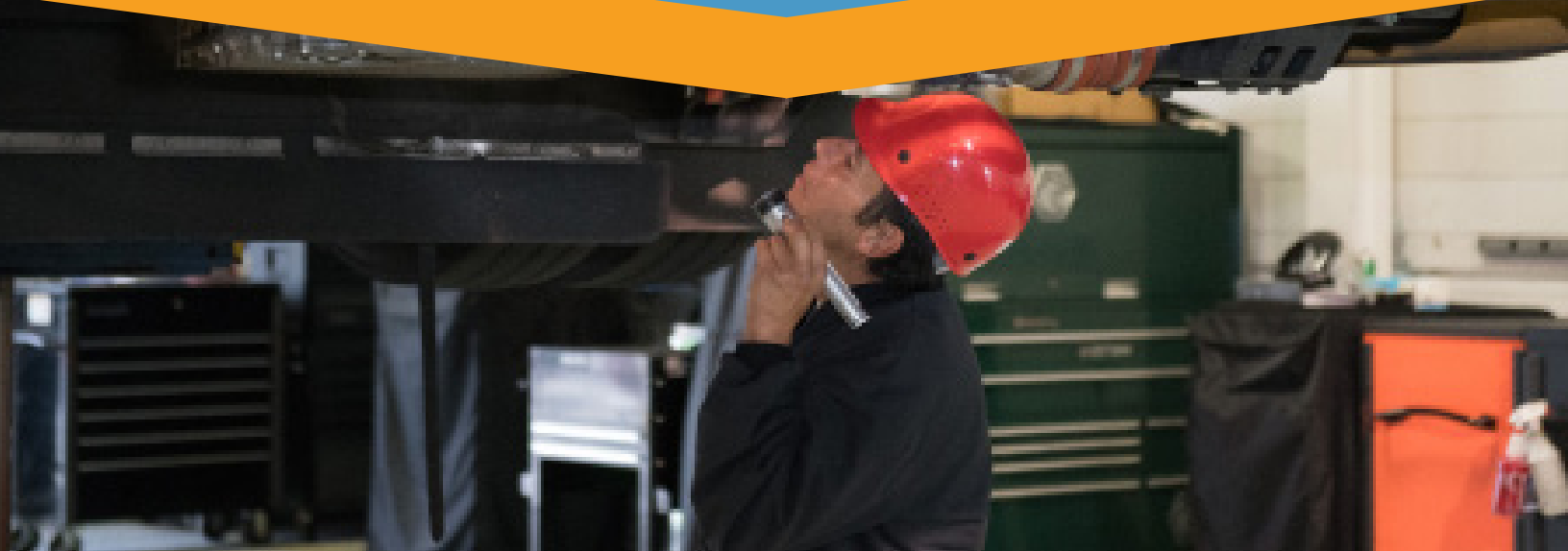




Long Beach Transit

Single Audit Reports and Grant Activity Reports

For the Year Ended June 30, 2020



**LONG BEACH PUBLIC TRANSPORTATION COMPANY
SINGLE AUDIT AND GRANT ACTIVITY REPORTS
YEAR ENDED JUNE 30, 2020**

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LONG BEACH PUBLIC TRANSPORTATION COMPANY

Principal Officials

Board of Directors

Colleen Bentley	Chair of the Board
Michael Clemson	Vice Chair
Adam Carrillo	Secretary/Treasurer
Sumire Gant	Director
Jeffrey Price	Director
David Sutton	Director
Open	Director
Lea Eriksen	City Representative – Non-Voting, City of Long Beach
Open	City Representative – Non-Voting, City of Long Beach

Executive Leadership Team (ELT)

Kenneth A. McDonald	President and Chief Executive Officer
*Open	Deputy Chief Executive Officer
Lisa Patton	Executive Director/VP, Finance and Budget
Lee Burner	Executive Director/VP, Transit Service Delivery and Planning
James Scott	Executive Director/VP, Maintenance and Infrastructure
**Open	Executive Director/VP, Organizational Development and Administration
Patrick Pham	Executive Director/VP, Information Technology
Mike Gold	Executive Director/VP, Customer Relations and Communications

* Debra A. Johnson held the position of Deputy Chief Executive Officer during FY 2020 and vacated the position on November 2, 2020.

** LaVerne David held the position of Executive Director/VP, Organizational Development and Administration, formerly known as Executive Director/VP, Employee and Labor Relations during FY 2020 and vacated the position on June 19, 2020.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of
Long Beach Public Transportation Company

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Long Beach Public Transportation Company (a nonprofit organization), which comprise the statement of net position as of June 30, 2020, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 8, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Long Beach Public Transportation Company's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Long Beach Public Transportation Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Long Beach Public Transportation Company's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Long Beach Public Transportation Company's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Windes, Inc.".

Long Beach, California
December 8, 2020

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE**

To the Board of Directors of
Long Beach Public Transportation Company

Report on Compliance for Each Major Federal Program

We have audited Long Beach Public Transportation Company's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Long Beach Public Transportation Company's major federal programs for the year ended June 30, 2020. Long Beach Public Transportation Company's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Long Beach Public Transportation Company's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Long Beach Public Transportation Company's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Long Beach Public Transportation Company's compliance.

Opinion on Each Major Federal Program

In our opinion, Long Beach Public Transportation Company complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Long Beach Public Transportation Company is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Long Beach Public Transportation Company's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Long Beach Public Transportation Company's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of Long Beach Public Transportation Company as of and for the year ended June 30, 2020, and have issued our report thereon dated December 8, 2020, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and non-federal awards is presented for purposes of additional analysis as required by the Uniform Guidance, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and non-federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Long Beach, California
December 8, 2020

Schedule 1
LONG BEACH PUBLIC TRANSPORTATION COMPANY
Schedule of Expenditures of Federal and Non-Federal Awards
Year Ended June 30, 2020

		Program of Federal Domestic Assistance Catalogue No. 20.507 Department of Transportation Federal Transit Administration			
		<u>CA-90-Y798</u>	<u>CA-90-Y880</u>	<u>CA-90-Y957</u>	<u>CA-90-Z053</u>
Grant Period:					
From	09/15/10	08/30/11	09/05/12	12/10/2013	
To	Completion	Completion	Completion	Completion	
Total grant award(s):					
Federal	\$ 13,994,380	\$ 15,774,862	\$ 16,248,527	\$ 17,391,081	
Non-Federal	<u>3,359,861</u>	<u>11,261</u>	<u>14,319</u>	<u>1,489,629</u>	
Total	<u>\$ 17,354,241</u>	<u>\$ 15,786,123</u>	<u>\$ 16,262,846</u>	<u>\$ 18,880,710</u>	
Revenues:					
Federal:					
Cash received	\$ 37,584	\$ 15,693	\$ 6,602	\$ 360,100	
(Accrued) deferred, July 1, 2019	---	(9,268)	(343)	(9,779)	
Accrued (deferred), June 30, 2020	<u>---</u>	<u>---</u>	<u>---</u>	<u>(205,692)</u>	
Grant revenue recognized	37,584	6,425	6,259	144,629	
Non-Federal	<u>9,396</u>	<u>---</u>	<u>---</u>	<u>---</u>	
Total revenues	<u>\$ 46,980</u>	<u>\$ 6,425</u>	<u>\$ 6,259</u>	<u>\$ 144,629</u>	
Expenditures:					
Federal	\$ 37,584	\$ 6,425	\$ 6,259	\$ 144,629	
Non-Federal	<u>9,396</u>	<u>---</u>	<u>---</u>	<u>---</u>	
Total expenditures	<u>\$ 46,980</u>	<u>\$ 6,425</u>	<u>\$ 6,259</u>	<u>\$ 144,629</u>	

See accompanying notes to the Schedule of Expenditures of Federal and Non-Federal Awards and accompanying Independent Auditors' Report on Compliance For Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.

Schedule 1-2

LONG BEACH PUBLIC TRANSPORTATION COMPANY

Schedule of Expenditures of Federal and Non-Federal Awards

Year Ended June 30, 2020

	Program of Federal Domestic Assistance Catalogue No. 20.507 Department of Transportation Federal Transit Administration		
	CA-90-Z120	CA-90-Z232	CA2016-049
Grant Period:			
From	07/30/14	09/23/15	09/07/16
To	Completion	Completion	Completion
Total grant award(s):			
Federal	\$ 20,701,104	\$ 14,113,447	\$ 20,731,551
Non-Federal	<u>1,570,742</u>	<u>90,824</u>	<u>2,031,064</u>
Total	<u>\$ 22,271,846</u>	<u>\$ 14,204,271</u>	<u>\$ 22,762,615</u>
Revenues:			
Federal:			
Cash received	\$ 1,052,323	\$ 309,073	\$ 782,408
(Accrued) deferred, July 1, 2019	(90,542)	19,467	(70,335)
Accrued (deferred), June 30, 2020	<u>---</u>	<u>(15,482)</u>	<u>11,091</u>
Grant revenue recognized	961,781	313,058	723,164
Non-Federal	<u>(934)</u>	<u>---</u>	<u>---</u>
Total revenues	<u>\$ 960,847</u>	<u>\$ 313,058</u>	<u>\$ 723,164</u>
Expenditures:			
Federal	\$ 961,781	\$ 313,058	\$ 723,164
Non-Federal	<u>(934)</u>	<u>---</u>	<u>---</u>
Total expenditures	<u>\$ 960,847</u>	<u>\$ 313,058</u>	<u>\$ 723,164</u>

(Continued)

See accompanying notes to the Schedule of Expenditures of Federal and Non-Federal Awards and accompanying Independent Auditors' Report on Compliance For Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.

Schedule 1-3
LONG BEACH PUBLIC TRANSPORTATION COMPANY
Schedule of Expenditures of Federal and Non-Federal Awards
Year Ended June 30, 2020

Program of Federal Domestic Assistance Catalogue No. 20.507 Department of Transportation Federal Transit Administration				
	CA2017-150	CA2019-088	CA2020-053	Sub Total CFDA No. 20.507
Grant Period:				
From	09/20/17	07/18/19	4/30/20	
To	Completion	Completion	Completion	
Total grant award(s):				
Federal	\$ 17,837,931	\$ 17,095,459	\$ 13,037,621	\$ 166,925,963
Non-Federal	781,980	647,595	617,682	10,614,957
Total	<u>\$ 18,619,911</u>	<u>\$ 17,743,054</u>	<u>\$ 13,655,303</u>	<u>\$ 177,540,920</u>
Revenues:				
Federal:				
Cash received	\$ 1,042,819	\$ 1,925,532	\$ ---	\$ 5,532,134
(Accrued) deferred, July 1, 2019	---	---	---	(160,800)
Accrued (deferred), June 30, 2020	(218,351)	---	---	(428,434)
Grant revenue recognized	824,468	1,925,532	---	4,942,900
Non-Federal	---	---	---	8,462
Total revenues	<u>\$ 824,468</u>	<u>\$ 1,925,532</u>	<u>\$ ---</u>	<u>\$ 4,951,362</u>
Expenditures:				
Federal	\$ 824,468	\$ 1,925,532	\$ ---	\$ 4,942,900
Non-Federal	---	---	---	8,462
Total expenditures	<u>\$ 824,468</u>	<u>\$ 1,925,532</u>	<u>\$ ---</u>	<u>\$ 4,951,362</u>

(Continued)

See accompanying notes to the Schedule of Expenditures of Federal and Non-Federal Awards and accompanying Independent Auditors' Report on Compliance For Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.

Schedule 1-4
LONG BEACH PUBLIC TRANSPORTATION COMPANY
Schedule of Expenditures of Federal and Non-Federal Awards
Year Ended June 30, 2020

	Program of Federal Domestic Assistance Catalogue No. 20.205 Department of Transportation Federal Transit Administration	Program of Federal Domestic Assistance Catalogue No. 20.526 Department of Transportation Federal Transit Administration	Totals CFDA No. 20.507, 20.205 & 20.526
	CA-2019-085	CA-2018-127	
Grant Period:			
From	9/21/2018	09/21/2018	
To	Completion	Completion	
Total grant award(s):			
Federal	\$ 142,296	\$ 1,172,867	\$ 168,241,126
Non-Federal	35,574	205,747	10,856,278
	<u>\$ 177,870</u>	<u>\$ 1,378,614</u>	<u>\$ 179,097,404</u>
Revenues:			
Federal:			
Cash received	\$	---	\$ 5,532,134
(Accrued) deferred, July 1, 2019	---	---	(160,800)
Accrued (deferred), June 30, 2020	---	---	(428,434)
Grant revenue recognized	---	---	4,942,900
Non-Federal	---	---	8,462
Total revenues	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 4,951,362</u>
Expenditures:			
Federal	\$ ---	\$ ---	\$ 4,942,900
Non-Federal	---	---	8,462
Total expenditures	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 4,951,362</u>

(Continued)

See accompanying notes to the Schedule of Expenditures of Federal and Non-Federal Awards and accompanying Independent Auditors' Report on Compliance For Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.

LONG BEACH PUBLIC TRANSPORTATION COMPANY

Notes to the Schedule of Expenditures of Federal and Non-Federal Awards
Year Ended June 30, 2020

(1) General

The accompanying Schedule of Expenditures of Federal and Non-Federal Awards presents the activity of Federal and Non-Federal financial assistance programs of the Long Beach Public Transportation Company.

(2) Basis of Presentation

The accompanying Schedule of Expenditures of Federal and Non-Federal Awards (the Schedules) include the award activities of Long Beach Public Transportation Company under programs of the federal, state, or local government for the year ended June 30, 2020. The information in the Schedules are present in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedules present only a selected portion of the operations of Long Beach Public Transportation Company, it is not intended to and does not present the financial position, changes in net position, or cash flows of Long Beach Public Transportation Company.

(3) Summary of Significant Accounting Policies

Expenditures reported on the Schedules are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Long Beach Public Transportation Company has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

LONG BEACH PUBLIC TRANSPORTATION COMPANY

Schedule of Findings and Questioned Costs
Year Ended June 30, 2020

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

The auditors’ report expressed an unmodified opinion on whether the financial statements on Long Beach Public Transportation Company were prepared in accordance with generally accepted accounting principles.

Internal control over financial reporting

1. Material weakness(es) identified? – No
2. Significant deficiencies identified? – None reported
3. Noncompliance material to financial statements noted? – No

Federal awards

Internal control over major programs

1. Material weakness(es) identified? – No
2. Significant deficiencies identified? – None reported
3. Type of auditors’ report issued on compliance for major programs? – Unmodified
4. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? – No
5. Identification of major programs: Federal Transit Administration Formula Grants (CFDA No. 20.507)
6. Dollar threshold used to distinguish between type A and type B programs was \$750,000.
7. Auditee qualified as low-risk auditee? – Yes

SECTION II – FINDINGS - FINANCIAL STATEMENTS AUDIT

None

SECTION III – FINDING AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

**INDEPENDENT AUDITORS' REPORT ON THE LONG BEACH PUBLIC TRANSPORTATION
COMPANY'S COMPLIANCE WITH THE STATE OF CALIFORNIA
TRANSPORTATION DEVELOPMENT ACT**

To the Board of Directors of
Long Beach Public Transportation Company

We have audited the financial statements of Long Beach Public Transportation Company as of and for the year ended June 30, 2020, and have issued our report thereon, dated December 8, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

As part of obtaining reasonable assurance about whether the Long Beach Public Transportation Company's financial statements are free of material misstatement, we performed the procedures contained in the Transportation Development Act (TDA) Handbook published by the State of California Department of Transportation, to test the Long Beach Public Transportation Company's compliance with the published rules and regulations of the TDA. Compliance audit procedures performed in accordance with the handbook have been determined to be adequate by the State of California for compliance with the published rules and regulations of the TDA with respect to fiscal and conformance audits of Public Transportation claimants. Such procedures would not necessarily disclose all instances of noncompliance because they were based on selective tests of the accounting records and related data. In addition, providing an opinion on compliance with the published rules and regulations of the TDA was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance, which would lead us to believe that the allocated funds were not expended in conformance with the published rules and regulations of the TDA.

Schedule of State of California Expenditures of Awards

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedules of State of California Expenditures of Awards and the Transportation Development Act – 50% expenditure limitation calculation are presented for purposes of additional analysis as required by the State of California Transportation Development Act and are not required parts of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the board of directors and management of the Long Beach Public Transportation Company, its federal awarding agencies, pass-through entities, and other agencies granting funds to Long Beach Public Transportation Company and is not intended to be, and should not be, used by anyone other than these specified parties.

Windes, Inc.

Long Beach, California
December 8, 2020

Schedule 2
LONG BEACH PUBLIC TRANSPORTATION COMPANY
Schedule of State of California Expenditures of Awards
Year Ended June 30, 2020

State of California
SB-325

	<u>LTF Art. 4</u>	<u>STA & SB1-STA</u>	<u>SB1-SGR</u>
Grant Period:			
From	07/01/18	07/01/19	07/01/17
To	Completion	Completion	Completion
Total grant award(s):			
TDA 19//20	\$ 25,185,868	\$ ---	\$ ---
STA 19/20	---	4,967,803	---
STA 18/19	---	3,812,344	---
STA-SB1 19/20	---	3,235,126	---
STA-SB1 18/19	---	2,244,561	---
SB1-SGR 19/20	---	---	1,074,836
SB1-SGR 18/19	---	---	1,031,783
SB1-SGR 17/18	---	---	925,973
1B PTMISEA 14/15	---	---	---
1B PTMISEA 10/11	---	---	---
Bond Interest 11/12 to 19/20	---	---	---
1B SEC 16/17	---	---	---
1B SEC 15/16	---	---	---
1B SEC 14/15	---	---	---
Bond SEC Interest 11/12 to 19/20	---	---	---
LCTOP Operating 17/18	---	---	---
LCTOP Operating 16/17	---	---	---
LCTOP Operating Interest up to 19/20	---	---	---
LCTOP Capital 15/16	---	---	---
LCTOP Capital Interest up to 19/20	---	---	---
TIRCP - 18	---	---	---
	<u>---</u>	<u>---</u>	<u>---</u>
Total	\$ <u>25,185,868</u>	\$ <u>14,259,834</u>	\$ <u>3,032,592</u>
Revenues:			
State:			
Cash received	\$ 25,185,868	\$ 8,202,929	\$ ---
(Accrued) deferred, July 1, 2019	---	2,649,978	---
Accrued (deferred), June 30, 2020	---	(2,649,978)	---
	<u>---</u>	<u>---</u>	<u>---</u>
Total revenues	\$ <u>25,185,868</u>	\$ <u>8,202,929</u>	\$ <u>---</u>
Expenditures:	\$ <u>25,185,868</u>	\$ <u>8,202,929</u>	\$ <u>---</u>

(Continued)

See accompanying Independent Auditors' Report on the Long Beach Public Transportation Company's Compliance with the State of California Transportation Development Act.

Schedule 2
LONG BEACH PUBLIC TRANSPORTATION COMPANY
Schedule of State of California Expenditures of Awards
Year Ended June 30, 2020

**State of California
SB-325**

	<u>1BPTMISEA</u>	<u>1B SEC</u>	<u>LCTOP (Operating)</u>
Grant Period:			
From	06/05/2008	08/11/2008	07/01/2017
To	Completion	Completion	Completion
Total grant award(s):			
TDA 19//20	\$ ---	\$ ---	\$ ---
STA 19/20	---	---	---
STA 18/19	---	---	---
STA-SB1 19/20	---	---	---
STA-SB1 18/19	---	---	---
SB1-SGR 19/20	---	---	---
SB1-SGR 18/19	---	---	---
SB1-SGR 17/18	---	---	---
1B PTMISEA 14/15	5,011,952	---	---
1B PTMISEA 10/11	9,275,621	---	---
Bond Interest 11/12 to 19/20	925,217	---	---
1B SEC 16/17	---	296,889	---
1B SEC 15/16	---	371,112	---
1B SEC 14/15	---	371,112	---
Bond SEC Interest 11/12 to 19/20	---	49,206	---
LCTOP Operating 17/18	---	---	477,576
LCTOP Operating 16/17	---	---	240,348
LCTOP Operating Interest up to 19/20	---	---	28,117
LCTOP Capital 15/16	---	---	---
LCTOP Capital Interest up to 19/20	---	---	---
TIRCP - 18	---	---	---
	<u>---</u>	<u>---</u>	<u>---</u>
Total	\$ <u>15,212,790</u>	\$ <u>1,088,319</u>	\$ <u>746,041</u>
Revenues:			
State:			
Cash received	\$ 470,516	\$ 45,831	\$ 754,339
(Accrued) deferred, July 1, 2019	9,441,365	834,067	288,181
Accrued (deferred), June 30, 2020	<u>(9,818,485)</u>	<u>(478,813)</u>	<u>(480,647)</u>
Total revenues	\$ <u>93,396</u>	\$ <u>401,085</u>	\$ <u>561,873</u>
Expenditures:	\$ <u>93,396</u>	\$ <u>401,085</u>	\$ <u>561,873</u>

(Continued)

See accompanying Independent Auditors' Report on the Long Beach Public Transportation Company's Compliance with the State of California Transportation Development Act.

Schedule 2
LONG BEACH PUBLIC TRANSPORTATION COMPANY
Schedule of State of California Expenditures of Awards
Year Ended June 30, 2020

**State of California
SB-325**

	<u>LCTOP (Capital)</u>	<u>TIRCP</u>	<u>Total</u>
Grant Period:			
From	5/27/2016	10/09/2018	
To	Completion	Completion	
Total grant award(s):			
TDA 19//20	\$ ---	\$ ---	\$ 25,185,868
STA 19/20	---	---	4,967,803
STA 18/19	---	---	3,812,344
STA-SB1 19/20	---	---	3,235,126
STA-SB1 18/19	---	---	2,244,561
SB1-SGR 19/20	---	---	1,074,836
SB1-SGR 18/19	---	---	1,031,783
SB1-SGR 17/18	---	---	925,973
1B PTMISEA 14/15	---	---	5,011,952
1B PTMISEA 10/11	---	---	9,275,621
Bond Interest 11/12 to 19/20	---	---	925,217
1B SEC 16/17	---	---	296,889
1B SEC 15/16	---	---	371,112
1B SEC 14/15	---	---	371,112
Bond SEC Interest 11/12 to 19/20	---	---	49,206
LCTOP Operating 17/18	---	---	477,576
LCTOP Operating 16/17	---	---	240,348
LCTOP Operating Interest up to 19/20	---	---	28,117
LCTOP Capital 15/16	512,596	---	512,596
LCTOP Capital Interest up to 19/20	21,142	---	21,142
TIRCP - 18	---	3,951,167	3,951,167
	<u>---</u>	<u>3,951,167</u>	<u>3,951,167</u>
Total	\$ <u>533,738</u>	\$ <u>3,951,167</u>	\$ <u>64,010,349</u>
Revenues:			
State:			
Cash received	\$ 532	\$ ---	\$ 34,660,015
(Accrued) deferred, July 1, 2019	49,970	---	13,263,561
Accrued (deferred), June 30, 2020	<u>(24,421)</u>	<u>---</u>	<u>(13,452,344)</u>
Total revenues	\$ <u>26,081</u>	\$ <u>---</u>	\$ <u>34,471,232</u>
Expenditures:	\$ <u>26,081</u>	\$ <u>---</u>	\$ <u>34,471,232</u>

(Continued)

See accompanying Independent Auditors' Report on the Long Beach Public Transportation Company's Compliance with the State of California Transportation Development Act.

LONG BEACH PUBLIC TRANSPORTATION COMPANY

Notes to the Schedule of State of California Expenditures of Awards
Year Ended June 30, 2020

(1) General

The accompanying Schedule of State of California Expenditures of Awards presents the activity of State of California financial assistance programs of the Long Beach Public Transportation Company.

(2) Basis of Accounting

The accompanying Schedule of State of California Expenditures of Awards is presented using the accrual basis of accounting, whereby grant revenues are recognized when they are earned and expenses are recognized when they are incurred.

(3) Relationship to Long Beach Public Transportation Company Financial Reports

Amounts reported in the accompanying schedule agree, in all material respects, with the amounts reported in the related Long Beach Transportation Company financial reports taken as a whole.

Schedule 3
LONG BEACH PUBLIC TRANSPORTATION COMPANY
Transportation Development Act - 50% Expenditure Limitation Calculation
Year Ended June 30, 2020

Total operating costs, excluding depreciation	\$ 100,127,187
Add:	
Depreciation	15,739,478
Capital outlay expenditures	7,814,792
	<u>23,554,270</u>
Less:	
Federal grants received	5,532,134
Local Transportation funds - capital intensive received	---
State Transit Assistance funds - capital intensive received	---
	<u>5,532,134</u>
Total	<u>118,149,323</u>
50% of total	59,074,662
Add total Local Transportation funds - capital intensive received	---
Total permissible expenditures - (Local Transportation funds)	\$ <u><u>59,074,662</u></u>

See accompanying Independent Auditors' Report on the Long Beach Public Transportation Company's Compliance with the State of California Transportation Development Act.

**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING
AGREED-UPON PROCEDURES**

To the Board of Directors of
Long Beach Public Transportation Company and the Federal Transit Authority

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 of the transit agency's annual National Transit Database (NTD) report:

- 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.
- A system is in place to record data on a continuing basis, and the data gathering is an ongoing effort.
- 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.
- 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.
- The data collection methods are those suggested by FTA or otherwise meet FTA requirements.
- The deadhead miles, computed as the difference between the reported total actual vehicle miles data and the reported total actual vehicle revenue miles (VRM) data, appear to be accurate.
- Data are consistent with prior reporting periods and other facts known about transit agency operations.

We have performed the procedures enumerated in the attachment to this report on the data contained in Long Beach Transit's Federal Funding Allocation Statistics Form for the fiscal year ended June 30, 2020. Such procedures, which were agreed to and specified by FTA in the Declaration section of the 2020 *NTD Policy Manual* and were agreed to by the transit agency, were applied to assist management of Long Beach Transit in evaluating whether Long Beach Transit complied with the standards described in the first paragraph of this report and the information included in the NTD report Federal Funding Allocation Statistics Form is presented in conformity with the requirements of the USDA and Rewards and Reporting System; Final Rule, as specified in 49 CFR Part 630, *Federal Register*, January 15, 1993, and as presented in the 2020 Reporting Manual. Long Beach Transit's management is responsible for the Federal Funding Allocation Statistics Form.

This engagement to apply agreed-upon procedures was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described in the attachment either for the purpose for which this report has been requested or for any other purpose.

The procedures described in the attachment to this report were applied separately to each of the information systems used to develop the reported actual VRM, fixed guideway directional route miles (FG DRM), passenger miles traveled (PMT), and operating expenses (OE) of Long Beach Transit for the fiscal year ended June 30, 2020 for each of the following modes:

- Fixed Route – A directly operated transportation service.

- Purchased Transportation – Demand responsive service provided by Global Paratransit, Inc. for residents of Long Beach, Signal Hill and Lakewood who are at least 18 years old and are unable to use Long Beach Transit’s fixed route systems because of permanent mobility impairment.

The results of the procedures performed are included in the accompanying attachment. We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the Long Beach Transit’s Federal Funding Allocation Statistics Form for the fiscal year ended June 30, 2020, which is presented in conformity with the requirements of the USOA and Records and Reporting System; Final Rule, as specified in 49 CFR Part 630, *Federal Register*, January 15, 1993, and as presented in the 2020 Reporting Manual. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. This report relates only to the information described above and does not extend to Long Beach Transit’s financial statements, or the forms in Long Beach Transit’s Federal Funding Allocation Statistics Form, for any date or period.

This report is intended solely for the information and use of the board of directors and management of the Long Beach Public Transportation Company and the FTA, and is not intended to be, and should not be, used by anyone other than those specified parties.

Winder, Inc.

Long Beach, California
December 8, 2020

AGREED-UPON PROCEDURES

- A. *Obtain and read a copy of written system procedures for reporting and maintaining data in accordance with NTD requirements and definitions set forth in 49 CFR Part 630, Federal Register, dated January 15, 1993, and as presented in the 2020 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.*

We obtained and read the written system procedures for reporting and maintaining data in accordance with NTD requirements and definitions set forth in 49 CFR Part 630, Federal Register, dated January 15, 1993, and as presented in the 2020 NTD Policy Manual.

- B. *Discuss the procedures (written or informal) with the personnel assigned responsibility for supervising the preparation and maintenance of NTD data to determine:*
- *The extent to which the transit agency followed the procedures on a continuous basis; and*
 - *Whether these transit personnel believe such procedures result in accumulation and reporting of data consistent with NTD definitions and requirements set forth in 49 CFR Part 630, Federal Register, dated January 15, 1993, and as presented in the 2020 NTD Policy Manual.*

We discussed the procedures with LBT personnel and were informed of the procedures to complete the NTD report are the same guidelines issued by NTD in 49 CFR Part 630. Those procedures are followed continuously such that the accumulation and data reported is consistent with NTD definitions and requirements set forth in 49 CFR Part 630, and as presented in the 2020 NTD Reporting/Policy Manual.

- 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.*

We discussed the retention policy with LBT personnel and determined that source documents supporting the data reported on the FFA-10 are maintained for a minimum of three years, which is required by NTD. The LBT personnel further noted that most of the source documents are also retained indefinitely in electronic format.

- 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.*

We discussed with LBT personnel and noted the following source documents are maintained for at least five years, which exceeds the three-year minimum required by NTD. This is primarily done electronically

- Passenger Miles Sampling (Trip Sheets) – Checker Survey Sheets are stored in Excel files for fiscal year ended June 30, 2020.
- Fixed Guideway Directional Route Miles – Excel file for fiscal year ended June 30, 2020.
- Operating Expenses (maintained by Finance) – Electronically stored.
- Contract Agreement for Purchased Transportation (maintained by Purchasing Department) – Electronically stored.

We reviewed the source documents maintained by LBT. Source documents existed and were maintained as stated by LBT.

- 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.

We discussed with LBT personnel about internal controls and determined the following personnel were involved with the NTD reporting process:

- Service Planning Administrator enters the survey data (passenger count and passenger mile) collected from the random surveys into an Access database and extracts the data from Access and summarizes the data onto worksheets formatted like the NTD reports.
- Service Delivery Planner reviews and approves the summaries for reasonableness.
- Service Planning Assistant Scheduler submits the data to the NTD on a monthly basis.
- Service Development Manager reviews submission and support.

- 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.*

We obtained the written policies and noted that the Service Planning Assistant Scheduler reviews data for completeness and accuracy against the Time and Miles Report. If no changes are needed, the Service Planning Assistant Scheduler signs off with a signature and date.

- 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.*

We obtained the worksheets utilized by LBT to summarize the data for the FFA-10 form. We compared the worksheets to the FFA-10 forms and noted no exceptions. We also tested the arithmetical accuracy of the summary and noted no exceptions.

- 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 2020 NTD Policy Manual.*

We discussed with LBT personnel about procedures for accumulating and recording passenger mile data and was informed that statistical sampling is used for their regular routes and Passport routes. LBT utilizes statistical sampling procedures approved in an FTA circular (Circular 2710.1A), which is taking eleven samples per week. The physical collection of data is done with the use of a Samsung 10" Tablet and along with a hard copy of notes. The tester will input the data on the tablet as well as on the sheet as a backup in case the tablet does not have internet connection, which happens periodically. Per the Service Planning Specialist, if a tablet cannot connect to the internet, the surveyor will take notes and add times to the tablets at the end of the day.

- I. *Discuss with transit agency staff (the auditor may wish to list the titles of the persons interviewed) the transit agency's eligibility to conduct statistical sampling for PMT data every third year. Determine whether the transit agency meets NTD criteria that allow transit agencies to conduct statistical samples for accumulating PMT data every third year rather than annually. Specifically:*
- *According to the 2010 census, the public transit agency serves an UZA with a population less than 500,000.*
 - *The public transit agency directly operates fewer than 100 revenue vehicles in all modes in annual maximum revenue service (VOMS) (in any size UZA).*
 - *Service purchased from a seller is included in the transit agency's NTD report.*
 - *For transit agencies that meet one of the above criteria, review the NTD documentation for the most recent mandatory sampling year (2017) and determine that statistical*

sampling was conducted and meets the 95 percent confidence and ± 10 percent precision requirements.

- *Determine how the transit agency estimated annual PMT for the current report year.*

We discussed with LBT personnel about the eligibility to conduct statistical sampling of passenger miles every third year and was informed that LBT has chosen to perform statistical sampling on an annual basis. Statistical sampling was utilized to determine passenger miles in the current reporting year.

- 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.*

We discussed with LBT personnel about sampling procedures and were informed that LBT utilizes procedures approved in FTA Circular 2710.1A, which is taking eleven samples per week. We were also informed the sample is taken from the entire route universe. A random number generator built into the scheduling software will randomly select the routes to be sampled. If the route was missed, another route is selected from the generator. We did not note any instances of any missed samples. LBT is following the stated sampling procedure.

- 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.*

We randomly selected a sample of 40 source documents (trip sheets) for accumulating passenger mile data for fiscal year 2020 and inspected the documents to determine if all required data were recorded and the computations were accurately performed and no exceptions were noted for the sample selected.

	Date	Trip Number	Route
1	10/29/2019	8446983	171
2	1/24/2020	1605394	61
3	10/9/2019	2949943	81
4	7/28/2019	1515835	94
5	12/26/2019	2409342	46
6	10/22/2019	4885763	22
7	12/9/2019	1511073	51
8	10/15/2019	1512183	112
9	11/13/2019	5710963	191
10	3/15/2020	5636618	172
11	2/28/2020	5710916	103
12	10/4/2019	5714475	102
13	10/26/2019	4371156	151
14	3/8/2020	1515975	111
15	11/11/2019	4898430	37
16	11/8/2019	1511290	61
17	3/6/2020	1511384	61
18	3/15/2020	1512910	22
19	2/21/2020	1512606	192
20	10/11/2019	2833251	91
21	7/9/2019	5608687	92
22	10/30/2019	2833172	92
23	7/6/2019	5612054	111
24	1/4/2020	1513923	61
25	7/10/2019	1512618	191
26	10/23/2019	1512685	191
27	8/2/2019	2409307	45
28	8/21/2019	4885530	21A
29	7/13/2019	1744381	71
30	3/3/2020	7265791	91
31	9/14/2019	1514572	191
32	7/30/2019	4898433	37
33	1/5/2020	1515978	112
34	9/23/2019	2409230	45
35	9/1/2019	6702906	91
36	8/17/2019	7142577	91
37	9/28/2019	5765446	173
38	2/17/2020	4885630	1
39	11/21/2019	1512727	191
40	12/16/2019	8446987	171

- L. *Discuss the procedures for systematic exclusion of charter, school bus, and other ineligible vehicle miles from the calculation of actual Vehicle Revenue Miles (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.*

We discussed with LBT personnel about the exclusion of charter, school bus, and other ineligible vehicle miles from the calculation of actual vehicle revenue miles and noted that LBT does provide charter services but not school bus services. We obtained worksheets documenting the calculation of vehicle miles and noted that charter miles, training miles, and maintenance miles are excluded from the calculations. The charter miles, training miles, and maintenance miles were maintained on worksheets by the Customer Service Department, Training Department, and Maintenance Department, respectively. We reviewed the worksheets maintained to track these excluded miles and tested for arithmetical accuracy. No exceptions noted.

- 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.*
- *If actual VRMs are calculated from hub odometers, document the procedures used to calculate and subtract deadhead mileage. Select a random sample of the hub odometer readings and determine that the stated procedures for hub odometer deadhead mileage adjustments are applied as prescribed. Test the arithmetical accuracy of the summary of intermediate accumulations.*
- *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.*

We discussed with LBT personnel the methodology of calculating vehicle revenue miles (VRM) and determined the calculation is based on time scheduled miles multiplied by the “Service Type” percentage, which indicates the actual total vehicle miles on a monthly basis. We selected two months to test (August 2019, February 2020). For each selected month, we vouched the miles back to summary reports (Time & Mile Report) prepared by the Scheduling Department. We recalculated the computation and noted no exceptions.

- N. *For rail modes, review the recording and accumulation sheets for actual VRMs and determine that locomotive miles are not included in the computation.*

We discussed with LBT personnel and reviewed board minutes noting that no rail modes or locomotives were added to operations during the year. As such, this procedure does not apply for the current reporting period.

- O. *If fixed guideway or High Intensity Busway Directional Route Miles (FG or HIB DRM) are reported, interview the person responsible for maintaining and reporting NTD data whether the operations meet FTA definition of fixed guideway (FG) or High Intensity Busway (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*
 - o *Access is restricted;*

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

We discussed with LBT personnel and determined that fixed guideway directional miles are reported on the NTD. The fixed guideway is a segment located on 1st Street between Pacific and Long Beach Blvd. and meets FTA's definition of fixed guideway in that the bus service operates over a controlled access right-of-way, the access is restricted, legitimate need for restricted access is demonstrated by peak period level of service D, and the restricted access is enforced by Long Beach Police.

- 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.*

Testing done in conjunction with Procedure R. See Procedure R for results.

- 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.*

We discussed with LBT personnel and noted that there were modifications to service during the year ended June 30, 2020 due to the COVID-19 pandemic, but no interruptions due to maintenance or rehabilitation improvements.

- R. *Measure FG/HIB DRM from maps or by retracing route.*

We discussed with LBT personnel about how fixed guideway directional route miles are measured and were informed LBT utilizes a computer mapping system to measure the mileage. We verified the segment measurement reported on the NTD report agreed with the measurement per the mapping software.

- 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.*

We discussed with LBT personnel and determined that two other public transit agencies utilize the fixed guideway. LBT personnel informed us that adequate coordination exists such that operations in the fixed guideway are reported only once as those agencies are not allowed to report LBT's FG use.

- T. *Review the FG/HIB segments form. Discuss the Agency Revenue Service Start Date for any segments added in the 2020 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 2020 report year, the Agency Revenue Service Date must occur within the transit agency's 2020 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.

We discussed with LBT personnel and determined LBT has one fixed guideway segment located on 1st Street between Pacific and Long Beach Blvd. This has been in service since 1963. We obtained and reviewed the FFA-10 and determined the data has been entered correctly.

U. *Compare Operating Expenses with audited financial data after reconciling items are removed.*

We discussed with LBT personnel and determined operating expense reported on the NTD is taken directly from the audited financial data. We compared operating expense reported on the NTD to the audited financial data and noted no exceptions.

V. *If the transit agency purchases transportation services, interview the personnel reporting the NTD data on the amount of PT-generated fare revenues. The PT fare revenues should equal the amount reported on the Contractual Relationship form.*

We discussed with LBT personnel and determined fare revenues from purchased transportation services are recorded and tracked in LBT's accounting records. The amount on the accounting records equals the amount reported on the Contractual Relationship form (B-30).

W. *If the transit agency's report contains data for purchased transportation services and the procedures in this auditors' 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 auditors' review, and the transit agency does not have a separate Independent Auditor Statement for the purchased transportation data.*

We discussed with LBT personnel and determined transportation services are purchased from Global Paratransit, which does not file its own NTD report, and data for those riders are included in LBT's NTD report. As such, an Independent Auditor Statement is not necessary.

X. *If the transit agency purchases transportation services, obtain a copy of the PT 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.*

We discussed with LBT personnel and determined that LBT purchased transportation services from Global Paratransit. We obtained a copy of the contract from the Purchasing Manager and determined that it (1) specifies the services to be provided; (2) specifies the monetary consideration; (3) specifies the period covered; (4) is signed by both parties; (5) and the contract is retained in the Purchasing department at the end of the contract for three years.

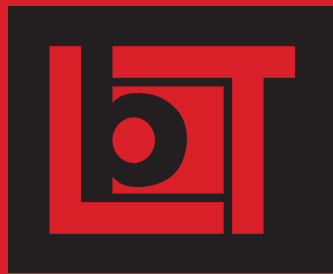
Y. *If the transit agency provides service in more than one UZA, or between an UZA and a non-UZA, inquire of the procedures for allocation of statistics between UZAs and non-UZAs. Obtain and review the FG segment worksheets, route maps, and urbanized area boundaries used for*

allocating the statistics, and determine that the stated procedure is followed and that the computations are correct.

We discussed with LBT personnel and determined LBT does not have more than one urbanized area and does not allocate between urbanized and non-urbanized areas.

- 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.*

We compared vehicle revenue mile, passenger mile, and operating expense data reported on the current FFA-10 form to comparable data reported for the prior reporting period and calculated the percentage change for the two fiscal years and noted that vehicle revenue miles, passenger miles traveled, and fixed guideway miles decreased by more than 10% when compared to the prior year. We interviewed the Service Planning Assistant Scheduler and determined that the cause for the decrease was the closure of certain routes due to the COVID-19 pandemic, which resulted in decreased ridership.



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