



**April 9, 2014**

**To:** Finance and Administration Committee

**From:** Darrell Johnson, Chief Executive Officer  
Janet Sutter, Executive Director  
Internal Audit Department

**Subject:** Fiscal Year 2013 Federal Triennial Review

### **Overview**

The Federal Transit Administration has completed the Fiscal Year 2013 Triennial Review of the Orange County Transportation Authority. The purpose of the review is to evaluate compliance with grant requirements and management practices as they relate to the use of federal funds. Deficiencies were cited in five of the 18 areas reviewed.

### **Recommendations**

- A. Direct staff to continue discussions with the Federal Transit Administration Regional Office on a reported deficiency relating to door-to-door paratransit service requirements.
- B. Direct staff to implement corrective actions to address the remaining deficiencies identified in the Fiscal Year 2013 Federal Triennial Review.

### **Background**

United States Code, Chapter 53 of Title 49, requires the Federal Transit Administration (FTA) of the United States Department of Transportation (DOT) to perform reviews and evaluations of Urbanized Area Formula Grant activities at least every three years. The Orange County Transportation Authority's (OCTA) last review was conducted in 2010. The purpose of the triennial review is to evaluate the performance of a grant recipient in carrying out the recipient's program, specifically as it relates to compliance with statutory and administrative requirements. The triennial review consists of a review of compliance in 18 different grant-related management areas. As part of this

year's triennial review, the FTA incorporated an Enhanced Review Module in the Americans with Disabilities Act (ADA) area.

### ***Discussion***

FTA's Region IX office contracted with Milligan & Company, LLC (reviewers) to perform the Fiscal Year 2013 Federal Triennial Review and Enhanced ADA Review Module of OCTA. OCTA provided information and documentation for desk review in August 2013. The reviewers' site visit occurred February 25 through 27, 2014, and a draft report was provided to OCTA on March 12, 2014. OCTA responded to the draft report on March 19, 2014, and the final report was issued on March 26, 2014 (Attachment A).

OCTA was found fully compliant in 13 of the 18 areas reviewed. A summary of the five areas with deficiencies is provided as Attachment B.

One reported deficiency relates to the provision of door-to-door paratransit service. Currently, OCTA provides door-to-door service when requested in advance, and for an additional fee. The reviewers assert that door-to-door service must be provided without charge when a rider's disability requires it. OCTA management points out that there is no current regulatory requirement for ADA complementary paratransit service to provide other than curb-to-curb service. A Federal Court of Appeals case in the 5th Circuit rejected the argument that the Rehabilitation Act or the ADA requires a paratransit agency to modify its curb-to-curb service in order to provide door-to-door service under some circumstances. See *Melton v. Dart*, 391 F. 3d 669 (5<sup>th</sup> Cir. 2004) (Cert. Denied). Rather, with regard to origin-to-destination, Appendix D to the DOT paratransit regulations specifically provides that: the local planning process should decide whether or in what circumstances this service is to be provided as door-to-door or curb-to-curb (Appendix D Section 37.129, emphasis added).

Management believes that OCTA has taken a reasonable local approach to address the issue of door-to-door service that permits OCTA to recoup a portion of the added financial burden of this premium service. Given the lack of a clear, final FTA or DOT rule in this regard, management does not intend to change the current approach, but will engage in additional discussions with the FTA regional office to address this issue.

The reviewers indicated, during the exit conference, that the overall results were very good. The reviewers observed that many of OCTA's practices are "best practices" in the industry; in particular, OCTA's maintenance operations and procurement policies, procedures, and practices. The reviewers also

complimented OCTA on sub-recipient monitoring controls related to the City of Irvine and the Anaheim Transportation Network.

***Summary***

The FTA has issued its Fiscal Year 2013 Federal Triennial Review Report of OCTA. Deficiencies were found in five of the 18 areas reviewed. OCTA plans to continue discussions with the FTA relating to one deficiency and to develop and implement corrective action plans by the due dates cited, but in no case, later than September 30, 2014.

***Attachments***

- A. Final Report FY2013 Triennial Review of the Orange County Transportation Authority (OCTA) Orange, CA Recipient ID: 1682
- B. Orange County Transportation Authority 2013 Federal Triennial Review Status of Corrective Actions as of March 31, 2014

**Prepared by:**



Janet Sutter  
Executive Director, Internal Audit  
714-560-5591

**FINAL REPORT**

**FY2013 TRIENNIAL REVIEW**

of the

**Orange County Transportation Authority  
(OCTA)  
Orange, CA  
Recipient ID: 1682**

*Performed for:*

**U.S. DEPARTMENT OF TRANSPORTATION  
FEDERAL TRANSIT ADMINISTRATION  
REGION IX**

*Prepared by:*

**Milligan & Company, LLC**

**Scoping Meeting Date: November 14, 2013  
Site Visit Dates: February 25-27, 2014**

**Table of Contents**

- I. Executive Summary ..... 1
- II. Review Background and Process ..... 2
  - 1. Background..... 2
  - 2. Process ..... 2
  - 3. Metrics..... 2
- III. Grantee Description..... 4
- IV. Results of the Review ..... 7
  - 1. Legal ..... 7
  - 2. Financial Management and Financial Capacity..... 7
  - 3. Technical Capacity..... 8
  - 4. Satisfactory Continuing Control ..... 9
  - 5. Maintenance ..... 10
  - 6. Procurement..... 10
  - 7. Disadvantaged Business Enterprise ..... 10
  - 8. Planning/ Program of Projects..... 11
  - 9. Title VI..... 11
  - 10. Public Comment on Fare and Service Changes ..... 12
  - 11. Half Fare..... 12
  - 12. Americans with Disabilities Act ..... 12
    - American with Disabilities (ADA) Enhanced Review Module ..... 13
  - 13. Charter Bus ..... 16
  - 14. School Bus..... 16
  - 15. National Transit Database ..... 16
  - 16. Safety and Security..... 16
  - 17. Drug Free Workplace and Drug and Alcohol Program..... 17
  - 18. Equal Employment Opportunities ..... 17
- V. Summary of Findings..... 18
- VI. Attendees..... 21
- VI. Appendices ..... 23

## I. Executive Summary

This report documents the Federal Transit Administration’s (FTA) Triennial Review of the Orange County Transportation Authority (OCTA) of Orange, California. The review was performed by Milligan & Company, LLC. During the site visit, administrative and statutory requirements were discussed and documents were reviewed. OCTA’s transit facilities were toured to provide an overview of activities related to FTA-funded projects.

The Triennial Review focused on OCTA’s compliance in 18 areas. Deficiencies were found in the areas listed below.

Review Area	Code <sup>1</sup>	Deficiency Description
Financial Management and Financial Capacity	03	Excess cash problems
	05	Ineligible operating expense calculation
Technical Capacity	03	Progress reports lack required information
	11	Inadequate oversight of subrecipient/third party contractor/lessees
	16	Incorrect FFR reporting
Disadvantaged Business Enterprise	08	Grantee does not monitor compliance
	99	Uniform reports do not include required information
Americans with Disabilities Act ( <i>Baseline and Enhanced Review Module</i> )	04	ADA Complementary Paratransit service deficiencies
Drug-Free Workplace/ Drug and Alcohol Program	08	Contractors, subrecipients and/or lessees not properly monitored

As part of this year’s Triennial Review of OCTA, FTA incorporated an Enhanced Review Module in the American with Disabilities (ADA) area. The purpose of an Enhanced Review Module is to conduct a more comprehensive review of underlying or contributing issues in areas identified during the pre-assessment stage of the Triennial Review.

The Enhanced Review Module results are discussed at length in the ADA section of this report.

---

<sup>1</sup> FTA database code that is a unique number or letter associated with the deficiency description and used to record each deficiency in FTA’s oversight review and findings tracking system, OTRAK.

## **II. Review Background and Process**

### **1. Background**

The United States Code, Chapter 53 of Title 49, requires the FTA of the United States Department of Transportation (USDOT) to perform reviews and evaluations of Urbanized Area Formula Grant activities at least every three years. This requirement is contained in 49 U.S.C. 5307(i). This review was performed in accordance with FTA procedures (published in FTA Order 9010.1B, April 5, 1993). At least once every three years, the Secretary shall review and evaluate completely the performance of a grantee in carrying out its program, specifically referring to compliance with statutory and administrative requirements.

The Triennial Review includes a review of the grantee's compliance in 18 areas. The basic requirements for each of these areas are summarized in Section IV.

This report presents the findings from the Triennial Review of the OCTA. The review concentrated on procedures and practices employed during the past three years; however, coverage was extended to earlier periods as needed to assess the policies in place and the management of grants. The specific documents reviewed are referenced in this report and are available at FTA's Regional Office or at the grantee's office.

### **2. Process**

The Triennial Review process includes a pre-review assessment, a review scoping meeting with the FTA regional office, and an on-site visit to the grantee's location. The review scoping meeting was conducted with the Region IX Office on November 14, 2013. Necessary files retained by the regional office were sent to the reviewer electronically. A review package was sent to OCTA advising it of the site visit and indicating information that would be needed and issues that would be discussed. The site visit to OCTA occurred on February 25-27, 2014.

The onsite portion of the review began with an entrance conference, in which the purpose of the Triennial Review and the review process were discussed. The remaining time was spent discussing administrative and statutory requirements and reviewing documents. A tour of OCTA's transit facilities in Irvine, Santa Ana, and Anaheim and a visit to OCTA's subrecipient, the City of Anaheim, was conducted to provide an overview of activities related to FTA-funded projects. A sample of maintenance records for FTA-funded vehicles and equipment was also examined during the site visit. Upon completion of the review, a summary of preliminary findings was provided to OCTA at an exit conference. The individuals participating in the review are listed in Section VI of this report.

### **3. Metrics**

The metrics used to evaluate whether a grantee is meeting the requirements for each of the areas reviewed are:

- Not Deficient: An area is considered not deficient if, during the review, no findings were noted with the grantee's implementation of the requirements.
- Deficient: An area is considered deficient if all of the requirements within the area reviewed were not met.
- Advisory Comment: An advisory comment is only made in the area of safety and security.
- Not Applicable: An area can be deemed not applicable if, after an initial assessment, the grantee does not conduct activities for which the requirements of the respective area would be applicable.

### **III. Grantee Description**

#### **Organization**

Transit service in Orange County, California is provided by OCTA. OCTA was formed on June 20, 1991 with the consolidation of the Orange County Transit District, Orange County Transportation Commission, Orange County Local Transportation Authority, Orange County Service Authority for Freeway Emergencies, Orange County Service Authority for Abandoned Vehicles, Orange County Consolidated Transportation Services Agency, and the Orange County Congestion Management Agency. OCTA is governed by an 18-member Board of Directors. Five representatives are from the Orange County Board of Supervisors and ten members are from the individual city councils within the county. Two public members are selected by the other board members and one ex-officio member is from Caltrans District 12.

OCTA is responsible for planning and implementing fixed route, paratransit, and ride-sharing transportation services. OCTA also has the responsibility for administering the Master Plan of Arterial Highways, area highways, transit ways, and High Occupancy Vehicle lanes, and the 91 Express Lanes Toll Road. OCTA's service area is 797 square miles with an approximate population of 3.2 million.

#### **Services.**

OCTA provides service to the 34 cities in Orange County and parts of the cities of Artesia, Cerritos, Diamond Bar, Hawaiian Gardens, Lakewood, La Mirada, Long Beach, Corona, Riverside, Chino, Chino Hills, and Pomona.

Bus service provided by OCTA consists of 54 local routes, 10 express routes, and 13 rail-feeder routes. Twenty-nine routes are contracted to MV Transportation, Inc. Service typically operates on all days from 4:00 a.m. to 1:00 a.m. Complementary paratransit service, known as ACCESS, operates during the same hours and is under contract to Veolia Transportation.

The base adult fare for bus service is \$1.50 per boarding. A reduced fare of \$0.60 is available to seniors age 65 and older, persons with disabilities, and Medicare cardholders during all hours of service. ADA passengers certified for ACCESS may ride fixed routes for \$.25. The fare for ACCESS service is \$2.70.

OCTA operates a fleet of 591 buses for fixed-route service including 35 vehicles which are operated by a private contractor. OCTA's bus fleet consists of standard 40-foot transit coaches, 60-foot articulated buses, and 32-foot cutaways. The current peak requirement is for 461 vehicles. OCTA also has a fleet of 252 vehicles operated by its contractor for ADA paratransit service.

OCTA has five operating facilities located in the cities of Garden Grove, Anaheim, Santa Ana, and two in Irvine. Transit Centers are located in Santa Ana, Golden West, Fullerton, Newport Beach, Laguna Hills and Laguna Beach. There are Park and Rides located in Fullerton and Brea Park. The administrative offices are located in the City of Orange. All have FTA interest except the administrative office in Orange.

## Grant Activity

Below is a listing of OCTA's 24 active grants at the time of the review.

Grant Number	Grant Amount	Year Executed	Description
CA-03-0754-00	\$970,874	2006	Fare Collection System, Orange County
CA-03-0810-00	\$247,507	2009	Alternative-fuel replacement bus
CA-04-0078-00	\$7,021,300	2008	FY 2008 Sec. 5309 Bus Application
CA-04-0122-00	\$4,845,999	2009	FY 2009 Sec. 5309 Bus Application
CA-04-0165-00	\$1,215,000	2010	FY 2010 Sec. 5309 Bus Application
CA-04-0178-00	\$5,000,000	2012	Construct Anaheim Regional Transportation Intermodal Center (ARTIC)
CA-04-0181-00	\$225,720	2011	FY 2011 Sec. 5309 Bus Application
CA-04-0224-00	\$8,348,000	2013	5309 ARTIC, Bikeshare, Solar Lights
CA-04-0251-00	\$988,000	2012	5309 Underground Storage Tank & Methane System Replacement
CA-04-0262-00	\$1,604,800	2013	5309 Replace Paratransit Buses
CA-05-0269-00	\$6,000,000	2012	Control Point 4th Street Improvements & Slope Stabilization
CA-37-X113-04	\$13,962,490	2013	JARC- Mobility Mgmt., Operating, PA
CA-57-X038-02	\$6,387,801	2013	NF- Mobility Mgmt., Operating, PA
CA-90-Y782-00	\$58,528,375	2011	FY 2010 Sec 5307 Program of Projects
CA-90-Y860-00	\$58,821,054	2012	Preventive Maintenance, ADA Paratransit, Security, Signals, Rail equipment
CA-95-X131-00	\$2,102,650	2010	FY 2010 Fund Transfer for Santa Ana Regional Transit Center/Fullerton Transit Center
CA-95-X180-00	\$4,260,000	2012	FY11 Anaheim Canyon Station, iShuttle, BRT Traffic Signal Synchronization
CA-95-X188-00	\$29,198,000	2012	FY 2012 58 Replacement Buses
CA-95-X195-00	\$2,244,000	2012	CMAQ Rideshare Program
CA-95-X210-00	\$12,669,000	2013	CMAQ Anaheim Canyon Station PE, Rideshare Capital Lease
CA-95-X213-00	\$6,000,000	2013	CMAQ Test Pilot Project Service
CA-95-X231-00	\$17,000,000	2013	CMAQ Replace 60` Articulated Buses
CA-95-X242-00	\$5,250,000	2013	CMAQ Replace 60` Articulated Bus
CA-95-X254-00	\$5,657,000	2013	CMAQ iShuttle Service, Rideshare

## **Completed Projects**

The following projects have been completed in the past three years:

- Equipping the entire fleet with on-board video surveillance system by retrofitting up to 173 North American Bus Industries 40-foot buses and 36 New Flyer 60-foot buses and providing turn-key maintenance of the retrofitted equipment for a period of three years.
- Inaugurating the grand opening of the Comprehensive Assessments Restorative Evaluation (C.A.R.E.) certification center to provide eligibility determination services for OCTA's ACCESS paratransit customers. The newly renovated facility includes a 40-foot bus, sidewalks, curb-cuts, traffic signals, and other design elements that create a real-life experience in a safe and controlled, indoor environment.

## **Projects Underway**

OCTA began implementation of a plan to systematically transition directly operated fixed route service to contracted service as a strategy to achieve long term financial sustainability. When the plan began, OCTA contracted out about six and one-half percent of its fixed route service; the plan calls to transition up to 30 percent.

## **Future Projects**

The following projects are planned for the next three to five years:

- Fluid Management System Replacement – OCTA utilizes an automated system for authorizing, controlling and documenting all motor vehicle fluids used in transit operation. The current system was installed in 1999 and is obsolete. This project will replace the existing Fluid Management System (FMS) in its entirety.
- Regional Fare Collection System – A new fare collection system that will be implemented in stages beginning with a contactless architecture that would be compatible with systems currently used in the area and will mature along with other transit properties into an account based open architecture to create a seamless fare collection system in the region.

## IV. Results of the Review

### 1. Legal

Basic Requirement: The grantee must be eligible and authorized under state and local law to request, receive, and dispense FTA funds and to execute and administer FTA funded projects. The authority to take actions and responsibility on behalf of the grantee must be properly delegated and executed.

Finding: During this Triennial Review of OCTA, no deficiencies were found with the FTA requirements for Legal.

### 2. Financial Management and Financial Capacity

Basic Requirement: The grantee must demonstrate the ability to match and manage FTA grant funds, cover cost increases and operating deficits, financially maintain and operate FTA funded facilities and equipment, and conduct and respond to applicable audits.

Finding: During this Triennial Review of OCTA, deficiencies were found with the FTA requirements for Financial Management and Financial Capacity.

#### *Excess cash problems (03)*

In preparation for the review, a selection of refund transactions made through the Electronic Clearinghouse (ECHO) and posted in TEAM-Web was reviewed with OCTA to determine the reasons for such reimbursements.

OCTA provided the following overarching explanations for the discrepancies:

- During the approval process for federal grant expenditures, invoices were not accurately reviewed to ensure the proper attributes were correctly calculated (i.e. rate, formula and performance period); and
- Erroneous charges were periodically identified and re-classed to the proper financial purpose code (FPC) or grant number.

The total number of refunded transactions selected was five. OCTA provided explanation for the refunds as follows:

- During the period of March 29, 2010 through June 7, 2011, a series of invoices were approved for the incorrect rate and drawn from grant CA-37-X113 in a total amount of \$31,841;
- Erroneous charges amounting to \$92,794 were reimbursed through grant CA-37-X113, instead of grant CA-57-X038;
- Grant CA-57-X038 was reimbursed in the amount of \$1,321 and \$1,219, for previous over payments to subrecipients; and
- Preventive maintenance charges were paid from grant CA-90-Y860 in the amount of \$121,824, which were later identified and reclassified as charges for Non-Fixed route expenses.

The below table details the refunded transactions and the time frame funds were held beyond three business days.

Project Number	Date of Credit	Amount	Original Draw	Comment (Days held after grace)
CA-37-X113*	6/7/2011	\$31,841	3/29/2010- 6/7/2011	See comment below
CA-37-X113	12/22/2011	\$92,794	10/4/2011	58 calendar days
CA-57-X038	1/15/2013	\$1,321	3/31/2011	26 calendar days
CA-57-X038	1/15/2013	\$1,219	3/31/2011	26 calendar days
CA-90-Y860	11/9/2012	\$121,824	8/27/2012	49 calendar days
<b>Total Credits</b>		<b>\$248,999</b>		

\*Days held after grace period must be calculated on a per invoice basis.

#### *Ineligible operating expense calculation (05)*

During the review of OCTA's calculation of operating assistance for the Sections 5316 and 5317 programs, the portion requested for reimbursement did not reflect the net project cost by reducing expenses by program income. OCTA is required to reduce operating expenses by operating revenues prior to calculating the amount eligible for reimbursement from FTA.

#### Corrective Actions and Schedules 03, and 05:

- For the deficiency, *excess cash problems (03)*, perform the following:
  - By April 30, 2014, submit to the FTA regional office procedures for Program Managers to properly review and approve 5316 and 5317 subrecipient invoices. In addition, submit updated procedures that include periodic reconciliation, to ensure the correct amounts are charged to the correct grants and financial purpose codes (FPC).
  - Work with the FTA regional office to reimburse FTA for any interest accumulated on ineligible expenses charged to grants.
- For the deficiency *ineligible operating expense calculation (05)*, perform the following:
  - By April 30, 2014, submit to the FTA regional office procedures for properly calculating net eligible project costs or operating assistance.
  - OCTA shall work with the regional office for reimbursement, if an inappropriate payment or an overpayment of operating assistance has occurred.

### **3. Technical Capacity**

Basic Requirement: The grantee must be able to implement FTA funded projects in accordance with the grant application, Master Agreement, and all applicable laws and regulations, using sound management practices.

Findings: During this Triennial Review of OCTA, deficiencies were found with the FTA requirements for Technical Capacity.

#### *Progress reports lack required information (03)*

OCTA's progress reports do not reflect revised project descriptions, changes in projects from one category to another, or adjustments within budget categories. In addition, various activity line items do not document any explanations for revised completion dates.

#### *Inadequate oversight of subrecipients (11)*

The subrecipient oversight conducted by OCTA of the City of Irvine and the Anaheim Transportation Network (ATN) (Section 5307, 5308, and 5309 subrecipients) fixed route transit services covered areas of FTA requirements and included follow-up on areas found to be deficient. However, the oversight performed of the Job Access Reverse Commute (JARC) and New Freedom (Sections 5316 and 5317) subrecipients is insufficient because documentation to substantiate the oversight is not available. In addition, the oversight of the major construction project, the Anaheim Regional Transportation Intermodal Center (ARTIC), was found to be incomplete. Procurement files reviewed on site indicated that the Brooks Act, as required by FTA regulations, was not used in the 2009 procurement process for the design contractor.

Documented oversight needs to be conducted for the JARC and New Freedom subrecipients and for the City of Anaheim, which is currently constructing the ARTIC with FTA funds passed through to the City.

#### *Incorrect FFR reporting (16)*

The Federal Financial Reports (FFR) are not completed correctly. OCTA has twenty-four open grants. The unliquidated obligation amounts reported for thirteen out of twenty-four grants are recorded as \$0. OCTA has contractual obligations related to each grant and the remaining amount of that obligation must be reported.

#### Corrective Actions and Schedules 03, 11 and 16:

- For the deficiencies *progress reports lack required information (03)* and *incorrect FFR reporting (16)*, perform the following:
  - By April 30, 2014, submit to the FTA regional office procedures for including all required information in future reports.
  - By April 30, 2014, submit reports that include the missing information for the next reporting quarter.
- For the deficiency *inadequate oversight of subrecipient/third party contractor/lessees (11)*, perform the following:
  - By September 30, 2014, submit to the FTA regional office specific oversight procedures that include a staffing plan. In addition, submit documentation that OCTA has implemented the oversight procedures.

## **4. Satisfactory Continuing Control**

Basic Requirement: The grantee must maintain control over real property, facilities, and equipment and ensure that they are used in transit service.

Finding: During this Triennial Review of OCTA, no deficiencies were found with the FTA requirements for Satisfactory Continuing Control.

## 5. Maintenance

Basic Requirement: Grantees and subrecipients must keep federally funded equipment and facilities in good operating order and maintain ADA accessibility features.

Finding: During this Triennial Review of OCTA, no deficiencies were found with the FTA requirements for Maintenance.

## 6. Procurement

Basic Requirement: FTA grantees use their own procurement procedures that reflect applicable state and local laws and regulations, provided that the process ensures competitive procurement and the procedures conform to applicable federal law, including 49 CFR Part 18 (specifically Section 18.36) and FTA Circular 4220.1F, “Third Party Contracting Guidance.”

Findings: During this Triennial Review of OCTA, no deficiencies were found with the FTA requirements for Procurement.

## 7. Disadvantaged Business Enterprise

Basic Requirement: The grantee must comply with 49 CFR Part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. Grantees also must create a level playing field on which disadvantaged business enterprises (DBEs) can compete fairly for DOT-assisted contracts.

Finding: During this Triennial Review of the OCTA, deficiencies were found with the FTA requirements for DBE.

*Grantee does not monitor compliance (08)*

49 CFR 26.37(b) requires FTA grantees to implement DBE monitoring and enforcement mechanisms that must include a written certification that the grantee has reviewed contracting records and has monitored work sites. OCTA was unable to provide written procedures for ensuring that site inspections will be carried out to verify that DBE firms are actually performing work. In addition, OCTA was unable to provide written certifications for any projects undertaken, including the ARTIC project being undertaken by the City of Anaheim, an OCTA subrecipient.

*Uniform reports do not include required information (99)*

OCTA Semi-Annual DBE Uniform Reports do not include the amounts for contracts awarded or DBEs utilization by its subrecipients. Additionally, during the site visit, OCTA staff stated that subrecipient projects have not been included in OCTA's DBE goal setting.

Corrective Actions and Schedules (08 and 99):

- For the deficiency *grantee does not monitor compliance (08)*, perform the following:  
By June 30, 2014, submit to the regional civil rights officer (RCRO) documentation that procedures have been established for performing on site monitoring of DBE firms participating in OCTA and subrecipient contracts. Provide copies of actual monitoring reports carried out in connection with the City of Anaheim's ARTIC project.
- For the deficiency *uniform reports do not include required information (99)*, perform the following:  
By May 30, 2014, submit to the RCRO, documentation that procedures have been established to obtain contract award and DBE utilization amounts from subrecipient projects and to incorporate this information into OCTA's Semi-Annual DBE reports. Provide this additional information in the Uniform Report due by June 1, 2014.

## 8. Planning/ Program of Projects

Basic Requirement (Planning): The grantee must participate in the transportation planning process in accordance with FTA requirements, SAFETEA-LU, and the metropolitan and statewide planning regulations.

Basic Requirement (Human Services Transportation): Grantees must participate in a coordinated public transit-human services transportation planning process that identifies the transportation needs of individuals with disabilities, older adults, and people with low incomes; provides strategies for meeting those local needs; and prioritizes transportation services for funding and implementation.

Basic Requirement (Program of Projects (POP)): Each recipient of a Section 5307 grant shall develop, publish, afford an opportunity for a public hearing on, and submit for approval, a POP.

Finding: During this Triennial Review of OCTA, no deficiencies were found with the FTA requirements for Planning/POP.

## 9. Title VI

Basic Requirement: The grantee must ensure that no person shall, on the grounds of race, color, or national origin, be excluded from participating in, or be denied the benefits of, or be subject to discrimination under any program, or activity receiving federal financial assistance. The grantee must ensure that federally supported transit services and related benefits are distributed in an equitable manner.

**Note:** The 2013 Triennial Review covers a three-year period in which the FTA issued a revised circular for Title VI that provided more information on how to comply and changed requirements for some grantees with populations over 200,000 persons. As of October 1, 2012, grantees must comply with the requirements of FTA C 4702.1B. The review will look at compliance with the requirement of FTA C 4702.1A for the period prior to October 1 and compliance with the revised circular for activities after this date.

**Finding:** During this Triennial Review of OCTA, no deficiencies were found with the FTA requirements for Title VI.

## 10. Public Comment on Fare and Service Changes

**Basic Requirement:** Section 5307 grantees are expected to have a written locally developed process for soliciting and considering public comment before raising a fare or carrying out a major transportation service reduction.

**Finding:** During this Triennial Review of OCTA, no deficiencies were found with the FTA requirements for Public Comment on Fare and Service Changes.

## 11. Half Fare

**Basic Requirement:** For fixed route service supported with Section 5307 assistance, fares charged elderly persons, persons with disabilities or an individual presenting a Medicare card during off peak hours will not be more than one half the peak hour fares.

**Finding:** During this Triennial Review of OCTA, no deficiencies were found with the FTA requirements for Half Fare.

## 12. Americans with Disabilities Act

**Basic Requirement:** Titles II and III of the Americans with Disabilities Act of 1990 (ADA) provide that no entity shall discriminate against an individual with a disability in connection with the provision of transportation service. The law sets forth specific requirements for vehicle and facility accessibility and the provision of service, including complementary paratransit service.

**Finding:** During this Triennial Review of OCTA, deficiencies were found with the USDOT requirements for ADA.

*ADA Complementary Paratransit service deficiencies (04)*

49 CFR Part §37.125 states: *ADA paratransit eligibility: Process. Each public entity required to provide complementary paratransit service by 37.121 of this part shall establish a process for determining ADA paratransit eligibility.* Appendix D at 49 CFR §37.125 further explains that the ADA paratransit eligibility process may not impose unreasonable administrative burdens, including and not limited to user fees or application fees. Transit agencies may not impose application fees or charge fares for required trips to participate in the eligibility process,

including those to/from eligibility assessments/interviews, photo centers, etc. The OCTA ACCESS Rider's Guide (p. 6) and website state, "ACCESS service may be made available to and from the in-person functional assessment upon request; the standard ACCESS fare applies and must be paid upon boarding the vehicle (\$3.60 to \$13.60)." The review team verified that OCTA charges fares for transportation to and from in-person functional assessments.

49 CFR §37.125 (g) and (h) state that transit agencies *may establish an administrative process to suspend, for a reasonable period of time, the provision of complementary paratransit service to ADA eligible individuals who establish a pattern or practice of missing scheduled trips.* Reviewers noted that OCTA's No-Show Policy does not include a reference to frequency of use as a factor to be taken into account so as not to unreasonably penalize frequent users of the service.

OCTA noted that a policy revision has been in planning and under discussion for some time, pending installation of Trapeze's Suspension Module, which calculates frequency of use. For this reason, managers said, the policy and public information (OCTA ACCESS Rider's Guide (pp. 22, 23, 24) and OCTA website descriptions of OCTA's No-Show policy) use conditional wordings—*may* and *if*, rather than *will*. OCTA noted that the Suspension Module was recently installed and OCTA has already begun policy revision, including setting up a committee, including disability community representatives, for consultation as to the percentage factor to be used for frequency of travel.

#### Corrective Actions and Schedules (04):

- By June 30, 2014 submit to the RCRO, evidence that OCTA has discontinued the practice of charging fares for transportation to/from ADA in-person functional assessments. This evidence of compliance shall include copies of written instructions and policies for staff and contractors, driver manifests documenting that no fare was collected for assessment-related trips, and copies of a revised policy, as shown in OCTA ACCESS Rider's Guide, other public information materials, internal documents, and OCTA website that complies with the regulatory requirements contained in 49 CFR §37.125 and Appendix D at §37.125.
- By September 30, 2014 submit to the RCRO, an updated No-Show/Late Cancel Policy that complies with the regulatory requirements contained in 49 CFR §37.125 (g) and (h). Provide evidence of compliance in the form of copies of revised text as shown in OCTA ACCESS Rider's Guide, other public information materials, internal documents, and OCTA's website.

### **American with Disabilities (ADA) Enhanced Review Module**

#### *Origin to destination service*

49 CFR §37.129(a) states that ADA complementary paratransit service must be provided on an "origin-to-destination" basis. Transit agencies may designate the basic level of rider assistance that they provide as either curb-to-curb or door-to-door. According to DOT's interpretation of this requirement as explained in the September 2005 Guidance issued by DOT's Disability Law Coordinating Council ([http://www.fta.dot.gov/12325\\_3891.html](http://www.fta.dot.gov/12325_3891.html)), if the base service is curb-to-curb, transit agencies must have policies and procedures in place to provide additional assistance beyond the curb - that is, assistance from the vehicle to the first doorway for eligible

riders who need additional assistance to complete their trips. This might include assisting riders to and from the front door and policies and procedures for providing this assistance in a safe and reasonable way. The agency cannot charge individuals needing door to door service an extra fee; this violates the nondiscrimination provisions of §37.5 (d).

Finding: Public information about OCTA ACCESS service indicates that assistance beyond the curb is not provided, even if needed due to disability, unless an additional fee is paid. The OCTA ACCESS Rider's Guide (p. 15) and website state, "The standard ACCESS fare is for curb-to-curb service.... Door Service: ACCESS provides door service for an additional fee for customers who prefer to be escorted to and/or from their door at their pick-up or drop-off address." Page 16 of the OCTA ACCESS Rider's Guide and the OCTA website state that an additional charge of \$5.00 will be made for each instance when "door service" is provided. Thus, the fare for a trip where door service is to be provided at either pick-up or destination will total \$8.60 (\$3.60 base fare plus \$5.00 door service charge).

Review of ACCESS eligibility policies, procedures, and public information, reservations observation and document review, confirmed that door service is not a function of eligibility. The assessment and subsequent certification processes records in the computerized eligibility file, a person's eligibility to use ACCESS service accompanied by a Personal Care Attendant, but are silent regarding whether riders require assistance to or from the vehicle to their origin or destination. Instead, riders request door service from the reservations agent when making trip requests. The agent notes this request in the trip record and the fare is calculated accordingly. On the day of service, paper manifests and on-board computer screens identify for drivers which riders are to receive this service and list the fare to be collected from each. OCTA managers stated that the scheduling system algorithm adjusts dwell time based on riders' recorded functional mobility, not the type of service a rider happens to be receiving that day.

OCTA requires drivers to provide assistance to and/or from the door to customers who request in advance and pay for door service. Riders who do not pay for this service are to be provided with curb service. Written instructions to drivers duplicate information found on page 16 of the OCTA ACCESS Rider's Guide and the OCTA website: *For safety reasons, door service is NOT available when any of the following conditions exist: Driver would lose sight of the vehicle; and/or, Location involves steps or stairs; and/or, Assistance by the driver may harm the customer, driver, or both.*

ACCESS noted that the door service fee was developed in 2005 after prolonged consultation with disability community advocates and representatives from workshops and adult day program facilities. The fee was then implemented incrementally through increases of \$1 per year.

OCTA also provides hand-to-hand (custodial) service ("Do Not Leave Unattended"), upon request, at no charge. ACCESS noted that some riders coded as Do Not Leave Unattended pay for and receive door service, while other custodial riders may have family members or caregivers meet them at the curb. Thus, designation as Do Not Leave Unattended does not imply or require door service, which is provided only upon request and is subject to a fee.

OCTA provided ACCESS ridership, revenue, and complaint reports for CY2012 and 2013 and ten sample manifests each from CY2012 and 2013 to determine how and to what extent "door

service” is provided. This data, plus a separate analysis of the sample month October 2013 performed as part of this review, indicates that approximately 98 percent of ACCESS trips are provided on a curb to curb basis:

<b>OCTA ACCESS Trip Provision - Sample Month October 2013</b>		
<b>Total performed trips provided to eligible riders</b>	<b>107,269</b>	
<b>Total unique riders served</b>	<b>7,766</b>	
<b>Total curb to curb trips</b>	<b>105,061</b>	<b>97.9%</b>
<b>Unique riders served</b>	<b>7,646</b>	<b>98.5%</b>
<b>Total "door service" trips</b>	<b>2,208</b>	<b>2.1%</b>
<b>Unique riders served</b>	<b>120</b>	<b>1.5%</b>

OCTA’s analysis of a six-month span of service during 2013 reveals that only two percent for door service trips provided, involving fewer than two percent of unique riders served, remains consistent, month after month. Further, this same analysis shows:

- Among riders who received door service, some requested it for both directions, while others specified vehicle-to-door only, or door-to-vehicle only.
- Some door service recipients, but not all, are designated Do Not Leave Unattended.

Corrective Actions and Schedules (04):

- Immediately submit documentation to the RCRO that the practice of charging additional fees for origin to destination service when required by a rider’s disability has stopped as requested by FTA at the triennial review exit conference.
- By June 30, 2014, submit to the RCRO evidence that the current practice of charging a premium fare for door to door service when required by a rider’s disability has been terminated. Evidence shall include a plan and process to revise the terms of OCTA ACCESS service provision to assure that origin to destination service is advertised and provided at one base fare to comply with the regulatory requirements contained in 49 CFR§37.129(a) and §37.5(d). This plan should include a schedule with specifics identifying how and when this will be achieved, and proof of action including any necessary contract revisions, instructional notices, training materials, public information and website materials.

*Recertification*

To compare actual practices and procedures with stated policies, the team requested and examined sample letters for certification and recertification; eligibility data reports for CY2012 and 2013 showing numbers certified and recertified; and actual eligibility determination letters for CY2012 and 2013 (ten for each year, five for new applicants and five recertified) that OCTA considered representative with regard to the auto renewal procedure. OCTA also provided

electronic records showing how it logs and tracks applications through certification, recertification, and/or appeal. The review team also inspected OCTA's assessment center and observed in-person assessments being performed and recorded.

Finding: This Enhanced Review Module found no deficiencies during the review of OCTA's ADA eligibility certification process, including recertification involving the Auto Renewal procedure.

### **13. Charter Bus**

Basic Requirement: Grantees are prohibited from using federally funded equipment and facilities to provide charter service if a registered private charter operator expresses interest in providing the service. Grantees are allowed to operate community based charter services excepted under the regulations.

Finding: During this Triennial Review of OCTA, no deficiencies were found with the FTA requirements for Charter Bus.

### **14. School Bus**

Basic Requirement: Grantees are prohibited from providing exclusive school bus service unless the service qualifies and is approved by the FTA Administrator under an allowable exemption. Federally funded equipment or facilities cannot be used to provide exclusive school bus service. School tripper service that operates and looks like all other regular service is allowed.

Finding: During this Triennial Review of OCTA, no deficiencies were found with the FTA requirements for School Bus.

### **15. National Transit Database**

Basic Requirement: Grantees that receive Section 5307 and 5311 grant funds must collect, record and report financial and non-financial data in accordance with the Uniform System of Accounts (USOA) and the National Transit Database (NTD) Reporting Manual as required by 49 USC 5335(a).

Finding: During this Triennial Review of OCTA, no deficiencies were found with the FTA requirements for NTD.

### **16. Safety and Security**

Basic Requirement: Under the safety authority provisions of the federal transit laws, the Secretary has the authority to investigate the operations of the grantee for any conditions that appear to create a serious hazard. As recipients of Section 5307 funds, grantees must annually

certify that they are spending at least one percent of such funds for transit security projects or that such expenditures for security projects are not necessary.

Finding: During this Triennial Review of OCTA, no deficiencies were found with the FTA requirements for Safety and Security.

## **17. Drug Free Workplace and Drug and Alcohol Program**

Basic Requirement: All grantees are required to maintain a drug free workplace for all employees and to have an ongoing drug free awareness program. Grantees receiving Section 5307, 5309 or 5311 funds that have safety-sensitive employees must have a drug and alcohol testing program in place for such employees.

Finding: During this Triennial Review of OCTA, a deficiency was found with the FTA requirements for Drug-Free Workplace and Drug and Alcohol Program.

*Contractors, subrecipients and/or lessees not properly monitored (08)*

The drug and alcohol policies of three subcontracts with safety sensitive employees (Yellow Cab, Bridgestone Tire, and Pacific RV) had not been updated to include all required actions that would constitute refusals to undertake a drug or alcohol test.

Corrective Action and Schedule (08): By May 30, 2014, submit to the regional office, an oversight procedure that will ensure the drug and alcohol policies of subcontractors with safety sensitive employees contain all provisions required by 49 CFR Part 655 and 49 CFR Part 40. In addition, provide documentation that the drug and alcohol policies of Yellow Cab, Bridgestone Tire and Pacific RV have been amended to include all required actions that would constitute refusals to undertake a drug or alcohol test.

## **18. Equal Employment Opportunities**

Basic Requirement: The grantee must ensure that no person in the United States shall on the grounds of race, color, religion, national origin, sex, age, or disability be excluded from participating in, or denied the benefits of, or be subject to discrimination in employment under any project, program, or activity receiving federal financial assistance under the federal transit laws. (Note: The Equal Employment Opportunity Commission's regulation only identifies/recognizes religion and not creed as one of the protected groups.)

Finding: During this Triennial Review of OCTA, no deficiencies were found with the FTA requirements for Equal Employment Opportunity (EEO).

## V. Summary of Findings

Review Area	Finding	Deficiency	Corrective Action	Response Date	Date Closed
1. Legal	ND				
2. Financial Management and Financial Capacity	D	03 – Excess cash problems	Submit to the FTA regional office procedures for Program Managers to properly review and approve 5316 and 5317 subrecipient invoices. In addition, submit updated procedures that include periodic reconciliation, to ensure the correct amounts are charged to the correct grants and financial purpose codes (FPC).	April 30, 2014	
			Work with the FTA regional office to reimburse FTA for any interest accumulated on ineligible expenses charged to grants.	April 30, 2014	
		05 – Ineligible operating expense calculation	Submit to the FTA regional office procedures for properly calculating net eligible project costs or operating assistance.	April 30, 2014	
			OCTA shall work with the regional office for reimbursement, if an inappropriate payment or an overpayment of operating assistance has occurred.	April 30, 2014	
3. Technical Capacity	D	03 – Progress reports lack required information	Submit to the FTA regional office procedures for including all required information in future reports.	April 30, 2014	
			Submit reports that include the missing information for the next reporting quarter.	April 30, 2014	
		11 – Inadequate oversight of subrecipient/third party contractor/lessees	Submit to the FTA regional office specific oversight procedures that include a staffing plan.	September 30, 2014	
			In addition, submit documentation that OCTA has implemented the oversight procedures.	September 30, 2014	
		16 – Incorrect FFR reporting	Submit to the FTA regional office procedures for including all required information in future reports.	April 30, 2014	
			Submit reports that include the missing information for the next reporting quarter.	April 30, 2014	
4. Satisfactory Continuing Control	ND				
5. Maintenance	ND				
6. Procurement	ND				

Review Area	Finding	Deficiency	Corrective Action	Response Date	Date Closed
7. DBE	D	08 – Grantee does not monitor compliance	Submit to the RCRO documentation that procedures have been established for performing on site monitoring of DBE firms participating in OCTA and subrecipient contracts.	June 30, 2014	
			Provide copies of actual monitoring reports carried out in connection with the City of Anaheim’s ARTIC project.	June 30, 2014	
		99 – Uniform reports do not include required information	Submit to the RCRO, documentation that procedures have been established to obtain contract award and DBE utilization amounts from subrecipient projects and to incorporate this information into OCTA’s Semi-Annual DBE reports	May 30, 2014	
			Provide this additional information in the Uniform Reports.	June 1, 2014	
8. Planning/ POP	ND				
9. Title VI	ND				
10. Public Comment on Fare and Service Changes	ND				
11. Half Fare	ND				
12. ADA	D	04 – ADA Complementary Paratransit service deficiencies	Submit to the RCRO, evidence that OCTA has discontinued the practice of charging fares for transportation to/from ADA in-person functional assessments. This evidence of compliance shall include copies of written instructions and policies for staff and contractors, driver manifests documenting that no fare was collected for assessment-related trips, and copies of a revised policy, as shown in OCTA ACCESS Rider’s Guide, other public information materials, internal documents, and OCTA website that complies with the regulatory requirements contained in 49 CFR §37.125 and Appendix D at §37.125..	June 30, 2014	
			Submit to the RCRO, an updated No-Show/Late Cancel Policy that complies with the regulatory requirements contained in 49 CFR §37.125 (g) and (h). Provide evidence of compliance in the form of copies of revised text as shown in OCTA ACCESS Rider’s Guide, other public information materials, internal documents, and OCTA’s website.	September 30, 2014	

Review Area	Finding	Deficiency	Corrective Action	Response Date	Date Closed
			Submit documentation to the RCRO that the practice of charging additional fees for origin to destination service when required by a rider's disability has stopped as requested by FTA at the triennial review exit conference.	Immediately	
			Submit to the RCRO evidence that the current practice of charging a premium fare for door to door service when required by a rider's disability has been terminated. Evidence shall include a plan and process to revise the terms of OCTA ACCESS service provision to assure that origin to destination service is advertised and provided at one base fare to comply with the regulatory requirements contained in 49 CFR§37.129(a) and §37.5(d). This plan should include a schedule with specifics identifying how and when this will be achieved, and proof of action including any necessary contract revisions, instructional notices, training materials, public information and website materials.	June 30, 2014	
13. Charter Bus	ND				
14. School Bus	ND				
15. NTD	ND				
16. Safety and Security	ND				
17. Drug-Free Workplace/ Drug and Alcohol Program	D	08 – Contractors, subrecipients and/or lessees not properly monitored	Submit to the regional office, an oversight procedure that will ensure the drug and alcohol policies of subcontractors with safety sensitive employees contain all provisions required by 49 CFR Part 655 and 49 CFR Part 40. In addition, provide documentation that the drug and alcohol policies of Yellow Cab, Bridgestone Tire and Pacific RV have been amended to include all required actions that would constitute refusals to undertake a drug or alcohol test.	May30, 2014	
18. EEO	ND				

## VI. Attendees

Name	Title	Phone Number	E-mail Address
<i>OCTA</i>			
Darrell Johnson	Chief Executive Officer	714-560-6282	djohnson@octa.net
Kenneth Phipps	Deputy Chief Executive Officer	714-560-5637	kphipps@octa.net
Janet Sutter	Executive Director, Internal Audit	714-560-5591	jsutter@octa.net
Jim Bell	Executive Director, Capital Programs	714-560-5646	jbelle@octa.net
Andrew Oftelie	Executive Director, Finance and Administration	714-560-5649	aoftelie@octa.net
Patrick J. Gough	Executive Director, Human Resources and Organizational Development	714-560-5824	pgough@octa.net
Ellen S. Burton	Executive Director, External Affairs	714-560-5923	eburton@octa.net
Beth McCormick	General Manager, Transit	714-560-5964	bmccormick@octa.net
Erin Rogers	Assistant General Manager	714-560-5367	erogers@octa.net
Kurt Brotcke	Director, Strategic Planning	714-560-5742	kbrotcke@octa.net
P. Sue Zuhlke	Director, Motorist Services and Special Projects	714-560-5574	szuhlke@octa.net
Virginia Abadessa	Director, Contract Administration and Materials Management	714-560-5623	vabadessa@octa.net
Carolina Coppolo	Department Manager, Contracts & Procurement	714-560-5615	ccoppolo@octa.net
Adriann Cardoso	Manager, Capital Programming	714-560-5915	acardoso@octa.net
Dinah E. Minter	Manager, Rail Capital Programs	714-560-5740	dminter@octa.net
Lorraine Mills	Manager, Benefits Human Resources	714-560-5825	lmills@octa.net
Stella Lin	Manager, Marketing	714-560-5342	slin@octa.net
Sherry L. Bolander	Department Manager, Labor and Employee Relations	714-560-5852	sbolander@octa.net
Dixie L. Cochran	Employee Relations Representative	714-560-5630	dcochran@octa.net
Steve Meisenheimer	Senior Employee Relations Representative	714-560-5810	smeisenheimer@octa.net
Alyssa Vanesler	Associate Human Resources Representative	714-560-5507	avanesler@octa.net

Ben Ku	Sr. Transportation Funding Analyst	714-560-5473	bku@octa.net
Michael Jackson	Field Administrator	714-560-5783	mjackson@octa.net
Frank Holland	Fleet Analyst	714-560-5869	fholland@octa.net
Gary Hewitt	Section Manager	714-560-5715	ghewitt@octa.net
Cliff Thorne	Department Manager, Maintenance	714-560-5975	cthorne@octa.net
Amelia Huckabee	Department Manager, Human Resources	714-560-5801	ahuckabee@octa.net
<b><i>FTA</i></b>			
Jeffrey Davis	Regional Engineer	415-744-2594	jeffrey.s.davis@dot.gov
<b><i>Reviewers</i></b>			
John Clare	Reviewer/ Milligan & CO., LLC	215-496-9100	jclare@milligancpa.com
James Buckley	Reviewer/ Milligan & CO., LLC	215-496-9100	jbuckley@milligancpa.com
Ketnah Parchment	Reviewer/ Milligan & CO., LLC	215-496-9100	kparchment@milligancpa.com
Cynthia Lister	Reviewer/ Milligan & CO., LLC	215-496-9100	clister@milligancpa.com

## **VI. Appendices**

No appendices included in this report.

**ORANGE COUNTY TRANSPORTATION AUTHORITY**  
**2013 Federal Triennial Review**  
**Status of Corrective Actions as of March 31, 2014**

Compliance Area	Deficiency	Due Date	Corrective Action Required	OCTA Response	Status	
2	Financial Management and Financial Capacity	03 - Excess cash problems	4/30/2014	Submit to the Federal Transit Administration (FTA) regional office procedures for program managers to properly review and approve Section 5316 and 5317 subrecipient invoices. In addition, submit updated procedures that include periodic reconciliation to ensure the correct amounts are charged to the correct grants and financial purpose codes.	Management will submit written procedures by April 30, 2014.	Open
			4/30/2014	Work with the FTA regional office to reimburse FTA for any interest accumulated on ineligible expenses charged to grants.	Management will work with the regional office to resolve this issue by April 30, 2014.	Open
		05 - Ineligible operating expense calculation	4/30/2014	Submit to the FTA regional office procedures for calculating net eligible project costs or operating assistance properly.	Management will submit written procedures by April 30, 2014.	Open
			4/30/2014	The Orange County Transportation Authority (OCTA) shall work with the FTA regional office for reimbursement if an inappropriate payment or an overpayment of operating assistance has occurred.	Management will coordinate with the FTA regional office as recommended.	Open
3	Technical Capacity	03 - Progress reports lack required information	4/30/2014	Submit to the FTA regional office procedures for including all required information in future reports.	Management will submit written procedures by April 30, 2014.	Open
		11 - Inadequate oversight of subrecipient/third party contractor/lessee	9/30/2014	Submit to the FTA regional office specific oversight procedures that include a staffing plan.	Management will submit written procedures by September 30, 2014.	Open
			9/30/2014	In addition, submit documentation that OCTA has implemented the oversight procedures.	Management will demonstrate oversight procedures have been implemented by September 30, 2014.	Open
		16 - Incorrect federal financial reporting	4/30/2014	Submit reports that include the missing information for the next reporting quarter.	Management will submit complete reports for the April 30, 2014 reporting quarter.	Open

**ORANGE COUNTY TRANSPORTATION AUTHORITY**  
**2013 Federal Triennial Review**  
**Status of Corrective Actions as of March 31, 2014**

Compliance Area	Deficiency	Due Date	Corrective Action Required	OCTA Response	Status
7 Disadvantaged Business Enterprise (DBE)	08 - Grantee does not monitor compliance	6/30/2014	Submit to the regional civil rights officer (RCRO) documentation that procedures have been established for performing on site monitoring of DBE firms participating in OCTA and subrecipient contracts. Provide copies of actual monitoring reports carried out in connection with the City of Anaheim's Anaheim Regional Transportation Intermodal Center projects.	Management is in the process of refining on-site monitoring procedures and will have a process in place by June 30, 2014. Management will send to the RCRO, copies of actual monitoring reports carried out in connection with the ARTIC project by June 30, 2014.	Open
	99 - Uniform reports do not include required information	5/30/2014	Submit to the RCRO documentation that procedures have been established to obtain contract award and DBE utilization from subrecipient projects and how that information be incorporated into the OCTA semi-annual DBE reports.	Management is in the process of developing a process for collecting DBE contract award commitments and DBE utilization and will submit this process to the RCRO by May 30, 2014.	Open
		6/1/2014	In addition, provide this additional information in the uniform reports by June 1, 2014.	Information on subrecipient projects will be included in the uniform report by June 1, 2014.	Open
12 Americans with Disabilities Act (ADA)	04 - ADA complementary paratransit service deficiencies	6/30/2014	Submit to the RCRO evidence that OCTA has discontinued the practice of charging fares for transportation to/from ADA in-person functional assessments. This evidence shall include evidence of compliance in the form of copies of written instructions and policies for staff and contractors, driver manifests documenting that no fare was collected for assessment-related trips, and copies of a revised policy, as shown in OCTA ACCESS Rider's Guide, other public information materials, internal documents, and OCTA website that complies with the regulatory requirements contained in 49 CFR§37.125 and Appendix D at §37.125.	Management has discontinued the practice of charging fares for transportation to/from ADA in-person functional assessments. To evidence this, we have attached a letter to the ACCESS service provider advising of the change (Appendix A) and sample copies of driver tripsheets (Appendix B) that reflect no charge for these trips. Other documentation, including a revised ACCESS Rider's Guide, public information materials, and the OCTA website will be forwarded by the due date on June 30, 2014.	Open
		9/30/2014	Submit to the RCRO an updated No-Show/Late Cancel Policy that complies with the regulatory requirements contained in 49 CFR §37.125 (g) and (h). Provide evidence of compliance in the form of copies of revised text as shown in OCTA ACCESS Rider's Guide, other public information materials, internal documents, and OCTA website.	Management will submit an updated policy and evidence of compliance by September 30, 2014.	Open

**ORANGE COUNTY TRANSPORTATION AUTHORITY**  
**2013 Federal Triennial Review**  
**Status of Corrective Actions as of March 31, 2014**

Compliance Area		Deficiency	Due Date	Corrective Action Required	OCTA Response	Status
			Immediately	Immediately submit documentation to the RCRO that the practice of charging additional fees for origin to destination service when required by a rider's disability has stopped as requested by FTA at the triennial review exit conference.	OCTA respectfully disagrees with this finding and would like to continue discussions with the FTA as to any future regulatory requirements for curb-to-curb origin-to-destination service. There is no current regulatory requirement for ADA complementary paratransit service to provide other than curb-to-curb service. Pursuant to the local planning process, in conjunction with OCTA's Board of Directors, and with public input from the local disabled community, OCTA chose to provide door-to-door paratransit service as a premium service; however, in order to recoup some of the costs associated with this premium service, OCTA assesses a \$5 fee.	Open
			6/30/2014	By June 30, 2014, submit to the RCRO evidence that the current practice of charging a premium fare for door to door service has been terminated. Evidence shall include a plan and process to revise the terms of OCTA ACCESS service provision to assure that origin to destination service is advertised and provided at one base fare to comply with the regulatory requirements contained in 49 CFR §37.129(a) and §37.5 (d). This plan should include a schedule with specifics identifying how and when this will be achieved, and proof of action including any necessary contract revisions, instructional notices, training materials, public information and website materials.	OCTA respectfully disagrees with this finding and would like to continue discussions with the FTA as to any future regulatory requirements for curb-to-curb origin-to-destination service. There is no current regulatory requirement for ADA complementary paratransit service to provide other than curb-to-curb service. Pursuant to the local planning process, in conjunction with OCTA's Board of Directors, and with public input from the local disabled community, OCTA chose to provide door-to-door paratransit service as a premium service; however, in order to recoup some of the costs associated with this premium service, OCTA assesses a \$5 fee.	Open
17	Drug-Free Workplace/ Drug and Alcohol Program	06 - Contractors, subrecipients, and/or lessees not properly monitored	5/30/2014	Submit to the regional office an oversight procedure that will ensure the drug and alcohol policies of subcontractors with safety sensitive employees contain all provisions required by 49 CFR Part 655 and 49 CFR Part 40. In addition, provide documentation that the drug and alcohol policies of Yellow Cab, Bridgestone Tire, and Pacific RV have been amended to include all required actions that would constitute refusals to undertake a drug or alcohol test.	Management will provide oversight procedures and evidence that the policies of Yellow Cab, Bridgestone Tire, and Pacific RV have been amended as required by May 30, 2014.	Open