

ORANGE COUNTY TRANSPORTATION AUTHORITY

**AGREED-UPON PROCEDURES PERFORMED
WITH RESPECT TO THE NATIONAL TRANSIT DATABASE REPORT**

June 30, 2021

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 otherwise 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 included in the declarations section of the *2021 NTD Policy Manual* and described in Attachment 1 of this report for the year ended June 30, 2021 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, 2021, 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 *2021 NTD Policy Manual*. OCTA's management is responsible for OCTA's compliance with those standards and the accuracy of the FFA-10 form.

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OCTA has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose described above. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

The procedures and findings described in Attachment 1 of this report, which are referenced in order to correspond to the *2021 NTD 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, 2021, 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 - Purchased Transportation – Taxi (DRTX) and (7) Vanpool Service - Purchased Transportation (VPPT).

We were engaged by OCTA to perform this agreed-upon procedures engagement and conducted our engagement 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 engagement, 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 *2021 NTD 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.

We are required to be independent of OCTA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

At the request of OCTA, Management's responses to certain findings are included in Exhibit 1. The responses are included for the purpose of additional information and were not subjected to the procedures described below. Accordingly, we did not perform any procedures on Management's responses and express no assurance or opinion on them.

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.



Crowe LLP

Costa Mesa, California
November 19, 2021

ATTACHMENT 1

- a. The procedures to be applied to each applicable mode and type of service (TOS) (DO, PT, TN, and TX) are: 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 2021 *NTD 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. It was also noted that OCTA created and implemented an internal, centralized data collection dashboard, to serve as their new system for consolidating all required data for NTD reporting, as well as document internal controls. Furthermore, based on inquiry surrounding collection, retention and reporting of NTD data, we noted that OCTA maintains and followed sets of both formal and informal 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 2021 *NTD 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 2021 *NTD Policy Manual*.

Finding: We inquired regarding OCTA's procedures for the MBDO, CBDO, MBPT, CBPT, DRPT, DRTX, and VPPT services, and were informed that there were both formal and informal procedures 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 2021 *NTD 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 and Section Manager of the Vanpool Program 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, which are further described in the table below. This procedure was not applicable to the CBDO and CBPT modes, since they were in non-operational status for the entire reporting period.

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Type of Service	Source Document	Months Inspected
MBDO	<ul style="list-style-type: none"> • Scheduled Daily Line Summaries • Automatic Passenger Counting (APC) Summaries & underlying detail 	<ul style="list-style-type: none"> • <i>August 2020</i> • <i>December 2020</i> • <i>February 2021</i> • Three years of data were noted to be archived on OCTA's network, with the exception of APC data, as the technology was implemented during March of 2020; as such, archived data was noted starting with March 2020.
CBDO	<ul style="list-style-type: none"> • In response to the decreased ridership, resulting from the COVID-19 pandemic, OCTA put this modes' public transportation services into temporary non-operational status. As such, there was no source documentation for us to observe and this procedure was deemed not applicable to the current year. 	<ul style="list-style-type: none"> • Not applicable as described in commentary to the left.
MBPT	<ul style="list-style-type: none"> • Scheduled Daily Line Summaries • Automatic Passenger Counting (APC) Summaries 	<ul style="list-style-type: none"> • <i>August 2020</i> • <i>December 2020</i> • <i>February 2021</i> • Three years of data were noted to be archived on OCTA's network, with the exception of APC data, as the technology was implemented during March of 2020; as such, archived data was noted starting with March 2020.
CBPT	<ul style="list-style-type: none"> • In response to the decreased ridership, resulting from the COVID-19 pandemic, OCTA put this modes' public transportation services into temporary non-operational status. As such, there was no source documentation for us to observe and this procedure was deemed not applicable to the current year. 	<ul style="list-style-type: none"> • Not applicable as described in commentary to the left.

(Continued)

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Type of Service	Source Document	Months Inspected
DRPT	<ul style="list-style-type: none"> • Contractor Provided NTD Program Data Reports • Driver Manifests • ACCESS - Passenger and Mileage Summaries 	<ul style="list-style-type: none"> • <i>August 2020</i> • <i>December 2020</i> • <i>February 2021</i> • Three years of data were noted to be archived on OCTA's network.
DRTX	<ul style="list-style-type: none"> • Contractor Provided NTD Program Data Reports • Same Day Taxi - Passenger and Mileage Summaries • Supplemental ACCESS Program Data 	<ul style="list-style-type: none"> • <i>August 2020</i> • <i>December 2020</i> • <i>February 2021</i> • This Mode of Service classification was released by the FTA in the 2020 NTD Policy Manual. We noted OCTA possessed archived data commencing with the 2020 reporting year, through the current year.
VPPT	<ul style="list-style-type: none"> • Monthly Ridership Reports • Passenger Trips and Miles • Revenue Miles Summaries • VPID Ridership Detail Data 	<ul style="list-style-type: none"> • <i>August 2020</i> • <i>December 2020</i> • <i>February 2021</i> • OCTA upgraded its ridership collection software for this Mode of Service upgraded in the current period, thus archived data was noted starting with the current period.

- 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.

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. It was noted that review is performed on a monthly basis and again at year-end for the MBDO, CBDO, MBPT, CBPT, DRPT, DRTX 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 sample of 48 random Drivers Manifests for the DRPT service, and 9 Invoices for DRTX services, noting supervisory signatures documenting reviews of the data presented in the various services, without exception. For VPPT, we sampled 3 months of vendor invoices, for which we noted the existence of supervisory electronic signatures. For MBDO and MBPT, we noted the existence of both formal and informal processes for ensuring proper review of source documentation. For CBDO and CBPT, this procedure was deemed not applicable since the modes were in non-operational status for the entire reporting year.

- 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 2021 *NTD Policy Manual*.

Finding: OCTA utilizes Automatic Passenger Counting (APC) software to collect the necessary information for annual reporting of PMT data for MBDO, MBPT, CBDO, and CBPT. OCTA has documented approval for use of APC software for these modes, which we obtained. Furthermore, the use of APC as the method for accumulating and reporting PMT data, is in accordance with the requirements of the 2021 *NTD Policy Manual*.

The remaining three modes of services (DRPT, DRTX, and VPPT) do not involve the use of APC software, nor sampling to estimate PMT. These modes use a 100% count of actual Passenger Miles and compilations of actual Revenue Miles, which are in accordance with the 2021 *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 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 ± 10 percent precision requirements.
- Determine how the transit agency estimated annual PMT for the current report year.

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: For MBDO, CBDO, MBPT, and CBPT, the transit agency uses Automatic Passenger Counter (APC) software to systematically collect and report 100% of PMT, thus no sampling is involved. For DRPT, DRTX, and VPPT, the transit agency counts 100% of PMT, and thus there is no sampling involved. We obtained a copy of OCTA's methodologies used to PMT, and we determined that the actual procedures used by OCTA were consistent with their adopted methodologies. No exceptions were noted as a result of this procedure, as we noted the applied sampling methodologies were in accordance with the authoritative guidance of the FTA.

- 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 selected all 12 months of APC data. We recomputed the mathematical accuracy of PMT for those months 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, this procedure is not applicable, since the modes' services are temporarily suspended. For MBPT, we selected all 12 months of APC data. We recomputed the mathematical accuracy of PMT for those months 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, this procedure is not applicable, since the modes' services are temporarily suspended.

For DRPT, we selected 48 routes performed during August 2020, December 2020 and February 2021 and compared the PMT reported against the signed driver manifests. We recomputed the mathematical accuracy of the trip sheets and observed all required data was recorded in the accumulation worksheet designed to perform the PMT calculation. We identified a variance in PMT for 14 of the 48 routes sampled, resulting in a net variance of 838 miles. For 9 of the samples, support was unable to be provided. No other exceptions were found as a result of this procedure. Attached within Exhibit 1 is Management's response to the finding described above.

For DRTX, we randomly selected 3 of the 12 months of vendor provided PMT data. We recomputed the mathematical accuracy of PMT for those months 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 VPPT, we compared monthly ridership recorded for the entire year. We ensured the mathematical accuracy of PMT for each of those months 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.

- i. Discuss the procedures for systematic exclusion of charter, school bus, and other ineligible vehicle miles from the calculation of actual 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 various key-personnel assigned responsibility for NTD reporting, OCTA did not provide charter or school bus services.

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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, MBPT, CBDO, and CBPT modes, missed trips are calculated as the difference between schedule vehicle mileage, minus the actual mileage recorded by the on-board APC software. These missed trips are automatically deducted from the scheduled vehicle miles to arrive at actual vehicle revenue miles. We compared the AVRMs data recorded by the APC data, to that recorded by OCTA and reported to NTD for the entire year, noting no discrepancies.

- 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: For the VPPT mode, deadhead miles are automatically excluded because only commuter miles are factored into the calculation of Revenue Mileage and the results are reviewed by the Section Manager of the Vanpool Program. Upon inspection of the underlying source documentation for actual VRMs, it was noted that the Vanpool software used to collect, maintain, and report VRM was using total odometer miles in the report, as opposed to VRM. This resulted in a net variance of 75,753 miles which was subsequently corrected by Vanpool staff, and thus no error is noted in the amount of VRM recorded for the current reporting period. Attached within Exhibit 1 is Management's response to the finding described above.

- 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 DRTX 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.

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.

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o. If Fixed Guideway (FG) or High Intensity Busway Directional Route Miles (HIB DRM) are reported, interview the person responsible for maintaining and reporting NTD data whether the operations meet FTA definition of FG or 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 and Commuter 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, there were no temporary interruptions in transit service during the report year attributable to maintenance or rehabilitation improvements to the Fixed Guideway segments. 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 mode of service, using publicly available maps without exception. The MBPT mode does not operate over HIB lanes. We did not perform this procedure for the CBDO and CBPT modes, since there were no FG/HIB DRM reported into the current year, due to the modes residing in non-operational status for the entire year. 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 2021 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 2021 report year, the Agency Revenue Service Date must occur within the transit agency's 2021 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 purchased transportation-generated fare revenues. The purchased transportation 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 forms and agreed the amounts to the general ledger without exception.

- w. If the transit agency's report contains data for purchased transportation services and the procedures in this auditor's review were not applied to the purchased transportation services, obtain a copy of the IAS-FFA regarding data for the purchased transportation service. Attach a copy of the statement to the report. Note as a negative finding if the purchased transportation services were not included in this auditor's review, and the transit agency also does not have a separate Independent Auditor's Statement for the purchased transportation 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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- x. If the transit agency purchases transportation services, obtain a copy of the purchased transportation 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, DRTX 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 5 UZA allocations for mathematical accuracy for the MBDO and MBPT services, with no exceptions noted. We did not perform this procedure for the CBDO and CBPT modes, due to the modes residing in non-operational status for the entire year. No exceptions were noted as a result of this procedure.

- 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:

MBDO:

- A 13.4% decrease in Vehicle Revenue Miles (VRM). Per inquiry, this change resulted from reduced service on one of OCTA's freeway carpool routes this mode operates over. In addition to the reduced the frequency of scheduled trips over this route, in response to the COVID-19 pandemic, OCTA also shortened various other motor bus routes throughout their service line.
- A 13.1% decrease in Vehicle Revenue Hours (VRH). Per inquiry, this change resulted from reduced service on one of OCTA's freeway carpool routes this mode operates over. In addition to the reduced the frequency of scheduled trips over this route, in response to the COVID-19 pandemic, OCTA also shortened various other motor bus routes throughout their service line.
- A 14.1% decrease in Passenger Miles Traveled (PMT). Per inquiry, this change resulted from reduced service on one of OCTA's freeway carpool routes this mode operates over. In addition to the reduced the frequency of scheduled trips over this route, in response to the COVID-19 pandemic, OCTA also shortened various other motor bus routes throughout their service line.
- A 31.4% decrease in Unlinked Passenger Trips (UPT). Per inquiry, this change resulted from reduced service on one of OCTA's freeway carpool routes this mode operates over. In addition to the reduced the frequency of scheduled trips over this route, in response to the COVID-19 pandemic, OCTA also shortened various other motor bus routes throughout their service line.

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- A 52.2% decrease in High Intensity Busway Vehicle Revenue Miles (HIB VRM). Per inquiry, this change resulted from reduced service on one of OCTA's freeway carpool routes this mode operates over. In addition to the reduced frequency of scheduled trips over this route, in response to the COVID-19 pandemic, OCTA also shortened various other motor bus routes throughout their service line.

CBDO:

- A 100% decrease in Vehicle Revenue Miles (VRM), Vehicle Revenue Hours (VRH), Passenger Miles Traveled (PMT), Unlinked Passenger Trips (UPT), Operating Expenses (OE), and High Intensity Busway Vehicle Revenue Miles (HIB VRM). Per inquiry, this change resulted from OCTA suspending the Modes' services and temporarily placing them into non-operational status, as a result of the significantly decreased ridership from the COVID-19 pandemic.

MBPT:

- A 16.4% decrease in Vehicle Revenue Miles (VRM). Per inquiry, this change resulted from OCTA shortening various motor bus routes throughout their service line, due to the significantly decreased ridership from the COVID-19 pandemic.
- A 19.1% decrease in Vehicle Revenue Hours (VRH). Per inquiry, this change resulted from OCTA shortening various motor bus routes throughout their service line, due to the significantly decreased ridership from the COVID-19 pandemic.
- A 20.7% decrease in Passenger Miles Traveled (PMT). Per inquiry, this change resulted from OCTA shortening various motor bus routes throughout their service line, due to the significantly decreased ridership from the COVID-19 pandemic.
- A 44.1% decrease in Unlinked Passenger Trips (UPT). Per inquiry, this change resulted from OCTA shortening various motor bus routes throughout their service line, due to the significantly decreased ridership from the COVID-19 pandemic.

CBPT:

- A 100% decrease in Vehicle Revenue Miles (VRM), Vehicle Revenue Hours (VRH), Passenger Miles Traveled (PMT), Unlinked Passenger Trips (UPT), Operating Expenses (OE), and High Intensity Busway Vehicle Revenue Miles (HIB VRM). Per inquiry, this change resulted from OCTA suspending the modes' services and temporarily placing them into non-operational status, as a result of the significantly decreased ridership from the COVID-19 pandemic.

DRPT:

- A 32.2% decrease in Vehicle Revenue Hours (VRH). Per inquiry, this change resulted from reduced service demand from the COVID-19 pandemic.
- A 58.1% decrease in Unlinked Passenger Trips (UPT). Per inquiry, this change resulted from reduced service demand from the COVID-19 pandemic.
- A 25.4% decrease in Vehicle Revenue Miles (VRM). Per inquiry, this change resulted from reduced service demand from the COVID-19 pandemic.
- A 58.3% decrease in Passenger Miles Traveled (PMT). Per inquiry, this change resulted from reduced service demand from the COVID-19 pandemic.

DRTX:

- A 81.1% decrease in Vehicle Revenue Hours (VRH). Per inquiry, this change resulted from reduced service demand from the COVID-19 pandemic. Furthermore, with fewer trips and passengers on vehicles, the mode's service provider determined part way through the reporting year, that the use of the subcontracted taxi service was not necessary, resulting in the significant decrease in reporting metric.
- A 67.2% decrease in Unlinked Passenger Trips (UPT). Per inquiry, this change resulted from reduced service demand from the COVID-19 pandemic. Furthermore, with fewer trips and passengers on vehicles, the mode's service provider determined part way through the reporting year, that the use of the subcontracted taxi service was not necessary, resulting in the significant decrease in reporting metric.
- A 83.8% decrease in Vehicle Revenue Miles (VRM). Per inquiry, this change resulted from reduced service demand from the COVID-19 pandemic. Furthermore, with fewer trips and passengers on vehicles, the mode's service provider determined part way through the reporting year, that the use of the subcontracted taxi service was not necessary, resulting in the significant decrease in reporting metric.
- A 83.5% decrease in Passenger Miles Traveled (PMT). Per inquiry, this change resulted from reduced service demand from the COVID-19 pandemic. Furthermore, with fewer trips and passengers on vehicles, the mode's service provider determined part way through the reporting year, that the use of the subcontracted taxi service was not necessary, resulting in the significant decrease in reporting metric.
- A 62.9% decrease in Operating Expenses (OE). Per inquiry, this change resulted from reduced service demand from the COVID-19 pandemic. Furthermore, with fewer trips and passengers on vehicles, the mode's service provider determined part way through the reporting year, that the use of the subcontracted taxi service was not necessary, resulting in the significant decrease in reporting metric.

VPPT:

- A 69.1% decrease in Vehicle Revenue Hours (VRH). Per inquiry, the Vanpool program reported 145 participant vehicles in maximum service, and only 94 active participants at the end of the period, compared to 490 active participants in the Vanpool program in the prior reporting year. The decreased program participation, coupled with reduced demand for service, is attributable to the year-over-year reduction.
- A 73.6% decrease in Unlinked Passenger Trips (UPT). Per inquiry, the Vanpool program reported 145 participant vehicles in maximum service, and only 94 active participants at the end of the period, compared to 490 active participants in the Vanpool program in the prior reporting year. The decreased program participation, coupled with reduced demand for service, is attributable to the year-over-year reduction.
- A 67.3% decrease in Vehicle Revenue Miles (VRM). Per inquiry, the Vanpool program reported 145 participant vehicles in maximum service, and only 94 active participants at the end of the period, compared to 490 active participants in the Vanpool program in the prior reporting year. The decreased program participation, coupled with reduced demand for service, is attributable to the year-over-year reduction.
- A 71.2% decrease in Passenger Miles Traveled (PMT). Per inquiry, the Vanpool program reported 145 participant vehicles in maximum service, and only 94 active participants at the end of the period, compared to 490 active participants in the Vanpool program in the prior reporting year. The decreased program participation, coupled with reduced demand for service, is attributable to the year-over-year reduction.
- A 65.4% decrease in Operating Expenses (OE). Per inquiry, the Vanpool program reported 145 participant vehicles in maximum service, and only 94 active participants at the end of the period, compared to 490 active participants in the Vanpool program in the prior reporting year. The decreased program participation, coupled with reduced demand for service, is attributable to the year-over-year reduction.

No exceptions were noted as a result of this procedure.

ATTACHMENT 1

- 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 2021 NTD 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.



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Chief Executive Officer*

November 19, 2021

Members of the Board of Directors
Orange County Transportation Authority
550 S. Main Street
P.O. Box 14184
Orange, CA 92863-1584

The following response is being submitted to address results from the agreed-upon procedures performed for the National Transit Database (NTD) as of, and for, the fiscal year ended June 30, 2021.

Procedure K – Demand Response – Purchased Transportation (DRPT) Mode

Select a sample of the source documents for accumulating passenger miles traveled (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 recompute the accumulations for each of the selected periods. List the accumulations periods that were tested. Test the arithmetical accuracy of the summary.

Finding: For DRPT, we selected 48 routes performed during August 2020, December 2020, and February 2021, and compared the PMT reported against the signed driver manifests. We recomputed the mathematical accuracy of the trip sheets and observed all required data was recorded in the accumulation worksheet designed to perform the PMT calculation. We identified a variance in PMT for 14 of the 48 routes sampled, resulting in a net variance of 838 miles. For nine of the samples, support was unable to be provided. No other exceptions were found as a result of this procedure.

Management's Response: The process to receive and store signed driver manifests (source documentation) will be revised to include a monthly audit of the signed driver manifests. This audit will be conducted by staff from the Orange County Transportation Authority's (OCTA) Paratransit Services Department on a monthly basis, prior to the contractor submitting the full month's signed driver manifests to OCTA's General Services Department for scanning. This added procedural step will ensure that source documentation has been collected appropriately for archiving.

The majority of the 838 PMT variance noted in the recomputation of PMT for arithmetical accuracy is attributed to these missing source documents. With the

added process of verifying the contractor's collection of the signed driver manifests, OCTA anticipates resolving future data discrepancies.

Procedure M – Van Pool Service–Purchased Transportation (VPPT) Mode

For actual vehicle revenue miles (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 VRM is calculated from hub odometers, document the procedures used to calculate and subtract deadhead mileage. Select a random sample of the hub odometer readings and determine that the stated procedures for hub odometer deadhead mileage adjustments are applied as prescribed. Test the arithmetical accuracy of the summary of intermediate accumulations.

Finding: For the VPPT mode, deadhead miles are automatically excluded because only commuter miles are factored into the calculation of revenue mileage and the results are reviewed by the section manager of the Vanpool Program. Upon inspection of the underlying source documentation for actual VRM, it was noted that the vanpool software used to collect, maintain, and report VRM was using total odometer miles in the report, as opposed to VRM. This resulted in a net variance of 75,753 miles, which was subsequently corrected by Vanpool staff, and thus, no error is noted in the amount of VRM recorded for the current reporting period.

Management's Response: The vanpool software captures both the monthly odometer mileage and the VRM. The software provider had inadvertently set up our report to capture the total odometer miles instead of the VRM. During the course of the normal monthly validation by OCTA, staff noticed the discrepancy and a correction was made to the NTD report. This was further noted by the audit as discussed above. OCTA has also notified the software provider who has already made the necessary corrections so future year reports will pull VRM data from the correct source. Staff will continue the monthly monitoring and validation process to further ensure the accuracy of the reporting.



Jennifer Bergener
Deputy Chief Executive Officer/
Chief Operating Officer