

The word "access" is written in a white, lowercase, sans-serif font. It is centered within a horizontal rectangular bar that has a teal-to-blue gradient, transitioning from a lighter shade on the left to a darker shade on the right.

**Access Services
(A Nonprofit Benefit Corporation)
Audited Financial Report on the**

**Schedules of Revenues and Expenditures and
Advanced Funds and Deferred Revenues
under MOU No. P000ASI24 and P000ASI23**

As of and For the Years Ended June 30, 2020 and 2019

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FINANCIAL SECTION

Report of Independent Auditors

To the Board of Directors of Access Services and the Los Angeles County Metropolitan Transportation Authority

Report on the Schedules of Revenues and Expenditures and Advanced Funds and Deferred Revenues

We have audited the accompanying Schedules of Revenues and Expenditures of Access Services for the years ended June 30, 2020 and 2019 and Schedules of Advanced Funds and Deferred Revenues as of June 30, 2020 and 2019 as defined by the Proposition C Discretionary Program Guidelines, Measure M 2% Program Guidelines and the Memorandum of Understanding (MOU Nos. P000AS124 and P000AS123) dated June 27, 2019 and June 28, 2018, respectively, between Access Services as grantee, and the Los Angeles County Metropolitan Transportation Authority (LACMTA), as grantor and the related notes to the Schedules of Revenues and Expenditures and Advanced Funds and Deferred Revenues (collectively, the Schedules).

Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of these Schedules in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedules that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Schedules based on our audits. We conducted our audits 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedules.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Schedules of Revenues and Expenditures for the years ended June 30, 2020 and 2019 and the Schedules of Advanced Funds and Deferred Revenues as of June 30, 2020 and 2019 referred to above present fairly, in all material respects, the revenues and expenditures and advanced funds and deferred revenues of Access Services under MOU Nos. P000ASI24 and P000ASI23 as of and for the years ended June 30, 2020 and 2019, in accordance with accounting principles generally accepted in the United States of America.

Other Matter

As discussed in Note 3, the Schedules of Revenues and Expenditures and Advanced Funds and Deferred Revenues present only the revenues, expenditures and advanced funds and deferred revenues of Access Services under MOU Nos. P000ASI24 and P000ASI23, and do not purport to, and do not present fairly the financial position of Access Services as of June 30, 2020 and 2019 and the changes in its financial position thereof for the years then ended, in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the Schedules of Revenues and Expenditures and Advanced Funds and Deferred Revenues. The Schedule of Capital Assets and the Advanced Funds Rollforward Schedule – Operating and Capital Grants are presented for purposes of additional analysis and are not a required part of the Schedules. The Schedule of Capital Assets is presented for purposes of additional analysis and has not been subjected to the auditing procedures applied in the audits of the Schedules of Revenues and Expenditures and Advanced Funds and Deferred Revenues. Accordingly, we do not express an opinion or provide any assurance on them.

The Advanced Funds Rollforward Schedule – Operating and Capital Grants is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Schedules. Such information has been subjected to the auditing procedures applied in the audit of the Schedules and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the Schedules or to the Schedules themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Advanced Funds Rollforward Schedule – Operating and Capital Grants is fairly stated in all material respects in relation to the Schedules as a whole.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2020 on our consideration of Access Services' internal control over financial reporting which includes preparation of the Schedules of Revenues and Expenditures and Advanced Funds and Deferred Revenues and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting of the Schedules of Revenues and Expenditures and Advanced Funds and Deferred Revenues and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Access Services' internal control over financial reporting of the Schedules of Revenues and Expenditures and Advanced Funds and Deferred Revenues or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and in considering Access Services' internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Vaqueria & Company LLP". The signature is written in a cursive, flowing style.

**Glendale, California
December 31, 2020**

Access Services
MOU No. P000ASI24
Schedule of Revenues and Expenditures
Year ended June 30, 2020

	<u>Federal 5310</u>	<u>Proposition C</u>	<u>Measure M</u>	<u>Total</u>
Revenues				
Revenues - Funding Source				
Operating	\$ 71,277,141	\$ 79,792,928	\$ 12,898,500	\$ 163,968,569
Capital	5,082,433	2,575,424	-	7,657,857
Passenger Fares	18,205	8,894,922	-	8,913,127
Identification Cards	-	43,686	-	43,686
Interest Income	-	490,549	-	490,549
Miscellaneous Income	-	6,559	-	6,559
Gain on Sale of Capital Assets	-	256,407	-	256,407
Total Revenues	<u>76,377,779</u>	<u>92,060,475</u>	<u>12,898,500</u>	<u>181,336,754</u>
Expenditures				
Paratransit Operations - Direct Cost				
Communications	-	1,998,438	-	1,998,438
Contracted Customer Service	-	2,093,909	-	2,093,909
Insurance	-	5,970,556	-	5,970,556
Telecom Maintenance	-	792,493	-	792,493
Office Supplies	-	46,751	-	46,751
Other Expense	-	481	-	481
Printed Materials	-	6,396	-	6,396
Professional Services	-	118,854	-	118,854
Promotions / Events	-	9,078	-	9,078
Purchased Transportation	70,326,411	56,247,723	12,674,604	139,248,738
Salaries and Related Expense	-	620,776	-	620,776
Security	-	200,000	-	200,000
Temporary Personnel	-	26,663	-	26,663
Travel and conference	-	1,703	-	1,703
Vehicle Costs	-	188,858	-	188,858
Total Paratransit Operations Direct Cost	<u>70,326,411</u>	<u>68,322,679</u>	<u>12,674,604</u>	<u>151,323,694</u>
Paratransit Operations - Indirect Cost				
Business Meetings and Meals	-	318	-	318
Communications	-	91,781	-	91,781
Insurance	-	37,869	-	37,869
Telecom Maintenance	-	3,595	-	3,595
Office Rent	-	152,164	-	152,164
Office Supplies	-	42,067	-	42,067
Other Expense	-	7,227	-	7,227
Other Related Employee Expense	-	6,387	-	6,387
Postage / Mailing	-	14,232	-	14,232
Printed Materials	-	122,748	-	122,748
Professional Services	-	5,082	-	5,082
Promotions/Events	-	163,150	-	163,150
Salaries and Related Expense	-	1,876,056	-	1,876,056
Travel and Conference	-	5,172	-	5,172
Vehicle Costs	-	75,283	-	75,283
Total Paratransit Operations - Indirect Cost	<u>-</u>	<u>2,603,131</u>	<u>-</u>	<u>2,603,131</u>

*See notes to Schedules of Revenues and Expenditures
and Advanced Funds and Deferred Revenues*

Access Services
MOU No. P000ASI24
Schedule of Revenues and Expenditures (Continued)
Year ended June 30, 2020

	<u>Federal 5310</u>	<u>Proposition C</u>	<u>Measure M</u>	<u>Total</u>
Eligibility Determination Expenses				
Business Meetings and Meals	\$ -	\$ 6	\$ -	\$ 6
Communications	-	243,425	-	243,425
Eligibility and Appeals	-	4,686,730	-	4,686,730
Insurance	-	71,803	-	71,803
Telecom Maintenance	-	3,599	-	3,599
Office Rent	-	427,488	-	427,488
Office Supplies	-	3,982	-	3,982
Other Expense	-	733	-	733
Postage/Mailing	-	183,218	-	183,218
Printed Materials	-	399,957	-	399,957
Professional Services	-	9,946	-	9,946
Promotions / Events	-	35,575	-	35,575
Purchased Transportation	968,934	609,272	223,896	1,802,102
Repair and Maintenance	-	18,292	-	18,292
Salaries and Related Expense	-	584,387	-	584,387
Tether Pilot Program	-	67,395	-	67,395
Travel Training	-	745,819	-	745,819
Vehicle Costs	-	96	-	96
Total Eligibility Determination Expenses	<u>968,934</u>	<u>8,091,723</u>	<u>223,896</u>	<u>9,284,553</u>
CTSA Function - Access Ride Information Expenses				
Business Meetings and Meals	-	1,069	-	1,069
Communications	-	7,966	-	7,966
Insurance	-	757	-	757
Office Rent	-	16,901	-	16,901
Office Supplies	-	1,421	-	1,421
Other Expense	-	24,208	-	24,208
Other Related Employee Expense	-	2,255	-	2,255
Postage	-	1,548	-	1,548
Professional Services	-	3,463	-	3,463
Promotions/Events	-	6,365	-	6,365
Salaries and Related Expense	-	407,937	-	407,937
Telecom Maintenance	-	849	-	849
Travel and Conference	-	477	-	477
Total CTSA Function - Access Ride Information Expenses	<u>-</u>	<u>475,216</u>	<u>-</u>	<u>475,216</u>
Administrative Expenses				
Board Compensation	-	31,094	-	31,094
Business Meetings and Meals	-	46,995	-	46,995
Communications	-	121,075	-	121,075
Insurance	-	490,094	-	490,094
Telecom Maintenance	-	447,240	-	447,240
Office Rent	-	346,354	-	346,354
Office Supplies	-	32,678	-	32,678
Other Expense	-	73,350	-	73,350
Postage	-	20,558	-	20,558
Printed Materials	-	8,412	-	8,412
Professional Services	-	1,053,236	-	1,053,236

*See notes to Schedules of Revenues and Expenditures
and Advanced Funds and Deferred Revenues*

Access Services
MOU No. P000ASI24
Schedule of Revenues and Expenditures (Continued)
Year ended June 30, 2020

	<u>Federal 5310</u>	<u>Proposition C</u>	<u>Measure M</u>	<u>Total</u>
Administrative Expenses (continued)				
Promotions/Events	\$ -	\$ 37,868	\$ -	\$ 37,868
Provision for Income Tax	-	5,000	-	5,000
Repair and Maintenance	-	3,971	-	3,971
Salaries and Related Expense	-	4,875,432	-	4,875,432
Temporary Personnel	-	37,112	-	37,112
Travel and Conference	-	69,651	-	69,651
Vehicle Costs	-	870	-	870
Total Administrative Expenses	<u>-</u>	<u>7,700,990</u>	<u>-</u>	<u>7,700,990</u>
Total Operating Expenditures				
Before Depreciation	71,295,345	87,193,739	12,898,500	171,387,584
Depreciation Expense	3,548,292	993,210	-	4,541,502
Total Expenditures	<u>74,843,637</u>	<u>88,186,949</u>	<u>12,898,500</u>	<u>175,929,086</u>
Excess of Revenues over Expenditures	<u>\$ 1,534,142</u>	<u>\$ 3,873,526</u>	<u>\$ -</u>	<u>\$ 5,407,668</u>

*See notes to Schedules of Revenues and Expenditures
and Advanced Funds and Deferred Revenues*

Access Services
MOU No. P000ASI23
Schedule of Revenues and Expenditures
Year ended June 30, 2019

	<u>Federal 5310</u>	<u>Proposition C</u>	<u>Measure M</u>	<u>Total</u>
Revenues				
Revenues - Funding Source				
Operating	\$ 66,000,000	\$ 70,075,262	\$ 23,720,100	\$ 159,795,362
Capital	4,958,997	794,248	-	5,753,245
Passenger Fares	-	10,229,714	-	10,229,714
Identification Cards	-	54,475	-	54,475
MTA Tether Strap Reimbursement	-	3,108	-	3,108
Miscellaneous Income	-	4,775	-	4,775
Interest Income	-	222,649	-	222,649
MTA Shuttle Service	-	134,198	-	134,198
Gain on Sale of Capital Assets	523,715	-	-	523,715
Total Revenues	<u>71,482,712</u>	<u>81,518,429</u>	<u>23,720,100</u>	<u>176,721,241</u>
Expenditures				
Paratransit Operations - Direct Cost				
Communications	-	2,080,308	-	2,080,308
Contracted Customer Service	-	2,209,373	-	2,209,373
Insurance	-	5,077,717	-	5,077,717
Telecom Maintenance	-	878,994	-	878,994
Office Rent	-	42,000	-	42,000
Office Supplies	-	6,085	-	6,085
Other Expense	-	237	-	237
Printed Materials	-	108	-	108
Postage	-	598	-	598
Professional Services	-	130,647	-	130,647
Promotions / Events	-	56,261	-	56,261
Purchased Transportation	65,326,996	49,962,530	23,405,616	138,695,142
Salaries and Related Expense	-	520,261	-	520,261
Security	-	200,000	-	200,000
Temporary Personnel	-	106,574	-	106,574
Travel and conference	-	6,941	-	6,941
Vehicle Costs	-	120,049	-	120,049
Total Paratransit Operations Direct Cost	<u>65,326,996</u>	<u>61,398,683</u>	<u>23,405,616</u>	<u>150,131,295</u>
Paratransit Operations - Indirect Cost				
Business Meetings and Meals	-	1,789	-	1,789
Communications	-	60,415	-	60,415
Insurance	-	35,486	-	35,486
Telecom Maintenance	-	3,339	-	3,339
Office Rent	-	152,113	-	152,113
Office Supplies	-	6,291	-	6,291
Other Expense	-	4,606	-	4,606
Other Related Employee Expense	-	5,159	-	5,159
Postage / Mailing	-	13,471	-	13,471
Printed Materials	-	78,957	-	78,957
Professional Services	-	5,385	-	5,385
Promotions/Events	-	232,092	-	232,092
Salaries and Related Expense	-	1,802,143	-	1,802,143
Travel and Conference	-	22,622	-	22,622
Vehicle Costs	-	87,335	-	87,335
Total Paratransit Operations - Indirect Cost	<u>-</u>	<u>2,511,203</u>	<u>-</u>	<u>2,511,203</u>

*See notes to Schedules of Revenues and Expenditures
and Advanced Funds and Deferred Revenues*

Access Services
MOU No. P000ASI23
Schedule of Revenues and Expenditures (Continued)
Year ended June 30, 2019

	<u>Federal 5310</u>	<u>Proposition C</u>	<u>Measure M</u>	<u>Total</u>
Eligibility Determination Expenses				
Business Meetings and Meals	\$ -	\$ 866	\$ -	\$ 866
Communications	-	146,031	-	146,031
Eligibility and Appeals	-	5,221,896	-	5,221,896
Insurance	-	64,478	-	64,478
Telecom Maintenance	-	2,797	-	2,797
Office Rent	-	440,682	-	440,682
Office Supplies	-	5,997	-	5,997
Other Expense	-	1,961	-	1,961
Postage/Mailing	-	178,817	-	178,817
Printed Materials	-	438,158	-	438,158
Professional Services	-	54,193	-	54,193
Promotions / Events	-	41,662	-	41,662
Purchased Transportation	673,004	579,109	314,484	1,566,597
Repair and Maintenance	-	9,657	-	9,657
Salaries and Related Expense	-	533,159	-	533,159
Tether Pilot Program	-	84,743	-	84,743
Travel Training	-	837,130	-	837,130
Vehicle Costs	-	550	-	550
Total Eligibility Determination Expenses	<u>673,004</u>	<u>8,641,886</u>	<u>314,484</u>	<u>9,629,374</u>
CTSA Function - Access Ride Information Expenses				
Business Meetings and Meals	-	464	-	464
Communications	-	4,225	-	4,225
Insurance	-	710	-	710
Office Rent	-	16,901	-	16,901
Office Supplies	-	1,409	-	1,409
Other Expense	-	12,891	-	12,891
Other Related Employee Expense	-	64	-	64
Postage	-	2,694	-	2,694
Promotions/Events	-	3,333	-	3,333
Salaries and Related Expense	-	222,242	-	222,242
Telecom Maintenance	-	420	-	420
Travel and Conference	-	3,179	-	3,179
Total CTSA Function - Access Ride Information Expenses	<u>-</u>	<u>268,532</u>	<u>-</u>	<u>268,532</u>
Administrative Expenses				
Board Compensation	-	9,938	-	9,938
Business Meetings and Meals	-	34,671	-	34,671
Communications	-	106,420	-	106,420
Insurance	-	485,545	-	485,545
Telecom Maintenance	-	417,030	-	417,030
Office Rent	-	344,092	-	344,092
Office Supplies	-	22,095	-	22,095
Other Expense	-	43,133	-	43,133
Other Related Employee Expense	-	76,633	-	76,633
Postage	-	33,528	-	33,528
Printed Materials	-	12,165	-	12,165
Professional Services	-	1,250,991	-	1,250,991

*See notes to Schedules of Revenues and Expenditures
and Advanced Funds and Deferred Revenues*

Access Services
MOU No. P000ASI23
Schedule of Revenues and Expenditures (Continued)
Year ended June 30, 2019

	<u>Federal 5310</u>	<u>Proposition C</u>	<u>Measure M</u>	<u>Total</u>
Administrative Expenses (continued)				
Promotions/Events	\$ -	\$ 64,599	\$ -	\$ 64,599
Provision for Income Tax	-	8,203	-	8,203
Repair and Maintenance	-	13,247	-	13,247
Salaries and Related Expense	-	4,857,317	-	4,857,317
Temporary Personnel	-	39,785	-	39,785
Travel and Conference	-	83,728	-	83,728
Vehicle Costs	-	434	-	434
Total Administrative Expenses	<u>-</u>	<u>7,903,554</u>	<u>-</u>	<u>7,903,554</u>
Total Operating Expenditures				
Before Depreciation	66,000,000	80,723,858	23,720,100	170,443,958
Depreciation Expense	3,837,153	2,117,631	-	5,954,784
Total Expenditures	<u>69,837,153</u>	<u>82,841,489</u>	<u>23,720,100</u>	<u>176,398,742</u>
Excess (Deficit) of Revenues over Expenditures	<u>\$ 1,645,559</u>	<u>\$ (1,323,060)</u>	<u>\$ -</u>	<u>\$ 322,499</u>

*See notes to Schedules of Revenues and Expenditures
and Advanced Funds and Deferred Revenues*

Access Services
MOU No. P000ASI24

Schedule of Advanced Funds and Deferred Revenues – Proposition C
June 30, 2020

Proposition C advance funds, as of June 30, 2019	\$ 7,163,748	
Additions:		
Proposition C advance funds		81,472,348
Less:		
Fixed asset purchases	\$ <u>(2,575,424)</u>	(2,575,424)
Operating expenses less offsetting revenues:		
Paratransit Operations - Direct Cost	(68,322,680)	
Paratransit Operations - Indirect Cost	(2,603,132)	
Eligibility Determination Expenses	(8,091,723)	
CTSA Function - Access Ride Information Expenses	(475,216)	
Administrative Expenses	(7,700,990)	
Increase in prepayments on purchases	(2,291,310)	
Passenger Fares	8,894,922	
Identification Cards	43,686	
MTA Tether Strap Reimbursement	1,036	
MTA Shuttle Service Reimbursement	14,275	
Miscellaneous Income	6,559	
Interest Income	490,549	
Gain on Sale of Capital Assets	<u>256,407</u>	
		<u>(79,777,617)</u>
Proposition C advance funds, as of June 30, 2020	\$ <u>6,283,055</u>	(1)
Deferred revenue - coupon sales, as of June 30, 2019	\$ 277,073	
Additions:		
Passenger Purchases		10,258,253
Less:		
Coupon Usage		<u>(10,260,845)</u>
Deferred revenue - coupon sales, as of June 30, 2020	\$ <u>274,481</u>	

(1) Refer to page 12 for the encumbrance and reservation of these unspent Proposition C Funds.

*See notes to Schedules of Revenues and Expenditures
and Advanced Funds and Deferred Revenues*

Access Services
MOU No. P000ASI23

Schedule of Advanced Funds and Deferred Revenue – Proposition C
June 30, 2019

Proposition C advance funds, as of June 30, 2018		\$ 16,869,690
Additions:		
Proposition C advance funds		61,163,245
Less:		
Fixed asset purchases	\$ <u>(794,248)</u>	(794,248)
Operating expenses less offsetting revenues:		
Paratransit Operations - Direct Cost	(61,398,683)	
Paratransit Operations - Indirect Cost	(2,511,203)	
Eligibility Determination Expenses	(8,641,886)	
CTSA Function - Access Ride Information Expenses	(268,532)	
Administrative Expenses	(7,903,554)	
Passenger Fares	10,229,714	
Identification Cards	54,475	
MTA Tether Strap Reimbursement	3,108	
Miscellaneous Income	4,775	
Interest Income	222,649	
MTA Shuttle Service	<u>134,198</u>	
		<u>(70,074,939)</u>
Proposition C advance funds, as of June 30, 2019		\$ <u>7,163,748</u> (1)
Deferred revenue - coupon sales, as of June 30, 2018		\$ 257,146
Additions:		
Passenger Purchases		10,280,772
Less:		
Coupon Usage		<u>(10,260,845)</u>
Deferred revenue - coupon sales, as of June 30, 2019		\$ <u>277,073</u>

(1) Refer to page 12 for the encumbrance and reservation of these unspent Proposition C Funds.

*See notes to Schedules of Revenues and Expenditures
and Advanced Funds and Deferred Revenues*

Access Services
MOU No. P000ASI24

Advanced Funds Rollforward Schedule – Operating and Capital Grants
June 30, 2020

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Beginning balance	\$ 14,617,490	\$ 18,957,284	\$ 18,561,992	\$ 18,786,393	\$ 8,139,953	\$ 16,869,690	\$ 7,163,748
Operating							
Inflow	65,172,267	61,939,834	82,077,993	71,147,360	87,700,000	61,163,245	81,472,348
Outflow, net of program income	<u>(53,436,074)</u>	<u>(56,917,379)</u>	<u>(65,490,079)</u>	<u>(79,746,000)</u>	<u>(77,920,958)</u>	<u>(70,074,939)</u>	<u>(79,777,617)</u>
	<u>11,736,193</u>	<u>5,022,455</u>	<u>16,587,914</u>	<u>(8,598,640)</u>	<u>9,779,042</u>	<u>(8,911,694)</u>	<u>1,694,731</u>
Capital							
Inflow	-	6,573,638	-	-	-	-	-
Outflow							
FY 2013 Capital grant usage	(3,917,890)	-	-	-	-	-	-
FY 2014 Capital grant usage	(3,478,509)	(5,417,747)	-	-	-	-	-
FY 2015 Capital grant usage	-	(6,573,638)	(49,333)	-	-	-	-
FY 2016 Capital grant usage	-	-	(468,734)	-	-	-	-
FY 2017 Capital grant usage	-	-	-	(2,047,800)	-	-	-
FY 2018 Capital grant usage	-	-	-	-	(1,049,305)	-	-
FY 2019 Capital grant usage	-	-	-	-	-	(794,248)	-
FY 2020 Capital grant usage	-	-	-	-	-	-	(2,575,424)
Capital expense adjustment	-	-	(15,845,446)	-	-	-	-
	<u>(7,396,399)</u>	<u>(5,417,747)</u>	<u>(16,363,513)</u>	<u>(2,047,800)</u>	<u>(1,049,305)</u>	<u>(794,248)</u>	<u>(2,575,424)</u>
Net carryover	<u>4,339,794</u>	<u>(395,292)</u>	<u>224,401</u>	<u>(10,646,440)</u>	<u>8,729,737</u>	<u>(9,705,942)</u>	<u>(880,693)</u>
Ending balance	<u>\$ 18,957,284</u>	<u>\$ 18,561,992</u>	<u>\$ 18,786,393</u>	<u>\$ 8,139,953</u>	<u>\$ 16,869,690</u>	<u>\$ 7,163,748</u>	<u>\$ 6,283,055</u>

Details of advanced funds as of June 30 are as follows:

	<u>2019</u>	<u>2020</u>
Encumbered funds related to:		
Open purchase orders - FY 2018	\$ 478,805	\$ -
Open purchase orders - FY 2019	176,927	375,540
Open purchase orders - FY 2020	-	265,587
Reserved funds related to:		
Budgeted capital projects	2,280,051	1,769,251
Start-up costs of budgeted capital projects	510,328	710,781
Available funds	<u>3,717,637</u>	<u>3,161,896</u>
	<u>\$ 7,163,748</u>	<u>\$ 6,283,055</u>

*See notes to Schedules of Revenues and Expenditures
and Advanced Funds and Deferred Revenues*

Access Services
MOU No. P000ASI24
Supplementary Information
Schedule of Capital Assets
June 30, 2020

Date Acquired	Description	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
2008	Chevy Silverado	\$ 20,878	\$ -	\$ -	\$ 20,878
2011	Chevy Malibu	18,307	-	-	18,307
2012	Chevy Malibu (6) (Disposed 5 in FY 19-20)	110,814	-	(92,346)	18,468
2012	Ford Aerolite (7)	429,072	-	-	429,072
2012	Ford Aerotech 220 (2 of 8 disposed in current year)	444,797	-	-	444,797
2012	Ford Fusion Hybrid	35,491	-	-	35,491
2012	VPG MV1 (5)	280,180	-	-	280,180
2013	Stratagen Ph 1 - Cr#14	36,000	-	(36,000)	-
2013	VPG MV1 (12) (Disposed 1 in FY 19-20)	668,086	-	(57,072)	611,014
2014	(10) Gsp-1700 Satellite Phone	4,795	-	-	4,795
2014	(2) Monitors; (2) Desktop & (2) Laserjet	2,545	-	-	2,545
2014	AED With Extra Battery & Cabinet	2,628	-	-	2,628
2014	Axiom SFP+Transceiver Module - Axiom	3,090	-	-	3,090
2014	Cisco Catalyst 3750X-48T S Layer 3 Switch	12,310	-	-	12,310
2014	Cisco Network Module-Catalyst 3K-X 10	2,808	-	-	2,808
2014	Cisco Smartnet-1 Yr Ext Svc Us	2,538	-	-	2,538
2014	Dodge Caravan (53 out of 81 disposed in FY 19-20)	3,588,989	-	(2,348,365)	1,240,624
2014	Ford Aerotech 220 (6) (3 disposed in FY 19-20)	459,610	-	(230,895)	228,715
2014	Good For Enterprise (Cal) & GI Server Perpetual Bundle	3,885	-	-	3,885
2014	May/14: Cisco Router And Cisco Hw Switch	7,107	-	-	7,107
2014	Misc Licenses For Windows/Citrix/HP Implementation	21,416	-	-	21,416
2014	New Call Accounting IP Buffer	1,495	-	-	1,495
2014	VPG MV1 (24)	1,255,245	-	-	1,255,245
2015	(1) Ergonomic Task Chair	208	-	-	208
2015	(1) Lenovo Thinkpad & (1) Memory	943	-	-	943
2015	(1) Smartdrive Recorder	486	-	-	486
2015	(1) Smartdrive Recorder for CTI	478	-	-	478
2015	(1) Smartdrive Recorder for DT	478	-	-	478
2015	(1) Smartdrive Recorder for DT	478	-	-	478
2015	(1) Smartdrive Recorder for GPI	478	-	-	478
2015	(1) Smartdrive Recorder for GPI	478	-	-	478
2015	(1) Smartdrive Recorder for GPI	478	-	-	478
2015	(1) Smartdrive Recorder for GPI	478	-	-	478
2015	(1) Smartdrive Recorder for GPI	478	-	-	478
2015	(1) Smartdrive Recorder for SGT	478	-	-	478
2015	(1) Smartdrive Recorder for SGT	478	-	-	478
2015	(1) Smartdriver	271	-	(271)	-
2015	(1) Virtual Desktop Implementation	23,310	-	-	23,310
2015	(13) Smartdrive Camera for GPI	6,218	-	-	6,218
2015	(13) Smartdrive Units for SGT	6,218	-	-	6,218
2015	(14) Smartdrive Recorder for GPI	7,107	-	-	7,107
2015	(2) Desk; (4) Folding Table; (2) File Cabinet	505	-	-	505
2015	(2) Desks & (4) Folding Table	1,289	-	-	1,289
2015	(2) Desks & (4) Folding Table	213	-	-	213
2015	(2) Smartdrive Re-Cert Camera for SGT	315	-	(315)	-
2015	(2) Smartdrive Recorder for CTI	957	-	-	957
2015	(2) Smartdrive Recorder for DT	957	-	-	957
2015	(2) Smartdrive Recorder for GPI	957	-	-	957
2015	(2) Smartdrive Recorder for SGT	1,015	-	-	1,015
2015	(2) Smartdrive Recorder for SGT	957	-	-	957
2015	(2) Smartdrive Units for CTI	957	-	-	957
2015	(2) Smartdrive Units for Sgt	957	-	-	957
2015	(3) Microsoft Surface Pro 3 Tablet	2,805	-	-	2,805
2015	(3) Smartdrive Camera for DTI	1,525	-	-	1,525
2015	(3) Smartdrive Camera for GPI	1,435	-	-	1,435
2015	(3) Smartdrive Camera for GPI	1,435	-	-	1,435
2015	(3) Smartdrive Recorder for GPI	957	-	-	957
2015	(3) Smartdrive Recorder for GPI	1,435	-	-	1,435
2015	(3) Smartdrive Units for GPI	1,435	-	-	1,435
2015	(4) Smartdrive Units for GPI	1,913	-	-	1,913

See report of independent auditors.

Access Services
MOU No. P000ASI24
Supplementary Information
Schedule of Capital Assets (Continued)
June 30, 2020

Date Acquired	Description	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
2015	(5) Ergonomic Task Chair	\$ 1,224	\$ -	\$ -	1,224
2015	(5) Smartdrive Units for Staff Vehicles	3,665	-	-	3,665
2015	(5) Smartdriver Camera for GPI	2,391	-	-	2,391
2015	(6) Vsphere Ent 5.0 License	14,008	-	-	14,008
2015	(7) Smartdrive Recorder for SGT	3,553	-	-	3,553
2015	(8) Smartdrive Camera for SGT & MVT	4,081	-	-	4,081
2015	(8) Smartdrive Units for GPI	3,826	-	-	3,826
2015	1 Lot Of HP Servers & Storage Arrays	100,435	-	-	100,435
2015	1 Lot Of HP Servers & Storage Arrays System	236,486	-	-	236,486
2015	(1) Smartdrive Unit - SGT	414	-	-	414
2015	(13) Smartdrive Unit & Set Up Fee - GPI	6,599	-	-	6,599
2015	2016 Ford Fusion Hybrid	43,238	-	-	43,238
2015	(5) Smartdrive Unit & Set Up Fee - GPI	2,391	-	-	2,391
2015	Adobe Echosign Electronic Signature	2,700	-	-	2,700
2015	Apc Smart - UPS	1,825	-	-	1,825
2015	Apple Ipad Air	1,778	-	-	1,778
2015	Aug/14 Labor Costs for VD1 Project	7,640	-	-	7,640
2015	Automate Pro Software License	1,650	-	-	1,650
2015	Cisco Smartnet, Power Supply, Modem	30,928	-	-	30,928
2015	Computer Hardware for Implementation	44,857	-	-	44,857
2015	Dell Wyse D10D Thin Client	371	-	-	371
2015	(3) Dell Wyse Thin Client	7,397	-	-	7,397
2015	Dodge Caravan (6 of 144 disposed in FY 19-20)	6,369,719	-	(275,628)	6,094,091
2015	Ford Aerolite (32)	2,120,775	-	-	2,120,775
2015	Ford Aerotech 220 (2 of 12 disposed in current year)	759,635	-	-	759,635
2015	Ford Aerotech 221	78,089	-	-	78,089
2015	Ford Aerotech 222	78,089	-	-	78,089
2015	(2) Ford Aerotech 223	156,178	-	-	156,178
2015	Ford Aerotech 240 (1)	84,791	-	-	84,791
2015	(3) Honda Civic	86,958	-	-	86,958
2015	HP Desktop, Ddr 3 Memory, Monitors	2,424	-	-	2,424
2015	HP Proliant D1380 Server	2,391	-	-	2,391
2015	HP Servers & Storage Arrays System	92,569	-	-	92,569
2015	Lenovo DDR Memory & HP Pavilion Monitor	742	-	-	742
2015	Lenovo Laptop	846	-	-	846
2015	Lenovo Thinkpad	2,568	-	-	2,568
2015	Oracle ERP Migration/Implementation	164,807	-	-	164,807
2015	Security System	5,050	-	-	5,050
2015	Sept/14 Labor Costs for Vd1 Project	5,396	-	-	5,396
2015	Sonic Dell Sra 4600	1,410	-	-	1,410
2015	Sonic Dell Sra 4600 Add 25U (License)	1,931	-	-	1,931
2015	(13) VPG MV1	799,874	-	-	799,874
2015	Websense Enterprise	7,013	-	-	7,013
2015	Wifi Infrastructure Equipment	3,481	-	-	3,481
2015	Windows Implementation	73,900	-	-	73,900
2015	(2) Wyse Thin Client	8,842	-	-	8,842
2016	(1) APC Netsheiter and (1) APC Aircooling System	4,859	-	-	4,859
2016	(1) Ramp - ASI	1,194	-	-	1,194
2016	(3) Smartdrive Installation for DT	1,435	-	-	1,435
2016	(1) Smartdrive Installation for Staff Vehicle	195	-	(195)	-
2016	(1) Smartdrive Recorder & Set Up Fee for MV	515	-	-	515
2016	(1) Smartdrive Recorder for GPI	478	-	-	478
2016	(1) Smartdrive Recorder for Staff Vehicle	561	-	-	561
2016	(10) Smartdrive Recorder & Set Up Fee for SGT	4,783	-	-	4,783
2016	(10) Smartdrive Recorder for GPI	4,783	-	-	4,783
2016	(11) Smartdrive Installation for CTI	5,261	-	-	5,261
2016	(2) Kenwood Digital Radio, Battery, Charger and Antenna	1,803	-	-	1,803
2016	(2) Smartdrive Recorder & Sr Cont for DT	957	-	-	957
2016	(3) Smartdrive Recorder for GPI	1,435	-	-	1,435
2016	(4) Smartdrive Recorder & Set Up Fee for MV	2,030	-	-	2,030
2016	(4) Smartdrive Recorder for GPI	1,913	-	-	1,913
2016	(4) UPS Tower; (3) UPS Battery & (4) Remote Management Adapter	21,506	-	-	21,506
2016	(6) 48-Ports Ethernet Switch & (6) Hot-Swappable Stacking Module	22,239	-	-	22,239
2016	(6) Smartdrive Recorder for CTI	2,870	-	-	2,870
2016	(66) Desktops and (28) Monitors	55,637	-	-	55,637
2016	(14) Smartdrive Recorder for SGT	6,696	-	-	6,696
2016	(6) Smartdrive Recorder for MV-ATW	3,059	-	-	3,059

See report of independent auditors.

Access Services
MOU No. P000ASI24
Supplementary Information
Schedule of Capital Assets (Continued)
June 30, 2020

Date Acquired	Description	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
2016	(20) Smartdrive Recorder for SGT	\$ 10,148	-	-	\$ 10,148
2016	(22) Smartdrive Recorder for GPI	11,162	-	-	11,162
2016	(1) Smartdrive Recorder for CTI-ATW	507	-	-	507
2016	(8) Vehicles Toll Road Vehicle Equipment Installation - SGT	27,989	-	-	27,989
2016	(8) Vehicles Toll Road Vehicle Equipment Installation - GPI	27,989	-	-	27,989
2016	(4) NRE Deposits	87,400	-	-	87,400
2016	2014 VPG MV1	61,986	-	-	61,986
2016	27" LCD Monitor	2,382	-	-	2,382
2016	Information Technologies	12,937	-	-	12,937
2016	Accessla New Rider 360 Desktop Portal Development	16,985	-	-	16,985
2016	Cisco Smartnet	2,529	-	-	2,529
2016	Creative Wireless, Inc - Misc Network Equipments	36,643	-	-	36,643
2016	(1) Dell Latitude Laptop	915	-	-	915
2016	Double Sided Cut Sheet Braille Embosser	5,518	-	-	5,518
2016	Gecrb/Amazon - 02/29/16: Hp Laser Printer	329	-	-	329
2016	Gecrb/Amazon - 03/02/16: Hp Laser Printer	252	-	-	252
2016	HP Pro Desk 400 SRP Kmat	2,119	-	-	2,119
2016	HP Proliant M1350 Server	2,847	-	-	2,847
2016	MacPro Desktop	4,778	-	-	4,778
2016	Microsoft Surface Pro 3 and Misc Accessories	1,080	-	-	1,080
2016	MS Surface Pro & Cover	2,287	-	-	2,287
2016	New Rider 360 Desktop Portal & Accessla New Rider 360 Desktop Portal Development	16,735	-	-	16,735
2016	Portable Air Conditioner	2,529	-	-	2,529
2016	Rider Mobile Portal Application Development	14,990	-	-	14,990
2016	Ruckus Wireless Zoneflex Wireless Access Point	3,836	-	-	3,836
2016	Shredder	2,665	-	-	2,665
2016	Surface Pro	812	-	-	812
2016	Tableau Software License	12,798	-	-	12,798
2017	(7) Desktop computer	9,889	-	-	9,889
2017	(2) HP Laserjet	2,587	-	-	2,587
2017	(2) Sharp MX-M565N Workgroup Copier	18,331	-	-	18,331
2017	(1) 65" Television	1,100	-	-	1,100
2017	(7) Laptop	6,696	-	-	6,696
2017	(1) Audio and Video equipment	1,826	-	-	1,826
2017	(1) Came-TV Boltzen Fresnet light	603	-	-	603
2017	(1) Data Center Installzation	15,975	-	-	15,975
2017	(1) KACE K1100 Appliance	14,036	-	-	14,036
2017	(1) KACE K2100 Appliance	8,600	-	-	8,600
2017	(1) Closed Circuit Television	3,000	-	-	3,000
2017	(1) Microsoft Surface Pro 4	1,564	-	-	1,564
2017	(1) HP ML/DL Proliant ML 370 G6 Rackmount Server	986	-	-	986
2017	(1) Cisco router	4,589	-	-	4,589
2017	(1) Epson Printer	754	-	-	754
2017	Structured Cabling Services	1,102,901	-	-	1,102,901
2017	(1) File cabinet	4,701	-	-	4,701
2017	(1) Wheresmyride Application	2,925	-	-	2,925
2017	(1) Info Pass Server Software	12,819	-	-	12,819
2017	(1) CollectiveFleet 6.2 Software	24,999	-	-	24,999
2017	(10) Tableau Software	8,000	-	-	8,000
2017	(2) 2016 Chevrolet Impala	43,568	-	-	43,568
2017	(610) Smart Drive Dashboard Camera and Accessories (disposed 22 in FY 19-20)	286,966	-	-	286,966
2017	(3) 2016 Class B StarCraft AllStar Cutaway 22	54,105	-	-	54,105
2017	(2) 2016 Class C StarCraft AllStar Cutaway 25	47,755	-	-	47,755
2017	2016 ELDORADO AMERIVAN WHITE (4 of 7 disposed in current year)	168,365	-	-	168,365

See report of independent auditors.

Access Services
MOU No. P000ASI24
Supplementary Information
Schedule of Capital Assets (Continued)
June 30, 2020

Date Acquired	Description	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
2018	Office equipment	\$ 12,537	\$ -	\$ -	12,537
2018	Office furniture	13,484	-	-	13,484
2018	Telecom equipment	58,617	-	-	58,617
2018	Computer equipment	72,515	-	-	72,515
2018	Computer software	209,807	-	-	209,807
2018	2017 Lone Star Promaster	75,081	-	-	75,081
2018	2018 Class C Starcraft Allstar Cutaway	92,583	-	-	92,583
2018	SR3 Controller with Mount for MVT (5)	4,823	-	-	4,823
2018	NVR Camera Kit and installation cost (2)	4,314	-	-	4,314
2018	SR3 64GB extended storage for SGT (36)	4,258	-	(4,258)	-
2018	Leasehold improvements- Commerce	428,079	-	-	428,079
2018	Leasehold improvements- El Monte	1,911	-	-	1,911
2018	2018 Class B Starcraft Allstar Cutaway (4)	74,402	-	-	74,402
2019	Office equipment	22,444	-	-	22,444
2019	Office furniture	42,426	-	-	42,426
2019	Telecom equipment	137,455	-	-	137,455
2019	Computer equipment	33,579	-	-	33,579
2019	Computer software	260,808	-	-	260,808
2019	2017 El Dorado Amerivan (Prop C)	52,827	-	-	52,827
2019	2018 El Dorado Amerivan (FTA5310)	206,192	-	-	206,192
2019	6 SR3 64GB Extended Storage for CTI (Prop C)	567	-	(567)	-
2019	4 SR3 64GB Extended Storage for DT (Prop C)	393	-	(393)	-
2019	1 SR3 64GB Extended Storage for GPI (Prop C)	103	-	(103)	-
2019	19 SR3 64GB Extended Storage for GPI (Prop C)	1,779	-	(1,779)	-
2019	1 SR3 64GB Extended Storage for MV (Prop C)	103	-	(103)	-
2019	4 SR3 64GB Extended Storage for MVT (Prop C)	381	-	(381)	-
2019	46 SR3 64GB Extended Storage for SGT (Prop C) (Disposed 28 in FY 19-20)	4,301	-	(1,736)	2,565
2019	4 SR3 64GB Extended storage replacement kit ASI (Prop C)	381	-	(381)	-
2019	2 SR3 Controller with mount for GPI (Prop C)	554	-	-	554
2019	7 SR3 Driver Camera Bundle Controller & installation for ASI vehicle (Prop C)	4,492	-	-	4,492
2019	2 SR3 On Board Vehicle Camera/Recording System for SGT (Prop C)	1,684	-	-	1,684
2019	3 SR3 Primary Camera Bundle for ASI (Prop C)	695	-	-	695
2019	2 SR3 Primary Camera Bundle for SGT (Prop C)	295	-	-	295
2019	1 Vehicle equipments - Camera & hardware installation (Prop C)	5,889	-	-	5,889
2019	Leasehold improvements- Commerce (Prop C)	16,900	-	-	16,900
2019	1 Macbook Pro laptop computer	-	3,373	-	3,373
2019	1 Apple Ipad	-	1,328	-	1,328
2019	1 Ricoh Theta Z1 360 Degree Camera	-	1,078	-	1,078
2019	1 Dell - Latitude 5500 BTX Base Laptop	-	1,894	-	1,894
2019	5 Microsoft Surface Pro 7 - 12.3" Touchscreen Laptop	-	9,923	-	9,923
2019	1 Access Online Eligibility Scheduler Solution (Phase 3 Implementation)	-	19,125	-	19,125
2019	1 New hosted IVR application implementation	-	10,000	-	10,000
2019	1 Website Redesign and Maintenance	-	37,153	-	37,153
2020	1 Cybersecurity Hardening Project - Hardware/Equipment	-	14,902	-	14,902
2020	1 HP Laser Jet Enterprise Printer	-	1,760	-	1,760
2020	1 Rider360 Expiry Solution Software	-	10,000	-	10,000
2020	1 Cybersecurity Hardening Project - Software	-	64,406	-	64,406
2019	1 Plastic Recyclable 6' Bench with Back, Color; Cedar Model # H-2888C	-	3,213	-	3,213
2019	1 Reconfiguration of Furniture at Commerce Eligibility Center	-	11,625	-	11,625
2019	(5) 2019 Class B Starcraft Allstar Cutaway	-	3,531	-	3,531
2019	(3) 2019 Class C Starcraft Allstar Cutaway	-	205,289	-	205,289
2019	(1) 2020 Class A Starcraft Allstar Cutaway	-	16,802	-	16,802
2019	(33) 2019 Class D El Dorado Amerivans	-	14,610	-	14,610
2020	(52) 2019 Class D El Dorado Amerivans	-	21,728	-	21,728
2020	(15) 2019 Lone Star Promaster	-	661,506	-	661,506
2020	(40) 2019 Dodge Braun Caravan	-	419,308	-	419,308
2020	Rider360 Version 2.0 Project	-	786,843	-	786,843
2020	Voice Over Internet Protocol (VoIP) Services	-	46,724	-	46,724
2020	Where's My Ride Software and Services	-	114,675	-	114,675
2020	Data Center Refresh Project - Hardware	-	47,314	-	47,314
2020	Data Center Refresh Project - Software	-	47,314	-	47,314
		\$ 23,124,236	\$ 2,575,424	\$ (3,050,788)	\$ 22,648,872

See report of independent auditors.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Access Services was incorporated in the State of California as a nonprofit 501(c)(3) public benefit corporation on March 31, 1994. Access Services is the designated Los Angeles County Consolidated Transportation Agency (CTSA) pursuant to Government Code §159759(a) and public entity pursuant to Government Code §15975(t). Access Services administers the Los Angeles County Coordinated Paratransit Plan on behalf of the Los Angeles (LA) County's 45 public fixed route operators (i.e., bus and rail). Access Services facilitates the provision of complementary American Disability Act (ADA) paratransit services to certain persons with disabilities as required by 42 U.S.C. §12143 under the name "Access Paratransit". Paratransit is an alternative mode of flexible passenger transportation that does not follow fixed routes or schedules. Access Paratransit system provides approximately 3.0 million trips per year to more than 141,000 qualified disabled riders in a service area of over 1,950 square miles.

Access Services is governed by a Board of Directors composed of the nine members of the LA County Board of Supervisors, the City Selection Committee's Corridor Transportation Representatives, the Mayor of the City of Los Angeles, the LA County municipal fixed-route operators, the LA County local fixed-route operators, the LA County Commission on Disabilities, the Coalition of LA County Independent Living, the LA County Metropolitan Transportation Authority (LACMTA), and an alternating appointment by the municipal and local fixed-route operators.

Accounting and Reporting

Proposition C funds represent 40% of the ½ cent Proposition C sales taxes which must be used exclusively for transportation related programs and projects. Measure M funds represent 2% of the county-wide ½ cent Measure M sales tax which is distributed to the jurisdictions within Los Angeles County based on a per capita basis and must be used exclusively for transportation purposes. Regional Surface Transportation Program (RSTP) Funds were provided through Federal Section 5310 Program. The operations of the Proposition C Discretionary Grant, Measure M 2% Grant, and Federal Section 5310 Grant are accounted for in a separate set of self-balancing accounts that accounts for its revenues and expenditures.

Basis of Accounting

Revenues and expenditures are accounted for using the accrual basis of accounting. Revenues from grants are recognized when expenditures are incurred. Expenditures are generally recognized when the related liabilities are incurred.

Use of Estimates

The preparation of the Schedules in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures during the relevant period. Actual results could differ from the estimates.

Access Services
MOU Nos. P000AS124 and P000AS123
Notes to Schedules of Revenues and Expenditures and
Advanced Funds and Deferred Revenues
Years ended June 30, 2020 and 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Access Services primarily receives revenue from FTA Section 5310, Measure M and Proposition C Discretionary fund grants through LACMTA, and passenger fares for the paratransit services provided. Revenues are deemed to be earned when allowable expenses are incurred or recognized by Access Services. Passenger revenues are recognized as services are provided to passengers.

Expenses

Salaries, benefits, and other related expenses are categorized to paratransit operations, eligibility determination, CTSA function and ride information, and management and general, primarily based on personnel job function. Other indirect costs are allocated based on either the number of employees located within a department, estimated asset usage, or the nature of services provided.

Proposition C Advanced Funds

Proposition C Advanced Funds represent unspent Proposition C monies as of June 30, 2020, and 2019.

NOTE 2 MEMORANDUM OF UNDERSTANDING

Access Services (grantee) and LACMTA (grantor) entered into a Memorandum of Understanding each year as follows, for the purpose of providing funding to Access Services during the fiscal years 2019/20 and 2018/19 for the provision of ADA mandated complementary paratransit service on behalf of member agencies, to provide shuttles or deviated route service and to carry out Access Services' role as the CTSA for LA County as required under §15950 of the California Government Code:

<u>MOU No.</u>	<u>MOU Date</u>	<u>Effective Date Through</u>
P000AS124	June 27, 2019	June 30, 2020
P000AS123	June 28, 2018	June 30, 2019

LACMTA made available to Access Services the following amounts for fiscal years ended June 30:

	<u>2020</u>	<u>2019</u>
Federal Section 5310 program	\$ 70,988,000	\$ 66,000,000
Proposition C 40% Discretionary - operating and capital	81,472,348	61,163,245
Measure M 2%	12,898,500	23,720,100
	<u>\$ 165,358,848</u>	<u>\$ 150,883,345</u>

Access Services
MOU Nos. P000ASI24 and P000ASI23
Notes to Schedules of Revenues and Expenditures and
Advanced Funds and Deferred Revenues
Years ended June 30, 2020 and 2019

NOTE 2 MEMORANDUM OF UNDERSTANDING (CONTINUED)

LACMTA has authorized RSTP funds for Access Services in the amount of \$70,988,000 for FY2019/20. These funds have been flexed into Federal Section 5310 Program – Enhanced Mobility of Seniors and Individuals with Disabilities grant (Federal Award Identification Number (FAIN) 5831-2019-1), which was approved by the Federal Transit Administration (FTA) on June 27, 2019.

LACMTA also authorized the Proposition C 40% and Measure M 2% funding of \$81,472,348 and \$12,898,500, respectively, totaling \$94,370,848 for operating and capital funds paid through one payment of \$47,429,425 and followed by three (3) equal installments of \$15,647,141 on October 1, 2019, January 1, 2020 and April 1, 2020 following receipt of a disbursement request and subject to the conditions set forth below:

- Proposition C 40% funds in the amount of \$3,500,000 is held by LACMTA in reserve for trips in excess of the budgeted amount if needed. Reserve funds may be disbursed upon request and written agreement between LACMTA and Access Services.
- Carryover in the amount of \$4,027,181 from Proposition C 40% shall be carried over from FY 2017/18 into FY 2019/20 for operating expenses as approved by the LACMTA Board.
- Any unused FY 2018/19 Proposition C 40% or Measure M 2% operating and capital funds not expended and/or encumbered as a result of the audit may be carried forward into the next fiscal year upon written request and approval from LACMTA.

In accordance with MOU Nos. P000ASI24 and P000ASI23, the Grantee must abide by the restrictions for the use of the funds as enumerated under Section 4 of the agreements.

NOTE 3 SCHEDULES OF REVENUES AND EXPENDITURES AND ADVANCED FUNDS AND DEFERRED REVENUES

The Schedules are intended to reflect the revenues and expenditures and advanced funds and deferred revenues relative to FTA Section 5310 Program, Proposition C Discretionary and Measure M 2% funds only, under MOU Nos. P000ASI24 and P000AS123. Accordingly, the Schedules do not purport to, and do not present fairly the financial position of Access Services and changes in financial position thereof as of and for the years ended June 30, 2020 and 2019 in conformity with generally accepted accounting principles in the United States of America.

As of June 30, 2020 and 2019, Access Services has unspent funds of \$6,283,055 and \$7,163,748, respectively, related to Proposition C funding from LACMTA that it has presented as Deferred Revenues in its audited financial statements.

Access Services
MOU Nos. P000AS124 and P000AS123
Notes to Schedules of Revenues and Expenditures and
Advanced Funds and Deferred Revenues
Years ended June 30, 2020 and 2019

NOTE 4 START UP COSTS OF BUDGETED CAPITAL PROJECTS

Start up costs of budgeted capital projects comprised of the following as of June 30, 2020 and 2019:

	2020		2019
Remaining startup cost for project MV Transportation - Contract number AS 4059	\$ 312,485	\$	312,485
ConvergeOne consulting services	145,245		-
Remaining MTM startup cost - Contract number AS 4030	192,204		192,204
AVTA additional free fare for FY19-20 expensed in FY21	55,207		-
Remaining startup cost for project SGT 3421	4,292		4,292
Trinet - Access webpage redesign	1,348		1,348
	\$ 710,781	\$	510,328

NOTE 5 SUBSEQUENT EVENTS

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries. To date, it is unknown how long these conditions will last and what the complete financial effect will be to businesses and other affected organizations, including local governmental entities.

Access Services has evaluated events or transactions that occurred subsequent to June 30, 2020 through December 31, 2020 the date the accompanying Schedules were available to be issued, for potential recognition or disclosure and determined no other subsequent events require disclosure or adjustment to the accompanying Schedules.

Report of Independent Auditors 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 Access Services and the Los Angeles County Metropolitan Transportation Authority

We have audited, 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, the accompanying Schedules of Revenues and Expenditures and Advanced Funds and Deferred Revenue (Schedules) as defined by the Proposition C Discretionary Program Guidelines and Memorandum of Understanding (MOU No. P000ASI24) dated June 27, 2019 between Access Services, as grantee, and the Los Angeles County Metropolitan Transportation Authority, as grantor as of and for the year ended June 30, 2020, and have issued our report thereon dated December 31, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the Schedules, we considered Access Services' internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the accompanying Schedules of Revenues and Expenditures and Advanced Funds and Deferred Revenue, but not for the purpose of expressing an opinion on the effectiveness of Access Services' internal control. Accordingly, we do not express an opinion on the effectiveness of Access Services' 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 Access Services' Schedules 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 Schedules. 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 over the Schedules and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over the Schedules or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control over the Schedules and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Vasquez & Company LLP". The signature is written in a cursive, flowing style.

**Glendale, California
December 31, 2020**

COMPLIANCE SECTION

Report of Independent Auditors on Compliance

To the Board of Directors of Access Services and the Los Angeles County Metropolitan Transportation Authority

Report on Compliance

We have audited the compliance of Access Services with the Proposition C Discretionary Program Guidelines, Measure M 2% Program Guidelines and Memorandum of Understanding (MOU No. P000ASI24) dated June 27, 2019 (collectively, the Guidelines) for the year ended June 30, 2020.

Management's Responsibility

Management is responsible for Access Services' compliance with the Guidelines.

Auditors' Responsibility

Our responsibility is to express an opinion on Access Services' compliance with the Guidelines based on our audit. 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 Guidelines referred to in the preceding paragraph. Those standards and the Guidelines 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 the Proposition C Discretionary and Measure M 2% program occurred. An audit includes examining, on a test basis, evidence about Access Services' 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 with the Guidelines. However, our audit does not provide a legal determination of Access Services' compliance with the Guidelines.

Opinion

In our opinion, Access Services complied, in all material respects, with the compliance requirements of the Guidelines for the year ended June 30, 2020.



Report on Internal Control over Compliance

Management of Access Services is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered Access Services' internal control over compliance to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance, 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 Access Services' 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 on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with the requirements, such that there is a reasonable possibility that material noncompliance 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 the requirements 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.

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 Guidelines. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Vaquero & Company LLP". The signature is written in a cursive, flowing style.

**Glendale, California
December 31, 2020**

**Access Services
MOU No. P000ASI24
Compliance Matrix
Year ended June 30, 2020**

Compliance Requirement		In Compliance			Questioned Costs	If no, provided details and management response
		Yes	No	N/A		
A. Memorandum of Understanding (MOU)						
1.	Operate as an integrated countywide ADA complementary paratransit system on behalf of the Los Angeles County fixed route transit operators as required by the U.S. Code of Federal Regulations 49 CFR Part 37, Subpart F.	X				
2.	Operate shuttle services as projects for ADA and non-ADA eligible riders when such services can be provided at a lower cost than ADA complementary paratransit or fixed route transit services.	X				
3.	Prepare and submit the Annual Plan Update of the Los Angeles County Coordinated Paratransit Plan to the U.S. Department of Transportation as required on behalf of Access Services' member agencies, if required.	X				
4.	Provide emergency back-up transportation to individuals with disabilities as required.	X				
5.	Provide temporary shuttle services in cases where LACMTA has accessible pathways and elevator repairs underway at rail and bus stations, in accordance with MOU guidelines.	X				
6.	Submit demand and expense projections to LACMTA through a Five Year Strategic and Short Term Business Plan, including annual updates; at the time of submittal of a preliminary budget as referenced in the MOU.	X				
7.	Comply with the requirements of the Social Service Transportation Improvement Act, California Governmental Code §15950, et seq., and to carry out Access Services' role as the Consolidated Transportation Service Agency (CTSA) for Los Angeles County.	X				

**Access Services
MOU No. P000ASI24
Compliance Matrix
Year ended June 30, 2020**

Compliance Requirement		In Compliance			Questioned Costs	If no, provided details and management response
		Yes	No	N/A		
A. Memorandum of Understanding (MOU) (Continued)						
8.	Provide LACMTA Security reimbursement for the Security Services in an amount not to exceed \$200,000 performed on behalf of Access Services.	X				
9.	Provide oversight and management of LACMTA's Safety Strap Program, to include scheduling appointments, transporting noneligible Los Angeles County paratransit rider to and from Access Services' Eligibility Center for wheelchair safety marking, and having eligibility center staff attend Los Angeles County disability events for wheelchair safety marking (collectively, the "Safety Strap Services").	X				
10.	Utilize the funds in accordance with all applicable federal, state and local statutes and regulations, including but not limited to the Proposition C Guidelines, FTA Section 5310 Program Guidelines, FTA Master Agreement, FTA Circular 5010.1 D, FTA Circular 4220.1 F, and in accordance with the LACMTA Board of Directors' actions at their May 28, 2015 meeting.	X				
11.	Funds are not used to substitute for any other funds, service, or project not specified in the MOU.	X				
12.	Administrative costs, as defined in the MOU, do not exceed ten percent (10%) of the total Operating and Capital expense for ADA Paratransit Operations and the CTSA activities.	X				

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**Access Services
MOU No. P000ASI24
Schedule of Findings and Questioned Costs
Year ended June 30, 2020**

There were no findings noted.

EXIT CONFERENCE

An exit conference was held on December 31, 2020 with Access Services' representatives. Those in attendance were:

Vasquez & Company representatives:

Cristy Canieda – Partner
Shweta Mehrotra – Audit Supervisor

Access Services representatives:

Hector Rodriguez – Deputy Executive Director
Bruce Frink – Senior Manager, Finance, Planning and Analysis
Rene Arrieta – General Accounting Supervisor

Matters discussed:

Results of the audit disclosed no instances of noncompliance with the Guidelines.

A copy of this report was forwarded to the following Access Services representatives for comments prior to the issuance of the final report.

Hector Rodriguez – Deputy Executive Director
Bruce Frink – Senior Manager, Finance, Planning and Analysis
Rene Arrieta – General Accounting Supervisor



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