

# Kings County Association of Governments

**FY 2018/19 – FY 2020/21  
TDA Triennial Performance Audits**

May 25, 2022



# What is a Triennial Performance Audit?

- California PUC requires all transit operators receiving TDA funding (LTF and STA) as well as Regional Transportation Planning Agencies to undergo a triennial performance audit of their activities

# Audit Process

- Data collection
- Data/compliance review
- Site visit/functional review (conducted virtually)
- Reporting
- Presentations

KCAG will then submit the RTPA audit to Caltrans and the State Controller along with a letter certifying that it has completed the operator audits

# RTPA Compliance Elements

- Policies and procedures
- TDA claims and allocations
- Unmet transit needs and annual public engagement
- Social Services Transportation Advisory Council (SSTAC)
- Oversight of transit operator productivity
- Submittal of annual fiscal audits and reports to the State Controller's Office
- Manage the Triennial Performance Audit process
- Establish farebox recovery ratios for newly urbanized or "blended" (urban and rural) service areas

# RTPA Findings & Recommendations

- One compliance finding regarding the City of Corcoran's late submittal of its TDA audits during the audit period
  - Recommendation: Work with the City of Corcoran and the TDA auditors to ensure the TDA fiscal audit can be completed by March 31
- One functional finding regarding the inclusion of STA efficiency tests as part of the TDA claims process
  - Recommendation: Include the STA efficiency tests (which determine how much STA funding may be used for operating purposes based on cost per vehicle service hour adjusted by CPI) as part of the TDA claims process



# Operator Compliance Elements

- Submittal of annual fiscal audits and reports to the State Controller's Office
- Satisfactory CHP terminal ratings
- Compliance with RTPA rules for submitting TDA claims
- Compliance with farebox recovery ratio or other alternative performance criteria requirements
- No increase in budget over the preceding year beyond 15% without reasonable substantiation
- Use of TDA definitions of key performance indicators
- Fully funded retirement system
- Proper use of State Transit Assistance funds

# Operator Findings & Recommendations

- City of Corcoran
  - Compliance finding: TDA fiscal audits for FY 2018/19 and FY 2019/20 were submitted after the extended deadline
    - Recommendation: Continue to work with the City's TDA fiscal auditors to ensure on-time completion by March 31
  - Functional finding: While the Transit website has been improved, there are still some minor issues that should be resolved (e.g., page nesting issue, missing information regarding General Handicap eligibility)
    - Recommendation: Continue to modify the Transit webpage to improve usability and access to information

# Operator Findings & Recommendations

- City of Corcoran
  - Functional finding: The farebox recovery ratio in the TDA fiscal audit does not itemize exemptions
    - Recommendation: Work with the City's TDA auditors to itemize costs that are excluded or exempted from operating cost, as well as revenues that are used to supplement fare revenues, in the farebox recovery ratio calculation
  - Functional finding: The City continues to suffer from a lack of qualified drivers, which can impact service delivery
    - Recommendation: Identify and implement strategies to recruit and retain qualified drivers





# Operator Findings & Recommendations

- Kings County Area Public Transit Agency
  - No findings

# Moving Forward

- There have been a number of exemptions and waivers of penalties due to the COVID-19 pandemic (AB 90 and AB 149) – mostly through FY 2022/23
- The definition of “local supplementation” has been expanded to include any non-state grant funds or revenues
- Additional exclusions from operating cost used in calculating the farebox recovery ratio include certain expenses related to microtransit, ticketing systems, security, pension contributions, service planning, and transition to zero-emission vehicles



# Questions?

**Moore & Associates, Inc.**  
**Kathy Chambers, Project Manager**  
661.253.1277  
kathy@moore-associates.net

