1,085,035 as described on page 19.
- **Net Position.** Overall net position for GPTD decreased by 8.56%, or \$1,471,226, primarily due to the annual depreciation and amortization expense exceeding capital asset additions, along with an increase in long-term liabilities for lease, subscriptions and post-employment benefits. Unrestricted net position decreased by 11.01%, or about \$196,210. Restricted net position, which is the unexpended portion of local match funds for awarded capital grants, increased by \$91,053, based on receipt of additional funds for capital projects throughout 2025. Detailed changes in net position are shown on page 9, and the allocation of net position is explained beginning on page 22. GPTD realized a net budgetary surplus (revenues minus expenses) of \$149,075.
- GPTD finances its cash flow through issuance of an annual Tax Anticipation Note (TAN), in advance of receiving assessment payments from member communities.

**Relevant Financial Policies**

The Board of Directors for the GPTD adopted a Financial Reserve policy in 2018 with a goal of achieving and maintaining an unrestricted amount of net position of no less than 16.66%, or two months, of the subsequent year's operating budget expenditures. That policy also requires an equal amount of cash to be restricted to match the amount reserved.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Management Discussion and Analysis**  
**Fiscal Year Ended December 31, 2025**

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On page 9, it shows that 2024 total Unrestricted Net Position was \$1,782,252. Of that amount, \$1,352,272 was reserved for the policy, which has an equal amount of cash restricted, as required. This represented 7.02% of 2025 budgeted expenses. Any increase to that amount has to be supported by an equal increase in restricted cash, which ensures available funding for any use of the reserve.

The 2025 year-end unrestricted net position is \$1,586,042, which reflects the budgetary surplus of \$149,075 and is an increase from 2024 of \$196,210. In an effort to move closer to its Board policy goal, GPTD management increased the level of reserves to \$1,528,043 in 2025. The unrestricted, reserved for Board policy amount of \$1,528,043, is about 7.56% of 2026 budgeted operating expenses. Page 23 shows the amount of restricted cash. The full policy calculation, at 16.66%, would require a reserve of \$3,366,425 for the 2026 budget amount. Note that any increase in budgeted operating expenses impacts the percentage.

### **Financial Statements**

GPTD Basic Financial Statements include the Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, and Statements of Cash Flows. The Notes to Basic Financial Statements are an integral part of understanding these Statements.

### **Budgeted Revenues**

Revenues were under budgeted amounts by 3.11%, or about \$599,116, and 16.20%, or \$2,600,524, above the 2024 total. Most of the variances in revenues can be attributed to passenger fares and lower than anticipated Federal ARPA funding due to lower than estimated costs for the first full year of the new service improvements. The variance in passenger fare revenue can also partly be contributed to this uncertainty, along with slower than anticipated ridership recovery. These variances were partially offset by higher organizational route guarantee payments related to the pilot expansion of the BREEZ service to Bath/BIW. Miscellaneous income was overall lower than the estimated amount mainly due to lower than estimated advertising income, which was partially offset by higher interest income, insurance claims recovery funds and other miscellaneous income.

Passenger Fares. Collected passenger fares were under budget by about 11.77%, or \$397,520. Despite the ridership gains made over the years, fare recovery from the pandemic remained below pre-pandemic levels, with 2025 ridership at 1,877,464, about 89.23% of 2019 peak ridership at 2,104,150.

Advertising Revenue. Collected revenue from transit advertising fell below budget at 24.98%, or \$80,519 lower than the budgeted estimate, and \$4,921, or 2.07%, higher than in 2024. These variances can be directly related to a national industry shift away from annual advertising contracts to shorter-term contracts which started in 2024. Economic concerns coupled with the District's more restrictive advertising policy have also directly impacted these results. Despite GPTD's maximization of advertising space on buses and passenger stations, the shorter-term contract trends have proven steady for 2025.

Federal and State Assistance. Collections from Federal and State agencies was 22.39% higher than 2024, or up by \$1,715,470. This significant increase in funding is a result of the merger between GPTD and South Portland Bus Service. GPTD was awarded discretionary funds from the State of Maine Department of Transportation which fully funded various capital projects and also slightly contributed to the increase in State operating assistance for 2025. Other federal and state operating assistance all surpassed 2024 levels, with the exception of Federal Fuel Assistance funds, as the 2024 amount included catch-up amounts for prior years.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Management Discussion and Analysis**  
**Fiscal Year Ended December 31, 2025**

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Total federal and state assistance for 2025 was 1.74% lower than budgeted, or \$166,465, which is primarily attributed to the lower than estimated costs for the first full year of the new service improvements, which are ARPA funded at 100% of cost.

Local Investment. Payments from communities were \$714,894, or 14.83%, higher than in 2024. This was a result of an additional \$802,715, or approximately 18.27% in local assessments and match for operating costs. Total local assessments were collected above budgeted amount by \$2,484, or 0.04% due to higher than estimated costs associated with ADA paratransit services billed to the member communities. Match for capital costs decreased \$131,542 or 38.12% when compared to 2024. The overall increase in local assessments is directly related to the merger between GPTD and South Portland Bus Service, with the City of South Portland's local assessment accounting for the majority of the increase.

**Budgeted Expenses**

Total operating expenses for 2025 were under budget by 3.89%, or \$748,191, and about 14.35%, or \$2,321,535 more than 2024. The majority of the increase was incurred in personnel and fuel cost increases, which is directly related to the merger between GPTD and South Portland Bus Service. The budget to actual schedule for expenses begins on page 28.

Wages and benefits (personnel) Total wages and benefits costs were about 17.64% higher, or \$2,009,702 than in 2024. This not only reflects a cumulative 4.00% cost of living wage increase and step increases for all employees, but also the addition of 9 Bus Operators as a result of the merger between GPTD and the South Portland Bus Service. Health insurance premiums saw double digit increases in 2025, with smaller increases for dental and vision. In total, wages and benefits were under budget by 1.66%, or \$226,583 in 2025.

Fleet parts and services and fuel. The cost of maintaining the fleet combined with fuel costs, were under budget by \$209,310, about 13.61% with a savings in diesel fuel of \$194,764 and CNG fuel of \$8,995. Other under expended items included electricity (as a fuel), gasoline and tires and tubes and greases and fluids of \$2,951, \$3,703, \$9,019, and \$13,736, respectively. Fleet parts was over expended by \$23,858 for 2025. However, the total expense of both categories was \$256,117 higher than 2024. GPTD continues to experience inflationary pressures on cost and supply chain issues which has pushed fleet parts over budget. GPTD obtained favorable diesel fuel pricing and CNG supplier service costs in its current contracts which contributed to the net savings overall.

Advertising services. Advertising services were under budget by about 36.39%, or \$24,424. A majority of GPTD's advertising dollars are typically used for initiatives to grow ridership. 2025 was no exception, with the marketing spending focus placed on the continued effort to grow ridership, and the GPTD-South Portland Bus Service Merger. A significant portion of advertising spending was directed to stemming the workforce shortage.

Contracted services. Contracted services were under budget by about 21.36%, or \$125,178. This reflects lower than anticipated costs related to legal and technology services. Other planned contracted services expenditures have been pushed to future periods based on contract timing. Contracted services were lower than 2024 levels by \$223,479 or 32.66%.

Utilities and telephone. The total cost of heat, electricity, phone, water, sewer, and storm water were under budget by about 4.69%, or \$35,056. Total costs increased 8.92% compared to 2024. GPTD obtained favorable CNG supplier service costs in its current contract that resulted in the net savings in heating fuel.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Management Discussion and Analysis**  
**Fiscal Year Ended December 31, 2025**

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Maintenance services. The total cost of maintenance services was under budget by 37.20%, or \$120,945, and \$20,650 lower than 2024. Costs budgeted for maintenance services, copier maintenance, and snow plowing were under budget, partially offset by over budget maintenance supplies by \$2,469. This was largely due to lower than anticipated costs associated with fleet and building maintenance services.

**Growth and Initiatives**

GPTD’s ridership recovery initiatives continued during 2025; however, overall ridership remained approximately 10% below pre-pandemic 2019 levels. While transit demand has steadily improved since the pandemic, the pace of recovery has slowed in 2025, resulting in fare revenues that continue to remain below pre-pandemic expectations.

At the same time, transit agencies nationwide continue to experience significant financial and operational pressures driven by rising costs across all major expenditure categories, including labor, fuel, utilities, insurance, contracted services, and commodities. Workforce challenges also remain a significant issue within the transit industry. Low unemployment levels and reduced labor force participation continue to impact GPTD’s ability to recruit and retain qualified employees, particularly bus operators and vehicle maintenance technicians.

As federal emergency relief funding associated with the COVID-19 pandemic continues to phase out, transit agencies are increasingly required to absorb ongoing operating cost increases without corresponding growth in traditional revenue sources. As a result of these factors, including continued fare revenue impacts and inflationary operating pressures, GPTD currently projects structural operating deficits during the 2027 through 2030 financial planning period absent additional revenues, expenditure reductions, or other corrective actions.

Despite these challenges, GPTD continues to pursue strategies aimed at strengthening regional mobility, improving the customer experience, and rebuilding ridership. During 2024 and 2025, the District implemented and advanced several service enhancements and capital improvement initiatives funded in part through federal American Rescue Plan Act (ARPA) resources. These investments are intended to improve system reliability, increase ridership and rider satisfaction, and position the organization for long-term growth.

Looking ahead to 2026, GPTD plans to continue advancing initiatives intended to improve financial sustainability, customer convenience, and regional mobility access. Planned initiatives for 2026 include:

- Conducting a comprehensive fare policy analysis to evaluate potential fare adjustments that balance affordability and rider acceptance with the need to improve farebox recovery and support long-term financial sustainability;
- Implementing “tap to pay” functionality across the transit system to improve customer convenience, modernize fare collection, and streamline boarding processes;
- Expanding transit service into the Town of Scarborough to improve regional connectivity and mobility options; and
- Actively pursuing additional State of Maine transit funding opportunities to help support operating and capital needs, improve long-term financial sustainability, and reduce structural funding pressures
- Initiating regional discussions regarding the federal transit funding allocation methodology that supports the District’s primary federal funding source, with the objective of ensuring future funding distributions appropriately reflect current service delivery, ridership trends, and regional transit needs; and
- Continuing targeted service and capital improvements designed to enhance reliability, accessibility, and the overall customer experience.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Management Discussion and Analysis**  
**Fiscal Year Ended December 31, 2025**

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**Conclusion**

GPTD remains committed to investing in technology, infrastructure, and service enhancements that improve the accessibility, convenience, and reliability of public transportation throughout the region. During 2025, the District continued implementing operational and capital improvements intended to strengthen the customer experience, improve mobility options, and support long-term ridership growth.

While ridership recovery has continued at a measured pace following the pandemic, GPTD remains focused on initiatives that position the organization for long-term financial sustainability and future service growth. Planned investments in fare technology modernization, service expansion, infrastructure improvements, and customer-focused transit enhancements are expected to further strengthen the District's ability to meet the evolving mobility needs of the communities it serves.

**Requests for Information**

This purpose of this financial report is to provide a general overview of the Greater Portland Transit District's finances. Any questions concerning this report or additional information should be addressed to Shelly Brooks, Chief Financial Officer, Greater Portland Transit District, 114 Valley Street, Portland, Maine 04102. More information about GPTD can be found on its web site, [gpmetro.org](http://gpmetro.org), where past budgets and financial reports can also be accessed.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Statements of Net Position**  
**December 31, 2025, and 2024**

	2025	Restated 2024
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 3,877,337	3,073,824
Accounts receivable	146,944	175,108
Receivables from other governments:		
Grants	309,527	1,138,125
Other	136,609	227,142
Lease receivable	314,820	479,487
Inventory	623,431	592,997
Prepaid expenses	32,075	106,737
<b>Total current assets</b>	<b>5,440,743</b>	<b>5,793,420</b>
Capital assets:		
Land	133,175	133,175
Construction in progress	272,504	580,420
Buildings and improvements	6,746,577	6,731,747
Vehicles	24,912,018	25,652,592
Passenger shelters	740,629	740,629
Equipment	6,388,313	5,478,803
Right to use asset - lease	2,827,020	2,827,020
Right to use asset - subscription	496,454	200,966
<b>Total capital assets</b>	<b>42,516,690</b>	<b>42,345,352</b>
Less accumulated depreciation and amortization	26,202,564	24,346,475
<b>Capital assets, net</b>	<b>16,314,126</b>	<b>17,998,877</b>
<b>Total assets</b>	<b>21,754,869</b>	<b>23,792,297</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources related to OPEB	103,001	153,013
<b>Total deferred outflows of resources</b>	<b>103,001</b>	<b>153,013</b>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	305,693	399,851
Payable to other governments	77,630	215,943
Accrued payroll and payroll taxes	249,209	342,897
Other liabilities	296,696	206,693
Unearned fare revenue	466,907	394,097
Current portion of accrued compensated absences	130,640	44,350
Current portion of notes payable	199,150	199,150
Current portion of lease payable	274,467	255,383
Current portion of subscription payable	82,544	37,575
<b>Total current liabilities</b>	<b>2,082,936</b>	<b>2,095,939</b>
Noncurrent liabilities:		
OPEB obligation	1,085,035	1,003,256
Accrued compensated absences	128,547	248,497
Notes payable	612,900	812,050
Lease payable	1,621,751	1,896,673
Subscription payable	243,608	152,271
<b>Total noncurrent liabilities</b>	<b>3,691,841</b>	<b>4,112,747</b>
<b>Total liabilities</b>	<b>5,774,777</b>	<b>6,208,686</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources related to OPEB	93,667	116,762
Deferred inflows of resources related to leases	278,618	437,828
<b>Total deferred inflows of resources</b>	<b>372,285</b>	<b>554,590</b>
<b>NET POSITION</b>		
Net investment in capital assets	13,279,706	14,645,775
Restricted	845,060	754,007
Unrestricted, reserved for board policy	1,528,043	1,352,272
Unrestricted, unreserved	57,999	429,980
<b>Total net position</b>	<b>\$ 15,710,808</b>	<b>17,182,034</b>

*See accompanying notes to basic financial statements.*

**GREATER PORTLAND TRANSIT DISTRICT**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**For the years ended December 31, 2025, and 2024**

	2025	Restated 2024
Operating revenues:		
Passenger fares	\$ 2,980,993	2,670,561
Rental income	249,830	252,785
Outside repairs, maintenance and CNG sales	7,874	40,515
Federal and state operating grants	9,406,715	7,875,932
Local assessments for operating	5,322,014	4,475,578
Advertising	241,819	236,907
Insurance proceeds	89,514	102,151
Autofare reimbursement	5,811	17,463
Miscellaneous income	37,077	94,727
Total operating revenues	18,341,647	15,766,619
Operating expenses before depreciation and amortization:		
Personnel	13,509,239	11,485,731
Temporary help	88,832	4,674
ADA Paratransit	627,580	410,475
Fuel	938,342	799,539
Dues and subscriptions	49,377	45,881
Other employee costs	51,650	48,534
Fleet parts and services	606,339	491,969
Insurance	490,111	423,011
Advertising	112,410	111,307
Office and building supplies	24,559	20,128
Contract services	676,905	734,790
Utilities	492,068	448,489
Maintenance costs	378,262	414,136
Total operating expenses before depreciation and amortization	18,045,674	15,438,664
Operating income (loss) before depreciation and amortization	295,973	327,955
Depreciation and amortization expense	2,596,663	2,291,942
Operating income (loss) after depreciation and amortization	(2,300,690)	(1,963,987)
Nonoperating revenues (expenses):		
Federal and state capital grants	736,482	1,140,979
Local assessments for capital	102,029	313,936
Wellness and training grants	605	5,218
Gain (loss) on disposal of capital assets	-	(279,013)
Interest income	129,396	152,185
Bank interest and fees	(58,768)	(38,300)
Interest on debt service	(80,280)	(105,124)
Total nonoperating revenues (expenses)	829,464	1,189,881
Change in net position	(1,471,226)	(774,106)
Net position, beginning of year, previously reported	17,182,034	16,679,452
Restatement, adoption of GASBS 101	-	(40,211)
Restatement, adoption of GASBS Implementation 2021-1	-	82,410
Restatement, correction of lease term	-	(49,469)
Net position, beginning of the year, restated	17,182,034	16,672,182
Special item - net position of transferred bus services	-	1,283,958
<b>Net position, end of year</b>	<b>\$ 15,710,808</b>	<b>17,182,034</b>

*See accompanying notes to basic financial statements.*

**GREATER PORTLAND TRANSIT DISTRICT**  
**Statements of Cash Flows**  
**For the years ended December 31, 2025, and 2024**

	2025	Restated 2024
<b>Cash flows from operating activities:</b>		
Receipts from customers	\$ 3,720,973	3,282,145
Receipts from federal and state operating grants	10,235,313	7,297,750
Receipts from local sources	5,322,014	4,475,578
Receipts from insurance proceeds	89,514	102,151
Payments to suppliers	(4,552,961)	(3,630,082)
Payments to employees	(13,668,373)	(11,276,719)
<b>Net cash provided by (used in) operating activities</b>	<b>1,146,480</b>	<b>250,823</b>
<b>Cash flows from investing activities:</b>		
Interest income	129,396	152,185
<b>Net cash provided by (used in) investing activities</b>	<b>129,396</b>	<b>152,185</b>
<b>Cash flows from capital and related financing activities:</b>		
Local sources	102,029	313,936
Federal and State capital grants	736,482	1,140,979
Principal payments on notes	(199,150)	(199,150)
Principal payments on lease	(255,838)	(238,147)
Principal payments on subscriptions	(161,118)	(11,120)
Purchase of capital assets	(614,488)	(1,259,919)
Interest payments	(80,280)	(105,124)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(472,363)</b>	<b>(358,545)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>803,513</b>	<b>44,463</b>
Cash and cash equivalents, beginning of year	3,073,824	3,029,361
<b>Cash and cash equivalents, end of year</b>	<b>\$ 3,877,337</b>	<b>3,073,824</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>		
Operating income (loss)	\$ (2,300,690)	(1,963,987)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	2,596,663	2,291,942
Bank interest and fees	(58,768)	(38,300)
Wellness and training grants	605	5,218
Amortization of deferred inflows and outflows of resources related to OPEB	26,917	(107,666)
Amortization of deferred inflows and outflows of resources related to leases	(159,210)	(159,210)
Change in operating assets and liabilities:		
Accounts receivable	118,697	(101,605)
Grants receivable	828,598	(578,182)
Lease receivable	164,667	154,131
Inventory	(30,434)	(45,989)
Prepaid expenses	74,662	3,131
Accounts payable	(232,471)	307,883
Accrued payroll and payroll taxes	(93,688)	112,691
Other liabilities	90,003	42,918
Unearned fare revenue	72,810	70,653
Accrued compensated absences	(33,660)	54,637
Net OPEB obligation	81,779	202,558
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 1,146,480</b>	<b>250,823</b>
<b>Noncash operating activities:</b>		
Transfer of capital assets from the South Portland Bus Service	\$ -	1,146,138
<b>Noncash capital and related financing activities:</b>		
Transfer of inventory from the South Portland Bus Service	\$ -	137,820
Subscription issuance proceeds	\$ 297,424	200,966

*See accompanying notes to basic financial statements.*

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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**Organization** - The Greater Portland Transit District (the District), incorporated June 24, 1966, is a quasi-municipal corporation, organized in accordance with the provision of Title 30-A, Chapter 163, of the Maine State Statutes, to operate a public mass transit passenger bus service for the inhabitants of the municipalities comprising the District. The membership of the District is composed of the cities of Portland, South Portland, and Westbrook, and the Towns of Brunswick, Falmouth, Freeport, Gorham and Yarmouth. The Board of Directors consists of five directors appointed from the City of Portland, four directors appointed from the City of South Portland, three directors appointed from the City of Westbrook, two directors from the Town of Falmouth, two directors from the Town of Gorham, and one each from the Towns of Brunswick, Freeport and Yarmouth.

**Economic Dependency** - The District is economically dependent upon grants from the Federal Transit Administration and subsidies from its member municipalities.

**Measurement Focus and Basis of Accounting** - The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses recorded when a liability is incurred, regardless of the timing of the related cash flows.

Operating revenues and expenses are distinguished from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District's principal ongoing operations. The principal operating revenues of the District are charges to customers for sales and services, operating grants from federal and state funding sources, and local member contributions. Operating expenses include the cost of sales and services, administrative expenses, and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Cash and Investments** - Cash and cash equivalents are considered to be cash on hand, demand deposits and time deposits. Investments are stated at fair value.

**Accounts Receivable and Receivables from Other Governments** - The District grants credit to local governments and businesses. In addition, grants are received for operations and various capital acquisitions. The portion of grants not received at year-end is included in the balance sheet as grants receivable. The amounts of these receivables are subject to acceptance of qualified expenses by responsible grantor agencies. Grants received prior to obligation or spending of funds are recorded as unearned grants.

Management believes that all accounts receivable and grants receivable at December 31, 2025, and 2024, are fully collectable. Therefore, no allowance for doubtful accounts is recorded.

**Net Position** - Although not a formal policy, when both restricted and unrestricted resources are available for use, it is the District's intent to use restricted resources first, then unrestricted resources as they are needed.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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**Net Position Reserve** - The Board of Directors for the District adopted a Financial Reserve Policy in 2018 with a goal of achieving and maintaining an unrestricted amount of net position of no less than 16.66%, or two months, of the subsequent year's operating budget expenses. That policy also requires an equal amount of cash to be restricted to match the amount reserved.

**Inventory** - Inventories are valued at the lower of cost (first-in, first-out basis) or market and are recorded as expenses when used (consumption method). Inventory consists of materials and supplies.

**Prepaid Expenses** - Payments to vendors that will benefit periods beyond the fiscal year are recorded as prepaid expenses.

**Capital Assets** - Capital assets owned by the District are stated at the cost (except for intangible right-to-use lease assets, the measurement of which is discussed in the leases note below) to acquire or construct the asset and are comprised of land, building, vehicles, and other capital assets. Donated capital assets are recorded at acquisition value. Routine maintenance and repairs are charged against income. Expenses, which materially increase values, change capacities, or extend useful lives are capitalized. The threshold for capitalization of an asset is \$5,000. The provision for depreciation has been computed by the use of the straight-line method at rates intended to amortize the cost of the related assets over their estimated useful lives.

Estimated useful lives are as follows:

Buildings and improvements*	7-40 years
Bus stops and shelters	5-20 years
Office equipment	5-10 years
Service vehicles	7-12 years
Shop equipment	7-20 years
Vehicles	4-12 years
Computer equipment/software	3-8 years

\*Including the right to use leased building

**Deferred Inflows and Outflows of Resources** - In addition to assets and liabilities, the statement of net position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements, deferred outflows of resources and deferred inflows of resources, represent a consumption or acquisition of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time.

The District has deferred outflows and inflows that relate to the total other postemployment benefits (OPEB) liability, which include the District's contributions subsequent to the measurement date, which is recognized as a reduction of the total OPEB liability in the subsequent year. They also include changes in assumptions and differences between expected and actual experience, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan.

The District also has lease related deferred inflows of resources that qualifies for reporting in this category of resources.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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**Leases and Subscription-based Information Technology Arrangements (SBITA)**

Lessee: The District is a lessee for a noncancellable lease of land, a building and software. The District recognizes a lease liability and an intangible right-to-use lease asset in the financial statements. The District recognizes lease or SBITA liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the District initially measures the lease or SBITA liability at the present value of payments expected to be made during the agreement term. Subsequently, the lease or SBITA liability is reduced by the principal portion of payments made. The right-to-use asset is initially measured as the initial amount of the related liability, adjusted for payments made at or before the agreement commencement date, plus certain initial direct costs. Subsequently, the right-to use asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases and SBITAs include how the District determines (1) the discount rate it uses to discount the expected payments to present value, (2) agreement term, and (3) payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases and SBITAs.
- The agreement term includes the noncancellable period of the agreement. Payments included in the measurement of the liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the right-to-use asset and liability if certain changes occur that are expected to significantly affect the amount of the liability.

Right-to-use assets are reported with other capital assets and lease or SBITA liabilities are reported with long-term debt on the statement of net position.

Lessor: The District is the lessor for a non-cancellable sublease of a portion of the land and building that the District is leasing from another entity. The District has recognized a lease receivable and the related deferred inflows of resources in the financial statements. At the commencement of the lease, the District measures the lease asset at the present value of payments expected to be made during the lease term. Subsequently, the lease asset is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments made at or before the lease commencement date. Subsequently, the lease deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the leases. Lease receipts included in the measurement of the lease receivable is composed of fixed payments, from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**Accrued Compensated Absences** - Under terms of personnel policies and union contracts of the District, compensated absences are granted and paid out to employees upon departure from employment. For Union employees, the District currently offers vacation accrual and paid time off (PTO). Union employees are paid out all accrued unused PTO time and prorated vacation time based on length of service in the year of termination.

For non-union employees, the District currently offers paid time off (PTO). The District moved from a Vacation and Sick accrual plan to a PTO plan in 2016. At that time, non-union employees were offered the option to remain in the current plan, or move to the PTO plan. The District has two employees remaining in the Vacation and Sick accrual plan. All newly hired non-union employees are offered the PTO plan. For non-union employees grandfathered into the vacation and sick plan, vacation is paid out at 100% of accrued time regardless of years of service, and after 20 years of service, sick time is paid out at 50% of accrued time with a maximum of 75 days. PTO is paid out based on years of service. Employees with 5 years of service or more are paid out 100% of their PTO time.

**Use of Estimates** - The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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**DEPOSITS**

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*Custodial credit risk – deposits:* In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District currently does not have a written deposit policy for custodial credit risk but does attempt to have all deposits insured and collateralized. As of December 31, 2025, the District reported deposits of \$3,877,337 with a bank balance of \$3,859,492. The District's entire bank balance is insured by federal depository insurance.

*Interest rate risk:* The District currently does not have a written policy for interest rate risk.

*Credit Risk:* Maine statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and certain corporate stocks and bonds. The District currently does not have a written policy for credit risk.

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**LEASES RECEIVABLE**

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During 2022, the District entered into a leasing arrangement through which the District subleased part of the land and building that the District began leasing in 2021. The sublease is for a five-year term and the District received monthly payments of \$15,125 for the period January to September 2025 and \$15,427 for the period October to December 2025, adjusted for a 2% increase each year annually in October.

The District recognized \$164,667 in lease revenue and \$17,737 in related interest revenue during 2025. As of December 31, 2025, the District's receivable for lease payments was \$314,820. Also, the District has a deferred inflow of resources associated with the leases that will be recognized as revenue over the lease term. As of December 31, 2025, the balance of the deferred inflow of resources was \$278,618.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

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CAPITAL ASSETS

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Capital asset activity for the fiscal year ended December 31, 2025, was as follows:

	Balance 12/31/2024 (restated)	Increases	Decreases	Balance 12/31/2025
Capital assets not being depreciated/ amortized:				
Land	\$ 133,175	-	-	133,175
Construction in progress	580,420	403,441	711,357	272,504
<b>Total capital assets not being depreciated/ amortized</b>	<b>713,595</b>	<b>403,441</b>	<b>711,357</b>	<b>405,679</b>
Capital assets being depreciated/amortized:				
Buildings and improvements	6,731,747	14,830	-	6,746,577
Vehicles	25,652,592	-	740,574	24,912,018
Passenger stations	740,629	-	-	740,629
Equipment	5,478,803	909,510	-	6,388,313
Right to use asset – lease*	2,827,020	-	-	2,827,020
Right to use asset – subscription assets	200,966	295,488	-	496,454
<b>Total capital assets being depreciated/ amortized</b>	<b>41,631,757</b>	<b>1,219,828</b>	<b>740,574</b>	<b>42,111,011</b>
Less accumulated depreciation/ amortization for:				
Buildings and improvements	5,791,116	128,606	-	5,919,722
Vehicles	13,544,804	1,777,544	740,574	14,581,774
Passenger stations	235,147	38,555	-	273,702
Equipment	3,904,208	291,134	-	4,195,342
Right to use asset – lease*	862,481	287,493	-	1,149,974
Right to use asset – subscription assets	8,719	73,331	-	82,050
<b>Total accumulated depreciation/ amortization</b>	<b>24,346,475</b>	<b>2,596,663</b>	<b>740,574</b>	<b>26,202,564</b>
<b>Total capital assets being depreciated/ amortized, net</b>	<b>17,285,282</b>	<b>(1,376,835)</b>	<b>-</b>	<b>15,908,447</b>
<b>Capital assets, net</b>	<b>\$ 17,998,877</b>	<b>(973,394)</b>	<b>711,357</b>	<b>16,314,126</b>

\* In 2025 it was determined that the length of the initial term on the right-to-use lease entered into in 2021 by the District was incorrect. Previously, the District recognized a lease term of seven years. In 2025, it was determined that the initial lease term is actually ten years. The prior period has been restated with an increase of \$791,850 recognized for the right-to-use lease asset and a decrease of \$31,009 in accumulated amortization for the right-to-use lease asset as of December 31, 2024.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

**LONG-TERM DEBT**

The following is a summary of long-term liability transactions of the District for the year ended December 31, 2025:

	Beginning Balance (restated)	Additions	Deletions	Ending balance	Due within one year
Notes from direct borrowing	\$ 1,011,200	-	199,150	812,050	199,150
Other postemployment liabilities	1,003,256	81,779	-	1,085,035	-
Accrued compensated absences	292,847	-	33,660	259,187	130,640
Leases payable*	2,152,056	-	255,838	1,896,218	274,467
Subscriptions payable	189,846	297,424	161,118	326,152	82,544
<b>Total long-term liabilities</b>	<b>\$ 4,649,205</b>	<b>379,203</b>	<b>649,766</b>	<b>4,378,642</b>	<b>686,801</b>

\* In 2025 it was determined that the length of the initial term on the right-to-use lease entered into in 2021 by the District was incorrect. Previously, the District recognized a lease term of seven years. In 2025, it was determined that the initial lease term is actually ten years. The prior period has been restated with an increase of \$903,963 recognized for the right-to-use lease payable as of December 31, 2024.

Notes payable at December 31, 2025, are comprised of the following individual issues:

	Date of issue	Amount issued	Interest rate	Maturity date	Balance 12/31/25	Balance 12/31/24
2018 Buses	2018	\$ 855,000	1.92-2.99%	11/1/2028	256,500	342,000
2019 Buses	2019	460,000	1.72-2.39%	11/1/2029	184,000	230,000
2020 Buses	2020	510,000	1.24-1.74%	11/1/2030	255,000	306,000
2022 Buses	2022	166,500	3.52-4.02%	11/1/2032	116,550	133,200
<b>Total notes payable</b>					<b>\$ 812,050</b>	<b>1,011,200</b>

The annual requirements to amortize notes payable outstanding as of December 31, 2025, are as follows:

<u>Year ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 199,150	20,153	219,303
2027	199,150	15,415	214,565
2028	199,150	10,516	209,666
2029	113,650	5,449	119,099
2030	67,650	2,860	70,510
2031-2032	33,300	1,998	35,298
<b>Totals</b>	<b>\$ 812,050</b>	<b>56,391</b>	<b>868,441</b>

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

**LEASES PAYABLE**

During 2021, the District entered into a ten-year lease agreement as lessee for the use of land and a building. An initial lease liability was recorded in the amount of \$2,035,170 during 2021. During 2025, it was determined that the lease term needed to be updated, so the lease liability was increased by \$900,963 with a prior period restatement as of December 31, 2024. As of December 31, 2025, the value of the lease liability was \$1,896,218. The District was required to make monthly principal and interest payments of \$28,741 for the period of January to October 2025 and \$29,316 for the period of November and December 2025, adjusted for a 2% increase each year annually in November.

The lease has an interest rate of 4.43% derived from the District's estimated incremental borrowing rate. An initial right-to-use asset value of \$2,035,170 was recorded during 2021. The value of the right-to-use asset was restated as of December 31, 2024, when the term was updated with an increase of \$791,850. The value of the right-to-use asset as of the end of 2025 was \$2,827,020 and had \$1,149,974 in accumulated amortization as of December 31, 2025.

The future principal and interest lease payments as of December 31, 2025, were as follows:

	<b>Lease Payable</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	\$ 274,467	78,495	352,962
2027	294,080	65,942	360,022
2028	314,724	52,499	367,223
2029	336,448	38,120	374,568
2030	359,304	22,755	382,059
2031	317,195	6,476	323,671
<b>Totals</b>	<b>\$ 1,896,218</b>	<b>264,287</b>	<b>2,160,505</b>

**SUBSCRIPTIONS**

The Greater Portland Transit District has several subscription agreements for various software programs. As of December 31, 2025, the value of subscription payables were \$326,152. The value of the right-to-use asset as of the end of the current fiscal year was \$496,454 and had accumulated amortization of \$82,050.

The future principal and interest payments as of December 31, 2025, were as follows:

	<b>Subscription Payable</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	82,544	12,723	95,267
2027	76,243	9,507	85,750
2028	80,333	6,538	86,871
2029	84,623	3,402	88,025
2030	2,409	91	2,500
<b>Totals</b>	<b>\$ 326,152</b>	<b>\$32,261</b>	<b>\$ 358,413</b>

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

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**GRANTOR REVIEW**

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Federal and State grants are subject to grantor review and final approval. Although it is not anticipated that any claims would be made against the District by the grantor agencies, grants remain subject to ultimate closeout.

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**RISK MANAGEMENT**

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The Greater Portland Transit District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Greater Portland Transit District carries commercial insurance.

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**PENSION PLAN**

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The Greater Portland Transit District has a defined contribution retirement plan under Section 401(a) of the Internal Revenue Code covering all full-time employees.

Union and Nonunion employees are eligible to participate immediately following their date of hire. Union employees are fully vested after 60 months of employment. All nonunion employees are fully vested immediately.

The District matches voluntary union and nonunion employee contributions to a 401 (a) plan. All contributions are voluntary. The District contributed up to 7.5% of the employees' gross pay and the District contributed 15% of the General Manager's compensation, without regard to his contribution, for the years ended December 31, 2025, and 2024.

For the years ended December 31, 2025, and 2024, respectively, employee contributions amounted to \$0 and \$0 and employer contributions were \$569,818 and \$471,804.

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**OTHER POSTEMPLOYMENT BENEFITS**

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***General Information about the OPEB Plans***

**Plan Description** - The District sponsors a postretirement benefit plan providing health insurance to retiring employees (hereafter referred to as the Health Plan). The plan is a single-employer defined benefit OPEB plan administered by the Maine Municipal Employees Health Trust (MMEHT). The Board of Directors have the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

**Benefits Provided** - Retirees with a minimum of age 55 and 5 years of service at retirement are eligible for postretirement health insurance benefits. The eligibility for explicit subsidy is age 62 and 20 years of service. Union employees are only eligible for an explicit subsidy if they were hired before 1/1/2022 and nonunion employees are only eligible for an explicit subsidy if they were hired before 1/1/2020. The explicit subsidy represents the contributions towards retiree health insurance that District pays. Currently, the District provides an explicit subsidy of 100% of single Pre-Medicare coverage for employees meeting eligibility requirements. The District does not provide any subsidy for spouses.

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**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

OTHER POSTEMPLOYMENT BENEFITS, CONTINUED

*Employees Covered by Benefit Terms* – At December 31, 2025, the following employees were covered by the Health Plan benefit terms:

Inactive employees or beneficiaries currently receiving benefits	2
Inactive employee entitled to but not yet receiving benefits	-
Active employees	93
Total	95

**Contributions** - The District is required to pay 100% of the health insurance premiums toward single Pre-Medicare coverage, the total District contributions for the year ended December 31, 2025, were \$14,526.

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The District's total Health Plan OPEB liability of \$1,085,035 was measured as of January 1, 2025, and was determined by an actuarial valuation as of that date.

*Changes in the Total Health Plan OPEB Liability*

	Total OPEB Liability
Balance at December 31, 2024	\$ 1,003,256
Changes for the year:	
Service cost	91,704
Interest	35,461
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(30,860)
Benefit payments	(14,526)
Net changes	81,779
Balance at December 31, 2025	\$ 1,085,035

Change in assumptions reflects a change in the discount rate from 3.26% to 4.08%.

For the year ended December 31, 2025, the District recognized OPEB expense of \$108,696 related to the Health Plan. At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to the Health Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	93,667
Changes of assumption or other inputs	85,322	-
Contributions after measurement date	17,679	-
Total	\$ 103,001	93,667

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

**OTHER POSTEMPLOYMENT BENEFITS, CONTINUED**

An amount of \$17,679 is reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Health Plan OPEB will be recognized in OPEB expense as follows:

Year ended December 31:	
2026	\$ 6,480
2027	(2,213)
2028	(8,697)
2029	(8,692)
2030	(1,495)
Thereafter	6,272

**Actuarial Assumptions and Other Inputs** - The total OPEB liability in the January 1, 2024, actuarial valuation for the Health Plan was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.38% per annum
Salary increases	2.75% per annum
Discount rate	4.08%
Healthcare cost trend rates	10.14% Non-Medicare, decreasing to 3.81% by 2045.
Retirees' share of the benefit related costs	100% of projected health insurance premiums

Mortality rates for the Health Plan were based on the 2010 Public Plan General Benefits- Weighted Healthy Retiree Mortality Table projected generationally using the RPEC 2020 model.

The actuarial assumptions used in the January 1, 2024, valuation for the Health Plan were based on the results of an actuarial experience study for the period June 30, 2016, through June 30, 2020.

**Discount Rate** - The rate used to measure the total OPEB liability for the Health Plan was 4.08%. The discount rate was based upon high quality AA/Aa or higher bond yields in effect for 20 years, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index.

**Sensitivity of the Total Health Plan OPEB Liability to Changes in the Discount Rate** - The following presents the District's total OPEB liability related to the Health Plan calculated using the discount rate of 4.08%, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (3.08%) or 1 percentage-point higher (5.08%) than the current rate:

	1% Decrease (3.08%)	Discount Rate (4.08%)	1% Increase (5.08%)
Total OPEB liability	\$ 1,253,247	1,085,035	946,972

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

**OTHER POSTEMPLOYMENT BENEFITS, CONTINUED**

**Sensitivity of the Total Health Plan OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The following presents the District's total OPEB liability related to the Health Plan calculated using the healthcare cost trend rates, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	1%	Healthcare Cost	1%
	Decrease	Trend Rates	Increase
Total OPEB liability	\$ 920,716	1,085,035	1,293,359

**SHORT-TERM LIABILITIES**

The District obtained short-term borrowing in the form of a tax anticipation note for immediate cash flow needs. Short-term liability transactions for the year ended December 31, 2025, were as follows:

	Beginning			Ending
	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>balance</u>
<b><u>Tax anticipation note</u></b>	<b>\$ -</b>	<b>5,600,000</b>	<b>5,600,000</b>	<b>-</b>

**457 RETIREMENT PLAN**

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan permits participating employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Assets of the plan are placed in trust for the exclusive benefit of participants and their beneficiaries. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets are not included in the District's financial statements. For the years ended December 31, 2025, and 2024, respectively, employee contributions amounted to \$698,170 and \$543,183 and employer contributions were \$0 and \$0.

**NET POSITION**

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by outstanding long-term debt and adding back any unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is any remainder of total net position less net investment in capital assets and restricted net position.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

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NET POSITION, CONTINUED

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The District's net investment in capital assets was calculated as follows at December 31, 2025, and 2024:

	<u>2025</u>	<u>2024 (restated)</u>
Capital assets	\$42,516,690	42,345,352
Accumulated depreciation	(26,202,564)	(24,346,475)
Notes payable	(812,050)	(1,011,200)
Lease payable	(1,896,218)	(2,152,056)
Subscription payable	(326,152)	(189,846)
<b>Total net investment in capital assets</b>	<b>\$ 13,279,706</b>	<b>14,645,775</b>

The District's net position at December 31, 2025, and 2024, was restricted for the local match of the following grants and projects:

		<u>2025</u>	<u>2024</u>
ME-2016-016	2016 Operating Assistance & Cap Maintenance	\$ 6,095	10,705
ME-2016-017	Regional Bus Shelter/Sign Project	7,730	7,730
ME-2017-008	2017 Operating Assistance & Cap Maintenance	-	16,186
ME-2019-010	2019 Operating Assistance & Cap Maintenance	10,000	10,000
ME-2020-025	2020 Operating Assistance & Cap Maintenance	10,594	12,269
ME-2021-016	2021 Operating Assistance & Cap Maintenance	40,618	65,956
ME-2022-011	2022 Operating Assistance & Cap Maintenance	14,000	14,000
ME-2023-002	BREEZ Bus Replacement	635	635
ME-2023-044	2023 Operating Assistance & Cap Maintenance	227,891	157,891
ME-2024-010	2024 Operating Assistance & Cap Maintenance	270,189	283,185
N/A	Facility	125,000	5,000
N/A	Bus Stop Improvement	-	70,000
N/A	2018 Operations - Electric signs	-	8,590
N/A	Security	8,000	10,000
N/A	AVL	14,908	59,460
N/A	Proceeds On Sale of FTA Assets	7,400	7,400
N/A	Service Vehicle	15,000	15,000
N/A	BRT	85,000	-
N/A	Admin Copier	2,000	-
<b>Total restricted net position</b>		<b>\$ 845,060</b>	<b>754,007</b>

The District has set aside cash balances to support restricted net position and unrestricted net position, reserved for board policy to ensure that cash will be on hand when these amounts are drawn upon. As of December 31, 2025, and 2024, the District has designated the following amounts of net position within cash and cash equivalents:

	<u>2025</u>	<u>2024</u>
Restricted net position	\$ 845,060	754,007
Unrestricted, reserved for board policy	1,528,043	1,352,272
<b>Total</b>	<b>\$ 2,373,103</b>	<b>2,106,279</b>

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Basic Financial Statements, Continued**

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**RESTATEMENT OF NET POSITION**

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During fiscal year 2024, the District adopted Governmental Accounting Standards Board statement 101 – Compensated Absences, which updated the recognition and measurement guidance for compensated absences. Also during the fiscal year, the District adopted Governmental Accounting Standards Board Implementation Guide No. 2021-1 – Implementation Guidance Update-2021, which provided clarifying language related to the capitalization of grouped similar assets (like computers or furniture), that individually fall below an organization’s capitalization threshold. The guide now requires that such grouped assets, if exceeding the organization’s capitalization threshold, be capitalized and depreciated over their estimated useful lives.

During fiscal year 2025, the District determined that the initial lease term recognized during fiscal year 2022 on the District’s right-to-use lease was incorrect. Previously, the District recognized a lease term of seven years. In 2025, it was determined that the initial lease term is actually ten years.

Net position, as previously reported, as of 12/31/24	\$ 16,679,452
Restatement, adoption of GASBS 101	(40,211)
Restatement, adoption of GASBS Implementation 2021-1	82,410
Restatement, correction of lease term error	(49,469)
<b><u>Net position, as restated, as of 12/31/24</u></b>	<b><u>\$ 16,672,182</u></b>

**GREATER PORTLAND TRANSIT DISTRICT**  
**Required Supplementary Information**

**Schedule of Changes in the District's Total Health Plan OPEB Liability and Related Ratios**

Last 10 Fiscal Years\*

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Total OPEB Liability</b>							
Service cost	\$ 91,704	69,748	81,164	80,573	70,683	45,853	50,269
Interest	35,461	32,173	18,130	17,960	19,447	23,597	19,542
Changes of benefit terms	-	-	-	-	-	(13,451)	-
Differences between expected and actual experience	-	(80,632)	-	(53,799)	-	(44,040)	-
Changes of assumptions or other inputs	(30,860)	192,511	(92,976)	(3,812)	45,400	104,895	(50,926)
Benefit payments	(14,526)	(11,242)	(9,030)	(8,145)	(7,832)	(7,152)	(6,877)
Net change in total OPEB Liability	<u>81,779</u>	<u>202,558</u>	<u>(2,712)</u>	<u>32,777</u>	<u>127,698</u>	<u>109,702</u>	<u>12,008</u>
Total OPEB liability - beginning	<u>1,003,256</u>	<u>800,698</u>	<u>803,410</u>	<u>770,633</u>	<u>642,935</u>	<u>533,233</u>	<u>521,225</u>
<b>Total OPEB liability - ending</b>	<b>\$ <u>1,085,035</u></b>	<b><u>1,003,256</u></b>	<b><u>800,698</u></b>	<b><u>803,410</u></b>	<b><u>770,633</u></b>	<b><u>642,935</u></b>	<b><u>533,233</u></b>
Covered-employee payroll	\$ 6,118,106	6,118,106	5,023,094	5,023,094	4,688,671	4,688,671	3,885,661
Total OPEB liability as a percent of covered-employee payroll	17.73%	16.40%	15.94%	15.99%	16.44%	13.71%	13.72%

\*Only seven years of information available.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Required Supplementary Information**

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**Total OPEB Liability**

**Changes of Benefit Terms (OPEB)** - None

**Changes of Assumptions (OPEB)** - Under the Health Plan - MMEHT, changes of assumptions and other inputs reflects the changes in the discount rate each period. The following are the discount rates used in each period:

<u>Fiscal Year</u>	<u>Discount Rate</u>
2025	4.08%
2024	3.26%
2023	3.72%
2022	2.06%
2021	2.12%
2020	2.74%
2019	4.10%
2018	3.44%

In 2018 through 2021, mortality rates were based on the RP2014 total data set healthy annuitant mortality table. In 2022 and forward, mortality rates were based on the 2010 Public Plan General Benefits-Weighted Employee Healthy Retiree Mortality Table projected generationally using the RPEC 2020 model.

Additionally, the valuation method for the District Health Plan was changed from the Projected Unit Credit funding method in 2017 to the Entry Age Normal funding method in 2018.

# **SCHEDULES**

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis**  
**For the year ended December 31, 2025**  
**(With Comparative Actual Amounts for the year ended December 31, 2024)**

	Budgeted amounts		Actual	Variance with final budget positive (negative)	2024
	Original	Final			
<b>Revenues:</b>					
Passenger fares:					
Regular fares	\$ 2,321,404	2,321,404	1,972,265	(349,139)	1,734,225
Organization paid fares	693,004	693,004	589,723	(103,281)	606,169
Organization Route Guarantee	364,105	364,105	419,005	54,900	330,167
Total passenger fares	3,378,513	3,378,513	2,980,993	(397,520)	2,670,561
Federal assistance:					
Operating assistance	4,690,835	4,690,835	4,690,835	-	4,617,398
American Rescue Plan - service expansion	1,490,036	1,490,036	1,304,552	(185,484)	586,754
ADA paratransit	492,000	492,000	492,000	-	328,380
Fuel Reimbursement	25,000	25,000	40,298	15,298	124,819
Preventive maintenance	1,829,000	1,829,000	1,829,000	-	1,285,278
Total federal assistance	8,526,871	8,526,871	8,356,685	(170,186)	6,942,629
State assistance	1,014,287	1,014,287	1,018,008	3,721	716,841
Local investment:					
Members:	5,533,090	5,533,090	5,535,574	2,484	4,820,680
Operating assessments	5,196,530	5,196,530	5,196,529	(1)	4,393,814
Capital assessments	213,560	213,560	213,560	-	345,102
ADA paratransit	123,000	123,000	125,485	2,485	81,764
Total local investment	5,533,090	5,533,090	5,535,574	2,484	4,820,680
Miscellaneous:					
Rental of property	255,287	255,287	249,830	(5,457)	252,785
Fleet maintenance services	5,000	5,000	6,540	1,540	40,465
Advertising	322,338	322,338	241,819	(80,519)	236,907
Interest income	110,000	110,000	129,396	19,396	152,185
Fuel sales	-	-	1,334	1,334	50
Autofare reimbursement	19,000	19,000	5,811	(13,189)	17,463
Wellness grant	5,500	5,500	605	(4,895)	5,218
Claims Recovery	65,000	65,000	89,514	24,514	102,151
Miscellaneous income	17,416	17,416	37,077	19,661	94,727
Total miscellaneous	799,541	799,541	761,926	(37,615)	901,951
Total revenues	19,252,302	19,252,302	18,653,186	(599,116)	16,052,662

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis, Continued**  
**For the year ended December 31, 2025**  
**(With Comparative Actual Amounts for the year ended December 31, 2024)**

	Budgeted amounts		Actual	Variance with final budget positive (negative)	2024
	Original	Final			
<b>Expenses:</b>					
Personnel:					
Regular wages and salaries	\$ 8,966,215	8,966,215	8,741,833	224,382	7,510,662
Overtime	695,660	695,660	781,976	(86,316)	584,628
Benefits	3,965,251	3,965,251	3,876,734	88,517	3,295,551
Total personnel	13,627,126	13,627,126	13,400,543	226,583	11,390,841
Temporary help	50,400	50,400	88,832	(38,432)	4,674
ADA paratransit	615,000	615,000	627,580	(12,580)	410,475
Fuel:					
CNG fuel	95,000	95,000	86,005	8,995	61,884
Diesel fuel	1,049,755	1,022,255	827,491	194,764	723,877
Electricity as a fuel	16,000	16,000	13,049	2,951	13,778
Gasoline	5,500	15,500	11,797	3,703	-
Total fuel	1,166,255	1,148,755	938,342	210,413	799,539
Dues and subscriptions:					
Dues and subscriptions	41,394	41,394	39,404	1,990	38,453
HRA annual dues	15,000	15,000	9,762	5,238	7,255
Licenses and permits	1,000	1,000	211	789	173
Total dues and subscriptions	57,394	57,394	49,377	8,017	45,881
Other employee costs:					
Wellness program	10,000	10,000	439	9,561	314
Meals and hosting	15,000	18,400	14,078	4,322	20,639
Travel, conferences, meetings	28,100	21,699	21,601	98	13,162
Employment services	19,500	24,500	15,532	8,968	10,581
Total other employee costs	72,600	74,599	51,650	22,949	44,696
Fleet parts and services:					
Parts	387,950	387,950	411,808	(23,858)	323,857
Tires and tubes	94,279	111,779	102,760	9,019	71,694
Greases and fluids	98,550	98,550	84,814	13,736	86,517
Total fleet parts and services	580,779	598,279	599,382	(1,103)	482,068
Insurance	499,967	499,967	490,111	9,856	423,011
Advertising:					
Advertising	92,500	91,534	67,110	24,424	74,793
Fare media	15,000	15,000	8,869	6,131	21,498
Marketing supplies	14,000	23,613	19,073	4,540	12,021
Total advertising	121,500	130,147	95,052	35,095	108,312
Office and building supplies:					
Supplies	22,120	26,799	21,787	5,012	17,889
Postage	3,000	3,000	2,772	228	2,239
Total office and building supplies	25,120	29,799	24,559	5,240	20,128

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis, Continued**  
**For the year ended December 31, 2025**  
**(With Comparative Actual Amounts for the year ended December 31, 2024)**

	Budgeted amounts		Actual	Variance with final budget positive (negative)	2024
	Original	Final			
<b>Contract services:</b>					
Technology services	\$ 182,563	182,563	158,860	23,703	209,588
Legal fees	80,000	80,000	64,628	15,372	177,754
Audit fees	31,583	31,583	30,800	783	26,500
Other contracted services	203,950	208,520	126,251	82,269	189,722
Real estate broker services - lease	80,269	80,269	76,533	3,736	78,031
Miscellaneous services	3,000	3,000	3,685	(685)	2,641
<b>Total contract services</b>	<b>581,365</b>	<b>585,935</b>	<b>460,757</b>	<b>125,178</b>	<b>684,236</b>
<b>Utilities and telephone:</b>					
Heating fuel	133,210	133,210	112,190	21,020	93,540
Electricity	140,415	140,415	135,602	4,813	108,206
Water/sewer/storm water	36,500	36,500	35,257	1,243	32,908
Phone/cell/internet	80,976	80,976	73,467	7,509	73,574
Real estate taxes - lease	42,230	42,230	41,759	471	39,151
Rental Fees	346,042	349,631	349,631	-	339,257
<b>Total utilities and telephone</b>	<b>779,373</b>	<b>782,962</b>	<b>747,906</b>	<b>35,056</b>	<b>686,636</b>
<b>Maintenance costs:</b>					
Maintenance services	347,256	327,361	207,235	120,126	257,544
Copier maintenance	6,100	6,100	5,510	590	5,653
Maintenance supplies	113,150	106,294	108,763	(2,469)	82,574
Snow plowing and removal	9,900	6,311	3,613	2,698	-
<b>Total maintenance costs</b>	<b>476,406</b>	<b>446,066</b>	<b>325,121</b>	<b>120,945</b>	<b>345,771</b>
Bank and credit card fees	37,933	37,933	58,768	(20,835)	38,300
Capital match	213,560	213,560	213,560	-	345,102
Capital expense	-	6,856	53,141	(46,285)	48,632
Debt service principal	199,150	199,150	199,150	-	199,150
Debt service interest	103,374	103,374	80,280	23,094	105,124
Fund balance restoration	45,000	45,000	-	45,000	-
<b>Total expenditures</b>	<b>19,252,302</b>	<b>19,252,302</b>	<b>18,504,111</b>	<b>748,191</b>	<b>16,182,576</b>
<b>Change in net position - budgetary basis</b>	<b>-</b>	<b>-</b>	<b>149,075</b>	<b>149,075</b>	<b>(129,914)</b>

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Revenues and Expenses - Budget and Actual - Budgetary Basis, Continued**  
**For the year ended December 31, 2025**

	<u>Budgeted amounts</u>		Actual	Variance with final budget positive (negative)
	Original	Final		
Reconciliation to GAAP:	\$			
Unbudgeted federal and state capital grants			736,482	
Unbudgeted federal and state operating grants			32,022	
Unbudgeted contracted services			(200,149)	
Unbudgeted supplies/parts			(6,957)	
Unbudgeted advertising fees			(17,358)	
Unbudgeted local contributions			(111,531)	
Unbudgeted subscription costs			(177,117)	
Depreciation and amortization expense			(2,596,663)	
Capitalized local match			213,560	
Capitalized expense			-	
Principal payment on debt service			199,150	
Other postemployment benefits expense			(108,696)	
Lease capitalization / GASB 87 adjustments			255,838	
Subscription capitalization / GASB 96 adjustments			161,118	
Net change in net position - GAAP basis			(1,471,226)	
Net position, beginning of year			17,182,034	
<b>Net position, end of year</b>	<b>\$</b>		<b>15,710,808</b>	

**GREATER PORTLAND TRANSIT DISTRICT**

**Reports Required by *Government Auditing  
Standards* and the Uniform Guidance**

**For the Year Ended December 31, 2025**

**GREATER PORTLAND TRANSIT DISTRICT**  
**Reports Required by *Government Auditing Standards***  
**and the Uniform Guidance**  
**For the Year Ended December 31, 2025**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Greater Portland Transit District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Greater Portland Transit District, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Greater Portland Transit District's basic financial statements, and have issued our report thereon dated May 27, 2026.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Greater Portland Transit District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Greater Portland Transit District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Greater Portland Transit District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*, CONTINUED**

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Greater Portland Transit District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

During our audit, we became aware of opportunities for strengthening internal controls and operating efficiency that we have reported as “Other Comments”.

**The Greater Portland Transit District’s Responses to Other Comments**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Greater Portland Transit District's response to other comments identified in our audit and described in the accompanying schedule of findings and questioned costs. The Greater Portland Transit District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



May 27, 2026  
South Portland, Maine

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors  
Greater Portland Transit District

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Greater Portland Transit District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Greater Portland Transit District's major federal programs for the year ended December 31, 2025. Greater Portland Transit District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Greater Portland Transit District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Greater Portland Transit District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Greater Portland Transit District's compliance with the compliance requirements referred to above.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE, CONTINUED**

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Greater Portland Transit District's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Greater Portland Transit District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Greater Portland Transit District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Greater Portland Transit District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Greater Portland Transit District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Greater Portland Transit District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE, CONTINUED**

**Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses or significant deficiencies, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the Greater Portland Transit District as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise Greater Portland Transit District's basic financial statements. We issued our report thereon dated May 27, 2026, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE, CONTINUED**

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



May 27, 2026  
South Portland, Maine

**Schedule of Expenditures of Federal Awards  
For the year ended December 31, 2025**

<b>Federal Grantor/Pass-through Grantor/Program Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass- through/ Agreement Number</b>	<b>Total Federal Expenditures</b>	<b>Assistance Listing/ Cluster Totals</b>	<b>Passed Through to Subrecipients</b>
U. S. Department of Transportation:					
Federal Transit Cluster:					
Federal Transit Formula Grants	20.507	ME-2016-016-00	\$ 43,108		-
Federal Transit Formula Grants	20.507	ME-2017-008-00	108,471		-
Federal Transit Formula Grants	20.507	ME-2019-010-00	2,212		-
Federal Transit Formula Grants - COVID-19	20.507	ME-2020-010-04	82,091		-
Federal Transit Formula Grants	20.507	ME-2020-025-01	30,181		30,181
Federal Transit Formula Grants	20.507	ME-2021-016-00	146,889		-
Federal Transit Formula Grants- ARPA, COVID-19	20.507	ME-2023-012-00	1,408,945		-
Federal Transit Formula Grants	20.507	ME-2023-044-00	256		-
Federal Transit Formula Grants	20.507	ME-2024-010-00	2,297,502		-
Federal Transit Formula Grants	20.507	ME-2025-013-00	4,764,918		-
<b>Total Federal Transit Cluster</b>				<b>8,884,573</b>	
<b>Total U. S. Department of Transportation</b>			<b>8,884,573</b>		<b>30,181</b>
<b>Totals</b>			<b>\$ 8,884,573</b>		<b>30,181</b>

*See accompanying notes to schedule of expenditures of federal awards.*

**GREATER PORTLAND TRANSIT DISTRICT**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2025**

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**PURPOSE OF THE SCHEDULE**

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The Office of Management and Budget (OMB)'s Uniform Guidance requires a schedule of expenditures of federal awards showing total expenditures for each federal award program as identified in the Assistance Listings in the System for Award Management.

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**SIGNIFICANT ACCOUNTING POLICIES**

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- A. Reporting Entity - The accompanying schedule includes all federal award programs of the Greater Portland Transit District for the fiscal year ended December 31, 2025. The reporting entity is defined in notes to financial statements of the Greater Portland Transit District.
  
- B. Basis of Presentation - The information in the accompanying schedule of expenditures of federal awards is presented in accordance with the Uniform Guidance.
  - 1. Pursuant to the Uniform Guidance, federal awards are defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriations.
  
  - 2. Major Programs - the Uniform Guidance establishes the level of expenditures or expenses to be used in defining major federal award programs. Major programs for the Greater Portland Transit District are identified in the summary of auditor's results in the schedule of findings and questioned costs.
  
- C. Basis of Accounting - The information presented in the schedule of expenditures of federal awards is presented on the accrual basis of accounting, which is consistent with the reporting in the Transit District's financial statements.
  
- D. Indirect Cost Rate - Greater Portland Transit District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Findings and Questioned Costs**  
**For the year ended December 31, 2025**

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**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weaknesses identified? No

Significant deficiencies identified? None reported

Noncompliance material to financial statements noted? No

**Federal Awards**

Internal control over major federal programs:

Material weaknesses identified? No

Significant deficiencies identified? None Reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? No

Identification of major federal programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>	<u>Opinion</u>
20.507	Federal Transit Cluster	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Findings and Questioned Costs, Continued**

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**Section II - Findings Required to be Reported Under *Government Auditing Standards***

None

**Other Comments**

**Formalize IT Policies**

During our review of information technology controls, we noted that there were two significant information technology areas where semi-formalized procedures exist, but where there is no formal documentation of policies. We found that there is no formal information technology security policy that defines information security objectives and that there are no formal information technology change management policies. Information security risks are better addressed when the objectives of information security procedures are formally considered and clearly defined. Formalized change management policies help to address uncertainties that surround information technology project implementations and emergent changes.

We recommend that the Transit District adopt formal information technology security and change management policies. Such an information security policy should include but not be limited to including provisions on system penetration testing, cybersecurity training, and data recovery procedures. Such a change management policy should include but not be limited to including provisions on emergency changes and minimum requirements for program and systems changes.

*Management Response: Greater Portland Metro acknowledges the continued recommendation regarding the formalization of IT policies. While it was previously noted that change management was handled effectively on a case-by-case basis, we have transitioned toward a more formalized framework to enhance implementation and oversight. Management believes these drafted policies represent a significant advancement from prior years, moving from an ad-hoc approach to a documented, risk-based governance structure.*

*We have drafted Policy IT-01 (Security and Penetration Testing) and Policy IT-02 (Digital Infrastructure Data Retention and Security). These new policies explicitly address the requested security objectives and introduce foundational elements of change management:*

- *Policy IT-01 establishes a framework for routine vulnerability scanning and mandated annual internal penetration testing.*
- *We have formalized continuous simulated phishing and mandatory annual interactive training for all administrative personnel.*
- *Policy IT-02 mandates automated daily delta backups and quarterly randomized restoration audits to verify data integrity.*
- *The proposed policies now include formal procedures for system-level changes, specifically:*
  - *Major fleet configuration changes and firmware updates are now subject to a "Staged Deployment" model and version-controlled rollbacks via NetCloud .*
  - *All mobile and desktop endpoints must meet automated security baselines, including enforced remote-wipe capabilities for lost or compromised.*
  - *The IT Manager is now required to conduct vulnerability scans immediately following any major infrastructure deployment or firmware upgrade to ensure change integrity.*

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Findings and Questioned Costs, Continued**

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**Section II - Findings Required to be Reported Under *Government Auditing Standards*, Continued**

**Inventory Management**

As part of our test work, we observed the physical count of inventory at year-end and performed test counts. Out of 16 items chosen for test counting, two items did not agree with the inventory listing provided. Although in total these differences were not material to the financial statements, it is important to have correct year-end inventory balances. We suggest that management reinforce the importance of accurate inventory counts.

*Management Response: Metro Management acknowledges the year-end inventory test count discrepancies. We note the auditors' conclusion that these differences were not material to the financial statements, and we concur that maintaining accurate inventory records is critical.*

*Management will emphasize the importance of accuracy through internal communications, and will provide a refresher training for all employees involved in cycle and year end inventory counting. We will continue to monitor our inventory processes to ensure accuracy in counting and recording quantities and values.*

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Findings and Questioned Costs, Continued**

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**Section III - Findings and Questioned Costs for Federal Awards**

None

**GREATER PORTLAND TRANSIT DISTRICT**  
**Schedule of Findings and Questioned Costs, Continued**

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**Section IV - Status of Prior Year Findings and Questioned Costs for Federal Awards and *Government Auditing Standards***

None

# GREATER PORTLAND TRANSIT DISTRICT

## FINANCIAL OVERVIEW

Presented by: Casey Leonard

*RUNYON KERSTEEN OUELLETTE*

### INSIDE

2. Summary of Audit Results
3. Net Position – FY 2021 - 2025
4. 2025 Revenues - Budget and Actual
5. 2025 Expenses - Budget and Actual
6. Revenue Distribution - FY 2021 - 2025
7. Expense Distribution Comparative

### **About this presentation**

This presentation is intended as a tool to assist the Board of Directors and management in understanding its financial operating results. The information contained in this publication should be read in conjunction with the audited financial statements and related disclosures and should not be used for any other purposes without the expressed consent of *RUNYON KERSTEEN OUELLETTE*.

Please contact us at 207-773-2986 or 1-800-486-1784  
20 Long Creek Drive, South Portland, ME 04106



# GREATER PORTLAND TRANSIT DISTRICT

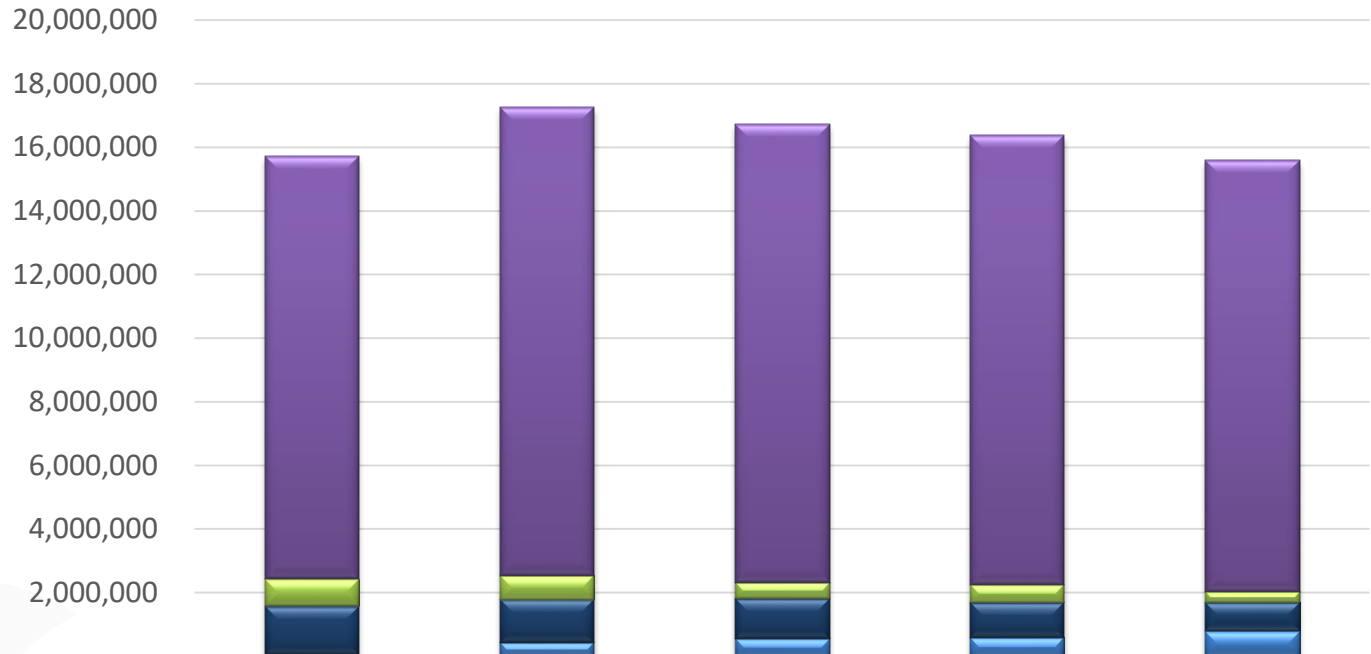
## SUMMARY OF AUDIT RESULTS

- Financial Statement Opinion – Unmodified
- Report Required by *Government Auditing Standards (GAS)*
  - No Material Weaknesses
  - No Significant Deficiencies
  - Recommendations:
    - Formalize IT policies
    - Inventory management
- Report Required by the Uniform Guidance
  - Programs Tested:
    - Federal Transit Cluster
  - Findings:
    - None



# GREATER PORTLAND TRANSIT DISTRICT

## Net Position FY – 2021 – 2025



	2025	2024	2023	2022	2021
Net investment in capital assets	13,279,706	14,723,879	\$14,411,727	\$14,113,861	\$13,557,383
Restricted	845,060	754,007	497,016	563,286	349,371
Unrestricted - board policy	1,528,043	1,352,272	1,250,000	1,100,000	900,000
Unrestricted - unreserved	57,999	429,980	562,908	584,197	791,949



# GREATER PORTLAND TRANSIT DISTRICT

## 2025 REVENUES - BUDGET AND ACTUAL

	Budget	Actual	Over (Under)
Passenger fares	\$3,378,513	2,980,993	(397,520)
Federal assistance	8,526,871	8,356,685	(170,186)
State assistance	1,014,287	1,018,008	3,721
Local investment	5,533,090	5,535,574	2,484
Miscellaneous Income	799,541	761,926	(37,615)
<b>Total budgeted revenues</b>	<b>\$19,252,302</b>	<b>18,653,186</b>	<b>(599,116)</b>

**Passenger fares** were under budget as fare recovery from the pandemic in 2025 remained below pre-pandemic levels.

**Federal and State assistance** were under-budget primarily due to the lower than estimated costs for the first full year of the new service improvements, which are ARPA funded at 100% of cost.

# GREATER PORTLAND TRANSIT DISTRICT

## 2025 EXPENSES - BUDGET AND ACTUAL

	Budget	Actual	Under (Over)
Personnel	\$13,627,126	13,400,543	226,583
Temporary help	50,400	88,832	(38,432)
ADA paratransit	615,000	627,580	(12,580)
Fuel	1,148,755	938,342	210,413
Dues and subscriptions	57,394	49,377	8,017
Other employee costs	74,599	51,650	22,949
Fleet parts and services	598,279	599,382	(1,103)
Insurance	499,967	490,111	9,856
Advertising	130,147	95,052	35,095
Office supplies	29,799	24,559	5,240
Contracted services	585,935	460,757	125,178
Utilities and telephone	782,962	747,906	35,056
Maintenance costs	446,066	325,121	120,945
Bank and credit card fees	37,933	58,768	(20,835)
Capital match	213,560	213,560	-
Capital expense	6,586	53,141	(46,285)
Debt service principal	199,150	199,150	-
Debt service interest	103,374	80,280	23,094
Fund balance restoration	45,000	-	45,000
<b>Total expenses budgetary basis</b>	<b>\$19,252,302</b>	<b>18,504,111</b>	<b>748,191</b>

**Personnel expenses** under budget due to lower-than-anticipated benefit costs as well as staffing shortages.

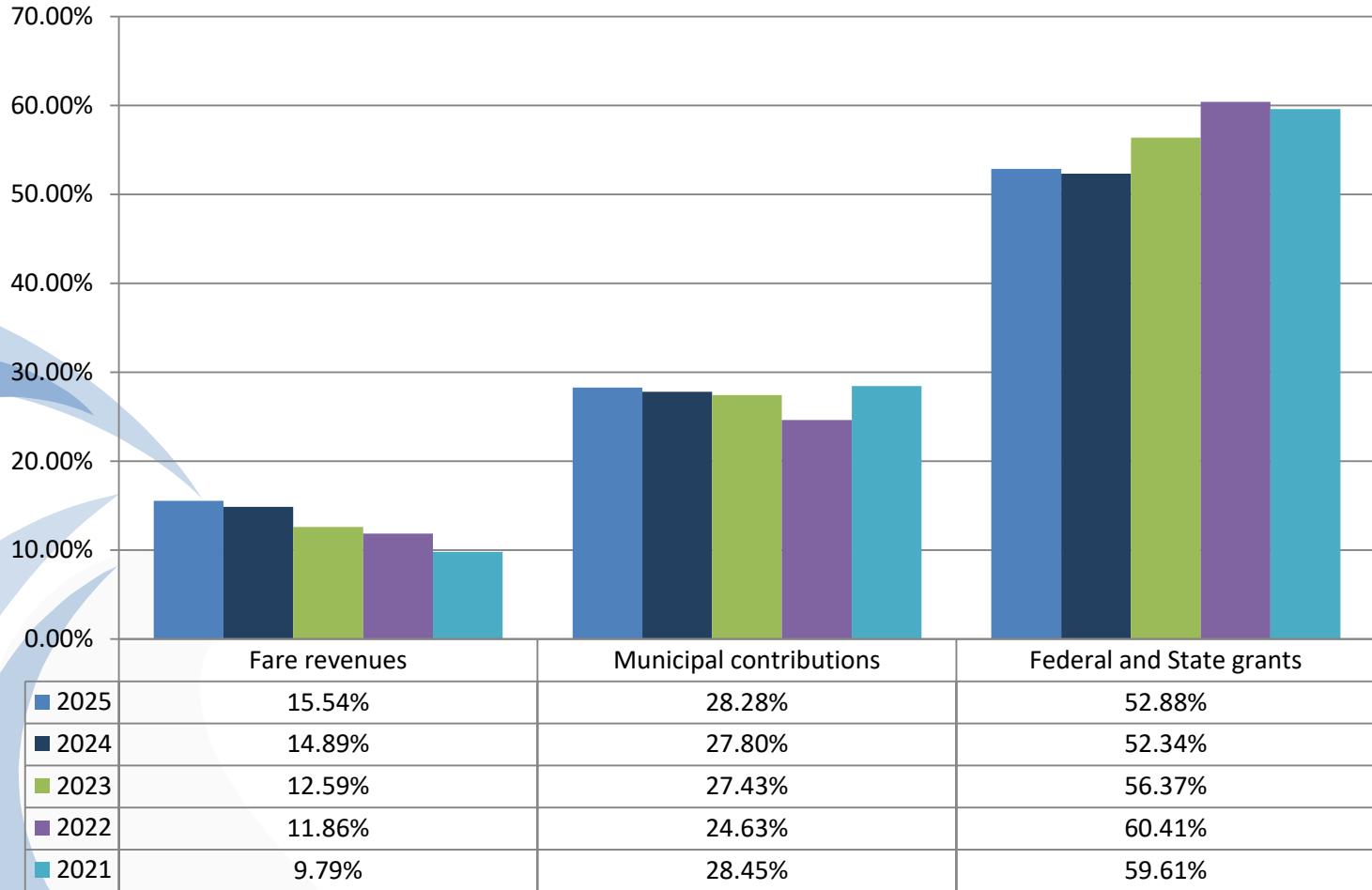
**Fuel expenses** were under-budget primarily due to lower-than-expected diesel and CNG fuel costs.

**Contracted services** were under-budget due to lower-than-anticipated costs related to legal and technology services.

**Maintenance costs** were under-budget as costs budgeted for maintenance services, copier maintenance, and snow plowing were all under budget.

# GREATER PORTLAND TRANSIT DISTRICT

## REVENUE DISTRIBUTION - FY 2021 – 2025



# GREATER PORTLAND TRANSIT DISTRICT

## Expense Distribution Comparative

	2025	2024
Personnel	72.42%	70.39%
Temporary help	0.48%	.03%
ADA paratransit	3.39%	2.54%
Fuel	5.07%	4.94%
Dues and subscriptions	0.27%	0.28%
Other employee costs	0.28%	0.28%
Fleet parts and services	3.24%	2.98%
Insurance	2.65%	2.61%
Advertising	0.51%	0.67%
Office and building supplies	0.13%	0.12%
Contracted services	2.49%	4.23%
Utilities and telephone	4.04%	4.24%
Maintenance costs	1.76%	2.14%
Bank and credit card fees	0.32%	0.24%
Capital match	1.15%	2.13%
Capital Expense	0.29%	0.30%
Debt service	1.51%	1.88%

## FINANCE COMMITTEE

## AGENDA ITEM 5

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### DATE

June 3, 2026

### SUBJECT

Financial Audit RFP Results

### PURPOSE

Provide RFP results for the Committee's review and selection of an audit firm

### BACKGROUND/ANALYSIS

In accordance with Metro's Audit Policy and the Government Finance Officers Association best practice recommendations, Metro solicits proposals for audit services at least every five years. Fiscal Year 2025 represented the fifth and final year of Metro's current audit contract with Runyon Kersteen Oullette (RKO).

An RFP for audit services was issued on May 4, 2026, and four proposals were received on May 27, 2026. This memorandum summarizes the proposals received, staff's evaluation of each firm, and staff's recommendation for selection and award.

### *Firms and Key Information*

All firms submitting proposals demonstrate experience serving governmental, school, and non-profit organizations, including transit agencies. Each firm employs licensed accounting professionals qualified to perform governmental audit work, and all firms currently serve at least two transit-related clients.

#### 1. **BerryDunn (BDMP Assurance, LLP).**

BerryDunn is based in Portland, Maine. According to its proposal, the firm serves more than 900 state, local, and quasi-municipal agencies. Transit-related clients include the Casco Bay Island Transit District and the Massachusetts Department of Transportation.

The firm staffs approximately 30 professionals dedicated to governmental and non-profit engagements and proposes delivery of final audit reports by June.

BerryDunn's proposal highlights several value-added services included within its fee structure, including assistance with implementation of new GASB pronouncements. The proposal includes detailed resumes for the proposed audit team outlining education, experience, certifications, memberships, and professional affiliations. Staff noted that while team members maintain memberships in several public accounting associations, no memberships in municipal finance organizations such as the Maine GFOA, New England States GFOA, or National GFOA were identified.

BerryDunn provided a comprehensive audit methodology and a detailed first-year transition plan.

2. **CBIZ CPAs P.C.**

CBIZ is a national accounting firm with a local office in Portland, Maine; however, the proposal was submitted through its Providence, Rhode Island office. The firm reports serving more than 500 state, local, and quasi-municipal agencies throughout New England.

Transit-related clients include CT Transit and the Rhode Island Public Transit Authority. CBIZ indicated flexibility in its timeline for delivery of final reports based on management needs and Committee and Board meeting schedules.

The proposal highlighted specialized experience with transit agencies, including assistance with GASB implementations, Federal Transit Administration (FTA) grant compliance, and National Transit Database (NTD) reporting. The proposal also included detailed resumes and professional credentials for the proposed audit team. Staff noted memberships in governmental finance organizations, including the New England States GFOA.

CBIZ provided a detailed audit approach and transition plan for the initial year of engagement.

3. **Runyon Kersteen Oullette.**

RKO is based in South Portland, Maine, and currently serves more than 70 state, local, and quasi-municipal agencies. Transit-related clients include the City of South Portland and the City of Bangor, including BACTS.

RKO staffs 16 professionals focused on governmental and non-profit engagements and proposes delivery of final audit reports by May.

The proposal emphasizes several value-added services included within the proposed fee structure, including assistance with GASB implementation and support for entities participating in the GFOA Certificate of Achievement for Excellence in Financial Reporting (ACFR) Program.

RKO provided detailed background information for its proposed audit team, including education, experience, certifications, and professional affiliations. Staff noted active involvement in Maine GFOA, as well as participation in GFOA, NESGFOA, and Maine Municipal Association trainings and events.

RKO provided a detailed audit approach. However, as Metro's current audit firm, RKO did not include a transition plan, as one would not be necessary.

4. **Wipfli, LLP**

Wipfli is a national firm with a local office in South Portland, Maine. The firm reports serving more than 3,000 state, local, and quasi-municipal agencies nationwide.

Transit-related clients include the Northern New England Passenger Rail Authority and the Manchester Transit Authority. Wipfli reported staffing of 15 partners and 131 associates nationwide dedicated to governmental and non-profit engagements; however, it was unclear how many of those staff members are based locally or regionally. The firm proposed delivery of final audit reports by April.

The proposal included summarized information regarding the proposed audit team but provided limited detail regarding staff education, experience, and professional affiliations. Staff also noted that the proposal assumes Metro staff would prepare the annual financial statements, representing a change from Metro’s current audit support process.

**Price**

For reference, the Fiscal Year 2025 audit cost was \$32,450, and the total cost of the five-year contract (2021–2025) was \$138,250.

The proposed contract will cover Fiscal Years 2026 through 2030. Total proposed five-year costs ranged from \$193,350 to \$290,000.

**Hours**

The following table summarizes the proposed staffing hours for the engagement. For reference, Metro’s audits from 2021–2024 averaged approximately 268 total hours. The Fiscal Year 2025 audit required approximately 280 hours due to implementation of several new GASB standards and accounting activities associated with the South Portland merger.

Firm	Total Hours
BerryDunn	Not Provided
CBIZ	294
RKO	268
Wipfli	Not Provided

**Criteria Scoring**

The following table shows the scoring for each firm.

Criteria	BerryDunn	CBIZ	RKO	Wipfli
Price (25 Points)	17.0	18.0	22.0	25.0
Audit Approach (20 Points)	18.5	20.0	20.0	12.5
Qualifications (25 Points)	24.0	25.0	25.0	12.5
Firm Experience (30 Points)	30.0	30.0	30.0	22.5
<b>Total</b>	<b>89.5</b>	<b>93.0</b>	<b>97.0</b>	<b>72.5</b>

Scoring methodology included the following considerations:

- **Price:** Calculated mathematically based on the lowest-cost proposal.
- **Audit Approach:** Responsiveness of the proposal and demonstrated understanding of the engagement, schedule, and audit timeline.
- **Technical Qualifications:** Qualifications and governmental audit experience of assigned staff, including education, credentials, and staffing practices.
- **Experience:** Firm experience with governmental audits and demonstrated knowledge of governmental accounting standards and regulations.

Final scores represent the average of independent evaluations completed by the Chief Financial Officer and Accounting Manager.

## **FISCAL IMPACT**

As described.

## **RECOMMENDATION**

Based on the evaluation results summarized above, staff recommends appointment of Runyon Kersteen Oullette as Metro's independent financial auditor for Fiscal Years 2026–2030.

Although RKO has served as Metro's auditor for the past five years, staff believes Metro has received consistently high-quality service from the firm. Finance staff has relied heavily on RKO's guidance during several complex accounting implementations, including recent GASB lease requirements and accounting related to the South Portland merger. Staff has found the firm to be knowledgeable, responsive, and highly experienced in governmental accounting and auditing.

Staff also views the receipt of four proposals as a positive outcome, particularly given the ongoing staffing shortages and broader workforce challenges affecting the accounting profession. For comparison, Metro received only two proposals during the 2021 procurement process.

### ***Next Steps***

Acting as the Audit Committee, the Finance Committee has authority to appoint Metro's independent auditor.

The Committee may choose to:

- Accept staff's recommendation and appoint an audit firm at this meeting;
- Interview one or more firms prior to making a selection; or
- Defer action to a future meeting to allow for additional review.

Because Metro relies on its audit firm throughout the year for technical accounting guidance and financial reporting assistance, staff would appreciate continuity in maintaining that professional relationship.

This item is currently listed as a potential action item should the Committee wish to make an appointment at this meeting.

## **STAFF CONTACT**

Shelly Brooks, Chief Financial Officer  
207-221-8710 [sbrooks@gpmetro.org](mailto:sbrooks@gpmetro.org)

## **ATTACHMENTS**

ATTACHMENT A - Copy of Financial Services Audit RFP and Addendums

ATTACHMENT B - Copies of Proposals Received

**GREATER PORTLAND TRANSIT DISTRICT  
RFP #2026-006  
AUDIT SERVICES**

**DATE: May 6, 2026**

The attention of firms submitting proposals for the work named in the above invitation is called to the following modifications to the documents as were issued.

The items set forth herein, whether of clarification, omission, addition and/or substitution, shall be included and form a part of the bidder's submitted material and the corresponding contract and/or purchase order when executed. No claim for additional compensation, due to lack of knowledge of the contents of this Addendum will be considered.

\*\*\*\*\*

**ALL PROPOSERS ARE ADVISED THAT RECEIPT OF THIS NOTICE MUST BE DULY ACKNOWLEDGED, EITHER ON THE PROPOSAL FORM OR BY THE INSERTION OF THIS SHEET, SIGNED, AND SUBMITTED WITH YOUR PROPOSAL.**

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The Greater Portland Metro has **revised** RFP Deadline of **Thursday, May 28 at 2:00 PM.**

**Addendum No. 1** to the GPM RFP #2026-006: **AUDIT SERVICES** is hereby acknowledged.

COMPANY NAME: \_\_\_\_\_

SIGNED BY: \_\_\_\_\_

PRINT NAME & TITLE \_\_\_\_\_



GREATER PORTLAND TRANSIT DISTRICT  
RFP #2026-006  
AUDIT SERVICES

**DATE: May 14, 2026**

The attention of firms submitting proposals for the work named in the above invitation is called to the following modifications to the documents as were issued.

The items set forth herein, whether of clarification, omission, addition and/or substitution, shall be included and form a part of the bidder's submitted material and the corresponding contract and/or purchase order when executed. No claim for additional compensation, due to lack of knowledge of the contents of this Addendum will be considered.

\*\*\*\*\*

**ALL PROPOSERS ARE ADVISED THAT RECEIPT OF THIS NOTICE MUST BE DULY ACKNOWLEDGED, EITHER ON THE PROPOSAL FORM OR BY THE INSERTION OF THIS SHEET, SIGNED, AND SUBMITTED WITH YOUR PROPOSAL.**

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The following questions were received by Metro. Answers are provided below each question.

1. Are you able to provide the fees paid for audit services for each fiscal years 2024 and 2025, if known? Please indicate if there were any billings above contracted amounts for “out-of-scope” or additional services not contemplated at contract award.

*The contract price for Metro’s 2024 and 2025 annual audit was \$30,800 and \$32,450. There were no additional fees charged during these periods.*

2. Is the incumbent firm allowed to propose?

*Yes, the incumbent firm is allowed to submit a proposal for this RFP.*

3. What are the expectations for performance of the fieldwork? Any preference as to whether the work is performed remotely, on-site or a hybrid model?

*Metro administrative staff work a hybrid schedule, and a compressed work week of 10-hour days Monday-Thursday. For the past several years, the entire audit has been performed entirely remotely, with the exception of inventory count testing, and that method has worked for our staff. However, Metro staff are not opposed to on-site fieldwork, or hybrid, should the proposing firm prefer that method.*

4. Is there an expectation of the entrance and exit conference to be on-site or remote?

*Either method works for Metro staff.*

5. When does GPM prefer interim and year-end fieldwork to be performed?

*GP Metro staff prefer interim to occur in December/January and year-end fieldwork to be completed in late February/early March.*

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

*No, our current audit process works well.*

7. What are the three biggest challenges affecting GPM?

1. *Growing ridership, which still remains at about 10% below pre-pandemic 2019 levels.*
2. *Increasing state and federal funding support, along with identifying other revenue sources to improve long-term financial stability, and*
3. *Recruitment and retention, particularly in the areas of bus operators and vehicle maintenance technicians.*

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

*No, there have not been any disagreements between management and the independent auditor in the prior three engagements.*

9. Is there a specific due date for the draft financial statements?

*There is not a specific due date for the draft financial statements. However, the final financial statements are required to be presented to Finance Committee at their April/May meetings for approval and recommendation to the full Board of Directors. All Committee and Board meetings are hybrid and auditors presenting can attend in either capacity.*

10. Is the year-end board presentation held in person? Is there a specific date this meeting is held each year?

*See #9*

11. Does management prepare the MD&A or the Financial Statements?

*Management prepares the MD&A; the audit firm prepares the Financial Statements.*

12. Can GPM confirm whether component unit financial statements or joint venture reporting (given its multi-municipality structure) require separate opinions or additional procedures beyond the primary financial statements?

*GP Metro is its own separate entity, governed by a Board of Directors of members from each of its member municipalities. Therefore, there are no additional reporting requirements or separate opinions beyond the District's financial reports.*

13. Can you please confirm whether a full Single Audit (Uniform Guidance) is expected annually, including SEFA audit and major program determination?

*Yes, a full Single Audit (Uniform Guidance) is required annually, including SEFA audit and major program determination.*

14. Does GPM expect the auditor to assist with drafting or significant revisions to the Comprehensive Annual Financial Report (CAFR/Annual Report), or solely review and audit?

*GP Metro does not currently complete an ACFR, so there is no expectation for the audit firm to assist with this.*

15. Are there any known accounting, reporting, or internal control challenges that GPM expects to continue or emerge in the upcoming audit cycle?

*No, there are no known accounting, reporting or internal control challenges that GPM expects to continue or emerge in the upcoming audit cycle.*

16. Are there any anticipated organizational changes (e.g., staffing changes in finance, governance structure, or service area expansion) that may impact audit complexity?

*There are no anticipated staffing changes or changes in governance structure. GP Metro is piloting new service in Scarborough in 2026, however, this does not add volume or complexity to the work performed by the audit staff.*

17. Should proposers assume consistent scope across all five years, or should escalation factors be built in for anticipated growth and complexity (noting potential adjustments after year three)?

*GP Metro's goal to increase ridership and expand access to transit service leads to obvious expansion efforts. However, most service expansions are incremental and not a significant impact to the overall volume of work performed by the audit staff.*

18. Can GPM clarify expectations around the scope and frequency of "additional services" billed hourly versus included in the base fee as noted on page 16 of the RFP?

*GP Metro staff may require the auditor's assistance with implementation of complex standards, such as GASB 87- Leases and GASB 96- SBITA.*

19. Can GPM clarify expectations regarding auditor assistance with new accounting standards implementation during the contract term?

*See #18*

20. When will the December 31, 2025 financial statements be issued?

*The December 31, 2025 financial statements will be presented to the Finance Committee on June 3, 2026 for approval and recommendation to the full Board of Directors for approval at their June 25, 2026 meeting.*

21. Is there a specific reason for the delay in issuing the 2025 financial statements?

*No, the statements will be posted to GP Metro's website after the Board of Director's approval. Please see #20 for the Committee and Board presentation schedule.*

22. I noticed in 2023 a MAAP report was issued but there is no MAAP report issued for 2024. Do you expect to have compliance requirements with respect to MAAP going forward?

*In 2024, we were notified by the State of Maine that a MAAP report was not required of GP Metro, therefore, 2023 was the final year a MAAP report was completed with our financial statements. GP Metro does not anticipate this requirement to return in the future.*

23. Regarding audit scheduling what are your expectations for timing:

*See #5 and #10*

24. When can we expect to perform interim procedures?

*See #5*

25. When can we expect to perform the year-end fieldwork?

*See #5*

26. Do the auditors prepare the financial statements?

*Yes, GP Metro's current auditors prepare the financial statements.*

27. What are your expectations for the issuance date of the financial statements?

*See #9*

28. Is there any complex or unusual accounting that the auditor provides assistance with?

*GP Metro's current auditors currently provide assistance with proper recording of a property lease that is subleased- GASB 87.*

29. Please provide a copy of the required communication letter (audit committee letter) that was most recently issued.

*Please see the 2024 SAS letter attached.*

30. Please provide a report showing all audit adjustments prepared by the auditors.

*Please see the 2024 SAS letter attached.*

31. Do anticipate any significant changes in the next few years such as:

1. Changes in operations
2. Changes in personnel
3. New ERP software implementation
4. New construction

*There are no anticipated changes in operations, personnel or ERP software implementations. GP Metro is in the early stages of planning for a facility replacement. Staff are currently working with a consultant to complete a feasibility study.*

**Addendum No. 2** to the GPM RFP #2026-006: **AUDIT SERVICES** is hereby acknowledged.

COMPANY NAME: \_\_\_\_\_

SIGNED BY: \_\_\_\_\_

PRINT NAME & TITLE \_\_\_\_\_

May 29, 2025

To the Board of Directors of the  
Greater Portland Transit District

We have audited the financial statements of the Greater Portland Transit District for the year ended December 31, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our meeting with the Finance Committee Chair on February 12, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards, *Government Auditing Standards*, and the Uniform Guidance

As stated in our engagement letter dated March 7, 2025, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the Greater Portland Transit District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the Greater Portland Transit District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with the Uniform Guidance, we examined, on a test basis, evidence about the Greater Portland Transit District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the Greater Portland Transit District's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the Greater Portland Transit District's compliance with those requirements.

## Significant Audit Matters

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Greater Portland Transit District are described in the notes to the financial statements. As described in the notes to the financial statements, the Greater Portland Transit District changed accounting policies related to technology contracts by adopting Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, in 2024. The Greater Portland Transit District also changed accounting policies related to restatements of beginning balances and accrued compensated absences by adopting GASB Statement No. 100, *Accounting Changes and Error Corrections*, and GASB Statement No. 101, *Compensated Absences* in 2024. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the Statement of Revenues, Expenses, and Changes in Net Position. No other new accounting policies were adopted and the application of existing policies was not changed during 2024. We noted no transactions entered into by the Greater Portland Transit District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of depreciation expense, which is based on estimated useful lives of assets.
- Management's estimate of its other postemployment benefit liability, which is based on actuarial reports.
- Management's estimate of the discount rate used to measure the SBITA and lease assets and liabilities, which is based on the Greater Portland Transit District's estimated incremental borrowing rate.
- Management's estimate of sick leave that is more likely than not to be used as paid time off, which is based on historical sick time usage.

We evaluated the methods, assumptions, and data used to develop them in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, some of the misstatements detected as a result of audit procedures and corrected by management were material either individually or in the aggregate to each opinion unit's financial statements taken as a whole. See the attached "Adjusting Journal Entries Report" for a listing of corrected misstatements.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated May 29, 2025. See the attached copy of the representation letter, which was signed by management.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Greater Portland Transit District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Greater Portland Transit District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis and the Schedule of Changes in the District's Total Health Plan OPEB Liability and Related Ratios, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedule of Revenues and Expenses – Budget and Actual, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the Greater Portland Transit District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script, reading "Raymond Kuster Ouellette".

**Greater Portland Transit District**  
**Adjusting Journal Entries**  
**12/31/2024**

Account	Description	Debit	Credit
<b>001</b>			
<i>To adjust deferred outflows and inflows for other post-employment benefits to actual at year-end.</i>			
1-1000-319999	Deferred Outflows of Resources	138,487.00	0.00
1-1000-224001	OPEB-Deferred Inflows/Outflows	<u>0.00</u>	<u>138,487.00</u>
<b>Total</b>		<b><u>138,487.00</u></b>	<b><u>138,487.00</u></b>
<b>002</b>			
<i>To adjust 151 At. John Street Lease accounts to actual at year-end.</i>			
1-1000-226000	Def Inflow of Resources- Lease	159,210.06	0.00
1-1000-415200 ATLAN	Rental of Property	0.00	159,210.06
1-1000-112010	Lease Receivable	0.00	154,130.47
1-1000-415202 ATLAN	Rental of Property - Interest Revenue	0.00	24,697.25
1-1000-415200 ATLAN	Rental of Property	178,827.72	0.00
1-41005500-526001	Amortization Expense	297,829.72	0.00
1-1000-121020	Accumulated Amortization	0.00	297,829.72
1-1000-221020	Lease Liability	277,118.41	0.00
1-36003300-522001 LEASE	Lease Interest Expense	62,138.69	0.00
1-36003300-522000 LEASE	Operating Lease	<u>0.00</u>	<u>339,257.10</u>
<b>Total</b>		<b><u>975,124.60</u></b>	<b><u>975,124.60</u></b>
<b>003</b>			
<i>To record Colbi Tech SBITA.</i>			
1-1000-121030	Right to Use Asset Subscription	17,323.95	0.00
1-1000-221030	Subscription Liability	0.00	17,323.95
1-41005500-526001	Amortization Expense	4,076.22	0.00
1-1000-121020	Accumulated Amortization	0.00	4,076.22
1-1000-221030	Subscription Liability	4,119.91	0.00
1-36003300-522001 SBITA	Subscription Interest Expense	880.09	0.00
1-41004200-502106	Technology Services	<u>0.00</u>	<u>5,000.00</u>
<b>Total</b>		<b><u>26,400.17</u></b>	<b><u>26,400.17</u></b>
<b>004</b>			
<i>To record Clear Gov SBITA.</i>			
1-1000-121030	Right to Use Asset Subscription	16,714.72	0.00
1-1000-221030	Subscription Liability	0.00	16,714.72
1-41005500-526001	Amortization Expense	4,642.98	0.00
1-1000-121020	Accumulated Amortization	0.00	4,642.98
1-1000-221030	Subscription Liability	7,000.00	0.00
1-41004100-502106	Technology Services	<u>0.00</u>	<u>7,000.00</u>
<b>Total</b>		<b><u>28,357.70</u></b>	<b><u>28,357.70</u></b>
<b>005</b>			
<i>To record Equans/Optibus SBITA and related adjustments.</i>			
1-1000-121030	Right to Use Asset Subscription	166,926.98	0.00
1-1000-221030	Subscription Liability	0.00	166,926.98
3-3000-211000	Accounts Payable	35,673.79	0.00
3-240010-502106 AVL	Technology Services	0.00	35,673.79
1-1000-114002	Prepaid Items	27,541.32	0.00
3-170008-690020 AVL	Cap Outlay for Misc Equipment	0.00	27,541.32
1-1000-125000	Work in Progress Cap Projects	0.00	27,541.32
1-41005500-599999	Contra Acct for Capital Exp	27,541.32	0.00
1-1000-111000	Cash	0.00	27,541.32
3-3000-111000	Cash	27,541.32	0.00
9-9999-210001	Due To/Due From Fund 1000	27,541.32	0.00
9-9999-210003	Due To/Due From Fund 3000	<u>0.00</u>	<u>27,541.32</u>
<b>Total</b>		<b><u>312,766.05</u></b>	<b><u>312,766.05</u></b>
<b>006</b>			
<i>To record prepaid asset for Planteria SBITA.</i>			
1-1000-114002	Prepaid Items	26,650.00	0.00
1-43004400-502119	Other Contracted Services Mktg	<u>0.00</u>	<u>26,650.00</u>
<b>Total</b>		<b><u>26,650.00</u></b>	<b><u>26,650.00</u></b>
<b>007</b>			

To restate prior period for GASB 101 implementation.

1-1000-310020	Unrestricted Net Position	40,211.00	0.00
1-1000-213101	Compensated Absences Liability	<u>0.00</u>	<u>40,211.00</u>
<b>Total</b>		<b><u>40,211.00</u></b>	<b><u>40,211.00</u></b>

**008**

To record change in accrued comp due to implementation of GASB 101.

1-43000000-501400	Paid Absences-Admin- Mkting	12,332.96	0.00
1-27000000-501400	Paid Absences-Veh Maint Admin	0.00	1,779.98
1-44000000-501400	Paid Absences-Admin-Ops	0.00	2,114.67
1-1000-213101	Compensated Absences Liability	<u>0.00</u>	<u>8,438.31</u>
<b>Total</b>		<b><u>12,332.96</u></b>	<b><u>12,332.96</u></b>

May 29, 2025

Runyon Kersteen Ouellette  
20 Long Creek Drive  
South Portland, Maine 04106

This representation letter is provided in connection with your audit(s) of the financial statements of the Greater Portland Transit District, which comprise the respective financial position of the business-type activities as of December 31, 2024 and 2023, and the respective changes in financial position and, where applicable, cash flows for the years then ended, and the disclosures (collectively, the “financial statements”), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered to be material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of May 29, 2025 the following representations made to you during your audit.

### **Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated February 21, 2025, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements
- 4) that are free from material misstatement, whether due to fraud or error.
- 5) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.



- 6) The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 7) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 8) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

#### **Information Provided**

- 11) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters, and all audit or relevant monitoring reports, if any, received from funding sources.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
  - d) Minutes of the meetings of the District or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.



- 14) We have no knowledge of any fraud or suspected fraud that affects the District and involves:
  - a) Management,
  - b) Employees who have significant roles in internal control, or
  - c) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the names of the District's related parties and all the related party relationships and transactions, including any side agreements.

**Government-specific**

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have taken timely and appropriate steps to remedy identified and suspected fraud or noncompliance with provisions of laws, regulations, contracts, and grant agreements that you have reported to us.
- 21) We have a process to track the status of audit findings and recommendations.
- 22) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- 23) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- 24) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 25) The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.



- 26) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 27) We have appropriately identified, recorded, and disclosed all leases in accordance with GASBS No. 87.
- 28) We have appropriately disclosed or recognized conduit debt obligations and/or certain arrangements associated with conduit debt obligations in accordance with GASBS No. 91.
- 29) We have appropriately identified, recorded, and disclosed subscription-based information technology arrangements in accordance with GASBS No. 96.
- 30) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
- 31) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 32) As part of your audit, you assisted with preparation of the financial statements and disclosures, schedule of expenditures of federal awards, schedule of expenditures of department awards, and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures, schedule of department agreements, schedule of expenditures of federal awards, and related notes.
- 33) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 34) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 35) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.



- 36) The financial statements include all fiduciary activities required by [GASBS No. 84, as amended](#).
- 37) The financial statements properly classify all funds and activities in accordance with [GASBS No. 34](#), as amended.
- 38) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 39) Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.
- 40) Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.
- 41) Provisions for uncollectible receivables have been properly identified and recorded.
- 42) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 43) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 44) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 45) Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.
- 46) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 47) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 48) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more



than one  
resource

classification is available. That policy determines the fund balance classifications for financial reporting purposes.

- 49) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and
- 50) presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 51) With respect to the supplementary information other than RSI on which an in-relation-to opinion is issued (budgetary basis schedule, schedule of expenditures of federal awards and schedule of department agreements):
- a) We acknowledge our responsibility for preparing and presenting the budgetary basis schedule, the schedule of expenditures of federal awards and schedule of department agreements in accordance with accounting principles generally accepted in the United States of America, and we believe the budgetary basis schedule, schedule of expenditures of federal awards and schedule of department agreements, including their form and content, are fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the budgetary basis schedules, schedule of expenditures of federal awards and schedule of department agreements have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
  - b) If the budgetary basis schedule, schedule of expenditures of federal awards and schedule of department agreements are not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information other than RSI no later than the date we issue the supplementary information other than RSI and the auditor's report thereon.
- 52) With respect to federal award programs:
- a) We are responsible for understanding and complying with and have complied with, the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards.



b) We

acknowledge our responsibility for preparing and presenting the schedule of expenditures of federal awards (SEFA) and related disclosures in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.

c) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.

d) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.

e) We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.

f) We are responsible for establishing, designing, implementing, and maintaining, and have established, designed, implemented, and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.

g) We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.

h) We have received no requests from a federal agency to audit one or more specific programs as a major program.

i) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the OMB Compliance Supplement relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards or confirm that there were no amounts



questioned and no known noncompliance with the direct and material compliance requirements of federal awards.

- j) We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- k) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- l) Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E) and OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, if applicable.
- m) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- q) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.
- r) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.



- t) We have monitored subrecipients, as necessary, to determine that they have expended subawards in compliance with federal statutes, regulations, and the terms and conditions of the subaward and have met the other pass-through entity requirements of the Uniform Guidance.
- u) We have issued management decisions for audit findings that relate to federal awards made to subrecipients and such management decisions have been issued within six months of acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, we have followed-up ensuring that the subrecipient has taken timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal award provided to the subrecipient
- v) We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.
- w) We have charged costs to federal awards in accordance with applicable cost principles.
- x) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- y) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- z) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
- aa) We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

Signed: Shelly Brooks  
(Finance Director)

Date: May 29, 2025



PROPOSAL FOR:

## Greater Portland Transit District

ANNUAL FINANCIAL AUDIT SERVICES  
(RFP 2026-006)

SUBMITTED BY:

BDMP Assurance, LLP  
2211 Congress Street, Portland, ME 04102

**Katharine Balukas**

Partner | BDMP Assurance, LLP  
Principal | Berry, Dunn, McNeil & Parker, LLC  
[kbalukas@berrydunn.com](mailto:kbalukas@berrydunn.com)

**Jason Badeau**

Senior Manager | Berry, Dunn, McNeil & Parker, LLC  
[jbadeau@berrydunn.com](mailto:jbadeau@berrydunn.com)

May 28, 2026 before 2:00 p.m.



May 28, 2026

Frank Suszczynski, Procurement Manager  
Greater Portland Transit District  
114 Valley Street  
Portland, ME 04102

*Submitted via colbisecurebids*

Dear Frank Suszczynski:

Thank you for the opportunity to submit this proposal to the Greater Portland Transit District (GPM) in response to your Request for Proposals (RFP) #2026-006 for Annual Financial Audit Services for the fiscal years ending December 31, 2026, through December 31, 2030.

As an independent certified public accounting (CPA) firm recognized by the American Institute of Certified Public Accountants (AICPA), BDMP Assurance, LLP (BerryDunn, we, our) is well qualified to provide the auditing services you require. **Our proactive approach provides continuous hands-on involvement from the professionals who have the most expertise working with governmental and public transportation agencies.**

**The services you request are core to our mission and work we perform every day.**

BerryDunn's depth of expertise in the governmental industry makes our team well-suited for this engagement. The following proposal introduces you to BerryDunn and the engagement team and discusses our service approach and fees. As you evaluate our proposal, please consider the following points:



**GPM will benefit from our experience working with governmental entities.**

Our audit team specializes in governmental work, which means we understand that agencies like GPM encounter a variety of challenging accounting and regulatory issues that require significant experience in this specialized environment. Our long history of working in your industry allows us to add value through expertise, knowledge sharing, and a smoother onboarding process.



**We offer education and training to fit your needs.** We take pride in the fact that we want to help our clients succeed, and we are committed to providing ongoing education to management and the Board of Directors. Throughout the year, we provide updates on issues that affect your organization, and we hold regular educational and training sessions to help keep you informed. We are available year-round to answer questions as they arise.



**We are a stable and well-established firm.** BerryDunn has grown consistently for more than a half century, without a change in ownership. We have successfully completed numerous multiyear, high-profile engagements and have served the same clients for 5-, 10-, and 20-year durations, while successfully offering principal rotations. This stability gives our clients confidence when engaging BerryDunn to assist with large and complex projects.



**We deliver a high level of principal and manager participation.** Our principals and managers are heavily involved during the audit process and throughout the year. You will have access to our managers and principals during our fieldwork to address questions as they arise and review the engagement progress. This approach gives you continuous, hands-on involvement from professionals who have expertise in your industry and allows us to execute efficient engagements and serve as valuable advisors to you.

### Our Commitment to Our Home Region



**Maine is our home, and we are committed to the success of our region.**

Although we have grown steadily over the years, we have stayed true to our roots. Originally founded in Maine, more than half our office locations are still in New England. **Our two Maine office locations in Portland (headquarters) and Bangor employ about 325 Mainers**, and we have additional home-based employees working throughout the State.

BerryDunn employees are active volunteers and contributors in our Maine communities, giving back in ways that make sense for each individual. Our professionals are members of and hold leadership positions in numerous civic organizations, supporting their missions and helping make them successful in a variety of ways. Throughout the year, our offices organize teams of volunteers to make a difference in our local communities by serving at and donating to food banks, hosting Red Cross blood drives, participating in the United Way annual Day of Caring, supporting American Heart Association awareness activities, donating backpacks of school supplies to neighborhood kids in need, and more.

We are committed to performing the work you have requested within the agreed-upon time frame, and our team approach and staff continuity help ensure there is someone familiar with your organization and available to serve you when you need us. We would be glad to work with GPM and contribute to your success. If I may clarify any information in this proposal, please do not hesitate to contact me directly.

Sincerely,



**Katharine Balukas, CPA**

Partner | BDMP Assurance, LLP

Tel: 603.518.2648 | Email: [kbalukas@berrydunn.com](mailto:kbalukas@berrydunn.com)

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# Independence

## We Are Independent and Objective

BerryDunn has no known or perceived conflicts of interest in serving GPM, nor any relationship with its agencies or component units for the past five years that could impair the firm's independence. BerryDunn is independent of GPM as defined by U.S. Generally Accepted Auditing Standards (GAAS) and the U.S. General Accountability Office's Government Auditing Standards (GAS).

BerryDunn has detailed measures in place to help ensure compliance with our independence requirements and avoid conflicts of interest. Some of the elements within our policies include:

- ✓ Annual written representations of independence from all personnel who perform client services
- ✓ Extensive client and engagement acceptance and continuance policies
- ✓ Maintenance of firm-wide client list
- ✓ Independence training for all professionals

## Subcontractors

BerryDunn has the qualifications and availability of resources within our firm to conduct the work sought by GPM. Accordingly, we have not proposed the use of subcontractors for this project.

# License to Practice in the State of Maine

Headquartered in Portland and with an additional office in Bangor, BerryDunn holds a firm license with the State Board of Accountancy. All CPAs on the engagement team hold a license directly in Maine or hold a license in New Hampshire, a substantially equivalent jurisdiction, and enjoy full practice privileges in Maine as allowed by state law. Additional information on team members' individual licenses is included in the **Partner, Supervisory and Staff Qualifications and Experience** section of this proposal.

Figure 1: State of Maine Firm CPA License



## Firm Qualifications and Experience

### Qualifications Earned Through More Than 50 Years of Service

BerryDunn was founded 52 years ago in Maine by three principals who sought to embrace a client focus, an entrepreneurial spirit, and a commitment to the communities where we live and work. Today, we have a national client base and employ more than 950 people, including **a team of 30 auditors proficient in Generally Accepted Government Auditing Standards (GAGAS)**. GPM will be served by a team of audit specialists who work almost exclusively with governmental and quasi-public agencies, including a number of public transportation agencies, and who stay up to date on accounting, technical, financial, and upcoming and emerging industry issues that impact you.

BerryDunn has consistently been recognized for the work we do with our clients, the environment we create for our employees, and the impact we make in our communities. With nine offices located throughout the country and a nationwide network of more than 500 remote employees, **we offer the breadth and depth needed to provide the quality audit, accounting, and advisory support provided by a national firm, but with the price structure, responsiveness, and efficiencies of a regional firm.**

Figure 2: About BerryDunn



An award-winning **New England firm** founded in **1974**



Sarah Belliveau, CEO, named to Forbes' **2025 list of America's Top 200 CPAs**



Employees in **49 states, 2 districts, and Washington, DC**



**950+** employees and growing

### Office locations



Portland  
ME



Bangor  
ME



Manchester  
NH



Boston  
MA



New Haven  
CT



Charleston  
WV



Phoenix  
AZ



San Juan  
PR



O'ahu  
HI

**As a Maine-based firm with our headquarters in Portland, we pride ourselves on remaining committed to our home region, even as we continue to grow our national presence and reputation.**

Figure 3: Recent Awards and Accolades



### Engagement Staffing

To provide our clients with the most qualified resources, we focus on expertise over staff member location when considering staff assignments. All BerryDunn subject matter experts are provided with the necessary technology to enable them to work effectively, regardless of their location. The key members of GPM's proposed engagement team are based out of our Portland and Bangor offices, as well as home offices.

You can be confident in our ability to manage and assign the right resources based on your unique needs. Our internal resource manager monitors staff allocations across all of our projects, tracks staff availability, and provides information to our management team to help identify qualified project resources. In addition, our management team members communicate regularly about staff workloads and commitments to help with effectively managing team members who are working on more than one project at any given time.

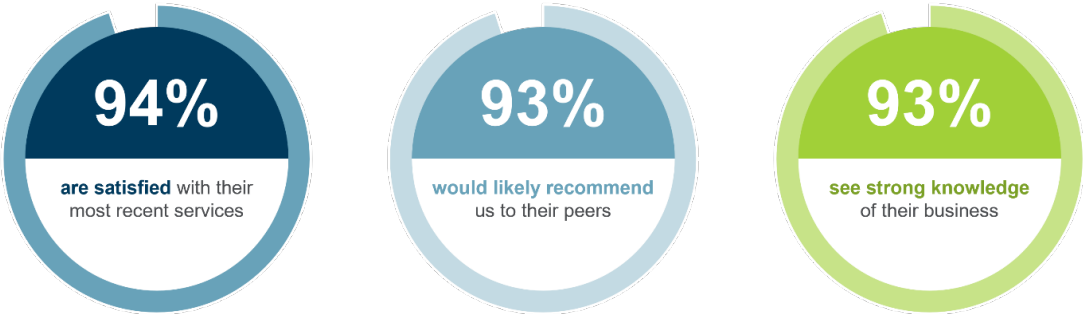
### We Focus on the Highest-Quality Work Product and Services

**Long considered a premier audit and accounting firm for clients in the governmental industry, what sets BerryDunn apart is our uncompromising standards of excellence and integrity and our collaborative approach to engagements.** We strive to maintain high-quality services by understanding your expectations, developing a reasonable and achievable project approach, gaining your concurrence on project tasks and timing, and using the appropriate staff for each engagement.

We accomplish these goals by prioritizing communication, a strong focus on planning, using the best technical tools available, and an unwavering commitment to specialized professional development and education. We want to serve as a year-round trusted advisor for our clients, and we will work to build that trust in our relationships with GPM.

BerryDunn hires an independent firm, Portland Research Group, to conduct an annual client satisfaction survey; the results of our 2025 survey show BerryDunn’s Net Promoter Score is **79.5**, a “world class” level that’s nearly double the industry average, according to ClearlyRated. It also shows a high level of client satisfaction, with the following key metrics from the survey:

Figure 4: 2025 Client Satisfaction Survey Results



We are an independent member of the BDO Alliance USA, a nationwide association of independently owned local and regional accounting, consulting and service firms with similar client service goals. The BDO Alliance USA presents an opportunity for firms to expand services to clients without jeopardizing our existing relationships or our autonomy by accessing the resources of BDO USA and other Alliance members. The BDO Alliance USA was developed to provide member firms with an alternative strategy for gaining competitive advantage in the face of a changing business landscape. The Alliance represents an opportunity for BerryDunn to enhance relationships with reputable firms that share a mutual business understanding. The BDO Alliance USA is a subsidiary of BDO USA.



### Governmental Audit and Accounting Expertise

Through our work with 900 state, local, and quasi-public clients, we have developed a deep understanding of state, county, and municipal financial systems and operations, as well as methods for assessing risk, analyzing trends, detecting fraud, and helping our clients comply with governing regulations and best practices. Our government auditing and accounting teams have considerable experience conducting assessments and reviews of a wide range of government agencies, helping clients produce accurate financial statements and related federal and state reports, reduce risk through strengthening internal controls, increase compliance with regulatory requirements, and enhance organizational processes and efficiencies.

Our service approach includes a deep understanding of industry-specific applications of audit and accounting standards. BerryDunn professionals remain current with the existing standards, and we are committed to sharing insights and implementation strategies with those we serve. **This focus on industry specialization and a commitment to collaborating with our clients differentiates our financial statement audit services from those of other firms.**

## Public Transportation Systems Emphasis

BerryDunn brings extensive expertise across the public transit and transportation sectors, supporting state, municipal, and regional agencies with complex projects and compliance requirements. Our team has partnered with organizations such as Casco Bay Island Transit District, Vermont Agency of Transportation, and Ventura County Transportation Commission, delivering services that span financial statement auditing, operational assessments, and audit readiness. We understand the unique challenges of agencies providing public transit services, including adherence to Federal Transit Administration (FTA) standards. This depth of experience enables us to provide tailored solutions that enhance efficiency, help ensure regulatory compliance, and drive successful outcomes for transportation agencies nationwide.

## Financial Statement and Uniform Guidance Audit Experience

As noted above, our audit services stand apart from other firms because of our industry specialization and commitment to client collaboration and education. Through consistent principal and manager engagement and open lines of communication, financial leaders in your organization receive timely and accurate deliverables while gaining insight into the latest guidance that will affect compliance and reporting. We believe in taking a collaborative approach to the audit with our clients, and **we will work with the staff of GPM to understand the environment and operations, build professional relationships with the staff, and come to serve as a trusted advisor and partner.**

**Our firm performs over 100 GAGAS audits annually.** All professional staff meet the requirements of GAGAS, including but not limited to independence, requisite skills and experience, continued professional education, and peer review. Additionally, all auditors on the proposed team are familiar with Generally Accepted Account Principles (GAAP) for state and local government units as prescribed by the Governmental Accounting Standards Board (GASB), GAAS, and the Uniform Guidance. Our team will conduct the audit and report in accordance with those standards, as applicable per the RFP.

GPM will be supported by specialists in meeting the compliance needs of organizations receiving significant funding from a major federal program, including audits under Uniform Guidance. **Our team consists of more than 50 professionals who perform over 100 Uniform Guidance audits each year** for a variety of clients, including a wide range of government and quasi-public agencies that receive federal and state grants and are subject to the compliance requirements of Uniform Guidance and state compliance audits. Our Uniform Guidance audits have regularly received quality control reviews from federal agencies, reporting that our approach meets federal, state, and professional requirements. This demonstrates our knowledge and quality in delivering audit services, as well as the high standards that we hold ourselves accountable to as a firm.

## Why a Reliable Audit Matters

Annual financial statement and Uniform Guidance compliance audits are a cornerstone of public accountability and effective governance and help demonstrate transparency and responsible stewardship of public funds. These audits provide independent assurance to institutional

leadership, Boards of Directors, the State, and other oversight bodies—as well as the general public—that financial statements are presented fairly in accordance with the applicable standards and requirements and that public and federal resources are managed responsibly.

In addition, compliance audits, particularly those conducted under Uniform Guidance, demonstrate adherence to state and federal program requirements, helping to safeguard continued access to critical funding streams. Beyond meeting statutory and regulatory obligations, these audits strengthen internal control environments and equip institutional leaders with reliable information to support informed decision-making.

Collectively, these audits strengthen institutional governance, promote sound financial management practices, support informed decision-making, and reinforce public trust in GPM's ability to fulfill its educational mission while meeting complex regulatory obligations.

**A strong, collaborative relationship with your auditors can transform the audit from a compliance exercise into a strategic partnership**—one that improves communication, increases transparency, enhances the public perception and reputation of GPM, and positions your auditors as trusted advisors rather than external inspectors. **BerryDunn's goal is to develop this relationship with all of our clients, including GPM.**

### New and Emerging Standards Implementation

**We are industry leaders in offering support to governments and other organizations that must comply with GASB pronouncements.** Our professionals remain current with the existing GASB standards as well as those that are under consideration, and we are committed to sharing insights and implementation strategies with those we serve. In addition, we use education gained through involvement with relevant industry associations to inform our accounting services and help educate our clients.

We take a collaborative approach with our clients when it comes to implementing new accounting standards. We begin by providing insight into new accounting pronouncements in advance of their effective dates through periodic articles on our website, annual training, and pre-planning meetings with management and those charged with governance. We also reach out directly to clients we believe will be affected by upcoming standards to discuss the best way to address the required changes in accounting procedures.

We will be an invaluable partner in researching and implementing any applicable standards. We regularly issue formal "white papers," which can be used as implementation guides for new GASB pronouncements. These include systematic guidance for implementation in addition to various example statements and disclosures. Our clients appreciate the time we spend discussing implementation requirements and options well in advance of effective dates. **We regularly hear from clients that they feel informed, supported, and prepared when implementing new accounting pronouncements.** We recently released one of these documents for GASB Statement 103, *Financial Reporting Model Improvements*, which GPM will be required to comply with by June 30, 2026. GASB 104, *Disclosure of Certain Capital Assets*, will likely also affect GPM and is effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

For all our GASB implementation engagements, we provide a formal report that outlines the objectives of the engagement, overview of results, determination of contracts meeting the requirements of the applicable standard, assumptions used in the calculations, and steps for the organization to use moving forward for determinations and compliance. This report gives our clients and their auditors critical information and transparency over complex standards.

There are many new accounting pronouncements on the horizon within GASB that could have an impact on GPM’s financial statements. We will be an invaluable partner in the research and implementation phase of any applicable standards.

*We Offer You a Custom Subscription-Based Information Technology Arrangements (SBITAs) Inventory Tracking Tool*

For our clients requiring assistance with adopting and/or implementing GASB Statement 96, we offer a customized inventory tracking tool that helps organizations identify, track, and perform the complex calculations for compliance. With this tool, we walk through the steps to determine if an agreement meets the definition of a SBITA under GASB Statement No. 96. The tool also calculates the measurement of subscription asset, liability, accumulated amortization, accrued interest liability, and interest expense. This tool is intended for organizations to easily track their SBITAs and provide necessary journal entries on an annual basis.

*Figure 5: Example – SBITA Implementation Organizer and Calculation Report*



**SBITA Implementation Organizer and Classification Tool**

XX/XX/XXXX (Date of adoption)

**Prepare a complete listing of SBITAs**

The first step to prepare for implementation is to document a complete listing of all known lease contracts for real estate property, plant, and equipment.

A Subscription-Based Information Technology Arrangement (SBITA) is a contract where the Organization conveys the control of the right to use another party's software. Examples are:

- Cloud-based Systems
- ERP systems
- Educational software
- IT Software
- Other Computer Software

SBITA Information		Questions to Determine if Software meets the SBITA Definition as defined by				Formula	Key Information Needed for Determining Amounts and for Record Keeping										
#	Name of vendor	IT Asset Description	Does your entity have control of the right to use the information technology (IT) software and/or hardware?	Is the subscription term greater than 12 months?	Does the subscription have any fixed-in substance payments?	Do the payments meet the criteria for an exchange or exchange-like transaction?	SBITA - YES OR NO?	Renewal options? Please describe in Column M. If yes, answer Column N	If yes, reasonably certain to exercise?	Payment amount	Payment frequency	Total payments over the length of the lease*	Start date	End date	Current GL code	Contact person	Agreement provided (PDF)?
Example:	Microsoft	Office 365	Yes	Yes	Yes	Yes	Yes a SBITA	Annually	No	\$500	Monthly	\$ 18,000.00	7/1/2022	6/30/2025	01-1005-01	John Smith - IT Manager	Yes

To learn more about our expertise advising clients with implementing new GASB statements, as well as the types of support for new pronouncements, please see the following articles linked from the [BerryDunn website](#):

- [GASB 87: Single lease classification: What's changing and what you need to do](#)
- [GASB Exposure Draft: Disclosure and Classification of Certain Capital Assets](#)
- [Our take on SBITA: Making accounting for cloud-based software less nebulous](#)
- [GASB 100 and GASB 101: Cruising into Triple Digits | BerryDunn](#)
- [GASB Modernizes Financial Reporting Model | BerryDunn](#)
- [GASB Statement 103: Impacts to your MD&A | BerryDunn](#)
- [GASB 104: Rethinking Capital Asset Disclosures | BerryDunn](#)

**Representative Client List**

Below, we provide a sample list of engagements that illustrates our experience working with a wide variety of government and quasi-public entities; public agencies with a specific

transportation focus or segment are in **bold**. For detailed information regarding up to five similar engagements as required in the RFP, please see [page 16](#).

### Financial Statement Audits in Accordance with GASB

Anson-Madison Sanitary District, Maine	Maine Veteran's Home
Auburn Housing Authority, Maine	<b>Massachusetts Department of Transportation</b>
Bangor Housing Authority, Maine	Mayo Regional Hospital, Maine
Brewer Housing Authority, Maine	Medford Housing Authority, Massachusetts
Brunswick Housing Authority, Maine	Minnesota Climate Innovation Finance Authority
Cambridge Redevelopment Authority, Massachusetts	Minnesota Health Benefits Exchange
Capital Region Development Authority (State of Connecticut)	Minnesota Department of Commerce
Caribou Hospital District, Maine	Mount Desert Island & Ellsworth Housing Authority, Maine
Cary Medical Center, Maine	Office of the Health Insurance Marketplace of Maine
<b>Casco Bay Island Transit District, Maine</b>	Portland Water District, Maine
Child Development Services (State of Maine)	<b>Pease Development Authority, New Hampshire</b>
Community College System of New Hampshire	Silver State Health Insurance Exchange, Nevada
Connecticut Municipal Development Authority	Rhode Island Student Loan Authority
HealthSource Rhode Island	Vermont Economic Development Authority
Houlton Water Company, Maine	Vermont Health Connect
Housing Authority of the City of Old Town, Maine	Vermont Student Assistance Corporation
Kennebec Valley Council of Governments, Maine	Washington Health Benefit Exchange
Kentucky Health Benefit Exchange	Waterville Housing Authority, Maine
Maine Community College System	York Housing Authority, Maine
Maine Public Employees Retirement System	
Maine Redevelopment Land Bank Authority	
Maine Retirement Savings Board	
Maine Technology Institute	

### Audit Readiness/Technical Accounting Assistance, including GASB Implementation Assistance

Baxter State Park Authority, Maine	Morrow County, Oregon
<b>Biddeford-Saco-Old Orchard Beach Transit, Maine</b>	New Hampshire Liquor Commission
Carroll County, New Hampshire	Oklahoma Lottery Commission
City of Biddeford, Maine	Riley-Purgatory-Bluff Creek Watershed District, Minnesota
City of Burlington, Vermont	Squirrel Island Village Corporation, Maine
City of Portland, Maine School Department	Town of Danvers, Massachusetts
City of Portsmouth, New Hampshire	Town of Effingham, New Hampshire
City of Saco, Maine	Town of Lincoln, Maine
Community Development Finance Authority, New Hampshire	Town of Salem, New Hampshire
Ecomaine	

Fauquier County, Virginia  
 Lewis County, Washington  
**Massachusetts Bay Transportation Authority (MBTA)**  
 Nevada Office of Project Management

University of Minnesota Foundation, Real Estate Advisors  
**Venture County Transportation Commission, California**  
 Warren County, Virginia  
 Wentworth Institute of Technology

**Governmental Internal Audits**

Connect for Health, Colorado	New Hampshire Liquor Commission
Connecticut Health and Educational Facilities Authority	New Hampshire Public Defender Office
Fayetteville Housing Authority, Arkansas	Northeast Community College, Nebraska
Martha’s Vineyard Airport, Massachusetts	School Administrative Unit 15, New Hampshire
<b>Massachusetts Department of Transportation, Rail &amp; Transit Division</b>	Vermont Agency of Education
New Hampshire Bar Association	Vermont State Colleges
New Hampshire Judicial Council	Virgin Islands Housing Finance Authority

**Grants Management Services**

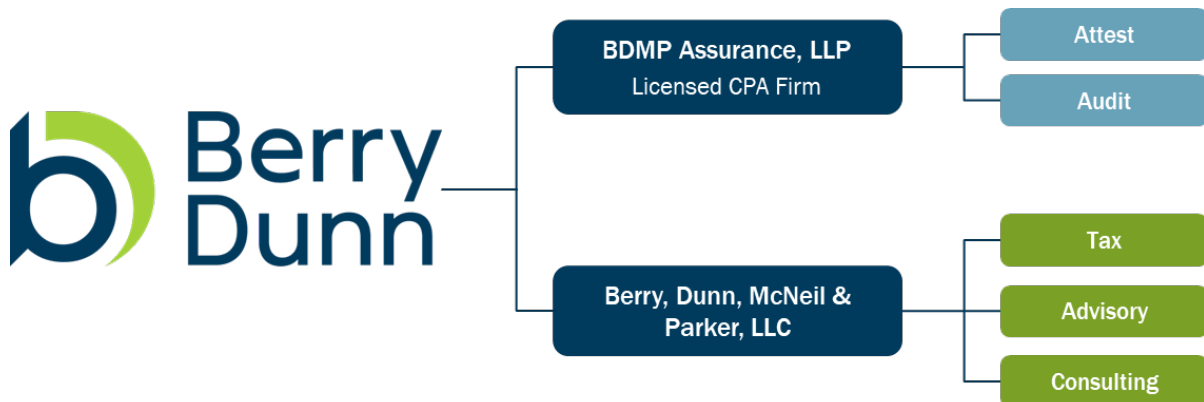
Androscoggin County, Maine	Kennebec County, Maine
City of Ann Arbor, Michigan	Lewis County, Washington
City of Boise, Idaho	New Hampshire Secretary of State
City of Malden, Massachusetts	Outagamie County, Wisconsin
City of Meridian, Idaho	State of Delaware, Governor’s Office
City of Stonecrest, Georgia	State of North Carolina, Office of Budget

Reports and Reviews

We are independent and objective

BDMP Assurance, LLP was formed in 2024 by the audit and attest partners of Berry, Dunn, McNeil & Parker, LLC to operate the audit and attest practice that was previously operated by and through Berry, Dunn, McNeil and Parker, LLC.

Figure 6: Structure of BerryDunn



BDMP Assurance, LLP began providing services to clients on January 1, 2025, so it does not presently have any historical data of its own. However, since its practice is a continuation of the audit and attest work previously performed by Berry, Dunn, McNeil & Parker, LLC, we are able to provide historical information about Berry, Dunn, McNeil and Parker, LLC as described below.

**In 2024, Briscoe, Burke & Grigsby LLP conducted BerryDunn's most recent triennial peer review and reports on which we continue to receive a rating of 'Pass'— the highest possible result.** A copy of the review is included in **Appendix A** of this proposal.

In addition, we conduct our internal quality control program each year through annual reviews of engagements representing a wide range of clients in various industries, including a cross section of our governmental clients. Each engagement is subject to our quality control process, which includes engagement principal review and quality assurance principal reviews prior to the release of the final auditor's report. All professional staff meet the requirements of GAS, including but not limited to independence, requisite skills and experience, continued professional education, and peer review.

There have been no complaints leveled against BerryDunn nor the proposed project team by the AICPA, a state board of accountancy, or other regulatory authority, nor have any corrective actions been required with respect to these individuals. BerryDunn has had no disciplinary action taken against us by any level, including but not limited to the AICPA, for substandard work or unethical practices, and the firm as not undergone any federal or state desk or field reviews during the past three years.

## Partner, Supervisory and Staff Qualifications and Experience

**Our people are what differentiates us from other firms.** We hear this feedback consistently from our clients. BerryDunn carefully considers the tasks, timelines, and objectives for proposed projects to select team members who are best qualified to provide services and have availability to fully commit to the clients they are working with, so our staffing strategy offers GPM experts with significant depth of experience preparing financial statement and Uniform Guidance audits for governmental units of comparable size and complexity.

### Proposed Engagement Team

Our extensive experience working with governmental and quasi-governmental agencies has repeatedly proven that a team approach provides our clients maximum value by offering the deep experience of partners, the specialized skills and subject matter expertise of managers, and the technical and administrative skills of supporting staff and senior accountants—all in a cost-conscious manner. Using this approach allows us to provide superior service and the highest-quality deliverables, leverage experience and lessons learned from similar audit projects, and offer the right resources for the task.



**Staff Experience and Continuity** – We are committed to offering every client the most knowledgeable and experienced professionals for their specific needs and to retaining the same team members throughout each engagement, as we feel this is integral to maximizing our organizational familiarity and efficiency throughout our time working together.

**Katy Balukas** will lead the proposed engagement team, and she will be responsible for overall supervision of our team. **Emily Parker** will support the team as quality assurance partner. **Jason Badeau** will join Katy in leading the team as engagement senior manager.

Additional team leaders include manager **Meaghan Pina**, a Maine-licensed CPA based out of our Bangor office who has almost a decade of experience providing governmental auditing services to Maine agencies, and **Joshua Phelps** who will lead the day-to-day engagement work as the senior accountant.

Collectively, **our team members offer GPM nearly six decades of governmental audit and accounting expertise.** Team members work almost exclusively with government organizations; this industry focus gives them a unique depth of experience and knowledge of the challenges that come with governmental auditing, understanding and implementing GASB standards, and complying with federal funding regulations and requirements. For additional information about all our team members' education and experience, please see their biographies included in **Appendix A.**

### Team Members' Roles and Responsibilities

A summary of our key team members' engagement roles and responsibilities is outlined below. If needed, additional experienced staff will be assigned as needed when the engagement is

officially scheduled. Full biographies, including continuing professional education (CPE) details and professional affiliations, are included in **Appendix B**.

Team Member	Engagement Responsibilities
<p><b>Katy Balukas, CPA*</b> Engagement Partner</p>	<ul style="list-style-type: none"> <li>• Provide contractual oversight for our engagement</li> <li>• Maintain overall responsibility for the quality of work</li> <li>• Help ensure the firm’s commitment to GPM and that deadlines are met</li> <li>• Serve as primary point-of-contact for activities related to contract management and dispute resolution</li> <li>• Participate in meetings and presentations with GPM's leadership as appropriate</li> <li>• Review and approve all deliverables</li> <li>• Provide subject matter expertise</li> </ul> <p><i>New Hampshire licensed CPA (substantially equivalent jurisdiction); has practice privileges in Maine through mobility as allowed by state law and the AICPA</i></p>
<p><b>Emily Parker, CPA*</b> Quality Assurance Partner</p>	<ul style="list-style-type: none"> <li>• Conduct an independent review of the audit engagement during wrap-up to help ensure the highest level of quality is provided</li> <li>• Serve as an internal resource for technical matters</li> </ul> <p><i>Maine-licensed CPA</i></p>
<p><b>Jason Badeau, CPA*, MBA</b> Engagement Senior Manager</p>	<ul style="list-style-type: none"> <li>• Build and maintain a productive relationship with GPM</li> <li>• Participate in meetings with GPM’s leadership</li> <li>• Serve as the primary point-of-contact with GPM</li> <li>• Lead audit planning and partner with GPM to review and approve</li> <li>• Oversee our work and provide staff oversight</li> <li>• Provide government accounting and compliance subject matter expertise</li> <li>• Lead entrance and exit conferences with GPM’s staff</li> <li>• Help ensure adherence to industry standards and best practices</li> <li>• Conduct quality assurance reviews of our deliverables</li> </ul> <p><i>Maine-licensed CPA</i></p>
<p><b>Meaghan Pina, CPA*</b> Manager</p>	<ul style="list-style-type: none"> <li>• Support the engagement senior manager throughout the engagement</li> <li>• Support and supervise the work performed by the engagement and administrative teams</li> <li>• Serve as primary point-of-contact with GPM regarding day-to-day audit management</li> <li>• Maintain effective communication with GPM and gauge GPM's satisfaction with our services</li> </ul>

	<ul style="list-style-type: none"> <li>• Provide performance management and reporting, including managing the audit schedule, budget, and team resources</li> <li>• Prepare status reports and conduct status update meetings</li> <li>• Review all work and deliverables performed by the engagement team</li> <li>• Oversee fact-finding and analysis activities</li> </ul> <p><i>Maine-licensed CPA</i></p>
<p><b>Joshua Phelps</b> Senior Auditor</p>	<ul style="list-style-type: none"> <li>• Participate in the development of key request lists and deliverables</li> <li>• As appropriate, participate in meetings with GPM leadership</li> <li>• Identify audit risks/issues and propose corrective actions to GPM</li> <li>• Conduct fact-finding and analysis</li> <li>• Manage and review audit documentation</li> </ul>

*\*Attest services are provided by BDMP Assurance, LLP, a licensed CPA firm.*

### Staff Education

BerryDunn is a deliberately developmental organization where employees are encouraged to grow both professionally and personally. We know that advanced degrees and certifications are important and reflect the knowledge base of our staff. We also know that it takes years of experience on the job to gain the deep subject matter expertise that our clients expect. We believe **our dedication to the continued education of our staff directly correlates with the firm's overall proficiency and distinguishes BerryDunn as a uniquely qualified and experienced firm.** We strive to empower continuous development that drives individual, team, and firm success, and we are proud to have highly dedicated and experienced professionals on the team.

BerryDunn professional employees are required to complete CPE in both technical and industry-specific programs. All BerryDunn professionals performing audits under GAGAS complete at least 24 hours of government auditing CPE biennially. During this period, each of the firm's GAGAS auditors must also obtain 80 or more total CPE hours to enhance their professional proficiency in audits and attestation engagements. Most staff members typically exceed this requirement.

We regularly seek out areas of professional education and/or certifications that will meet the needs of our clients. Further, individuals designated as having specialized industry experience and expertise are encouraged to maintain their proficiency by joining appropriate professional associations and attending external professional education programs.

### Staff Continuity


BerryDunn is committed to maintaining the same members of GPM's engagement team on a year-to-year basis. We believe that this is an important way that we help to ensure our team members have a consistently high level of relevant experience and understanding of your organization and its operations, which in turn helps us provide our services as efficiently as


possible. Continuity also minimizes the time required from your personnel to introduce a new member of the engagement team to your operations. We will make every effort to **not change the key personnel assigned to GPM for the service period indicated in this proposal**. To help minimize turnover in our clients' engagement teams, BerryDunn makes it a top priority to retain our experienced staff, and our turnover is generally consistent with or well below industry averages.

While we believe in the importance of continuity, we also understand that staff rotation is sometimes necessary, and we have the depth of professional resources available to accommodate requests while maintaining smooth client service. To provide you with a fresh perspective, we can offer a rotation of staff at any level of the engagement, including the lead principal. While this is not a requirement of our firm, it is an accommodation we offer to foster the most beneficial working relationship. We are flexible in offering staff rotation now or at a future time should you prefer to do so.

# Similar Engagements with Other Government Entities

To demonstrate BerryDunn’s relevant experience and the quality of our past work, we have provided reference information for previous projects of similar scope and size to the services requested by GPM. We have included contact information for client representatives who can speak to our expertise, proven methodology, and effective project communications.


Capital Region Development Authority (CRDA) Financial Statement Audit	
<b>Client Contact Information</b>	<p><b>Joseph Geremia, Chief Financial Officer</b>                      100 Columbus Boulevard, Suite 500                      Hartford, CT 06103-2819                      860.493.2906   <a href="mailto:jgeremia@crdact.net">jgeremia@crdact.net</a></p> 
<b>Project Scope</b>	CRDA, a component unit of the State of Connecticut, engaged BerryDunn for a multiyear engagement to provide annual financial statement audit services for the Authority, three affiliated entities, and the Stadium at Rentschler Field.
<b>Engagement Partners</b>	Katy Balukas
<b>Project Dates</b>	2025 to present; CRDA can speak to the new client transition process with BerryDunn
<b>Total Annual Hours</b>	Approximately 1,350

Maine Community College System (MCCS) Financial Statement and Uniform Guidance Audits	
<b>Client Contact Information</b>	<p><b>David Daigler, System President</b>                      323 State Street                      Augusta, ME 04330                      207.629.4017   <a href="mailto:ddaigler@maineccc.edu">ddaigler@maineccc.edu</a></p> 
<b>Project Scope</b>	BerryDunn provides integrated annual financial statement and Uniform Guidance audit services to MCCS. Our services have included providing management recommendation to strengthen internal controls and assisting with the implementation of new accounting standards, including GASB No. 87, 96, 101.
<b>Engagement Partners</b>	Robert Smalley
<b>Project Dates</b>	2016 to present
<b>Total Annual Hours</b>	Approximately 1,250 hours


**Pease Development Authority  
Financial Statement and Uniform Guidance Audits**

<b>Client Contact Information</b>	<p><b>Suzanne Anzalone, CPA, Director of Finance</b>                      55 International Drive                      Portsmouth, NH 03801                      603.766.9195   <a href="mailto:s.anzalone@peasedev.org">s.anzalone@peasedev.org</a></p> 
<b>Project Scope</b>	<p>BerryDunn has been engaged by Pease Development Authority, a component unit of the State of New Hampshire, to provide annual financial statement and uniform guidance audit services since fiscal year 2015. The major operations of Pease Development Authority include an airport, a port authority, a trade port, and a golf course. BerryDunn has assisted with the implementation of many accounting principles over the years, as well as navigating the compliance requirements of significant additional grant funding received under the Coronavirus Aid, Relief, and Economic Security Act and the American Rescue Plan Act.</p>
<b>Engagement Partners</b>	Rob Smalley, Katy Balukas
<b>Project Dates</b>	2015-present
<b>Total Annual Hours</b>	Approximately 400 hours

**Casco Bay Island Transit District (CBITD)  
Financial Statement, Uniform Guidance, and Maine Uniform Accounting and Auditing Practices for Community Agencies (MAAP) Audits**

<b>Client Contact Information</b>	<p><b>Laurie Bowie, Director of Finance and HR</b>                      56 Commercial Street                      Portland, ME 04101                      207.774.7871   <a href="mailto:laurieb@cascobaylines.com">laurieb@cascobaylines.com</a></p> 
<b>Project Scope</b>	<p>BerryDunn has been engaged by CBITD to provide annual financial statement and uniform guidance audit services since fiscal year 2022. BerryDunn has assisted the client with the implementation GASB 87, 96, and 101 in the recent years. We have also provided guidance as CBITD navigates both state and federal funding from the Department of Transportation, including grant funding from the United States Maritime Administration.</p>
<b>Engagement Partners</b>	Emily Parker, Katy Balukas
<b>Project Dates</b>	2022 to present
<b>Total Annual Hours</b>	Approximately 275 hours

**Massachusetts Bay Transportation Authority (MBTA)  
Audit Readiness and Consulting on Adoption of New GASB Standards**

<b>Client Contact Information</b>	<b>Joseph Pagliuca, Jr., Controller</b> 10 Park Plaza Boston, MA 02116 617.222.4392   <a href="mailto:jpagliuca@mbta.com">jpagliuca@mbta.com</a> 
<b>Project Scope</b>	BerryDunn was engaged by the MBTA beginning in June 2023 for assistance with GASB 87, <i>Leases</i> ; GASB 94, <i>P3s</i> ; GASB 96, <i>SBITAs</i> ; and GASB 101, <i>Compensated Absences</i> . The services included inventorying all potential contracts/agreements, performing eligibility determines, performing the necessary calculations, and drafting relevant footnote disclosures. The services also included ongoing compliance, calculations, and support for years subsequent to the implementation.
<b>Engagement Partners</b>	Katy Balukas
<b>Project Dates</b>	2023 to present
<b>Total Annual Hours</b>	Approximately 150 hours

*Figure 7: What Our Clients Say About Us*



As a first-time client, I was impressed by the way BerryDunn’s audit team listened to our needs and quickly learned our organization’s operating norms.

We’ve been very pleased with their responsiveness, knowledge, and process.

Have partnered with BerryDunn for 20 years. Best firm in the region that meets the needs of my organization. Very satisfied.

## Specific Audit Approach



**Our Engagement Approach** – We work hard to lead a seamless engagement, collaboratively plan our work around your preferences, and maintain active communication with your team throughout our time working together. Our approach helps us maximize efficiencies and reduce the time needed from your team, minimize potential disruptions, and provide you with information and advice to help you achieve GPM’s short- and long-term goals.

BerryDunn strives to be flexible when it comes to the development and execution of an effective audit work plan. We understand that no two audits are exactly alike and believe that **one of the primary reasons we have been successful with similar projects is our willingness to be flexible in adapting to our clients’ unique needs.**

**Our audit approach leverages in-depth planning and is designed for both uncompromising quality and cost-effectiveness.** We focus on accounting and reporting issues that are significant to your business and financial reporting process. We identify key audit risk areas and then design our procedures to focus on these areas. This risk-based methodology allows us to efficiently and effectively provide services. We offer recommendations in the form of a management letter based on our experience working with entities of comparable size and complexity to GPM, in which we address areas for strengthening internal controls or adopting best practices.

We conduct our audit services in accordance with the requirements of GAGAS, GAAS, and any other relevant requirements. Our audit approach is based on identifying key audit risk areas and designing our procedures to focus on these key areas. This risk-based approach allows us to provide our services efficiently and effectively and decrease the time and commitment required of GPM’s staff.

### Approach to the Uniform Guidance

In years when a Uniform Guidance audit is required, our audit approach for the financial statements and the Uniform Guidance audit testing is integrated, utilizing the same audit team to maximize audit efficiencies. This testing is done in compliance with the most recent modifications to federal and state compliance audit requirements and provides for an approach that is both value-added and risk-sensitive. It is coordinated with our interim and final fieldwork to help ensure there is minimal disruption for finance and program personnel. If an issue should arise, coordination with the financial statement process gives you time to address the issue in a timely manner before it potentially impacts the next fiscal year’s compliance audits.

### A Risk-Based Approach for Increased Audit Efficiency

#### Understanding of GPM’s Internal Control Structure

The internal controls phase of our audit procedures includes documenting internal control processes and other procedures as necessary. We then perform walkthroughs, which entail following transactions through the accounting and operational systems to determine whether

internal controls are functioning as intended. We make inquiries about the existence of specific internal controls and segregation of duties. We also observe and, when appropriate, sample the internal control procedures we intend to rely upon in significant financial statement areas. We discuss results and related recommendations with GPM’s team and consider which to include in the report.

**Assessing Internal Control Risk**

We understand the importance of having sound controls in place to protect your assets. To help clients navigate the complexities and challenges of a constantly changing internal control and regulatory environment, we start with an assessment of existing internal controls and operations and then work closely with stakeholders to identify strengths and vulnerabilities. We initiate each engagement by asking thoughtful questions about the client’s business, control environment and activities, risk assessment, monitoring, and communication. This process allows us to understand the current processes and evaluate the current state of effectiveness.

**Understanding IT Systems**

To gain an understanding of general IT systems and controls, we review computer applications used by GPM and the related transaction class the respective applications support. If GPM’s software or system is supported by a service organization, we request a copy of the Service Organization Controls report to help us understand how GPM has implemented corresponding user entity controls.

For automated systems, we examine the controls in place to determine what degree of testing should be performed. We also gain an understanding of controls in place related to GPM’s server room as well as any penetration testing and cybersecurity training of Authority users that address cybersecurity risk. Our Management and Information Technology Practice Group will assist our audit team in the assessment of IT systems.

**Sampling Methodology**

We apply various sampling methodologies as allowed under GAAS, which use factors like frequency of operation of the control, size of the population being tested, expected number of deviations, and the results of our control risk assessment. The following images provide examples of sample sizes based on these factors:

*Figure 8: Sampling Based on Population Size*

No. of Deviations	Control Risk Assessment & Population Size					
	Low (5-7% Tolerable Rate)			Moderate (8-10% Tolerable Rate)		
	< 100	100-200	> 200	< 100	100-200	> 200
0	30	35	40	20	22	25
1	45	50	60	30	35	40
2	65 <sup>a</sup>	75 <sup>a</sup>	90	45 <sup>a</sup>	50 <sup>a</sup>	60

Figure 9: Sampling Based on Frequency of Control Operation

Control Frequency and Population Size	Sample Size
Quarterly (4)	2
Monthly (12)	2-4
Semimonthly (24)	3-8
Weekly (52)	5-9

The internal controls phase of our audit procedures includes documenting GPM’s internal control processes and other procedures as considered necessary. After documenting the procedures, we perform walkthroughs that entail following transactions through the accounting and operational systems to help ensure they are functioning as intended. We make inquiries about the existence of specific internal controls and segregation of duties. We also observe and, when appropriate, sample the internal control procedures (e.g., approvals, reviews) we intend to rely upon in significant financial statement areas and compliance requirements. **We will discuss results and related recommendations with appropriate members of GPM management teams to determine which to include in the report.** Our clients tell us that the recommendations we provide are easy to understand and implement, and the way we communicate these items is well received by their team members and board members.

### A Positive Transition

The first year of an audit relationship can be challenging to an organization and to the audit firm as they establish an understanding of the organization’s operations, procedures, and historical data. However, **BerryDunn takes pride in the fact that many of our first-year clients have commented on how smooth the transition was.** BerryDunn will work with your management

“Switching audit firms can be a daunting task. As a first-time client, I was impressed by the way BerryDunn’s audit team listened to our needs and quickly learned our organization’s operating norms. They were supportive and respectful and were always there to answer any questions we had.”

Laurie Bowie, Director of Finance & HR, Casco Bay Island Transit District

and accounting staff to obtain the necessary information to help ensure a smooth transition, with plenty of advance notice.

During the transition process, we typically leverage the schedule requests and information that you have provided to the predecessor firm to maintain consistency in the information gathered and to minimize the disruption to your staff. We find this to be a more efficient approach than the “start from scratch” approach.

In subsequent years, the schedule request will be updated to reflect additional items that we requested during the course of the prior-year engagements.

Your input is welcomed as we continually refine the schedule request to help ensure that it best fits your needs.

The other major strategy that we use in the transition year is to have the principal and managers spend extra time with the team during fieldwork to accelerate our learning process of your organization and its internal controls.

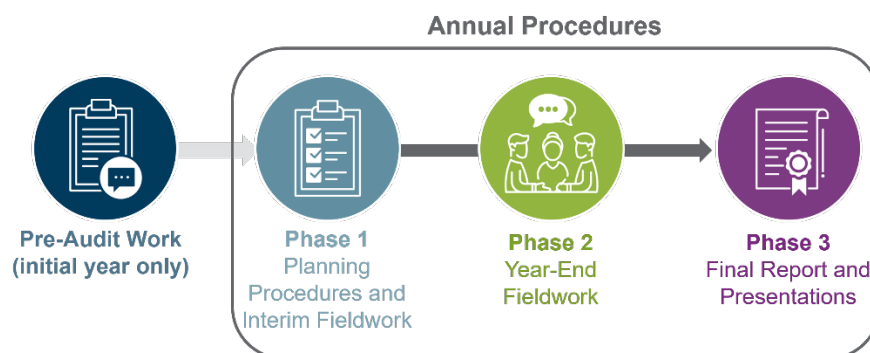
We will make inquiries of your predecessor auditors and review their workpapers to determine the level of reliance we can place on the opening balances. This process also builds the foundation for obtaining a clearer understanding of your organization to better plan the audit and ask more relevant and effective questions during the audit.

The transition process to a new audit and tax service provider typically results in additional hours being incurred in the year of transition. The proposed fees included in the following section exclude approximately 40 hours of time that we anticipate we will incur at no charge to you relating to first-year start-up costs. We view this time as an investment in a long-term relationship with you.

### Proposed Audit Work Plan

We propose a phased audit process that allows us to perform an audit consistent with standard best practices, is clearly laid out and easy to follow, and is tailored to GPM's specific and unique needs, as illustrated below:

Figure 10: Phases of the Audit



## Pre-Audit Work (Initial Year Only)

### Actions:

- We will meet with GPM's finance team to introduce our engagement team and discuss the key objectives and timeline for the audit and compliance review procedures. We will discuss the processes GPM has previously followed and where the finance and accounting team would like to see improvement in future engagements. This collaborative process builds the foundation for obtaining a clear understanding of GPM, so we may better plan the audit and ask more relevant and effective questions. We will discuss GPM team's preferred method of communication for the interim and year-end audit weeks and the frequency of those communications.
- We will request certain documents from GPM's management in this first year to build our permanent workpaper file, including organizational documents, grant agreements (if

applicable), lease agreements, facility management contracts, and other key operational documents that will quickly bring our experienced partners, managers, and staff up-to-speed on issues that affect GPM. In subsequent years, we will request copies of new agreements or changes to the existing documents.

- We strive to schedule the timing of planning and year-end audit procedures as soon as possible to help ensure there is sufficient time for GPM to prepare for the audit and for BerryDunn to perform the audit and meet the time requirements proposed. We will also coordinate with GPM's team to determine mutually agreeable dates for planning and year-end procedures. We have the staffing resources available to complete the audit within GPM's requested timeline stated in the RFP.
- During the transition process, we typically leverage the schedule requests and information that you have provided to the predecessor firm to maintain consistency in the information gathered and to minimize the disruption to your staff. We find this to be a more efficient approach than the "start from scratch" approach. Your input is welcomed as we continually refine the schedule request to help ensure that it best fits your needs.
- Some specific procedures we will perform during this phase of the audit are as follows:
  - ✓ Obtain an understanding of GPM's account structure and how they map to the audited financial statements
  - ✓ Provide you with a letter authorizing us to review the predecessor audit workpapers
  - ✓ Review the audit workpapers prepared by the predecessor and conduct our standard inquiries required by auditing standards
  - ✓ Perform overall assessment of the control environment through discussions with management
  - ✓ Obtain an understanding of the role of IT in the financial reporting process
- We will review the audited financial statements from the prior fiscal year to make recommendations for modifications or enhancements to the presentation for future years.

#### **Deliverables:**

Initial Planning Documentation Request List  
Letter to Predecessor Auditor

### **Phase 1: Planning Procedures and Interim Fieldwork**

#### **Actions:**

- Each year, we will meet with members of management prior to the interim fieldwork dates to learn about recent activities and discuss the planned audit and compliance review schedule. During the meeting, we will review the interim and preliminary year-end schedule request. We will also discuss new accounting pronouncements and standards that will affect the financial statements of GPM.

- As part of interim fieldwork activities, we will:
  - ✓ Present our audit plan to the Board of Directors
  - ✓ Review interim financial results, perform risk assessments, and create our year-end audit and compliance review procedures plans
  - ✓ Consider existing internal control processes and perform walkthroughs of significant accounting cycles; this will be completed each year to update our understanding of GPM and its internal control structure
  - ✓ Review the Schedule of Expenditures of Federal Awards (SEFA) prepared by management to complete Uniform Guidance requirements; we will use the SEFA to perform our major program determinations for grants to be tested
  - ✓ Roll forward the prior-year financial statements and review the draft roll forward with GPM's management to agree to any modifications or significant changes from the prior year's presentation
  - ✓ Make inquiries of management and other personnel regarding risk of fraud and other fraud procedures in compliance with auditing standards
  - ✓ Perform a review of existing IT general controls related to financial reporting; this review is part of our financial statement audit procedure and is not intended to encompass information security audit procedures to satisfy regulatory requirements; we typically include members from our Management and Information Technology Consulting Group since they have the necessary expertise to learn more from your team about potential risks and then develop recommendations to mitigate risks and improve your operational effectiveness
  - ✓ Review minutes of the Board and related committee meetings
  - ✓ Update the year-end schedule request
- We will conduct an exit meeting with management to discuss the results of the planning procedures and the year-end schedule request.

#### Deliverables:

Year-end audit schedule request  
 Compliance review schedule request  
 Exit meeting agenda

### Phase 2: Year-End Fieldwork – Audit of Balances and Financial Statements

#### Actions:

- At the end of our annual planning procedures, we provide a detailed list of items that are required for the audit procedures, and these items will be requested before the start of year-end procedures to help reduce the time and effort required of your employees during audit fieldwork.

- We will perform substantive audit procedures on your financial statements as of year-end, including auditing the financial statement disclosures. These procedures will be scheduled and performed to both fit your team's schedule and meet applicable reporting deadlines.
- We will compile the management's discussion and analysis using detail in GPM-prepared financial statements and other relevant documentation.
- We anticipate the audit areas of most significance that will be audited through substantive procedures will include:
  - ✓ Cash and cash equivalents
  - ✓ Receivables and related revenues
  - ✓ Inventory
  - ✓ Capital assets
  - ✓ Leases
  - ✓ Accounts payable and accrued expenses and related expenses
  - ✓ Payroll and other post-employment benefits liabilities and related expenses
  - ✓ Notes payable
  - ✓ Deferred inflows and outflows of resources
  - ✓ Net position
- In addition to the substantive procedures performed on the areas noted above, we will perform analytical procedures over the areas deemed to be less significant in size and overall risk to GPM.
- We use the information customarily generated by client personnel to minimize their time requirements and to allow us to complete our work efficiently and in a timely manner. We believe this approach allows us to concentrate on those matters truly important to the engagement process and to provide top-quality professional service at a reasonable cost.
- We generally begin our fieldwork with a focus on more complex audit areas to allow time for any follow-up questions.
- To complete the Uniform Guidance requirements, we will review the preliminary major program determination to confirm if any modifications are required with the year-end SEFA. We will complete the remaining audit procedures.
- As required by our professional standards, our audit will include an element of unpredictability from year to year, determined based on our risk assessment process.
- We will send an audit confirmation to GPM's attorney(s) as part of the audit process.
- We can provide oral updates on the audit progress at GPM's request.

- We will arrange an exit meeting with management at the end of fieldwork.
- The quality assurance department within BerryDunn will perform their review before we send the draft reports to GPM's management for review. The draft reports will include the Audited Financial Statements, the Required Communications Letter, and an Executive Summary presentation. Our Executive Summary presentation provides a high-level summary of all the draft reports in a way a non-financial user can understand.
- We will schedule a meeting to review the draft reports with GPM's management team prior to the release of the drafts to the Board of Directors.

#### Deliverables:

Exit Meeting Agenda  
 Draft Financial Statements  
 Draft Uniform Guidance Report  
 Draft Required Communications Letter  
 Draft Executive Summary Presentations of Reports

### Phase 3: Final Report and Presentations

#### Tasks:

- The management team will coordinate the delivery of the final draft reports at least one week prior to the meeting with the Finance Committee and Board of Directors.
- We will meet with the Board of Directors to review the final draft reports and the Executive Summary Presentation for the April/May meetings.
- Once approved, we will date and finalize the financial statements and related letters for issuance prior to GPM's reporting deadline in September.

#### Deliverables:

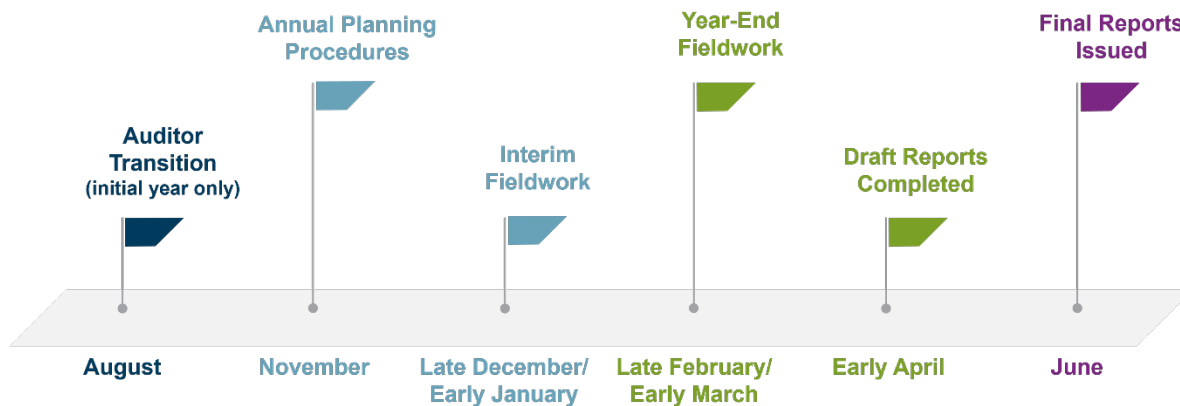
Required board and committee presentations  
 Final financial statements and related letters

**We are also available at any time outside of the traditional audit period for questions, consultations, or assistance.**

#### Proposed Timeline

We understand the importance of having an audit process that is transparent, timely, efficient, and competently administered, particularly when there is a tight turnaround due to external deadlines. **We have the resources and flexibility to meet GPM's timing needs, even if they change from year to year.** We propose the following high-level timeline for the fiscal year ending December 31, 2026, which we believe is in line with GPM's needs based on responses to questions. If it does not match your availability or preference, we are happy to update it accordingly. We expect the timeline in subsequent years will be similar unless GPM requests a change.

Figure 11: Proposed High-Level Audit Timeline



### Time Required of Your Staff

We deeply appreciate GPM's willingness to respond promptly to requests for information, provide books and records necessary to complete the audit, and supply documentation such as:

- ✓ General ledger detail
- ✓ Balance sheet
- ✓ Schedule of accounts receivable
- ✓ Schedule of accounts payable
- ✓ Trial balance
- ✓ Report of revenues and expenditures by department
- ✓ Reconciliations and detail for each balance sheet account
- ✓ Schedule of expenditures of federal awards
- ✓ Schedule of loans receivable and allowance for loan losses
- ✓ Detailed list of fixed assets and depreciation schedule
- ✓ Detailed list and roll forward of leases and SBITAs
- ✓ Detail of accrued liabilities
- ✓ Schedule of accrued payroll and compensated absences
- ✓ Detail to support accounting and disclosure requirements for OPEB

That said, **we do not expect you to train our staff**. In addition to a rigorous training program upon starting at BerryDunn, the firm's annual training calendar includes topics that are relevant to our work with GPM. But we understand an audit does require additional time from your staff. We are sensitive to this and work hard to minimize the disruption our audit has on your team. We send information requests well in advance of the fieldwork, and before we start each stage of fieldwork, we meet with your team to discuss any questions about the requested information. The engagement management team reviews workpapers as quickly as possible so we can avoid asking questions well after the completion of the fieldwork, which we know can cause unnecessary frustration and disruption.

## Tools for a Successful Audit

### Use of Technology

Our commitment to integrating technology in our work with clients also allows us to effectively perform audits on fully remote and hybrid bases, saving our clients both time and travel expense while maintaining access to our team even when we are not on-site. Additionally, the highly automated nature of our engagements allows us to continuously incorporate new technology to increase efficiencies and reduce errors.

BerryDunn uses data analytics as an important part of our engagements to provide clients with a better understanding of their operations. We use **Interactive Data Extraction and Analysis (IDEA) software** to extract and analyze information from your systems. This enables us to perform substantive procedures more efficiently and effectively. As an example, we have obtained listings of cash disbursements and performed a Benford's Law analysis to determine if there were any anomalies in the disbursements for the year. This analysis could help in uncovering misstatements or potential fraud by giving companies a mathematical analysis of their activity. We also use this software to perform predictive tests using data to determine if results meet expectations. These analyses help us keep our clients informed of any potential concerns to allow them to prepare for corrective action or proactively address any issues.

For GPM, we will employ an encrypted client portal called **BerryDunn KnowledgeLink**. BerryDunn KnowledgeLink features a document repository to store deliverables and maintain live open request items, along with a calendar view to capture major project milestones. Through KnowledgeLink, BerryDunn manages all project deliverables, documentation, and other related materials. The site incorporates automated workflows so the status of deliverables and outstanding items can be tracked in real-time. GPM's KnowledgeLink site will be set up to allow for controlled access and will include security and safeguards to help prevent unauthorized access.

We have adopted the use of a new software, **DataSnipper**. DataSnipper is an add-on to Microsoft Excel that streamlines many audit tasks in an efficient manner, such as extracting certain items within workpapers for summarization, automatic text recognition on scans and other images, and document organization for audit files. DataSnipper is also used to extract information on forms and other paperwork automatically.

### Commitment to Innovation

At BerryDunn, our commitment to innovation stems from our continuous desire to improve and grow. Recognizing the need for beneficial, constant, and occasionally unorthodox changes, we instituted our Innovation Council, an internal cross-practice team focused on incubating a firm culture that values and rewards innovative and original ideas. Through various initiatives such as training programs, resource provisions, and motivational incentives, the Council seeks to responsibly accelerate the pace of transformative change within our organization. Reporting directly to the Board of Directors, CEO, and Leadership Team, the Innovation Council—which includes Engagement Principal Katy Balukas—is responsible for leading firm-wide communication about upcoming and groundbreaking innovations. Our investment in innovation

is aimed at enhancing the value we deliver to our clients. By fostering an environment that encourages continuous improvement, we help ensure our services remain competitive, relevant, and beneficial in a constantly changing regulatory landscape.

### Artificial Intelligence (AI) and Data Analytics

As part of our ongoing commitment to innovation and excellence in consulting and auditing services, BerryDunn is incorporating the use of Microsoft Copilot, a generative AI program, for internal use in client engagements. This step aligns with our strategy to leverage cutting-edge technology to enhance the quality, efficiency, and effectiveness of our services.

#### *Use of Generative AI Programs*

We will be utilizing generative AI programs where appropriate and permissible under client contracts and relevant laws. These AI tools are designed to support our team in various aspects of client work, including data analysis, report generation, and project management. The integration of AI enables us to provide more accurate insights and streamline our processes, ultimately benefiting our clients through enhanced service delivery.

#### *Data Security Protections*

We recognize the critical importance of data security and are committed to maintaining the highest standards of protection for our clients' information. Our firm has implemented robust data security measures to help ensure that all information processed by generative AI programs remains confidential and secure. These measures include encryption, access controls, regular security audits, and compliance with industry best practices and relevant regulations.

For example, Microsoft Copilot integrates with the firm's existing Microsoft 365 environment, which means it is governed by BerryDunn's existing organizational permissions and data access controls, ensuring client data and information remains secure.

#### *Quality Assurance Program*

To help ensure the reliability and accuracy of the outputs generated by AI tools, our firm has established a thorough quality assurance program. This program includes rigorous testing of AI-generated content, continuous monitoring for consistency and accuracy, and validation by our experienced professionals. We are dedicated to providing high-quality services and guarantee that all work produced using generative AI will meet the same standards of excellence that our clients expect from our firm.

We appreciate your trust and confidence in our services and remain committed to delivering outstanding results through the responsible and innovative use of technology.

### Communication is Key

**We view communication throughout the year as a critical component of a healthy professional relationship**, and we encourage periodic check-ins to help us stay apprised of issues affecting GPM. We are also available at any time outside of the traditional audit period for questions, consultations, or assistance, and **we do not charge you for these routine**

**questions.** This means we can get a head start on audit planning as well as proactively address potential issues. We value close communication with those charged with governance during our fieldwork and prefer to keep you apprised of important issues as they arise. We will conduct exit meetings during interim and year-end phases to help ensure the appropriate stakeholders receive timely communication of our audit results.

**We strive to return all phone calls, emails, and other communications within 24 hours,** and we will partner with management to determine the best course of action should any questions or concerns arise. Our commitment to frequent interaction with your team helps ensure that we stay connected with GPM so we can offer valuable insight and guidance. As part of our commitment to you, we will:

- ✓ Assign a dedicated engagement manager as primary point-of-contact
- ✓ Maintain regular communication with leadership and the Audit Committee
- ✓ Coordinate scheduling, fieldwork, and reporting with minimal disruption to operations
- ✓ Adhere to agreed-upon timelines and service-level expectations

**Clear and well-timed communication is vital to the success of any project.** Our intent is to involve GPM's personnel as needed, make their roles and responsibilities clear, and minimize impact to their daily jobs. As part of the project plan, we will identify the communication and awareness needs of each project stakeholder and the method and frequency of communication to meet those needs.

BerryDunn fosters a work climate with a high tolerance for change and a high comfort level with market and regulatory shifts. Our experience allows us to anticipate areas that might pose challenges and rapidly develop approaches to mitigate these issues. BerryDunn's reputation for managing complex and challenging projects is based on successful planning, coordination, and completion of diverse activities. These projects often require involvement by teams of talented professionals specifically selected to meet our clients' unique needs.

We monitor project risk closely, identifying any areas that may affect the project schedule or quality. These areas are recorded in our project risk register, along with any mitigation techniques for remediation. We also immediately communicate critical project risks through the established channels. Our engagement principal, engagement managers, and key personnel make themselves readily available to clients, responding to questions and requests within one business day or less.

Status reports provide a snapshot of project health and measure actual progress against expected outcomes, including:

- ✓ Overall project status, including a dashboard of key project indicators
- ✓ Planned activities for the upcoming reporting period
- ✓ Work completed in the prior reporting period
- ✓ Risks or issues that must be addressed to keep the project on track

The primary lines of communication for this project will be between Jason Badeau, the BerryDunn engagement senior manager, and GPM's project manager. Through active and continuing telephone, email, and face-to-face contact as applicable, we will provide an open, ongoing dialogue that is critical to engagement performance and client satisfaction. During project initiation, Jason, along with manager Meagan Pina, will work with GPM's project manager to define agreed-upon methods of communication between BerryDunn and GPM and the frequency of each method. Throughout the project, we will manage project communications with consideration for:

- ✓ Team member roles, responsibilities, and information needs
- ✓ Method(s) of communication (e.g., status reports, status meetings, presentations)
- ✓ Communication tools (e.g., email, teleconferencing, web conferencing, collaborative project management tools such as SharePoint)
- ✓ Meeting guidelines

### Value Added to the Audit Process

As part of our audit, we not only look at controls but we look for best practices and other operational improvements to assist you in an advisory capacity. We will provide valuable information as a by-product of our audit. Some examples of ways we have assisted clients in the past are:

- Provided proactive guidance and assistance surrounding the implementation of new accounting standards. We begin our process well before the required adoption dates to allow for sufficient time to work through the new standards and train our clients' staff.
- Performed agreed-upon procedures involving a client's purchasing card (PCard) system, testing underlying detail back to approved policy with a focus on internal controls, developing several recommendations for strengthening internal controls in this area as part of the client's process of updating their PCard system and processes
- Reviewed and provided feedback on a client's accounting and procurement policies and procedures to help ensure compliance with the new Uniform Guidance standards
- Assisted with the adoption of accounting practices related to specific grants or awards
- Identified opportunities to strengthen workflows and maximize use of enterprise resource planning system functionality
- Guided clients through the process of converting the accounting for capital assets from Excel documents to a fixed asset inventory system
- Helped clients develop a process of identifying and recording capital expenditures on a routine basis, as opposed to capturing the information on an annual basis
- Provided recommendations to improve the year-end closing processes
- Evaluated IT security risks to identify gaps in security practices and establish a baseline for future audit and operational planning

## Identification of Anticipated Potential Audit Problems

Based on our review of the scope of services and operating environment described in the RFP, we have identified potential areas of increased audit risk or complexity. **Our approach emphasizes proactive planning, early communication, and targeted audit procedures to efficiently mitigate these risks while minimizing disruption to GPM staff.**

### *Federal Funding and Uniform Guidance Compliance*

**Potential Risk Area:** GPM receives significant funding from the FTA, including operating and capital assistance, subject to Uniform Guidance requirements. Compliance with major program requirements, including allowable costs, procurement, reporting, and subrecipient activities, may present complexity.

#### **Our Approach to Issue Resolution:**

- Perform early risk assessment to identify major programs and key compliance requirements
- Update our understanding of federal programs annually to reflect changes in funding or program structure
- Utilize experienced Single Audit specialists to design targeted compliance testing procedures
- Communicate emerging issues promptly to management to allow timely resolution

**Assistance Requested of GPM:** To do this, we will need completion of the SEFA with supporting documentation, access to grant agreements, reimbursement requests, and compliance policies, and identification of any new or modified federal programs during the year from GPM.

### *Timing and Recognition of Revenue from Multiple Funding Sources*

**Potential Risk Area:** GPM's funding structure includes municipal assessments, fare revenue, and reimbursement-based federal and state funding, with varying timing of cash flows and recognition considerations.

#### **Our Approach to Issue Resolution:**

- Perform detailed walkthroughs of revenue streams and related internal controls
- Test revenue recognition policies for compliance with applicable GASB guidance
- Perform analytical procedures and cutoff testing around period-end activity

**Assistance Requested of GPM:** To do this, we will need detailed schedules of revenue by source with reconciliation to the general ledger, documentation of municipal billing and collection schedules, and support for significant or unusual revenue transactions from GPM.

### *Cash Handling and Fare Collection Systems*

**Potential Risk Area:** GPM utilizes a combination of manual cash fare collection and automated fare systems, including smart cards, mobile applications, and planned “tap-to-pay” technology. This creates inherent risks related to completeness and accuracy of revenue, system interfaces, and reconciliation processes.

#### **Our Approach to Issue Resolution:**

- Evaluate internal controls over cash collection, counting, and deposit processes
- Test system-generated reports and reconciliation procedures for automated systems
- Perform substantive testing of fare revenue and related reconciliations

**Assistance Requested of GPM:** To do this, we will need system documentation for the automated fare collection system and upcoming upgrades, reconciliation reports between fare systems and accounting records, and access to third-party service provider reports, if applicable, from GPM.

### *Internal Control Environment in a Lean Finance Function*

**Potential Risk Area:** The finance department consists of a relatively small team with some recent staff tenure, which may impact segregation of duties and control execution.

#### **Our Approach to Issue Resolution:**

- Perform a detailed assessment of internal control design and implementation
- Identify opportunities to strengthen controls and reduce risk, particularly in key transaction cycles
- Communicate practical, value-added recommendations in the management letter

**Assistance Requested of GPM:** To do this, we will need organizational charts and assignment of responsibilities, access to policies and procedures documentation, and availability of staff for walkthroughs and control discussions from GPM.

### *Implementation of New Accounting Standards and Technical Matters*

**Potential Risk Area:** While the RFP notes that no significant reporting difficulties are anticipated, new GASB pronouncements or emerging issues (e.g., technology-related arrangements, benefit plans, or modifications to the financial financials and Management Discussion and Analysis [MD&A]) may require technical evaluation and potential changes in reporting.

#### **Our Approach to Issue Resolution:**

- Monitor upcoming GASB standards and communicate implications early
- Provide proactive guidance on implementation, including impact assessments
- Review MD&A and disclosures to help ensure completeness and compliance

**Assistance Requested of GPM:** To do this, we will have early discussion of new transactions or initiatives with management and draft the financial statements and MD&A in a timely manner.

#### *Cash Flow Timing and Short-Term Financing*

**Potential Risk Area:** The use of tax anticipation notes to manage timing differences in funding introduces complexity in classification, disclosure, and compliance with debt-related requirements.

#### **Our Approach to Issue Resolution:**

- Obtain and review debt agreements and related documentation
- Test compliance with debt covenants and proper classification in financial statements
- Evaluate adequacy of related disclosures

**Assistance Requested of GPM:** To do this, we will need debt schedules/agreements and supporting documentation for borrowings and repayments.

#### **Overall Approach to Issue Resolution**

Across all areas, BerryDunn will:

- Conduct early planning meetings to understand current developments, identify new or additional procedures to be performed, identify risks and align expectations
- Maintain continuous communication with management regarding issues and status
- Apply a risk-based audit methodology to focus effort on higher-risk areas
- Provide practical recommendations that enhance internal controls and reporting processes

Our goal is to deliver an efficient, high-quality audit while also providing meaningful insights and technical support to GPM throughout the engagement period.

## Price Proposal

We developed our costs based on the following factors:

- ✓ Our detailed work plan narrative presented in our proposal
- ✓ Our staffing plan and resource allocation, which provides GPM with the appropriate resources and level of expertise to complete the tasks defined in the RFP
- ✓ Our experience conducting projects of similar scope and size
- ✓ Testing of one major program subject to Uniform Guidance

### Total All-Inclusive Maximum Annual Fee for Audit Services

Below and in **Appendix C**, we include our proposed fees—if our actual time incurred is less than expected, GPM will be billed the lesser amount.



**We welcome open communication throughout the year, and these interactions are included in our annual fees.** GPM is encouraged to include us in any conversation where we can help, at any time of year. We will maintain frequent contact with management during GPM's audit, as well as throughout the year, and will strive to return your calls, emails, and other requests within 24 hours.

	2026	2027	2028	2029	2030
Annual Financial Statement Audit	\$42,175	\$44,175	\$46,175	\$48,175	\$50,175
Uniform Guidance Audit	\$9,000	\$10,000	\$11,000	\$12,000	\$13,000
Annual Administrative Fee	\$825	\$825	\$825	\$825	\$825
<b>Not-to-Exceed Fees</b>	<b>\$52,000</b>	<b>\$55,000</b>	<b>\$58,000</b>	<b>\$61,000</b>	<b>\$64,000</b>

### Hourly Rates for Out-of-Scope Services

**We are excited about this opportunity to partner with GPM. To demonstrate our commitment to you, we have discounted our standard rates by approximately 25%.** We strive to keep our fees to a minimum, even in light of the many changes imposed by regulatory authorities and others. Fees for future years are expected to increase by inflation.

	Standard Rate	Discounted Rate
Partner	\$580	\$435
Senior Manager	\$420	\$315
Manager	\$370	\$275
Senior Auditor	\$310	\$230
Staff Auditor	\$260	\$195

## Our Strategies to Control Costs

BerryDunn has an excellent track record of completing projects on time and within the agreed-upon budget. We employ a variety of strategies to control costs including:

- ✓ **Keeping our principals and managers involved in the process.** Our principals and managers stay engaged throughout the project, allowing them to address challenges as they arise and avoid costly delays.
- ✓ **Following project management best practices.** Project management best practices form the foundation for all of our professional services and help to keep our engagements on track.
- ✓ **Investing up front in project planning.** The first step in any engagement we undertake is a project planning meeting. This helps us understand the project scope and anticipate challenges. After the project planning meeting, we will revise our proposed work plan and staffing assignments. We do not begin work until the client approves the revised work plan.
- ✓ **Strategically adapting to changes.** We propose having weekly status meetings to discuss project issues and dynamically adjust our plans to best meet your needs. New information often requires altering the work plan, schedule, budget, or scope. Our teams are accustomed to these challenges and work closely with client management teams to help make sure the necessary changes are agreed upon and approved.
- ✓ **Utilizing the best technology to allow our teams to work from anywhere.** We provide our team members with the technology necessary to allow them to work in-office, remotely, and on-site with ease. We also use videoconference services, such as Zoom and Microsoft Teams, to stay in close communication with our clients without incurring unnecessary travel costs.

We only allow changes to the timeline, scope, or project fees based on changes that are documented and approved by the client. Our principals and managers regularly meet with our clients' management teams to identify issues and discuss solutions. Should additional work be identified that would require additional time and/or cost, we will work with GPM to define the updated scope and fee structure before starting the expanded portion of the project.

Any professional time incurred to assist your team with activities considered outside the scope of services proposed herein will be based on our standard hourly billing rates. If additional major programs are required to be tested under applicable regulations, an additional fee may apply. This reflects the extra audit procedures and time necessary to comply with federal Single Audit standards. Before undertaking any work beyond the scope of this proposal, we will work with you to gain agreement on the related objectives, scope, deliverables, and fees.

***Minimizing GPM's operating expenses, including accounting fees, is a critical fiduciary duty and vital to sustainable success. If you believe our proposed fees are not competitive, we would appreciate the opportunity to review them with you to confirm our understanding of GPM's needs.***

# Appendix A: Peer Review

## Briscoe, Burke & Grigsby LLP CERTIFIED PUBLIC ACCOUNTANTS

### Report on the Firm's System of Quality Control

October 16, 2024

To the Members of Berry Dunn McNeil & Parker, LLC  
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Berry Dunn McNeil & Parker, LLC (the firm) applicable to engagements not subject to permanent PCAOB inspection in effect for the year ended June 30, 2024. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

#### Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

#### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

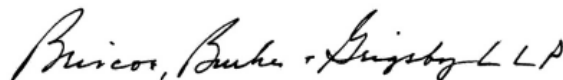
#### Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, audits of employee benefit plans, audits performed under FDICIA and examinations of service organizations (SOC 1<sup>®</sup> and SOC 2<sup>®</sup> engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

#### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Berry Dunn McNeil & Parker, LLC applicable to engagements not subject to permanent PCAOB inspection in effect for the year ended June 30, 2024, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Berry Dunn McNeil & Parker, LLC has received a peer review rating of *pass*.



Certified Public Accountants

Members American Institute of Certified Public Accountants  
4120 East 51<sup>st</sup> Street Suite 100 Tulsa, Oklahoma 74135-3633 (918) 749-8337

## Appendix B: Key Staff Resumes

### Katharine Balukas, CPA\*



**Partner** | BDMP Assurance, LLP  
**Principal** | Berry, Dunn, McNeil & Parker, LLC

*\*Attest services provided by BDMP Assurance, LLP, a licensed CPA firm.*

#### EDUCATION AND CERTIFICATIONS

BA, Accounting, Saint Anselm College

#### RELEVANT EXPERIENCE

16 years

#### LOCATION

Manchester, NH

#### AFFILIATIONS AND MEMBERSHIPS

- American Institute of Certified Public Accountants
- New Hampshire Society of Certified Public Accountants
- Young Professionals Committee, Chair 2013-2015
- AICPA Leadership Academy, graduate

**Katy is a principal for BerryDunn's Healthcare/Not-for-Profit Practice Group and leader of the Government Audit and Accounting services practice team. She has spent her entire career working with not-for-profit, governmental, and healthcare organizations. Because of her industry-specific experience, she understands the unique challenges of these organizations. Katy has worked on audit and accounting engagements for a wide range of governmental, not-for-profit, and healthcare organizations, including social service agencies, higher education institutions, affordable housing agencies, and home health organizations.**

**As part of Katy's expertise in assurance, she provides clients advice on improving their internal controls and processes and assists them in maintaining compliance with federal and state grant requirements. In 2015, Katy received national recognition by being selected to participate in the AICPA's prestigious Leadership Academy.**

#### EXPERIENCE

- Financial statement audits and reviews
- Compliance audits for Uniform Guidance
- Programmatic audits and compliance examinations
- Yellow Book audits
- Reviews and compilations
- Grants administration
- Audit readiness
- Operational assessments and process improvement
- Internal control reviews
- Internal audit services

#### PUBLICATIONS AND PRESENTATIONS

- *Internal controls: Choosing the right payment method* | a BerryDunn article
- *GASB 100 and GASB 101: Cruising into triple digits* | a BerryDunn article
- *Update for GASB-Governed Organizations: Lease Accounting, LIBOR Transition, SBITA, and Section 457 Plans* | a BerryDunn article
- *Our take on SBITA: Making accounting for cloud-based software less nebulous* | a BerryDunn article
- *Uniform Guidance Overview*, Human Services Finance Officer (HSFO) 2018 Annual Conference

<b>Program</b>	<b>Sponsor</b>	<b>Record Status</b>	<b>Date</b>
BerryDunn Connections: Team Spotlights - July, 2023	BerryDunn	Passed with full credit	07/27/2023
2023 Encore - Post-Pandemic Work Culture - Evolution into the Next Chapter	BDO	Passed with full credit	08/09/2023
Peer Review Prep - Single Audit	BerryDunn	Passed with custom credit	08/16/2023
GASB 2023: State of the Government Industry & Accounting and Auditing Update/GASB Update	BDO	Passed with full credit	08/23/2023
GASB 2023: BDO Government Tools & Templates - Updates and Best Practices	BDO	Passed with full credit	08/23/2023
GASB 2023: BDO Government Tools & Templates - Updates and Best Practices	BDO	Passed with full credit	08/23/2023
Tax Considerations for the Assurance Team	BerryDunn	Passed with full credit	08/31/2023
Developing Others	BDO	Passed with full credit	09/07/2023
NFP 2023: Net Assets: Sampling and Testing Issues	BDO	Passed with full credit	09/12/2023
NFP 2023: Auditing Nonprofit Revenue Streams (606)	BDO	Passed with full credit	09/12/2023
NFP 2023: Contributed Nonfinancial Assets - Lesson Learned	BDO	Passed with full credit	09/13/2023
NFP 2023: Nonprofit Financial Reporting Framework - Common Errors and Issues	BDO	Passed with full credit	09/13/2023
NFP 2023: Nonprofit Leases - Industry Specific Issues and Lessons Learned	BDO	Passed with full credit	09/13/2023
How to Increase Audit Efficiency by Using CaseWare Connector	BerryDunn	Passed with full credit	09/15/2023
Healthcare L&D Day	BerryDunn	Passed with custom credit	09/26/2023
Caseview Tips & Tricks	BerryDunn	Passed with full credit	11/08/2023
Work Smarter not Harder: Performing Efficient Review Engagements	BerryDunn	Passed with custom credit	11/14/2023
BDO Quarterly NFP & Education Accounting and Auditing Update Q4 -2023	BDO	Passed with full credit	12/05/2023
BDO Quarterly Government Accounting and Auditing Update Q4 - 2023	BDO	Passed with full credit	12/07/2023
Applying DataSnippet to Your Engagements	BerryDunn	Passed with custom credit	12/11/2023

NFP Busy Season Lessons Learned & Group Update	BerryDunn	Passed with custom credit	12/11/2023
CCH ARM Expertise Made Easy	Wolters Kluwer	Passed with full credit	01/30/2024
Innovation Training Day 1	BerryDunn	Passed with custom credit	02/27/2024
Innovation Training Day 2	BerryDunn	Passed with custom credit	02/28/2024
BDO Quarterly Government Accounting and Auditing Update Q1 - 2024	BDO	Passed with full credit	03/25/2024
CCH Access Engagement Pro - End User Training - 4 Hr Web	Wolters Kluwer	Passed with full credit	04/09/2024
2024 Annual NFP Training	BerryDunn	Passed with custom credit	05/20/2024
2024 Healthcare L&D Day	BerryDunn	Passed with custom credit	09/17/2024
NFPPG Education Series: Fall Bootcamp	BerryDunn	Passed with full credit	10/11/2024
Supervision Max	BerryDunn	Passed with full credit	12/16/2024
NFPPG FY25 December Meeting	BerryDunn	Passed with full credit	12/16/2024
Creating a Culture of Growth	BerryDunn	Passed with full credit	01/16/2025
Leverage Team Strengths	BerryDunn	Passed with full credit	01/17/2025
NFPPG Education Series: 2025 Spring Compliance Bootcamp	BerryDunn	Passed with custom credit	04/07/2025
NFPPG CCH Migration	BerryDunn	Passed with full credit	04/10/2025
2025 Annual NFPPG Meeting	BerryDunn	Passed with full credit	05/19/2025
2025 BDO Quarterly NFP & Education Accounting and Auditing Update - Q2	BDO USA	Passed with full credit	06/17/2025
Ethical Considerations for the CPA	Surgent McCoy CPE, LLC	Passed with full credit	06/24/2025
2025 A&A Update	BerryDunn	Passed with full credit	06/24/2025
2025 A&A Update	BerryDunn	Passed with full credit	06/24/2025
GASB 2025_ State of the Government Industry Update	BDO Alliance USA	Passed with full credit	08/20/2025

GASB 2025_ GASB Update	BDO Alliance USA	Passed with full credit	08/20/2025
Microsoft Copilot - Digging in Deeper: Productivity & Collaboration	BerryDunn	Passed with full credit	08/22/2025
Microsoft Copilot - Digging in Deeper: Copilot in your Office - ATAT	BerryDunn	Passed with full credit	09/05/2025
2025 Healthcare L&D Day	BerryDunn	Passed with full credit	09/23/2025
2025 BDO Quarterly Government Accounting and Auditing Update - Q1	BDO USA	Passed with full credit	10/13/2025
AICPA Town Hall: Special Edition — Navigating the Government Shutdown	AICPA	Passed with full credit	10/16/2025
Mid-Year NFPPG Meeting	BerryDunn	Passed with full credit	12/16/2025
Audit Lunch n' Learn - Housing	BerryDunn	Passed with full credit	01/15/2026
Lunch n Learn – GASB standards: Key pronouncements	BerryDunn	Passed with full credit	01/30/2026
2026 UG Bootcamp	BerryDunn	Passed with full credit	04/17/2026
FY26 Information Security: Protecting PHI, PII, and Other Sensitive Data	BerryDunn	Passed with full credit	12/11/2025
GASB 103: Financial Reporting Model Improvements	LumiQ Learn	Passed with full credit	11/24/2025
A Deep Dive into the Challenges of Single Audit Reporting	LumiQ Learn	Passed with full credit	11/24/2025
GASB Updates for 2025 & Beyond	LumiQ Learn	Passed with full credit	11/04/2025
Acceptable Use of Microsoft Copilot	BerryDunn	Passed with full credit	07/25/2025
Quality Assurance and Microsoft Copilot	BerryDunn	Passed with full credit	07/25/2025
2024 Information Security: Protecting PHI, PII, and Other Sensitive Data	BerryDunn	Passed with custom credit	11/11/2024
Maintaining Independence at Work	BerryDunn	Passed with full credit	01/09/2024

# Emily Parker, CPA



**Partner** | BDMP Assurance, LLP

**Principal** | Berry, Dunn, McNeil & Parker, LLC

## EDUCATION AND CERTIFICATIONS

MS, Accounting, University of Maine

BS, Accounting, University of Maine

## RELEVANT EXPERIENCE

21 years

## LOCATION

Bangor, ME

## AFFILIATIONS AND MEMBERSHIPS

- American Institute of Certified Public Accountants
- National Association of College and University Business Officers
- Good Samaritan Agency, past President

**Emily Parker joined the firm in 2004 and is a member of the firm's Not-for-Profit Practice Group. She spends her time working with a variety of government and not-for-profit clients throughout New England. Emily helps clients in many capacities, including audit, accounting, and Uniform Guidance compliance audits. Emily works with not-for-profit organizations in understanding and accounting for endowment investment pooling and many other financial complexities and opportunities.**

**Emily is a firm leader in the development of internal and external training sessions on topics ranging from board governance to new accounting pronouncements.**

## EXPERIENCE

- Challenging revenue recognition requirements
- Capital campaign accounting Consulting services
- Endowment pooling considerations
- Uniform Guidance compliance audits
- FASB accounting standards

## PUBLICATIONS AND PRESENTATIONS

- *Recharge 2022: NFP Industry Outlook*
- *The Path of Lease Resistance: How to Navigate the New Lease Accounting Standards*, NNECAP Conference 2022
- *Board Governance Basics: Are You Fulfilling Your Fiduciary Responsibilities?*
- *Top Not-for-Profit Issues: Understand the Impact of the Most Substantial Revision in Over 20 Years and Other Key Topics*
- *Not-for-profit update: Brighter days ahead*
- Indirect Cost Allocation, presenter
- *Increasing Your Oversight with an Internal Audit*, presenter

<b>Program</b>	<b>Sponsor</b>	<b>Record Status</b>	<b>Completed</b>
Peer Review Prep - Single Audit	BerryDunn	Passed with full credit	08/16/2023
GASB 2023: Accounting & Auditing considerations - GASB 94	BDO	Passed with full credit	08/24/2023
How to Increase Audit Efficiency by Using CaseWare Connector	BerryDunn	Passed with custom credit	09/15/2023
Healthcare L&D Day	BerryDunn	Passed with custom credit	09/26/2023
Caseview Tips & Tricks	BerryDunn	Passed with full credit	11/08/2023
Applying DataSnipper to Your Engagements	BerryDunn	Passed with custom credit	12/11/2023
NFP Busy Season Lessons Learned & Group Update	BerryDunn	Passed with custom credit	12/11/2023
CCH ARM - EXPERTISE MADE EASY	Wolters Kluwer	Passed with full credit	01/30/2024
DEIBA Retreat 2024	BerryDunn	Passed with full credit	03/12/2024
2024 Annual Half Day UG Bootcamp	BerryDunn	Passed with custom credit	04/02/2024
Behind the numbers: unveiling the process of chart of accounts governance	NACUBO	Passed with full credit	04/29/2024
Higher Education Tax Update	NACUBO	Passed with full credit	04/29/2024
GAAP (FASB) questions answered	NACUBO	Passed with full credit	04/29/2024
GASB Update	NACUBO	Passed with full credit	04/29/2024
Top Issues for Colleges and Universities	NACUBO	Passed with full credit	04/30/2024
Audit Compliance for FY24	NACUBO	Passed with full credit	04/30/2024
2024 Annual NFP Training	BerryDunn	Passed with custom credit	05/20/2024
CPG/NFPPG Employee Engagement	BerryDunn	Passed with full credit	05/20/2024
Board's Oversight of Artificial Intelligence	BDO	Passed with full credit	05/22/2024
Not-for-profit entities: 2024 Industry developments	AICPA	Passed with full credit	05/29/2024
2024 BDO Annual Nonprofit Accounting and Auditing Update	BDO	Passed with full credit	05/30/2024

2024 AICPA & CIMA Not-for-Profit Industry Conference	AICPA	Passed with full credit	06/20/2024
2024 Annual A&A Update Training	BerryDunn	Passed with full credit	06/26/2024
CCH Access Engagement Pro End User Training	BerryDunn	Passed with full credit	07/17/2024
CCH Access Engagement Pro Knowledge Coach	BerryDunn	Passed with full credit	07/25/2024
GASB 2024: Common Financial Reporting Errors	BDO	Passed with full credit	08/20/2024
GASB 2024: State of the Government Industry Update	BDO	Passed with full credit	08/20/2024
DEIBA Retreat 2024 - Day 1	BerryDunn	Passed with full credit	10/29/2024
NFPPG Education Series: Tax Revenue and Expense Reporting (Incl. Discontinued Ops)	BerryDunn	Passed with full credit	11/04/2024
Supervision Max	BerryDunn	Passed with full credit	12/16/2024
NFPPG FY25 December Meeting	BerryDunn	Passed with full credit	12/16/2024
Servant Leadership Essentials	BerryDunn	Passed with full credit	02/06/2025
2025 BDO Quarterly NFP & Education Accounting and Auditing Update - Q1	BDO USA	Passed with full credit	03/25/2025
2025 Single Audit Update - Q1	BDO USA	Passed with full credit	03/26/2025
Fearless Innovation	BerryDunn	Passed with full credit	04/03/2025
NFPPG Education Series: 2025 Spring Compliance Bootcamp	BerryDunn	Passed with full credit	04/07/2025
NFPPG CCH Migration	BerryDunn	Passed with full credit	04/10/2025
Generation THEM: Navigating the Generational Divide	NACUBO	Passed with full credit	04/22/2025
The State of the Accounting Profession	NACUBO	Passed with full credit	04/22/2025
FASB update	NACUBO	Passed with full credit	04/23/2025
Higher Education Tax Update	NACUBO	Passed with full credit	04/23/2025
Building Better Teams: A Transformation Story	NACUBO	Passed with full credit	04/24/2025

Higher Education Response to Uniform Guidance Changes	NACUBO	Passed with full credit	04/24/2025
Whatever it is, I'm against it: Resistance to Change in Higher Education	NACUBO	Passed with full credit	04/24/2025
2025 Annual NFPPG Meeting	BerryDunn	Passed with full credit	05/19/2025
Ethical Considerations for CPAs	Surgent McCoy CPE, LLC	Passed with full credit	06/24/2025
2025 A&A Update	BerryDunn	Passed with full credit	06/24/2025
2025 A&A Update	BerryDunn	Passed with full credit	06/24/2025
2025 A&A Update	BerryDunn	Passed with full credit	06/24/2025
Microsoft Copilot - The Fundamentals	BerryDunn	Passed with full credit	08/13/2025
Microsoft Copilot - Digging in Deeper: Productivity & Collaboration	BerryDunn	Passed with full credit	08/21/2025
Finance and Accounting 2040: Rise to the Future Together	BerryDunn	Passed with full credit	08/27/2025
Microsoft Copilot - Digging in Deeper: Copilot in your Office - ATAT	BerryDunn	Passed with full credit	09/03/2025
Tax Lunch n' Learn - Intro To Private Foundations	BerryDunn	Passed with full credit	09/26/2025
Mid-Year NFPPG Meeting	BerryDunn	Passed with full credit	12/16/2025
2026 UG Bootcamp	BerryDunn	Passed with full credit	04/17/2026
Not-for-Profit Entities: 2026 Industry Developments	AICPA	Passed with full credit	05/20/2026
FY26 Information Security: Protecting PHI, PII, and Other Sensitive Data	BerryDunn	Passed with full credit	10/29/2025
Quality Assurance and Microsoft Copilot	BerryDunn	Passed with full credit	07/18/2025
Acceptable Use of Microsoft Copilot	BerryDunn	Passed with full credit	07/18/2025
2024 Information Security: Protecting PHI, PII, and Other Sensitive Data	BerryDunn	Passed with custom credit	11/11/2024
Maintaining Independence at Work	BerryDunn	Passed with full credit	01/09/2024

# Jason Badeau, CPA, MBA



**Senior Manager** | Berry, Dunn, McNeil & Parker, LLC

*Attest services are provided by BDMP Assurance, LLP, a licensed CPA firm.*

## EDUCATION AND CERTIFICATIONS

MBA, Accounting, Thomas College  
BS, Accounting, *summa cum laude*, Thomas College

## AFFILIATIONS AND MEMBERSHIPS

- American Institute of Certified Public Accountants

## RELEVANT EXPERIENCE

10 years

## LOCATION

Portland, ME

Jason Badeau is a senior member of BerryDunn’s Not-for-Profit Practice Group, where he provides audit and accounting services to a variety of organizations ranging in size and complexity. Significant governmental clients include all of BerryDunn’s public housing authority clients in addition to Cary Medical Center, Casco Bay Island Transit District, Maine Community College System, and New Hampshire Liquor Commission. Jason focuses on Office of Management and Budget Circular Uniform Guidance audits, MAAP, and audits in accordance with GAS (Yellow Book). His understanding of the complexities of GASB and compliance audits allows him to provide his clients with a valuable perspective on the latest pronouncements and how they may affect the organization’s operations.

Clients rely on Jason to provide unbiased and all-inclusive feedback on improving internal controls and processes based on best practices he has learned while working with similar organizations.

## EXPERIENCE

- Financial statement audits
- Compliance audits for Uniform Guidance and MAAP
- Federal and State grant compliance
- Programmatic audits and compliance examinations
- Yellow Book audits
- Grants administration
- Operational assessments and process improvement
- Internal control reviews
- Internal audit services and audit readiness

## PUBLICATIONS AND PRESENTATIONS

- *FASB and GASB News: Postponement of the Lease Accounting Standards*, a BerryDunn article
- *Ensuring accountability in nonprofit organizations: Key questions for audit committees*, a BerryDunn article
- *HUD notice: What PHAs need to know about operating funds*, a BerryDunn article

<b>Program</b>	<b>Sponsor</b>	<b>Record Status</b>	<b>Completed</b>
Federal Audit Clearinghouse - Transitioning to GSA	NASACT	Passed with full credit	07/27/2023
Peer Review Prep - Single Audit	BerryDunn	Passed with custom credit	08/16/2023
Healthcare L&D Day	BerryDunn	Passed with full credit	09/26/2023
Excel with Andrew: Charting and Infographics in Excel	BerryDunn	Passed with custom credit	12/07/2023
Applying DataSnipper to Your Engagements	BerryDunn	Passed with custom credit	12/11/2023
NFP Busy Season Lessons Learned & Group Update	BerryDunn	Passed with full credit	12/11/2023
Annual Senior Living Training	BerryDunn	Passed with custom credit	01/08/2024
Excel with Andrew: Solving Common Problems in Excel	BerryDunn	Passed with full credit	01/10/2024
Being a Good Mentor	Linkedin Learning	Passed with full credit	01/17/2024
BerryDunn Consultative Selling	Dale Carnegie	Passed with full credit	01/25/2024
2024 Nonprofit Finance & Accounting Academy	Greater Washington Society Of CPAs	Passed with full credit	03/21/2024
2024 Annual Half Day UG Bootcamp	BerryDunn	Passed with custom credit	04/02/2024
2024 Annual Employee Benefit Training	BerryDunn	Passed with custom credit	04/29/2024
2024 Annual NFP Training	BerryDunn	Passed with custom credit	05/20/2024
2024 Annual A&A Update Training	BerryDunn	Passed with custom credit	06/26/2024
Excel with Andrew: Let's Get Logical	BerryDunn	Passed with full credit	08/23/2024
2024 Healthcare L&D Day	BerryDunn	Passed with custom credit	09/17/2024
The Future of Auditing: Data and Artificial Intelligence	Intergovernmental Audit Forums	Passed with full credit	09/26/2024
NFPPG Education Series: Fall Bootcamp	BerryDunn	Passed with full credit	10/11/2024
NFPPG Education Series: Tax Revenue and Expense Reporting (Incl. Discontinued Ops)	BerryDunn	Passed with custom credit	11/04/2024

Supervision Max	BerryDunn	Passed with full credit	12/16/2024
NFPPG FY25 December Meeting	BerryDunn	Passed with full credit	12/16/2024
Leverage Team Strengths	BerryDunn	Passed with full credit	01/17/2025
NFPPG Education Series: Audit Lunch n' Learn	BerryDunn	Passed with full credit	02/12/2025
NFPPG Education Series: Tax Lunch n' Learn	BerryDunn	Passed with full credit	02/18/2025
NFPPG Education Series: Tax Lunch n' Learn - Related Party Reporting (Sch L & R)	BerryDunn	Passed with full credit	03/25/2025
NFPPG Education Series: 2025 Spring Compliance Bootcamp	BerryDunn	Passed with full credit	04/07/2025
Auditing the Student Financial Assistance Cluster	AICPA	Passed with full credit	04/10/2025
NFPPG CCH Migration	BerryDunn	Passed with full credit	04/10/2025
2025 Annual NFPPG Meeting	BerryDunn	Passed with full credit	05/19/2025
Problem Solving 2025	BerryDunn	Passed with full credit	06/18/2025
2025 A&A Update	BerryDunn	Passed with full credit	06/24/2025
2025 A&A Update	BerryDunn	Passed with full credit	06/24/2025
2025 A&A Update	BerryDunn	Passed with full credit	06/24/2025
SA 2025: Government Audit Quality Center 2025 Update	BDO USA	Passed with full credit	06/25/2025
FDS Updates Regarding Cash & Iner-Fund Reporting	BDO USA	Passed with full credit	08/05/2025
CCH for Uniform Guidance	BerryDunn	Passed with full credit	08/14/2025
GASB 2025: Auditing and Accounting for Revenue Recognition (Nonexchange Transactions)	BDO USA	Passed with full credit	08/20/2025
GASB 2025: GASB Update	BDO USA	Passed with full credit	08/20/2025
GASB 2025: State of the Government Industry Update	BDO USA	Passed with full credit	08/20/2025
GASB 2025: Deep Dive into GASB 103, Financial Reporting Model Improvements	BDO USA	Passed with full credit	08/21/2025

Finance and Accounting 2040: Rise to the Future Together	BerryDunn	Passed with full credit	08/27/2025
Tax Lunch n' Learn - Intro To Private Foundations	BerryDunn	Passed with full credit	09/26/2025
Mid-Year NFPPG Meeting	BerryDunn	Passed with full credit	12/16/2025
Audit Lunch n' Learn - Housing	BerryDunn	Passed with full credit	01/15/2026
Lunch n Learn – GASB standards: Key pronouncements	BerryDunn	Passed with custom credit	01/30/2026
Private Foundation Qualifying Distributions & Taxable Expenditures	BerryDunn	Passed with full credit	03/27/2026
2026 UG Bootcamp	BerryDunn	Passed with full credit	04/17/2026
Student Financial Assistance: Auditing Eligibility	LumiQ Learn	Passed with full credit	05/13/2026
Student Financial Assistance: Auditing Special Tests and Provisions	LumiQ Learn	Passed with full credit	05/13/2026
Quality Assurance and Microsoft Copilot	BerryDunn	Passed with full credit	10/21/2025
Acceptable Use of Microsoft Copilot	BerryDunn	Passed with full credit	10/21/2025
FY26 Information Security: Protecting PHI, PII, and Other Sensitive Data	BerryDunn	Passed with full credit	10/01/2025
SA 2025: Evaluating Findings and Impact on Reports	BDO USA	Passed with full credit	06/25/2025
SA 2025: Yellow Book Independence and CPE - Deeper Dive	BDO USA	Passed with full credit	06/25/2025
Ethical Considerations for the CPA	Surgent McCoy CPE, LLC	Passed with full credit	06/24/2025
2024 Information Security: Protecting PHI, PII, and Other Sensitive Data	BerryDunn	Passed with custom credit	11/11/2024
Maintaining Independence at Work	BerryDunn	Passed with full credit	12/13/2023

# Meaghan Pina, CPA



**Manager** | Berry, Dunn, McNeil & Parker, LLC

*Attest services are provided by BDMP Assurance, LLP, a licensed CPA firm.*

## EDUCATION AND CERTIFICATIONS

BS, Accounting, *summa cum laude*,  
University of Maine

## AFFILIATIONS AND MEMBERSHIPS

- American Institute of Certified Public Accountants

## RELEVANT EXPERIENCE

8 years

## LOCATION

Bangor, ME

**Meaghan Pina joined BerryDunn in 2017 and is a member of BerryDunn’s Not-for-Profit Practice Group. At BerryDunn, Meaghan provides audit and accounting services to clients in a variety of organizations ranging in size and complexity, including but not limited to all of BerryDunn’s public housing authority clients, Not-for-Profits, Colleges and Universities, Hospitals, Long-Term Care, Assisted Living, and Senior Living. Significant audit clients include Northern Light Health, Maine Community College System, Cary Medical Center, Community Care, and Maine Seacoast Mission.**

**Her understanding of compliance audits allows her to provide her clients with a valuable perspective on the latest pronouncements and how they may affect the organization’s operations.**

**Clients rely on Meaghan to provide objective and extensive feedback on improving internal controls and processes based on best practices she has learned while working with similar organizations.**

## EXPERIENCE

- Financial statement audits
- Compliance audits for Uniform Guidance
- Federal and State grant compliance
- Programmatic audits and compliance examinations
- Yellow Book audits
- Grants administration
- Operational assessments and process improvement
- Internal control reviews
- Internal audit services

## PUBLICATIONS AND PRESENTATIONS

- *Seven essential ways nonprofit boards can lead AI adoption with integrity and impact*, a BerryDunn article
- *HUD notice: What PHAs need to know about operating funds*, a BerryDunn article

<b>Program</b>	<b>Sponsor</b>	<b>Record Status</b>	<b>Completed</b>
GASB Updates for 2025 & Beyond	LumiQ Learn	Passed with full credit	05/13/2026
How to Audit Payroll	LumiQ Learn	Passed with full credit	05/13/2026
Student Financial Assistance: Auditing Eligibility	LumiQ Learn	Passed with full credit	05/12/2026
Student Financial Assistance: Auditing Special Tests and Provisions	LumiQ Learn	Passed with full credit	05/12/2026
2026 UG Bootcamp	BerryDunn	Passed with full credit	04/17/2026
Private Foundation Qualifying Distributions & Taxable Expenditures	BerryDunn	Passed with full credit	03/27/2026
Updated: SF-425 Reporting, Order of Operating Expenses & Returning Interest Income	BDO USA	Passed with full credit	03/05/2026
Lunch n Learn – GASB standards: Key pronouncements	BerryDunn	Passed with full credit	01/30/2026
Audit Lunch n' Learn - Housing	BerryDunn	Passed with custom credit	01/15/2026
Mid-Year NFPPG Meeting	BerryDunn	Passed with full credit	12/16/2025
Mid-Year NFPPG Meeting	BerryDunn	Passed with custom credit	12/16/2025
Mid-Year NFPPG Meeting	BerryDunn	Passed with full credit	12/16/2025
Mid-Year NFPPG Meeting	BerryDunn	Passed with full credit	12/16/2025
FY26 Information Security: Protecting PHI, PII, and Other Sensitive Data	BerryDunn	Passed with full credit	10/29/2025
Tax Lunch n' Learn - Intro To Private Foundations	BerryDunn	Passed with full credit	09/26/2025
NFP 2025: Common Issues in Accounting and Auditing Nonprofit Organizations	BDO USA	Passed with full credit	09/18/2025
NFP 2025: State of the Nonprofit Industry	BDO USA	Passed with full credit	09/17/2025
Microsoft Copilot - Digging in Deeper: Copilot in your Office - ATAT	BerryDunn	Passed with custom credit	09/05/2025
Microsoft Copilot - Digging in Deeper: Productivity & Collaboration	BerryDunn	Passed with full credit	09/02/2025
Finance and Accounting 2040: Rise to the Future Together	BerryDunn	Passed with full credit	08/27/2025
GASB 2025: Deep Dive into GASB 103, Financial Reporting Model Improvements	BDO USA	Passed with full credit	08/21/2025

GASB 2025: Revisiting the Right-of-Use Standards and Best Practices (GASB 87, 94, and 96)	BDO USA	Passed with full credit	08/21/2025
GASB 2025: GASB Update	BDO USA	Passed with full credit	08/20/2025
GASB 2025: State of the Government Industry Update	BDO USA	Passed with full credit	08/20/2025
GASB 2025: Auditing and Accounting for Revenue Recognition (Nonexchange Transactions)	BDO USA	Passed with full credit	08/20/2025
CCH for Uniform Guidance	BerryDunn	Passed with full credit	08/14/2025
FDS Updates Regarding Cash & Inter-Fund Reporting	BDO USA	Passed with full credit	08/05/2025
Quality Assurance and Microsoft Copilot	BerryDunn	Passed with full credit	07/30/2025
Acceptable Use of Microsoft Copilot	BerryDunn	Passed with full credit	07/30/2025
Auditing Implications for Recently Issued GASB Standards	AICPA	Passed with full credit	06/26/2025
SA 2025: Student Financial Assistance - 2025 Trends and Issues	BDO USA	Passed with full credit	06/26/2025
SA 2025: Compliance Requirements - An Overview and Discussion of Common Errors	BDO USA	Passed with full credit	06/26/2025
SA 2025: Evaluating Findings and Impact on Reports	BDO USA	Passed with full credit	06/25/2025
SA 2025: Government Audit Quality Center 2025 Update	BDO USA	Passed with full credit	06/25/2025
2025 A&A Update	BerryDunn	Passed with full credit	06/24/2025
Ethical Considerations for the CPA	Surgent McCoy CPE, LLC	Passed with full credit	06/24/2025
2025 A&A Update	BerryDunn	Passed with full credit	06/24/2025
2025 A&A Update	BerryDunn	Passed with full credit	06/24/2025
CCH Access Engagement - Risk Assessment Process	BerryDunn	Passed with full credit	06/23/2025
Problem Solving 2025	BerryDunn	Passed with custom credit	06/18/2025
GASB 2024: Financial Reporting Model	BDO USA	Passed with full credit	06/04/2025
NFPPG Education Series: Tax Lunch n' Learn	BerryDunn	Passed with full credit	02/18/2025

EQA Immersion Program	BerryDunn	Passed with full credit	02/18/2025
NFPPG Education Series: Audit Lunch n' Learn	BerryDunn	Passed with full credit	02/12/2025
Servant Leadership Essentials	BerryDunn	Passed with full credit	02/06/2025
Leverage Team Strengths	BerryDunn	Passed with full credit	01/17/2025
Supervision Max	BerryDunn	Passed with full credit	12/16/2024
2024 Information Security: Protecting PHI, PII, and Other Sensitive Data	BerryDunn	Passed with custom credit	11/11/2024
NFPPG Education Series: Tax Revenue and Expense Reporting (Incl. Discontinued Ops)	BerryDunn	Passed with full credit	11/04/2024
NFPPG Education Series: Fall Bootcamp	BerryDunn	Passed with full credit	10/11/2024
2024 Healthcare L&D Day	BerryDunn	Passed with custom credit	09/17/2024
Excel with Andrew: Let's Get Logical	BerryDunn	Passed with full credit	08/23/2024
CCH Axxess Engagement Pro Knowledge Coach	BerryDunn	Passed with full credit	07/25/2024
CCH Axxess Engagement Pro End User Training	BerryDunn	Passed with full credit	07/24/2024
2024 Annual A&A Update Training	BerryDunn	Passed with full credit	06/26/2024
2024 Annual NFP Training	BerryDunn	Passed with custom credit	05/20/2024
Engagement Planning and Management	BerryDunn	Passed with full credit	05/01/2024
2024 Annual Half Day UG Bootcamp	BerryDunn	Passed with custom credit	04/02/2024
Excel with Andrew: Excel in a 365 Environment	BerryDunn	Passed with full credit	01/31/2024
Excel with Andrew: Solving Common Problems in Excel	BerryDunn	Passed with full credit	01/10/2024
Annual Senior Living Training	BerryDunn	Passed with custom credit	01/08/2024
Maintaining Independence at Work	BerryDunn	Passed with full credit	01/08/2024
Developing Others	BerryDunn	Passed with custom credit	12/19/2023

Applying DataSnipper to Your Engagements	BerryDunn	Passed with full credit	12/11/2023
NFP Busy Season Lessons Learned & Group Update	BerryDunn	Passed with full credit	12/11/2023
Auditing Debt - An Overview	BerryDunn	Passed with full credit	12/07/2023
Excel with Andrew: Charting and Infographics in Excel	BerryDunn	Passed with full credit	12/07/2023
Audit Evidence and Documentation	BerryDunn	Passed with full credit	11/30/2023
Introduction to Checkpoint Research	BerryDunn	Passed with full credit	11/16/2023
Caseview Tips & Tricks	BerryDunn	Passed with full credit	11/08/2023
Excel with Andrew: Dynamic/Spilled Arrays	BerryDunn	Passed with custom credit	10/26/2023
Excel with Andrew: The Definitive Guide to Lookups	BerryDunn	Passed with full credit	10/06/2023
Healthcare L&D Day	BerryDunn	Passed with full credit	09/26/2023
How to Increase Audit Efficiency by Using CaseWare Connector	BerryDunn	Passed with full credit	09/15/2023
Leading Up: Partnering with your boss	Massachusetts Society of CPAs	Passed with full credit	09/13/2023
2023 Encore -Streamlined - The Frictionless Client Experience	BDO	Passed with full credit	08/30/2023
Peer Review Prep - Single Audit	BerryDunn	Passed with full credit	08/16/2023
Federal Audit Clearinghouse - Transitioning to GSA	NASCAT	Passed with full credit	07/27/2023

# Joshua Phelps

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**Senior Auditor** | Berry, Dunn, McNeil & Parker, LLC

## EDUCATION AND CERTIFICATIONS

- BS, Accounting, Susquehanna University, Sigmund Weis School of Business

## AFFILIATIONS AND MEMBERSHIPS

- Association to Advance Collegiate Schools of Business
- Omicron Delta Epsilon: International Honor Society of Economics

## RELEVANT EXPERIENCE

4 years

## LOCATION

Remote

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**Josh is a senior auditor in BerryDunn's Not-for-Profit Practice Group. He provides assurance, accounting, and advisory services to governmental and not-for-profit entities. He specializes in financial statement preparation and analysis, Uniform Guidance auditing, and internal controls over financial reporting.**

**Josh joined BerryDunn in January 2026. Previously, he worked in the government advisory services department at a regional public accounting firm in the Mid-Atlantic region.**

## EXPERIENCE

- County and Authority financial statement audits and reviews
- Accounting and reporting under U.S. GAAP
- Accounting standards implementation
- Yellow Book audits

<b>Program</b>	<b>Sponsor</b>	<b>Record Status</b>	<b>Completed</b>
FY26 Information Security: Protecting PHI, PII, and Other Sensitive Data	BerryDunn	Passed with full credit	01/27/2026
Maintaining Independence at Work	BerryDunn	Passed with full credit	01/27/2026
Student Financial Assistance: Auditing Special Tests and Provisions	LumiQ Learn	Passed with full credit	05/13/2026
Student Financial Assistance: Auditing Eligibility	LumiQ Learn	Passed with full credit	05/13/2026
2026 UG Bootcamp	BerryDunn	Passed with full credit	04/17/2026
A Leader's Point of View	BerryDunn	Passed with full credit	03/11/2026
Lunch n Learn – GASB standards: Key pronouncements	BerryDunn	Passed with full credit	01/30/2026



# Appendix C: Required Forms

**THIS DOCUMENT MUST BE COMPLETED AND SUBMITTED WITH BID/RFP**

**GREATER PORTLAND METRO**

**RFP # 2026-006  
Annual Financial Audit Services**

**PRICE PROPOSAL FORM**

**Annual Financial Audit Services RFP 2026-006**

	<b>Amount</b>	<b>Amount Written out</b>
Year 1 (2026)	\$52,000	Fifty-two thousand dollars and no cents
Year 2 (2027)	\$55,000	Fifty-five thousand dollars and no cents
Year 3 (2028)	\$58,000	Fifty-eight thousand dollars and no cents
Year 4 (2029)	\$61,000	Sixty-one thousand dollars and no cents
Year 5 (2030)	\$64,000	Sixty-four thousand dollars and no cents
Total Price	\$290,000	Two hundred ninety thousand dollars and no cents

Proposal prepared by: Katharine Balukas, CPA

Company: BDMP Assurance, LLP

Title: Partner

Address: 2211 Congress Street, Portland, ME 04102 (headquarters)

Phone: main: 207.541.2200; direct: 603.518.2648

Fax: 207.774.2375 E-mail kbalukas@berrydunn.com

Authorized Signature 

**THIS DOCUMENT MUST BE COMPLETED AND SUBMITTED WITH BID/RFP**

**PROPOSER CERTIFICATION  
GREATER PORTLAND TRANSIT DISTRICT  
RFP #2026-006  
ANNUAL FINANCIAL AUDIT SERVICES**

The UNDERSIGNED hereby declares that he, she or they are the only person(s), firm or corporation interested in this proposal as principal; that it is made without any connection with any other person(s), firm or corporation submitting a bid for the same.

The UNDERSIGNED hereby declares that they have read and understand all conditions as outlined herein, and that the proposal is made in accordance with same.

The UNDERSIGNED hereby declares that any person(s) employed by Me who has direct or indirect personal or financial interest in this proposal, or in any profits which may be derived therefrom has been identified and the interest disclosed by separate attachment. Please include in your disclosure any interest which you know of.

This Proposal acknowledges the receipt of Addenda No.:   1  

COMPANY NAME:   BDMP Assurance, LLP    
(Individual, Partnership, Corporation, Joint Venture)

AUTHORIZED SIGNATURE:   *Katharine Balukas*   DATE:   May 28, 2026    
(Officer, Auth. Individual, Owner)

PRINT NAME & TITLE:   Katharine Balukas, CPA | Partner  

EMAIL:   kbalukas@berrydunn.com  

MAILING ADDRESS:   2211 Congress Street, Portland, ME 04102 (headquarters)  

TELEPHONE:   207.541.2200   D.U.N.S.   133987613  

FEDERAL TAX I.D. NUMBER:   99-4708358  

**NOTE: All proposals must bear the handwritten signature of a duly authorized member or employee of the organization making the proposal.**

**PLEASE FILL IN THE FOLLOWING INFORMATION  
FOR ANY SUB-CONTRACTED WORK  
AND SUBMIT WITH PROPOSAL**

	Name of Subcontractor	Service	Expected \$ Value	DBE? Y/N
1	N/A			
2				
3				

**COMPLETE AND SUBMIT THIS PAGE**

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION,  
OTHER INELIGIBILITY, AND INVOLUNTARY EXCLUSION**

The Respondent, BDMP Assurance, LLP, certifies, by submission of this proposal, that neither it nor its principals or subcontractors is presently debarred, suspended, proposed for debarment, declared ineligible, or involuntarily excluded from participation in this transaction by any Federal Department or Agency.

The Respondent agrees to comply with the requirements of 2 CFR Part 180, Subpart C, as adopted and supplemented by U.S. DOT regulations at 2 CFR Part 1200, while this RFP is pending and throughout the period of any contract that may arise from this RFP. The Respondent further agrees that it and its affected subcontractors will provide immediate written notice to Greater Portland Transit District (“GPM”) if at any time the Respondent learns that their subcontractor’s certification was erroneous when submitted or has become erroneous because of changed circumstances.

By submitting this proposal and affixing a signature below, the Respondent certifies that the above statement is a material representation of fact upon which reliance is placed by GPM. If it is later determined that the Respondent knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, GPM may terminate this transaction for cause of default.

If the Respondent is unable to certify to any of the statements in this certification, the Respondent shall attach an explanation to this certification.

**The Respondent certifies or affirms the truthfulness and accuracy of the contents of the statement submitted on or with this certification and understands that the provisions of 31 U.S.C. §§ 3801-3812 are applicable thereto.**



\_\_\_\_\_  
Signature of Duly Authorized Official

\_\_\_\_\_  
Date

Katharine Balukas, CPA | Principal  
\_\_\_\_\_  
Printed Name of Duly Authorized Official

BDMP Assurance, LLP  
\_\_\_\_\_  
Company Name

**COMPLETE AND SUBMIT THIS PAGE**

**CERTIFICATION OF RESTRICTIONS ON LOBBYING  
49 CFR PART 20**

The UNDERSIGNED certifies, to the best of their knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions [as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96). Note: Language in paragraph (2) herein has been modified in accordance with Section 10 of the Lobbying Disclosure Act of 1995 (P.L. 104-65, to be codified at 2 U.S.C. 1601, *et seq.*)]
3. **The undersigned shall include the language of this certification in the award documents for all subcontracts, that shall certify and disclose accordingly.**

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The undersigned understands and agrees that the provisions of 31 U.S.C. A 3801, *et seq.*, apply to this certification and any disclosure, and also certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any.



\_\_\_\_\_  
Signature of Authorized Official

\_\_\_\_\_  
Date

\_\_\_\_\_  
Katharine Balukas, CPA | Principal  
Printed Name of Authorized Official

\_\_\_\_\_  
BDMP Assurance, LLP  
Printed Name of Respondent or Contract

**GREATER PORTLAND TRANSIT DISTRICT  
RFP #2026-006  
AUDIT SERVICES**

**DATE: May 6, 2026**

The attention of firms submitting proposals for the work named in the above invitation is called to the following modifications to the documents as were issued.

The items set forth herein, whether of clarification, omission, addition and/or substitution, shall be included and form a part of the bidder's submitted material and the corresponding contract and/or purchase order when executed. No claim for additional compensation, due to lack of knowledge of the contents of this Addendum will be considered.

\*\*\*\*\*

**ALL PROPOSERS ARE ADVISED THAT RECEIPT OF THIS NOTICE MUST BE DULY ACKNOWLEDGED, EITHER ON THE PROPOSAL FORM OR BY THE INSERTION OF THIS SHEET, SIGNED, AND SUBMITTED WITH YOUR PROPOSAL.**

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The Greater Portland Metro has **revised** RFP Deadline of **Thursday, May 28 at 2:00 PM.**

**Addendum No. 1** to the GPM RFP #2026-006: **AUDIT SERVICES** is hereby acknowledged.

COMPANY NAME: BDMP Assurance, LLP

SIGNED BY: 

PRINT NAME & TITLE Katharine Balukas, CPA | Partner

GREATER PORTLAND TRANSIT DISTRICT  
RFP #2026-006  
AUDIT SERVICES

**DATE: May 14, 2026**

The attention of firms submitting proposals for the work named in the above invitation is called to the following modifications to the documents as were issued.

The items set forth herein, whether of clarification, omission, addition and/or substitution, shall be included and form a part of the bidder's submitted material and the corresponding contract and/or purchase order when executed. No claim for additional compensation, due to lack of knowledge of the contents of this Addendum will be considered.

\*\*\*\*\*

**ALL PROPOSERS ARE ADVISED THAT RECEIPT OF THIS NOTICE MUST BE DULY ACKNOWLEDGED, EITHER ON THE PROPOSAL FORM OR BY THE INSERTION OF THIS SHEET, SIGNED, AND SUBMITTED WITH YOUR PROPOSAL.**

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The following questions were received by Metro. Answers are provided below each question.

1. Are you able to provide the fees paid for audit services for each fiscal years 2024 and 2025, if known? Please indicate if there were any billings above contracted amounts for “out-of-scope” or additional services not contemplated at contract award.

*The contract price for Metro’s 2024 and 2025 annual audit was \$30,800 and \$32,450. There were no additional fees charged during these periods.*

2. Is the incumbent firm allowed to propose?

*Yes, the incumbent firm is allowed to submit a proposal for this RFP.*

3. What are the expectations for performance of the fieldwork? Any preference as to whether the work is performed remotely, on-site or a hybrid model?

*Metro administrative staff work a hybrid schedule, and a compressed work week of 10-hour days Monday-Thursday. For the past several years, the entire audit has been performed entirely remotely, with the exception of inventory count testing, and that method has worked for our staff. However, Metro staff are not opposed to on-site fieldwork, or hybrid, should the proposing firm prefer that method.*

4. Is there an expectation of the entrance and exit conference to be on-site or remote?

*Either method works for Metro staff.*

5. When does GPM prefer interim and year-end fieldwork to be performed?

*GP Metro staff prefer interim to occur in December/January and year-end fieldwork to be completed in late February/early March.*

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

*No, our current audit process works well.*

7. What are the three biggest challenges affecting GPM?

1. *Growing ridership, which still remains at about 10% below pre-pandemic 2019 levels.*
2. *Increasing state and federal funding support, along with identifying other revenue sources to improve long-term financial stability, and*
3. *Recruitment and retention, particularly in the areas of bus operators and vehicle maintenance technicians.*

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

*No, there have not been any disagreements between management and the independent auditor in the prior three engagements.*

9. Is there a specific due date for the draft financial statements?

*There is not a specific due date for the draft financial statements. However, the final financial statements are required to be presented to Finance Committee at their April/May meetings for approval and recommendation to the full Board of Directors. All Committee and Board meetings are hybrid and auditors presenting can attend in either capacity.*

10. Is the year-end board presentation held in person? Is there a specific date this meeting is held each year?

*See #9*

11. Does management prepare the MD&A or the Financial Statements?

*Management prepares the MD&A; the audit firm prepares the Financial Statements.*

12. Can GPM confirm whether component unit financial statements or joint venture reporting (given its multi-municipality structure) require separate opinions or additional procedures beyond the primary financial statements?

*GP Metro is its own separate entity, governed by a Board of Directors of members from each of its member municipalities. Therefore, there are no additional reporting requirements or separate opinions beyond the District's financial reports.*

13. Can you please confirm whether a full Single Audit (Uniform Guidance) is expected annually, including SEFA audit and major program determination?

*Yes, a full Single Audit (Uniform Guidance) is required annually, including SEFA audit and major program determination.*

14. Does GPM expect the auditor to assist with drafting or significant revisions to the Comprehensive Annual Financial Report (CAFR/Annual Report), or solely review and audit?

*GP Metro does not currently complete an ACFR, so there is no expectation for the audit firm to assist with this.*

15. Are there any known accounting, reporting, or internal control challenges that GPM expects to continue or emerge in the upcoming audit cycle?

*No, there are no known accounting, reporting or internal control challenges that GPM expects to continue or emerge in the upcoming audit cycle.*

16. Are there any anticipated organizational changes (e.g., staffing changes in finance, governance structure, or service area expansion) that may impact audit complexity?

*There are no anticipated staffing changes or changes in governance structure. GP Metro is piloting new service in Scarborough in 2026, however, this does not add volume or complexity to the work performed by the audit staff.*

17. Should proposers assume consistent scope across all five years, or should escalation factors be built in for anticipated growth and complexity (noting potential adjustments after year three)?

*GP Metro's goal to increase ridership and expand access to transit service leads to obvious expansion efforts. However, most service expansions are incremental and not a significant impact to the overall volume of work performed by the audit staff.*

18. Can GPM clarify expectations around the scope and frequency of "additional services" billed hourly versus included in the base fee as noted on page 16 of the RFP?

*GP Metro staff may require the auditor's assistance with implementation of complex standards, such as GASB 87- Leases and GASB 96- SBITA.*

19. Can GPM clarify expectations regarding auditor assistance with new accounting standards implementation during the contract term?

*See #18*

20. When will the December 31, 2025 financial statements be issued?

*The December 31, 2025 financial statements will be presented to the Finance Committee on June 3, 2026 for approval and recommendation to the full Board of Directors for approval at their June 25, 2026 meeting.*

21. Is there a specific reason for the delay in issuing the 2025 financial statements?

*No, the statements will be posted to GP Metro's website after the Board of Director's approval. Please see #20 for the Committee and Board presentation schedule.*

22. I noticed in 2023 a MAAP report was issued but there is no MAAP report issued for 2024. Do you expect to have compliance requirements with respect to MAAP going forward?

*In 2024, we were notified by the State of Maine that a MAAP report was not required of GP Metro, therefore, 2023 was the final year a MAAP report was completed with our financial statements. GP Metro does not anticipate this requirement to return in the future.*

23. Regarding audit scheduling what are your expectations for timing:

*See #5 and #10*

24. When can we expect to perform interim procedures?

*See #5*

25. When can we expect to perform the year-end fieldwork?

*See #5*

26. Do the auditors prepare the financial statements?

*Yes, GP Metro's current auditors prepare the financial statements.*

27. What are your expectations for the issuance date of the financial statements?

*See #9*

28. Is there any complex or unusual accounting that the auditor provides assistance with?

*GP Metro's current auditors currently provide assistance with proper recording of a property lease that is subleased- GASB 87.*

29. Please provide a copy of the required communication letter (audit committee letter) that was most recently issued.

*Please see the 2024 SAS letter attached.*

30. Please provide a report showing all audit adjustments prepared by the auditors.

*Please see the 2024 SAS letter attached.*

31. Do anticipate any significant changes in the next few years such as:

1. Changes in operations
2. Changes in personnel
3. New ERP software implementation
4. New construction

*There are no anticipated changes in operations, personnel or ERP software implementations. GP Metro is in the early stages of planning for a facility replacement. Staff are currently working with a consultant to complete a feasibility study.*

**Addendum No. 2** to the GPM RFP #2026-006: **AUDIT SERVICES** is hereby acknowledged.

COMPANY NAME: BDMP Assurance, LLP

SIGNED BY: *Katharine Balukas*

PRINT NAME & TITLE Katharine Balukas, CPA | Partner

“BerryDunn” is the brand name under which Berry, Dunn, McNeil & Parker, LLC and BDMP Assurance, LLP, independently owned entities, provide professional services in an alternative practice structure in accordance with the AICPA Code of Professional Conduct. BDMP Assurance, LLP is a licensed CPA firm that provides attest services, and Berry, Dunn, McNeil & Parker, LLC, and its subsidiary entities provide tax, advisory, and consulting services.

BDMP Assurance, LLP will lease professional and administrative staff, both of which are employed by Berry, Dunn, McNeil & Parker, LLC, in performing its services. These individuals will be under the direct control and supervision of BDMP Assurance LLP, which is solely responsible for their performance under any engagement with BDMP Assurance, LLP.

The entities falling under the BerryDunn brand are independently owned and neither entity is liable for the services provided by the other entity. Our use of the terms “our firm” and “we” and “us” and terms of similar import denote the alternative practice structure of Berry, Dunn, McNeil & Parker, LLC and BDMP Assurance, LLP.

We will be utilizing generative AI programs where appropriate and permissible under client contracts and relevant laws. These AI tools are designed to support our team in various aspects of our work, including data analysis and project management. The integration of AI enables us to provide more accurate insights and streamline our processes, ultimately benefiting our clients through enhanced service delivery.

This proposal is the work of BDMP Assurance, LLP and is in all respects subject to negotiation, agreement, and signing of specific contracts.



MAY 28, 2026

Proposal for Annual Financial Audit Services

*prepared for the*

Greater Portland Transit District

***Response to RFP #2026-0006***

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***Submitted by:***

CBIZ CPAs P.C.  
100 Westminster Street, Suite 500  
Providence, Rhode Island 02903  
401.600.4500

Erica Olobri, CPA, Shareholder  
*Erica.Olobri@cbiz.com*  
401.600.4718



CBIZ CPAs P.C.

100 Westminster Street, Suite 500  
Providence, Rhode Island 02903

P: 401.600.4500 | F: 401.600.4501

May 28, 2026

Mr. Frank Suszczynski, Procurement Manager  
Greater Portland Transit District  
114 Valley Street  
Portland, ME 04102

Dear Frank:

On behalf of CBIZ CPAs P.C. ("CBIZ"), thank you for the opportunity to submit our proposal to provide annual financial audit services to the Greater Portland Transit District d/b/a Greater Portland Metro ("GPM," "you," or the "District") in response to RFP #2026-006.

We understand GPM is seeking an independent audit firm to perform annual audits of its financial statements for the fiscal years ending December 31, 2026 through December 31, 2030, including audit work performed in accordance with U.S. GAAS and *Government Auditing Standards*, Uniform Guidance (2 CFR Part 200), along with technical assistance throughout the contract period.

## Engagement leadership and accountability

CBIZ will assign a seasoned public-sector engagement leadership team that stays actively involved from planning through issuance. Specifically, Erica Olobri, CPA, MPAC, Shareholder will serve as Lead Auditor, providing executive-level oversight and a single point of accountability for overall audit strategy, quality, and service delivery. Benjamin Wilkinson, CPA will serve as Engagement Manager, responsible for day-to-day planning, fieldwork direction, supervision, and coordination with GPM personnel to ensure an efficient process and timely deliverables.

## Why CBIZ for GPM: differentiators that matter for a transit authority

Accounting firms often highlight credentials and capabilities; CBIZ does too—but we start with what matters most to GPM: a reliable, transit-experienced team that delivers a high-quality audit with minimal disruption and maximum transparency.

- **Demonstrated municipal and public transit audit experience** (including transit authorities). CBIZ has a long history serving governmental entities and public transportation organizations, including audits for CTTransit, Greater Bridgeport Transit Authority, Greater New Haven Transit District, Rhode Island Public Transit Authority, and the Rhode Island Turnpike and Bridge Authority. This experience directly aligns with the risks and compliance requirements common in transit—federal grant compliance, cost allocation, capital asset activity, and the operating/capital interplay that transit systems must manage.
- **Deep expertise with FTA/Uniform Guidance and Yellow Book requirements**—paired with Maine-specific awareness. GPM's RFP emphasizes compliance with Uniform Guidance, Government Auditing Standards, and applicable Maine requirements. CBIZ's public-sector teams regularly perform these engagements and design procedures around grant compliance, internal control reporting, and required supplementary reporting.
- **Senior involvement and continuity**—built to reduce onboarding time and preserve institutional knowledge. Your audit should not feel like a "new team" every year. CBIZ emphasizes continuity and meaningful partner/manager involvement so GPM benefits from stable staffing, retained knowledge of systems and processes (including ERP environments), and fewer repetitive requests.
- **Quality management you can rely on.** Audit quality and technical proficiency are central to our approach. CBIZ maintains a robust quality management system and participates in AICPA peer review. We believe this discipline is especially important as governmental standards evolve and as transit agencies face heightened scrutiny over compliance and reporting.
- **Technology-enabled efficiency and secure collaboration.** GPM's audit requires coordination across stakeholders and careful handling of sensitive information. We use secure, structured request management and document exchange methods to help reduce demands on staff time, maintain version control, and keep the engagement moving.

**CBIZ.COM**

CBIZ Advisors, LLC is a consulting, tax, and financial service provider that works closely with CBIZ CPAs P.C., an independent CPA firm that provides audit, review, and other attest services.



## Our commitment to a smooth transition and on-time delivery

We recognize GPM has worked with its current auditor for the prior five years and expects a smooth transition to a successor auditor. CBIZ will collaborate with management to establish a clear annual schedule (entrance meeting, interim work, year-end fieldwork, exit meeting, and presentations as required), and we will work constructively with predecessor auditors consistent with the RFP's expectations regarding access to working papers and continuity of institutional knowledge.

## Conclusion

Finally, we confirm that our proposal is being submitted in accordance with GPM's instructions for electronic submission via Colbi Secure Bids by the stated deadline.

Thank you again for considering CBIZ. If you have questions or would like any additional information during your evaluation, please contact me directly.

Sincerely,  
CBIZ CPAs P.C.

A handwritten signature in black ink, appearing to read "Erica Olobri".

ERICA OLOBRI, CPA  
SHAREHOLDER, CBIZ CPAs P.C.

*ERICA.OLOBRI@CBIZ.COM*  
*401.600.4718*

**Authorized to represent and contractually bind the firm**



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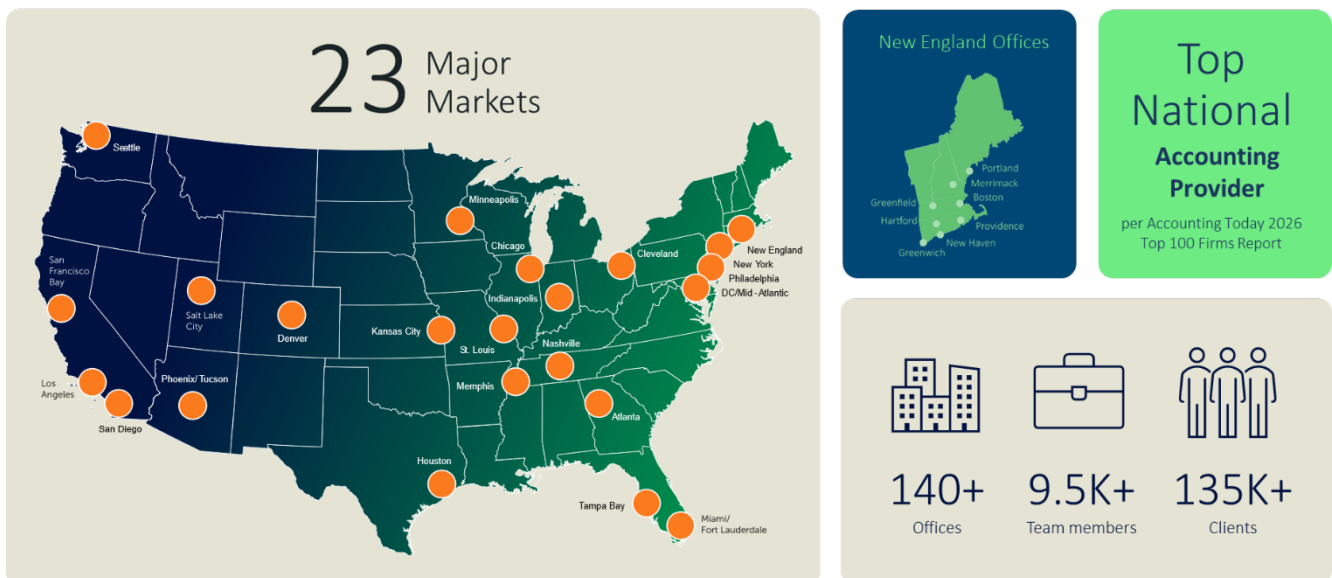
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# Firm Qualifications and Experience

## Company Overview

CBIZ CPAs P.C., an independent CPA firm, providing audit, review and other attest services, operates under an alternative practice structure as defined by the AICPA with CBIZ Advisors, LLC, providing consulting, tax, and financial services advisory services. As the **8th largest accounting provider in the nation**, CBIZ CPAs P.C. and CBIZ Advisors, LLC help middle-market businesses discover new ways to grow with applied industry knowledge, innovative technology, and data-driven insights that inspire greater possibilities. Bringing together accounting, tax, and advisory with benefits, insurance, and technology services delivered across CBIZ businesses, we shape our solutions to best serve real business needs, leveraging deep client understanding, comprehensive capabilities, and unmatched resources to maximize impact.



CBIZ Advisors, LLC is a consulting, tax, and financial service provider that works closely with CBIZ CPAs P.C., an independent CPA firm that provides audit, review, and other attest services.

## Independence

CBIZ adheres to comprehensive independence policies in accordance with the AICPA, *Government Auditing Standards*, Generally Accepted Auditing Standards (“U.S. GAAS”), and the Department of Labor (“DOL”). All professionals are required to maintain independence from our attest clients and their leadership, both in fact and in appearance. Our procedures include maintaining firmwide restricted client lists, conducting periodic independence audits, and requiring all professionals to complete annual training and certification on independence standards. We affirm that we meet all applicable independence requirements in connection with the proposed audit of the Greater Portland Transit District, and no relationships exist that would impair our objectivity or independence. Furthermore, we have not provided any services to GPM or any of its agencies or component units for the past five (5) years.

## Licensed to Practice in Maine and Perform Governmental Audits

We affirm that CBIZ CPAs is a licensed certified public accounting firm and is in good standing with all regulatory agencies. CBIZ CPAs is properly licensed and certified to practice in Maine and is registered with the Maine Board of Accountancy. The Certified Public Accountants (“CPAs”) who will be assigned to this engagement, including the shareholder-in-charge and manager in charge of fieldwork, hold licenses that have been issued by the State of Maine, or by other jurisdictions whose licensees the State of Maine allows to practice within the state. Each individual on the engagement has maintained the required CPE in government accounting and is in compliance with state Ethics for CPA’s requirements.



## Experienced, Local Team

We have developed a management plan and approach for performing the work required by GPM that will deliver the highest quality services at the best value. Our staffing approach is premised on our assigning seasoned experts and trained professionals with the skills, education, and experience needed to implement effectively a comprehensive, integrated set of proven processes tailored to achieve GPM’s goals and requirements for the performance of the audits.

The team we have proposed for this engagement possess the necessary skills and experience in auditing and accounting and have prior successful experience on similar projects. GPM’s audits will be led by experienced partners who will be heavily involved in the engagement, and staffed by professionals with the appropriate skill level, industry experience and a level of enthusiasm that you will find refreshing.

The engagement leadership team, led by Erica Olobri (a shareholder with CBIZ CPAs), is based in our Providence, Rhode Island office. The management and staff responsible for these services are highly qualified, with in-depth experience in auditing, accounting and management advisory services. Based in New England, our team offers local access to key resources. At a minimum, one supervisory level staff who is a certified public accountant with municipal audit experience in the State of Maine will be on hand at all times. Each member of the team is a full-time employee. Refer to **Appendix A** for engagement team leaders’ profiles.

## Key Personnel Responsibility, Level of Effort and Contract Services

Based upon our knowledge of the District and a review of the District’s financial statements, we estimate the following number of professionals will be assigned to the engagement at any one time:

Level	Role / Responsibility	# of Team Members
<b>Primary Shareholder</b>	Hold ultimate responsibility for engagement and client relationship.	1
<b>Directors, Senior Managers and Managers</b>	Manage work, staffing and decisions on complex technical accounting and auditing matters.	2
<b>Supervisors and Seniors</b>	Lead team and reviews/approves work ensuring quality and timelines are achieved. Address day-to-day needs of the engagement and take responsibility for more complex tasks and technical issues.	1
<b>Staff Associates and Attest Preparation Team</b>	Address assigned tasks at direction of Seniors and Supervisors, work actively with client personnel on information requests and testing results, openly communicate regarding status and timing matters.	2

## Commitment to Quality

Our philosophy of providing quality professional services ensures the delivery of the best resources when you need them most. Our approach helps to alleviate your long-term costs and provides for a smooth engagement process.

We are committed to quality and integrity. To demonstrate this commitment, we have acquired memberships in various quality oversight organizations. CBIZ is a member of the AICPA, the AICPA Government Audit Quality Center (“GAQC”), the AICPA Center for Public Company Audit Firms, and the AICPA Private Companies Practice Section (“PCPS”). Further, as a PCAOB-registered firm, CBIZ CPAs maintains a comprehensive system of quality management to ensure the highest standards of audit excellence.



## Robust Quality Assurance

Quality assurance is built into every phase of the audit process to anticipate issues early and minimize rework. All our audits are conducted in accordance with Generally Accepted Auditing Standards (“GAAS”) as issued by the AICPA, using the organization’s proprietary auditing programs.

Our quality assurance resources are integrated from the outset of each engagement, beginning in the planning phase. During this stage, our Collaborating Partner reviews the audit plan to identify potential issues early, ensuring quality and consistency throughout the process. All audits also undergo an Engagement Quality Review (“EQR”), with ongoing oversight from our national office through internal inspections and monitoring across all engagements. Our quality control systems are periodically reviewed by independent peers to evaluate:

- Quality control policies and procedures that provide us with reasonable assurance for complying with professional standards;
- The quality control system for accounting and auditing compliance with specified requirements and standards; and
- Compliance with membership requirements.

We are dedicated to establishing a high level of quality control and we continue to subject our practice to peer review as dictated by the current regulatory environment. We have also instituted our own internal monitoring procedures to further secure our reputation as a quality-driven, results-oriented organization.

## Centralized Financial Statement Review Process

The quality control department performs a review of our audit binders and financial statements prior to the release of the finished product. Their involvement includes participation in engagement planning to approve the audit approach, review of high risk and complex areas throughout fieldwork and a review of the financial statements and related information. Their involvement in the planning and fieldwork stages helps eliminate any last-minute surprises and ensures the high level of quality we demand from our professionals is maintained.

## Peer Review

The Firm participates in an external quality review program requiring an on-site independent examination of our Accounting and Auditing practice. The AICPA’s National Peer Review Committee accepted Mayer Hoffman McCann P.C.’s (MHM, now CBIZ CPAs) most recent report on October 19, 2023. Engagements selected for review included those performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans; and examinations of service organizations (SOC 1 and 2 engagements). This report received a rating of “Pass” with no deficiencies noted. Please refer to **Appendix B** for a copy of our most recent peer review report.

## Desk Reviews; Regulatory Matters, Complaints, and Disciplinary Actions

There have been no desk reviews or field reviews within the past three years by a state agency concerning our governmental audit practice. CBIZ CPAs is licensed or permitted to practice in all states and is registered with the Public Company Accounting Oversight Board (“PCAOB”). In addition, all shareholders of the Firm are licensed CPAs. There are no regulatory actions, sanctions, or limitations on the Firm or its individual shareholders that would affect our ability to provide services to you.



# Our Governmental Industry Experience

CBIZ partners with a broad spectrum of government and public sector entities nationwide, including municipalities, state agencies, school districts, public colleges and universities, housing authorities, utilities, and special-purpose districts. Our National Government Industry Team is composed of professionals who specialize in serving the public sector and are well-versed in the latest GASB updates, compliance mandates, and evolving industry expectations.

We understand the complex political, operational, and financial environment in which government organizations must operate. They are increasingly under pressure to stretch resources, deliver public value, and maintain accountability. Our multidisciplinary team offers deep expertise across audit, tax, advisory, technology, benefits, and insurance services—delivering integrated solutions tailored to the unique needs of the public sector.

Our approach is designed to align with public sector priorities. We strive to anticipate client needs, recommend practical solutions, and act as a strategic resource over time— supporting both core operations and new initiatives. Whether balancing budgets, enhancing internal controls, preparing for Single Audits, or strengthening cybersecurity, CBIZ engages across every stage of your fiscal and operational lifecycle to help organizations optimize performance and maintain public trust.

## How We Support Governmental Organizations\*

- **Uniform Guidance & Single Audits:** Conduct audits under Uniform Guidance and the Single Audit Act, supporting internal control design, procurement review, subrecipient oversight, and compliance reporting.
- **Compliance & Financial Audits:** Perform audits and reviews meeting GASB standards, *Government Auditing Standards* (Yellow Book), the Single Audit Act, Uniform Guidance, and relevant state requirements.
- **Financial Reporting & GFOA Support:** Assist with Annual Comprehensive Financial Report (“ACFR”) preparation, GFOA Certificate of Achievement submissions, and accounting system reviews.
- **Tax Solutions, Policy & Legislative Guidance:** Deliver tailored tax approaches for public entities, manage multi-jurisdictional tax obligations, and advise on local and state tax policy strategies.
- **Internal Audit & Process Improvement:** Strengthen governance through internal audits, enterprise risk assessments, fraud risk reviews, and business continuity planning.
- **Cybersecurity Protection:** Safeguard citizen data, infrastructure, and systems through proactive threat assessments, monitoring, and compliance-focused security solutions.
- **Public Sector Specialization:** Customize support for municipalities, housing authorities, utilities, pension systems, public education institutions, and state governments.
- **Housing & HUD Program Support:** Provide support for FDS preparation, PIH REAC compliance, HUD audits, and federal grant oversight for public housing entities.
- **Technical Accounting Guidance:** Offer training and consultation to support new GASB implementation, complex transactions, and accounting convergence.
- **Technology & Transformation Services:** Modernize operations using ERP systems, AI, data analytics, cloud platforms, and workflow redesign to improve service delivery and internal efficiencies.
- **Performance & Strategy Advisory:** Provide advisory support in strategic planning, performance management, financial modeling, procurement strategy, and vendor risk management.
- **ERP Selection & Integration:** Guide system selection, deployment, and configuration to streamline budgeting, procurement, and financial management in government environments.
- **Comprehensive Insurance Coverage:** Protect public assets and operations with tailored solutions for property, liability, business interruption, and leadership risk exposures.
- **Benefits Consulting:** Design competitive benefits packages that help retain public sector employees while controlling costs and aligning with regulatory constraints.
- **Valuation Advisory:** Provide defensible valuations for financial reporting, asset management, insurance analysis, and strategic decision-making.

\*The services listed here demonstrate our capabilities. We will need to assess permissibility of any non-attest services under relevant independence rules, prior to engaging.



## Local Government Services and Experience

Our New England public sector services group is one of our specialty industry sectors and focuses on local governments like GPM and other government entities. We have significant experience with governmental entities, including public transit authorities and Maine municipalities. We have a governmental group dedicated to keeping up with changes in GASB standards and statements. This dedicated group will be available to guide you through any questions you may have to ensure the District is GASB compliant.

Our governmental assurance professionals have in-depth understanding of the complex economic and political environment in which these entities operate. Their knowledge and experience allow us to provide the highest level of professional service to our government clients. Our New England offices employ more than 130 professionals who have provided services to a multitude of governmental clients. Our New England governmental client list now includes more than 500 municipal, school, utility, state agency, benefit plan, public housing authorities, county and special-purpose governmental entities.

Our firm's prior engagements with large and complex municipal bond issuers have included comprehensive audits of entities with substantial debt portfolios, multiple funding sources, and complex capital projects. We have extensive familiarity with the requirements for preparing and auditing financial statements that support municipal bond offerings and continuing disclosure, ensuring our reports meet the high standards required by bondholders, rating agencies, and regulatory bodies.

Our audit professionals have demonstrated competence in managing and preparing government audits in accordance with U.S. Generally Accepted Auditing Standards ("GAAS") and U.S. Generally Accepted Accounting Principles ("GAAP"), as well as GASB requirements. Our teams are skilled in navigating the complexities of governmental fund accounting, single audits, federal and state compliance, and financial statement preparation for ACFRs.

We pride ourselves on the strong quantitative abilities of our staff. Our auditors are highly trained in financial analysis, data interpretation, and the use of advanced audit technologies to ensure the accuracy, completeness, and transparency of financial statements. This expertise ensures that all financial reporting is performed accurately and in full accordance with U.S. GAAP, supporting informed decision-making by management and stakeholders.

Our considerable experience with government clients has put us in a position to serve you best. We have outlined certain factors that make us qualified to serve you, especially after having reviewed your request for proposals and your auditing needs.

## Our Commitment to Public Transit Entities

Our team has extensive experience auditing public-sector transportation entities, including municipal transit districts, regional transit authorities, and paratransit providers that receive Federal Transit Administration ("FTA") and state department of transportation funding. We understand the operating realities of transit organizations—door-to-door paratransit, complex cost allocation across funding sources, rolling stock and facility assets, preventive maintenance programs, and the interplay between operating and capital grants. Our attest services are designed to meet all required federal, state, and local reporting requirements while providing management with timely, practical recommendations to strengthen internal control and compliance.

CBIZ CPAs has provided the following attest services to public transit and transportation clients:

- Annual audits of GAAP-basis financial statements prepared in accordance with GASB standards.
- GAGAS (Yellow Book) audits including reports on internal control over financial reporting and on compliance with laws, regulations, contracts, and grant agreements.
- Single Audits of major federal programs commonly associated with transit, such as FTA Assistance Listings (e.g., 20.507 Urbanized Area Formula Grants, 20.526 Bus and Bus Facilities Formula Program).
- Compliance testing over key FTA requirements: allowable costs/cost principles, eligibility, equipment/asset management, procurement (including DBE considerations), Buy America, Davis-Bacon/prevaling wage where applicable, subrecipient monitoring, matching and level-of-effort, reporting, and special tests and provisions.
- National Transit Database ("NTD") assistance, including mapping to the Uniform System of Accounts ("USOA"), review of cost allocation methodologies, and the Independent Auditor's Statement for Financial Data ("IAS-FD") decennial review.



## Experience with State and Federal DOT Grants

CBIZ has extensive experience auditing and advising entities that receive funding from the FTA, Federal Highway Administration (“FHWA”), and state departments of transportation. Our work spans financial statement audits under GASB, Yellow Book engagements, Uniform Guidance Single Audits, and state single audits.

## Maine Specific Experience

CBIZ has experience auditing governmental organizations in the State of Maine. We also have experience reporting on Expenditures of Department Agreements and Reporting Required by *Maine Uniform Accounting and Auditing Practices for Community Agencies*.

## Familiarity with *Government Auditing Standards*

We are thoroughly familiar with generally accepted accounting principles for state and local governmental units and with generally accepted auditing standards promulgated by the American Institute of Certified Public Accountants; *Government Auditing Standards* issued by the Comptroller General of the United States (2018 and 2024 update when applicable); the Single Audit Act of 1984 as amended; and U.S. Office of Management and Budget (OMB) Guidance 2 CFR part 200 – *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (OMB Uniform Guidance) – Subpart F – Audit Requirements*, and will conduct our audit and report in accordance with those standards. Reporting on key audit matters, whether requested by management, those charged with governance, or if required by law or regulation, will be performed in accordance with guidance set forth in the 2024 revision to *Government Auditing Standards*.

## Single Audits / Uniform Guidance

We have the necessary experience to assist you with Federal single audits. Many of our clients receive government grants and require audits performed in accordance with the Uniform Guidance (“UG”), *Government Auditing Standards*, and other federal and state compliance requirements. We stay well-informed and proactively communicate any changes related to Uniform Guidance.

For many clients, we have reviewed, documented, and tested internal control systems and recommended additional financial accounting and operational system procedures to ensure compliance with federal laws and regulations. These process reviews include an assessment of risk to identify areas of potential concerns. Our practice area has also been engaged to develop, document, and maintain accounting systems that meet federal requirements.

Some of our assistance includes:

- Allowable/unallowable costs and activities
- Internal controls
- Procurement compliance
- Subrecipient monitoring
- Matching contributions and level of effort requirements
- Reporting requirements – financial and performance
- Equipment/Real Property purchased with federal funds

Since we perform a substantial number of single audits annually, our single audit working papers are routinely reviewed by federal and state agencies as well as peer reviewers. We have not had any findings regarding substandard work and, in fact, have had many comments about the excellent quality of our audit files. Included in our external peer reviews are many single audit files, which have not received any comments in this area for many years.

To stay on top of changing audit requirements, CBIZ participates in various AICPA and internal trainings. The experiences we gain at a national level are brought to our entire team through annual single audit training and updates to our audit methodology and work programs. Our annual internal training involves all aspects of a single audit, including internal controls, compliance, financial reporting, the Data Collection Form, Yellow Book and audit effectiveness. A significant portion of this training also includes discussion about single audit quality and current topics discussed in the AICPA Audit Guides and Audit Risk Alerts. We leverage our training and experiences across our organization to benefit our clients through improved audit methodology and work programs. Furthermore, we proactively ensure all of our affected clients understand the impact of any new regulations on their organization.



With this experience, we are able to provide a robust amount of knowledge as it relates to the District and your engagement team has the necessary experience to assist you with Federal single audits.

## Implementation of GASB Pronouncements

Our experience with, and understanding of pronouncements issued by the GASB allows us to serve as trusted advisors to our governmental clients. We have advised our clients on the implementation of new pronouncements as well as provided technical information when questions have arisen regarding particular transactions. Our assurance staff up through the upper levels of management undergo regular training and conduct research into recently released and upcoming pronouncements by GASB.

## Membership and Participation with Governmental Organizations and Centers

Our shareholders, directors, and managers are actively involved in recognized standard setting organizations at the national, state and local level. These organizations include the **Government Finance Officers Association** (“GFOA”), the **New England States Government Finance Officers Association** (“NESGFOA”), and the **Massachusetts Municipal Accountants and Auditors Association** (“MMAAA”). In addition, CBIZ CPAs is a member of the **AICPA’s Governmental Audit Quality Center** (“GAQC”) and the **AICPA Employee Benefit Plan Audit Quality Center** (“EBPAQC”). We have made a commitment to the sector by providing a dedicated core team that understands the sector’s strategic priorities. Our involvement in these organizations demonstrates our commitment to the public sector and helps keep us on top of issues affecting government entities.



# Engagement Team Qualifications and Experience

CBIZ assembles teams with deep subject-matter knowledge and industry experience. Our team is committed to continuity and direct senior involvement. The experience of the personnel assigned to the engagement is critical to providing GPM with an effective and efficient audit. Their prior experience will be invaluable to the engagement. These are the professionals who will be on the job on a day-to-day basis; they need to be experienced in auditing municipalities. These professionals are familiar with the complexities of governmental accounting, auditing and financial reporting, including all GASB pronouncements, and State Laws.

## Description of the Senior-Level Service Team

The senior leaders assigned to the GPM’s audit are some of the most experienced annual financial audit leaders in our practice. They will be the backbone of our service delivery team and will be joined by a group of professionals which will be assigned once the timing of the engagement has been finalized with management. These individuals will be directly supervised by Erica Olobri along with the entire leadership team to ensure that the work proceeds as planned and that our services exceed your expectations. Each key team member who is a licensed CPA as noted below are qualified to practice in the State of Maine. Full resumes for the leadership team can be found in **Appendix A**.



**ERICA OLOBRI**  
**CPA, MPAC**

Shareholder, CBIZ CPAs  
Managing Director, CBIZ  
Advisors

### Engagement Role | [Audit Leader](#)

Responsible for the overall audit strategy and delivery of all services for the GPM. She will be available to members of the engagement team and management as a high-level technical resource. She also will review the financial statements, related independent auditors’ reports and other documents to ensure that industry standards have been adhered to and that the financial statements are in conformity with CBIZ CPAs and authoritative pronouncements regarding disclosure, format, terminology, etc.

Years of Experience | 20+

### Areas of Expertise

nonprofit audits | governmental audits | uniform guidance compliance audits/HUD | audits (Section 202 & 811) | financial reporting | employee benefit plan audits

### Industry Expertise

Nonprofit Organizations | Healthcare Organizations | Local Governments | Real Estate

### Representative Client List

Lead engagement auditor for approximately 75-80 governmental and charter school clients, including:  
Blackstone Academy Charter School, Inc. (4 years) | City of Central Falls, Rhode Island (5 years) | CTtransit (2 years) | Greater Bridgeport Transit Authority (3 years) | Greater New Haven Transit District (3 years) | Providence Preparatory Charter School (7 years) | Quonset Development Corporation (4 years) | Rhode Island Public Transit Authority (7 years) | Rhode Island Turnpike and Bridge Authority (3 years) | Sheila C “Skip” Nowell Leadership Academy (7 years)

View Erica’s profile and connect with her on [LinkedIn](#)



**WILLIAM SAWICKI, CPA**

Shareholder, CBIZ CPAs  
Director, CBIZ Advisors

Engagement Role | [Quality Control Reviewer](#)

Will be responsible for reviewing the form and content of the audit workpapers and the auditor's report as well as the review of the GPM financial statements in accordance with Firm and professional standards.

Years of Experience | 35+

Areas of Expertise

government audits | federal and state compliance audits | uniform guidance | nonprofit audits | GAO Yellow Book | HUD audits | compliance audits | employee benefit plan audits | internal audits

Industry Expertise

Government | Employee Benefit Plans | Not-for-Profit

Government Audit Experience – Representative List

Town of Franklin, CT (2 years) | Town of Hamden, CT (2 years) | Town of Plainfield, CT (7 years) | Town of Plymouth, CT (2 years) | Town of Stafford, CT (4 years) | Town of Trumbull, CT (2 years) | Town of Windsor Locks, CT (1 year)



**BENJAMIN WILKINSON**

**CPA, MPAC**

Senior Manager

Engagement Role | [Engagement Senior Manager](#)

Responsible for the planning and direction of the audit, developing audit programs, selecting and assigning personnel and reviewing all phases of the District's audit. He will also maintain contact with the District's personnel, coordinate ongoing work, advise management on the status of the engagement, and report directly to Erica.

Years of Experience | 12+

Areas of Expertise

financial statement audits | governmental audits | attest engagements | Uniform Guidance compliance audits | Rhode Island UCOA agreed-upon procedures

Industry Expertise

State and Local Governments | Public School Districts | Employee Benefit Plans | Manufacturing and Distributions

Municipal Audit Experience – Representative List

Bristol-Warren Regional School District, RI (4 years) | City of Biddeford, ME (1 year) | Foster-Glocester Regional School District, RI (3 years) | I-1-95 Redevelopment District (RI, 6 years) | Quonset Development Corp. (RI, 3 years) | Tobacco Settlement Financial Corp. (RI, 4 years) | Town of Franklin, MA (3 years) | Town of Scarborough, ME (4 years) | Town of Westerly, RI (7 years)

View Ben's profile and connect with him on [LinkedIn](#)



**MICHAEL ARCIERO**

**MBA**

Senior Associate

Engagement Role | [Senior Associate](#)

Responsible for the day-to-day work with the client team to stay on track with deadlines.

Years of Experience | 4+

Areas of Expertise

audit | governmental audits | attest engagements | Uniform Guidance compliance audits

Industry Expertise

Government | Not-for-Profit | Healthcare

View Michael's profile and connect with him on [LinkedIn](#)

## Support Team and Governmental Bench Strength

In addition to the service team above assigned to this engagement, we have a team of senior auditors and staff accountants with extensive experience in serving municipal organizations. Our engagement team will also include an experienced member of our IT audit and risk advisory department. Our team members are among the most talented in their field and have outstanding reputations. We also have a well-established governmental bench strength that is available to assist in your engagement.

## Staff Continuity

Our client teams remain stable and engaged year after year with a **low turnover rate** compared to the industry average. We don't enforce mandatory rotation, and our professional development model promotes long-term team alignment. This allows us to:

- Reduce onboarding time
- Preserve institutional knowledge
- Foster stronger client-advisor relationships

We invest in being a preferred employer, so our clients benefit from continuity, reliability, and consistent quality.

## Non-Discrimination

CBIZ is an equal opportunity employer and does not discriminate in hiring or employment in accordance with the requirements of all applicable state and federal laws, including race, color, religion, national origin, ancestry, age, gender, marital status, military status, veteran status, sexual orientation, gender identity, disability status, or medical condition. Such action shall include, but not be limited to: employment, promotion, demotion, transfer, recruitment or recruitment advertising, separation, rates of pay or other forms of compensation and training.

## Professional Development / Continuing Professional Education

All team members complete, at a minimum, 40 hours of continuing professional education ("CPE") each and every year, including governmental and Yellow Book courses. In accordance with *Government Auditing Standards* ("GAS") anyone who plans, directs, or reports on audits under GAS receives 80 hours of continuing professional education in a 2-year period (24 of which is specific to the governmental environment). All members assigned to the engagement have met minimum professional education requirements that will allow them to work on the audit. This includes licensing requirements imposed by state licensing authorities and *Government Auditing Standards*.



CBIZ has made a significant commitment to formalizing its training in both technical and essential professional skills, through the CBIZ Learning Center, our in-house university. We continuously update our training curriculum under the guidance of our Vice President of Learning and Development in consultation with our firm leaders, to offer innovative programs that offer a learning plan for our associates.

We provide a robust calendar of programs and classes that are available to our associates. The curriculum is comprised of core requirements and elective courses and learning plans are based on an individual's area of specialty or industry. We offer certification programs and opportunities for associates to earn badges in their respective areas as specialist or expert. Internal trainers include both our skilled learning and organizational development professionals and technical trainers across the Firm. Our internal audit seminars include sessions in accounting, auditing, financial reporting, and internal controls.






In addition to the in-house training, our partners and professional staff attend various outside seminars, such as those provided by the AICPA, GFOA, SEC Institute, Institute of Internal Auditors and local state CPA societies. Additionally, we sponsor and host a calendar of programs and updates for clients and other attendees.

To stay on top of changing governmental audit requirements, CBIZ participates in various AICPA and other external governmental training. The experiences we gain at a national level are brought to our entire team through annual single audit training and updates to our audit methodology and work programs. Our annual internal training involves all aspects of a single audit, including internal controls, compliance, financial reporting, the Data Collection Form, Yellow Book and audit effectiveness. A significant portion of this training also includes discussion about single audit quality and current topics discussed in the AICPA Audit Guides and Audit Risk Alerts. We leverage our training and experiences across our organization to benefit our clients through improved audit methodology and work programs. Furthermore, we proactively ensure all of our affected clients understand the impact of any new regulations on their organization.



# Thought Leadership: Keeping You Informed

We keep our clients informed in a variety of ways and will ensure that the District stays informed via whatever approach best suits your needs. We encourage you to **subscribe** to our publications to access additional insights.

Types of Communication		Content Description
	Client Seminars & Webinars	Stay informed on all accounting, tax, and advisory-related rules and regulations with our slate of complimentary webinars and seminars
	Newsletters	We publish a range of newsletters covering the latest issues affecting our clients, from changing tax regulations to advisory-related insights, cybersecurity best practices, and emerging industry trends
	Roundtables	Clients ask questions, exchange ideas, build relationships, and share best practices with other local professionals in their industries
	Timely Alerts	We inform clients of changes in tax pronouncements that directly affect business, and discuss how to navigate the impact
	Resource Centers	Resources to help businesses navigate economic challenges and other hot topics and trends

## Governmental Industry Thought Leadership

We regularly provide insights and online articles for various industries, including government and nonprofit & education. Please visit our website to view our articles: [www.cbiz.com/insights?pager=1&industry=government,not-for-profit-education](http://www.cbiz.com/insights?pager=1&industry=government,not-for-profit-education).

CBIZ is also committed to providing professional development programs to those involved in the government sector. For the past 29 years, CBIZ and our predecessor firms have presented an annual Government Symposium, an 8-hour accounting and auditing seminar that focuses on current developments in government affairs, including accounting, legal and operational topics. We encourage our clients and non-clients alike, to attend this technical Symposium at no cost. Since 2021, we have hosted our Annual Government Symposium virtually. For information on our 2025 webinars, including on-demand videos, please visit [www.cbiz.com/events/past-events?pager=1&event\\_type=government-symposium](http://www.cbiz.com/events/past-events?pager=1&event_type=government-symposium).

We also provide in-person events within the New England region. We are currently in the planning stage for our local New England events. For information on our 2025 events, please visit the sites listed below:

- **Rhode Island specific one-day course** on fund accounting, reporting requirements, statutory responsibilities, and effective internal controls ([www.cbiz.com/events/governmental-accounting-reporting-training-course-ri-052025](http://www.cbiz.com/events/governmental-accounting-reporting-training-course-ri-052025)).
- **Multi-day training program in Massachusetts** focusing on the Commonwealth's prescribed UMAS accounting and reporting requirements ([www.cbiz.com/events/governmental-accounting-reporting-training-course-ma-2025](http://www.cbiz.com/events/governmental-accounting-reporting-training-course-ma-2025)).



# Client Lists and References

## Maine Governmental Auditing Experience

CBIZ and its predecessor firms audit more than 500 governmental entities in New England. Our firm and proposed engagement team have been engaged in the field of municipal auditing for more than 40 consecutive years.

## Representative Client Lists

### Partial Client Listing – Public Transit / Transportation Audit Clients

- CTTransit
- Greater Bridgeport Transit Authority
- Greater New Haven Transit District
- Rhode Island Public Transit Authority
- Rhode Island Turnpike and Bridge Authority

### Partial Client Listing – Maine Governmental Audit Clients

- City of Biddeford, Maine
- City of Portland, Maine
- Town of Scarborough, Maine
- York Sewer District
- Bath Housing Authority
- Housing Authority of the City of Bangor
- Portland Housing Authority

### Partial Client Listing – Quasi-Governmental Clients

- Rhode Island Higher Education Assistance Authority
- Rhode Island Resource Recovery Corporation
- Rhode Island Student Loan Authority
- Rhode Island Commerce Corporation
- Rhode Island Industrial Facilities Corporation
- Rhode Island Industrial-Recreational Building Authority
- Rhode Island Life Science Hub
- Rhode Island Public Transit Authority Defined Benefit Plan
- Springfield Water and Sewer Commission



## References

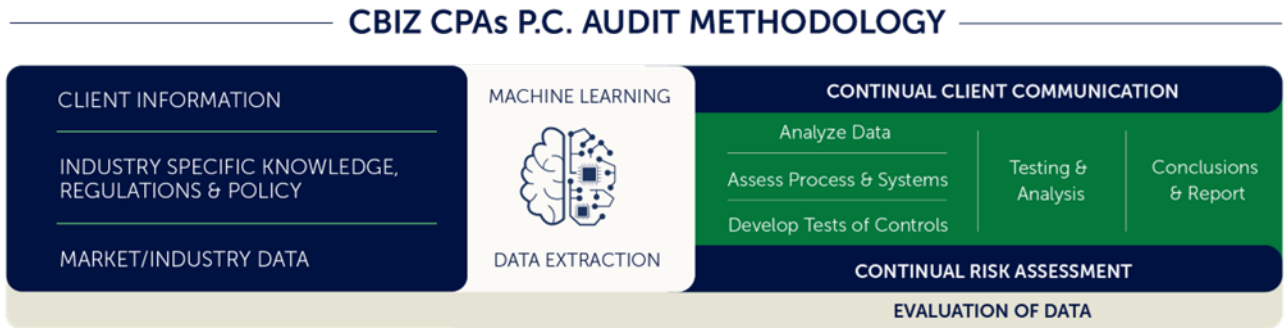
There is no stronger message about quality than one heard first-hand from our clients. Please feel free to contact these audit clients to discuss our services. Erica Olobri serves as the engagement partner for each of the references noted below.

Client	Primary Contact	Engagement Details
<b>CTTransit</b> 100 Leibert Road Hartford, CT 06120	<b>Tracy Risby</b> Director of Finance 860.707.1259 trisby@cttransit.com	Audit and Compliance June 30, 2010 – present 600 hours annually
<b>Rhode Island Public Transit Authority</b> 705 Elmwood Avenue Providence, RI 02907	<b>Christopher Durand</b> Chief Executive Officer 401.784.9500 x1231 cdurand@ripta.com	Audit and Compliance June 30, 2022 – present 500 hours annually
<b>Greater Bridgeport Transit Authority</b> One Cross Street Bridgeport, CT 06610	<b>Adrienne Belanger</b> Chief Financial Officer 203.366.7070, x110 abelanger@gogbt.com	Audit and Compliance June 30, 2001 - present 250 hours annually
<b>Greater New Haven Transit District</b> 840 Sherman Avenue Hamden, CT 06514	<b>Mario Marrero</b> Executive Director 203.281.2507 mmarrero@gnhtd.org	Audit and Compliance June 30, 2015 – present 250 hours annually
<b>Rhode Island Turnpike and Bridge Authority</b> One East Shore Road Jamestown, RI 02835	<b>Jeffrey Goulart</b> Chief Financial Officer 401.423.7430 jgoulart@ritba.org	Audit and Compliance June 30, 2017 – present 250 hours annually



# Our Audit Approach

Our audit methodology emphasizes communication, technology, consistency, and risk-based focus. These key pillars enhance the District's audit experience and produce the highest-quality work.



## Our Differentiators



### Build an Understanding of GPM Out of the Gate

We will invest time during our planning phase to update our understanding of the District, your agencies and departments, related infrastructure, control environment, and your requirements.



### Senior Audit Leaders Highly Involved

During year-end fieldwork, Shareholder reviews will be timely to alleviate any surprises late in the audit process, and we will schedule an end-of-fieldwork meeting to ensure all remaining open matters are understood and an action plan is agreed upon for timely completion.



### Quality Control Involved During Planning

Our Engagement Quality Reviewers participate in meetings with the engagement team during the planning phase of the audit to review the audit approach, discuss financial statement risks, and agree to the audit plan with a goal to identify issues early and eliminate surprises.



### In-Depth Exit Conference Presentation

We can conduct an exit conference with management to review all reports (including management comments, if any) and to resolve questions on the results, proposed management comments, and other significant developments.

## Our Understanding of Your Needs: Scope of Services and Report Compliance

CBIZ CPAs will perform the following services:

- Conduct the comprehensive single audit of the single audit of the District's financial operations for fiscal years 2026 through 2030. Our audit will be in accordance with generally accepted auditing standards ("U.S. GAAS"), Generally Accepted Accounting Principles ("GAAP"), 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 A133, Audits of State and Local Governments and Non-Profit Organizations,



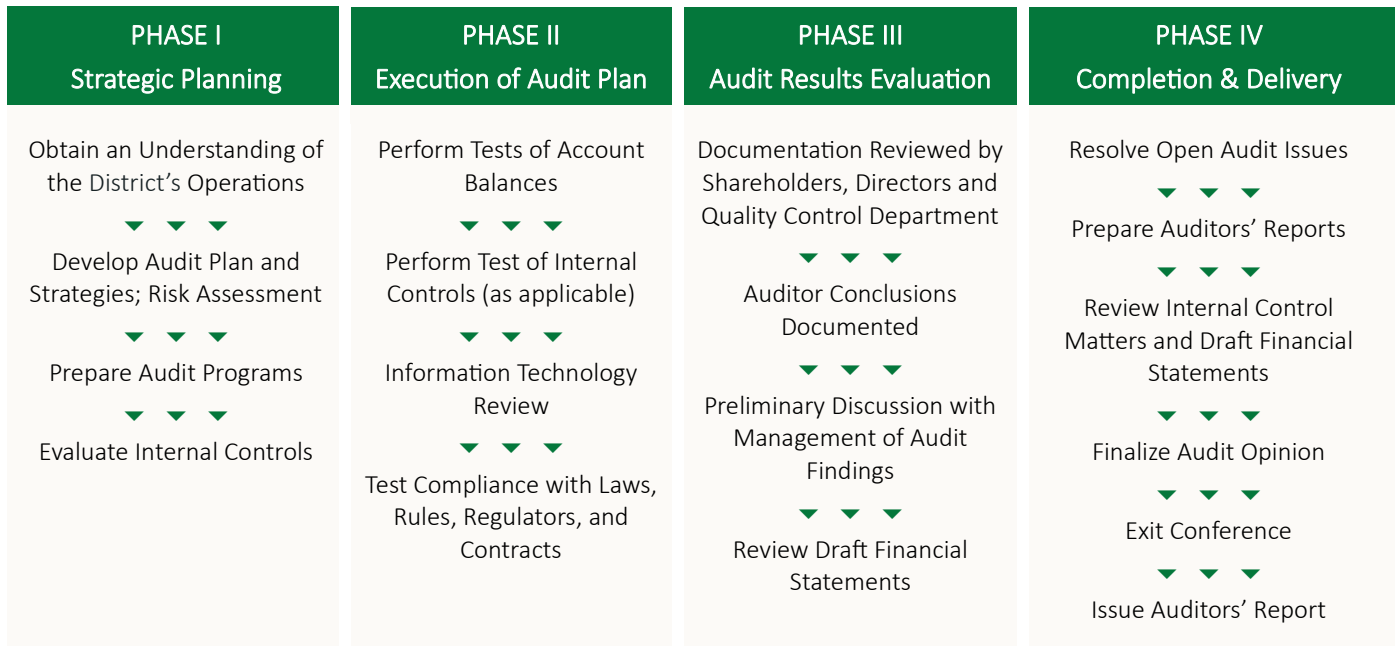
- Report on Internal Controls over Financial Reporting and on Compliance and Other Matters as required by *Government Auditing Standards*.
- Issue Management Letter, if required.
- Schedule of Expenditures of Federal Awards
- Schedule of prior audit findings, with corrective action plan
- Data collection form (part 1)
- Participation in required communications, including an entrance conference, ongoing coordination with management, and an exit conference, as well as formal presentation of audit results to the District, Board of Finance and/or other governing bodies.
- Provide bound and electronic copies of the audit report.
- Submission of single audits to the Federal Audit Clearinghouse Database, if subject to single audit.

## Audit Workplan

We will work directly with management on constructing our approach to the audit within the context of the District and your control environment. This is a customary aspect of our service that enables us to plan a predictable workflow that ultimately results in an efficient and effective audit. We will also work with management to establish a mutually agreed upon timeline to work within the reporting deadlines specified.

Our audit process is designed to address the expectations of the District. To achieve these objectives, we will work closely with management during the planning phase of the engagement to identify risks and allocate resources based on our common understanding of what is critical to the engagement.

The following chart illustrates the phases of our audit process and estimated timing for each phase as they relate to the audit of the financial statements:





## Annual Estimate of Hours and Segmentation

The chart below indicates in summary form the manner in which we anticipate the number of audit hours being distributed to each report product. Typically, hours reserved for senior managers through shareholder represents time spent on client relations, quality control, work paper review, financial statement review, audit report review, staff supervision and ensuring adherence to the audit schedule. Hours reserved for seniors and supervisors represents time spent on client relations, work paper preparation and/or review, financial statement preparation, and ensuring adherence to the audit schedule. Staff time generally represents efforts to execute substantive audit procedures over the significant audit areas involving the financial statements and federal expenditures.

	Planning & Risk Assessment	Audit Fieldwork	Audit Reporting/ Wrap-up	Uniform Guidance	Total
Shareholders	2	0	27	3	32
Senior Managers / Managers	2	0	25	10	37
Supervisors and Senior Associates	27	60	25	20	132
Staff Associates and Attest Prep Team	2	54	17	20	93
<b>Subtotal</b>	<b>33</b>	<b>114</b>	<b>94</b>	<b>53</b>	<b>294</b>

**Note:** The Uniform Guidance states that the auditor must use a risk-based approach to determine which federal programs are major programs. This determination will affect the scope of the Uniform Guidance compliance audit and the compliance requirements to be tested. The schedule of expenditures of federal awards, prepared by the District, is the basis of the auditor's identification of type A and type B programs and documentation of our risk-based approach. Upon determination, audit hours for testing a major program significantly range due to program size, program compliance requirements, weaknesses in internal control over federal programs, if any, prior audit findings, program longevity, program clusters, program subrecipients, etc. **As such, our estimate of hours contemplates audit of one (1) federal major program. Should the risk-based approach to determination indicate additional programs, we will discuss this with management and agree on fees for such additional program audits during engagement planning.**

## Relevant Governmental Audits' Methodology and Approach

### Smooth Transition

The first critical phase of our commitment includes a smooth transition for your organization, which is ensured by thoughtful planning and coordination. Once notified of our selection, we will meet with your team and launch our plan to deliver a straightforward and efficient transition. We will:

- Discuss priorities, deliverables, timelines and deadlines, and other expectations;
- Determine what schedules the District can provide for our testing rather than requesting schedules in a specific format that your staff would have to create from scratch;
- Set up our secure portal, which will allow your team to easily provide us required information; and
- Review prior auditor's workpapers and leverage their experience with the District

We also recommend that our team conduct preliminary fieldwork, a process that creates efficiencies and brings significant advantages. Using this time to gain an understanding of the Town's operations and controls helps us plan the scope of the audit in advance of year-end fieldwork. Performing preliminary fieldwork will allow us to plan for any changes at the District, address questions on requested schedules, modify our list of schedules if necessary, and reduce the volume of testing that needs to be done during year-end fieldwork.

The first year will focus on the District's internal controls within its significant transaction cycles including but not limited to the District's IT system, financial close, billing and receipts, cash disbursements and payroll. Subsequent audits will focus on ensuring that these transaction cycles working appropriately with a focus on any process changes or updates.



Our commitment to collaboration, responsiveness, and flexibility in the transition process helps ensure minimal disruption to your team and operations and lays the foundation for a successful partnership with the District.

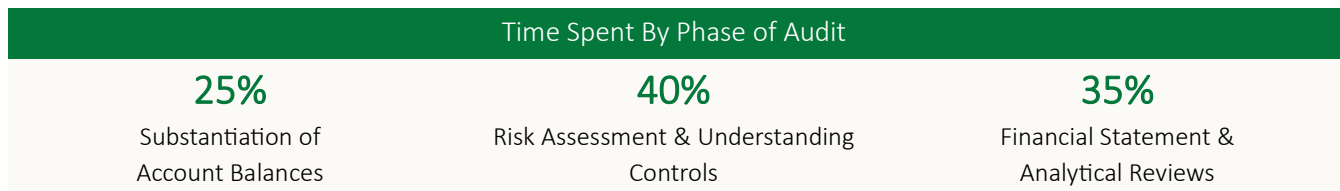
## Risk-Based Audit Technologies

CBIZ employs a risk-based approach early in the audit process. This approach considers how the overall risk identified in the general risk analysis affects specific account balances. We consider, in part:

- Relative significance of the account to the financial statements as a whole;
- Volume of transactions;
- Susceptibility of the account to fraud;
- Accounts that have traditionally required significant adjustments; and
- Account with complex calculations, judgement, and accounting issues that have a high assessed level of inherent risk.

Based on these considerations, we assess the inherent risk and control risk to determine the overall audit risk. Once this assessment is completed, the audit procedures to be used are determined. By redirecting our efforts through a risk-based approach, audits are significantly enhanced, which provide greater value to our clients.

We will use several approaches to conduct the audit engagement. These approaches include traditional audit techniques and strategies, and an evaluation of the systems utilized by the District.



## Audit Samples and Statistical Sampling

There are three types of tests that involve audit sampling (statistical and non-statistical sampling) which we will use:

- **Account Balance Tests.** Substantive tests of account balances are performed on year-end balances. Certain accounts justify a 100 percent examination, such as confirming an investment and bank balance, which does not involve sampling at all.
- **Transaction and Control Tests.** Substantive transaction and control tests are often combined to use one sample to achieve more than one audit objective. We often test the controls to verify that the transactions were properly authorized in accordance with the District’s procedures.
- **Compliance Tests.** Compliance tests with laws and regulations are included with the tests of transactions and controls.

The audit team will report on a weekly basis to management the status of any potential adjustments so that management may have adequate time to investigate, gather information and respond, if necessary. We use a risk-based assessment of the opportunities for a material financial statement error or irregularity to occur and remain undetected.

## Approach to Determining Laws and Regulations Subject to Audit

Compliance tests with laws and regulations are included with the tests of transactions and controls. Additional samples are sometimes necessary to test specific laws and regulations. Sample sizes for compliance testing are determined based on the number of transactions and the significance of the requirement. Testing will be generated to ensure compliance with rules, laws, and regulations; not limited to Rules of the Auditor General, state laws and Federal OMB Uniform Guidance Guidelines.



## Analytical Procedures

Our audit process include applying analytical procedures to assist in planning the nature, timing and extent of auditing procedures used to obtain evidential matter for specific account balances or transaction classes. Analytical procedures are utilized in almost every audit area tested. Analytical procedures will be performed at both the government-wide and fund level financial statement and will include the following, where applicable:

- Comparison of original budget (revenue sources and appropriations) to actual amounts.
- Comparison of major revenue, expenses, and expenditure amounts to:
  - Preliminary expectations based on budgets and forecasts.
  - Prior year's amounts.
- Consideration, to the extent applicable, of the certain key financial relationships in relation to preliminary expectations to determine if there are unusual or unexpected balances or unexpected relationships.
- Analytical procedures will be used in substantive testing for certain revenue and expenditure activities, when deemed efficient.

## Procedures for Internal Controls

A thorough understanding of the District and your operating environment is essential for developing an efficient, cost-effective audit plan. During this phase, the lead engagement managing director and key supervisory personnel will meet with the appropriate personnel to ensure we have an understanding of your operations. You will also have the opportunity to express your expectations regarding the services that we will provide. This effort will be coordinated so that there will be minimal disruption to your staff. During this phase, we will perform the following activities:

- Review the current regulatory and statutory compliance requirements within which the District operates. This will include a review of applicable state regulations; ordinances, contracts, and other agreements; meeting minutes of the District Council as applicable;
- Review major sources of information such as budgets, organization charts, procedures manuals, financial systems and management information systems;
- Determine the most practical and effective way to apply computer-aided audit tools to convert and analyze data and generate reports;
- Performance of fraud inquiries and retrospective review;
- Determination of materiality levels;
- Regarding controls that are relevant to the audit, we will evaluate the design of the controls and determine whether they have been properly designed and implemented;
- Re-evaluation of District provided major fund determination worksheet;
- Documentation of current year activity expectations and performance of preliminary analytical procedures;
- Review internal control systems, including determining an audit risk assessment;
- Consider the methods used to process accounting information that influence the design of the internal control system. This includes understanding the design of relevant policies, procedures, and records and whether they have been placed in operation;
- Design audit programs to ensure that they incorporate financial statement assertions, specific audit objectives and appropriate audit procedures to achieve the specified objectives;
- Identify and resolve accounting, auditing and reporting matters; and
- Prepare detailed audit plans, including a list of schedules to be prepared by the District personnel.



## Strategic Use of Audit Technology

Our technology strategy extends beyond providing a secure and cohesive process. Our proprietary planning software tailors the audit based on your key risk factors. We continuously look for ways to digitize and automate various aspects of the audit process, including contract reading software, data analysis and automated detail testing capabilities. By developing additional automation, we can improve the audit process and limit the time spent by District personnel gathering data for the audit team. A best-in-class secure client portal allows us to share, exchange, and store information easily with you throughout the engagement to optimize efficiency and ensure document integrity. We currently leverage machine learning and artificial intelligence tools on select engagements to gain additional insights that enhance the audit process. Data extraction and analysis software will be a standard feature that allows large-scale data analysis. Not only will this save you time, but it will also increase the accuracy of the data gathered and the depth of insights garnered from this information.

Our Firm furthers our commitment to an efficient workflow through our investment in technology. The systems and processes we employ reduce demand on client resources. We use an automated audit software and a secure portal so our clients can easily provide information requested. Our paperless process streamlines audit schedules and helps us quickly design audit programs specific to our strategy. We also have access to proprietary and non-proprietary software programs to assist with analytical reviews, select data for testing, and summarize documents. Examples include:

- **Suralink:** Workflow data management tool that serves as a virtual common workspace that is keyed to our data request lists and electronic audit system
- **TeamMate Analytics and Validis:** Software tools that can efficiently audit high-volume data populations
- **CBIZ Vertical Vector AI and Microsoft Co-Pilot:** Artificial intelligence platforms that provides the ability to efficiently analyze and summarize documents and spreadsheets
- **CBIZ Data Solutions Center:** streamlines audit processes to reduce time and costs through automation in tasks include sampling, formatting and testing, vendor-to-employee comparison as well as PDF-to-Excel conversion

## Single Audits

We leverage our training and experiences across CBIZ to benefit our clients through improved audit methodology and work programs. Furthermore, we proactively ensure all of our affected clients understand the impact of any new regulations on their organization.

Since we perform a substantial number of single audits annually, our single audit working papers are routinely reviewed by federal and state agencies as well as peer reviewers. We have not had any findings regarding substandard work in the past three years and, in fact, have had many positive comments about the excellent quality of our audit files.

With this experience, we are able to provide a robust amount of knowledge as it relates to the District and your engagement team has the necessary expertise to assist you with Federal and Connecticut state single audits.

- Identify the District's major programs to be tested and reported on for compliance.
- Identify the compliance requirements applicable to each major program.
- Determine which of the compliance requirements identified could have a direct and material effect on each major program.
- Consider relevant portions of the District's internal control over compliance for each direct and material compliance requirement for each major program.
- Obtain sufficient appropriate audit evidence, which involves testing internal control over compliance and compliance with direct and material compliance requirements for each major program.
- Consider indications of fraud.
- Consider indications of abuse.
- Consider subsequent events.
- Form an opinion about whether the District complied with the direct and material compliance requirements.
- Perform follow-up procedures on previously identified findings.



## Identification of Anticipated Potential Audit Problems

We do not anticipate any potential audit problems. One of the many advantages of choosing CBIZ CPAs as your auditor is that our team has significant knowledge and understanding of municipalities and their operations. The combination of our Firm’s resources, level of shareholder involvement and experienced team members provides an excellent service team of professionals capable of servicing your needs. Having a local government service team with access to national resources allows us to meet or exceed client deadlines.

Regular communication will be ongoing with District personnel, allowing for timely knowledge of matters as they arise. When we learn of matters the District may not be aware of, we will be active in conveying relevant information.

We understand the audit, accounting and financial reporting requirements affecting your District. As with other issues that may arise, we will work with Management throughout the year to achieve the appropriate resolution.

## Comprehensive Delivery Strategy

Our approach to delivering service is grounded in precision, efficiency, and clarity. We embed rigorous quality controls throughout the engagement, coordinate closely across teams, and adapt to your preferred methods of communication and collaboration. Our clients benefit from:

### Flexible Service Delivery

If remote work is needed or preferred, we will adjust our annual financial audit approaches by conducting video conferencing, utilizing our secure portals, DocuSign, and other methods. We encourage video communications through Microsoft Teams to maintain face-to-face connections.

### Timeline

CBIZ employs a structured, milestone-driven project management approach to ensure efficient execution, clear communication, and timely delivery of all audit services. Our methodology is specifically designed to align with the District’s reporting requirements and coordination with District personnel. If awarded this contract, we will work together in the planning process to finalize a mutually agreed-upon timetable to ensure accurate delivery of what is outlined in your request – a proposed initial timeline is below:

	Task	Estimated Completion
Ongoing Communication	Planning meeting with Management	As soon as contract is awarded
	Transition activities	As soon as contract is awarded
	Interim fieldwork	December – January
	Year-end fieldwork	February – March
	Draft financial statements and management letter	April
	Meeting with Management to discuss the results of the audit	April – May
	Issuance and submission of audited financial statements	TBD Based on Meeting with Management
	Timely and proactive communication of accounting, auditing, regulatory and governance developments to management and governance	Ongoing



## Keeping You Informed

CBIZ understands that clear, timely communication and secure handling of sensitive information are vital to a successful engagement. To that end, we manage these two areas with distinct yet coordinated strategies:

### Secure Information Handling

- Use of encrypted email and secure client portals for document exchange
- Password-protected mobile devices and encrypted laptops for data access
- Secure e-signature tools such as DocuSign for streamlined and safe approvals
- Adherence to company-wide and regulatory data privacy policies

### Communication Approach

- Regular check-ins with management to review timelines, deliverables, and status updates
- Clear and prompt responses to inquiries
- Communication tailored to your preferences — via video, phone, or written summaries
- Thought leadership distributed through webinars, newsletters, and alerts to keep your team informed on relevant developments



# Price Quote

## Price Proposal Form

GPM RFP #2026-006  
Audit Services

**THIS DOCUMENT MUST BE COMPLETED AND SUBMITTED WITH BID/RFP**

**GREATER PORTLAND METRO**

**RFP # 2026-006  
Annual Financial Audit Services**

**PRICE PROPOSAL FORM**

### Annual Financial Audit Services RFP 2026-006

	Amount	Amount Written out
Year 1 (2026)	\$51,000	fifty-one thousand dollars
Year 2 (2027)	\$53,000	fifty-three thousand dollars
Year 3 (2028)	\$55,000	fifty-five thousand dollars
Year 4 (2029)	\$57,000	fifty-seven thousand dollars
Year 5 (2030)	\$59,000	fifty-nine thousand dollars
Total Price	\$275,000	two hundred and seventy-five thousand dollars

Proposal prepared by: Erica Olobri

Company: CBIZ CPAs P.C.

Title: Shareholder

Address: 100 Westminster Street, Suite 500 / Providence, RI 02903

Phone: 401.600.4718 Fax: 401.600.4501

E-mail Erica.Olobri@cbiz.com

Authorized Signature 



## Additional Pricing Information

Our proposed fees on the *Price Proposal Form* are all-inclusive. The fees assume that one (1) federal programs would need to be audited. The fee quote also assumes that the District will provide a completed and closed general ledger, limited number of journal entries required, reconciliation of all balance sheet accounts to source documents, and no significant changes in complex financial reporting or asset valuations.

It is possible that regulatory developments or other matters related to the District could impact the expected time associated with future audit and accounting matters. If such occurs, we will meet with you in advance to discuss the impact.

## Audit of Federal Programs / Uniform Guidance

The cost of a federal single audit (Uniform Guidance report) is based on the number of major federal programs determined at year end. Federal single audit services are in connection with all audit work and reporting requirements related to major federal programs due to the variable scope of work in applying the risk-based approach prescribed by OMB Circular Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

Each year during the planning phase, we will determine the scope and number of federal programs and state awards to be audited. Should it exceed the assumed numbers above, we will negotiate a not-to-exceed fee for the audit of each additional major federal programs and state award based on an agreed upon discounted rate that would be adjusted annually. In general, we estimate 35 to 40 hours for each major federal program.

## Administrative Fee and Out-of-Pocket Expenses

The aforementioned fee is all-inclusive. Direct out-of-pocket expenses will not exceed the \$1,000 cost as noted on the *Cost Proposal Form*. Further, we will also waive our standard technology and administrative fee, an allocation of overhead expenses that are not billed as direct reimbursable expenses.

## Routine Consultations

Routine consultations during the year to discuss general accounting issues are included in our fees. Should these consultations lead to additional matters, we will obtain your approval prior to incurring additional costs.

## No Surprises

Our goal is to ensure there are no surprises with respect to our fees. This can be accomplished through good communication and proper planning. We will update you on our progress and will discuss with you any issues or concerns that may arise during the engagement.

## Additional Professional Services

We are available to provide a variety of other services to the District which would be conducted by either CBIZ CPAs or our alternative practice of CBIZ Advisors, LLC. After ensuring there would be no independence impairment, these services will be discussed in advanced and agreed to in an addendum to the contract.



## Billing Rates for Additional Services

Any additional services will be billed at an agreed-upon discounted hourly rate. For the rendering of these other services during fiscal year 2026, we would use the rates set forth below.

Level	Average Standard Rate Ranges (as of 10/1/2025)	Discounted Rate Ranges
Managing Director / Director / Shareholder	\$600 – \$850	\$360 – \$510
Manager / Senior Manager	\$470 – \$525	\$282 – \$315
Supervisors	\$440 – \$460	\$264 – \$276
Senior Associate / Senior Associate II	\$360 – \$420	\$216 – \$252
Associate I / Experience Associate	\$245 – \$340	\$147 – \$204
Paraprofessional / Accounting Assistants / Attest Prep Team	\$106 – \$195	\$64 – \$117

## Manner of Payment

Our invoices for these fees will be rendered as the work progresses and will cover a period of not less than one calendar month. They are due and payable within thirty (30) days of presentation.

*This proposal is provided for informational purposes only and shall not constitute an offer. The parties will not be bound to any agreement unless and until they review, approve and execute a final engagement letter.*

# Appendix A

## Engagement Team Leaders' Profiles





## Erica M. Olobri, CPA, MPAC

Managing Director, CBIZ  
Shareholder, CBIZ CPAs P.C.

401.600.4718  
[ERICA.OLOBRI@CBIZ.COM](mailto:ERICA.OLOBRI@CBIZ.COM)

Erica M. Olobri has more than 20 years of experience in public accounting. She has primarily worked on audit and accounting engagements. Her focus is on audits of local governments, healthcare organizations, nonprofit organizations, and real estate and small businesses. Additionally, Erica provides various other consulting services.

Erica is a Certified Public Accountant (CPA) licensed by the State of Rhode Island.

### Professional and Civic Affiliations

- American Institute of Certified Public Accountants (AICPA)
- Rhode Island Society of Public Accountants (RISCPA), Member, Board Member
- Massachusetts Society of Certified Public Accountants (MassCPAs)
- Alzheimer's Association, Board Treasurer
- CBIZ Women's Advantage Group (CWA), Member
- CCRI Foundation Trustees, Board Treasurer and Chair of Finance Committee
- Leadership Rhode Island Class of 2020

### Expertise

- Governmental Audits
- Uniform Guidance Compliance Audits/HUD
- Audits (Section 202 and 811)
- Nonprofit Audits
- Healthcare
- Financial Reporting
- Employee Benefit Plan Audits

### Industry Experience

- Nonprofit Organizations
- Healthcare Organizations
- Local Governments
- Real Estate

### Education

- Master of Professional Accountancy, Concentration in Financial Planning  
Rhode Island College
- Bachelor of Science, Accounting  
Rhode Island College



## William D. Sawicki, CPA

Shareholder, CBIZ CPAs P.C.  
Director, CBIZ

203.781.9726  
[WILLIAM.SAWICKI@CBIZ.COM](mailto:WILLIAM.SAWICKI@CBIZ.COM)

William Sawicki is a shareholder of CBIZ CPAs P.C. and a director in CBIZ, Inc.'s New Haven, Connecticut attest practice. He is also a member of the CBIZ CPAs Quality Control group. He is a Certified Public Accountant (CPA) licensed by the State of Connecticut and the Commonwealth of Massachusetts. He has more than 35 years of accounting and auditing experience working with municipalities, government agencies, housing authorities, nonprofit entities and employee benefit plan providers. He also has a particular expertise in audits under Government Auditing Standards, as well as Housing and Urban Development (HUD) and federal and state compliance audits.

William teaches continuing education classes on federal Uniform Guidance, governmental and nonprofit auditing, Yellow Book, HUD programs and compliance, as well as audits of employee benefit plans to Firm associates. He has developed training materials in the aforementioned areas and also has engagement quality review responsibilities for audits in these areas. William is also a member of the National Employee Benefit Practice Committee. Their responsibilities include providing firmwide training on benefit plan audits, as well as keeping up on the latest accounting and auditing standards.

William has an extensive background working with the State of Connecticut on compliance related to special projects and funding sources. He has performed audit and other attest services for numerous agencies of the State of Connecticut and has been responsible for, and participated in, approximately 20 municipal audits in the State of Connecticut. In addition, William has led internal audit engagements involving bidding processes, overhead and cost allocations, construction change orders, retainage, budgets and facilities operations.

## Professional Affiliations

- American Institute of Certified Public Accountants (AICPA)
- Connecticut Society of Certified Public Accountants (CTCPA)
- Government Finance Officers Association, Connecticut Chapter
- Seymour Volunteer Ambulance Association, Incorporator
- Town of Seymour, Connecticut, Board of Finance, Chairman

CBIZ is a consulting, tax and financial services provider that works closely with CBIZ CPAs P.C., an independent CPA firm that provides audit, review and other attest services. In certain jurisdictions, CBIZ CPAs P.C. operates under its previous name, Mayer Hoffman McCann P.C.

## Expertise

- Governmental Audits
- Federal & State Compliance Audits
- Nonprofit Audits
- GAO Yellow Book Audits
- Compliance Audits
- Employee Benefit Plan Audits
- Internal Audits

## Industry Experience

- Government
- Employee Benefit Plans
- Not-For-Profit

## Education

- Bachelor of Science,  
Business Administration  
University of New Haven



## Benjamin Wilkinson, CPA, MPAC

Senior Manager  
Assurance Services

401.600.4726  
[BENJAMIN.WILKINSON@CBIZ.COM](mailto:BENJAMIN.WILKINSON@CBIZ.COM)

Ben Wilkinson is an assurance senior manager in the Providence, Rhode Island office. He has more than ten years of experience in public accounting, specializing in assurance and attest engagements. His focus is on audits of state and local governments, manufacturers, distributors and uniform guidance compliance.

Ben is a certified public accountant (CPA) licensed by the State of Rhode Island.

### Professional Affiliations

- American Institute of Certified Public Accountants (AICPA)
- Rhode Island Society of Certified Public Accountants (RISCPA)

### Expertise

- Financial Statement Audits
- Uniform Guidance Compliance Audits
- Agreed-Upon Procedures
- Attest Engagements

### Industry Experience

- State & Local Governments
- Public School Districts
- Employee Benefit Plans
- Manufacturers
- Distributors

### Education

- Master of Professional Accountancy  
Bryant University
- Bachelor of Science,  
Business Administration,  
Accounting  
Bryant University



# Michael Arciero, MBA

Senior Associate

401.600.4784

[MICHAEL.ARCIERO@CBIZ.COM](mailto:MICHAEL.ARCIERO@CBIZ.COM)

Michael Arciero is a Senior Associate in the Providence, Rhode Island office. Michael has more than four years' experience in public accounting and auditing. Michael's experience includes providing services for governmental, not-for-profit and healthcare organizations.

## Expertise

- Audit

## Industry Experience

- Government
- Healthcare
- Not-for-Profit

## Education

- Masters in Business Administration, Providence College
- Bachelor of Science, Accounting Providence College

Appendix B

Peer Review Report





## Report on the Firm's System of Quality Control

September 22, 2023  
To the Shareholders of Mayer Hoffman McCann P.C.  
And the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice applicable to engagements not subject to PCAOB permanent inspection of Mayer Hoffman McCann P.C. (the firm) in effect for the year ended April 30, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

### Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans; and examinations of service organizations (SOC 1® and SOC 2® engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### Opinion

In our opinion, the system of quality control applicable to engagements not subject to PCAOB permanent inspection for the accounting and auditing practice of Mayer Hofmann McCann P.C. in effect for the year ended April 30, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Mayer Hoffman McCann P.C. has received a peer review rating of *pass*.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Weaver and Tidwell, L.L.P.  
9311 San Pedro Avenue, Suite 1400 | San Antonio, Texas 78216  
Main: 210.737.1042

CPAs AND ADVISORS | [WEAVER.COM](http://WEAVER.COM)

# Appendix C

## RFP Required Forms



**THIS DOCUMENT MUST BE COMPLETED AND SUBMITTED WITH BID/RFP**

**GREATER PORTLAND METRO**

**RFP # 2026-006  
Annual Financial Audit Services**

**PRICE PROPOSAL FORM**

**Annual Financial Audit Services RFP 2026-006**

	<b>Amount</b>	<b>Amount Written out</b>
Year 1 (2026)	\$51,000	fifty-one thousand dollars
Year 2 (2027)	\$53,000	fifty-three thousand dollars
Year 3 (2028)	\$55,000	fifty-five thousand dollars
Year 4 (2029)	\$57,000	fifty-seven thousand dollars
Year 5 (2030)	\$59,000	fifty-nine thousand dollars
Total Price	\$275,000	two hundred and seventy-five thousand dollars

Proposal prepared by: Erica Olobri

Company: CBIZ CPAs P.C.

Title: Shareholder

Address: 100 Westminster Street, Suite 500 / Providence, RI 02903

Phone: 401.600.4718 Fax: 401.600.4501

E-mail Erica.Olobri@cbiz.com

Authorized Signature 

**THIS DOCUMENT MUST BE COMPLETED AND SUBMITTED WITH BID/RFP**

**PROPOSER CERTIFICATION  
GREATER PORTLAND TRANSIT DISTRICT  
RFP #2026-006  
ANNUAL FINANCIAL AUDIT SERVICES**


The UNDERSIGNED hereby declares that he, she or they are the only person(s), firm or corporation interested in this proposal as principal; that it is made without any connection with any other person(s), firm or corporation submitting a bid for the same.

The UNDERSIGNED hereby declares that they have read and understand all conditions as outlined herein, and that the proposal is made in accordance with same.

The UNDERSIGNED hereby declares that any person(s) employed by Me who has direct or indirect personal or financial interest in this proposal, or in any profits which may be derived therefrom has been identified and the interest disclosed by separate attachment. Please include in your disclosure any interest which you know of.

This Proposal acknowledges the receipt of Addenda No.: 1 and 2

COMPANY NAME: CBIZ CPAs P.C.  
(Individual, Partnership, Corporation, Joint Venture)

AUTHORIZED SIGNATURE:  DATE: May 18, 2026  
(Officer, Auth. Individual, Owner)

PRINT NAME & TITLE: Erica Olobri, Shareholder

EMAIL: Erica.Olobri@cbiz.com

MAILING  
ADDRESS: 100 Westminster Street, Suite 500 / Providence, RI 02903

TELEPHONE: 401.600.4718 D.U.N.S. 12-154-9302

FEDERAL TAX I.D. NUMBER: 43-1947695

**NOTE: All proposals must bear the handwritten signature of a duly authorized member or employee of the organization making the proposal.**

**GREATER PORTLAND TRANSIT DISTRICT  
RFP #2026-006  
AUDIT SERVICES**

**DATE: May 6, 2026**

The attention of firms submitting proposals for the work named in the above invitation is called to the following modifications to the documents as were issued.

The items set forth herein, whether of clarification, omission, addition and/or substitution, shall be included and form a part of the bidder's submitted material and the corresponding contract and/or purchase order when executed. No claim for additional compensation, due to lack of knowledge of the contents of this Addendum will be considered.

\*\*\*\*\*

**ALL PROPOSERS ARE ADVISED THAT RECEIPT OF THIS NOTICE MUST BE DULY ACKNOWLEDGED, EITHER ON THE PROPOSAL FORM OR BY THE INSERTION OF THIS SHEET, SIGNED, AND SUBMITTED WITH YOUR PROPOSAL.**

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The Greater Portland Metro has **revised** RFP Deadline of **Thursday, May 28 at 2:00 PM.**

**Addendum No. 1** to the GPM RFP #2026-006: **AUDIT SERVICES** is hereby acknowledged.


COMPANY NAME: CBIZ CPAs P.C.

SIGNED BY: 

PRINT NAME & TITLE Erica Olobri, Shareholder

**Addendum No. 2** to the GPM RFP #2026-006: **AUDIT SERVICES** is hereby acknowledged.

COMPANY NAME: CBIZ CPAs P.C.

SIGNED BY: 

PRINT NAME & TITLE Erica Olobri, Shareholder

**PLEASE FILL IN THE FOLLOWING INFORMATION  
FOR ANY SUB-CONTRACTED WORK  
AND SUBMIT WITH PROPOSAL**

	Name of Subcontractor	Service	Expected \$ Value	DBE? Y/N
1	<u>n/a - no subcontractors</u>	_____	_____	_____
2	_____	_____	_____	_____
3	_____	_____	_____	_____

**COMPLETE AND SUBMIT THIS PAGE**

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION,  
OTHER INELIGIBILITY, AND INVOLUNTARY EXCLUSION**

The Respondent, CBIZ CPAs P.C., certifies, by submission of this proposal, that neither it nor its principals or subcontractors is presently debarred, suspended, proposed for debarment, declared ineligible, or involuntarily excluded from participation in this transaction by any Federal Department or Agency.

The Respondent agrees to comply with the requirements of 2 CFR Part 180, Subpart C, as adopted and supplemented by U.S. DOT regulations at 2 CFR Part 1200, while this RFP is pending and throughout the period of any contract that may arise from this RFP. The Respondent further agrees that it and its affected subcontractors will provide immediate written notice to Greater Portland Transit District (“GPM”) if at any time the Respondent learns that their subcontractor’s certification was erroneous when submitted or has become erroneous because of changed circumstances.

By submitting this proposal and affixing a signature below, the Respondent certifies that the above statement is a material representation of fact upon which reliance is placed by GPM. If it is later determined that the Respondent knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, GPM may terminate this transaction for cause of default.

If the Respondent is unable to certify to any of the statements in this certification, the Respondent shall attach an explanation to this certification.

**The Respondent certifies or affirms the truthfulness and accuracy of the contents of the statement submitted on or with this certification and understands that the provisions of 31 U.S.C. §§ 3801-3812 are applicable thereto.**

  
Signature of Duly Authorized Official

May 18, 2026  
Date

Erica Olobri  
Printed Name of Duly Authorized Official

CBIZ CPAs P.C.  
Company Name

**COMPLETE AND SUBMIT THIS PAGE**

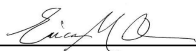
**CERTIFICATION OF RESTRICTIONS ON LOBBYING  
49 CFR PART 20**

The UNDERSIGNED certifies, to the best of their knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions [as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96). Note: Language in paragraph (2) herein has been modified in accordance with Section 10 of the Lobbying Disclosure Act of 1995 (P.L. 104-65, to be codified at 2 U.S.C. 1601, *et seq.*)]
3. **The undersigned shall include the language of this certification in the award documents for all subcontracts, that shall certify and disclose accordingly.**

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The undersigned understands and agrees that the provisions of 31 U.S.C. A 3801, *et seq.*, apply to this certification and any disclosure, and also certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any.

  
\_\_\_\_\_  
Signature of Authorized Official


\_\_\_\_\_  
May 18, 2026  
Date

\_\_\_\_\_  
Erica Olobri  
Printed Name of Authorized Official

\_\_\_\_\_  
CBIZ CPAs P.C.  
Printed Name of Respondent or Contract

**COMPLETE AND SUBMIT THIS PAGE**

**FEDERAL STANDARDS ADDENDUM:  
FTA REQUIREMENTS FOR THIRD PARTY CONTRACTING**  
In regards to RFP #2026-006: Annual Financial Audit Services  
is hereby acknowledged.

  
\_\_\_\_\_  
Signature of Contractor's Authorized Official

\_\_\_\_\_  
May 18, 2026  
Date

Erica Olobri  
\_\_\_\_\_  
Printed Name and Title of Contractor's Authorized Official

CBIZ CPAs P.C.  
\_\_\_\_\_  
Printed Name of Contractor



## PROFESSIONAL AUDITING SERVICES

**Response to Request for Proposal for Professional Auditing Services**

# **GREATER PORTLAND TRANSIT DISTRICT**

May 28, 2026

**Submitted By:**

Runyon Kersteen Ouellette  
20 Long Creek Drive  
South Portland, ME 04106

**Casey Leonard, CPA**

Engagement Partner 207.773.2986

[cleonard@rko-cpas.com](mailto:cleonard@rko-cpas.com)

*PROPOSAL TO PROVIDE AUDIT SERVICES*



SUBMITTED BY:

RUNYON KERSTEEN OUELLETTE

20 LONG CREEK DRIVE

SOUTH PORTLAND, MAINE 04106

TELEPHONE: 207-773-2986

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FOR FURTHER INFORMATION, CONTACT:

Casey Leonard, CPA

[cleonard@rko-cpas.com](mailto:cleonard@rko-cpas.com)

*May 28, 2026*

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May 28, 2026

Frank Suszczynski, Procurement Manager  
Greater Portland Transit District  
114 Valley Street  
Portland, ME 04102

Dear Mr. Suszczynski,

Thank you for this opportunity to continue to provide professional services to the Greater Portland Transit District (GPM). As auditors for GPM, we believe we work well with GPM staff and provide GPM with an efficient, thorough, well-presented audit. We are looking forward to continuing our audit relationship with GPM. You can be assured that Runyon Kersteen Ouellette (RKO) is the right firm to help GPM with its financial responsibilities.

Runyon Kersteen Ouellette is proud of its distinguished reputation in governmental auditing and consulting. RKO has provided audit services to many of Maine's largest governmental and quasi-governmental entities as well as many smaller local governments in the state. These entities have retained RKO because of our expertise in the governmental sector, especially as it applies to governments within the State of Maine. We believe in an efficient audit approach, which is carried out by well-trained governmental audit specialists. We feel RKO is unique among public accounting firms because we have a dedicated governmental audit group that works solely with governmental and quasi-governmental entities here in Maine.

Our audit procedures and reports will be in conformance with generally accepted auditing standards (GAAS), as approved and adopted by the membership of the American Institute of Certified Public Accountants, with the standards contained in Government Auditing Standards (the yellow book); the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the Maine Uniform Accounting and Auditing Practices for Community Agencies (MAAP), if applicable.

It is our understanding that the period covered by this proposal is for the audit of the Greater Portland Transit District for the five fiscal years ending December 31, 2026, through December 31, 2030.

*We commit to meeting the performance specifications outlined in the request for proposal.  
This proposal is a firm and irrevocable offer for the fiscal years December 31, 2026, through December 31, 2030.*

In the following sections of this proposal, we will elaborate on our previous experience and the specific qualifications, which we can provide to you. All required information is presented herein in accordance with the request for proposal.

Frank Suszczynski, Procurement Manager  
Greater Portland Transit District  
May 28, 2026  
Page 2

We pledge to earn your trust and ensure the needs of the Greater Portland Transit District are met on a timely and cost-efficient basis throughout the year, not just during the audit. We pride ourselves on the long-term relationships we develop with our clients.

You may also be interested in viewing our web site at [www.rko-cpas.com](http://www.rko-cpas.com), which not only provides an introduction to the firm, but also provides links to other informational websites. Service is the attribute which we at RKO most highly regard, and if we can be of any further assistance in responding to your request for proposal, or if you have any questions, please contact us. We look forward to working with you in the future.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Casey Leonard', written in a cursive style.

Casey Leonard, Partner  
RUNYON KERSTEEN OUELLETTE



# TECHNICAL PROPOSAL

## FIRM MEMBERSHIP, INDEPENDENCE, AND LICENSING

---

Regarding our membership, independence, and licensing, we confirm the following:

1. RKO is a member in good standing with the American Institute of Certified Public Accountants.
2. RKO is independent of the Greater Portland Transit District as defined by the U.S. General Accounting Office's Government Auditing Standards, latest edition, and generally accepted auditing standards.
3. The firm of RKO, as well as the partners and supervisor are properly licensed to practice as certified public accountants in the State of Maine.
4. RKO holds professional liability insurance in coverage amounts that meet GPM's required thresholds (See Appendix A).
5. RKO is incorporated in the State of Maine.

	<b>State of Maine</b> DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION OFFICE OF PROFESSIONAL AND OCCUPATIONAL REGULATION BOARD OF ACCOUNTANCY	
<b>License Number FM10000636</b>		
Be it known that <b>RUNYON KERSTEEN OUELLETTE</b> has qualified as required by Title 32 MRS Chapter 113 and is licensed as: <b>ACCOUNTANCY FIRM</b>		
<b>ISSUE DATE</b> August 28, 2025	 Joan F. Cohen, Commissioner	<b>EXPIRATION DATE</b> September 30, 2026

## FIRM QUALIFICATIONS AND EXPERIENCE

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### Our Firm

Runyon Kersteen Ouellette (RKO) was founded in 1979, and through natural growth, has matured into a medium sized local CPA firm. Our offices are located at 20 Long Creek Drive, South Portland, Maine and 144 South Main St., Rochester, NH. For this engagement, work will be performed out of our South Portland office. The firm utilizes most of its professional staff, to some extent, in audit engagements. These professionals in turn draw on other staff, as needed, especially in areas involving complex regulation, such as employee benefits, payroll and computer applications. We feel RKO can fulfill the needs of GPM with our governmental in-house audit staff.

Runyon Kersteen Ouellette can fulfill the needs of its clients because its personnel have a diversified base of experience in public accounting. While each has specialized in one or more areas, each has also been exposed to a broad range of client responsibilities and is a well-rounded generalist in addition to their area of emphasis.

We anticipate utilizing the following professional staff on the engagement for the Greater Portland Transit District:

Partner	1
Consulting Partner	1
Supervisor	1
Senior/Staff	2

The partner and supervisor will lead the audit by actively developing the core assessment of the entity and the associated risk profile. The partner and supervisor will use the initial assessment to develop an overall audit plan. The audit supervisor is tasked with further developing the audit plan and individual tests to address the identified risks and to ensure proper audit documentation. The audit supervisor will also summarize and draft all potential issues for reporting. Staff will be utilized to execute the overall audit strategy and perform tests of transactions. Staff will be directly supervised by the audit supervisor throughout the engagement. The audit partner will review all final documentation to ensure the audit has been carried out to address all risks and to ensure compliance with all applicable standards. A separate consulting partner will be utilized in a final technical review for quality assurance purposes.

## *FIRM QUALIFICATIONS AND EXPERIENCE, Continued*

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### **Our Experience**

We are particularly proud of our expertise in governmental, quasi-governmental and non-profit accounting and auditing. Our experience includes numerous municipalities and other governmental entities and quasi-governmental entities. We currently provide audit services to most of the largest governmental entities in the State as well as many smaller governmental entities. Our current list of governmental clients includes approximately 70 governmental and quasi-governmental entities.

RKO has significant experience in assisting governmental entities in preparing their financial statements for review in the Governmental Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting (ACFR) program. In the past, we assisted eleven governmental entities who were preparing their reports to be reviewed for the ACFR award for the first time. We are also providing continued support for ACFR's for the City of South Portland, the Town of Brunswick, the Town of Falmouth, the Town of Gorham, the Town of Cumberland, the Town of Kennebunkport, and the City of Lewiston.

### **Governmental Practice**

Runyon Kersteen Ouellette is committed to providing quality audit, accounting, consulting and advisory services to the governmental sector. Because of this commitment, we have become a leader in the State in governmental auditing and consulting services. Our mission is to continually innovate our services, strive to improve our quality services and constantly evaluate the marketplace and maintain flexibility to address the changes in our industry. We are committed to giving each client our best efforts and providing value-added services. Governmental audit services currently comprise approximately 55% of firm revenues.

Our governmental audit department currently consists of sixteen team members, all of whom spend a significant amount of their time working on municipal audit engagements. In addition to those specializing in governmental audits, we have a solid support staff, which we call on regularly to support our financial and technological needs. For example, our tax department assists our clients on a regular basis with tax or payroll related issues.

We constantly strive to stay at the forefront in the governmental industry. We continually provide training for our staff so that we are able to provide our clients with the highest level of service. We continually attend and participate in GFOA, NESGFOA, MMA and ASBO presentations. We have provided training for our clients on new GASB Statements. RKO participates in training at Maine Government Finance Officers Association Luncheons, at Maine Association of School Business Officers (MeASBO) meetings, as well as informal trainings for clients on various governmental and auditing topics. We also have participated in Drummond Woodsum's Financial Institute training for school administrators.

### **Governmental Audit Quality Center**

RKO is also a member of the AICPA's Governmental Audit Quality Center (GAQC), which promotes the importance of quality governmental audits. GAQC is a voluntary membership center for CPA firms which helps meet the challenges of performing quality audits in the unique and complex governmental auditing arena.

## *FIRM QUALIFICATIONS AND EXPERIENCE, Continued*

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### **Continuing Education**

The Maine Board of Accountancy requires all licensees to complete 40 hours of continuing professional education every year. Auditors responsible for planning, directing, or conducting substantial portions of governmental audit fieldwork must complete 24 hours of continuing professional education every two years in subjects directly related to the government environment and to government auditing. RKO's policy requires all professional employees to comply with the Maine Board of Accountancy and GAO continuing professional education requirements and all of the staff members named in this proposal are in compliance with those requirements. We assist our staff in selecting meaningful governmental audit CPE utilizing national, local, and in-house sources. This is one way we ensure continued quality and development of our staff. Additionally, we believe strongly in having our more experienced managers and partners continually share their knowledge with less experienced staff. This is achieved by our managers and partners taking active roles during the fieldwork. From the planning stages of an audit to the exit conference, our partners and managers are continually involved, often working side by side with seniors and staff in the field.

### **Quality Review**

RKO participates in the AICPA's quality control review system. The **January 2026** review resulted in a rating of "pass" on the system of quality control for the accounting and auditing practice of the firm. The on-site visits are a part of the AICPA's quality control monitoring program for all member firms and are conducted every three years. Among other procedures, the Quality Review Team inspects randomly selected client files and workpapers to ensure compliance with professional standards on audit, review, and compilation engagements. Several government and non-profit engagements were reviewed as part of this inspection. Additionally, continuing education records are scrutinized, employees are interviewed, and various other administrative procedures are examined to test for adherence to all nine elements of quality control as promulgated by the AICPA. The successful completion of the review marks our commitment to provide a top quality product and level of service to all clients. In addition to participation in the AICPA's quality control program, RKO reports are periodically reviewed by various Federal and State grantor agencies. Other desk reviews done by Federal or State agencies have not resulted in any disciplinary action taken against the firm. A copy of this quality control letter is included in the appendix.

## *FIRM QUALIFICATIONS AND EXPERIENCE, Continued*

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### **Litigation and Claims**

We are currently not aware of any outstanding claims or litigation or threatened claims or litigation.

### **Joint Venture**

If a review of the work to be performed indicates that there is a need for an IT auditor, RKO would assign an auditor with specific IT experience, or subcontract with Advanced MicroSystems of Auburn, Maine to assist with such review.

### **Conflict of Interest**

RKO certifies that we are not aware of any professional or personal relationships that would constitute an unethical conflict of interest if we were to be awarded a contract with GPM, including any conflict of interest with regard to any other work performed by the firm for GPM at any time.

### **Identification of Anticipated Audit Problems**

Based on our understanding and review of prior financial statements and information, we see no potential audit problems of significance.

If there are extraordinary circumstances discovered during the audit that may require an expansion of audit work beyond that which was originally planned, we will discuss with you the extent of additional procedures and work with you to formulate a plan and estimate additional fees.

## *PARTNER, SUPERVISORY, AND STAFF QUALIFICATIONS AND EXPERIENCE*

---

### **Meet Your Audit Team**

The following individuals would be assigned to the audit of GPM. The partner, supervisor, and independent reviewer assigned to the engagement are licensed to practice as CPA's in the State of Maine. Resumes are presented in the following section of this proposal. Resumes include information on relevant continuing professional education.

#### *Engagement Partner*

##### Casey Leonard

Casey is one of RKO's partners specializing in governmental audits. As engagement partner, he will be responsible for the overall planning and supervision of the engagement. As engagement partner, he will assist the staff in resolving potential problems and review the audit workpapers. His direct involvement will ensure a smooth, efficient, and thorough audit.

#### *Consulting Partner*

##### Jennifer Conners

Jen is one of RKO's partners specializing in governmental audits. Her involvement will be to support the engagement partner. She will also provide backup capabilities in the event of the engagement partner's absence, and will assist in resolving any potential technical disagreements that might arise within the audit staff. She is expected to be responsible for the final technical review of the financial statements, management letter, compliance reports, and reports on internal control.

#### *Engagement Supervisor*

##### Zachery Srader

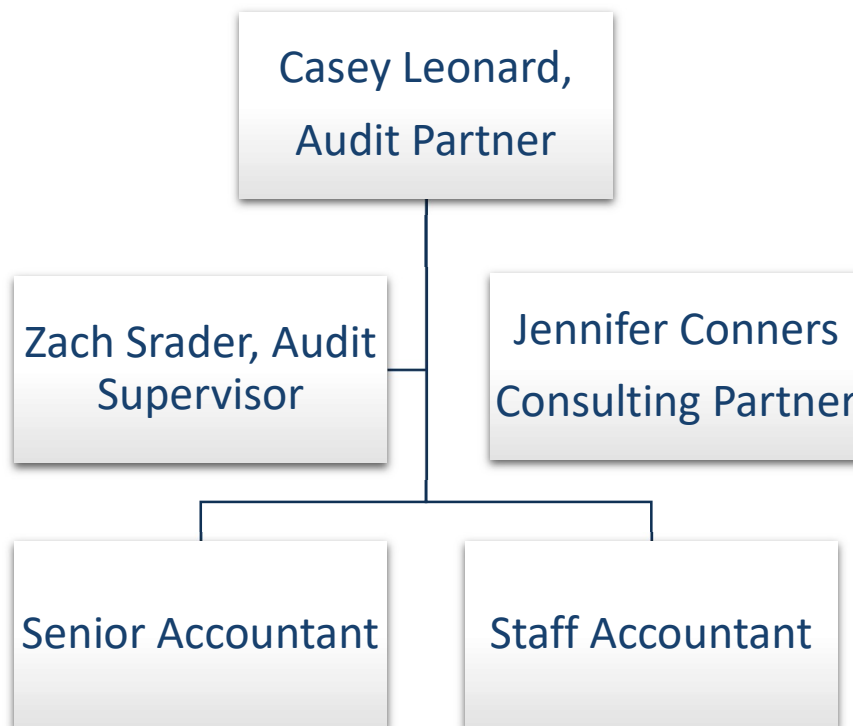
Zachery will be actively involved with the planning, organization, and implementation of the audit program. He will report directly to the engagement partner and will be involved throughout the course of the audit work and will guide additional staff assigned to the audit.

#### *Senior / Staff Accountants*

RKO will assign two senior / staff accountants to the audit team. They will perform various testing under the supervision of the engagement supervisor.

## PARTNER, SUPERVISORY, AND STAFF QUALIFICATIONS AND EXPERIENCE, Continued

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### CASEY LEONARD, CPA, MBA

#### PARTNER

[cleonard@rko-cpas.com](mailto:cleonard@rko-cpas.com)

Casey earned a Masters of Business Administration from the University of New Hampshire after graduating summa cum laude from the Massachusetts College of Liberal Arts with a Bachelor of Science in Accounting.

Casey joined RKO in 1998 and is a Certified Public Accountant and a partner with RKO. His primary area of practice is in providing audit and advisory services to governmental entities including municipalities, school departments, regional school units, and quasi-governmental organizations.

Casey has provided expertise in areas related to the single audit requirements of the Uniform Guidance, financial statement accounting and reporting, and the additional accounting and reporting requirements specified by the Maine Department of Education. He has advised and assisted his clients with disclosure, financial reporting and compliance requirements pursuant to the Government Finance Officers Association (GFOA) Certificate Program.

In 2014, Casey completed a six-year term as board member of the Maine Society of Certified Public Accountants (MSCPA), of which he has been a member since 2002. In addition to the MSCPA, Casey is a member of the American Institute of Certified Public Accountants and the GFOA.

Casey's continuing professional education has included attendance at MSCPA and GFOA courses and conventions.

## *PARTNER, SUPERVISORY, AND STAFF QUALIFICATIONS AND EXPERIENCE, Continued*

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**JENNIFER CONNERS, CPA, MSB**

**CONSULTING PARTNER**

[jconners@rko-cpas.com](mailto:jconners@rko-cpas.com)

Jennifer is a summa cum laude graduate of Husson College, where she received a Bachelor of Science in Accounting and a Master's of Science in Business in 2003. Jennifer's primary duties while at RKO have involved participating in the audits of municipal and commercial clients. In particular, her experience includes audits of the governmental and quasi-governmental entities of Efficiency Maine Trust, the City of Bangor, the Towns of Cumberland, Freeport, and Cape Elizabeth; RSU No. 18, and others.

Jennifer is currently a member of the following organizations:

- The American Institute of Certified Public Accountants
- The Maine Society of Certified Public Accountants
- The New England States Government Finance Officers Association
- The Government Finance Officers Association

Jennifer has also participated in continuing professional education in such areas as updates of Governmental Accounting and Auditing Standards; updates of the Uniform Guidance requirements, fraud requirements, internal controls, and ethics.

Jennifer has been a Certified Public Accountant since 2003.

**ZACHERY SRADER, CPA, MBA**

**SUPERVISOR**

[zsrader@rko-cpas.com](mailto:zsrader@rko-cpas.com)

Zachery graduated cum laude from California State University, Fresno with a bachelor's degree in accounting and obtained his Masters of Business Administration from Providence College. He has also obtained a graduate Business Analytics Certificate from Providence College. Prior to joining RKO, Zachery worked with a small accounting firm in California and joined RKO in July 2021. Since joining the firm, Zachery has immersed himself in the governmental auditing industry. Zachery has become a key staff member in developing newer staff and is part of a team that organizes RKO's annual in-house training seminar. Zachery became a licensed CPA in 2023 and is a member of the American Institute of Certified Public Accountants (AICPA), the Maine Society of Certified Public Accountants (MECPA), and the Government Finance Officers Association (GFOA).

## *PARTNER, SUPERVISORY, AND STAFF QUALIFICATIONS AND EXPERIENCE, Continued*

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### **Continuity and Auditor Rotation**

It is our normal practice to maintain continuity of personnel assigned to audit engagements. We understand the importance of assigning the same personnel to the audit from year to year. Not only does continuity provide for a more efficient and timely audit, but staff who are familiar with your operations are better able to answer your questions and furnish you with accurate and meaningful advice. We strive for continuity on our audits, but if requested, we can rotate in additional staff, managers, or partners due to the depth of our governmental department.

Our personnel have a cohesive audit approach because they have worked together for a number of years. Couple the extensive expertise of our senior personnel, which will be brought on site regularly, with our firm's audit procedures and quality controls and the result will be an efficient and comprehensive audit. Finally, our commitment to quality performance and total service is certain to provide you with an added resource on a regular basis.

### **Affirmative Action Statement**

Runyon Kersteen Ouellette is committed to recruiting and employing qualified candidates without regard to race, religion, color, sex, sexual orientation, age, national origin, veteran or disability status or any factor prohibited by law, and as such affirms in policy and practice to support and promote the concept of equal opportunity and affirmative action in all employment activities.

## SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENTAL ENTITIES

We believe that the most effective method for you to judge our qualifications and performance is to contact any of our existing or prior clients. We are confident that they will furnish you with a positive recommendation and will confirm the claims made in this proposal. A complete listing of governmental and quasi-governmental organizations appears in Appendix A of this proposal.

The following is a list of five (5) entities to whom we have provided audit services in the last five years which we feel are similar to the Greater Portland Transit District's engagement.

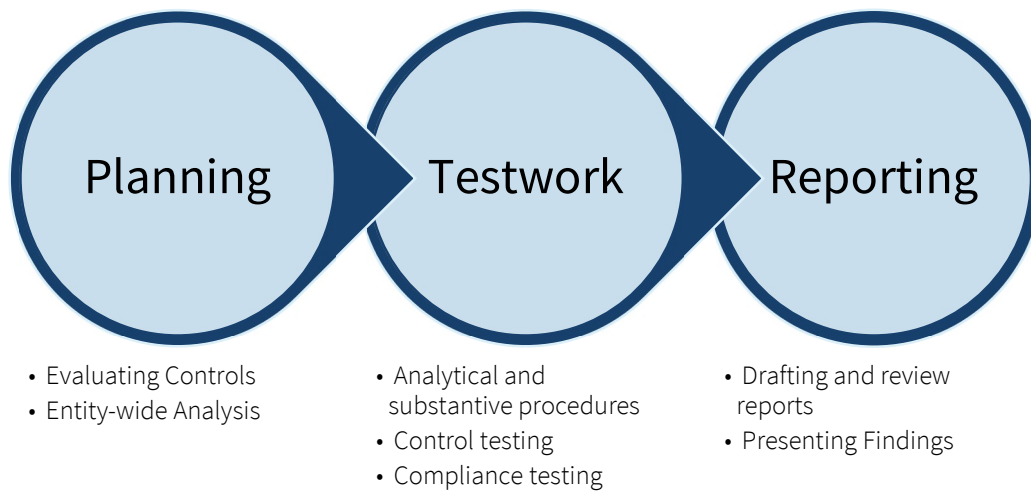
As part of our audits of these governmental entities, we have substantial involvement in auditing a wide variety of Federal and State grant programs. We also provide many of these clients with on-going support and consulting services. Our financial advisory services are available to all of our clients on an as needed basis.

We feel that our experience in providing professional services to such entities will add significantly to our ability to provide high quality professional services to the Greater Portland Transit District.

<u>Client</u>	<u>Engagement type</u>	<u>Compliance type</u>	<u>Scope of work</u>	<u>Engagement partner</u>	<u>Total hours</u>	<u>Contact</u>
Maine Turnpike Authority (current client)	Financial Statement	Yellow Book	Audit	Timothy Gill	375	John Sirois, Chief Financial Officer, 207-871-7771
Biddeford-Saco-Old Orchard Beach Transit Committee (2011-2022)	Financial Statement	Uniform Guidance/Yellow Book	Audit	Casey Leonard	315	H. Rodney Carpenter, Deputy Director, 207-282-5408
Town of Gorham (current client)	Annual Comprehensive Financial Report (ACFR)	Uniform Guidance/Yellow Book	Audit	Casey Leonard	725	Sharon LaFlamme, Finance Director, 207-222-1611
City of Bangor - including BACTS (current client)	Financial Statement	Uniform Guidance/Yellow Book	Audit	Jennifer Connors	1050	Stephanie Kimball, Finance Director, 207-992-4260
City of South Portland (current client)	Annual Comprehensive Financial Report (ACFR)	Uniform Guidance/Yellow Book	Audit	Timothy Gill	750	Ellen Sanborn, Finance Director, 207-767-7613

## SPECIFIC AUDIT APPROACH

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Our audit of GPM will be conducted under a number of different groups of auditing standards as follows:

- Generally accepted auditing standards (GAAS)
- *Government Auditing Standards* (the yellow book), issued by the Comptroller General of the United States
- The requirements of the Single Audit Act Amendments of 1996 and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)
- Maine Uniform Accounting and Auditing Practices for Community Agencies (MAAP), if required
- American Institute of Certified Public Accountants, *Statements on Auditing Standards* and the *Audit and Accounting Guide*
- Governmental Accounting Standards Board Pronouncements

Our audit objectives consider all the above standards. Ultimately, the objective is to determine whether the opinion units included in the financial report prepared under GASB standards, present fairly the financial position, results of operations and cash flows. In addition, overarching objectives include determining whether financial information is presented in accordance with stated criteria and whether GPM has adhered to specific financial compliance requirements which are covered by the above standards.

We follow a systematic, efficient audit approach. On the following pages, we have provided an outline of our approach and the segmentation for the engagement. The focus of our approach is in the planning phase. Proper planning ensures an efficient audit with adequate levels of testing in appropriate areas.

## SPECIFIC AUDIT APPROACH, Continued

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### The Audit Plan

Our planning process involves gaining an understanding of the government, the accounting standards applied and transaction processes, and financial reporting practices. We will apply analytical procedures and gain an understanding of the internal control applied to both financial reporting and to federal programs. Based on the information obtained, we will assess the risk that fraud could occur and subsequently design our audit procedures to ensure areas in which risk is higher have been adequately tested. Typically, as part of this process, we solicit information from key finance and accounting staff and plan unique tests each year in any areas in which these individuals feel might need a closer look.

Additionally, we would plan our testing of financial transactions, which is aimed at ensuring that there is effective control over revenues, expenditures, and expenses, assets and liabilities, that resources are properly accounted for, that periodic reports are being properly submitted. This includes specific tests every year that will be examined for compliance with internal controls, Federal and State regulations, and also for consistency with supporting documentation.

Finally, we would plan our testing required to meet the objectives of *Government Auditing Standards* and the Single Audit Act (if necessary) as required by the Uniform Guidance. Generally, this entails the testing of internal control over both financial reporting and compliance (general laws, regulations, contracts, and grant agreements). An important element in the planning in this area is ensuring proper coverage is met with respect to the rules under the Uniform Guidance.

### Audit Sampling and Materiality

RKO utilizes sampling for a variety of procedures in auditing the basic financial statements, for compliance testing, tests of controls, substantive tests of transactions and of balances, to meet the requirements of the Uniform Guidance, and to test compliance with laws and regulations. RKO first attempts to meet audit objectives by identifying and examining individually significant items. We then determine if additional testing through audit sampling is necessary to accomplish audit objectives. Materiality plays a key role in the determination of the need for additional testing especially in the cases of substantive tests of balances.

If materiality levels and other factors indicate sampling is necessary to meet audit objectives, RKO generally employs non-statistical sampling techniques following guidance given in various AICPA publications. Specifically, the tolerable misstatement is calculated and a risk factor determined. The sample size is then estimated using the following formula:

$$\begin{array}{r} \text{Dollar value} \\ \text{of population} \\ \text{to be tested} \end{array} \quad \times \quad \begin{array}{r} \text{Risk} \\ \text{factor} \end{array} \quad = \quad \text{Sample size}$$
  
$$\begin{array}{r} \text{Tolerable} \\ \text{Misstatement} \end{array}$$

As always, if the auditor feels warranted to do so, sample sizes can be increased.

## *SPECIFIC AUDIT APPROACH, Continued*

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### **Analytical Procedures**

We use analytical procedures for the following purposes:

- To assist in planning the nature, timing and extent of other auditing procedures
- As a substantive test to obtain evidential matter about particular assertions related to account balances or classes of transactions
- As an overall review of the financial information in the final review stage of the audit

### **Internal Controls and Approach to Financial Audits**

The Accounting Standards Board issued Statements on Auditing Standards (SAS), more commonly known as the Risk Assessment Standards. These standards affect audits across all industries, particularly in the area of internal controls, by requiring auditors to broaden their understanding of the client and its operating environment. This understanding encompasses a variety of areas including:

- Industry, regulatory and other external factors
- The nature of the entity including its application of accounting policies
- Organizational objectives, strategies, and the related risks
- Measurement and review of the entity's financial performance
- Internal control, including the control environment, the entity's risk assessment process, information systems related to financial reporting, control procedures, and monitoring of controls

As such, our approach will be to inquire of appropriate personnel, inspect, and review documents and records such as written policies, etc. and to observe activities and operations. Inquiries will be made, as necessary, to gain an understanding of various controls dependent on IT functions. After an understanding is obtained of GPM and its environment, RKO will assess the risks of material misstatements at the financial statement level. These assessments will determine the level and type of auditing procedures to be employed. We will then design an audit program tailored to concentrate our specific auditing procedures in the areas where control risk is high and to test compliance in areas of apparent strong internal control. Each procedure is based upon certain audit objectives associated with the particular areas under examination. Our procedures in testing internal controls and financial transactions are aimed at ensuring that there is effective control over revenues, expenses, assets, and liabilities, that resources are properly accounted for, that any required periodic reports are being properly submitted, that restrictive grant provisions are being complied with, and that applicable laws and regulations are being met. Once this audit program is developed, we will discuss the plan with GPM's management and confer on its content.

RKO utilizes a number of audit tests and procedures in auditing the financial statements. Upon completing our risk assessment of GPM, RKO first attempts to meet audit objectives by identifying and examining individually significant items. We then determine if additional testing through audit sampling is necessary to accomplish audit objectives. Materiality plays a key role in the determination of the need for additional testing especially in the cases of substantive tests of balances. For GPM's financial statement audit, materiality will be determined based on the total of all assets and/or revenues.

## *SPECIFIC AUDIT APPROACH, Continued*

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### **Testing of Laws and Regulations and Reports on Compliance**

As required by Government Auditing Standards (GAS) and the Single Audit Act, we will test compliance with laws and regulations applicable to GPM. We will evaluate compliance at the entity-level and at the Single Audit level.

At the entity-level, we will determine which laws and regulations have a direct and material effect on the financial statements. We will evaluate these areas and then test for compliance. Examples of entity-level laws and regulations consist of budgeting requirements, debt restrictions, various other charter requirements, and state and federal laws.

At the Single Audit level, if required, we will determine what federal programs of GPM are 'major' programs as defined by the Single Audit Act. For these programs, requirements of each will be identified and tested for compliance. Generally, at the Single Audit level, sampling will be used for the purposes of testing for compliance, RKO uses what is known as dual purpose testing, one which can be utilized to test both internal controls (accounting and administrative) and compliance requirements. Other compliance requirements not covered by the Uniform Guidance, such as additional requirements of federal or pass-through entities, would be performed as supplemental engagements.

We would expect to issue a number of reports as a result of this compliance testing. The first reports on the 'entity-level' laws and regulations. The other reports report on compliance with requirements applicable to federal and state financial assistance programs. If any instances of noncompliance are noted as part of our tests, they would be included in a Schedule of Findings and Questioned Costs which would be referred to as part of these reports.

### **Entrance, Progress, and Exit Conference**

RKO will schedule periodic entrance and progress conferences to keep finance personnel apprised of the status of the audit and any problems encountered. At the conclusion of the audit, an exit conference will be held to discuss our audit findings and to obtain our client's comments on the correctness and completeness of the facts presented, their concurrence or nonconcurrence with the recommendations made, and the course of action to be taken on each recommendation. These procedures will ensure that there will be no misunderstanding of the findings presented and that corrective action is feasible. We will be available to assist implementing any desired corrective action.

### **Engagement Quality Control Review**

Under our firm quality control standards, all work performed is required to be subject to an appropriate level of review by an authorized professional in order to ensure the quality and accuracy in our final work product. What this means for our engagements is that each engagement will be reviewed by the engagement supervisor to ensure that workpapers and supporting documentation is adequate to support the final product delivered in accordance with any corresponding professional standards as well as our own internal quality control standards. In addition to this level of review, the corresponding engagement partner will also conduct a review of the final deliverable and any supporting workpapers they determine necessary.

## *SPECIFIC AUDIT APPROACH, Continued*

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### **Electronic Data Processing**

Throughout the engagement our audit team will utilize highly advanced auditing software from Thompson Reuters called Guided Assurance. This cloud-based program is developed specifically for the audit process and allows our audit team to utilize electronic files and import data securely and safely into the cloud. This software also integrates with other well-known and widely used systems. This allows our audit team to manage immense amounts of data and sort, filter, and search for trends and other items that correspond to documented risks or to specific required audit procedures. Our staff are trained to effectively use this software to extract meaningful information that allows us to perform a thorough and efficient audit.

### **Audit Results**

At the conclusion of our audit, we will be prepared to present the results to the Finance Committee. We will discuss the financial statements and interpret the results of the current year's operations. This procedure would include identifying any financial "red flags", evaluating financial interrelationships, and discussing budget variances. We would also use this forum to inform the Committee of the following as required by auditing standards:

- ✓ The auditor's responsibility under generally accepted auditing standards;
- ✓ Significant accounting policies;
- ✓ Management judgments and accounting estimates;
- ✓ Significant audit adjustments;
- ✓ Other information in documents containing audited financial statements;
- ✓ Disagreements with management;
- ✓ Consultation with other accountants;
- ✓ Major items discussed with management prior to retention; and
- ✓ Difficulties encountered in performing the audit.

Finally, we would review the comments and findings presented in the reports on internal controls and the management letter to ensure the comments are understood, their significance is appreciated, and corrective action is implemented. We also welcome questions and/or general discussion regarding the financial statements and management letter.

### **The Management Letter**

As part of every audit engagement, we expect to issue a management letter presenting our comments and recommendations for improving less significant deficiencies noted in the accounting systems. We also use this forum for making suggestions which we feel are meaningful in the overall management of our clients' financial affairs. During our audit, we frequently identify inefficiencies, duplications and other impediments to a streamlined operation. We accumulate these observations and prepare recommendations on how to resolve them. Our suggestions are discussed with the appropriate members of the organization as they are developed.

### **Assistance of Personnel**

As disclosed during the proposal process, we understand that staff will be made available to assist in certain aspects of the audit, such as obtaining invoices, photocopying of requested documents and preparation of schedules and reconciliations.

## SPECIFIC AUDIT APPROACH, Continued

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### Audit Schedule

We understand the importance of timeliness in conducting the audit. We have developed an audit team to fully staff GPM's audit, including supervision of experienced personnel. Our audit plan indicates the various staffing levels for each segment of the engagement.

The following table identifies the structure of our audit for GPM and the timing of each section.



### Engagement Timeline

Activity	Timing
Planning and control and compliance testing	December / January
Testing significant transaction classes and balances	Late February / early March
Draft audit reports	April
Reporting	May

An audit project plan will be developed between our team and GPM. We will work with GPM's management team to customize our auditing services and specific timelines to meet your needs. We believe in clear, up-front and open communication with no surprises.

### Level of Staffing and Number of Hours

Below is our proposed level of staffing and estimated hours for each segment of the audit.

Audit Segment	Partner	Supervisor	Senior /Staff	Total
Pre-audit	6	12	32	50
Fieldwork	8	50	100	158
Wrap-up and reporting	20	40	-	60
<b>Total</b>	<b>34</b>	<b>102</b>	<b>132</b>	<b>268</b>

## PRICE PROPOSAL

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Our fees are predicated on the assumption that the GPM's operations do not change significantly during the period of the engagement, that the GPM's accounting records are reconciled, balanced, and otherwise in good order, and that GPM personnel provide us with timely and accurate assistance, including schedules substantiating account balances and assistance in preparing confirmations and locating invoices. Obviously, should the scope of the audit increase or decrease significantly because of extraordinary circumstances identified during the audit, we would expect to negotiate modifications to our contract accordingly.

### **Total All-inclusive maximum annual price:**

December 31, 2026	\$40,000
December 31, 2027	\$42,000
December 31, 2028	\$44,100
December 31, 2029	\$46,300
December 31, 2030	\$49,000

Our per-hour quote for additional services to the GPM would be as follows:

Partners - \$295; Manager - \$200; Supervisors - \$170; Senior accountants - \$145; Staff accountants - \$125.

Our practice is to submit periodic billings as the work progresses. We impose a late fee of 1.5% per month on accounts over 45 days old.

## **Report on the Firm's System of Quality Control**

January 13, 2026

To the Partners of Runyon Kersteen Ouellette, P.A. and the Peer Review Committee of the New England Peer Review

We have reviewed the system of quality control for the accounting and auditing practice of Runyon Kersteen Ouellette, P.A. (the firm) in effect for the year ended May 31, 2025. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### **Firm's Responsibility**

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

### **Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, compliance audits under the Single Audit Act, and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

## Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Runyon Kersteen Ouellette, P.A. in effect for the year ended May 31, 2025, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Runyon Kersteen Ouellette, P.A. has received a peer review rating of *pass*.

Vachon Clukay & Company PC

*Vachon Clukay & Company PC*



**THIS DOCUMENT MUST BE COMPLETED AND SUBMITTED WITH BID/RFP**

**GREATER PORTLAND METRO**

**RFP # 2026-006  
Annual Financial Audit Services**

**PRICE PROPOSAL FORM**

**Annual Financial Audit Services RFP 2026-006**

	<b>Amount</b>	<b>Amount Written out</b>
Year 1 (2026)	\$ 40,000	Forty Thousand Dollars
Year 2 (2027)	42,000	Forty-Two Thousand Dollars
Year 3 (2028)	44,100	Forty-Four Thousand One Hundred Dollars
Year 4 (2029)	46,300	Forty-Six Thousand Three Hundred Dollars
Year 5 (2030)	49,000	Forty-Nine Thousand Dollars
Total Price	\$ 221,400	Two Hundred Twenty-One Thousand Four Hundred Dollars

Proposal prepared by: Casey Leonard

Company: Runyon Kersteen Ouellette

Title: Principal

Address: 20 Long Creek Drive, South Portland, ME 04106

Phone: (207) 773-2986 Fax: (207) 772-3361

E-mail cleonard@rko-cpas.com

Authorized Signature 



**PLEASE FILL IN THE FOLLOWING INFORMATION  
FOR ANY SUB-CONTRACTED WORK  
AND SUBMIT WITH PROPOSAL**

	Name of Subcontractor	Service	Expected \$ Value	DBE? Y/N
1	<u>None</u>	_____	_____	_____
2	_____	_____	_____	_____
3	_____	_____	_____	_____

**COMPLETE AND SUBMIT THIS PAGE**

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION,  
OTHER INELIGIBILITY, AND INVOLUNTARY EXCLUSION**

The Respondent, Runyon Kersteen Ouellette, certifies by submission of this proposal, that neither it nor its principals or subcontractors is presently debarred, suspended, proposed for debarment, declared ineligible, or involuntarily excluded from participation in this transaction by any Federal Department or Agency.

The Respondent agrees to comply with the requirements of 2 CFR Part 180, Subpart C, as adopted and supplemented by U.S. DOT regulations at 2 CFR Part 1200, while this RFP is pending and throughout the period of any contract that may arise from this RFP. The Respondent further agrees that it and its affected subcontractors will provide immediate written notice to Greater Portland Transit District (“GPM”) if at any time the Respondent learns that their subcontractor’s certification was erroneous when submitted or has become erroneous because of changed circumstances.

By submitting this proposal and affixing a signature below, the Respondent certifies that the above statement is a material representation of fact upon which reliance is placed by GPM. If it is later determined that the Respondent knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, GPM may terminate this transaction for cause of default.

If the Respondent is unable to certify to any of the statements in this certification, the Respondent shall attach an explanation to this certification.

**The Respondent certifies or affirms the truthfulness and accuracy of the contents of the statement submitted on or with this certification and understands that the provisions of 31 U.S.C. §§ 3801-3812 are applicable thereto.**



\_\_\_\_\_  
Signature of Duly Authorized Official

Casey Leonard

\_\_\_\_\_  
Printed Name of Duly Authorized Official

Runyon Kersteen Ouellette

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Date

May 28, 2026

**COMPLETE AND SUBMIT THIS PAGE**

**CERTIFICATION OF RESTRICTIONS ON LOBBYING  
49 CFR PART 20**

The UNDERSIGNED certifies, to the best of their knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions [as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96). Note: Language in paragraph (2) herein has been modified in accordance with Section 10 of the Lobbying Disclosure Act of 1995 (P.L. 104-65, to be codified at 2 U.S.C. 1601, *et seq.*)]
3. **The undersigned shall include the language of this certification in the award documents for all subcontracts, that shall certify and disclose accordingly.**

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The undersigned understands and agrees that the provisions of 31 U.S.C. A 3801, *et seq.*, apply to this certification and any disclosure, and also certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any.



\_\_\_\_\_  
Signature of Authorized Official

Casey Leonard

\_\_\_\_\_  
Printed Name of Authorized Official

Casey Leonard

\_\_\_\_\_  
Printed Name of Respondent or Contract

\_\_\_\_\_  
May 28, 2026

\_\_\_\_\_  
Date

**COMPLETE AND SUBMIT THIS PAGE**

**FEDERAL STANDARDS ADDENDUM:  
FTA REQUIREMENTS FOR THIRD PARTY CONTRACTING**  
In regards to RFP #2026-006: Annual Financial Audit Services  
is hereby acknowledged.



May 28, 2026

\_\_\_\_\_  
Signature of Contractor's Authorized Official

\_\_\_\_\_  
Date

Casey Leonard, Partner

\_\_\_\_\_  
Printed Name and Title of Contractor's Authorized Official

Runyon Kersteen Ouellette

\_\_\_\_\_  
Printed Name of Contractor

**GREATER PORTLAND TRANSIT DISTRICT  
RFP #2026-006  
AUDIT SERVICES**

**DATE: May 6, 2026**

The attention of firms submitting proposals for the work named in the above invitation is called to the following modifications to the documents as were issued.

The items set forth herein, whether of clarification, omission, addition and/or substitution, shall be included and form a part of the bidder's submitted material and the corresponding contract and/or purchase order when executed. No claim for additional compensation, due to lack of knowledge of the contents of this Addendum will be considered.

\*\*\*\*\*

**ALL PROPOSERS ARE ADVISED THAT RECEIPT OF THIS NOTICE MUST BE DULY ACKNOWLEDGED, EITHER ON THE PROPOSAL FORM OR BY THE INSERTION OF THIS SHEET, SIGNED, AND SUBMITTED WITH YOUR PROPOSAL.**

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The Greater Portland Metro has **revised** RFP Deadline of **Thursday, May 28 at 2:00 PM.**

**Addendum No. 1** to the GPM RFP #2026-006: **AUDIT SERVICES** is hereby acknowledged.

COMPANY NAME: Runyon Kersteen Ouellette

SIGNED BY:  \_\_\_\_\_

PRINT NAME & TITLE Casey S. Leonard, Partner

GREATER PORTLAND TRANSIT DISTRICT  
RFP #2026-006  
AUDIT SERVICES

**DATE: May 14, 2026**

The attention of firms submitting proposals for the work named in the above invitation is called to the following modifications to the documents as were issued.

The items set forth herein, whether of clarification, omission, addition and/or substitution, shall be included and form a part of the bidder's submitted material and the corresponding contract and/or purchase order when executed. No claim for additional compensation, due to lack of knowledge of the contents of this Addendum will be considered.

\*\*\*\*\*

**ALL PROPOSERS ARE ADVISED THAT RECEIPT OF THIS NOTICE MUST BE DULY ACKNOWLEDGED, EITHER ON THE PROPOSAL FORM OR BY THE INSERTION OF THIS SHEET, SIGNED, AND SUBMITTED WITH YOUR PROPOSAL.**

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The following questions were received by Metro. Answers are provided below each question.

1. Are you able to provide the fees paid for audit services for each fiscal years 2024 and 2025, if known? Please indicate if there were any billings above contracted amounts for “out-of-scope” or additional services not contemplated at contract award.

*The contract price for Metro’s 2024 and 2025 annual audit was \$30,800 and \$32,450. There were no additional fees charged during these periods.*

2. Is the incumbent firm allowed to propose?

*Yes, the incumbent firm is allowed to submit a proposal for this RFP.*

3. What are the expectations for performance of the fieldwork? Any preference as to whether the work is performed remotely, on-site or a hybrid model?

*Metro administrative staff work a hybrid schedule, and a compressed work week of 10-hour days Monday-Thursday. For the past several years, the entire audit has been performed entirely remotely, with the exception of inventory count testing, and that method has worked for our staff. However, Metro staff are not opposed to on-site fieldwork, or hybrid, should the proposing firm prefer that method.*

4. Is there an expectation of the entrance and exit conference to be on-site or remote?

*Either method works for Metro staff.*

5. When does GPM prefer interim and year-end fieldwork to be performed?

*GP Metro staff prefer interim to occur in December/January and year-end fieldwork to be completed in late February/early March.*

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

*No, our current audit process works well.*

7. What are the three biggest challenges affecting GPM?

1. *Growing ridership, which still remains at about 10% below pre-pandemic 2019 levels.*
2. *Increasing state and federal funding support, along with identifying other revenue sources to improve long-term financial stability, and*
3. *Recruitment and retention, particularly in the areas of bus operators and vehicle maintenance technicians.*

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

*No, there have not been any disagreements between management and the independent auditor in the prior three engagements.*

9. Is there a specific due date for the draft financial statements?

*There is not a specific due date for the draft financial statements. However, the final financial statements are required to be presented to Finance Committee at their April/May meetings for approval and recommendation to the full Board of Directors. All Committee and Board meetings are hybrid and auditors presenting can attend in either capacity.*

10. Is the year-end board presentation held in person? Is there a specific date this meeting is held each year?

*See #9*

11. Does management prepare the MD&A or the Financial Statements?

*Management prepares the MD&A; the audit firm prepares the Financial Statements.*

12. Can GPM confirm whether component unit financial statements or joint venture reporting (given its multi-municipality structure) require separate opinions or additional procedures beyond the primary financial statements?

*GP Metro is its own separate entity, governed by a Board of Directors of members from each of its member municipalities. Therefore, there are no additional reporting requirements or separate opinions beyond the District's financial reports.*

13. Can you please confirm whether a full Single Audit (Uniform Guidance) is expected annually, including SEFA audit and major program determination?

*Yes, a full Single Audit (Uniform Guidance) is required annually, including SEFA audit and major program determination.*

14. Does GPM expect the auditor to assist with drafting or significant revisions to the Comprehensive Annual Financial Report (CAFR/Annual Report), or solely review and audit?

*GP Metro does not currently complete an ACFR, so there is no expectation for the audit firm to assist with this.*

15. Are there any known accounting, reporting, or internal control challenges that GPM expects to continue or emerge in the upcoming audit cycle?

*No, there are no known accounting, reporting or internal control challenges that GPM expects to continue or emerge in the upcoming audit cycle.*

16. Are there any anticipated organizational changes (e.g., staffing changes in finance, governance structure, or service area expansion) that may impact audit complexity?

*There are no anticipated staffing changes or changes in governance structure. GP Metro is piloting new service in Scarborough in 2026, however, this does not add volume or complexity to the work performed by the audit staff.*

17. Should proposers assume consistent scope across all five years, or should escalation factors be built in for anticipated growth and complexity (noting potential adjustments after year three)?

*GP Metro's goal to increase ridership and expand access to transit service leads to obvious expansion efforts. However, most service expansions are incremental and not a significant impact to the overall volume of work performed by the audit staff.*

18. Can GPM clarify expectations around the scope and frequency of "additional services" billed hourly versus included in the base fee as noted on page 16 of the RFP?

*GP Metro staff may require the auditor's assistance with implementation of complex standards, such as GASB 87- Leases and GASB 96- SBITA.*

19. Can GPM clarify expectations regarding auditor assistance with new accounting standards implementation during the contract term?

*See #18*

20. When will the December 31, 2025 financial statements be issued?

*The December 31, 2025 financial statements will be presented to the Finance Committee on June 3, 2026 for approval and recommendation to the full Board of Directors for approval at their June 25, 2026 meeting.*

21. Is there a specific reason for the delay in issuing the 2025 financial statements?

*No, the statements will be posted to GP Metro's website after the Board of Director's approval. Please see #20 for the Committee and Board presentation schedule.*

22. I noticed in 2023 a MAAP report was issued but there is no MAAP report issued for 2024. Do you expect to have compliance requirements with respect to MAAP going forward?

*In 2024, we were notified by the State of Maine that a MAAP report was not required of GP Metro, therefore, 2023 was the final year a MAAP report was completed with our financial statements. GP Metro does not anticipate this requirement to return in the future.*

23. Regarding audit scheduling what are your expectations for timing:

*See #5 and #10*

24. When can we expect to perform interim procedures?

*See #5*

25. When can we expect to perform the year-end fieldwork?

*See #5*

26. Do the auditors prepare the financial statements?

*Yes, GP Metro's current auditors prepare the financial statements.*

27. What are your expectations for the issuance date of the financial statements?

*See #9*

28. Is there any complex or unusual accounting that the auditor provides assistance with?

*GP Metro's current auditors currently provide assistance with proper recording of a property lease that is subleased- GASB 87.*

29. Please provide a copy of the required communication letter (audit committee letter) that was most recently issued.

*Please see the 2024 SAS letter attached.*

30. Please provide a report showing all audit adjustments prepared by the auditors.

*Please see the 2024 SAS letter attached.*

31. Do anticipate any significant changes in the next few years such as:

1. Changes in operations
2. Changes in personnel
3. New ERP software implementation
4. New construction

*There are no anticipated changes in operations, personnel or ERP software implementations. GP Metro is in the early stages of planning for a facility replacement. Staff are currently working with a consultant to complete a feasibility study.*

**Addendum No. 2** to the GPM RFP #2026-006: **AUDIT SERVICES** is hereby acknowledged.

COMPANY NAME: Runyon Kersteen Ouellette

SIGNED BY:  \_\_\_\_\_

PRINT NAME & TITLE Casey S. Leonard



**PROPOSAL FOR**  
**PROFESSIONAL**  
**SERVICES**

Solutions now.  
Direction for the road ahead.

Greater Portland  
Transit District

**WIPFLI**

May 28, 2026

Greater Portland Transit District  
c/o Frank Suszczynski  
Procurement Manager  
114 Valley Street  
Portland, ME 04102

We are pleased to present this "Proposal for Auditing Services" Greater Portland Transit District regarding auditing services for the years ending December 31, 2026, 2027, 2028, 2029 and 2030. We understand the services the Greater Portland Transit District is requesting and are committed to performing the work within the time period outlined in your request for proposal.

Wipfli LLP is a certified public accounting firm committed to working with government organizations; our experience clearly indicates this commitment. Our philosophy is to provide our clients with quality services, while maintaining an open, working relationship. Like other quality auditing firms, we analyze records and disclose weaknesses. More importantly, we emphasize correcting the weaknesses and working with management to strengthen internal controls, improve operating efficiency, and take advantage of opportunities that will benefit your organization. We have found that the extra time and effort it takes to provide special, personalized service to each of our clients is beneficial to our clients and to our firm.

As part of our duty as your business advisor, we believe in giving you the tools you need to be successful each and every day. Countless Wipfli clients have found value in the consulting, training, and products that we have developed.

This proposal is a firm and irrevocable offer for 90 days.

Christian Smith, Partner, is authorized to make representations for our firm and to bind our firm. Questions regarding this proposal may be answered by Christian Smith at 207-523-3354, or by e-mail at [Christian.Smith@wipfli.com](mailto:Christian.Smith@wipfli.com).

Sincerely,

**Wipfli LLP**

Christian Smith, Partner

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'Wipfli' is the brand name under which Wipfli LLP and Wipfli Advisory LLC and its respective subsidiary entities provide professional services. Wipfli LLP and Wipfli Advisory LLC (and its respective subsidiary entities) practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations, and professional standards. Wipfli LLP is a licensed independent CPA firm that provides attest services to its clients, and Wipfli Advisory LLC provides tax and business consulting services to its clients. Wipfli Advisory LLC and its subsidiary entities are not licensed CPA firms.

# EXECUTIVE SUMMARY

## Overview

This proposal outlines a comprehensive strategy to provide external audit services for Greater Portland Transit District.

## Summary of solution

Wipfli will provide annual audit for the years ending December 31, 2026 through December 31, 2030.

## Implementation timeline

The project is expected to be completed according to Greater Portland Transit District's stated deadlines. In order for us to meet the deadlines stipulated in the request for proposal, we would expect all audit documentation and account reconciliations, including budget and related materials, organizational charts, programs and access to financial and other management information systems, to be completed and available prior to starting fieldwork.

## Estimated budget

The total estimated budget for audit services is detailed in the Price Proposal Form, with pricing that reflects the complexity of Greater Portland Transit District while remaining competitive and cost-effective.

## Our experience

As a firm, Wipfli has been providing governmental audit services for more than 50 years. This wealth of experience has allowed us the opportunity to provide a multitude of services to a variety of different governmental entities including municipalities, counties, school districts, community colleges, and more.

The information contained in this proposal document is for discussion purposes only does not constitute a binding contract between you or your organization and Wipfli. If the services and information described are acceptable and you wish to proceed, we will prepare a formal engagement letter for execution. The engagement letter will address the specific scope, responsibilities and fees related to the engagement. The engagement letter will constitute the entirety of the terms and conditions of our arrangement.





We are relentless focused on helping clients:

**INCREASE EFFICIENCY.**  
**OPTIMIZE PERFORMANCE.**  
**ACCELERATE GROWTH.**

# YOUR INVESTMENT

A photograph showing the silhouettes of several people walking across a city street at sunset. The sun is low on the horizon, creating a warm, golden glow. In the background, there are tall buildings and streetlights. The people are in various poses, some walking, some standing, and some carrying bags or briefcases. The overall scene is a busy urban environment during the 'golden hour' of the day.

“We never knew what the price was for a product unless we called the vendors. So now pricing is accurate, and we can also see invoicing, which helps us better control pricing and provides opportunities to lower our inventory values.”

Tim Olson, supply chain manager, St. Croix Regional Medical Center

# YOUR INVESTMENT

Our goal is to provide Greater Portland Transit District with exceptional service and valuable advice at competitive rates. Our fee estimate is based on our discussions with your management team and review of applicable documentation.

Experience with organizations of similar size and complexity also factor into our estimates, as do hourly rates for the various personnel involved in the engagement.

We have completed the Price Proposal Form and our fees for each year can be found on the next page.

An estimate of our billing rates for additional services can be found in the table below:

## Billing rates

Personnel	Standard billing rates for the last three years
Partner	\$325 - \$400
Manager	\$250 - \$300
Senior	\$175 - \$225
Staff	\$125 - \$175

**THIS DOCUMENT MUST BE COMPLETED AND SUBMITTED WITH BID/RFP**

**GREATER PORTLAND METRO**

**RFP # 2026-006  
Annual Financial Audit Services**

**PRICE PROPOSAL FORM**

**Annual Financial Audit Services RFP 2026-006**

	<b>Amount</b>	<b>Amount Written out</b>
Year 1 (2026)	\$35,000	Thirty-five thousand
Year 2 (2027)	\$36,750	Thirty-six thousand seven hundred fifty
Year 3 (2028)	\$38,600	Thirty-eight thousand six hundred
Year 4 (2029)	\$40,500	Forty thousand five hundred
Year 5 (2030)	\$42,500	Forty-two thousand five hundred
Total Price	\$193,950	One Hundred-Ninety Three thousand nine hundred fifty

Proposal prepared by: Christian Smith

Company: Wipfli LLP

Title: Partner

Address: 30 Long Creek Drive, South Portland, Maine 04106

Phone: 207-523-3354 Fax: 207-774-7835

E-mail christian.smith@wipfli.com

Authorized Signature 

In preparing these fee estimates, we have assumed your personnel will be an integral part of the engagement process. Specifically, we assume your staff will obtain or prepare certain information that will be requested in a client assistance memorandum from us before fieldwork begins and that the appropriate personnel will be available to answer questions during the fieldwork. Fee estimates do not take into account any acquisitions, mergers or other modifications to the business plan that would significantly change your operations.

### Assumptions

The quote above is based on the following assumptions:

- The Greater Portland Transit District will be cooperative participants in the process and will effectively communicate with the auditors.
- Your staff will perform a comprehensive financial close process, and there will be minimal adjusting of journal entries.
- Your staff will prepare financial statements, including footnotes.
- Requested information will be provided on a timely basis.
- There will be no significant changes in the operation of Greater Portland Transit District.
- There will be no significant new accounting or audit requirement that will impact the Greater Portland Transit District.
- You will assist in the preparation, communication and resolution of confirmation exceptions.

### Changes to the scope

Things happen. We've all been there. But adjusting to change in the best way requires transparency and communication. If there are changes after the engagement begins, we will discuss revisions to the scope with you and obtain your approval before moving forward. Any additional work outside of the above estimates will be discussed with your management before it is performed and billed.

### Out-of-pocket expenses

The fees listed above include the cost of bound reports, travel and postage.

### Routine questions

Routine telephone calls throughout the year are included in the proposed fees. We encourage our clients to ask questions during the year.

### Cost overruns

We work closely with your management team to contain the cost of professional services. We do this by:

- Making recommendations to improve efficiency and controls.
- Obtaining a comprehensive understanding of your year-end closing process. This avoids misunderstandings and inefficiencies for both your personnel and ours.
- Preparing a comprehensive listing of client-prepared work papers.
- Using technology efficiently in work paper preparation and audit testing.

We will work with your team to agree on required schedules, informational needs and due dates. If any fee adjustments are required or if assumptions are not met, it will be discussed and agreed to by you and Wipfli before additional work is performed.

A photograph of a man and a woman in an office setting. The man, in the foreground, has a beard and is wearing a light blue checkered shirt. The woman, behind him, has her hair in a bun and is wearing a light-colored blazer. They are both smiling and looking towards the left. The background is a bright, out-of-focus office space with large windows.

**OUR EXPERIENCE  
TO MEET  
YOUR NEEDS**

# INDUSTRY RELATIONSHIPS

You know you're in good hands when the firm you choose to work with is actively involved with membership, attendance and participation in a host of trade organizations. In addition, from event sponsorships and conferences, to presentations and speaking engagements, Wipfli remains committed to the health of your industry.

We are involved in the following organizations:

CR1

- Member of American Institute of Certified Public Accountants
- Member of various state CPA societies



## Slide 11

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**CR1**    [@Thimesch, Adam] [@Gehrig, Melissa] Maybe we use this blue bar format when we have RFP Q's we need to directly respond to?

Ramos, Caitlin, 2025-03-26T16:47:48.480

**2**        Yes that could work!

Gehrig, Melissa, 2025-04-25T15:40:44.286

# UNDERSTANDING WHO YOU ARE, MEETING YOU WHERE YOU ARE

## Aligned goals and objectives

We hold ourselves to the highest standards, valuing client service, integrity, respect, team and excellence above all else. As a result, we will earn your trust through sustained excellence in delivering high-quality professional services.

## Your current challenges and opportunities

At Wipfli, we recognize that municipal organizations face unique challenges in managing organizational efficiency, workforce instability, digital infrastructure and cybersecurity. Our tailored advisory, tax and financial services help brands like the Town of Durham navigate these complexities with confidence.

Client satisfaction and retention are critical to us, which is why our ultimate goal is to become a trusted advisor that you can rely on for all your financial, operational and technical needs.

## Service that exceeds your expectations

### Provide large-firm resources with local services and accessibility

- Enjoy the significant experience and specialized knowledge you'd expect in a large, national firm, with the personal service and hometown accessibility of a local firm.

### Bring a fresh perspective

- Wipfli is dedicated to improving your business, helping it grow and keeping it on the path to success.
- We often see beyond the scope of the engagement to offer helpful advice, valuable insights and best practices that can improve performance.
- We bring outside objectivity and insider knowledge to uncover new opportunities.

### Keep services and solutions focused on you

- Enjoy our client-centric approach. Our services are always tailored to you.
- You represent a relationship, not a transaction, and we view you as an important client. As such, we put our top skills and efforts to work for you.



- Your feedback is important to us. We regularly measure client satisfaction and use the results to strengthen our client-focused relationships.

### Deliver work in a timely manner

- Together, we agree on a timeline with key milestones and assignment responsibilities spelled out, so you always know what to expect and when.
- From initial meetings to final deadlines, we work efficiently, putting our best time management skills to work.

# UNDERSTANDING WHO YOU ARE, MEETING YOU WHERE YOU ARE

**Complete your audit within the specified time frame by engaging a firm with the resources to meet your deadlines — and the sensitivity to understand the importance of them.**

Meeting your deadlines helps you satisfy not only your internal goals but also the needs of government agencies, funding sources and your community. Furthermore, presenting the results of your engagement, such as an audit, in time for important meetings is crucial to being able to make strategic decisions and respond to new insights.

Being able to meet sensitive and extremely important deadlines means choosing the right firm — one with the resources, experience, knowledge and capabilities to complete your engagement on time and to the highest standard. An effective communication process and level of accessibility is also key. Leverage Wipfli as your most effective resource that brings all these qualities and abilities to the table in order to help ensure you get exactly where you need to be, when you need to be there.

**Gain competitive pricing for the value you receive, along with a "no surprise" fee environment.**

The value of outstanding service, rapid response and respect for your resources cannot be understated. When you work with Wipfli, you work with a firm whose fees for professional services are, and will always be, clearly communicated to you. Also, management approval is always obtained before our team begins any new work that could lead to additional charges unrelated to the basic services addressed in this proposal.

If our fee estimates are not consistent with your expectations based on historical amounts or competitive bids from other professionals, we appreciate the opportunity to discuss with you what went into determining our fee estimates, with the objective of modifying these fee estimates where appropriate. (Proposed fees for this engagement are included in the "Your Investment" section of this proposal.) Your organization's mission is important, and we hope to be your trusted advisor who brings key experience and innovative solutions to help you reach your goals.

# GOVERNMENT EXPERIENCE

Wipfli's dedicated government services team understands the nuances of government regulations and can help strengthen each component of your organization.

We help government clients successfully navigate the evolving needs of your constituents and organization. Wipfli is ready to help Greater Portland Transit District increase capacity, improve agility and deliver better outcomes for the people you serve.

For decades, we have helped government entities of all sizes and types, including:

- State agencies.
- Cities.
- Counties and townships.
- Municipalities.
- Villages.
- School districts.
- Housing authorities.
- Park districts.

We also focus on relationships, working to connect with your organization so that we understand your goals and can help tailor solutions to achieve them.

## Solutions for government clients

Governmental entities also face countless regulatory requirements and other unique industry challenges. Working with a firm that has a full understanding of these challenges — and the solutions that meet them — helps ensure your needs are met the right way, the first time around. From technology upgrades to staff training, our specialized consultants provide more than just audit.

Benefit from highly personalized governmental services that focus on lowering your costs and streamlining your operations, while satisfying regulatory requirements.

### Governmental service offerings:

- Audit
- Technology consulting
- Cybersecurity
- IT managed services
- Accounting system implementation
- Training
- Outsourcing
- Organizational performance
- CIO advisory
- My Wipfli nonprofit and government membership

## Nonprofit, government and education fast facts

**15**

total number of partners in the nonprofit, government and education practice

**131**

total number of associates in the nonprofit, government and education practice.

**3,695**

total number of nonprofit, government and education clients

**91**

Client Experience Index score from nonprofit, government and education clients

# GOVERNMENT EXPERIENCE

When you choose Wipfli, you choose a firm that not only specializes in governmental organizations but also brings the same passion to furthering your mission that you do.

As a firm, we've provided governmental audit services for more than 90 years. This wealth of experience has allowed us to provide services to a variety of different governmental entities including townships, municipalities, villages, cities, counties and school districts.

Wipfli's specialized knowledge and experience with state and local government assignments encompasses a range of engagements such as:

- Financial statement audits under Government Auditing Standards
- Compliance audits under OMB Title 2 CFR Part 200
- Operation audits
- Internal control studies

We have also provided financial management training and program eligibility audits.

These engagements have given us the opportunity to learn a variety of state and local government accounting systems, which span the spectrum from manual accounting systems to the largest computerized systems.

At Wipfli, we understand the appropriate General Accounting Office and other pronouncements regarding the audits of grants and related publications. In order to maintain our position as a leader in governmental programs, we are committed to ongoing education for our professionals in this highly technical practice area so we can serve as both technical advisers and providers of quality services.

Our dedicated governmental professionals must meet the continuing education requirements of the Government Auditing Standards. Plus, they are encouraged to gain a broad range of experience in government entities. We believe this provides our professionals with a better understanding of how governments work and how they are interrelated.

## Nonprofit, government and education fast facts

**15**

Total number of partners in the nonprofit, government and education practice.

**131**

Total number of associates in the nonprofit, government and education practice.

**3,695**

Total number of nonprofit, government and education clients

**91**

Client Experience Index score from nonprofit, government and education clients

# GOVERNMENT EXPERIENCE

In addition, Wipfli is a member of the American Institute of Certified Public Accountants' (AICPA) Governmental Audit Quality Center (the "Center") for CPA firms. The Center is a national community of CPA firms that demonstrates a commitment to governmental audit quality and raises awareness of the importance of governmental audits.



The Center provides members with best practices, guidelines, and tools CPAs need to perform quality governmental audits and better serve their clients.

Members of the Center show their commitment by adhering to the Center's membership requirements, including designating a partner responsible for the quality of our governmental audit practice, establishing quality control programs, performing annual internal inspection procedure, and making the firm's peer review report findings publicly available.

Our auditors are also involved with various state CPA societies' government-related committees. Service on those committees has included leading the committee, developing model financial statements, and being discussion leaders at state-sponsored seminars.

## Our prior experience providing audit services to similar government organizations

Our commitment to governmental organizations means when you work with Wipfli, you work with professionals who have a full understanding of the nature of your work.

We are equipped to navigate the challenges you face, including:

- Managing growing and changing regulation
- Leveraging technology
- Performing strategic and business planning

Because our professionals have the knowledge to address these specific issues, we can communicate more valuable ideas and information to your organization, helping you improve efficiency and effectiveness. As your auditor, we work with you to bring ideas to the table and provide ongoing dialogue of value-added observations and recommendations throughout the year.

Some examples of value-added services we have performed include information technology consulting (e.g., CIO services, systems implementation and integration, and cybersecurity assessments), process improvement and enterprise risk management projects.

# CLIENT REFERENCES

## Manchester Transit Authority

110 Elm Street, Manchester, New Hampshire 03101

Annual Budget: \$10 million  
Contact: William Cantwell, Superintendent of Finance 603.623.8801  
Scope of Work: Audit and Single Audit  
Years of service: 20+ years  
Wipfli Contacts: Partner: Christian Smith, Manager: Kelsey Frenette

## Northern New England Passenger Rail Authority

75 W Commercial Street, Suite 104, Portland, Maine 04101

Annual Budget: \$40 million  
Contact: Patricia Quinn, Executive Director 207.780.1000  
Scope of Work: Audit and Single Audit  
Years of service: 30+ years  
Wipfli Contacts: Partner: Christian Smith, Manager: Kelsey Frenette

## Town of Topsham

100 Main St. Topsham, Maine 04086

Annual Budget: \$29.9 million  
Contact: Cathy Ricker, Finance Director 207.725.1721  
Scope of Work: Audit and Single Audit  
Years of service: 5 years  
Wipfli Contacts: Partner: Christian Smith, Manager: Kelsey Frenette

## City of Westbrook and Westbrook School Department

2 York Street, Westbrook, Maine 04092

Annual Budget: \$87 million  
Contact: Laura King, Interim Finance Director 207.854.9105  
Scope of Work: Audit and Single Audit  
Years of service: 15+ years  
Wipfli Contacts: Partner: Christian Smith, Manager: Kelsey Frenette

## City of Sanford and Sanford School Department

919 Main St., Sanford, Maine 04073

Annual Budget: \$101.3 million  
Contact: Ronni Lynn Champlin, Finance Director 207.608.4181  
Scope of Work: Audit and Single Audit  
Years of service: 15+ years  
Wipfli Contacts: Partner: Christian Smith, Manager: Kelsey Frenette



# PROPOSED SERVICES

“Wipfli did a lot of customization for us and really went the extra mile. They wanted to make sure we were going to be successful.”

Deb Taylor, CEO

# PROPOSED SERVICES: AUDIT

Greater Portland Transit District is unique; therefore, no cookie-cutter audit would be appropriate for the results you expect. That's why Wipfli LLP has developed state-of-the-art audit tools and methodologies that identify your risk areas and focus your audit accordingly. We further encourage our staff to exercise professional judgment to conduct an audit that's specific to your organization rather than simply completing an audit "checklist." Our staff is trained to develop practical suggestions for improvements or recommend alternatives where opportunities exist. This value-added advice is communicated formally in the management report.

## Communication is everything

Communication is an important factor when planning our audit engagement. Working closely together, we allocate sufficient meeting time with your management team to determine roles and discuss audit expectations. These meetings further help establish timelines, determine risk areas, and allow us to obtain a deeper understanding of your operations so that we may ensure an effective, efficient audit. Throughout the process, we work closely with your staff, keeping them apprised of what actions are planned and why and discussing the timing of our work, as well as the roles your staff members play.

## Maximizing efficiencies

We respect your valuable time and take measures to reduce the amount of time your organization spends producing information for audit procedures. We provide a detailed listing of the assistance we expect to prevent surprise requests and unnecessary demands of your staff. We use existing account reconciliations and analyses wherever possible, rather than duplicating work already performed at year-end closing. Likewise, we use electronic file downloads from your system and electronic workpapers when possible.

To further help ensure efficiencies, it is important that your key financial management be available to answer questions and provide support during the engagement. This accessibility is critical to providing our services in the most cost-effective manner. At the conclusion of our audit, we will meet with your management team in an exit conference.

## Wipfli LLP services

- Audit of financial statements
- Uniform guidance audit

## Going Beyond the Ordinary

Wipfli understands that it can be challenging to start a new relationship with a CPA firm. Procedural, organizational, and personality differences are just a few of the new dynamics that will need to be explored. However, we recognize that customer service is the key to our ongoing success and growth. Associates at every level of the firm are dedicated to delivering timely and high-quality service to help ensure that satisfaction. Effective communication and personal attention are critical. We constantly help ensure that clients are, and remain, satisfied with the quality of service they receive.

More specifically, our staff will meet with you to discuss specific expectations and any special considerations to help ensure both parties are satisfied with the timing, communication, and deliverables. Wipfli's engagement partner, Matt Schueler will spend time with your management staff, confirming your needs are being met and providing advisement on areas where you may require additional assistance.

### Key differentiators include:

- Integrating a holistic approach to service delivery.
- Creating a relationship with the client that is based on collaboration and trust.
- Committing to our clients, helping ensure the day-to-day working relationship we maintain with our clients is as important as the result.
- Understanding how to drive ongoing performance by linking strategies to actions.

# AUDIT APPROACH

**01**  
AUDIT  
STRATEGY



**02**  
PLANNING



**03**  
YEAR-END  
FIELDWORK



**04**  
REPORTING/  
WRAP-UP

## STEP 1: AUDIT STRATEGY

We develop a comprehensive audit strategy that covers the following:

### Comprehensive understanding of the entity and its environment

Our knowledge of the government industry gives us an excellent background to efficiently update our understanding after discussions with management. Our discussions include areas of concern that management has, as well as changes in operations and funding.

### Assessment of risk misstatements

We review the nature of prior audit adjustments, management letter recommendations, and our initial assessment of the effectiveness of controls to assess financial statement and other risks.

## STEP 2: PLANNING

During the preliminary phase of the audit, we request a meeting with the management team to ensure we have a clear understanding of their preferred style of communication and their expectations of Wipfli as Greater Portland Transit District's independent auditors.

The Wipfli audit team also discusses with management recent activities that impact financial accounting and reporting. We want to identify any significant accounting issues and develop with management an approach to resolve them early on. We also want to work closely with management to ensure the year-end financial close process proceeds smoothly and on time.

During the planning phase, we discuss the timing for the interim work, audit fieldwork, and the schedules, as well as the records to be provided by Greater Portland Transit District's staff. We will also perform initial risk assessments.

## STEP 3: YEAR-END FIELDWORK

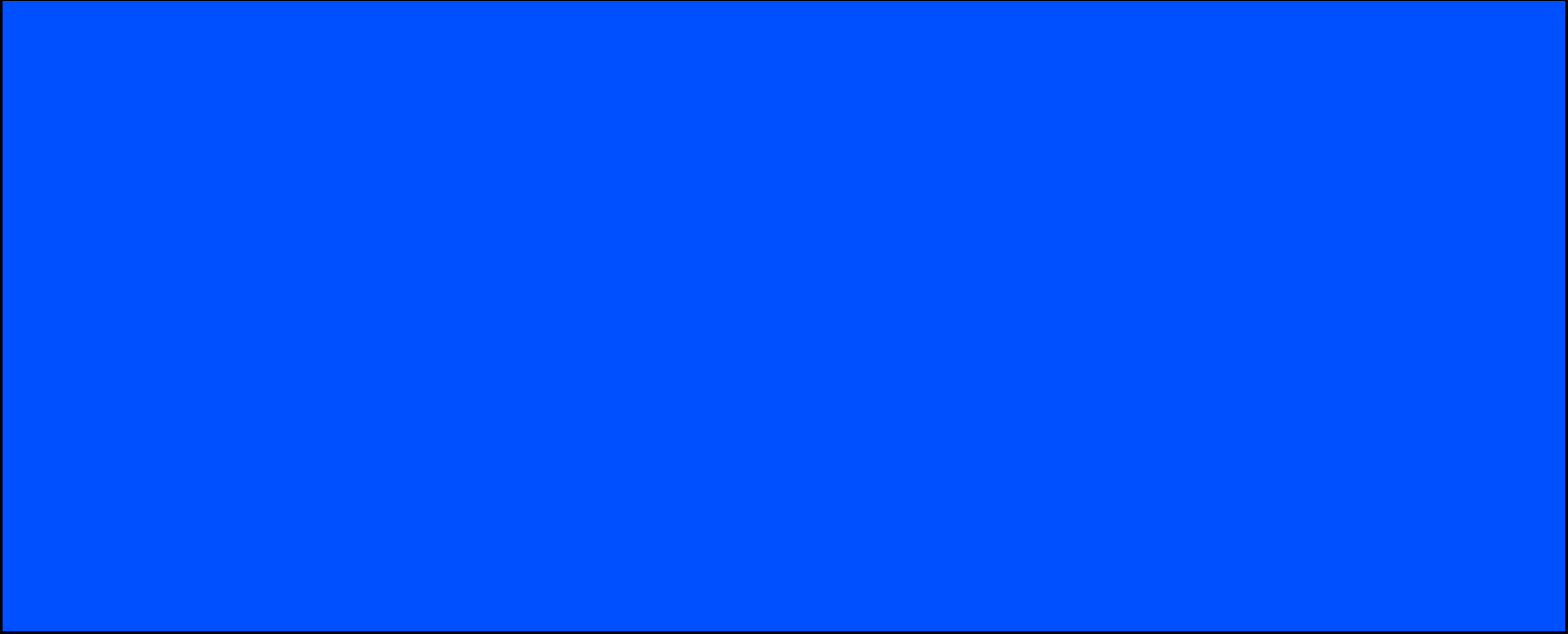
Year-end fieldwork encompasses numerous procedures including testing of account balances, review of minutes, grant analysis, and review of financial statement supporting documents. Certain audit procedures we perform each year will vary, and some will be unpredictable.

## STEP 4: REPORTING AND WRAP-UP

After completing fieldwork, we conduct an exit conference with appropriate personnel to discuss all significant issues. We submit one draft copy of the audited report to Greater Portland Transit District.

“Wipfli has been such a great resource. Anytime I’ve had a question or idea, they’ve been a great sounding board for us. They are truly invested in our success.”

**ENGAGEMENT**  
**ROADMAP**



# ENGAGEMENT ROADMAP

## Audit transition made simple: Our thoughtful process

For many organizations and government agencies, the transition to a new auditor can be stressful. But your transition can be a smooth one — and that's our main goal.

The Wipfli team meets with you in advance to develop our audit strategy and choose an approach that tackles the risks we discover. We also work with your previous auditors to examine prior-year working papers so that we can understand their audit approach and the timing of their procedures. This helps us determine if any additional procedures are performed on opening balances of your financial statements.

Overall, by aligning our organizations and setting expectations, we can move forward with an approach that meets your needs with minimal disruption.

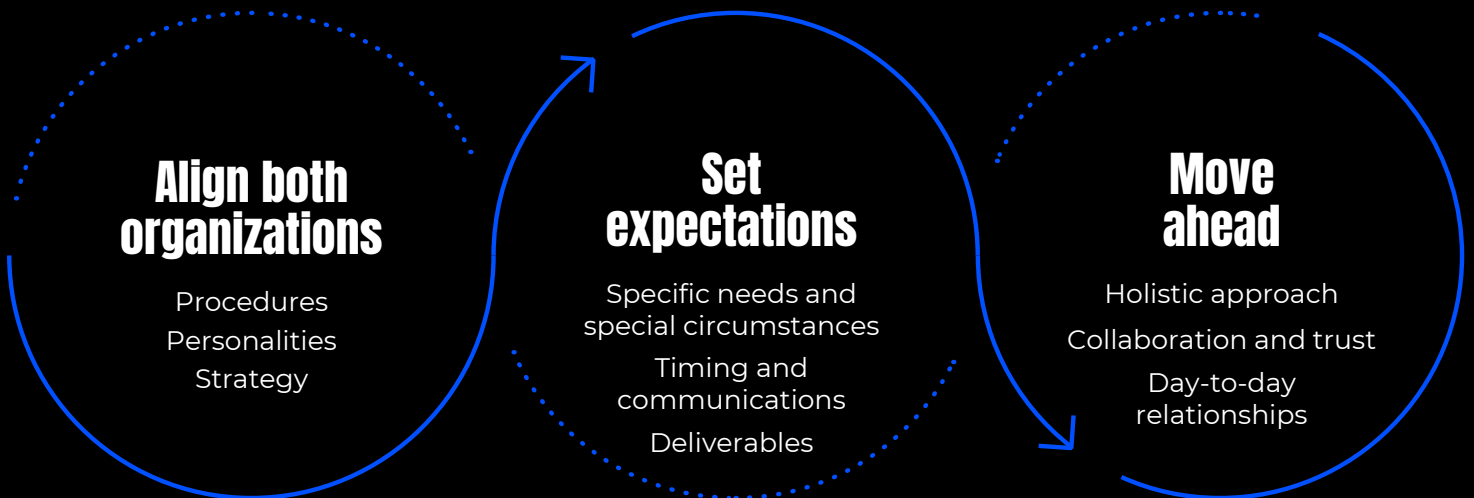
## Engagement timetable

Below you'll find the estimated timetable for each step of the engagement. The schedule is planned around your specific requirements and to meet your deadlines, but it can be adjusted based on input from the audit committee or finance team.

Engagement steps	Dec	Feb/March	April
Audit strategy	X		
Planning	X		
Year-end fieldwork		X	
Reporting and wrap-up		X	X

*This timeline is for the first year of the engagement, remaining timetables will be adjusted to meet deadlines.*

## Transition management



# AUDIT APPROACH

## Analytical procedures

We use analytical procedures mainly for revenues and expenses where good cause-and-effect relationships exist. We utilize analytical procedures in the planning phase as well as the wrap-up phases of the audit. These procedures are used to identify balances that fall outside of our expectations based on the specific circumstances at Greater Portland Transit District during the year being audited. We also use a software for data extraction where analytical procedures can be performed.

The sample sizes used during the engagement are typically 25 to 60 items. The actual sample size will be determined by considering several variables. These variables typically include the size of the population, results of internal control testing, and the attribute(s) being tested. We typically use non-statistical sampling rather than statistical sampling.

## Issue resolution

We do not anticipate any audit issues. However, if an issue were to arise, we would request a meeting with the audit team and Greater Portland Transit District personnel to discuss the issue and work together to create and implement a solution. Internally, Wipfli uses three distinct levels of review on every engagement to help ensure different perspectives are considered and addressed.

Resolution of any potential disputes regarding accounting, auditing, and financial reporting issues are ultimately resolved under the direction of the firm's partner of assurance services, who has the final approval on disposition of these issues. Engagement partners are not able to issue reports without the requisite levels of quality control review.

## Use of technology

At Wipfli, we make significant use of technology as part of our audit process. We prefer workpapers in an electronic format whenever possible. To enable a more efficient audit, we use a number of different software packages.

The specific software that will be used during your engagement is as follows:

- **CaseWare Working Papers:** Paperless audit document management system.
- **CaseView for Windows:** Software that allows us to tailor audit programs based on the specific client situation.
- **Microsoft Excel and Word:** Used to generate spreadsheets and memos, etc., for electronic storage.
- **IDEA:** Electronic Data Processing software used to extract data for further analysis.
- **Adobe Acrobat:** Used to scan client documentation into CaseWare for electronic storage.
- **Citrix Files/ShareFile:** Secure uploading system to transmit information between Wipfli and Greater Portland Transit District.

# YOUR ENGAGEMENT TEAM



“It takes creativity to come up with the best solutions for our needs. When I present a need or an idea to Wipfli, they ask the right questions to formulate the right features and integrate them quickly. The team always delivers.”

Rebecca Liu, Ph.D, Director of Grants Administration

# YOUR ENGAGEMENT TEAM

Solving your challenges means getting access to a skilled team — trusted advocates who listen to your concerns and provide the support, advice and strategies you need to succeed.

Our commitment to staff continuity reflects our understanding that team members who feel fulfilled in their work and are provided with the resources they need to grow and thrive are professionals who remain at Wipfli throughout their careers.

We understand the strength of our client service team is an important criterion in making your selection. Wipfli's partners, managers and staff have developed substantial governmental audit experience as a result of providing audit services to many area governments and organizations. With today's technology and our office locations, we have a wealth of resources available to us at any point in time.

Principal supervisory and management personnel will encompass Greater Portland Transit District engagement team as listed below.



## **Christian Smith, CPA, CFE**

### **Partner**

Christian Smith is a partner who concentrates his audit and accounting services on governmental entities, agribusinesses, and manufacturing and distribution companies. He is responsible for the planning, control, coordination, and supervision of client engagements for entities including municipalities, schools, special-purpose governments, and manufacturers in the wood products industry, other industries, and agribusinesses. Christian is also a contributing author and presenter on fraud detection and prevention and provides litigation support to the State of Maine as well as corporate and nonprofit organizations.



## **Kelsey Frenette, CPA**

### **Manager**

Kelsey Frenette is an experienced manager who has been serving clients in public accounting since 2015. Based in the Augusta, Maine office, Kelsey specializes in audit and accounting services with a dedicated focus on governmental and nonprofit organizations. She leads audits, reviews, and compilations, and plays a key role in planning fieldwork, preparing audit documentation, supervising the engagement and drafting financial statements and related reports—including single audits.

Kelsey meets the continuing education requirements under Government Auditing Standards and has held her CPA license since January 2019. Her commitment to quality and compliance ensures that clients receive accurate, timely and insightful financial reporting tailored to their unique operational needs.



**Atanas Dinkov, CPA**  
**Senior Accountant**

Atanas Dinkov is an experienced senior who has been serving clients in public accounting since 2018. Based in the South Portland, Maine office, Atanas specializes in audit and accounting services with a dedicated focus on governmental entities. He plays a key role in the performance of fieldwork, preparing audit documentation, and drafting financial statements and related reports—including single audits.



**Caitlyn Young**  
**Staff Accountant**

Caitlyn Young is a Staff Accountant in Wipfli's Augusta, Maine office who supports government and grant-funded nonprofit organizations. She partners with engagement teams to assist clients through the audit process, drawing on experience in audit planning, testing, internal controls, and grant compliance. Caitlyn is committed to producing clear, accurate financial reporting and helping clients feel supported throughout the engagement.

**Additional engagement members**

Depending on our specific needs encountered during the audit, we may supplement our audit staff with other professionals. Wipfli is organized along specialized industry and business unit practices. Our practice group includes CPAs, dedicated information technology specialists, human resource specialists, tax experts, and other specialists. Our philosophy is to provide clients with quality, overall service tailored to meet their special needs.

# APPENDIX



# ABOUT WIPFLI

'Wipfli' is the brand name under which Wipfli LLP and Wipfli Advisory LLC and its respective subsidiary entities provide professional services. Wipfli LLP and Wipfli Advisory LLC (and its respective subsidiary entities) practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations, and professional standards. Wipfli LLP is a licensed independent CPA firm that provides attest services to its clients, and Wipfli Advisory LLC provides tax and business consulting services to its clients. Wipfli Advisory LLC and its subsidiary entities are not licensed CPA firms.

# WHY WIPFLI

## Growing since inception

From one man to more than 3,000 professionals — but still one firm.

In the early 1900s, Clarence J. Wipfli & Company was established in Wausau, Wisconsin. Clarence founded the company with a clear vision for bringing his values to his business. Today, more than 3,000 Wipfli team members with an unmatched breadth and depth of experience are trained to help individuals and businesses of all sizes (from small, family-owned companies to large, international businesses).

And while a lot has changed over the years, the deeply ingrained values passed down from our founders still remain an evident part of our business.

## Partner involvement in your engagement

Achieving your goals requires an accounting team with more than just considerable industry-specific knowledge; it requires experience at the highest level. Our partners and executives are hands-on and actively involved in your engagement, lending their wealth of experience and helping ensure you enjoy continuity in our relationship and in the advice and service you receive.

## Strategic, proactive and in it for the long term

We look behind the financial numbers to find opportunities that can make you more successful and profitable. Our multidisciplinary approach gives

us invaluable insights into how the right decisions can positively impact your financial performance, long-term growth, organizational development and operational effectiveness — all so your business can expand and reach its utmost potential.

## The bench strength to serve you

You'll never need to "train" our people to do their jobs — our auditors, tax professionals and consultants are experienced managers, senior managers and partners. The depth and breadth of our resources can meet your complex needs, and our staff continuity helps minimize disruption to your organization, save you time and money and help ensure consistent service.

Wipfli works to attract and retain the most talented personnel in the industry. We make every effort to help ensure that you work with consistent team members year after year.

## The know-how you need, when you need it

When you combine the resources of a large, experienced firm with local and reliable accessibility, you get an ideal business partner, available whenever you need us. As members of a leading tax, audit and business consulting firm, our professionals have developed the profound skills and knowledge you'd expect in a top-performing company. And with local offices, we're also your community neighbors, working by your side to help implement solutions and support your success.

Wipfli today

**54,000+**

clients

**3,000+**

associates

**270+**

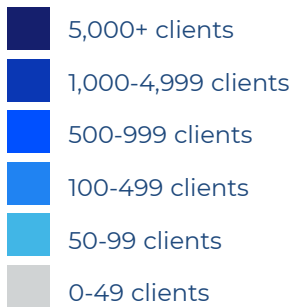
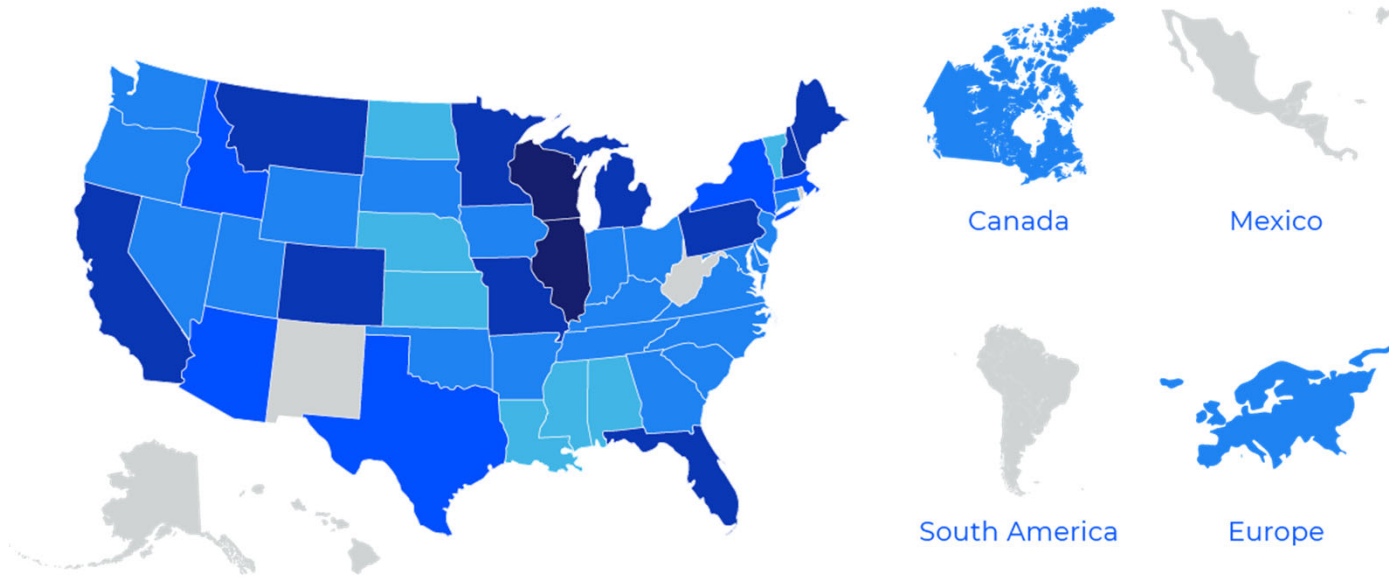
partners

**\$612M**

revenue in FY 2025

# OUR PRESENCE

Our associates work together as one firm to service our clients.



### International advantages

Wipfli's membership in Allinial Global provides us with access to an international network of accountants to service our clients' cross-border needs.

### Awards and accolades

Any time we're recognized for our achievements, we're honored and humbled. Like a vote of confidence in the culture we've built, awards reflect the quality of the workforce we attract, the professional excellence we encourage and the Wipfli Way values we proudly follow when serving our clients.

- Accounting Today names Wipfli to Best Firms for Technology
- Accounting Today's Top 25 firms
- Bob Scott names VAR Stars awards
- Best Places to Work Awards

# OUR CULTURE

## Commitment to the community

We're passionate about making a difference. On our annual Community Day, we close every Wipfli office across the U.S. so that hundreds of our associates and partners can volunteer in their communities. Our annual impact is over 5,400 hours of service to dozens of organizations.

## Wipfli's pledge to diversity, equity and inclusion

We believe in a workplace — and a world — where everyone feels included and diversity is embraced. We are respectful of each individual and the unique strengths and contributions each brings.

We encourage diversity of thought because we know that the more diverse the voices are, the stronger we are.

We cultivate a culture and environment where our employees can bring their full self to work, and we represent the diversity of the communities we serve, our clients and the country. We are firmly committed to our DEI journey and take pride in what we have achieved so far.

To elevate under-represented voices at Wipfli, we have four business resource groups:



Wipfli Pride's vision is to aspire to be the most LGBTQ+ friendly firm in the country, where allyship and belonging is the standard.



Women of Wipfli's purpose is to cultivate an environment where women have an equitable opportunity to achieve their goals and find their version of success.



The mission of Embrace, Wipfli's alliance to amplify multiculturalism, is to support our current diverse, underrepresented associates and to increase the firm's opportunity to attract, engage, nurture and retain multicultural associates.



The mission of Valor is to support veterans, active military and their families.

## Our commitment

**59%**

of Wipfli associates are involved in BRGs

**\$670K**

donated to DEI initiatives and scholarships

**9**

diversity, equity and inclusion partnerships with national organizations

# OUR CULTURE

## Commitment to women's advancement

Did you know Wipfli was the first CPA firm in Wisconsin to have a woman partner? We have long demonstrated a strong commitment to women in the workplace. Today, the majority of our managers and senior managers are women, and each of our offices has a Women's Impact Network program to support the recruitment and advancement of women at Wipfli.

## The Wipfli Foundation

The Wipfli Foundation supports organizations that reflect our mission and that our associates are personally committed to. Through an employee matching program, we support charities with a focus on:

- Education
- Health
- Human services
- Public/societal benefits

Each year, the foundation also supports scholarships, including the Mary T. Wylie Scholarship for women in accounting and the National Association of Black Accountants leadership program.

The foundation was formed in 2005 as part of an effort to give back to colleges and universities. At that time, the funds the foundation donated were primarily used to fund scholarships, purchase textbooks and, occasionally, support universities' capital campaigns and endowed professorships. The program also provides an opportunity for the foundation to match donations from associates and retired partners to universities.

In 2020, the foundation expanded its focus to include a new emphasis on promoting diversity, equity and inclusion through scholarships, leadership programs and campus programs.

In 2021, we refined and expanded the foundation's mission to reflect our commitment to the communities we serve by creating an employee matching program for charitable organizations.

In recognition of urgent needs in our world, the foundation also occasionally offers to match associate donations to causes, such as to India during the height of the pandemic, and to Ukraine charities following the Russian invasion.

# FIRM STRUCTURE

For more than 90 years, nonprofit and government organizations throughout the United States have relied on the experienced professionals at Wipfli for advice.

At Wipfli, Greater Portland Transit District will have access to the resources of a large regional firm and will receive the personal attention of a local firm. The Greater Portland Transit District audit will be performed from the Portland and Augusta offices. The professional staff that specializes in government audits from these office includes a partner, senior managers, managers, senior accountants, and staff accountants.

Our focus and dedication to industry segments provides our clients with access to nonprofit and government specialists. We offer training, webinars, products, services, and other proactive information that will help our clients shape their organizations, assist their communities, and stay in compliance.

## Firm structure

Wipfli LLP is a limited liability partnership, formed in 1930, with capital provided by the firm's 250+ partners. The firm operates over 40 offices in the United States and 2 offices in India. Its headquarters are located in Milwaukee, Wisconsin.

Wipfli is organized along specialized industry and business unit practices. Our practice group includes CPAs, dedicated information technology specialists, human resource specialists, tax experts, and other specialists. Our philosophy is to provide clients with quality, overall service tailored to meet their special needs. Our firm does not consider an audit engagement to consist of simply analyzing the records and submitting the report. We believe that identification and follow-up on problem areas, as well as maintaining a positive relationship with our clients, can be more important than the audit report itself. We believe that our continuing long-term relationships with organizations listed throughout this proposal are evidence of our service commitment.

## Your satisfaction drives everything we do

At Wipfli, client satisfaction isn't just a promise—it's a measurable commitment. We don't just aim to meet expectations; we actively track how well we're doing through our Client Satisfaction Index (CSI). Each year, we invite our business clients to share their experiences, ensuring we're constantly improving where it matters most.

In 2025, Wipfli received a CX score of 87. Clients rated us highest for:

- Likelihood to continue doing business.
- Delivers good experiences.
- Makes me feel appreciated.

But we don't stop at surveys. We engage in wrap-up meetings to explore opportunities for enhancement, and every member of your service team is dedicated to asking, "Are we meeting your expectations? What more can we do to serve you better?"

Because at Wipfli, your success is our success—and we won't be satisfied until you are.

# INDEPENDENCE AND QUALITY CONTROL

## Independence

Wipfli is independent of Greater Portland Transit District as defined by auditing standards generally accepted in the United States and the U.S. General Accounting Office's Government Auditing Standards. Our firm annually obtains certifications from the professional staff regarding independence concerns with any clients. Wipfli does not have any professional relationships involving Greater Portland Transit District or any of its agencies or component units. If an independence issue would surface during the contract period, it will be promptly discussed with you.

### Conflict of interest

We are not aware of any potential conflicts of interest.

## Quality assurance

Because Wipfli operates in a highly competitive environment, it's important to set and achieve the highest standards of quality. We believe this is good business. It helps ensure we have satisfied clients, and it gives us a positive basis for differentiating Wipfli from other firms.

In order to maintain this level of quality and fulfill the trust our clients place in us, Wipfli provides ongoing training to all associates and new hires as they begin their service with the firm. Wipfli also conducts an independent, in-house inspection of a sample of assurance engagements for each partner to help ensure that the firm's quality control standards are being met. In addition, we update our quality control document whenever new auditing requirements are enacted.

### Skilled team and continuous education

Our professionals must meet rigorous standards. Only graduates with high academic achievement and who exhibit qualities of leadership and exceptional communication skills, are considered for employment at Wipfli.

We maintain a continuing education program for our entire staff. We provide at least 120 hours of continuing professional education every three years to all our professional staff.

Professionals who perform audits in accordance with Government Auditing Standards meet the annual education requirements in governmental continuing education.

### Yellow Book standards

In addition, the firm complies with the Yellow Book independence standards. Our professionals regularly attend in-house education programs as well as programs conducted by the AICPA and a variety of professional organizations.

### Inspection program

Our in-house inspection program covers all of our firm locations and encompasses all elements of quality control. In addition to our inspection program, our quality control review procedures provide for partner concurring reviews of selected engagements before issuance of the financial statements, post-issuance of selected financial statements and obtaining independence statements from all of our personnel twice a year.

### Peer reviews

The effectiveness of our internal quality control program and procedures are independently evaluated every three years through our participation in the AICPA peer review program.

### Litigation

Wipfli is not involved in any pending litigation and has not been named in any litigation over the past three years which dealt with the quality of audit work or of pricing of auditing services rendered.

### Disciplinary action

No disciplinary action has been taken against Wipfli LLP, or any member of our firm by the State Board of the AICPA or any other regulatory agency.

### Insurance requirements

Upon award of bid, we can provide all necessary general and professional liability coverage detail.

# LICENSURE, CERTIFICATIONS, WORKPAPERS AND TECHNOLOGY

## License to practice

Wipfli provides accounting, tax and consulting services to clients across the United States and holds appropriate licenses to do so. We are a member of the AICPA and adhere to the professional guidelines established by that body and the corresponding regulatory bodies of the states where we hold a license or are admitted to practice.

It's the policy of our firm that all professional personnel be familiar with and adhere to the independence, integrity and objectivity rules, regulations, interpretations and rulings of the AICPA, the Illinois Board of Public Accountants, state statutes, and other regulatory agencies as applicable. Evidence of licensure is available upon request.

## Minority-owned business

Wipfli does not qualify as a small business firm as defined by the Small Business Administration (13 CFR 121.201) because our annual receipts for the last three fiscal years total more than \$20,500,000. We also do not meet the definition of a minority or women-owned business enterprise (51% ownership). However, we are above the AICPA's average for female-to-male partner ratios compared with other firms.

## Working papers retention and access

Upon request, Wipfli will provide a copy of the workpapers pertaining to any questioned costs determined in the audit. The workpapers must be concise and provide the basis for the questioned costs as well as an analysis of the problem. The workpapers will be retained for at least three years from the end of the audit period and will be available for examination by authorized representatives of the cognizant federal or state audit agency, the GAO, and Greater Portland Transit District.

## Client portal

Historically, audits have required an audit team to perform a majority of the audit on-site at the client's office. However, technological advancements have enabled us to streamline the audit process and empower greater collaboration between you and our firm. Wipfli has invested extensively in software and hardware to make these benefits possible.

To manage data remotely, Wipfli uses Microsoft ShareFile, a secure site where you can upload your data. Files are kept secure during transfer with SSL/TLS encryption protocols. In the cloud, your files are stored safely using AES 256-bit encryption.

As part of our audit process, we send you a detailed request for data and an upload timeline for your staff. This timeline lets both organizations know what needs to happen for the audit to be completed on time. By creating an efficient data flow between both parties, ShareFile makes it easy to share the information needed for the audit.

Once we receive the data, we begin the audit process in our office. This results in decreased travel costs and also allows your employees to save valuable time when we do come on-site.

Before the on-site visit, we take the data you provide and do an initial analysis using IDEA, a data-analysis program, to identify specific audit risks. This further allows us to tailor our audit approach for a more streamlined and efficient audit.

After completing the planning stage, an on-site or remote Wipfli team (whichever you prefer) will conduct the audit.

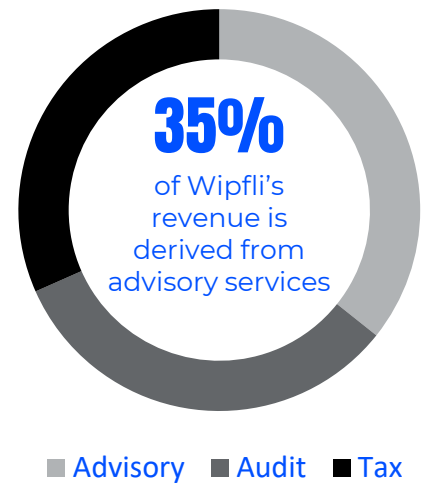
Overall, Wipfli's audit process helps substantially cut down on the time and interface required to complete our audit. It also allows us to spend more time adding value by making suggestions that will improve your accounting systems or detecting costly errors that may be causing your system to produce inaccurate information.

# THE PERSPECTIVE TO UNLOCK YOUR POTENTIAL

At Wipfli, our continuous curiosity leads to holistic solutions for our clients. We have more than 3,000 employees who can provide an array of services with the following benefits.

- Healthier profits
- Faster speed-to-market execution
- Better client experiences
- Enhanced service innovation
- Increased efficiencies and processes
- Energized culture and engaged talent
- Stronger team orientation
- Deeper sense of meaning and purpose

## Service breakdown



## A one-stop shop to help validate, protect and grow your business

### Digital

Unlock the real impact of technology to achieve deeper engagements, enhanced efficiencies, secure systems and actionable data.

### Outsourcing

Stay lean and scale smart with traditional and innovative C-suite outsourcing solutions.

### Organizational performance

Align and elevate your strategy, operations and people to thrive in a fast-paced, dynamic marketplace.

### Risk advisory

Manage your risk, protect against threats and stay compliant while enhancing the value and resiliency of your organization.

### Assurance

Get tailored audit, assurance and accounting solutions — and actionable insights — crafted specifically for your industry.

### Tax

Minimize your tax exposure and maximize your cash flow on an international, national, state or local level.

### M&A transaction advisory

Maximize value at every stage of your M&A deal with proactive pre-transaction strategies and post-transaction integration.

### Private client services

Cut through the complexities of personal and business finances to achieve your financial goals.

## Report on the Firm's System of Quality Control

November 12, 2025

To the Partners of Wipfli LLP and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Wipfli LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended June 30, 2025. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

### Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans; audits performed under FDICIA; and examinations of service organizations (SOC 1<sup>®</sup> and SOC 2<sup>®</sup> engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Wipfli LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended June 30, 2025, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Wipfli LLP has received a peer review rating of *pass*.

*Weaver and Tidwell, L.L.P.*

WEAVER & TIDWELL, L.L.P.

San Antonio, Texas  
November 12, 2025

Weaver and Tidwell, L.L.P.

CPAs AND ADVISORS | WEAVER.COM



December 11, 2025

Kurt Gresens  
Wipfli LLP  
10000 W Innovation Dr Ste 250  
Milwaukee, WI 53226

Dear Kurt Gresens:

It is my pleasure to notify you that on December 11, 2025, the National Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is December 31, 2028. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Liz Gantnier", written in a cursive style.

Liz Gantnier  
Chair, National PRC

+1.919.402.4502

cc: Brett Siegfried, Stephanie Cavadeas

Firm Number: 900010077210

Review Number: 616073

**THIS DOCUMENT MUST BE COMPLETED AND SUBMITTED WITH BID/RFP**

**PROPOSER CERTIFICATION  
GREATER PORTLAND TRANSIT DISTRICT  
RFP #2026-006  
ANNUAL FINANCIAL AUDIT SERVICES**


The UNDERSIGNED hereby declares that he, she or they are the only person(s), firm or corporation interested in this proposal as principal; that it is made without any connection with any other person(s), firm or corporation submitting a bid for the same.

The UNDERSIGNED hereby declares that they have read and understand all conditions as outlined herein, and that the proposal is made in accordance with same.

The UNDERSIGNED hereby declares that any person(s) employed by Me who has direct or indirect personal or financial interest in this proposal, or in any profits which may be derived therefrom has been identified and the interest disclosed by separate attachment. Please include in your disclosure any interest which you know of.

This Proposal acknowledges the receipt of Addenda No. #1 and #2 \_\_\_\_\_

COMPANY NAME: Wipfli LLP  
(Individual, Partnership, Corporation, Joint Venture)

AUTHORIZED SIGNATURE:  DATE: May 22, 2026  
(Officer, Auth. Individual, Owner)

PRINT NAME & TITLE: Christian Smith, Partner

EMAIL: christian.smith@wipfli.com

MAILING ADDRESS: 30 Long Creek Drive, South Portland, Maine 04106

TELEPHONE: 207-523-3354 D.U.N.S. n/a

FEDERAL TAX I.D. NUMBER: 41-2899048

**NOTE: All proposals must bear the handwritten signature of a duly authorized member or employee of the organization making the proposal.**

**PLEASE FILL IN THE FOLLOWING INFORMATION  
FOR ANY SUB-CONTRACTED WORK  
AND SUBMIT WITH PROPOSAL**

	Name of Subcontractor	Service	Expected \$ Value	DBE? Y/N
	Not applicable - no subcontractors will be used			
1	_____	_____	_____	_____
2	_____	_____	_____	_____
3	_____	_____	_____	_____

**COMPLETE AND SUBMIT THIS PAGE**

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION,  
OTHER INELIGIBILITY, AND INVOLUNTARY EXCLUSION**

The Respondent, Wipfli LLP, certifies, by submission of this proposal, that neither it nor its principals or subcontractors is presently debarred, suspended, proposed for debarment, declared ineligible, or involuntarily excluded from participation in this transaction by any Federal Department or Agency.

The Respondent agrees to comply with the requirements of 2 CFR Part 180, Subpart C, as adopted and supplemented by U.S. DOT regulations at 2 CFR Part 1200, while this RFP is pending and throughout the period of any contract that may arise from this RFP. The Respondent further agrees that it and its affected subcontractors will provide immediate written notice to Greater Portland Transit District ("GPM") if at any time the Respondent learns that their subcontractor's certification was erroneous when submitted or has become erroneous because of changed circumstances.

By submitting this proposal and affixing a signature below, the Respondent certifies that the above statement is a material representation of fact upon which reliance is placed by GPM. If it is later determined that the Respondent knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, GPM may terminate this transaction for cause of default.

If the Respondent is unable to certify to any of the statements in this certification, the Respondent shall attach an explanation to this certification.

**The Respondent certifies or affirms the truthfulness and accuracy of the contents of the statement submitted on or with this certification and understands that the provisions of 31 U.S.C. §§ 3801-3812 are applicable thereto.**

  
\_\_\_\_\_  
Signature of Duly Authorized Official

May 22, 2026  
Date

Christian Smith  
\_\_\_\_\_  
Printed Name of Duly Authorized Official

Wipfli LLP  
\_\_\_\_\_  
Company Name

**COMPLETE AND SUBMIT THIS PAGE**

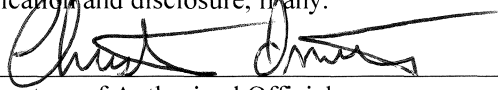
**CERTIFICATION OF RESTRICTIONS ON LOBBYING  
49 CFR PART 20**

The UNDERSIGNED certifies, to the best of their knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions [as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96). Note: Language in paragraph (2) herein has been modified in accordance with Section 10 of the Lobbying Disclosure Act of 1995 (P.L. 104-65, to be codified at 2 U.S.C. 1601, *et seq.*)]
- 3. The undersigned shall include the language of this certification in the award documents for all subcontracts, that shall certify and disclose accordingly.**

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The undersigned understands and agrees that the provisions of 31 U.S.C. A 3801, *et seq.*, apply to this certification and any disclosure, and also certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any.

  
\_\_\_\_\_  
Signature of Authorized Official

May 22, 2026  
\_\_\_\_\_  
Date

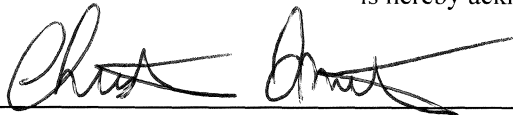
Christian Smith  
\_\_\_\_\_  
Printed Name of Authorized Official

Wipfli LLP  
\_\_\_\_\_  
Printed Name of Respondent or Contract

**COMPLETE AND SUBMIT THIS PAGE**

**FEDERAL STANDARDS ADDENDUM:  
FTA REQUIREMENTS FOR THIRD PARTY CONTRACTING**

In regards to RFP #2026-006: Annual Financial Audit Services  
is hereby acknowledged.



\_\_\_\_\_  
Signature of Contractor's Authorized Official

Christian Smith

May 22, 2026

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name and Title of Contractor's Authorized Official

Wipfli LLP

\_\_\_\_\_  
Printed Name of Contractor

# YOUR NEXT STEP

**Christian Smith, CPA, CFA**

Partner

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**WIPFLI**

**DATE**

June 3, 2026

**SUBJECT**

2026 Budget Amendments

**PURPOSE**

Authorize staff to expend awarded 5307 Federal funding, Maine Turnpike Authority funding, and Maine Department of Transportation funding for Scarborough fixed route and microtransit service beginning in October 2026.

Update Metro Capital Improvement Program to enable Metro to apply for projects to be added to the PACTS region's Transportation Improvement Program (TIP) and apply for discretionary funding opportunities.

**BACKGROUND/ANALYSIS**Operating Budget Amendment

To address growing public transit needs, Metro collaborated with Scarborough staff in early 2025 to pursue discretionary funding for a new pilot project. This joint effort successfully secured multiple funding streams to bring both fixed-route and microtransit options to the Town of Scarborough:

- **Federal 5307 Funding:** \$1,356,250 awarded in May 2025 through the region's set-aside process.
- **Maine Turnpike Authority (MTA):** \$3,555,771 awarded in October 2025, distributed over five years to support the fixed-route pilot.
- **Maine Department of Transportation (MaineDOT):** \$229,468 awarded to support the project.
- **Town of Scarborough:** \$369,500 authorized by the Town to cover its local share.

The new services will officially launch in Scarborough the first week of October. Staff are preparing for the service launch by developing schedules, planning bus stop locations, recruiting and hiring staff and receiving new rolling stock to support the service.

One-time expenses associated with the new Scarborough service will be tracked separately and submitted for reimbursement from the various funding sources. Direct operating expenses will

be calculated by determining the percent of Metro's total service that the Scarborough service equates to and applying that percentage to Metro's total operating expenses directly associated with providing the service (operator wages, fuel, parts, etc). Additionally, staff are preparing an indirect cost allocation rate, that once approved by the FTA, will allow Metro to draw a percentage of indirect costs as well.

### Capital Improvement Program Update

PACTS has begun the process of updating its project priority list for inclusion in the Transportation Improvement Plan (TIP). Once complete this ranked list of projects will be submitted to MaineDOT for inclusion in MaineDOT's workplan as specified in the MOU signed by PACTS and MaineDOT in 2024.

In order to have projects included in the TIP municipalities and transit agencies must submit a Notice of Intent which includes; project readiness, a cost estimate and governing board endorsement of the project. In Metro's case this endorsement can be achieved by the Board of Director's inclusion of the project in Metro's approved CIP.

Staff have updated Metro's CIP to include revised estimates for replacement of Metro's Operations and Maintenance facility including; property acquisition, planning/design and construction. Additionally, staff have updated the CIP to include updated timelines and cost estimates for fleet replacement and expansion. Metro's CIP will be updated again in the fall as part of Metro's annual budgeting process.

### **FISCAL IMPACT**

#### Scarborough Service

All expenses associated with the new service in Scarborough will be covered by the various grant funding sources. There will be no changes to the assessments of Metro member communities as a result of the pilot project.

Based on the phasing plan, Table 1 provides a 2-3 year forecast horizon during which the available funding sources will be drawn down. Additionally, there are two subsequent years of MTA funding available to assist Scarborough in phasing into its full assessment amount, should the town council vote to join Metro in 2028.

Table 1: Scarborough Pilot Project Funding Plan

Microtransit									
Fiscal Year	Revenue hours	Cost per hour	Operating Cost	Capital Cost	Budget Authority	Revenues	Projected Net Cost	Project Funding	
					↓			\$ 1,955,218	
FY 2026	2,000	\$ 47.85	\$ 95,700	\$ 500,000	\$ 595,700	\$ 7,500	\$ 588,200	\$ 1,367,018	
FY 2027	7,752	\$ 49.29	\$ 420,267	\$ -	\$ 420,267	\$ 30,900	\$ 389,367	\$ 977,651	
FY 2028	7,752	\$ 50.76	\$ 432,875	\$ -	\$ 432,875	\$ 31,827	\$ 401,048	\$ 576,602	
<b>3 Year Total</b>			<b>\$ 948,843</b>		<b>\$ 1,448,843</b>	<b>\$ 70,227</b>	<b>\$ 1,378,616</b>	<b>\$ 576,602</b>	Rollover to Fixed Route
									↓
Fixed Route									
Fiscal Year	Revenue hours	Cost per hour	Operating Cost	Capital/One Time Cost	Budget Authority	Revenues	Projected Net Cost	Project Funding	
					↓			\$ 2,941,767	
FY 2026	3,000	\$ 87.00	\$ 261,000	\$ 375,000	\$ 636,000	\$ 17,550	\$ 618,450	\$ 2,323,317	
FY 2027	12,053	\$ 89.61	\$ 1,188,076	\$ -	\$ 1,188,076	\$ 86,767	\$ 1,101,309	\$ 1,222,008	
FY 2028	12,053	\$ 92.30	\$ 1,223,719	\$ -	\$ 1,223,719	\$ 104,265	\$ 1,119,454	\$ 102,555	
<b>3 Year Total</b>			<b>\$ 2,672,795</b>		<b>\$ 3,047,795</b>	<b>\$ 208,582</b>	<b>\$ 2,839,213</b>	<b>\$ 102,555</b>	Balance at the end of Year 3

Capital Improvement Plan

Metro’s CIP relies heavily on State and Federal support. Municipal contributions to the CIP are largely tempered through the use of bonding and building local match over several years. The large amount of fleet replacement/expansion planned in the next five years coupled with the expense of replacing Metro’s aging operations and maintenance facility will put additional pressure on Metro’s budget.

Persuasive advocacy efforts will be needed to secure the maximum amount of support for these capital purchases. Staff are developing a funding plan for large capital expenses which utilizes discretionary funding as much as possible.

**RECOMMENDATION**

Staff is requesting authorization to amend the FY 2026 Operating Budget to allow up to **\$1,221,700** in expenses in order to start up and operate microtransit and fixed route service in the Town of Scarborough.

Staff is recommending adoption of the revised Capital Improvement Program to facilitate Metro applying for projects to be included in the PACTS Transportation Improvement Program and MaineDOT Workplan.

**CONTACT**

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 Executive Director  
 207-517-3025  
[gffenton@gpmetro.org](mailto:gffenton@gpmetro.org)

**ATTACHMENTS**

Attachment A - Metro Capital Improvement Program – Updated June 2026

Attachment B - PACTS Memo - April 21, 2026 - TIP Process

# 2026-2030 CAPITAL IMPROVEMENT PROGRAM

PROGRAM SUMMARY		Funds Rem.	2025	2026	2027	2028	2029	2030
<b>Total</b>		<b>4,779,598</b>	<b>815,460</b>	<b>6,105,071</b>	<b>10,771,031</b>	<b>15,341,693</b>	<b>4,106,759</b>	<b>96,419,487</b>
Federal (5307)		3,169,915	66,466	2,261,177	1,761,170	1,081,354	565,407	1,135,590
Federal (BUILD)		-	-	-	2,928,000	2,928,000	-	-
Federal (TBD)		-	-	-	-	-	-	85,950,000
Federal (5339)		89,046	-	2,596,305	4,248,542	2,465,000	1,700,000	4,250,000
Federal (CARES)		221,608	-	-	-	-	-	-
Federal (ARPA)		579,544	-	177,500	-	-	-	-
Federal (5310)		-	-	-	-	-	-	-
State		-	354,000	600,250	777,621	6,107,500	255,000	2,097,500
Maine Turnpike Auth.		-	113,280	-	-	-	-	-
Local (Bond)		600	-	263,250	374,871	367,500	255,000	2,652,500
Local (Assessment)		718,885	221,714	199,089	680,826	692,339	141,352	283,897
Local (Non-Member Assessment)		-	60,000	10,000	-	-	-	-
<b>Local Assess (Projects)</b>			<b>221,714</b>	<b>199,089</b>	<b>680,826</b>	<b>692,339</b>	<b>141,352</b>	<b>283,897</b>
Local Assess (Cap Res.)			-	-	-	-	-	-
Local (Debt Service)			223,981	224,904	289,569	493,728	808,598	743,935
<b>Total</b>			<b>445,695</b>	<b>423,993</b>	<b>970,396</b>	<b>1,186,067</b>	<b>949,950</b>	<b>1,027,833</b>

## 100 PLANNING & PROGRAMS

		Funds Rem.	2025	2026	2027	2028	2029	2030	
<b>101 Replacement Facility: Planning-Design</b>		<b>230,000</b>	<b>120,000</b>	<b>1,080,000</b>	<b>3,540,000</b>	<b>3,540,000</b>		-	
<i>Prior funding and 2023 funding will be used to hire a consultant firm to prepare conceptual design, capital cost estimate, operating cost forecasts, and develop project roadmap (\$50,000). Funding in outer years reflects 8% of a facility's estimated construction cost for planning-design-engineering. \$120,000 collected in 2025 to match future grants.</i>		Federal (5307)	180,000		960,000				-
<i>2026 Federal (TBD) represents application for federal funding through PACTS discretionary program in Feb 2026.</i>		Federal (BUILD)			2,928,000	2,928,000			
<i>Amounts in 2027 &amp; 2028 represent application for BUILD grant submission in Feb 2026 and State funding commitment for local match for 2026-2028. Local assessments in the outer years are estimates and may be revised once grant awards are finalized.</i>		Federal (TBD)			-	-			
		Federal (5310)							
		State		90,000	300,000	300,000			
		Local (Bond)							
		Local (Assessment)	50,000	120,000	30,000	312,000			
<b>102 Service Planning</b>		<b>22,883</b>	<b>-</b>	<b>5,721</b>	<b>50,000</b>	<b>75,000</b>		-	
<i>Program of funds to support agency planning goals</i>		Federal (5307)	22,883	-	40,000	60,000		-	
<i>Funds Remaining: \$22,883 So Portland (ME-2023-043) 5307* Planning funding awaiting FTA obligation</i>		Federal (5310)	-	-	-	-		-	
<i>2026 - Service Planning for Scarborough &amp; South Portland</i>		State	-	-	-	-		-	
<i>2027 - Network Redesign</i>		Local (Bond)	-	-	-	-		-	
<i>2028 - Facility Site Service and Network Planning</i>		Local (Assessment)	-	-	5,721	10,000	15,000	-	
<b>103 Metro Mobility Programs</b>		<b>-</b>	<b>-</b>	<b>61,476</b>	<b>62,563</b>	<b>63,683</b>	<b>64,837</b>	<b>66,025</b>	
<i>Historically - Metro has served as a pass-through of federal CARES Act funding in order to allow GPCOG to use federal CARES Act funding to implement a variety of mobility management programs.</i>		Federal (5307)	-	-	49,181	50,051	50,947	51,869	
<i>2026 - 2030- CAD/AVL and Customer Facing Technologies (Spore) to improve mobility</i>		State							
		Local (Bond)							
		Local (Assessment)			12,295	12,513	12,737	12,967	
<b>104 Planning Projects</b>		<b>121,871</b>	<b>586,129</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<i>Bus Rapid Transit Project.</i>		Federal (5307)	42,820	33,849	-	-	-	-	
<i>Funds remaining: \$53,525 ME-2016-016, \$68,301 CARES ME-2020-010</i>		Federal (CARES)	68,301	-	-	-	-	-	
<i>So Portland (ME-2022-012) 5307* Planning funding awaiting FTA obligation \$33,849</i>		Federal (5310)							
		State		354,000					
		Maine Turnpike Auth.		113,280					
		Local (Bond)							
		Local (Assessment)	10,750	85,000					
<b>105 Planning Projects</b>		<b>40,000</b>	<b>-</b>	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<i>Fare analysis</i>		Federal (5307)	40,000	-	-	-	-	-	
<i>Funds Remaining: \$1,441 So Portland (ME-2022-012) 5307* Planning funding awaiting FTA obligation</i>		Federal (5339)							
<i>and \$38,559 So Portland (ME-2023-043) 5307* Planning funding awaiting FTA obligation</i>		Federal (5310)							
		State		10,000					
		Local (Bond)							
		Local (Assessment)							

## 200 FACILITIES: MAINTENANCE-ACQUISITION-CONSTRUCTION

		Funds Rem.	2025	2026	2027	2028	2029	2030
<b>201 Metro Facility Replacement-Expansion</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,500,000</b>	<b>-</b>	<b>90,000,000</b>
<i>Phase 1: Acquire 151 St. John's Property - State assistance applied as match for federal construction funding (90/10 federal/non-federal funding). Local funding assumed to come from bonding. Bond issuance will be contingent on state-federal funding acquisition.</i>		Federal (5307)	-	-	-	-	-	-
<i>Phase 2: Construct replacement facility - Federal assistance estimated at 90%; State assistance estimated at 7.5%. Local funding assumed to come from bonding at 2.5%.</i>		Federal (TBD)						85,950,000
		Federal (5310)						
		State				5,390,000		1,722,500
		Local (Bond)						2,277,500
		Local (Assessment)				110,000		-
<b>202 Facility Renovations-Major Component Replacement</b>		<b>495,000</b>	<b>-</b>	<b>275,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Unspent funding (\$495,000) for Backup Generator (\$125,000), and HVAC (\$70,000) CNG Rehab (300,000)- These</i>		Federal (5307)	396,000	220,000	-	-	-	-
<i>2026 - Elm Street Rehab allowing for public utilization.</i>		Federal (5310)	-	-	-	-	-	-
		State						
		Local (Bond)						
		Local (Assessment)	99,000	55,000				
<b>202 Safety-Security Maintenance/Upgrades</b>		<b>8,000</b>	<b>-</b>	<b>-</b>	<b>45,000</b>	<b>269,973</b>	<b>-</b>	<b>-</b>
<i>Remaining funds (\$8,000) Local collected, grant not programmed.</i>		Federal (5307)	-	-	36,000	215,978	-	-
<i>2027 - Full facility integrated security camera and access control system (Elm and Valley) \$45k</i>		Federal (ARPA)	-	-	-	-	-	-
<i>2028 - Retrofit of full fleet for integrated wireless/real-time security system (safe fleet), inc. installation \$269k</i>		Federal (5310)						
		State						
		Local (Bond)						
		Local (Assessment)	8,000		9,000	53,995		
<b>203 Maintenance Equipment</b>		<b>109,229</b>	<b>40,771</b>	<b>-</b>	<b>300,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>2025 - Tire Machine, Wheel Balancer, Maintenance Inventory System Upgrade</i>		Federal (5307)	87,383	32,617	240,000	-	-	-

PROGRAM SUMMARY		Funds Rem.	2025	2026	2027	2028	2029	2030	
2027 - Planning, design and build of a paint shop + fire suppression Remaining Funds: \$109,229 (ME-2021-016- Maintenance Equip)		Federal (5310)							
		State							
		Local (Bond)							
		Local (Assessment)	21,846	8,154	-	60,000	-	-	
<b>204</b>	<b>Fuel Tracking and Tank Replacement</b> 2027 - Automated fleet fueling system, tank and dispenser replacement - estimated.	<b>Total</b>	-	-	-	527,500	-	-	
		Federal (5307)	-	-	-	422,000	-	-	
		Federal (5310)	-	-	-	-	-	-	
		State	-	-	-	52,750	-	-	
		Local (Bond)	-	-	-	-	-	-	
		Local (Assessment)	-	-	-	52,750	-	-	
300 VEHICLE MAINTENANCE & ACQUISITION		Funds Rem.	2025	2026	2027	2028	2029	2030	
<b>301</b>	<b>Mid-Life Fleet Refurbishments</b> Replacement of major components (engines, transmissions) and vehicle refurbishments of any bus at mid-life or older. 2026: Local Match for Current Year and \$9,868 required local match for Grant received from South Portland Merger Funds Remaining: \$165,951 (ME-2021-016), \$300,000 (ME-2024-010), \$49,340 (5339- ME-2024-010)	<b>Total</b>	<b>505,423</b>		<b>159,868</b>	<b>327,818</b>	<b>270,122</b>	<b>270,122</b>	<b>270,122</b>
		Federal (5307)	372,761		120,000	262,254	216,098	216,098	216,098
		Federal (5339)	39,472						
		Federal (5310)	-		-	-	-	-	-
		State	-		-	-	-	-	-
		Local (Bond)	-		-	-	-	-	-
		Local (Assessment)	93,190		39,868	65,564	54,024	54,024	54,024
<b>302</b>	<b>Fleet Replacements</b> GP Metro adheres manages to the FTA Uesful Life Benchmark (ULB) of 14 years, but aims to replace buses at years 13 and 14 in order to allow flexibility based on individual buses' condition. Replace two (2) 2011 diesel Gillig buses in FY 2026 with diesel New Flyers using existing contract. Replace three (3) 2011 Gillig Diesel buses, two (2) 2014 Gillig CNG buses and two (2) 2022 Prater Electric Buses in FY 2027 with diesel buses. Replace three (3) 2014 CNG Gillig buses in FY 2028 with hybrid electric buses. Replace two (2) 2016 Diesel Gillig buses in FY 2029 with hybrid electric buses, replace five (5) 2018 CNG New Flyer buses in FY 2030 with hybrid electric buses.	<b>Total</b>	<b>50,174</b>		<b>3,502,801</b>	<b>4,998,285</b>	<b>2,900,000</b>	<b>2,000,000</b>	<b>5,000,000</b>
		Federal (5307)	-		379,996	-	-	-	-
		Federal (5339)	49,574		2,596,305	4,248,542	2,465,000	1,700,000	4,250,000
		Federal (5310)	-		-	-	-	-	-
		State	-		263,250	374,871	217,500	150,000	375,000
		Local (Bond)	600		263,250	374,871	217,500	150,000	375,000
		Local (Assessment)	-		-	-	-	-	-
<b>303</b>	<b>Support Vehicle Replacement/Acquisitions</b> 2027 - New Service truck with a dump body; Assumse usage of remaining funds. Total project cost \$135k  Remaining funds \$7,400 (from sale of retired vehicle), \$1,135 (remaining CARES funding), \$2,000 in 2023 and \$13,000 in 2024 local match collected but grant not programed can be applied to future needs. ME-2023-044 grant \$40,000	<b>Total</b>	<b>63,535</b>			<b>74,865</b>	-		
		Federal (5307)	32,000			74,865			
		Federal (CARES)	1,135						
		Federal (5310)	-						
		State	-						
		Local (Bond)	-						
		Local (Assessment)	30,400						
<b>304</b>	<b>Microtransit Fleet Expansion</b> 2026 - 2 in service vans for Scarborough + South Portland, along with 1 spare 2030 - 2 Autonomous Microtransit vehicles (CapEx + OpEx for 2 year pilot)	<b>Total</b>	-	<b>60,000</b>	<b>555,000</b>	-	-	-	<b>600,000</b>
		Federal (5307)	-		444,000	-	-	-	480,000
		Federal (5310)	-		-	-	-	-	-
		State	-		111,000	-	-	-	-
		Local (Bond)	-		-	-	-	-	-
		Local (Assessment)	-		-	-	-	-	120,000
		Local (Non-Member Assessment)		<b>60,000</b>					
<b>305</b>	<b>Fleet Expansion</b> Service Expansion: South Portland Frequency Improvements, Route 5 Roux Extension, Bi-directional Route 8 FY 2028 Purchase three (3) diesel buses for service expansion FY 2029 Purchase two (2) diesel buses for service expansion	<b>Total</b>	-	-	-	-	<b>2,000,000</b>	<b>1,400,000</b>	-
		Federal (5307)	-		-	-	-	-	-
		Federal (5339)	-		-	-	1,700,000	1,190,000	-
		State	-		-	-	150,000	105,000	-
		Local (Bond)	-		-	-	150,000	105,000	-
		Local (Assessment)	-		-	-	-	-	-
400 BUS STOP IMPROVEMENTS		Funds Rem.	2025	2026	2027	2028	2029	2030	
<b>401</b>	<b>General Bus Stop Improvements</b> This project is aimed at general bus stop improvements including installation of shelters, seating, signage, and access improvements where needed. GP Metro plans to use consultant assistance to perform a full bus stop inventory and recommend design and amenity standards. 2026: \$50,000 for Service Expansion to Scarborough/South Portland	<b>Total</b>	-		<b>100,000</b>	<b>220,000</b>	<b>242,000</b>	<b>371,800</b>	<b>483,340</b>
		Federal (5307)			80,000	176,000	193,600	297,440	386,672
		Federal (5310)							
		State							
		Local (Bond)							
		Local (Assessment)	-		10,000	44,000	48,400	74,360	96,668
		Local (Non-Member Assessment)			10,000				
<b>402</b>	<b>Transit Stop Access Project</b> Planning-design work completed in prior years. Amounts shown are for construction/inspection. Remaining amount includes \$38,642 (ME-2016-017), \$52,969 (ME-2020-025), \$525,000 (ME-2023-012, \$1,247,253 (ME-2023-044), \$767,973 (ME-2024-010) from prior grants which covers design-engineering as well as \$73,460 in local funding that was collected for construction but tied to federal funding in a future year. So Portland ARPA Funding (\$45,970)	<b>Total</b>	<b>2,671,299</b>		<b>46,205</b>	<b>475,000</b>	<b>475,000</b>		
		Federal (5307)	1,797,226		-	340,000	340,000		-
		Federal (ARPA)	570,970		-	-	-		-
		Federal (5310)			-	-	-		-
		State			-	50,000	50,000		-
		Local (Bond)			-	-	-		-
		Local (Assessment)	303,103		46,205	85,000	85,000		-
500 TECHNOLOGY INTEGRATIONS		Funds Rem.	2025	2026	2027	2028	2029	2030	
<b>501</b>	<b>Management Information Systems</b>	<b>Total</b>	-	-	-	-	-	-	
		Federal (5307)	-	-	-	-	-	-	
		Federal (5310)	-	-	-	-	-	-	
		State	-	-	-	-	-	-	
		Local (Bond)	-	-	-	-	-	-	
		Local (Assessment)	-	-	-	-	-	-	
<b>502</b>	<b>Transit Signal Priority</b> Metro awarded \$500,000 in federal ARPA funding to install transit signal priority technology along Washington Avenue and Forest Avenue in Portland. Additional \$171,200 applied for through PACTS FTA Section 5307 formula set-aside program for transit enhancements ( approved). Additional award would add TSP to Brighton Ave. and Congress Street. Funds Remaining: \$8,574 (ME-2023-012), \$214,000 (ME-2024-010), \$151,000 (CARES- Awaiting funding obligation from FTA)	<b>Total</b>	<b>365,014</b>	<b>8,560</b>					
		Federal (5307)	171,200						
		Federal (CARES)	151,000						
		Federal (ARPA)	8,574						
		Federal (5310)	-						
		State	-						
		Local (Bond)	-						
		Local (Assessment)	34,240	8,560					

**PROGRAM SUMMARY**

		Funds Rem.	2025	2026	2027	2028	2029	2030
<b>503 CAD/AVL System Replacement</b>								
<i>Unspent funding (\$1,172) from CARES Act funding allocated to AVL/AVA System, \$34,552 (ME-2024-010)</i>								
<i>Local funding remains from prior year budgets for which local match was collected but project was not included in PACTS program of projects for federal funding, or local match collected exceeded match requirements of grant (\$8,590- Electronic Signs, \$50,856- AVL/AVA).</i>								
<b>Total</b>		<b>95,170</b>	-	-	-	-	-	-
Federal (5307)		27,642	-	-	-	-	-	-
Federal (CARES)		1,172	-	-	-	-	-	-
Federal (5310)		-	-	-	-	-	-	-
State		-	-	-	-	-	-	-
Local (Bond)		-	-	-	-	-	-	-
Local (Assessment)		66,356	-	-	-	-	-	-
<b>504 Office Phone System</b>								
<i>2026 - Replace all workstations phones &amp; acquire call monitoring software</i>								
<i>2027 - Automated off hours call center functionality / IVR</i>								
<b>Total</b>				<b>8,000</b>	<b>25,000</b>	-	-	-
Federal (5307)		-	-	-	20,000	-	-	-
Federal (5310)		-	-	-	-	-	-	-
State		-	-	8,000	-	-	-	-
Local (Bond)		-	-	-	-	-	-	-
Local (Assessment)		-	-	-	5,000	-	-	-
<b>505 Fleet Cradlepoint Networking Hardware Replacement</b>								
<i>2026 - Full fleet replacement</i>								
<b>Total</b>				<b>90,000</b>	-	-	-	-
Federal (5307)		-	-	-	-	-	-	-
Federal (5310)		-	-	-	-	-	-	-
State		-	-	90,000	-	-	-	-
Local (Bond)		-	-	-	-	-	-	-
Local (Assessment)		-	-	-	-	-	-	-
<b>506 Office / Admin Workstation Replacements</b>								
<i>2026 - 13 workstations + 22 docks</i>								
<i>2028 - 5 workstations</i>								
<b>Total</b>				<b>28,000</b>		<b>5,915</b>	-	-
Federal (5307)		-	-	-	-	4,732	-	-
Federal (5310)		-	-	-	-	-	-	-
State		-	-	28,000	-	-	-	-
Local (Bond)		-	-	-	-	-	-	-
Local (Assessment)		-	-	-	-	1,183	-	-
<b>507 Maintenance / Fleet Management System Peripherals</b>								
<i>2026 - 6 Wireless Android tablets and Inventory Scanner. Tablets will have wireless SIM cards until new facility investment/enhanced wireless network</i>								
<b>Total</b>				-	-	-	-	-
Federal (5307)		-	-	-	-	-	-	-
Federal (5310)		-	-	-	-	-	-	-
State		-	-	-	-	-	-	-
Local (Bond)		-	-	-	-	-	-	-
Local (Assessment)		-	-	-	-	-	-	-
<b>508 Real Time Signs</b>								
<i>2026 - CMS Deployment, 3 years hosting and licensing fees, 15-20 LCD and e-ink signs, solar power and installation fees</i>								
<i>So Portland ARPA Funding</i>								
<b>Total</b>				<b>175,000</b>		-	-	-
Federal (5307)		-	-	-	-	-	-	-
Federal (ARPA)				177,500				
Federal (5310)		-	-	-	-	-	-	-
State		-	-	-	-	-	-	-
Local (Bond)		-	-	-	-	-	-	-
Local (Assessment)		-	-	-	-	-	-	-
<b>509 On Fleet Infotainment</b>								
<i>2027 - On fleet display signs that provide real time info, along with advertising opportunities to offset expenses.</i>								
<b>Total</b>				-	<b>125,000</b>	-	-	-
Federal (5307)		-	-	-	100,000	-	-	-
Federal (5310)		-	-	-	-	-	-	-
State		-	-	-	-	-	-	-
Local (Bond)		-	-	-	-	-	-	-
Local (Assessment)		-	-	-	25,000	-	-	-
<b>510 Office / Admin Copier Replacement</b>								
<i>2026 - Replacement of office copier</i>								
<b>Total</b>		<b>2,000</b>		<b>8,000</b>		-	-	-
Federal (5307)		-	-	8,000		-	-	-
Federal (5310)		-	-	-		-	-	-
State		-	-	-		-	-	-
Local (Bond)		-	-	-		-	-	-
Local (Assessment)		2,000		-		-	-	-

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# Memorandum

**To:** PACTS Municipal Managers, Transit Agency Directors  
**Cc:** PACTS Policy Board & Regional Transportation Advisory Committee  
Jennifer Grant, Director, Bureau of Planning, MaineDOT  
Claire Winter, Urban Planner, Bureau of Planning | Community Planning & Scoping, MaineDOT  
**From:** Chris Chop, Transportation Director, GPCOG  
**Date:** April 21, 2026  
**Subject:** Candidates for 2027-2029 MaineDOT Work Plan and 2027-2030 PACTS TIP

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## Key Dates and Requirements

It is time to prepare projects for funding consideration—preliminary design funding or construction funding—in the 2027-2029 [MaineDOT Work Plan](#) and 2027-2030 [PACTS Transportation Improvement Program \(TIP\)](#).

- **June 1—Notice of Intent Due to GPCOG**

If you would like a project considered for funding, submit notice to GPCOG staff ([transportation@gpcog.org](mailto:transportation@gpcog.org)) **by June 1**. Please provide:

- [Connect 2050](#) project code (see pp. 124-127)<sup>1</sup>
- Project readiness level
  - ready for preliminary design OR
  - ready for final design, engineering, and construction
- Most recent cost estimate

- **August 1—Supplemental Materials Due to GPCOG**

Submit any supplemental materials, such as documentation of council/selectboard endorsement, to GPCOG staff **by August 1**. Details regarding documentation requirements will follow at a later date.

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<sup>1</sup> If the project is not individually listed in Connect 2050 but was identified in a regionally significant plan such as the Regional Trail Plan or Reimagining Route 1, indicate the plan's name and, if applicable, the project code from that regional plan.

- **August 30—Project List Due to MaineDOT**

PACTS will submit a prioritized list of projects to **MaineDOT by August 30**.

## **Background**

### *MaineDOT-PACTS Memorandum of Understanding (MOU)*

Under Initiatives 6-8 of the MOU, PACTS annually proposes projects for inclusion in the MaineDOT Work Plan. In 2025, PACTS submitted projects in three categories:<sup>2</sup>

- Existing projects that may require additional funding
- New projects ready for final design, engineering, and construction
- New projects ready for preliminary design

The new projects were drawn from [Connect 2050](#), PACTS' long-range transportation plan because, under federal law, projects in the transportation improvement program (TIP) must reflect the investment priorities in the long-range transportation plan.

### *Connect 2050*

Connect 2050 includes nearly 120 projects submitted by municipalities, transit agencies, and MaineDOT. Projects were scored and ranked with support from an external consultant. The ranked list of projects can be found on pp. 116-117 in [Connect 2050](#).

Inclusion in Connect 2050 is the first step toward funding. The long-range transportation plan, and its project list, will be updated every 4-5 years.

## **Candidate Project Selection Process**

Each year, projects are selected from Connect 2050 for potential inclusion the MaineDOT Work Plan and PACTS TIP. *Figure 1* at the end of this memo illustrates the project funding process, from Connect 2050 to the annual selection of candidates.

### *Selection Criteria*

New project priorities are identified based on:

- **Score**

[Connect 2050](#) scores (see project rankings on pp. 116-117) reflect a project's ability to advance the region's goals. PACTS will select *high-scoring* projects for funding consideration.

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<sup>2</sup> See [Attachment 6-A](#), beginning on p. 23 of the October RTAC meeting packet, for the full submission.

- **Readiness**

From the high-scoring projects, PACTS will select projects that are ready. Current project readiness information is due to GPCOG staff **by June 1**. Please indicate in which category your project falls:

- My project is ready for preliminary design.
- My project is ready for final design, engineering, and construction.

- **Project Mix**

Consistent with MaineDOT guidance, PACTS will submit a mix of projects ready for preliminary design and projects ready for final design and construction, to ensure a healthy balance of projects in the pipeline.

- **Cost**

PACTS will submit a mix of projects totaling approximately \$25 million. Updated project cost estimates are due to GPCOG staff **by June 1**. Note that the assumed funding split for projects is 80 percent federal, 10 percent state, and 10 percent local.

### *Supplemental Materials*

Project sponsors should be prepared to provide documentation demonstrating project readiness by **August 1**. Documentation may include:

- Commitment of local support (e.g., council/selectboard endorsement)
- Confirmation of local match availability
- Evidence of project management capacity
- Estimated timeline for implementation
- Current design plans or similar supporting materials
- Identification of any potential unintended consequences

MaineDOT is expected to present specific readiness requirements to RTAC and the Policy Board in **May**.

Figure 1: Project Funding Process

