



Memorandum

DATE: June 13, 2025

TO: Paula Rivera, Chief Auditor

FROM: Lisa Moreno, Senior Management Auditor
Sheron Alsufi, Staff Management Auditor
Avien Morales, Associate Management Auditor

SUBJECT: 2025 Internal Quality Assurance and Improvement Program Assessment

We have completed the internal assessment of engagements performed by the California High Speed Rail Authority Audit Office (Audit Office). The purpose of the internal assessment was to determine whether engagements performed by the Audit Office complied with the International Standards for the Professional Practice of Internal Auditing (ISPPA) through January 8, 2025, or General Internal Audit Standards after January 9, 2025, Generally Accepted Government Auditing Standards (GAGAS), and the Audit Office Audit Manual (Audit Manual). Our internal assessment covered June 2024 through May 2025.

Audit Manual Section 2.5 Quality Assurance Program states “The Audit Office maintains quality assurance through effective assignment, planning, and performance, supervision, administration, and management review. An important part of the process is the review of all final and draft reports, memos, and correspondence prior to issuance. Management ensures through the review process that all work is competent, relevant, complete, and supported”.

The Audit Office completed eight engagements, six performed under the ISPPA, one under GIAS, and one under GAGAS, during the period June 2024 to May 2025. We examined four completed engagements.

- 22-06 TY Lin Contract Compliance
- 23-04 Small Business
- 25-02 STV MRP Review
- 25-06 Property Management Pre-Award

Based on our assessment, we found all tested areas generally complied with the Audit Manual and applicable audit standards. There were no areas of non-conformance.

There were instances in one audit where improvement is needed. Specifically, there was one instance where auditors were added to the assignment midway through the audit and the workpapers were not updated to document the additional auditors’ independence on

the assignment as required in GAGAS Section 3.20. Also, at the time of the audit of TY Lin we did not ask about legal proceedings that would affect the audit as required in GAGAS Section 8.27. Since this audit has been completed, procedures have been updated to include questions on current legal proceedings and other audits that would affect the outcome of the audit we are working on, as well as reminders to managers and lead auditors to maintain auditor independence records throughout an assignment.