

# Fiscal Year 2024 Consolidated Audit

Finance, Budget and Audit Committee

July 17, 2025

Kimberly Houston, Deputy Chief Auditor

Lauren Choi, Senior Director, Audit



MANAGEMENT AUDIT SERVICES

# Issue

---



Consolidated Audit Financial and Compliance Reports completed by Vasquez and Company and Simpson and Simpson, certified public accountants, for FY24



Metro must provide assurance that recipients of funds are adhering to the statutes, program guidelines, and/or agreements of each applicable funding source

# Highlights of Requirements

## Guidelines for Propositions A&C and Measures R&M Local Return Funds

1. Determine if funds expended with Metro Project Manager's approval.
2. Confirm expenditure Plan/Budget Form submitted by August 1<sup>st</sup> of the fiscal year.
3. Confirm Annual Expenditure Report submitted by October 15<sup>th</sup> following the past fiscal year.
4. Evaluate jurisdictions are maintaining proper accounting procedures and records.

# General Assessment

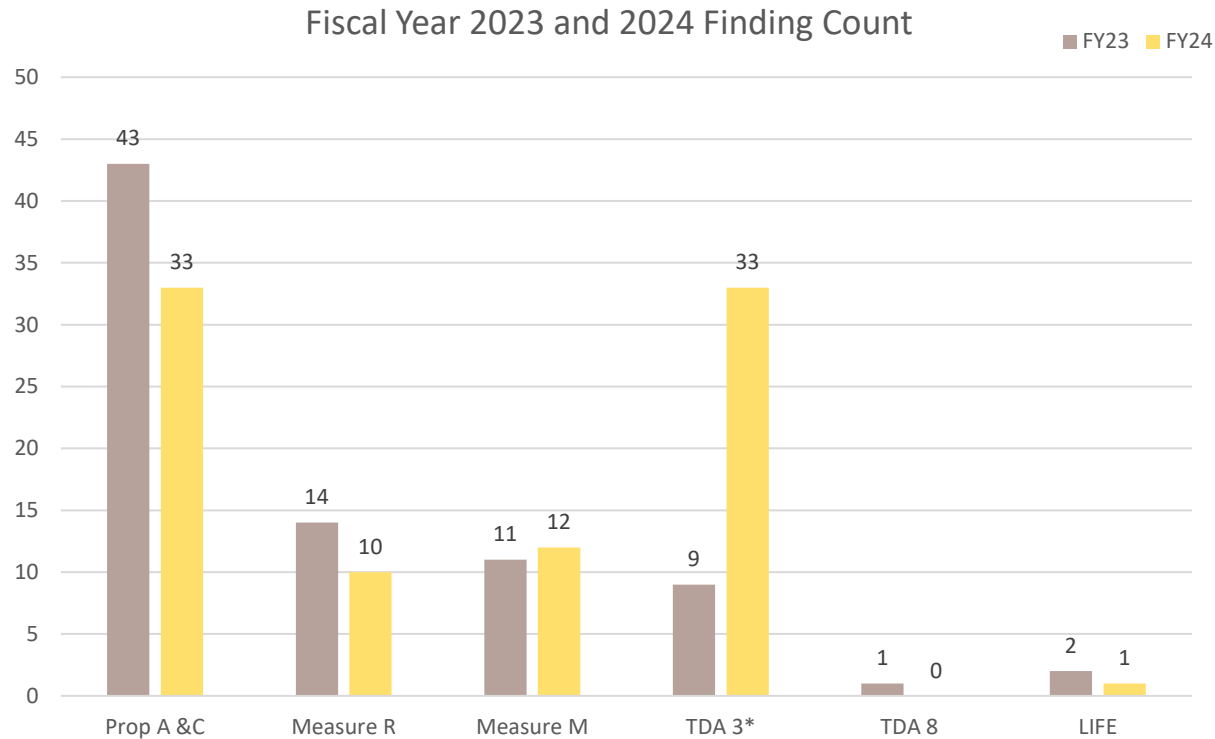
---

With the exceptions of the Cities\* of Compton, Huntington Park and South Pasadena and FAME Assistant Corporation (FAC\*\*) for the LIFE program, the auditors concluded that the County, Cities, transit operators, and other agencies complied, in all material respects, with the guidelines and requirements that could have a direct and material effect on the Local Return and other applicable programs for FY24.

\* The Cities were late in completing their Comprehensive Financial Audit Reports, which delayed the closing process for the Local Return programs.

\*\* FAC filed for Chapter 7 bankruptcy and was not able to provide audit documents.

# Findings



\*Local Programming in collaboration with ITS implemented the online Local Return Management System (LRMS) and also conducted the Consolidated Audit Workshop on 5/28/2025 to train and help jurisdictions to comply with the guidelines/requirements.

# Questions

---