

**ORANGE COUNTY TRANSPORTATION AUTHORITY**  
**AGREED-UPON PROCEDURES PERFORMED**  
**WITH RESPECT TO THE NATIONAL TRANSIT DATABASE REPORT**  
June 30, 2019

INDEPENDENT ACCOUNTANTS' REPORT ON  
APPLYING AGREED-UPON PROCEDURES

Board of Directors  
Orange County Transportation Authority  
Orange, California

The Federal Transit Administration (FTA) has established the following standards with regard to the data reported to it in the Federal Funding Allocation Statistics Form FFA-10 (FFA-10) for the Orange County Transportation Authority (OCTA) annual National Transit Database (NTD) report:

1. A system is in place and maintained for recording data in accordance with NTD definitions. The correct data are being measured and no systematic errors exist.
2. A system is in place to record data on a continuing basis and the data gathering is an ongoing effort.
3. Source documents are available to support the reported data and are maintained for FTA review and audit for a minimum of three years following FTA's receipt of the NTD report. The data are fully documented and securely stored.
4. A system of internal controls is in place to ensure the data collection process is accurate and that the recording system and reported comments are not altered. Documents are reviewed and signed by a supervisor, as required.
5. The data collection methods are those suggested by FTA or meet FTA requirements.
6. The deadhead miles, computed as the difference between the reported total actual vehicle miles data and the reported total actual vehicle revenue miles data, appear to be accurate.
7. Data are consistent with prior reporting periods and other facts known about OCTA's operations.

We have performed the procedures described in Attachment 1 of this report, which were agreed to by OCTA and the FTA and specified in the declarations section of the *2019 Policy Manual*, solely to assist you in evaluating whether OCTA complied with the standards described above and that the information included in the NTD report FFA-10 form for the year ended June 30, 2019, is presented in conformity with the requirements of the *Uniform System of Accounts and Records and Reporting System; Final Rule*, as specified in 49 CFR part 630, *Federal Register*, January 15, 1993 and as presented in the *2019 Policy Manual*. OCTA's management is responsible for OCTA's compliance with those standards and the accuracy of the FFA-10 form. The sufficiency of these procedures is solely the responsibility of OCTA and FTA. Consequently, we make no representation regarding the sufficiency of the procedures described in Attachment 1 either for the purpose for which this report has been requested or for any other purpose.

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The procedures and findings described in Attachment 1 of this report, which are referenced in order to correspond to the *2019 Policy Manual* procedures, were applied separately to each of the information systems used to develop the reported vehicle revenue miles (VRM), passenger miles (PM), fixed guideway directional route miles (FG DRM), High Intensity Bus Lanes directional route miles (HIB DRM), and operating expenses of OCTA for the year ended June 30, 2019, and for each of the following modes: (1) Motor Bus – Directly Operated (MBDO), (2) Commuter Bus - Directly Operated (CBDO), (3) Motor Bus - Purchased Transportation (MBPT), (4) Commuter Bus - Purchased Transportation (CBPT), (5) Demand Response - Purchased Transportation (DRPT), (6) Demand Response - Taxi - Purchased Transportation (DTPT) and (7) Vanpool Service - Purchased Transportation (VPPT).

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with the requirements of the *Uniform System of Accounts and Records and Reporting System; Final Rule*, as specified in 49 CFR part 630, *Federal Register*, January 15, 1993 and as presented in the *2019 Policy Manual* or on the FFA-10. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of OCTA management, OCTA Board of Directors and the FTA and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Crowe LLP". The signature is written in a cursive, flowing style.

Crowe LLP

Costa Mesa, California  
October 31, 2019

**ATTACHMENT 1**

The procedures to be applied to each applicable mode and type of service (TOS) (directly operated (DO) and purchased transportation (PT)) are:

- a. Obtain and read a copy of written system procedures for reporting and maintaining data in accordance with NTD requirements and definitions set forth in 49 CFR Part 630, *Federal Register*, dated January 15, 1993, and as presented in the *2019 Policy Manual*. If there are no procedures available, discuss the procedures with the personnel assigned responsibility for supervising the NTD data preparation and maintenance.

Finding: We obtained and read a copy of OCTA's written instructions for Passenger Counting and Reporting (PCR) schedule generation. Based on inquiry surrounding collection, retention and reporting of NTD data, we noted that OCTA maintains and follows an informal set procedures in accordance with NTD requirements and definitions set forth in 49 CFR Part 630, *Federal Register*, January 15, 1993 and as presented in the *2019 Policy Manual*. No exceptions were noted as a result of this procedure.

- b. Discuss the procedures (written or informal) with the personnel assigned responsibility for supervising the preparation and maintenance of NTD data to determine:
  - The extent to which the transit agency followed the procedures on a continuous basis, and
  - Whether these transit personnel believe such procedures result in accumulation and reporting of data consistent with NTD definitions and requirements set forth in 49 CFR Part 630, *Federal Register*, dated January 15, 1993, and as presented in the *2019 Policy Manual*.

Finding: We inquired regarding OCTA's procedures for the MBDO, CBDO, MBPT, CBPT, DRPT, DTPT, and VPPT services and were informed that the informally asserted procedures were followed on a consistent and continual basis. In addition, based on our inquiry with the Business Unit Analyst of the Transit Division and the Section Manager of the Vanpool Program, management asserted that the procedures resulted in the accumulation and reporting of data consistent with the NTD definitions and requirements set forth in 49 CFR Part 630, *Federal Register*, January 15, 1993 and as presented in the *2019 Policy Manual*. No exceptions were noted as a result of this procedure.

- c. Ask these same personnel about the retention policy that the transit agency follows as to source documents supporting NTD data reported on the Federal Funding Allocation Statistics form.

Finding: We inquired with the Business Unit Analyst of the Transit Division, Section Manager of the Vanpool Program, and other key NTD personnel, regarding OCTA's retention policy for source documents supporting NTD data reported on the Federal Funding Allocation Statistics form. Per inquiry, the current practice is to retain electronic data for seven years. No exceptions were noted as a result of this procedure.

- d. Based on a description of the transit agency's procedures from items (a) and (b) above, identify all the source documents that the transit agency must retain for a minimum of three years. For each type of source document, select three months out of the year and determine whether the document exists for each of these periods.

Finding: We inspected the following source documents for each type of service, selected three months out of the year and determined that the documents existed for each of these periods by observing OCTA's shared drive without exception:

Type of Service	Source Document	Months Tested
MBDO	<ul style="list-style-type: none"> <li>· Operating Days by Month</li> <li>· Passenger Survey Detail</li> <li>· Revenue Vehicle Miles by Month</li> </ul>	<ul style="list-style-type: none"> <li>· <i>September 2018</i></li> <li>· <i>December 2018</i></li> <li>· <i>April 2019</i></li> </ul>

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<b>Type of Service</b>	<b>Source Document</b>	<b>Months Tested</b>
	<ul style="list-style-type: none"> <li>· Scheduled Daily Line Summaries</li> <li>· Unlinked Passenger Trips</li> <li>· Vehicle Revenue Miles by Service, Route, and Urbanized Area</li> </ul>	<ul style="list-style-type: none"> <li>· Three years of data were noted to be archived on OCTA's network.</li> </ul>
CBDO	<ul style="list-style-type: none"> <li>· Operating Days by Month</li> <li>· Passenger Survey Detail</li> <li>· Revenue Vehicle Miles by Month</li> <li>· Scheduled Daily Line Summaries</li> <li>· Unlinked Passenger Trips</li> <li>· Vehicle Revenue Miles by Service, Route, and Urbanized Area</li> </ul>	<ul style="list-style-type: none"> <li>· <i>September 2018</i></li> <li>· <i>December 2018</i></li> <li>· <i>April 2019</i></li> <li>· Three years of data were noted to be archived on OCTA's network.</li> </ul>
MBPT	<ul style="list-style-type: none"> <li>· Operating Days by Month</li> <li>· Passenger Survey Detail</li> <li>· Revenue Vehicle Miles by Month</li> <li>· Scheduled Daily Line Summaries</li> <li>· Unlinked Passenger Trips</li> <li>· Vehicle Revenue Miles by Service, Route, and Urbanized Area</li> </ul>	<ul style="list-style-type: none"> <li>· <i>September 2018</i></li> <li>· <i>December 2018</i></li> <li>· <i>April 2019</i></li> <li>· Three years of data were noted to be archived on OCTA's network.</li> </ul>
CBPT	<ul style="list-style-type: none"> <li>· Operating Days by Month</li> <li>· Passenger Survey Detail</li> <li>· Revenue Vehicle Miles by Month</li> <li>· Scheduled Daily Line Summaries</li> <li>· Unlinked Passenger Trips</li> <li>· Vehicle Revenue Miles by Service, Route, and Urbanized Area</li> </ul>	<ul style="list-style-type: none"> <li>· <i>September 2018</i></li> <li>· <i>December 2018</i></li> <li>· <i>April 2019</i></li> <li>· Three years of data were noted to be archived on OCTA's network.</li> </ul>
DRPT	<ul style="list-style-type: none"> <li>· Contractor Provided NTD Program Data Reports</li> <li>· Driver Manifests</li> <li>· ACCESS - Passenger and Mileage Summaries</li> </ul>	<ul style="list-style-type: none"> <li>· <i>September 2018</i></li> <li>· <i>December 2018</i></li> <li>· <i>April 2019</i></li> <li>· Three years of data were noted to be archived on OCTA's network.</li> </ul>
DTPT	<ul style="list-style-type: none"> <li>· Contractor Provided NTD Program Data Reports</li> <li>· Same Day Taxi - Passenger and Mileage Summaries</li> </ul>	<ul style="list-style-type: none"> <li>· <i>September 2018</i></li> <li>· <i>December 2018</i></li> <li>· <i>April 2019</i></li> <li>· Three years of data were noted to be archived on OCTA's network.</li> </ul>
VPPT	<ul style="list-style-type: none"> <li>· Passenger Trips and Miles</li> <li>· Revenue Miles Summaries</li> </ul>	<ul style="list-style-type: none"> <li>· <i>September 2018</i></li> <li>· <i>December 2018</i></li> <li>· <i>April 2019</i></li> <li>· Three years of data were noted to be archived on OCTA's network.</li> </ul>

- e. Discuss the system of internal controls. Inquire whether separate individuals (independent of the individuals preparing source documents and posting data summaries) review the source documents and data summaries for completeness, accuracy, and reasonableness and how often these individuals perform such reviews.

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Finding: We inquired regarding the system of internal controls, noting that each respective mode/type of service is being reviewed by personnel independent of the preparation process. For the Purchased Transportation modes, we also inquired of the Independent Contractors regarding the system of internal controls surrounding the data collection process and transfer of NTD-related information to OCTA. We were informed that review is performed on a monthly basis and again at year-end for the MBDO, CBDO, MBPT, CBPT, DRPT, DTPT and VPPT modes. No exceptions were noted as a result of this procedure.

- f. Select a random sample of the source documents and determine whether supervisors' signatures are present as required by the system of internal controls. If supervisors' signatures are not required, inquire how personnel document supervisors' reviews.

Finding: We selected a random sample of 11 and 16 Random Check Trip Sheets for the MBDO and MBPT services, respectively, 6 Random Check Trip Sheets each for both the CBDO and CBPT services, 40 random sample Drivers Manifests for the DRPT service, and 14 Invoices for DTPT services, noting supervisory signatures documenting reviews of the data presented in the various services, without exception. For VPPT, we noted supervisory signatures on the source documents were in electronic format without exception.

- g. Obtain the worksheets used to prepare the final data that the transit agency transcribes onto the Federal Funding Allocation Statistics form. Compare the periodic data included on the worksheets to the periodic summaries prepared by the transit agency. Test the arithmetical accuracy of the summaries.

Finding: We obtained the worksheets utilized by OCTA to transcribe statistics to the Federal Funding Allocation Statistics (FFA-10) form and compared the data to summaries without exception. We recomputed the arithmetical accuracy of the summaries without exception.

- h. Discuss the procedure for accumulating and recording passenger miles traveled (PMT) data in accordance with NTD requirements with transit agency staff. Inquire whether the procedure is one of the methods specifically approved in the *2019 Policy Manual*.

Finding: Sampling was conducted for the MBDO, CBDO, MBPT, and CBPT modes. We inspected the sampling methodologies and noted that the sampling methodology was used in accordance with the requirements of the *2019 NTD Policy Manual*.

The remaining three modes of services do not involve sampling. These modes use a 100% count of actual Passenger Miles and compilations of actual Revenue Miles, which is in accordance with the *2019 NTD Policy Manual*. No exceptions were noted as a result of this procedure.

- i. Discuss with transit agency staff (the auditor may wish to list the titles of the persons interviewed) the transit agency's eligibility to conduct statistical sampling for PMT data every third year. Determine whether the transit agency meets NTD criteria that allow transit agencies to conduct statistical samples for accumulating PMT data every third year rather than annually. Specifically:

- According to the 2010 Census, the public transit agency serves an UZA with a population less than 500,000.
- The public transit agency directly operates fewer than 100 revenue vehicles in all modes in annual maximum revenue service (VOMS) (in any size UZA).
- Service purchased from a seller is included in the transit agency's NTD report.
- For transit agencies that meet one of the above criteria, review the NTD documentation for the most recent mandatory sampling year (2017) and determine that statistical sampling was conducted and meets the 95 percent confidence and  $\pm 10$  percent precision requirements. Determine how the transit agency estimated annual PMT for the current report year.

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Finding: Not applicable - OCTA did not meet the specific requirements per the criteria above. Therefore, the procedure identified above is not applicable.

- j Obtain a description of the sampling procedure for estimation of PMT data used by the transit agency. Obtain a copy of the transit agency's working papers or methodology used to select the actual sample of runs for recording PMT data. If the transit agency used average trip length, determine that the universe of runs was the sampling frame. Determine that the methodology used to select specific runs from the universe resulted in a random selection of runs. If the transit agency missed a selected sample run, determine that a replacement sample run was random. Determine that the transit agency followed the stated sampling procedure.

Finding: The transit agency did not use average trip length for sampling. For the MBDO, CBDO, MBPT, and CBPT modes, we obtained a copy of OCTA's methodology used in the statistical sampling to estimate Passenger Miles Travelled (PMT) and determined that the methodology used by OCTA resulted in a random selection of runs and that the stated sampling procedure was followed. No exceptions were noted as a result of this procedure.

- k. Select a random sample of the source documents for accumulating PMT data and determine that the data are complete (all required data are recorded) and that the computations are accurate. Select a random sample of the accumulation periods and re-compute the accumulations for each of the selected periods. List the accumulations periods that were tested. Test the arithmetical accuracy of the summary.

Finding: For MBDO, we randomly selected 11 surveyed routes throughout the year. We recomputed the mathematical accuracy of the survey count sheets and observed that all required data was recorded in the accumulation worksheet designed to perform the PMT calculation. No exceptions were found as a result of this procedure.

For CBDO, we randomly selected 6 surveyed routes throughout the year. We recomputed the mathematical accuracy of the survey count sheets and observed that all required data was recorded in the accumulation worksheet designed to perform the PMT calculation. No exceptions were found as a result of this procedure.

For MBPT, we randomly selected 16 surveyed routes throughout the year. We recomputed the mathematical accuracy of the survey count sheets and observed that all required data was recorded in the accumulation worksheet designed to perform the PMT calculation. No exceptions were found as a result of this procedure.

For CBPT, we randomly selected 6 surveyed routes throughout the year. We recomputed the mathematical accuracy of the survey count sheets and observed all required data was recorded in the accumulation worksheet designed to perform the PMT calculation. No exceptions were found as a result of this procedure.

For DRPT and DTPT modes, we selected 40 routes performed during September 2018, December 2018 and April 2019 and compared the PMT reported against the signed driver manifests. We noted exceptions for 11 of the route selections for DRPT, in which the PMT data recorded on driver manifests was inconsistent with PMT data recorded in Trapeze, resulting in an understatement of Passenger Miles Traveled for the fiscal year of 136 miles.

For VPPT, we compared ridership being entered on the Vanpool internet database for September 2018, January 2019 and March 2019 against amounts uploaded to the Data Warehouse without exception. We also traced revenue miles reported in the Vanpool Participation Log reports for September 2018, January 2019, and March 2019 to the Monthly Summary reports of the same months and recomputed the accuracy of calculations used to determine PMT without exception.

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## ATTACHMENT 1

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- I. Discuss the procedures for systematic exclusion of charter, school bus, and other ineligible vehicle miles from the calculation of actual Vehicle Revenue Miles (VRM) with transit agency staff and determine that they follow the stated procedures. Select a random sample of the source documents used to record charter and school bus mileage and test the arithmetical accuracy of the computations.

Finding: The procedure identified above is not applicable. Per inquiry with the Business Unit Analyst of the Transit Division and the Section Manager of Accounting & Financial Reporting, OCTA did not provide charter or school bus services.

- m. For actual VRM data, document the collection and recording methodology and determine that deadhead miles are systematically excluded from the computation. This is accomplished as follows:
  - If actual VRMs are calculated from schedules, document the procedures used to subtract missed trips. Select a random sample of the days that service is operated, and re-compute the daily total of missed trips and missed VRMs. Test the arithmetical accuracy of the summary.

Finding: For the MBDO, CBDO, MBPT and CBPT modes, OCTA calculated missed hours of service rather than missed trips. This resulted in a Total Actual Revenue Vehicle Hours (RVH) by mode as a percentage of Monthly Total Scheduled VRM calculation, which was computed by dividing the number of service hours actually operated by the number of service hours scheduled. This percentage was applied to scheduled VRMs to determine the number of VRMs actually operated and the number of missed VRMs. We selected all days from 9 months of the year, recalculated the VRMs and compared them to amounts used in the total VRM without exception. We recalculated the percentage of actual revenue hours over the scheduled revenue hours used to determine the missed VRM, without exception.

- If actual VRMs are calculated from hubodometers, document the procedures used to calculate and subtract deadhead mileage. Select a random sample of the hubodometer readings and determine that the stated procedures for hubodometer deadhead mileage adjustments are applied as prescribed. Test the arithmetical accuracy of the summary of intermediate accumulations.

Finding: This procedure is not applicable.

- If actual VRMs are calculated from vehicle logs, select random samples of the vehicle logs and determine that the deadhead mileage has been correctly computed in accordance with FTA definitions.

Finding: For the DRPT mode, Revenue Miles are calculated based on the odometer readings from the first pickup to the last drop off. There are no deadhead miles included in the Revenue Miles calculations due to the nature of the service being comprised of non-dedicated trips. No exceptions were noted as a result of this procedure.

For the DTPT mode, Revenue Miles are calculated by the contractors based on pick up and drop off data entered into the scheduling software. Revenue Miles data is uploaded to the OCTA database and compared to the scheduling data for quality assurance. There are no deadhead miles since these are non-dedicated taxi trips, and accordingly, Revenue Miles for each trip are recorded. No exceptions were noted as a result of this procedure.

For the VPPT mode, deadhead miles are automatically excluded because only commuter miles are entered into the calculation of Revenue Miles and the results are reviewed by the Section Manager of the Vanpool Program. No exceptions were noted as a result of this procedure.

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## ATTACHMENT 1

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- n. For rail modes, review the recording and accumulation sheets for actual VRMs and determine that locomotive miles are not included in the computation.

Finding: The procedure identified above is not applicable as OCTA does not provide rail service.

- o. If fixed guideway or High Intensity Busway directional route miles (FG or HIB DRM) are reported, interview the person responsible for maintaining and reporting NTD data whether the operations meet FTA definition of fixed guideway (FG) or High Intensity Busway (HIB) in that the service is:
- Rail, trolleybus (TB), ferryboat (FB), or aerial tramway (TR); or
  - Bus (MB, CB, or RB) service operating over exclusive or controlled access rights-of-way (ROW); and
    - i. Access is restricted;
    - ii. Legitimate need for restricted access is demonstrated by peak period level of service D or worse on a parallel adjacent highway; and
    - iii. Restricted access is enforced for freeways; priority lanes used by other high occupancy vehicles (HOV) (i.e., vanpools (VP), carpools) must demonstrate safe operation.

Finding: We interviewed the Business Unit Analyst of the Transit Division and determined that OCTA's Motor Bus services operate over HIB lanes that appear consistent with the FTA's definition of HIB lanes. No exceptions were noted as a result of this procedure.

- p. Discuss the measurement of FG and HIB DRM with the person reporting NTD data and determine that he or she computed mileage in accordance with FTA definitions of FG/HIB and DRM. Inquire of any service changes during the year that resulted in an increase or decrease in DRMs. If a service change resulted in a change in overall DRMs, re-compute the average monthly DRMs, and reconcile the total to the FG/HIB DRM reported on the Federal Funding Allocation Statistics form.

Finding: Per inquiry, we determined that the mileage was computed in accordance with the FTA definitions of FG/HIB DRM. We were informed that there were no increases or decreases in DRMs during the year. No exceptions were noted as a result of this procedure.

- q. Inquire if any temporary interruptions in transit service occurred during the report year. If these interruptions were due to maintenance or rehabilitation improvements to a FG segment(s), the following apply:
- Report DRMs for the segment(s) for the entire report year if the interruption is less than 12 months in duration. Report the months of operation on the FG/HIB segments form as 12. The transit agency should document the interruption.
  - If the improvements cause a service interruption on the FG/HIB DRMs lasting more than 12 months, the transit agency should contact its NTD validation analyst to discuss. FTA will make a determination on how to report the DRMs.

Finding: Per inquiry with the Business Unit Analyst of the Transit Division and Section Manager of Financial Planning & Analysis, there were no temporary interruptions in transit service during the report year. No exceptions were noted as a result of this procedure.

- r. Measure FG/HIB DRM from maps or by retracing route.

Finding: We recalculated the length of all HIB directional routes for the MBDO, CBDO and CBPT modes of service using publicly available maps without exception. The MBPT mode does not operate over HIB lanes. No exceptions were noted as a result of this procedure.

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- s. Discuss whether other public transit agencies operate service over the same FG/HIB as the transit agency. If yes, determine that the transit agency coordinated with the other transit agency (or agencies) such that the DRMs for the segment of FG/HIB are reported only once to the NTD on the Federal Funding Allocation form. Each transit agency should report the actual VRM, PMT, and Operating Expense (OE) for the service operated over the same FG/HIB.

Finding: We interviewed the Business Unit Analyst of the Transit Division and noted that OCTA does share High Intensity Lanes. However, the shared High Intensity Lanes were noted as claimed by the proper agency per the NTD annual reporting manual, and not by OCTA. No exceptions were noted as a result of this procedure.

- t. Review the FG/HIB segments form. Discuss the Agency Revenue Service Start Date for any segments added in the 2019 report year with the persons reporting NTD data. This is the commencement date of revenue service for each FG/HIB segment. Determine that the date reported is the date that the agency began revenue service. This may be later than the Original Date of Revenue Service if the transit agency is not the original operator. If a segment was added for the 2019 report year, the Agency Revenue Service Date must occur within the transit agency's 2019 fiscal year. Segments are grouped by like characteristics. Note that for apportionment purposes, under the State of Good Repair (§5337) and Bus and Bus Facilities (§5339) programs, the 7-year age requirement for fixed guideway/High Intensity Busway segments is based on the report year when the segment is first reported by any NTD transit agency. This pertains to segments reported for the first time in the current report year. Even if a transit agency can document an Agency Revenue Service Start Date prior to the current NTD report year, FTA will only consider segments continuously reported to the NTD.

Finding: We obtained the HIB segments form noting the High Intensity segments and dates. It was noted that OCTA added no new segments during the year, as evidenced in the HIB segments form and per inquiry with the Section Manager of Accounting & Financial Reporting. No exceptions were noted as a result of this procedure.

- u. Compare operating expenses with audited financial data after reconciling items are removed.

Finding: Operating expenses were compared to the trial balances subject to audit without exception.

- v. If the transit agency purchases transportation services, interview the personnel reporting the NTD data on the amount of PT-generated fare revenues. The PT fare revenues should equal the amount reported on the Contractual Relationship form.

Finding: Per inquiry and inspection, we determined that the transit agency purchased transportation services. We then identified the PT fare revenues reported on the Contractual Relationship form and agreed the amounts to the general ledger without exception.

- w. If the transit agency's report contains data for PT services and assurances of the data for those services are not included, obtain a copy of the IAS-FFA regarding data for the PT service. Attach a copy of the statement to the report. Note as an exception if the transit agency does not have an Independent Auditor Statement for the PT data.

Finding: The data for purchased transportation are included in the reporting by OCTA, and therefore, no IAS for the purchased transportation services is included. No exceptions were noted as a result of this procedure.

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## ATTACHMENT 1

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- x. If the transit agency purchases transportation services, obtain a copy of the PT contract and determine that the contract specifies the public transportation services to be provided; the monetary consideration obligated by the transit agency or governmental unit contracting for the service; the period covered by the contract (and that this period overlaps the entire, or a portion of, the period covered by the transit agency's NTD report); and is signed by representatives of both parties to the contract. Interview the person responsible for retention of the executed contract, and determine that copies of the contracts are retained for three years.

Finding: We inspected the MBPT, CBPT, DRPT, DTPT and VPPT service contracts and determined that they contained the items noted above without exception. We inquired with the Business Unit Analyst of the Transit Division and Section Manager of the Vanpool Program, regarding OCTA's retention policy for executed contracts for purchased transportation programs. Per inquiry, the current retention practice meets NTD requirements of a minimum of three years. No exceptions were noted as a result of this procedure.

- y. If the transit agency provides service in more than one UZA, or between an UZA and a non-UZA, inquire of the procedures for allocation of statistics between UZAs and non-UZAs. Obtain and review the FG segment worksheets, route maps, and urbanized area boundaries used for allocating the statistics, and determine that the stated procedure is followed and that the computations are correct.

Finding: Per inquiry, OCTA provides services in more than one UZA but does not provide services to non-urbanized areas. Allocations to urbanized areas are based on trip pattern analysis. The number of yearly trips per pattern is multiplied by the number of miles determined for each UZA. We recalculated 8 UZA allocations for mathematical accuracy for the MBDO, MBPT, CBDO and CBPT services, with no exceptions noted.

- z. Compare the data reported on the Federal Funding Allocation Statistics Form to data from the prior report year and calculate the percentage change from the prior year to the current year. For actual VRM, PMT or OE data that have increased or decreased by more than 10 percent, or FG DRM data that have increased or decreased. Interview transit agency management regarding the specifics of operations that led to the increases or decreases in the data relative to the prior reporting period.

Finding: The following fluctuations were noted on the FFA-10 Form:

- A 17.8% decrease in Revenue Miles for CBPT was noted. Per inquiry, this was attributed to the prior year discontinuation of line 212 and 216, which is still affecting current year RVMs, as well as adjustments and reductions of various other lines within this mode.
- A 14.4% increase in Passenger Miles and a 26.5% increase in Operating Expenses for DTPT was noted. Per inquiry, this was attributed to a new service contract entered into in September 2018, which increased the scope of work, resulting in increased rates and ridership.

No exceptions were noted as a result of this procedure.

- aa. The auditor should document the specific procedures followed, documents reviewed, and tests performed in the work papers. The work papers should be available for FTA review for a minimum of three years following the NTD report year. The auditor may perform additional procedures, which are agreed to by the auditor and the transit agency, if desired. The auditor should clearly identify the additional procedures performed in a separate attachment to the statement as procedures that were agreed to by the transit agency and the auditor but not by FTA.

Finding: We have documented the procedures followed based on the FTA 2019 Policy Manual Exhibit 79 - Federal Funding Allocation Data Review - Suggested Procedures, and noted the documents inspected and tests performed in our workpapers. Additional procedures were not performed.