

**ORANGE COUNTY TRANSPORTATION AUTHORITY**

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

June 30, 2022

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 *2022 NTD Policy Manual* and described in Attachment 1 of this report for the year ended June 30, 2022 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, 2022, 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 and as presented in the *2022 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 *2022 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, 2022, 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 and as presented in the *2022 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 16, 2022

- a. The procedures to be applied to each applicable mode and TOS (Directly Operated, Purchased Transportation, Transportation Network, and Taxi) 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 and as presented in the *2022 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. 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 and as presented in the *2022 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 and as presented in the *2022 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, Senior Schedule Analyst and Program Management Analyst 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 and as presented in the *2022 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, Senior Schedule Analyst and Program Management Analyst 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.

**ATTACHMENT 1**

<b>Type of Service</b>	<b>Source Document</b>	<b>Months Inspected</b>
MBDO	<ul style="list-style-type: none"> <li>• Scheduled Daily Line Summaries</li> <li>• Automatic Passenger Counting (APC) Summaries &amp; underlying detail</li> </ul>	<ul style="list-style-type: none"> <li>• <i>August 2021</i></li> <li>• <i>February 2022</i></li> <li>• <i>April 2022</i></li> <li>• Three years of data were noted to be archived on OCTA's network</li> </ul>
CBDO	<ul style="list-style-type: none"> <li>• Scheduled Daily Line Summaries</li> <li>• Automatic Passenger Counting (APC) Summaries &amp; underlying detail</li> <li>• In response to the decreased ridership, resulting from the COVID-19 pandemic, OCTA put this modes' public transportation services into temporary non-operational status for reporting year 2021 and 2022. As such, there was no source documentation for us to observe for these years.</li> </ul>	<ul style="list-style-type: none"> <li>• Data was noted to be archived on OCTA's network for reporting year 2020.</li> <li>• For reporting year 2021 and 2022 this procedure was not applicable as described in commentary to the left.</li> </ul>
MBPT	<ul style="list-style-type: none"> <li>• Scheduled Daily Line Summaries</li> <li>• Automatic Passenger Counting (APC) Summaries</li> </ul>	<ul style="list-style-type: none"> <li>• <i>August 2021</i></li> <li>• <i>February 2022</i></li> <li>• <i>April 2022</i></li> <li>• Three years of data were noted to be archived on OCTA's network</li> </ul>
CBPT	<ul style="list-style-type: none"> <li>• Scheduled Daily Line Summaries</li> <li>• Automatic Passenger Counting (APC) Summaries</li> <li>• In response to the decreased ridership, resulting from the COVID-19 pandemic, OCTA put this modes' public transportation services into temporary non-operational status for reporting year 2021 and 2022. As such, there was no source documentation for us to observe for these years.</li> </ul>	<ul style="list-style-type: none"> <li>• Data was noted to be archived on OCTA's network for reporting year 2020.</li> <li>• For reporting year 2021 and 2022 this procedure was not applicable as described in commentary to the left.</li> </ul>

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**ATTACHMENT 1**

<b>Type of Service</b>	<b>Source Document</b>	<b>Months Inspected</b>
DRPT	<ul style="list-style-type: none"> <li>• Contractor Provided NTD Program Data Reports</li> <li>• Driver Manifests</li> <li>• ACCESS - Passenger and Mileage Summaries</li> </ul>	<ul style="list-style-type: none"> <li>• <i>August 2021</i></li> <li>• <i>December 2021</i></li> <li>• <i>February 2022</i></li> <li>• Three years of data were noted to be archived on OCTA's network.</li> </ul>
DRTX	<ul style="list-style-type: none"> <li>• Contractor Provided NTD Program Data Reports</li> <li>• Same Day Taxi - Passenger and Mileage Summaries</li> <li>• Supplemental ACCESS Program Data</li> <li>• Vendor Invoices</li> </ul>	<ul style="list-style-type: none"> <li>• <i>August 2021</i></li> <li>• <i>December 2021</i></li> <li>• <i>February 2022</i></li> <li>• Three years of data were noted to be archived on OCTA's network.</li> </ul>
VPPT	<ul style="list-style-type: none"> <li>• Monthly Ridership Reports</li> <li>• Passenger Trips and Miles</li> <li>• Revenue Miles Summaries</li> <li>• VPID Ridership Detail Data</li> <li>• Vendor Invoices</li> </ul>	<ul style="list-style-type: none"> <li>• <i>September 2021</i></li> <li>• <i>December 2021</i></li> <li>• <i>March 2022</i></li> <li>• Three years of data were noted to be archived on OCTA's network.</li> </ul>

No exceptions were noted as a result of this procedure.

- 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 DRPT, DRTX and VPPT modes. Review is performed on a yearly basis for the MBDO, CBDO, MBPT, CBPT 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 40 random Drivers Manifests for the DRPT service, and 8 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 viewed the approval log for the yearly review of all source documents within OCTA's NTD reporting system noting no exceptions. For CBDO and CBPT, this procedure was deemed not applicable since the modes were in non-operational status for the entire reporting year.

## ATTACHMENT 1

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- 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 for the MBDO, MBPT, DRPT, DRTX and VPPT services. We recomputed the arithmetical accuracy of the summaries without exception. This procedure was not applicable to the CBDO and CBPT modes as they were in non-operational status during the entire year.

- 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 *2022 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. The use of APC as the method for accumulating and reporting PMT data, is in accordance with the requirements of the *2022 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 *2022 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:
- The public transit agency serves an UZA with a population less than 500,000 according to the most recent census.
  - 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  $\pm 10$  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.

## ATTACHMENT 1

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**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 working papers used to calculate PMT for MBDO, MBPT DRPT, DRTX, and VPPT and we determined that the actual procedures used by OCTA were consistent with their adopted methodologies. The CBDO and CBPT modes were in non-operational status for the fiscal year and as such there were no working papers to obtain. 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. We identified a net variance of 33,657 miles. Attached within Exhibit 1 is Management's response to the finding described above.

For CBDO, this procedure is not applicable since the mode is in non-operational status.

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. We identified a net variance of 519 miles. 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 CBPT, this procedure is not applicable since the mode is in non-operational status.

For DRPT, we selected 40 routes performed during July 2021, October 2021 and April 2022 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 19 of the 40 routes sampled, resulting in a net variance of 529 miles. 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 selected all 12 months of vanpool participation logs for the 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.

- l. 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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## ATTACHMENT 1

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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 for the MBDO and MBPT modes. The CBDO and CBPT modes had no data recorded due to being in non-operational status.

- 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 Program Management Analyst 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. Through our recalculation, Crowe noted no errors.

- 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.

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
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## ATTACHMENT 1

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- i. Access is restricted;
- ii. Legitimate need for restricted access is demonstrated by peak period level of service D or worse on a parallel adjacent highway; and
- iii. Restricted access is enforced for freeways; priority lanes used by other high occupancy vehicles (HOV) (i.e., Vanpools (VP), carpools) must demonstrate safe operation.

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

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

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

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

**Finding:** Per inquiry with the Business Unit Analyst of the Transit Division, 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, DRPT, DRTX, and VPPT modes do 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.

- 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 shares service over the same FG/HIB. Each agency receives their correct apportionment, evidenced by reconciliation with other agencies and the Southern California Association of Governments (SCAG), as to not double count DRM's on the FFA-10 forms of OCTA and Riverside Transit Agency (RTA). No exceptions were noted as a result of this procedure.

## ATTACHMENT 1

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- t. Review the FG/HIB segments form. Discuss the Agency Revenue Service Start Date for any segments added in the 2022 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 2022 report year, the Agency Revenue Service Date must occur within the transit agency's 2022 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 interviewed the Business Unit Analyst of the Transit Division and noted there were no new segments added, removed, or amended during the year. 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 balance 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 Purchased Transportation 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.

- 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, Senior Schedule Analyst, and Program Management Analyst of the Vanpool Program regarding OCTA's retention policy for executed contracts for purchased transportation programs. Per inquiry, the current retention practice of seven years meets NTD requirements of a minimum of three years. No exceptions were noted as a result of this procedure.

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- 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. We did not perform this procedure for the DRPT, DRTX, and VPPT modes because they do not report on FG. 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 11.25% increase in Vehicle Revenue Miles (VRM).
- A 12.37% increase in Vehicle Revenue Hours (VRH).
- A 22.18% increase in Passenger Miles Traveled (PMT).
- A 31.23% increase in Unlinked Passenger Trips (UPT).
- A 18.90% increase in Non-fixed Guideway Passenger Miles Travelled (NFG PMT).

Per inquiry, these changes resulted from restoration of the service on one of OCTA's freeway carpool routes that this mode operates over and frequency of schedule trips over this route.

**CBDO:**

- CB mode was non-operational for both this reporting year and the previous reporting year, therefore, no data is available.

**MBPT:**

- A 13.15% increase in Vehicle Revenue Miles (VRM).
- A 16.82% increase in Vehicle Revenue Hours (VRH).
- A 35.27% increase in Passenger Miles Traveled (PMT).
- A 42.76% increase in Unlinked Passenger Trips (UPT).
- A 17.38% increase in Operating Expense (OE).
- A 13.15% increase in Non Fixed Guideway Vehicle Revenue Miles (NFG VRM).
- A 35.27% increase in Non Fixed Guideway Passenger Miles Traveled (NFG PMT).
- A 17.38% increase in Non Fixed Guideway Operating Expense (NFG OE).

Per inquiry, these changes resulted from restoration of various motor bus routes which caused an increase in ridership.

**CBPT:**

- CB mode was non-operational for both this reporting year and the previous reporting year, therefore, no data is available.

## ATTACHMENT 1

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### **DRPT:**

- A 34.22% increase in Vehicle Revenue Hours (VRH).
- A 88.71% increase in Unlinked Passenger Trips (UPT).
- A 34.04% increase in Non Fixed Guideway Vehicle Revenue Miles (NFG VRM).
- A 93.48% increase in Non Fixed Guideway Passenger Miles Traveled (NFG PMT).
- A 27.24% increase in Non Fixed Guideway Operating Expenses (NFG OE).

Per inquiry, these changes resulted from prior restrictions due to the COVID-19 pandemic being lifted or reduced which promoted programs and organizations that service the paratransit communities to re-open and initiate upward trends of demand.

### **DRTX:**

- A 141.42% increase in Vehicle Revenue Hours (VRH).
- A 39.51% increase in Unlinked Passenger Trips (UPT).
- A 220.68% increase in Non Fixed Guideway Vehicle Revenue Miles (NFG VRM).
- A 212.80% increase in Non Fixed Guideway Passenger Miles Traveled (NFG PMT).
- A 170.40% increase in Non Fixed Guideway Operating Expenses (NFG OE).

Per inquiry, these changes resulted from prior restrictions due to the COVID-19 pandemic being lifted or reduced which promoted programs and organizations that service the paratransit communities to re-open and initiate upward trends of demand.

### **VPPT:**

- Per data change comparison, all data resulted in a percent change within the threshold of increase or decrease by 10 percent.

No exceptions were noted as a result of this procedure.

## ATTACHMENT 1

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- 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 *2022 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.