



FINAL REPORT
MAY 2020

YCAT Routes 5 & 10

Yuma County Intergovernmental Public Transportation Authority & Quechan Tribe Imperial County Transportation Commission

Triennial Performance Audit for FY 2017 - FY 2019



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Chapter 1

Executive Summary

In late 2019, the Imperial County Transportation Commission (ICTC) selected Moore & Associates, Inc. to prepare Triennial Performance Audits of itself as the RTPA and operator, as well as the five transit operators to which it allocates TDA funding. As one of the six statutorily designated County Transportation Commissions in the SCAG region, ICTC also functions as the respective county RTPA.

The California Public Utilities Code requires all recipients of Transit Development Act (TDA) Article 4 funding to complete an independent audit on a three-year cycle in order to maintain funding eligibility. While Imperial County operators do not receive Article 4 funding, ICTC believes it is important to conduct Triennial Performance Audits of its TDA Article 8(c) recipients as a monitoring tool.

The Triennial Performance Audit is designed to be an independent and objective evaluation of Yuma County Area Transit (YCAT) as a public transit operator, providing operator management with information on the economy, efficiency, and effectiveness of its programs across the prior three fiscal years. In addition to assuring legislative and governing bodies (as well as the public) that resources are being economically and efficiently utilized, the Triennial Performance Audit fulfills the requirement of PUC Section 99246(a) that the RTPA designate an entity other than itself to conduct a performance audit of the activities of each operator to whom it allocates funds.

This chapter summarizes key findings and recommendations developed during the Triennial Performance Audit (TPA) of YCAT's public transit program for the period:

- Fiscal Year 2016/17
- Fiscal Year 2017/18, and
- Fiscal Year 2018/19.

The Yuma County Intergovernmental Public Transportation Authority (YCIPTA) operates the Yuma County Area Transit (YCAT) service in Yuma, Arizona. In partnership with the Quechan Tribe, which is located in California and receives TDA funding, YCAT operates two routes serving Imperial County. The Blue Route (Route 5) originates in Yuma and serves the Quechan Casino Resort in California, with limited service to the Andrade Port of Entry. The Turquoise Route (Route 10) originates in Yuma and travels to El Centro via Interstate 8.

Service on the Blue Route operates hourly between 7:19 a.m. and 6:11 p.m., Monday through Friday. Saturday service operates from 10:19 a.m. to 4:11 p.m. Service on the Turquoise Route operates on Monday, Wednesday, and Friday only. In the winter, it departs Yuma at 8:30 a.m. and 2:30 p.m., with the return trips departing El Centro at 8:59 a.m. and 2:59 p.m. In the summer, the service departs Yuma at 7:30 a.m. and 1:30 p.m., with the return trips departing El Centro at 8:59 a.m. and 2:59 p.m. This is to accommodate the time change associated with Daylight Savings Time, as Arizona does not observe Daylight Savings Time while California does.

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This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require the audit team plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives. Moore & Associates believes the evidence obtained provides a reasonable basis for its findings and conclusions.

This audit was also conducted in accordance with the processes established by the California Department of Transportation (Caltrans), as outlined in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*.

The Triennial Performance Audit includes five elements:

- Compliance requirements,
- Follow-up of prior report recommendations,
- Analysis of program data reporting,
- Performance Audit, and
- Functional review.

Test of Compliance

With one exception, the auditors conclude YCIPTA complies with the Transportation Development Act (TDA) regulations in an efficient and effective manner:

1. The State Controller Report for FY 2016/17 was submitted after the stipulated deadline.

Status of Prior Recommendations

The prior audit – completed in 2017 by Michael Baker International for the three fiscal years ending June 30, 2016 – included three recommendations:

1. [Review opportunities for increasing local revenue to boost farebox recovery.](#)
Status: Implemented.
2. [Revise timeline of transit operator State Controller Report submittals.](#)
Status: Implemented.
3. [Increase community outreach and marketing efforts on the Fort Yuma Indian Reservation.](#)
Status: Implemented.

Findings and Recommendations

With one exception, the auditors find YCIPTA/YCAT to be in compliance with the requirements of the Transportation Development Act. In addition, the entity generally functions in an efficient, effective, and economical manner.

Based on discussions with YCIPTA and Quechan Tribe staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. The State Controller Report for FY 2016/17 was submitted after the stipulated deadline.

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The audit team has also identified one functional finding. While this finding is not a compliance finding, the auditors believe it is significant enough to be addressed within this audit:

1. There were some inconsistencies between the operating data reported to the State Controller and that reported on YCAT's monthly performance reports.

Program Recommendations

In completing this Triennial Performance Audit, the auditors submit the following recommendations for the YCAT public transit program. They are divided into two categories: TDA Program Compliance Recommendations and Functional Recommendations. TDA Program Compliance Recommendations are intended to assist in bringing the operator into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the audit that are not specific to TDA compliance.

Exhibit 1.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Continue to ensure State Controller Reports are submitted in a timely manner.	Low	Ongoing
Functional Recommendations		Importance	Timeline
1	Ensure the State Controller Report is reviewed by someone other than the individual who prepared it so as to identify any errors in reporting.	Medium	Ongoing

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Chapter 2

Audit Scope and Methodology

The Triennial Performance Audit (TPA) of the YCAT public transit program covers the three-year period ending June 30, 2019. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain funding eligibility.

In late 2019, the Imperial County Transportation Commission selected Moore & Associates, Inc. to prepare Triennial Performance Audits of itself as the RTPA and operator as well as the five transit operators to which it allocates funding. Moore & Associates is a consulting firm specializing in public transportation. Selection of the consultant followed a competitive procurement process.

The Triennial Performance Audit is designed to be an independent and objective evaluation of YCAT as a public transit operator. Direct benefits of a Triennial Performance Audit include providing operator management with information on the economy, efficiency, and effectiveness of its programs across the prior three years; helpful insight for use in future planning; and assuring legislative and governing bodies (as well as the public) that resources are being economically and efficiently utilized. Finally, the Triennial Performance Audit fulfills the requirement of PUC Section 99246(a) that the RTPA designate an entity other than itself to conduct a performance audit of the activities of each operator to whom it allocates funds.

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that the audit team plans and performs the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions.

The audit was also conducted in accordance with the processes established by the California Department of Transportation (Caltrans), as outlined in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*, as well as *Government Audit Standards* published by the U.S. Comptroller General.

Objectives

A Triennial Performance Audit has four primary objectives:

1. Assess compliance with TDA regulations;
2. Review improvements subsequently implemented as well as progress toward adopted goals;
3. Evaluate the efficiency and effectiveness of the transit operator; and
4. Provide sound, constructive recommendations for improving the efficiency and functionality of the transit operator.

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Scope

The TPA is a systematic review of performance evaluating the efficiency, economy, and effectiveness of the transit operator. The audit of Yuma County Area Transit (YCAT) included five tasks:

1. A review of compliance with TDA requirements and regulations.
2. An assessment of the implementation of recommendations contained in prior performance audits.
3. A verification of the methodology for calculating performance indicators including the following activities:
 - Assessment of internal controls,
 - Test of data collection methods,
 - Calculation of performance indicators, and
 - Evaluation of performance.
4. Examination of the following functions:
 - General management and organization;
 - Service planning;
 - Scheduling, dispatching, and operations;
 - Personnel management and training;
 - Administration;
 - Marketing and public information; and
 - Fleet maintenance.
5. Conclusions and recommendations to address opportunities for improvement based upon analysis of the information collected and the audit of the transit operator's major functions.

Methodology

The methodology for the Triennial Performance Audit of YCAT included thorough review of documents relevant to the scope of the audit, as well as information contained on the operator's and ICTC's websites. The documents reviewed included the following (spanning the full three-year period):

- Triennial Performance Audit report for the prior audit period;
- Monthly performance reports;
- State Controller Reports;
- Annual budgets;
- TDA fiscal audits;
- Transit marketing collateral;
- Fleet inventory;
- Preventive maintenance schedules and forms;
- National Transit Database reports;
- Accident/road call logs;
- Customer complaint logs;
- Short Range Transit Plan; and
- Organizational chart.

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The methodology for this review included a site visit to the YCIPTA/YCAT administrative offices (Yuma, AZ) on February 12, 2020. The audit team met with Shelly Kreger (YCIPTA Transit Director), Chona Medel (YCIPTA Financial Services Operations Manager), Brian Golding (Quechan Tribe EDA Director), and Veronica Menta (Quechan Tribe EDA Specialist); reviewed materials germane to the triennial review; and toured the YCAT operations and maintenance facility.

This report is comprised of seven chapters divided into three sections:

1. Executive Summary: A summary of the key findings and recommendations developed during the Triennial Performance Audit process.
2. TPA Scope and Methodology: Methodology of the review and pertinent background information.
3. TPA Results: In-depth discussion of findings surrounding each of the subsequent elements of the audit:
 - Compliance with statutory and regulatory requirements,
 - Progress in implementing prior recommendations,
 - Performance measures and trends,
 - Functional audit, and
 - Findings and recommendations.

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Chapter 3

Program Compliance

This section examines Yuma County Area Transit's compliance with the Transportation Development Act as well as relevant sections of the California Code of Regulations. An annual certified fiscal audit confirms TDA funds were apportioned in conformance with applicable laws, rules, and regulations. The Imperial County Transportation Commission considers full use of funds under California Code of Regulations (CCR) 6754(a) as referring to operating funds but not capital funds. The TPA findings and related comments are delineated in Exhibit 3.1.

Compliance was determined through discussions with YCAT and YCIPTA staff as well as an inspection of relevant documents including the fiscal audits for each year of the triennium, TDA claim forms, State Controller annual filings, California Highway Patrol terminal inspections, year-end performance reports, and other compliance-related documentation.

With one exception, YCAT met the test of compliance with respect to Transportation Development Act (TDA) regulations:

1. The State Controller Report for FY 2016/17 was submitted after the stipulated deadline.

Recent Changes Regarding Compliance

Two changes specific to the TDA and TDA funding went into effect beginning July 1, 2016. The first was an amendment to the Public Utilities Code specific to the definition of operating cost and what costs can be excluded. It should be noted that many of the exclusions pertain only to *changes* in certain costs, either over the prior year or beyond the change in the Consumer Price Index. They do not apply to *all* costs related to specified exclusion categories.

Senate Bill 508, dated October 9, 2015, amended Section 99268.17 to read as follows:

99268.17 (a) *Notwithstanding subdivision (a) of Section 99247, the following costs shall be excluded from the definition of "operating cost" for the purposes of calculating any required ratios of fare revenues to operating cost specified in this article:*

(1) *The additional operating costs required to provide comparable complementary paratransit service as required by Section 37.121 of Title 49 of the Code of Federal Regulations, pursuant to the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 120101 et seq.), as identified in the operator's paratransit plan pursuant to Section 37.139 of Title 49 of the Code of Federal Regulations that exceed the operator's costs required to provide comparable paratransit service in the prior year as adjusted by the Consumer Price Index.*

(2) *Cost increases beyond the change in the Consumer Price Index for all of the following:*

(A) *Fuel.*

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- (B) Alternative fuel programs.*
- (C) Power, including electricity.*
- (D) Insurance premiums and payments in settlement of claims arising out of the operator's liability.*
- (E) State and federal mandates.*

(3) Startup costs for new services for a period of not more than two years.

(b) The exclusion of costs from the definition of operating costs in subdivision (a) applies solely for the purpose of this article and does not authorize an operator to report an operating cost other than as defined in subdivision (a) of Section 99247 or a ratio of fare revenue to operating cost other than as that ratio is described elsewhere in this article, to any of the following entities:

- (1) The Controller pursuant to Section 99243.*
- (2) The entity conducting the fiscal audit pursuant to Section 99245.*
- (3) The entity conducting the performance audit pursuant to Section 99246.*

The reporting forms for the State Controller used in FY 2016/17 were not yet updated to reflect these exclusions. While revised forms were used in FY 2017/18 and FY 2018/19, it is also important for agencies to ensure any exclusions from operating cost are clearly itemized within TDA audits or other farebox revenue ratio calculations so that compliance can be clearly assessed.

The second change, also contained within Senate Bill 508, related to the type of funds that can be used to supplement farebox revenue. Prior to this bill, "local funds" was defined as "revenues derived from taxes imposed by the operator or by a county transportation commission." S.B. 508 amended Section 99268.19 to read:

99268.19 *If fare revenues are insufficient to meet the applicable ratio of fare revenues to operating cost required by this article, an operator may satisfy that requirement by supplementing its fare revenues with local funds. As used in this section, "local funds" means any nonfederal or nonstate grant funds or other revenues generated by, earned by, or distributed to an operator.*

This expanded definition opens up new revenue sources that can be used to offset farebox shortfalls. Applicable revenues include funds received through advertising, interest income, sale of surplus vehicles, and other such sources. While these funds are no longer limited to those generated by local taxes, they cannot be state or federal funds.

The Future of the Transportation Development Act¹

In the nearly 50 years since the introduction of the Transportation Development Act, there have been many changes to public transportation in California. Many operators face significant challenges in

¹ Letter from Rick Ramacier, State Legislative Committee Chair, California Transit Association, and Joshua W. Shaw, Executive Director, California Transit Association to California Transit Association members, RTPAs, and other public transit systems. Subject: Transportation Development Act Reform – A Draft Framework (inclusive of Attachment 1, Draft Framework). Dated January 8, 2020.

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meeting the farebox recovery ratio requirement, and it calls into question whether that remains the best measure for TDA compliance. In 2018, the chairs of California's state legislative transportation committees requested the California Transit Association spearhead a policy task force to examine the TDA.

Numerous meetings were conducted with the TDA task force across a full year. Other efforts included input from state-level stakeholders as well as transit agencies. It also reviewed the results of two research projects requested by legislative leaders and conducted by the UCLA Institute of Transportation Studies. Two particularly important conclusions were:

- The state's goals for transit have changed and broadened considerably since 1971 when the TDA became law and 1978 when the farebox recovery requirement was added; and
- A survey of California transit and regional agency professionals reveals the current TDA requirements appear to influence agency management decisions in ways that do not align with the state's current goals for transit.

The task force then set forth a draft framework for TDA reform that maintained the farebox recovery requirement yet significantly changed how it would be applied. The draft framework:

1. Retains TDA's current farebox recovery requirements as an important data set for policymakers at all levels. The ratios would be targets all transit agencies should try to meet.
2. Removes financial penalties associated with missing farebox recovery requirements for all agencies.
3. Requires agencies that miss their required farebox recovery for three years in a row be given the option in year four to either 1) develop and submit an action plan to the RTPA that details the steps it will take to meet its farebox recovery requirement; or 2) develop new targets, in collaboration with the RTPA, that monitor the transit agency's contribution to local, community, regional, or statewide goals.
4. Adjusts some aspects of the farebox recovery ratio definitions for the numerator and denominator, and lower the basic targets, to better reflect current goals and objectives for public transit, and to more realistically accommodate today's most pressing transit challenges and unfunded mandates.

While these proposed changes to the TDA legislation have yet to be finalized and enacted, it is very likely the TDA will undergo significant revisions during the next audit period. As a result, the test of compliance may look quite different in subsequent triennial performance audits.

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Exhibit 3.1 Transit Development Act Compliance Requirements

Compliance Element	Reference	Compliance	Comments
State Controller Reports submitted on time.	PUC 99243	Finding	FY 2016/17: March 15, 2018 FY 2017/18: January 31, 2019 FY 2018/19: December 2, 2019
Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension).	PUC 99245	In compliance	FY 2016/17: March 13, 2018 FY 2017/18: February 28, 2019 FY 2018/19: November 1, 2019
Operator's terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	Not applicable	YCIPTA, as an Arizona-based public transit operator, does not participate in the CHP Transit Operator Compliance Program, in which the CHP conducts inspections within the 13 months prior to each TDA claim. In lieu of the CHP inspections, YCIPTA has a biennial maintenance audit performed in January and July.
Operator's claim for TDA funds submitted in compliance with rules and regulations adopted by the RTPA.	PUC 99261	In compliance	
If operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	PUC 99270.1	In compliance	Turquoise Route 10 (12%): FY 2016/17: 12.26% FY 2017/18: 12.31% FY 2018/19: 14.42% <i>Source: TDA fiscal audits, FY 2017-FY 2019.</i>
An operator receiving allocations under Article 8(c) may be subject to regional, countywide, or subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA.	PUC 99405	Not applicable	While the operator receives Article 8(c) funds, it is not subject to alternative performance criteria.
The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	PUC 99266	In compliance	FY 2016/17: -2.15% FY 2017/18: +2.42% FY 2018/19: +7.02% <i>Source: TDA claims, FY 2017 – FY 2018, State Controller Report FY 2019.</i>

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Compliance Element	Reference	Compliance	Comments
The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	In compliance	
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent).	PUC 99268.2, 99268.4, 99268.1	Not applicable	
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent).	PUC 99268.2, 99268.4, 99268.5	In compliance	Blue Route 5 (10%): FY 2016/17: 10.26% FY 2017/18: 10.37% FY 2018/19: 10.01% <i>Source: TDA fiscal audits, FY 2017-FY 2019.</i>
For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent.	PUC 99268.5, CCR 6633.5	Not applicable	
The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system for 40 years.	PUC 99271	In compliance	YCIPTA contracts with a private provider for operations, while YCIPTA contributes to a cost-sharing multiple-employer defined benefit pension plan administered by the Arizona State Retirement System. The Quechan Indian Tribe contributes to its employee's retirement through its own designated plans.
If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	CCR 6754 (a) (3)	Not applicable	YCIPTA and the Quechan Indian Tribe do not receive State Transit Assistance Fund revenues.
In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes on a sliding scale.	PUC 99314.6	Not applicable	YCIPTA and the Quechan Indian Tribe do not receive State Transit Assistance Fund revenues.

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Compliance Element	Reference	Compliance	Comments
A transit claimant is precluded from receiving monies from the Local Transportation Fund and the State Transit Assistance Fund in an amount which exceeds the claimant's capital and operating costs less the actual amount of fares received, the amount of local support required to meet the fare ratio, the amount of federal operating assistance, and the amount received during the year from a city or county to which the operator has provided services beyond its boundaries.	CCR 6634	In compliance	

Chapter 4

Prior Recommendations

This section reviews and evaluates the implementation of prior Triennial Performance Audit recommendations. This objective assessment provides assurance Yuma County Intergovernmental Public Transportation Authority (YCIPTA) has made quantifiable progress toward improving both the efficiency and effectiveness of its public transit program.

The prior audit – completed in 2017 by Michael Baker International for the three fiscal years ending June 30, 2016 – included three recommendations:

1. [Review opportunities for increasing local revenue to boost farebox recovery.](#)

Discussion: State Senate Bill (SB) 508, passed in October 2015, made changes to how farebox recovery is calculated. This allowed transit systems to boost their farebox recovery through inclusion of local revenues generated by the transit service. At the time of the prior audit, YCIPTA, ICTC, and the Quechan Tribe were aware the Blue and Turquoise Routes were not meeting their respective farebox recovery targets. Initial measures included reduced service days on Turquoise Route 10 and increased marketing efforts.

Given the farebox attainment challenges, the prior audit noted supplemental local revenues could improve farebox without an immediate need to raise fares. In addition to local transportation sales tax revenue, examples of local fund revenues include advertisement on buses and bus shelters, gains on the sale of capital assets, lease revenues generated by transit-owned property, local contributions, and fare revenue agreements in lieu of individual fare payment with entities that have regular riders. Both revenues and operating costs are modified in deriving the farebox ratio for TDA eligibility purposes, and the prior auditor recommended the Quechan Tribe (with the assistance of ICTC) work with the fiscal auditor to accurately reflect the farebox ratio allowed under new state law.

Progress: During the current audit period, both routes met their respective farebox recovery targets by using local government dues paid to YCIPTA to supplement farebox revenues.

Status: Implemented.

2. [Revise timeline of transit operator State Controller Report submittals.](#)

Discussion: The California State Assembly passed new legislation (AB 1113 - Bloom) on July 21, 2017, that changed the timeline to submit the annual Transit Operators Financial Transaction Reports to the State Controller. These reports, which the Quechan Indian Tribe is tasked with preparing for YCAT Routes 5 and 10, have extended submittal dates from within 110 days after fiscal year end to seven months after fiscal year end, or end of January.

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Progress: The FY 2016/17 State Controller Report was submitted in March, approximately six weeks after the January 31 deadline. However, reports in subsequent years were submitted on time.

Status: Implemented.

3. [Increase community outreach and marketing efforts on the Fort Yuma Indian Reservation.](#)

Discussion: The Quechan Tribe is tasked with marketing YCAT Routes 5 and 10 on the Fort Yuma Indian Reservation. As per the routes' marketing and community outreach plan, the Tribe is to have IVT and YCAT Rider's Guides available for distribution throughout the reservation. Other efforts include the dissemination of transit information door-to-door, online, and over social media as well as on casino bulletin boards. The Tribe would also allow the sale of bus passes at its retail enterprises and casinos on the reservation.

In spite of these measures, some tribal members are still unaware of the transit services. For example, transit information on the Quechan Tribe website is posted on the EDA page, which can be difficult to find. The prior auditor suggested that the Tribe increase awareness of the transit service. Some approaches could include presentations and staff reports at Tribal Council meetings, placing the transit information or links on the home page of the tribal website, and distributing free passes on the reservation to encourage ridership.

Progress: Since receiving this recommendation, the Quechan Tribe has distributed a monthly flyer to departments, generally with a different focus each month. It is also conducting outreach to some local grocery stores and promoting online features (such as Nextbus, the trip planner, and the YCAT website). YCIPTA has noted increased purchases from Tribal departments and increased ridership by Tribal members.

Status: Implemented.

Chapter 5

Performance Analysis

Performance indicators are typically employed to quantify and assess the efficiency of a transit operator's activities. Such indicators provide insight into current operations as well as trend analysis of operator performance. Through a review of indicators, relative performance as well as possible inter-relationships between major functions is revealed.

The Transportation Development Act (TDA) requires recipients of TDA funding to track and report five performance indicators:

- Operating Cost/Passenger,
- Operating Cost/Vehicle Service Hour,
- Passengers/Vehicle Service Hour,
- Passengers/Vehicle Service Mile, and
- Vehicle Service Hours/Employee.

To assess the validity and use of performance indicators, the audit team performed the following activities:

- Assessed internal controls in place for the collection of performance-related information,
- Validated collection methods of key data,
- Calculated performance indicators, and
- Evaluated performance indicators.

The procedures used to calculate TDA-required performance measures for the current triennium were verified and compared with indicators included in similar reports to external entities (i.e., State Controller and Federal Transit Administration).

Operating Cost

The Transportation Development Act requires an operator to track and report transit-related costs reflective of the Uniform System of Accounts and Records developed by the State Controller and the California Department of Transportation. The most common method for ensuring this occurs is through a compliance audit report prepared by an independent auditor in accordance with California Code of Regulations Section 6667². The annual independent financial audit should confirm the use of the Uniform System of Accounts and Records. *Operating cost* – as defined by PUC Section 99247(a) – excludes the following:

² CCR Section 6667 outlines the minimum tasks which must be performed by an independent auditor in conducting the annual fiscal and compliance audit of the transit operator.

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- Cost in the depreciation and amortization expense object class adopted by the State Controller pursuant to PUC Section 99243,
- Subsidies for commuter rail services operated under the jurisdiction of the Interstate Commerce Commission,
- Direct costs of providing charter service, and
- Vehicle lease costs.

Vehicle Service Hours and Miles

Vehicle Service Hours (VSH) and *Miles* (VSM) are defined as the time/distance during which a revenue vehicle is available to carry fare-paying passengers, and which includes only those times/miles between the time or scheduled time of the first passenger pickup and the time or scheduled time of the last passenger drop-off during a period of the vehicle's continuous availability.³ For example, demand-response service hours include those hours when a vehicle has dropped off a passenger and is traveling to pick up another passenger, but not those hours when the vehicle is unavailable for service due to driver breaks or lunch. For both demand-response and fixed-route services, service hours will exclude hours of "deadhead" travel to the first scheduled pick-up, and will also exclude hours of "deadhead" travel from the last scheduled drop-off back to the terminal. For fixed-route service, a vehicle is in service from first scheduled stop to last scheduled stop, whether or not passengers board or exit at those points (i.e., subtracting driver lunch and breaks but including scheduled layovers).

Passenger Counts

According to the Transportation Development Act, *total passengers* is equal to the total number of unlinked trips (i.e., those trips that are made by a passenger that involve a single boarding and departure), whether revenue-producing or not.

Employees

Employee hours is defined as the total number of hours (regular or overtime) which all employees have worked, and for which they have been paid a wage or salary. The hours must include transportation system-related hours worked by persons employed in connection with the system (whether or not the person is employed directly by the operator). Full-Time Equivalent (FTE) is calculated by dividing the number of person-hours by 2,000.

Fare Revenue

Fare revenue is defined by California Code of Regulations Section 6611.2 as revenue collected from the farebox plus sales of fare media.

³ A vehicle is considered to be in revenue service despite a no-show or late cancellation if the vehicle remains available for passenger use.

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TDA Required Indicators

To calculate the TDA indicators for YCAT Routes 5 and 10, the following sources were employed:

- Operating Cost was not independently calculated as part of this audit. Operating Cost data were obtained via TDA fiscal audits for each fiscal year covered by this audit. This was compared to the Operating Cost reported to the State Controller. Operating Cost was determined to be consistent with TDA guidelines and accurately reflects the costs for YCAT Routes 5 and 10. In accordance with PUC Section 99247(a), the reported costs excluded depreciation and other allowable expenses.
- Fare Revenue was not independently calculated as part of this audit. Fare Revenue data were obtained via TDA fiscal audits for each fiscal year covered by this audit. Fare revenue from the reports is consistent with TDA guidelines.
- Vehicle Service Hours (VSH) data were obtained via monthly performance data summary reports for each fiscal year covered by this audit. Data from these reports were then compared with information included within the Quechan Tribe's State Controller reports. YCAT calculates VSH using schedule hours reconciled with dispatcher daily logs. YCAT's calculation methodology is consistent with PUC guidelines.
- Vehicle Service Miles (VSM) data were obtained via monthly performance data summary reports for each fiscal year covered by this audit. Data from these reports were then compared with information included within the Quechan Tribe's State Controller reports. YCAT calculates VSM by base mileage for all routes and multiplying base mileage by the number of trips, then adjusts for changes to service. This methodology is consistent with PUC guidelines.
 - Unlinked trip data were obtained via monthly performance data summary reports for each fiscal year covered by this review. Data from these reports was then compared with information included within the Quechan Tribe's State Controller reports. YCAT's calculation methodology is consistent with PUC guidelines.
 - Full-Time Equivalent (FTE) methodology is consistent with the TDA definition.

Performance trends for YCAT's Route 5 (Blue) and Route 10 (Turquoise) were analyzed for the three years covered by this Triennial Performance Audit. Indicators were calculated using the methodologies described in the previous section.

System⁴ Performance Trends

Operating cost experienced a net increase of 57 percent between FY 2013/14 and FY 2018/19. The largest increase took place in FY 2014/15, which corresponds with YCAT's transition to a new operations contractor in May 2014. During the current audit period, operating cost saw an increase of 10 percent. Fare revenue saw a net decrease of 5.3 percent across the six-year period, but increased 3.2 percent during the current audit period.

⁴ Note: All references to "system" in this performance analysis refer to the combined YCAT Routes 5 and 10. It does not include the full YCAT system.

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Vehicle service hours (VSH) experienced a net decrease of 12.3 percent across the six-year period, though an increase was noted in FY 2018/19. Vehicle service miles (VSM) saw a similar change, with a net decrease of 12.2 percent between FY 2013/14 and FY 2018/19, but had a 9.4 percent increase in FY 2018/19. During FY 2016/17 YCIPTA eliminated Saturday service on Route 10 (Turquoise) in an effort to adjust operating costs to meet performance standards. In FY 2018/19, YCIPTA reintroduced the third service day, but changed it to Friday. This contributed to declines across all performance measures during FY 2016/17 and FY 2017/18 for Route 10, though these impacts are less obvious when combined with Route 5 (Blue).

Ridership experienced a net increase of 13.9 percent across the six-year period, and an increase of 12.6 percent during the current audit period. In contrast to many transit programs nationwide, ridership increased steadily between FY 2016/17 and FY 2018/19.

Cost-related performance indicators did not show a clear change. Operating cost per VSH rose by 4.3 percent during the current audit period, while operating cost per passenger saw a net decrease of 2.3 percent. Operating cost per VSM had a net increase of less than one percent. This indicates a modest decline in cost-effectiveness overall. Passenger-related performance indicators, however, increased during the current audit period, demonstrating improved productivity. The unsupplemented farebox recovery ratio (which reflects only actual farebox revenues) was largely static during the current audit period, although it declined from 5.8 percent to 5.4 percent in FY 2018/19.

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Exhibit 5.1 System Performance Indicators

Performance Measure	System					
	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
Operating Cost (Actual \$)	\$248,773	\$328,842	\$372,039	\$355,145	\$359,751	\$390,607
<i>Annual Change</i>		32.2%	13.1%	-4.5%	1.3%	8.6%
Fare Revenue (Actual \$)	\$22,276	\$21,169	\$21,876	\$20,457	\$21,014	\$21,107
<i>Annual Change</i>		-5.0%	3.3%	-6.5%	2.7%	0.4%
Vehicle Service Hours (VSH)	4,451	4,048	3,915	3,701	3,629	3,904
<i>Annual Change</i>		-9.1%	-3.3%	-5.5%	-1.9%	7.6%
Vehicle Service Miles (VSM)	124,172	112,435	111,219	99,989	99,714	109,067
<i>Annual Change</i>		-9.5%	-1.1%	-10.1%	-0.3%	9.4%
Passengers	18,183	20,898	20,158	18,402	20,385	20,714
<i>Annual Change</i>		14.9%	-3.5%	-8.7%	10.8%	1.6%
Employees	3	3	3	2	2	2
<i>Annual Change</i>		0.0%	0.0%	-33.3%	0.0%	0.0%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$55.89	\$81.24	\$95.03	\$95.96	\$99.13	\$100.05
<i>Annual Change</i>		45.3%	17.0%	1.0%	3.3%	0.9%
Operating Cost/Passenger (Actual \$)	\$13.68	\$15.74	\$18.46	\$19.30	\$17.65	\$18.86
<i>Annual Change</i>		15.0%	17.3%	4.6%	-8.6%	6.9%
Passengers/VSH	4.09	5.16	5.15	4.97	5.62	5.31
<i>Annual Change</i>		26.4%	-0.3%	-3.4%	13.0%	-5.5%
Passengers/VSM	0.15	0.19	0.18	0.18	0.20	0.19
<i>Annual Change</i>		26.9%	-2.5%	1.5%	11.1%	-7.1%
Farebox Recovery	9.0%	6.4%	5.9%	5.8%	5.8%	5.4%
<i>Annual Change</i>		-28.1%	-8.7%	-2.0%	1.4%	-7.5%
Hours/Employee	1483.7	1349.3	1305.0	1850.5	1814.5	1952.0
<i>Annual Change</i>		-9.1%	-3.3%	41.8%	-1.9%	7.6%
TDA Non-Required Indicators						
Operating Cost/VSM	\$2.00	\$2.92	\$3.35	\$3.55	\$3.61	\$3.58
<i>Annual Change</i>		46.0%	14.4%	6.2%	1.6%	-0.7%
VSM/VSH	27.90	27.78	28.41	27.02	27.48	27.94
<i>Annual Change</i>		-0.4%	2.3%	-4.9%	1.7%	1.7%
Fare/Passenger	\$1.23	\$1.01	\$1.09	\$1.11	\$1.03	\$1.02
<i>Annual Change</i>		-17.3%	7.1%	2.4%	-7.3%	-1.2%

Sources: FY 2013/14 – FY 2015/16 data from prior Triennial Performance Audit report.

FY 2016/17 – FY 2018/19 financial data from TDA fiscal audits.

FY 2016/17 – FY 2018/19 performance data from monthly performance summaries.

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Exhibit 5.2 System Ridership

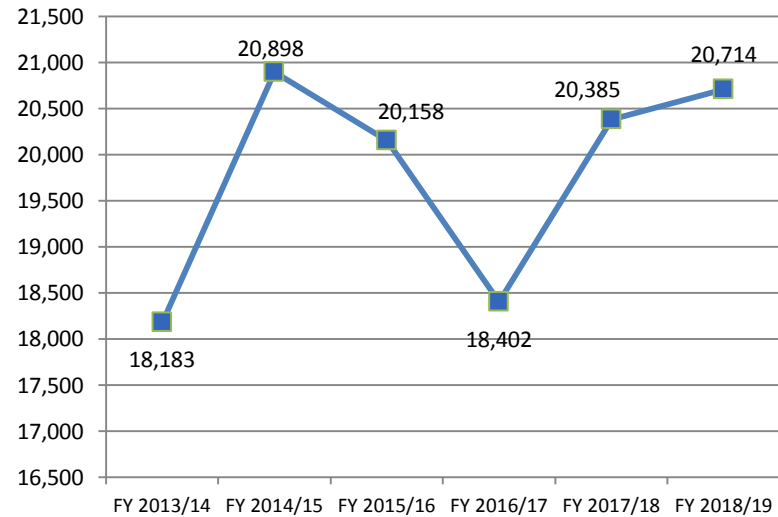


Exhibit 5.3 System Operating Cost/VSH

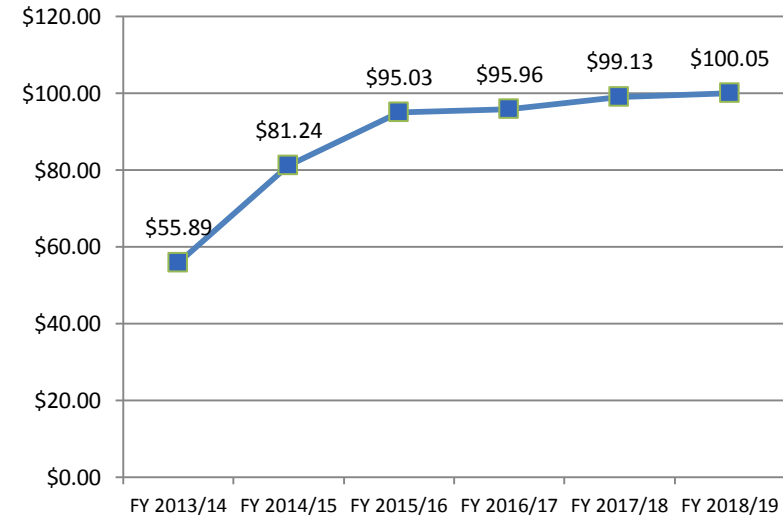


Exhibit 5. System Operating Cost/VSM

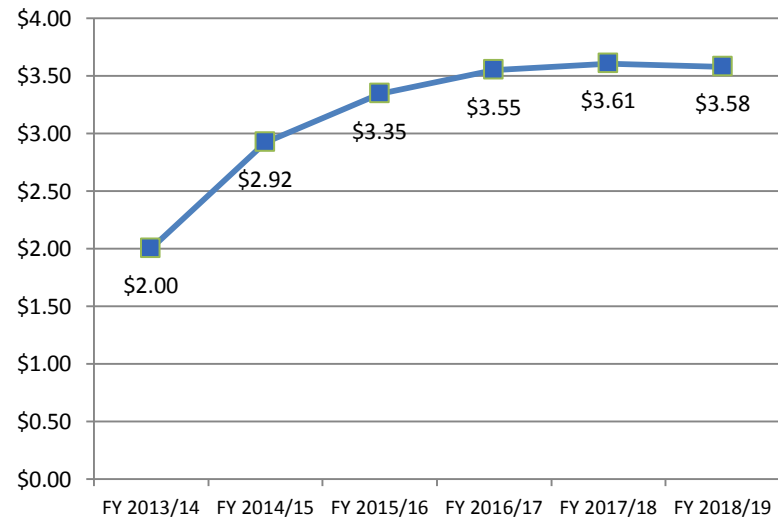
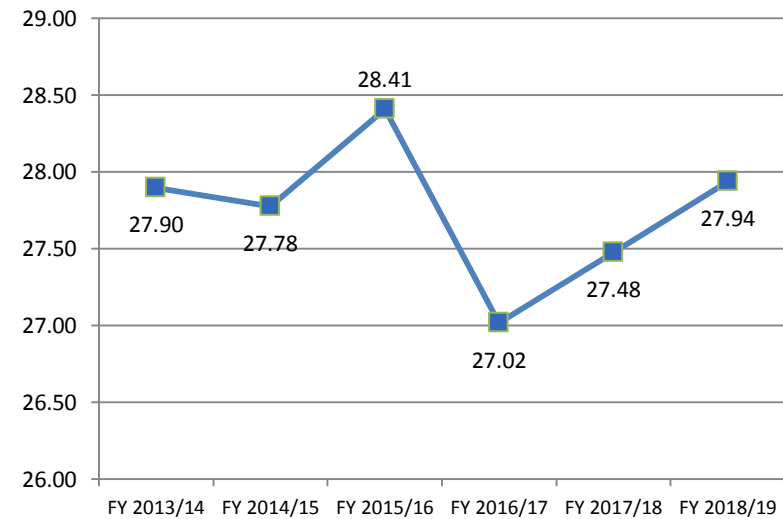


Exhibit 5.5 System VSM/VSH



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Exhibit 5. System Operating Cost/Passenger

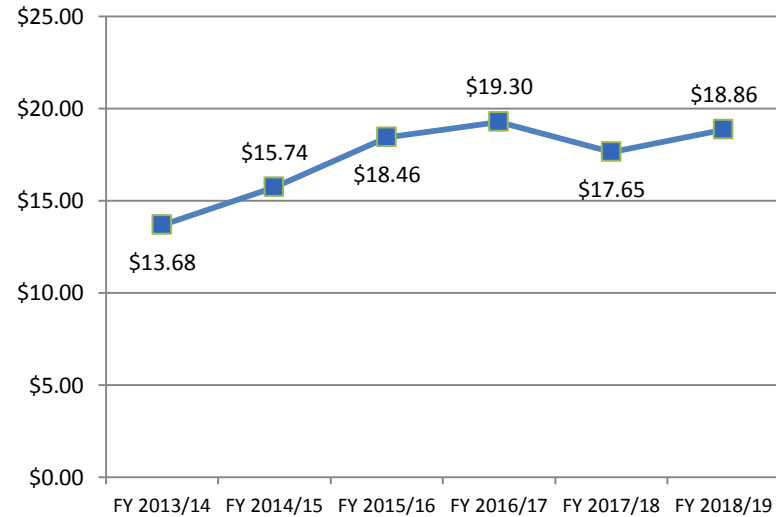


Exhibit 5.7 System Passengers/VSH

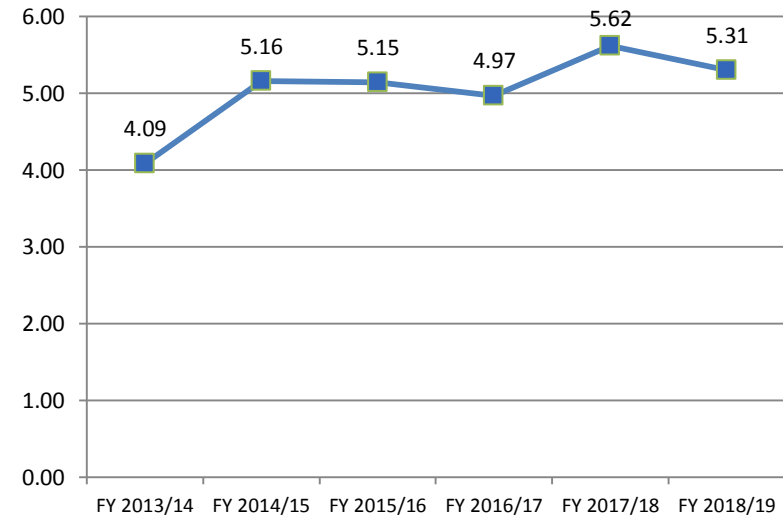


Exhibit 5.8 System Passengers/VSM

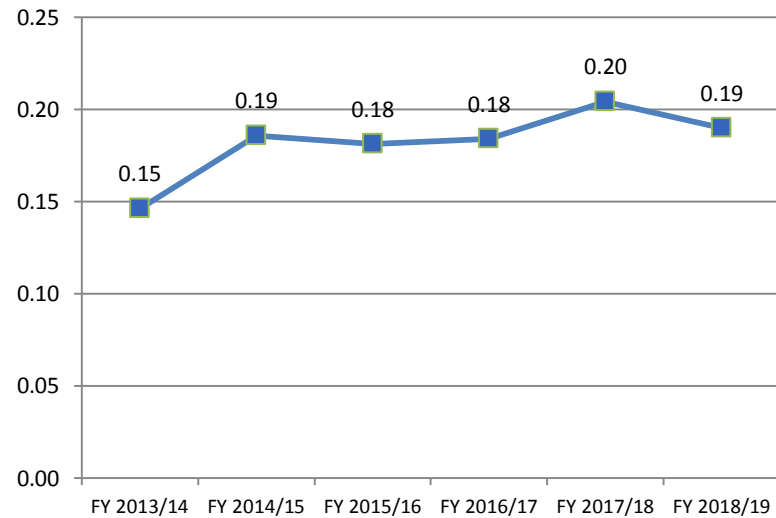
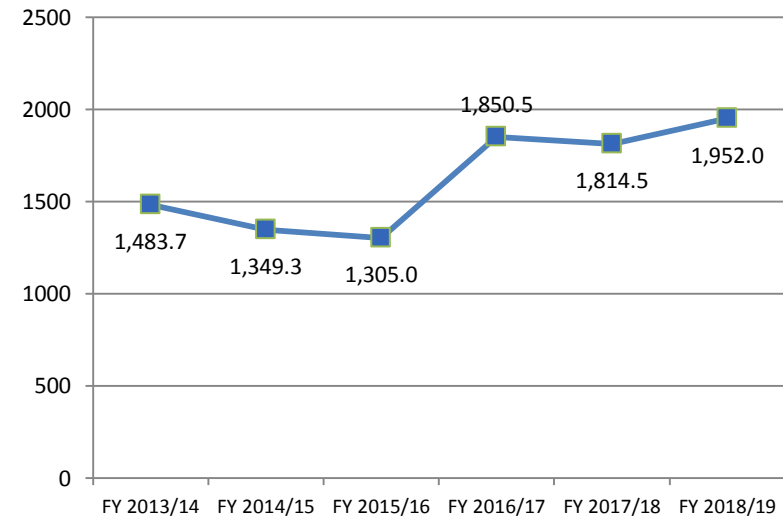


Exhibit 5.9 System VSH/FTE



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Exhibit 5.10 System Farebox Recovery

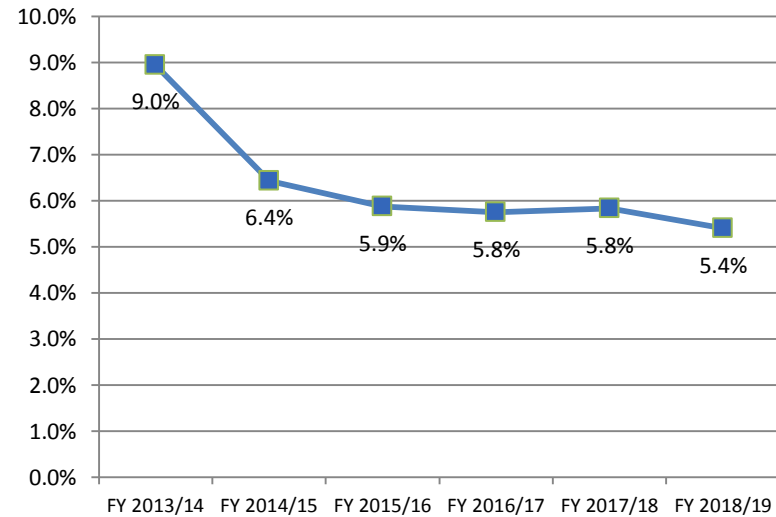
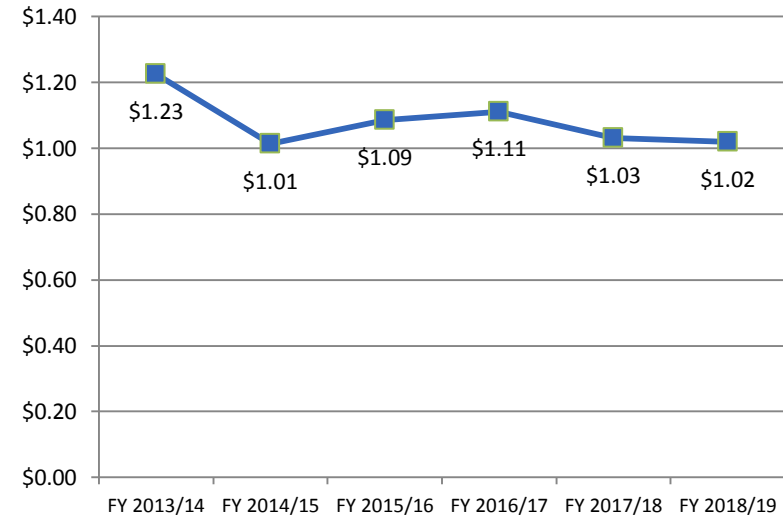


Exhibit 5.11 System Fare/Passenger



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Route-Specific Performance – Route 5 (Blue)

Route 5 experienced significant increases in operating cost during the prior audit period, resulting in an increase of 74.8 percent between FY 2013/14 and FY 2018/19. However, operating cost only increased 5.2 percent during the current audit period. Fare revenues experienced a net 5.8 percent decrease across the six-year period, yet posted a net 1.3 percent increase during the current audit period.

Vehicle service hours (VSH) experienced a net 14.3 percent decrease between FY 2013/14 and FY 2018/19, yet decreased just 1.8 percent during the current audit period. Vehicle service miles (VSM) experienced a similar change, with a net 14 percent decrease across the six-year period and a net 1.5 percent decrease during the current audit period. Conversely, ridership experienced a net 20 percent increase between FY 2013/14 and FY 2018/19. During the current audit period, ridership experienced a net increase of 12.2 percent, despite a small decline in FY 2018/19.

Cost-related performance indicators were mixed during the current audit period. Operating cost per VSH and operating cost per VSM both increased by approximately seven percent, while operating cost per passenger declined 6.2 percent. Passenger-related performance indicators increased by approximately 14 percent during the current audit period, indicating an improvement in productivity. The unsupplemented farebox recovery ratio fluctuated during the current audit period, ultimately decreasing from 5.7 percent to 5.5 percent.

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Exhibit 5.12 Route 5 (Blue) Performance Indicators

Performance Measure	Route 5 (Blue)					
	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
Operating Cost (Actual \$)	\$176,134	\$227,585	\$271,718	\$292,669	\$296,465	\$307,836
<i>Annual Change</i>		29.2%	19.4%	7.7%	1.3%	3.8%
Fare Revenue (Actual \$)	\$18,046	\$15,239	\$17,407	\$16,774	\$17,728	\$16,997
<i>Annual Change</i>		-15.6%	14.2%	-3.6%	5.7%	-4.1%
Vehicle Service Hours (VSH)	3,544	3,127	3,048	3,095	3,062	3,039
<i>Annual Change</i>		-11.8%	-2.5%	1.5%	-1.1%	-0.8%
Vehicle Service Miles (VSM)	85,086	74,048	73,292	74,307	74,763	73,187
<i>Annual Change</i>		-13.0%	-1.0%	1.4%	0.6%	-2.1%
Passengers	15,532	16,937	17,079	16,609	18,744	18,630
<i>Annual Change</i>		9.0%	0.8%	-2.8%	12.9%	-0.6%
Employees	1.5	1.5	1.5	1	1	1
<i>Annual Change</i>		0.0%	0.0%	-33.3%	0.0%	0.0%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$49.70	\$72.78	\$89.15	\$94.56	\$96.82	\$101.30
<i>Annual Change</i>		46.4%	22.5%	6.1%	2.4%	4.6%
Operating Cost/Passenger (Actual \$)	\$11.34	\$13.44	\$15.91	\$17.62	\$15.82	\$16.52
<i>Annual Change</i>		18.5%	18.4%	10.8%	-10.2%	4.5%
Passengers/VSH	4.38	5.42	5.60	5.37	6.12	6.13
<i>Annual Change</i>		23.6%	3.5%	-4.2%	14.1%	0.1%
Passengers/VSM	0.18	0.23	0.23	0.22	0.25	0.25
<i>Annual Change</i>		25.3%	1.9%	-4.1%	12.2%	1.5%
Farebox Recovery	10.2%	6.7%	6.4%	5.7%	6.0%	5.5%
<i>Annual Change</i>		-34.6%	-4.3%	-10.5%	4.3%	-7.7%
Hours/Employee	2,362.7	2,084.7	2,032.0	3,095.0	3,062.0	3,039.0
<i>Annual Change</i>		-11.8%	-2.5%	52.3%	-1.1%	-0.8%
TDA Non-Required Indicators						
Operating Cost/VSM	\$2.07	\$3.07	\$3.71	\$3.94	\$3.97	\$4.21
<i>Annual Change</i>		48.5%	20.6%	6.2%	0.7%	6.1%
VSM/VSH	24.01	23.68	24.05	24.01	24.42	24.08
<i>Annual Change</i>		-1.4%	1.5%	-0.2%	1.7%	-1.4%
Fare/Passenger	\$1.16	\$0.90	\$1.02	\$1.01	\$0.95	\$0.91
<i>Annual Change</i>		-22.6%	13.3%	-0.9%	-6.4%	-3.5%

Sources: FY 2013/14 – FY 2015/16 data from prior Triennial Performance Audit report.

FY 2016/17 – FY 2018/19 financial data from TDA fiscal audits.

FY 2016/17 – FY 2018/19 performance data from monthly performance summaries.

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Route-Specific Performance – Route 10 (Turquoise)

During FY 2016/17 YCIPTA eliminated Saturday service on Route 10 (Turquoise) in an effort to adjust operating costs to meet performance standards. In FY 2018/19, YCIPTA reintroduced the third service day, but subsequently changed it to Friday. This contributed to declines across all performance measures during FY 2016/17 and FY 2017/18.

Operating cost saw a net increase of 14 percent between FY 2013/14 and FY 2018/19. This included both a 37.7 percent decrease in FY 2016/17 (when Saturday service was eliminated) and a 30.8 percent increase in FY 2018/19 (when Friday service was introduced). Overall, operating cost experienced a decrease of 17.5 percent between FY 2015/16 and FY 2018/19, both of which included service three days per week. Fare revenue fluctuated throughout the audit period, generally mirroring changes to ridership. Fare revenue experienced a net decrease of 2.8 percent across the six-year period but a net increase of 11.6 percent during the current audit period.

Vehicle service hours experienced a notable decrease in FY 2016/17 and FY 2017/18, when Route 10 operated only two service days each week. The reintroduction of the third service day in FY 2018/19 resulted in a net decrease of 4.6 percent across the six-year period, but an increase of 52.6 percent between FY 2017/18 and FY 2018/19. A similar pattern was observed for vehicle service miles, which had a net decrease of 8.2 percent between FY 2013/14 and FY 2018/19, but a 43.8 percent increase between the last two years of the current audit period. Ridership fluctuated as well, decreasing by a net 21.4 percent across the six-year period, yet increasing by 27 percent between FY 2017/18 and FY 2018/19.

Cost-related performance measures were mixed. Operating cost per VSH and operating cost per VSM both decreased by 7.2 percent and 5.2 percent, respectively, during the current audit period, which indicates improvement. Operating cost per passenger, however, increased by 14 percent, which is not an improvement. Passenger-related performance measures decreased significantly (by 17 to 19 percent) during the current audit period, resulting in decreased productivity. The unsupplemented farebox recovery ratio also decreased throughout the current audit period, declining 15.8 percent.

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Exhibit 5.13 Route 10 (Turquoise) Performance Indicators

Performance Measure	Route 10 (Turquoise)					
	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
Operating Cost (Actual \$)	\$72,639	\$101,257	\$100,321	\$62,476	\$63,286	\$82,771
<i>Annual Change</i>		39.4%	-0.9%	-37.7%	1.3%	30.8%
Fare Revenue (Actual \$)	\$4,230	\$5,930	\$4,469	\$3,683	\$3,286	\$4,110
<i>Annual Change</i>		40.2%	-24.6%	-17.6%	-10.8%	25.1%
Vehicle Service Hours (VSH)	907	921	867	606	567	865
<i>Annual Change</i>		1.5%	-5.9%	-30.1%	-6.4%	52.6%
Vehicle Service Miles (VSM)	39,086	38,387	37,927	25,682	24,951	35,880
<i>Annual Change</i>		-1.8%	-1.2%	-32.3%	-2.8%	43.8%
Passengers	2,651	3,961	3,079	1,793	1,641	2,084
<i>Annual Change</i>		49.4%	-22.3%	-41.8%	-8.5%	27.0%
Employees	1.5	1.5	1.5	1	1	1
<i>Annual Change</i>		0.0%	0.0%	-33.3%	0.0%	0.0%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$80.09	\$109.94	\$115.71	\$103.10	\$111.62	\$95.69
<i>Annual Change</i>		37.3%	5.2%	-10.9%	8.3%	-14.3%
Operating Cost/Passenger (Actual \$)	\$27.40	\$25.56	\$32.58	\$34.84	\$38.57	\$39.72
<i>Annual Change</i>		-6.7%	27.5%	6.9%	10.7%	3.0%
Passengers/VSH	2.92	4.30	3.55	2.96	2.89	2.41
<i>Annual Change</i>		47.1%	-17.4%	-16.7%	-2.2%	-16.8%
Passengers/VSM	0.07	0.10	0.08	0.07	0.07	0.06
<i>Annual Change</i>		52.1%	-21.3%	-14.0%	-5.8%	-11.7%
Farebox Recovery	5.8%	5.9%	4.5%	5.9%	5.2%	5.0%
<i>Annual Change</i>		0.6%	-23.9%	32.3%	-11.9%	-4.4%
Hours/Employee	604.7	614.0	578.0	606.0	567.0	865.0
<i>Annual Change</i>		1.5%	-5.9%	4.8%	-6.4%	52.6%
TDA Non-Required Indicators						
Operating Cost/VSM	\$1.86	\$2.64	\$2.65	\$2.43	\$2.54	\$2.31
<i>Annual Change</i>		41.9%	0.3%	-8.0%	4.3%	-9.0%
VSM/VSH	43.09	41.68	43.75	42.38	44.01	41.48
<i>Annual Change</i>		-3.3%	5.0%	-3.1%	3.8%	-5.7%
Fare/Passenger	\$1.60	\$1.50	\$1.45	\$2.05	\$2.00	\$1.97
<i>Annual Change</i>		-6.2%	-3.0%	41.5%	-2.5%	-1.5%

Sources: FY 2013/14 – FY 2015/16 data from prior Triennial Performance Audit report.

FY 2016/17 – FY 2018/19 financial data from TDA fiscal audits.

FY 2016/17 – FY 2018/19 performance data from monthly performance summaries.

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Exhibit 5.14 Route Ridership

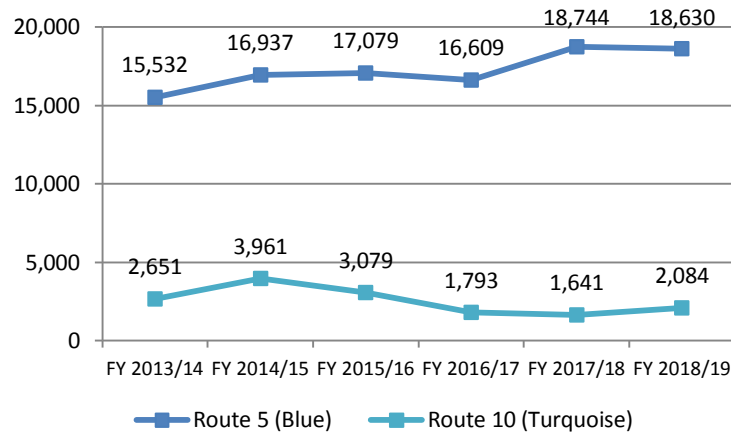


Exhibit 5.15 Route Operating Cost/VSH

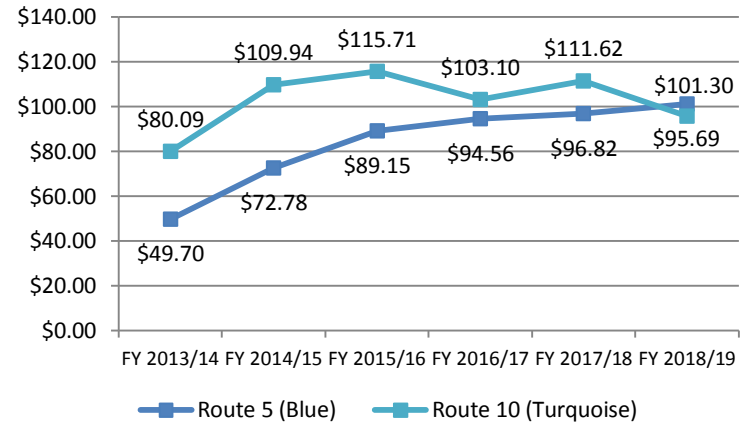


Exhibit 5.16 Route Operating Cost/VSM

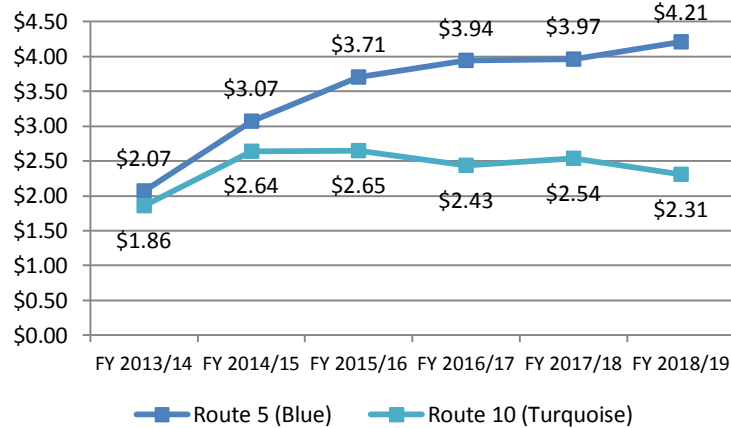
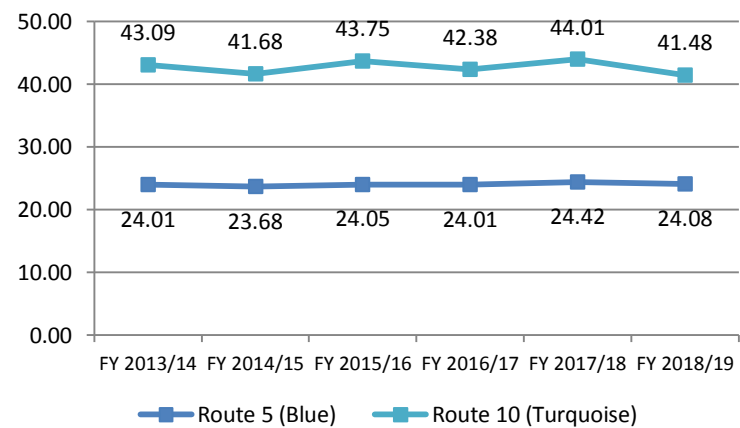


Exhibit 5.17 Route VSM/VSH



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Exhibit 5.18 Route Operating Cost/Passenger

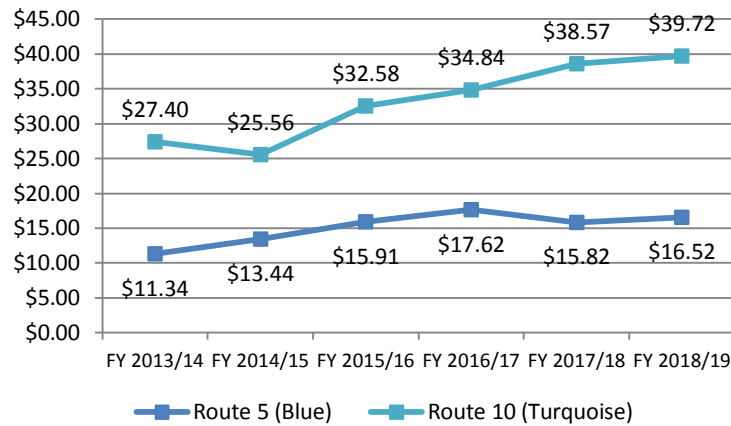


Exhibit 5.19 Route Passengers/VSH

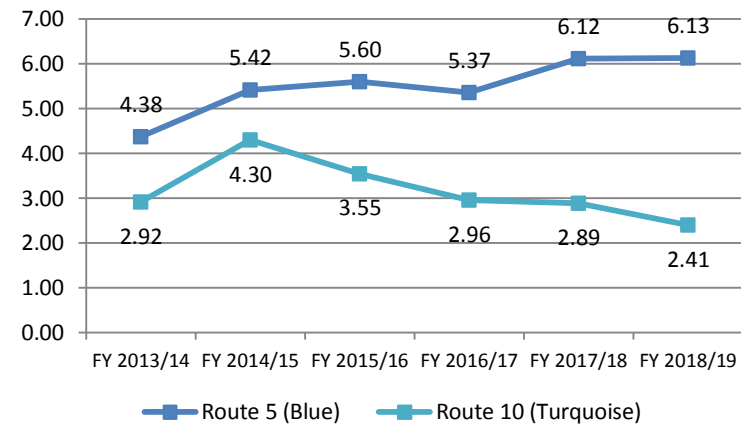


Exhibit 5.20 Route Passengers/VSM

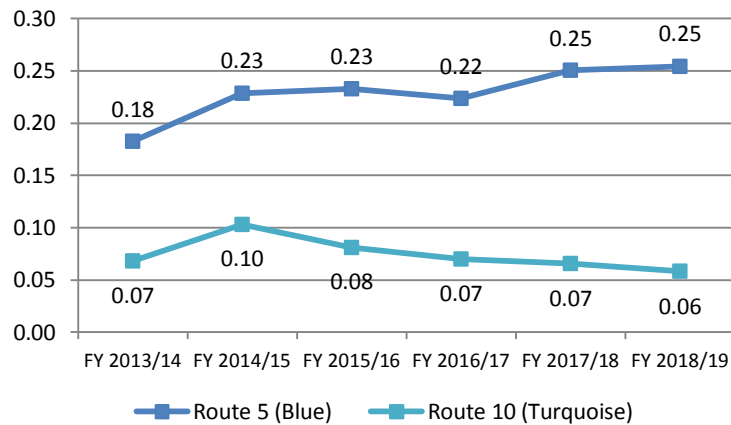
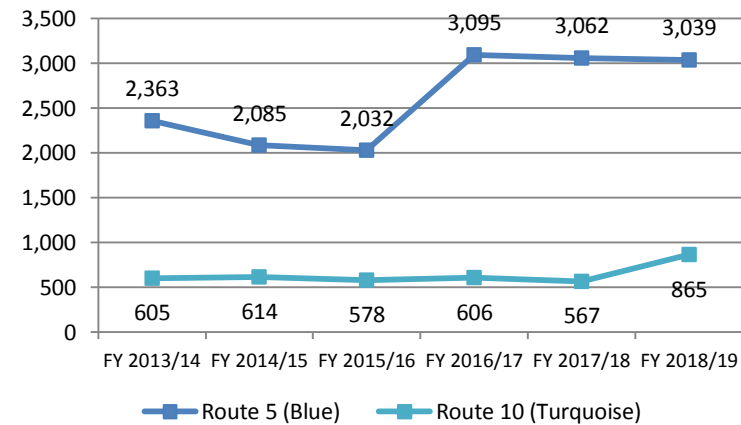


Exhibit 5.21 Route VSH/FTE



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Exhibit 5.22 Route Farebox Recovery

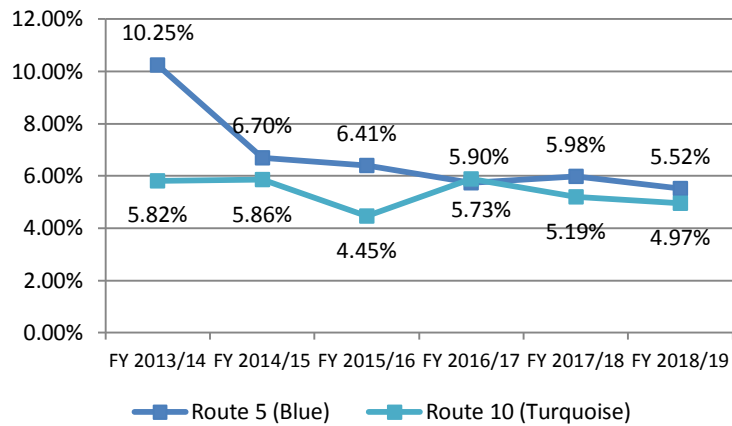
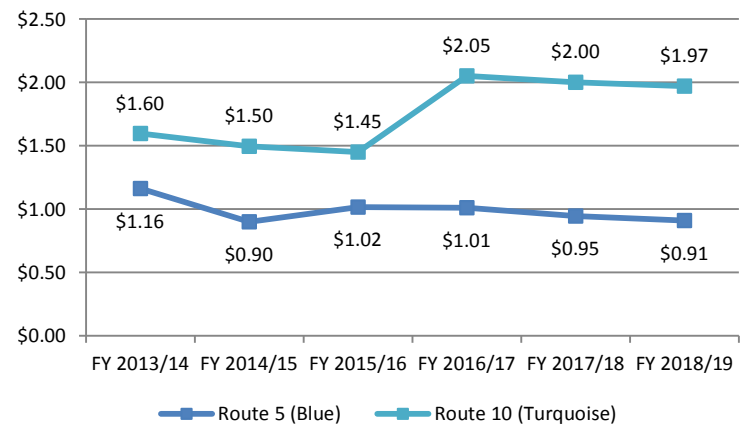


Exhibit 5.23 Route Fare/Passenger



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Chapter 6

Functional Review

A functional review of Yuma County Intergovernmental Public Transportation Authority's public transit program is intended to assess the effectiveness and efficiency of the operator. Following a general summary of the operator's transit services, this chapter addresses seven functional areas. The list, taken from Section III of the *Performance Audit Guidebook* published by Caltrans, reflects those transit services provided by YCIPTA through its transit program:

- General management and organization;
- Service planning;
- Scheduling, dispatch, and operations;
- Personnel management and training;
- Administration;
- Marketing and public information; and
- Fleet maintenance.

Service Overview

The Yuma County Intergovernmental Public Transportation Authority (YCIPTA) operates the Yuma County Area Transit (YCAT) service in Yuma, Arizona. In partnership with the Quechan Tribe, which is located in California and receives TDA funding, YCAT operates two routes serving Imperial County. The Blue Route (Route 5) originates in Yuma and serves the Quechan Casino Resort in California, with limited service to the Andrade Port of Entry. The Turquoise Route (Route 10) originates in Yuma and travels to El Centro via Interstate 8.

Service on the Blue Route operates hourly between 7:19 a.m. and 6:11 p.m., Monday through Friday. Saturday service operates from 10:19 a.m. to 4:11 p.m. Service on the Turquoise Route operates on Monday, Wednesday, and Friday only. In the winter, it departs Yuma at 8:30 a.m. and 2:30 p.m., with the return trips departing El Centro at 8:59 a.m. and 2:59 p.m. In the summer, the service departs Yuma at 7:30 a.m. and 1:30 p.m., with the return trips departing El Centro at 8:59 a.m. and 2:59 p.m. This is to accommodate the time change associated with Daylight Savings Time, as Arizona does not observe Daylight Savings Time while California does.

In July 2016, YCIPTA eliminated the third service day on Route 10. Prior to that time, service was offered on Monday, Wednesday, and Saturday. This was done in an effort to adjust the operating cost to better meet performance standards. At the same time, Route 10 began accepting cash fares only and no longer offered any discounted fares. The third service day was reintroduced in July 2018, but on Friday rather than Saturday, though the cash only fare remained.

Fare Structure

The YCAT fare schedule is shown in Exhibit 6.1 No transfers are offered. Children under five ride free (for the first four children); additional children pay the reduced fare. Students and employees of several local high schools and colleges, as well as members of the Cocopah Tribe, also ride for free with an identification card.

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Exhibit 6.1 YCAT Fare Schedule

Fare Type	Full Fare	Reduced Fare*
One-way (Route 5)	\$2.00	\$1.00
Day YCATPass	\$5.00	\$2.50
10-Ride YCATPass	\$17.50	\$7.50
31-Day YCATPass	\$60.00	\$30.00
Route Deviation Fare (Route 5)	\$2.00	\$2.00
One-way (Route 10)	\$2.00 (cash only)	N/A

**Reduced fares are available to seniors age 65 and older, persons with disabilities, Medicare cardholders, ADA-certified individuals, and students age 5-18 with a school ID. Discounts not available on Route 10.*

General Management and Organization

YCIPTA's Transit Director meets with the operations contractor (currently RATP Dev) on a daily basis, as they are located within the same facility. The Quechan Tribe meets with YCIPTA and ICTC on a quarterly basis as part of the Eastern Imperial County Transit Services (EICTS) Operations and Implementation Business Plan. At that time, YCIPTA shares and issues with the operations contractor and addresses any concerns.

YCIPTA currently has three staff members supporting the transit program: Transit Director, Financial Services Operations Manager, and Transit Operations Manager. YCIPTA would benefit from additional staff in general, not specifically transit. Lines of reporting are clearly defined.

Operation of the YCAT service is contracted to RATP Dev, which assumed the contract in July 2018. RATP Dev's contract is for a three-year base term with seven one-year options. Prior to this, the service was operated by National Express Transit from August 2014 through June 2018. During National Express' tenure, up to 40 percent of the fleet was out of service, which contributed to YCIPTA's decision to rebid. National Express did not submit a bid in 2018.

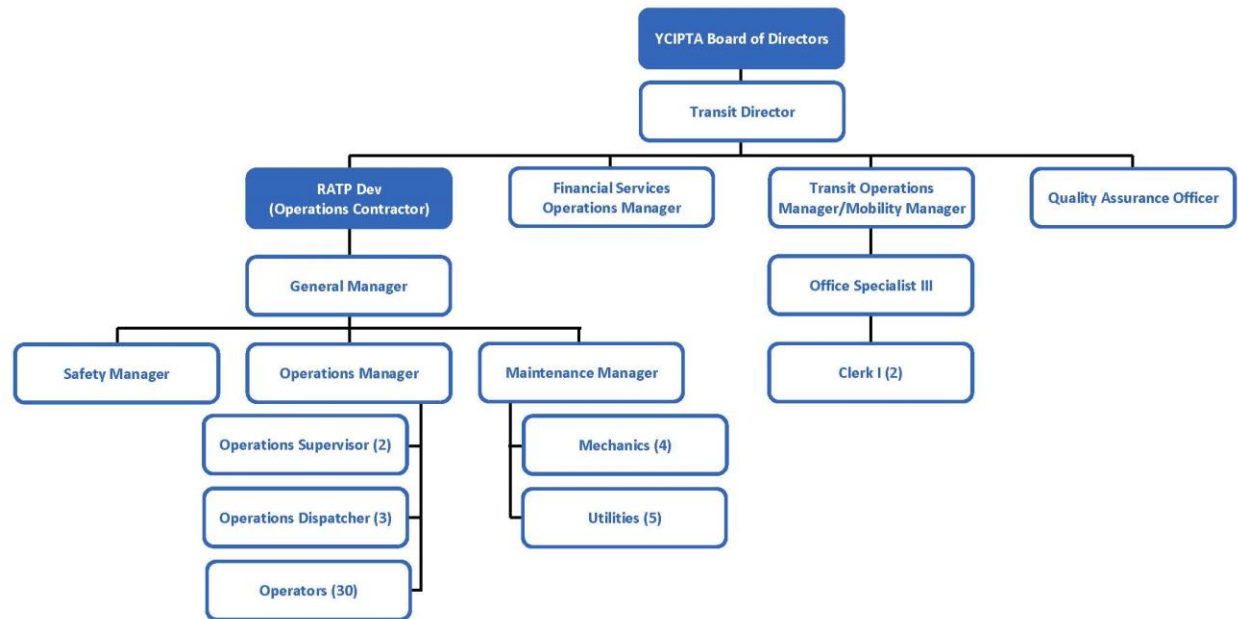
YCIPTA/YCAT's organizational chart is illustrated in Exhibit 6.2. While not reflected in the organizational chart, both ICTC and the Quechan Tribe are funding partners for Routes 5 and 10. Along with YCIPTA, both participate in the Eastern Imperial County Transit Services (EICTS) Operations and Implementation Business Plan.

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Exhibit 6.2 Organizational Chart



Source: YCIPTA and RATP Dev.

Service Planning

The Yuma Metropolitan Planning Organization (MPO) recently selected a consultant to update its Short Range Transit Plan (S RTP), which will include planning for Routes 5 and 10. Prior to this update, the prior S RTP was completed in August 2014.

An updated Eastern Imperial County Transit Services Business Plan is prepared annually. The document provides an overview of the service, defines partner roles and responsibilities, forecasts costs and revenues for the upcoming year, confirms performance standards, details marketing and outreach activities, and provides additional operating information.

Operating budgets, TDA claim forms, and the annual State Controller Report are all brought to the Quechan Tribe's governing body. The Tribe's EDA Director serves as the liaison with YCIPTA, although he is not dedicated to the transit program. While the Tribe does not conduct any planning-specific public outreach, contact information is provided on all marketing flyers.

Scheduling, Dispatch, and Operations

Routes 5 and 10 are included in YCAT's regular service bid process. Any driver can bid on these routes. Driver bids take place four times per year and are based on seniority. Maintenance personnel bid on shifts by seniority every six months. Staff are unionized (ATU Local 1433) and all bids are governed by the collective bargaining agreement (CBA). The current CBA is effective from July 1, 2019 through June 30, 2022.

While YCAT did not have any part-time drivers during the current audit period, it is not precluded from doing so. Several part-time drivers have since been hired by RATP Dev. Part-time operators are those

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who have bid a route scheduled to work less than 35 hours per week. Per the CBA, no more than 15 percent of the total operator workforce can be part-time operators.

YCAT currently uses the Solutions for Transit platform for dispatching. Dispatcher is a dedicated position. However, all dispatchers are required to maintain a commercial driver's license.

All YCAT buses feature new GFI Genfare Fastfare fareboxes. When a vehicle pulls into the yard, it is probed, farebox information is downloaded, and the farebox unlocks. The farebox is then removed from the vehicle and dumped into the vault. This takes place daily. At no time does the driver or utility worker have access to the fare revenue. Each morning, a dispatcher and road supervisor get money bags, empty the vault, run a report, put the report in with the cash, seal the bags, and put the bags in the safe in the money room, which is equipped with cameras. Loomis armored car service picks up the money and takes it to be counted. Non-cash fare media allocated to Route 5. Cash is then deposited in YCIPTA's account.

Personnel Management and Training

Recruiting is handled by RATP Dev at both the local and corporate level. Open positions are also posted on the YCIPTA/YCAT websites and on Facebook. RATP Dev is constantly recruiting. Some recruits have their commercial license, while others require full training and licensing. RATP Dev offers a full training program, but recruits have to go to DMV for testing. RATP Dev offers a dedicated TSI-certified safety and training manager. RATP Dev is typically able to provide enough drivers, though they have been short. Only rarely does driver staffing affect the contractor's ability to provide the service (driver illness, etc.). All employees are subject to a 90-day probation period.

RATP Dev conducts monthly safety meetings and participates in required drug and alcohol testing. RATP Dev has a zero tolerance policy with respect to drug and alcohol use.

The CBA governs seniority, leave, attendance, discipline and discharge, the safety point system, accident/incident reporting and response, vacation time, holidays, sick time, wages, and grievance and arbitration. It includes a progressive discipline policy. Mechanics qualify for a wage premium for ASE certifications in Medium/Heavy Duty Truck, School Bus, and/or Transit Bus as well as for ASE Master Certification.

RATP Dev provides benefits to full-time employees as detailed in the CBA. Benefits include health, dental, and vision insurance; short- and long-term disability plans; and life insurance. Employees may also participate in RATP Dev's 401(k) plan.

Administration

Budgeting is done at quarterly EICTS meetings. It is a joint process between YCIPTA, ICTC, and the Quechan Tribe. Budgeting for the next fiscal year begins in March. Historically, actual costs have been largely in line with budgeted expenses. With the adoption of the most recent CBA, the budget was adjusted to accommodate higher wages, as YCAT's were significantly lower than its peers.

The responsibility for grants management is shared. YCIPTA's Financial Services Operations Manager handles grants for YCIPTA, while the Quechan Tribe's EDA Director handles grants for the Tribe.

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RATP Dev carries insurance and handles accident and injury claims and handles payroll for its employees. Staff use a timeclock to clock in and out. Payroll is run on a biweekly pay period, with employee time reviewed daily. Direct deposit is offered as an option. YCIPTA's payroll uses timesheets, and all employees use direct deposit.

YCIPTA's procurement manual is in compliance with ADOT and federal requirements. For the most recent operations procurement, three bids were received. YCIPTA purchases fuel, while RATP Dev provides its own tires and parts. Vehicles are purchased through the state contract when using ADOT funds. YCIPTA recently had options for its purchase of Gilligs via a joint procurement with a public transit operator in Akron, Ohio. Staff are seeking other options for future vehicle purchases.

Marketing and Public Information

YCAT produces a system rider guide that includes Routes 5 and 10. Advertising and promotion activities include television commercials, scrolling information on the YCAT website, newspaper advertisements, Yuma County map advertisement, and inclusion in the City of Yuma Parks and Recreation brochure. YCIPTA also attends job fairs. Many community organizations reach out to them, and the Transit Operations Manager/Mobility Manager goes out and provides information about the service. There was also outreach related to the new fareboxes in July 2019.

The Quechan Tribe also promotes Routes 5 and 10. It distributes a monthly flyer to Tribal departments, with a different focus each month. It also advertises at local grocery stores and encourages Tribal members to use the online services (Nextbus, trip planner, etc.).

YCIPTA handles customer service calls, but it is up to RATP Dev to respond to complaints within a designated timeframe. RATP Dev is required to make three attempts to reach the complainant and document each attempt. The contractor's response to customer complaints is improving.

Maintenance

YCAT utilizes Solutions for Transit software, which is also used for maintenance tracking. Most work is done in-house, though large items may be sent out. No other RATP Dev contracts are serviced at the YCAT facility, nor are any of RATP Dev's vehicles maintained there. The Transit Director has access to maintenance reports (preventive maintenance due, work orders, etc.) on a daily basis. YCIPTA's Quality Assurance Officer reviews preventive maintenance reports to confirm quality. This is largely due to YCIPTA's experience with its prior operations contractor. Mechanics are required to provide their own tools.

YCIPTA currently leases the YCIPTA/YCAT facility. YCIPTA is attempting to purchase a parcel of land upon which to construct a purpose-built facility. The land is currently being rezoned and YCIPTA hopes to purchase it by July 2020. YCIPTA will then pursue grant funding for construction. The catalyst for the new facility is a lack of space/capacity at the current facility. Both YCIPTA and YCAT are domiciled in a single small building, making for very close quarters. There are currently four maintenance bays, but five is desired.

RATP Dev has improved its maintenance of the vehicles. It had some staffing turnover initially and lacked full staffing for a period of time. The Transit Director was in frequent communication with RATP Dev's regional staff during this time.

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Maintenance has effective communications with dispatch regarding out-of-service vehicles. There is no current significant maintenance backlog. Currently, YCAT is able to provide sufficient vehicles for pullout. Under the prior operations contract, regular maintenance impacted YCAT's ability to meet pullout requirements. Currently, two older vehicles are on the "critical" list.

YCIPTA has been procuring new vehicles on a regular basis. Fleet replacement has been pretty aggressive across the last couple of years. The Tribe also received an FTA discretionary grant for bus shelters that will be installed on Routes 5 and 10 during calendar year 2020. This will address some concerns from riders about having to stand out in the sun.

YCAT's fleet list is provided in Exhibit 6.3. This represents the whole YCAT fleet, as vehicles used on Routes 5 and 10 are not designated but drawn from the fixed-route fleet.

Exhibit 6.3 YCAT Fleet

Year	Make	Model	Quantity	Average Mileage (as of 6/30/19)
1997	New Flyer	D40F	3	558,468
2010	Ford E350	ENC Aerolite	4	287,014
2010	Chevy C5500	ENC Passport	7	475,782
2014	Braun	Entervan	1	29,986
2015	Dodge	Grand Caravan	1	56,494
2015	Dodge	Amerivan	1	73,115
2016	Gillig	Low Floor	2	201,580
2016	FRHT	Arboc	3	86,155
2017	Arboc	Arboc	1	56,323
2019	Gillig	Low Floor	5	21,060
2019	Starcraft	Allstar	2	2,303

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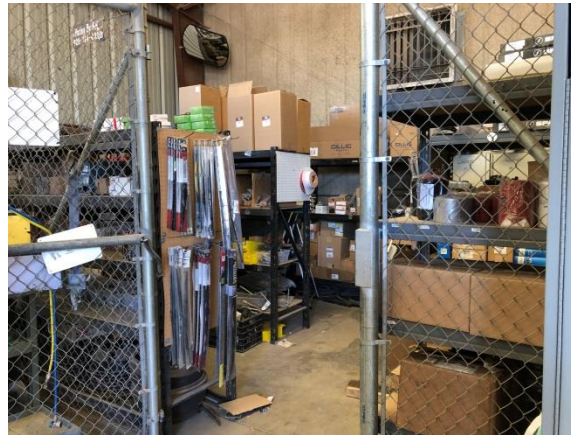
YCAT fixed-route bus.



YCAT fixed-route buses in storage yard.



YCAT maintenance shop.



YCAT parts room.

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Chapter 7

Findings and Recommendations

With one exception, we find YCIPTA/YCAT to be in compliance with the requirements of the Transportation Development Act. In addition, the entity generally functions in an efficient, effective, and economical manner.

Findings and Recommendations

Based on discussions with YCIPTA and Quechan Tribe staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. The State Controller Report for FY 2016/17 was submitted after the stipulated deadline.

The audit team has also identified one functional finding. While this finding is not a compliance finding, the auditors believe it is significant enough to be addressed within this audit:

1. There were some inconsistencies between the operating data reported to the State Controller and that reported on YCAT's monthly performance reports.

Program Recommendations

In completing this Triennial Performance Audit, the auditors submit the following recommendations for the YCAT public transit program. They are divided into two categories: TDA Program Compliance Recommendations and Functional Recommendations. TDA Program Compliance Recommendations are intended to assist in bringing the operator into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the audit that are not specific to TDA compliance.

Compliance Finding 1: The State Controller Report for FY 2016/17 was submitted after the stipulated deadline.

Criteria: Public Utilities Code Section 99243 requires transit operators in receipt of TDA funds to submit annual reports to the State Controller within 90 days following the end of the fiscal year (110 days if filing electronically). Beginning FY 2016/17, this submittal deadline was amended to January 31 following the end of the fiscal year. Beginning with the online reporting for FY 2017/18, the cover sheet is timestamped with the submittal date and time upon its generation. This makes it easier to evaluate when the report was actually submitted.

Condition: This was also a finding in the prior audit report. In FY 2016/17, the State Controller Report was submitted approximately six weeks after the stipulated deadline. However, in the following years, it was submitted prior to the deadline.

Cause: Several challenges can result in reports being submitted late, including the unavailability of final data and lack of awareness regarding submittal deadlines.

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Effect: Late submittals can place an operator out of compliance with the TDA.

Recommendation: Continue to ensure State Controller Reports are submitted in a timely manner.

Recommended Action(s): No specific action is necessary, as subsequent reports were submitted on time.

Timeline: Ongoing.

Anticipated Cost: Negligible.

Functional Finding 1: There were some inconsistencies between the operating data reported to the State Controller and that reported on YCAT's monthly performance reports.

Criteria: PUC 99247 sets forth specific definitions of various performance indicators used in TDA reporting. In most cases, these are standard industry definitions, and performance data such as ridership, vehicle service hours, and vehicle service miles should be the same, regardless of whether reported internally or to an outside entity.

Condition: During the preparation of the audit, we noted numerous inconsistencies between operating data reported in the monthly performance summaries provided to the audit team and that reported to the State Controller. Some of these variances were very modest and, on their own, would not warrant a finding. However, the reporting of vehicle service hours (VSH) in FY 2017/18 and FY 2018/19 was of some concern.

In FY 2017/18, it is obvious there is an error regarding how VSH is reported, as it clearly duplicates the number of unlinked trips. In FY 2018/19, the cause of the variance is not as clear-cut, although there is still a difference of 8.7 percent.

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Performance Measure	YCAT Routes 5 and 10		
	FY 2016/17	FY 2017/18	FY 2018/19
Operating Cost (Actual \$)			
TDA Fiscal Audit	\$355,145	\$359,751	\$390,607
State Controller Report	\$355,145	\$359,751	\$390,607
Fare Revenue (Actual \$)			
TDA Fiscal Audit	\$20,457	\$21,014	\$21,107
State Controller Report	\$20,457	\$21,014	\$21,107
Vehicle Service Hours (VSH)			
Monthly Performance Reports	3,701	3,629	3,904
State Controller Report	3,711	20,385	3,591
Vehicle Service Miles (VSM)			
Monthly Performance Reports	99,989	99,714	109,067
State Controller Report	99,866	99,542	108,446
Passengers			
Monthly Performance Reports	18,402	20,385	20,714
State Controller Report	18,977	20,385	20,718

Cells in green represent those that are consistent between the two cited reports.

Cells in red show an obvious error in reporting.

Cells in white show a minor inconsistency (less than five percent variance).

Cells in orange show a more significant inconsistency (more than five percent variance).

Cause: In FY 2017/18, the error was likely caused by the person who completed the report not recognizing that 20,385 vehicle service hours was not reflective of the total hours typically operated on Routes 5 and 10. In FY 2018/19, cause of the variance is unclear.

Effect: Inaccurate and inconsistent reporting can make it problematic to effectively assess program performance.

Recommendation: Ensure the State Controller Report is reviewed by someone other than the individual who prepared it so as identify any errors in reporting.

Recommended Action(s): In FY 2017/18, the error would have been realized if it had been reviewed by someone familiar with the typical number of vehicle service hours associated with Routes 5 and 10. Given the number reported for VSH is exactly the same as that reported for ridership should have been a red flag. The reviewer should also carefully compare the performance data provided by YCIPTA with what is being reported to ensure accuracy. In addition, if YCIPTA's annual totals for these metrics change after the end of the year, YCIPTA staff should notify the Quechan Tribe to ensure accurate reporting.

Timeline: Ongoing.

Anticipated Cost: Negligible.

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Exhibit 7.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Continue to ensure State Controller Reports are submitted in a timely manner.	Low	Ongoing
Functional Recommendations		Importance	Timeline
1	Ensure the State Controller Report is reviewed by someone other than the individual who prepared it so as to identify any errors in reporting.	Medium	Ongoing