

The word "access" is written in a white, lowercase, sans-serif font, centered within a horizontal rectangular bar that has a teal-to-dark-teal gradient.

**Access Services
(A Nonprofit Benefit Corporation)**

**Balance Sheet as of June 30, 2021, and
Schedules of Revenues and Expenditures and
Advanced Funds and Deferred Revenues
under MOU No. P000ASI25 and P000ASI24
as of and for the Years Ended June 30, 2021 and 2020**

With Independent Auditor's Report



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FINANCIAL SECTION



Independent Auditor's Report

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

Report on the Balance Sheet, and the Schedules of Revenues and Expenditures and Advanced Funds and Deferred Revenues

We have audited the accompanying Balance Sheet as of June 30, 2021, the Schedules of Revenues and Expenditures of Access Services for the years ended June 30, 2021 and 2020, and the Schedules of Advanced Funds and Deferred Revenues as of June 30, 2021 and 2020 (the Schedules) as defined by the Proposition C Discretionary Program Guidelines, Measure M 2% Program Guidelines and the Memorandum of Understanding (MOU Nos. P000ASI25 and P000ASI24) dated September 24, 2020 and June 27, 2019, respectively, between Access Services as grantee, and the Los Angeles County Metropolitan Transportation Authority (Metro), as grantor and the related notes to the Balance Sheet and the Schedules.

Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of the Balance Sheet and the Schedules in accordance with accounting principles generally accepted in the United States of America and MOU Nos. P000ASI25 and P000ASI24; 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Balance Sheet and the 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 Balance Sheet and the Schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Balance Sheet and 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 Balance Sheet and 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 Balance Sheet as of June 30, 2021, and the Schedules of Revenues and Expenditures for the years ended June 30, 2021 and 2020 and the Schedules of Advanced Funds and Deferred Revenues as of June 30, 2021 and 2020 referred to above present fairly, in all material respects, the financial position and the revenues and expenditures and advanced funds and deferred revenues of Access Services related to funds received from Metro under MOU Nos. P000ASI25 and P000ASI24 as of and for the years ended June 30, 2021 and 2020, in accordance with accounting principles generally accepted in the United States of America.

Other Matter

As discussed in Note 7, the Balance Sheet as of June 30, 2021, and the Schedules of Revenues and Expenditures and Advanced Funds and Deferred Revenues present only the financial position, revenues, expenditures and advanced funds and deferred revenues of Access Services related to funds received from Metro under MOU Nos. P000ASI25 and P000ASI24, and do not purport to, and do not present fairly the financial position of Access Services as of June 30, 2021 and 2020 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 Balance Sheet and 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 Balance Sheet and 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 Balance Sheet and the Schedules. Such information has been subjected to the auditing procedures applied in the audit of the Balance sheet and the Schedules and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the Balance Sheet and the Schedules or to the Balance Sheet and 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 Balance Sheet and 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 March 16, 2022 on our consideration of Access Services' internal control over financial reporting which includes preparation of the Balance Sheet and 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 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 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.

**Glendale, California
March 16, 2022**

Access Services
MOU No. P000ASI25
Balance Sheet
June 30, 2021

	<u>Federal 5310</u>	<u>Proposition C</u>	<u>Measure M</u>	<u>Total</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ 20,140,243	\$ -	\$ 20,140,243
Grants receivable	2,956,327	-	-	2,956,327
Accounts receivable	-	56,707	-	56,707
Prepaid expenses and other assets	-	7,578,897	-	7,578,897
Total current assets	<u>2,956,327</u>	<u>27,775,847</u>	<u>-</u>	<u>30,732,174</u>
Noncurrent assets				
Property and equipment, net	4,817,229	5,151,180	-	9,968,409
Restricted cash equivalents for self-insured retention	-	4,994,495	-	4,994,495
Restricted cash equivalents for unfunded pension liability	-	4,460,482	-	4,460,482
Restricted cash equivalents for accrued vacation liability	-	1,064,469	-	1,064,469
Deposits	-	39,129	-	39,129
Total noncurrent assets	<u>4,817,229</u>	<u>15,709,755</u>	<u>-</u>	<u>20,526,984</u>
Total assets	<u>\$ 7,773,556</u>	<u>\$ 43,485,602</u>	<u>\$ -</u>	<u>\$ 51,259,158</u>
LIABILITIES AND NET ASSETS				
Current liabilities				
Accounts payable	\$ -	\$ 1,465,397	\$ -	\$ 1,465,397
Contractors payable	7,694	11,863,220	-	11,870,914
Accrued expenses	-	-	-	-
Unfunded defined benefit plan liability	-	4,460,482	-	4,460,482
Self insurance accruals	-	4,994,495	-	4,994,495
Deferred support	2,956,327	4,632,566	-	7,588,893
Deferred revenue	-	113,844	-	113,844
Deferred rent	-	180,138	-	180,138
Total current liabilities	<u>2,964,021</u>	<u>27,710,142</u>	<u>-</u>	<u>30,674,163</u>
Net assets				
Without donor restrictions	4,809,535	15,775,460	-	20,584,995
Total net assets	<u>4,809,535</u>	<u>15,775,460</u>	<u>-</u>	<u>20,584,995</u>
Total liabilities and net assets	<u>\$ 7,773,556</u>	<u>\$ 43,485,602</u>	<u>\$ -</u>	<u>\$ 51,259,158</u>

See Notes to the Balance Sheet, the Schedules of Revenues and Expenditures, and the Schedule of Advanced Funds and Deferred Revenues – Proposition C Fund

Access Services
MOU No. P000ASI25
Schedule of Revenues and Expenditures
Year ended June 30, 2021

	<u>Federal 5310</u>	<u>Proposition C</u>	<u>Measure M</u>	<u>Total</u>
Revenues				
Revenues - Funding Source				
Operating	\$ 69,500,000	\$ 83,573,746	\$ 11,496,428	\$ 164,570,174
Capital	-	2,493,993	-	2,493,993
Passenger Fares	1,780	5,215,644	-	5,217,424
Interest Income	-	4,192	-	4,192
Miscellaneous Income	-	36,396	-	36,396
Gain on Sale of Capital Assets	-	271,049	-	271,049
Total Revenues	<u>69,501,780</u>	<u>91,595,020</u>	<u>11,496,428</u>	<u>172,593,228</u>
Expenditures				
Paratransit Operations - Direct Cost				
Communications	-	615,073	-	615,073
Contracted Customer Service	-	1,839,790	-	1,839,790
Insurance	-	6,543,854	-	6,543,854
Office Supplies	-	1,362	-	1,362
Other Expense	-	7,885	-	7,885
Office Rent	-	42,000	-	42,000
Professional Services	-	114,250	-	114,250
Promotions / Events	-	7,344	-	7,344
Purchased Transportation	68,920,163	49,683,987	11,445,790	130,049,940
Salaries and Related Expense	-	787,140	-	787,140
Security	-	200,000	-	200,000
Telecom Maintenance	-	718,346	-	718,346
Vehicle Costs	-	154,682	-	154,682
Total Paratransit Operations Direct Cost	<u>68,920,163</u>	<u>60,715,713</u>	<u>11,445,790</u>	<u>141,081,666</u>
Paratransit Operations - Indirect Cost				
Communications	-	80,508	-	80,508
Insurance	-	42,837	-	42,837
Office Rent	-	152,113	-	152,113
Office Supplies	-	38,795	-	38,795
Other Expense	-	10,498	-	10,498
Postage / Mailing	-	7,019	-	7,019
Printed Materials	-	58,310	-	58,310
Professional Services	-	15,424	-	15,424
Promotions/Events	-	126,300	-	126,300
Salaries and Related Expense	-	1,914,168	-	1,914,168
Telecom Maintenance	-	531	-	531
Vehicle Costs	-	66,988	-	66,988
Total Paratransit Operations - Indirect Cost	<u>-</u>	<u>2,513,491</u>	<u>-</u>	<u>2,513,491</u>

See Notes to the Balance Sheet, the Schedules of Revenues and Expenditures, and the Schedule of Advanced Funds and Deferred Revenues – Proposition C Fund

Access Services
MOU No. P000ASI25
Schedule of Revenues and Expenditures (Continued)
Year ended June 30, 2021

	<u>Federal 5310</u>	<u>Proposition C</u>	<u>Measure M</u>	<u>Total</u>
Eligibility Determination Expenses				
Communications	\$ -	\$ 113,889	\$ -	\$ 113,889
Eligibility and Appeals	-	4,060,768	-	4,060,768
Insurance	-	78,137	-	78,137
Office Rent	-	455,064	-	455,064
Office Supplies	-	839	-	839
Other Expense	-	498	-	498
Postage/Mailing	-	158,616	-	158,616
Printed Materials	-	256,584	-	256,584
Professional Services	-	763	-	763
Promotions / Events	-	26,501	-	26,501
Purchased Transportation	649,890	184,989	50,638	885,517
Repair and Maintenance	-	3,450	-	3,450
Salaries and Related Expense	-	422,939	-	422,939
Telecom Maintenance	-	5,368	-	5,368
Travel Training	-	578,911	-	578,911
Total Eligibility Determination Expenses	<u>649,890</u>	<u>6,347,316</u>	<u>50,638</u>	<u>7,047,844</u>
CTSA Function - Access Ride Information Expenses				
Business Meetings and Meals	-	45	-	45
Communications	-	9,710	-	9,710
Insurance	-	857	-	857
Office Rent	-	16,901	-	16,901
Office Supplies	-	1,714	-	1,714
Other Expense	-	29,707	-	29,707
Other Related Employee Expense	-	1,727	-	1,727
Postage/Mailing	-	1,626	-	1,626
Printed Materials	-	1,354	-	1,354
Promotions / Events	-	6,427	-	6,427
Salaries and Related Expense	-	468,645	-	468,645
Telecom Maintenance	-	600	-	600
Total CTSA Function - Access Ride Information Expenses	<u>-</u>	<u>539,313</u>	<u>-</u>	<u>539,313</u>
Administrative Expenses				
Board Compensation	-	9,275	-	9,275
Business Meetings and Meals	-	7,773	-	7,773
Communications	-	112,999	-	112,999
Insurance	-	7,216,923	-	7,216,923
Office Rent	-	344,156	-	344,156
Office Supplies	-	11,579	-	11,579
Other Expense	-	92,818	-	92,818
Other Related Employee Expense	-	50,336	-	50,336
Postage	-	16,578	-	16,578
Printed Materials	-	1,522	-	1,522
Professional Services	-	1,032,963	-	1,032,963

See Notes to the Balance Sheet, the Schedules of Revenues and Expenditures, and the Schedule of Advanced Funds and Deferred Revenues – Proposition C Fund

Access Services
MOU No. P000ASI25
Schedule of Revenues and Expenditures (Continued)
Year ended June 30, 2021

	<u>Federal 5310</u>	<u>Proposition C</u>	<u>Measure M</u>	<u>Total</u>
Administrative Expenses (continued)				
Promotions/Events	\$ -	\$ 20,030	\$ -	\$ 20,030
Repair and Maintenance	-	3,370	-	3,370
Salaries and Related Expense	-	5,520,612	-	5,520,612
Telecom Maintenance	-	618,137	-	618,137
Temporary Personnel	-	26,250	-	26,250
Travel and Conference	-	(504)	-	(504)
Vehicle Costs	-	7,492	-	7,492
Total Administrative Expenses	<u>-</u>	<u>15,092,309</u>	<u>-</u>	<u>15,092,309</u>
Total Expenditures Before				
Depreciation	69,570,053	85,208,142	11,496,428	166,274,623
Depreciation Expense	2,930,992	1,700,219	-	4,631,211
Total Expenditures	<u>72,501,045</u>	<u>86,908,361</u>	<u>11,496,428</u>	<u>170,905,834</u>
Excess (Deferred) of Revenues				
over Expenditures	<u>\$ (2,999,265)</u>	<u>\$ 4,686,659</u>	<u>\$ -</u>	<u>\$ 1,687,394</u>

See Notes to the Balance Sheet, the Schedules of Revenues and Expenditures, and the Schedule of Advanced Funds and Deferred Revenues – Proposition C Fund

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 the Balance Sheet, the Schedules of Revenues and Expenditures, and the Schedule of Advanced Funds and Deferred Revenues – Proposition C Fund

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

	Federal 5310	Proposition C	Measure M	Total
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	968,934	8,091,723	223,896	9,284,553
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	-	475,216	-	475,216
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 the Balance Sheet, the Schedules of Revenues and Expenditures, and the Schedule of Advanced Funds and Deferred Revenues – Proposition C Fund

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 Expenditures Before Depreciation	71,295,345	87,193,739	12,898,500	171,387,584
Depreciation Expense	<u>3,548,292</u>	<u>993,210</u>	<u>-</u>	<u>4,541,502</u>
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 the Balance Sheet, the Schedules of Revenues and Expenditures, and the Schedule of Advanced Funds and Deferred Revenues – Proposition C Fund

Access Services
MOU No. P000ASI25

Schedule of Advanced Funds and Deferred Revenues – Proposition C
June 30, 2021

Proposition C advance funds, as of June 30, 2020		\$ 6,283,055
Additions:		
Proposition C advance funds		80,748,910
Less:		
Fixed asset purchases	\$ (2,493,993)	(2,493,993)
Operating expenses less offsetting revenues:		
Paratransit Operations - Direct Cost	(60,715,713)	
Paratransit Operations - Indirect Cost	(2,513,491)	
Eligibility Determination Expenses	(6,347,316)	
CTSA Function - Access Ride Information Expenses	(539,314)	
Administrative Expenses	(15,092,309)	
Increase in prepayments on purchases	(225,192)	
Passenger Fares	5,215,644	
MTA Shuttle Service Reimbursement	648	
Miscellaneous Income	36,396	
Interest Income	4,192	
Gain on Sale of Capital Assets	271,049	
		<u>(79,905,406)</u>
Proposition C advance funds, as of June 30, 2021		\$ <u>4,632,566</u> (1)
Deferred revenue - coupon sales, as of June 30, 2020		\$ 274,481
Additions:		
Passenger Purchases		649,516
Less:		
Coupon Usage		<u>(810,153)</u>
Deferred revenue - coupon sales, as of June 30, 2021		\$ <u>113,844</u>

(1) Refer to page 13 for the encumbrance and reservation of these unspent Proposition C Funds.

Access Services
MOU No. P000ASI24

Schedule of Advanced Funds and Deferred Revenue – 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 13 for the encumbrance and reservation of these unspent Proposition C Funds.

Access Services
MOU No. P000ASI25
Supplementary Information
Advanced Funds Rollforward Schedule – Operating and Capital Grants
June 30, 2021

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Beginning balance	\$ 14,617,490	\$ 18,957,284	\$ 18,561,992	\$ 18,786,393	\$ 8,139,953	\$ 16,869,690	\$ 7,163,748	6,283,055
Operating								
Inflow	65,172,267	61,939,834	82,077,993	71,147,360	87,700,000	61,163,245	81,472,348	80,748,910
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>(79,905,406)</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>	<u>843,504</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)	-
FY 2021 Capital grant usage	-	-	(15,845,446)	-	-	-	-	(2,493,993)
	<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>	<u>(2,493,993)</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>	<u>(1,650,489)</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>	<u>4,632,566</u>

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

	<u>2020</u>	<u>2021</u>
Encumbered funds related to:		
Open purchase orders - FY 2019	\$ 375,540	\$ 287,424
Open purchase orders - FY 2020	265,587	252,574
Open purchase orders - FY 2021	-	400,653
Reserved funds related to:		
Budgeted capital projects	1,769,251	357,898
Start-up costs of budgeted capital projects	710,781	946,214
Available funds	<u>3,161,896</u>	<u>2,387,803</u>
	<u>\$ 6,283,055</u>	<u>\$ 4,632,566</u>

See notes to Financial Statements

Access Services
MOU No. P000ASI25
Supplementary Information
Schedule of Capital Assets
June 30, 2021

Description	July 1, 2020	Additions	Deletions	June 30, 2021
Chevy Silverado	\$ 20,878	\$ -	\$ -	\$ 20,878
Chevy Malibu	18,307	-	-	18,307
Chevy Malibu (6)	18,468	-	(18,468)	-
Ford Aerolite (7)	429,072	-	(183,887)	245,185
Ford Aerotech 220 (2 of 8 disposed in current year)	444,797	-	(72,516)	372,281
Ford Fusion Hybrid	35,491	-	-	35,491
VPG MV1 (5)	280,180	-	(224,145)	56,035
VPG MV1 (12) (Disposed 3)	611,014	-	(114,143)	496,871
(10) Gsp-1700 Satellite Phone	4,795	-	-	4,795
(2) Monitors; (2) Desktop & (2) Laserjet	2,545	-	(2,545)	-
AED With Extra Battery & Cabinet	2,628	-	-	2,628
Axiom SFP+Transceiver Module - Axiom	3,090	-	(3,090)	-
Cisco Catalyst 3750X-48T S Layer 3 Switch	12,310	-	(12,310)	-
Cisco Network Module-Catalyst 3K-X 10	2,808	-	(2,808)	-
Cisco Smartnet-1 Yr Ext Svc Us	2,538	-	(2,538)	-
Dodge Caravan (69 out of 81 disposed)	1,240,624	-	(707,826)	532,798
Ford Aerotech 220 (6) (5 disposed)	228,715	-	(150,353)	78,362
Good For Enterprise (Cal) & GI Server Perpetual Bundle	3,885	-	-	3,885
May/14: Cisco Router And Cisco Hw Switch	7,107	-	(7,107)	-
Misc Licenses For Windows/Citrix/HP Implementation	21,416	-	-	21,416
New Call Accounting IP Buffer	1,495	-	-	1,495
VPG MV1 (24)	1,255,245	-	(121,192)	1,134,053
(1) Ergonomic Task Chair	208	-	-	208
(1) Lenovo Thinkpad & (1) Memory	943	-	(943)	-
(1) Smartdrive Recorder	486	-	-	486
(1) Smartdrive Recorder for CTI	478	-	-	478
(1) Smartdrive Recorder for DT	478	-	-	478
(1) Smartdrive Recorder for DT	478	-	-	478
(1) Smartdrive Recorder for GPI	478	-	-	478
(1) Smartdrive Recorder for GPI	478	-	-	478
(1) Smartdrive Recorder for GPI	478	-	-	478
(1) Smartdrive Recorder for GPI	478	-	-	478
(1) Smartdrive Recorder for GPI	478	-	-	478
(1) Smartdrive Recorder for SGT	478	-	-	478
(1) Smartdrive Recorder for SGT	478	-	-	478
(1) Virtual Desktop Implementation	23,310	-	(23,310)	-
(13) Smartdrive Camera for GPI	6,218	-	-	6,218
(13) Smartdrive Units for SGT	6,218	-	-	6,218
(14) Smartdrive Recorder for GPI	7,107	-	-	7,107
(2) Desk; (4) Folding Table; (2) File Cabinet	505	-	-	505
(2) Desks & (4) Folding Table	1,289	-	-	1,289
(2) Desks & (4) Folding Table	213	-	-	213
(2) Smartdrive Recorder for CTI	957	-	-	957
(2) Smartdrive Recorder for DT	957	-	-	957
(2) Smartdrive Recorder for GPI	957	-	-	957
(2) Smartdrive Recorder for SGT	1,015	-	-	1,015
(2) Smartdrive Recorder for SGT	957	-	-	957
(2) Smartdrive Units for CTI	957	-	-	957
(2) Smartdrive Units for Sgt	957	-	-	957
(3) Microsoft Surface Pro 3 Tablet	2,805	-	(2,805)	-
(3) Smartdrive Camera for DTI	1,525	-	-	1,525
(3) Smartdrive Camera for GPI	1,435	-	-	1,435
(3) Smartdrive Camera for GPI	1,435	-	-	1,435
(3) Smartdrive Recorder for GPI	957	-	-	957
(3) Smartdrive Recorder for GPI	1,435	-	-	1,435
(3) Smartdrive Units for GPI	1,435	-	-	1,435
(4) Smartdrive Units for GPI	1,913	-	-	1,913

See Independent Auditor's Report

Access Services
MOU No. P000ASI25
Supplementary Information
Schedule of Capital Assets (Continued)
June 30, 2021

Description	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
(5) Ergonomic Task Chair	\$ 1,224	\$ -	\$ -	\$ 1,224
(5) Smartdrive Units for Staff Vehicles	3,665	-	-	3,665
(5) Smartdriver Camera for GPI	2,391	-	-	2,391
(6) Vsphere Ent 5.0 License	14,008	-	-	14,008
(7) Smartdrive Recorder for SGT	3,553	-	-	3,553
(8) Smartdrive Camera for SGT & MVT	4,081	-	-	4,081
(8) Smartdrive Units for GPI	3,826	-	-	3,826
1 Lot Of HP Servers & Storage Arrays	100,435	-	-	100,435
1 Lot Of HP Servers & Storage Arrays System	236,486	-	-	236,486
(1) Smartdrive Unit - SGT	414	-	-	414
(13) Smartdrive Unit & Set Up Fee - GPI	6,599	-	-	6,599
2016 Ford Fusion Hybrid	43,238	-	-	43,238
(5) Smartdrive Unit & Set Up Fee - GPI	2,391	-	-	2,391
Adobe Echosign Electronic Signature	2,700	-	-	2,700
Apc Smart - UPS	1,825	-	-	1,825
Apple Ipad Air	1,778	-	-	1,778
Aug/14 Labor Costs for VD1 Project	7,640	-	-	7,640
Automate Pro Software License	1,650	-	-	1,650
Cisco Smartnet, Power Supply, Modem	30,928	-	-	30,928
Computer Hardware for Implementation	44,857	-	-	44,857
Dell Wyse D10D Thin Client	371	-	-	371
(3) Dell Wyse Thin Client	7,397	-	(1,131)	6,266
Dodge Caravan (10 of 144 disposed)	6,094,091	-	(183,752)	5,910,339
Ford Aerolite (32)	2,120,775	-	(66,960)	2,053,815
Ford Aerotech 220 (2 of 12 disposed in current year)	759,635	-	-	759,635
Ford Aerotech 221	78,089	-	-	78,089
Ford Aerotech 222	78,089	-	-	78,089
(2) Ford Aerotech 223	156,178	-	-	156,178
Ford Aerotech 240 (1)	84,791	-	-	84,791
(3) Honda Civic	86,958	-	-	86,958
HP Desktop, Ddr 3 Memory, Monitors	2,424	-	-	2,424
HP Proliant D1380 Server	2,391	-	(2,391)	-
HP Servers & Storage Arrays System	92,569	-	-	92,569
Lenovo DDR Memory & HP Pavilion Monitor	742	-	-	742
Lenovo Laptop	846	-	-	846
Lenovo Thinkpad	2,568	-	-	2,568
Oracle ERP Migration/Implementation	164,807	-	-	164,807
Security System	5,050	-	-	5,050
Sept/14 Labor Costs for Vd1 Project	5,396	-	-	5,396
Sonic Dell Sra 4600	1,410	-	-	1,410
Sonic Dell Sra 4600 Add 25U (License)	1,931	-	-	1,931
(13) VPG MV1	799,874	-	-	799,874
Websense Enterprise	7,013	-	(7,013)	-
Wifi Infrastructure Equipment	3,481	-	-	3,481
Windows Implementation	73,900	-	-	73,900
(2) Wyse Thin Client	8,842	-	(1,866)	6,976
(1) APC Netshelter and (1) APC Aircooling System	4,859	-	-	4,859
(1) Ramp - ASI	1,194	-	-	1,194
(3) Smartdrive Installation for DT	1,435	-	-	1,435
(1) Smartdrive Recorder & Set Up Fee for MV	515	-	-	515
(1) Smartdrive Recorder for GPI	478	-	-	478
(1) Smartdrive Recorder for Staff Vehicle	561	-	-	561
(10) Smartdrive Recorder & Set Up Fee for SGT	4,783	-	-	4,783
(10) Smartdrive Recorder for GPI	4,783	-	-	4,783
(11) Smartdrive Installation for CTI	5,261	-	-	5,261
(2) Kenwood Digital Radio, Battery, Charger and Antenna	1,803	-	-	1,803
(2) Smartdrive Recorder & Sr Cont for DT	957	-	-	957
(3) Smartdrive Recorder for GPI	1,435	-	-	1,435
(4) Smartdrive Recorder & Set Up Fee for MV	2,030	-	-	2,030
(4) Smartdrive Recorder for GPI	1,913	-	-	1,913
(4) UPS Tower; (3) UPS Battery & (4) Remote Management Adapter	21,506	-	(21,506)	-
(6) 48-Ports Ethernet Switch & (6) Hot-Swappable Stacking Module	22,239	-	(22,239)	-
(6) Smartdrive Recorder for CTI	2,870	-	-	2,870

See Independent Auditor's Report

Access Services
MOU No. P000ASI25
Supplementary Information
Schedule of Capital Assets (Continued)
June 30, 2021

Description	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
(66) Desktops and (28) Monitors	\$ 55,637	\$ -	\$ (55,637)	\$ -
(14) Smartdrive Recorder for SGT	6,696	-	-	6,696
(6) Smartdrive Recorder for MV-ATW	3,059	-	-	3,059
(20) Smartdrive Recorder for SGT	10,148	-	-	10,148
(22) Smardrive Recorder for GPI	11,162	-	-	11,162
(1) Smartdrive Recorder for CTI-ATW	507	-	-	507
(8) Vehicles Toll Road Vehicle Equipment Installation - SGT	27,989	-	-	27,989
(8) Vehicles Toll Road Vehicle Equipment Installation - GPI	27,989	-	-	27,989
(4) NRE Deposits	87,400	-	-	87,400
2014 VPG MV1	61,986	-	-	61,986
27" LCD Monitor	2,382	-	-	2,382
Information Technologies	12,937	-	-	12,937
Accessla New Rider 360 Desktop Portal Development	16,985	-	-	16,985
Cisco Smartnet	2,529	-	(2,529)	-
Creative Wireless, Inc - Misc Network Equipments	36,643	-	(36,643)	-
(1) Dell Latitude Laptop	915	-	-	915
Double Sided Cut Sheet Braille Embosser	5,518	-	-	5,518
Georb/Amazon - 02/29/16: Hp Laser Printer	329	-	-	329
Georb/Amazon - 03/02/16: Hp Laser Printer	252	-	-	252
HP Pro Desk 400 SRP Kmat	2,119	-	(2,119)	-
HP Proliant M350 Server	2,847	-	(2,847)	-
MacPro Desktop	4,778	-	-	4,778
Microsoft Surface Pro 3 and Misc Accessories	1,080	-	-	1,080
MS Surface Pro & Cover	2,287	-	-	2,287
New Rider 360 Desktop Portal & Accessla New Rider 360 Desktop Portal Development	16,735	-	-	16,735
Portable Air Conditioner	2,529	-	-	2,529
Rider Mobile Portal Application Development	14,990	-	-	14,990
Ruckus Wireless Zoneflex Wireless Access Point	3,836	-	(3,836)	-
Shredder	2,665	-	-	2,665
Surface Pro	812	-	-	812
Tableau Software License	12,798	-	-	12,798
(7) Desktop computer	9,889	-	-	9,889
(2) HP Laserjet	2,587	-	-	2,587
(2) Sharp MX-M565N Workgroup Copier	18,331	-	-	18,331
(1) 65" Television	1,100	-	-	1,100
(7) Laptop	6,696	-	-	6,696
(1) Audio and Video equipment	1,826	-	-	1,826
(1) Came-TV Boltzen Fresnet light	603	-	-	603
(1) Data Center Installzation	15,975	-	-	15,975
(1) KACE K1100 Appliance	14,036	-	(14,036)	-
(1) KACE K2100 Appliance	8,600	-	(8,600)	-
(1) Closed Circuit Television	3,000	-	-	3,000
(1) Microsoft Surface Pro 4	1,564	-	-	1,564
(1) HP ML/DL Proliant ML 370 G6 Rackmount Server	986	-	-	986
(1) Cisco router	4,589	-	-	4,589
(1) Epson Printer	754	-	-	754
Structured Cabling Services	1,102,901	-	-	1,102,901
(1) File cabinet	4,701	-	-	4,701
(1) Wheresmyride Application	2,925	-	-	2,925
(1) Info Pass Server Software	12,819	-	-	12,819
(1) CollectiveFleet 6.2 Software	24,999	-	-	24,999
(10) Tableau Software	8,000	-	-	8,000
(2) 2016 Chevrolet Impala	43,568	-	-	43,568
(610) Smart Drive Dashboard Camera and Accessories (disposed 22 in FY 19-20)	286,966	-	-	286,966
(3) 2016 Class B StarCraft AllStar Cutaway 22	54,105	-	-	54,105
(2) 2016 Class C StarCraft AllStar Cutaway 25	47,755	-	-	47,755
2016 ELDORADO AMERIVAN WHITE (4 of 7 disposed in current year)	168,365	-	-	168,365

See Independent Auditor's Report

Access Services
MOU No. P000ASI25
Supplementary Information
Schedule of Capital Assets (Continued)
June 30, 2021

Description	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
Office equipment	\$ 12,537	\$ -	\$ -	\$ 12,537
Office furniture	13,484	-	-	13,484
Telecom equipment	39,880	-	-	39,880
Computer equipment	72,515	-	-	72,515
Computer software	209,807	-	-	209,807
2017 Lone Star Promaster	75,081	-	-	75,081
2018 Class C Starcraft Allstar Cutaway	92,583	-	-	92,583
SR3 Controller with Mount for MVT (5)	4,823	-	-	4,823
NVR Camera Kit and installation cost (2)	4,314	-	-	4,314
Leasehold improvements- Commerce	428,079	-	-	428,079
Leasehold improvements- El Monte	1,911	-	-	1,911
2018 Class B Starcraft Allstar Cutaway (4)	74,402	-	-	74,402
Office equipment	22,444	-	-	22,444
Office furniture	42,426	-	-	42,426
Telecom equipment	137,455	-	-	137,455
Computer equipment	33,579	-	-	33,579
Computer software	260,808	-	-	260,808
2017 El Dorado Amerivan (Prop C)	52,827	-	-	52,827
2018 El Dorado Amerivan (FTA5310)	206,192	-	-	206,192
46 SR3 64GB Extended Storage for SGT (Prop C) (Disposed 28 in FY 19-20)	2,565	-	-	2,565
2 SR3 Controller with mount for GPI (Prop C)	554	-	-	554
7 SR3 Driver Camera Bundle Controller & installation for ASI vehicle (Prop C)	4,492	-	-	4,492
2 SR3 On Board Vehicle Camera/Recording System for SGT (Prop C)	1,684	-	-	1,684
3 SR3 Primary Camera Bundle for ASI (Prop C)	695	-	-	695
2 SR3 Primary Camera Bundle for SGT (Prop C)	295	-	-	295
1 Vehicle equipments - Camera & hardware installation (Prop C)	5,889	-	-	5,889
Leasehold improvements- Commerce (Prop C)	16,900	-	-	16,900
1 Macbook Pro laptop computer	3,373	-	-	3,373
1 Apple Ipad	1,328	-	-	1,328
1 Ricoh Theta Z1 360 Degree Camera	1,078	-	-	1,078
1 Dell - Latitude 5500 BTX Base Laptop	1,894	-	-	1,894
5 Microsoft Surface Pro 7 - 12.3" Touchscreen Laptop	9,923	-	-	9,923
1 Access Online Eligibility Scheduler Solution (Phase 3 Implementation)	19,125	-	-	19,125
1 New hosted IVR application implementation	10,000	-	-	10,000
1 Website Redesign and Maintenance	37,153	-	-	37,153
1 Cybersecurity Hardening Project - Hardware/Equipment	14,902	-	-	14,902
1 HP Laser Jet Enterprise Printer	1,760	-	-	1,760
1 Rider360 Expiry Solution Software	10,000	-	-	10,000
1 Cybersecurity Hardening Project - Software	64,406	-	-	64,406
1 Plastic Recyclable 6' Bench with Back, Color; Cedar Model # H-2888C	3,213	-	-	3,213
1 Reconfiguration of Furniture at Commerce Eligibility Center	11,625	-	-	11,625
(5) 2019 Class B Starcraft Allstar Cutaway	3,531	-	-	3,531
(3) 2019 Class C Starcraft Allstar Cutaway	205,289	-	-	205,289
(1) 2020 Class A Starcraft Allstar Cutaway	16,802	-	-	16,802
(33) 2019 Class D El Dorado Amerivans	14,610	-	-	14,610
(52) 2019 Class D El Dorado Amerivans	21,728	-	-	21,728
(15) 2019 Lone Star Promaster	661,506	-	-	661,506
(40) 2019 Dodge Braun Caravan	419,308	-	-	419,308
Rider360 Version 2.0 Project	786,843	912,197	-	1,699,040
Voice Over Internet Protocol (VoIP) Services	65,462	31,563	-	97,025
Where's My Ride Software and Services	114,675	37,920	-	152,595
Data Center Refresh Project - Hardware	47,314	412,773	-	460,087
Data Center Refresh Project - Software	47,314	156,183	-	203,497
(2) Meridian Temperature Verification Kiosk without LED Stri	-	5,475	-	5,475
(20) Lenovo Thinkpad T480 Laptop	-	20,130	-	20,130
(3) Microsoft Surface Pros laptop	-	5,662	-	5,662
(2) New Trapeze software - INFO-Server-PASS API License	-	106,345	-	106,345
Prototype suspension and floor installation for staff veh #117101	-	15,000	-	15,000
(5) 2019 Lone Star Promaster	-	622,129	-	622,129
(11) 2019 Dodge Braun Caravan	-	114,826	-	114,826
Meraki MDM Solution	-	12,214	-	12,214
Socal Plastics Pro, LLC - Workstation Acrylic barriers for Commerce Eligibility Center	-	41,576	-	41,576
	<u>\$ 22,650,893</u>	<u>\$ 2,493,993</u>	<u>\$ (2,083,091)</u>	<u>\$ 23,061,796</u>

See Independent Auditor's Report

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 (Metro), 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. Surface Transportation Block Grant (STBG) 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 Balance Sheet and 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Cash and cash equivalents primarily consist of cash in bank checking accounts and money market funds with initial maturities of 90 days or less. Cash and cash equivalents consists of cash on hand, and cash restricted for the purpose of funding the self-insured retention, unfunded pension liability, and accrued vacation liability.

Property and Equipment, Net

Property and equipment is stated at cost. Major improvements and betterments to existing property and equipment are capitalized and the cost for maintenance and repairs which do not extend the useful life of the applicable assets are charged to expense when incurred. Upon disposition, the cost and accumulated depreciation of disposed assets are removed from the accounts and any resulting gains or losses are included in the Schedule of Revenues and Expenditures.

Depreciation is computed using the straight-line method of depreciation over the estimated useful lives of the assets as follows:

Vehicles and equipment	4 years
Office furniture and equipment	3 years
Software	3 years
Leasehold improvements	5 years

Property and equipment purchased with FTA project property funds are subject to federal regulations whereby any disposition of project property before the end of its useful life requires prior FTA approval. If project property is removed from service before the end of its useful life, Access Services is subject to a return of funds to the FTA of the amount of the undepreciated net asset value of the subject property.

After the service life of project property occurs, rolling stock and equipment with a current market value exceeding \$5,000 per unit, or unused supplies with a total aggregate fair market value of more than \$5,000, may be retained or sold by Access Services. In the event Access Services disposes of property and equipment purchased with federal funds, any proceeds in excess of \$5,000 must be used to reduce the gross project costs of another federally funded capital transit project. For rolling stock and equipment with a current market value of \$5,000 or less, or unused supplies with a total aggregate fair market value of \$5,000 or less, the asset may be retained, sold or otherwise disposed of with no obligation to reimburse the FTA.

Access Services reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of its property and equipment may not be recoverable. An impairment loss is recognized when the assets carrying value exceeds both the assets estimated undiscounted future cash flows and the assets estimated fair value. Measurement of the impairment loss is then based on the estimated fair value of the assets. Considerable judgment is required to project such future cash flows and, if required, to estimate the fair value of the property and equipment and the resulting amount of the impairment. No impairment charges were recorded for property and equipment during the years ended June 30, 2021 and 2020.

Access Services
MOU Nos. P000AS125 and P000AS124

**Notes to the Balance Sheet, the Schedules of Revenues and Expenditures and the
Schedule of Advanced Funds and Deferred Revenues – Proposition C Fund**
Years ended June 30, 2021 and 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition and Grants

Access Services primarily receives revenue from FTA Section 5310, Measure M and Proposition C Discretionary fund grants through Metro, 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, 2021 and 2020.

NOTE 2 MEMORANDUM OF UNDERSTANDING

Access Services (grantee) and Metro (grantor) entered into a Memorandum of Understanding each year as follows, for the purpose of providing funding to Access Services during the fiscal years 2020/21 and 2019/20 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>
P000AS125	September 24, 2020	June 30, 2021
P000AS124	June 27, 2019	June 30, 2020

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

	<u>2021</u>	<u>2020</u>
Federal Section 5310 program	\$ 69,500,000	\$ 70,988,000
Proposition C 40% Discretionary - operating and capital	86,067,739	81,472,348
Measure M 2%	11,496,428	12,898,500
	<u>\$ 167,064,167</u>	<u>\$ 165,358,848</u>

Access Services
MOU Nos. P000ASI25 and P000ASI24

**Notes to the Balance Sheet, the Schedules of Revenues and Expenditures and the
Schedule of Advanced Funds and Deferred Revenues – Proposition C Fund**
Years ended June 30, 2021 and 2020

NOTE 2 MEMORANDUM OF UNDERSTANDING (CONTINUED)

Metro has authorized federal STBG funds for Access Services in the amount of \$69,500,000 for FY2020/21. These funds have been flexed into Federal Section 5310 Program – Enhanced Mobility of Seniors and Individuals with Disabilities grant (Federal Award Identification Number (FAIN) 5830-2020-1), which was approved by the Federal Transit Administration (FTA) on September 24, 2020.

Metro also authorized the Proposition C 40% and Measure M 2% funding of \$86,067,739 and \$11,496,428, respectively, totaling \$97,564,167 for operating and capital funds plus \$15,000,000 in reserve.

Metro disbursed Measure M 2% funding totaling \$11,496,428 and Proposition C 40% funding and/or other local funds that include CARES Act equivalent local funds totaling \$45,156,198 for operating and capital expenses for a total amount not to exceed \$56,652,626 payable in seven (7) equal monthly installments of \$8,093,232 beginning November 1, 2020, payable on the 1st of each month following receipt of a disbursement request and subject to the conditions set forth below:

- Proposition C 40% funds in the amount of \$15,000,000 being held by Metro in reserve for trips in excess of the budgeted amount if needed. Access will provide Metro with a 60 days' notice to draw down the reserve funds. Reserve funds may be disbursed upon written request to Metro from Access Services by April 1, 2021 and must be accompanied by written justification.
- Carryover in the amount of \$3,711,539 from Proposition C 40% shall be carried over from FY 2018/19 into FY 2020/21 for operating expenses as approved by the Metro Board.
- Any unused FY 2019/20 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 Metro.

In accordance with MOU Nos. P000ASI25 and P000ASI24, the Grantee must abide by the restrictions for the use of the funds as enumerated under Article 4 of the agreements.

NOTE 3 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

As of June 30, 2021, Access Services' financial assets available for general expenditures consist of the following:

Cash and cash equivalents	\$	20,140,243
Grants receivable		2,956,327
Accounts receivable		56,707
Total financial assets		23,153,277
Less net assets with donor restrictions		-
Financial assets available to meet general expenditures over the next twelve months	\$	23,153,277

Access Services
MOU Nos. P000ASI25 and P000ASI24

**Notes to the Balance Sheet, the Schedules of Revenues and Expenditures and the
Schedule of Advanced Funds and Deferred Revenues – Proposition C Fund**
Years ended June 30, 2021 and 2020

NOTE 4 GRANTS RECEIVABLE

Grants receivable of Federal 5310 and Proposition C Funds consisted of the following as of June 30, 2021:

Section 5310 capital grant	\$	2,626,327
Section 5310 Accessible Traveler Mobile App (ATMA) Pilot Project		330,000
	\$	<u>2,956,327</u>

Access Services has not recorded an allowance for uncollectible grants or accounts receivable since management believes that it is probable that all receivables will be collected.

NOTE 5 PROPERTY AND EQUIPMENT, NET

At June 30, 2021, Property and equipment consists of the following:

	<u>Federal 5310</u>	<u>Proposition C</u>	<u>Total</u>
Vehicle and equipment	\$ 17,250,432	\$ 16,917,319	\$ 34,167,751
Software	-	4,185,753	4,185,753
Leasehold improvements	-	1,643,198	1,643,198
Construction in progress	-	152,596	152,596
Office furniture and equipment	-	1,192,494	1,192,494
	<u>17,250,432</u>	<u>24,091,360</u>	<u>41,341,792</u>
Less accumulated depreciation	<u>(12,433,203)</u>	<u>(18,940,180)</u>	<u>(31,373,383)</u>
	<u>\$ 4,817,229</u>	<u>\$ 5,151,180</u>	<u>\$ 9,968,409</u>

NOTE 6 DEFERRED SUPPORT

Deferred support consisted of the following as of June 30, 2021:

Metro funding	\$	4,632,566
Section 5310 capital grant		2,626,327
Section 5310 Accessible Traveler Mobile App (ATMA) Pilot Project		330,000
	\$	<u>7,588,893</u>

Access Services
MOU Nos. P000ASI25 and P000ASI24

**Notes to the Balance Sheet, the Schedules of Revenues and Expenditures and the
Schedule of Advanced Funds and Deferred Revenues – Proposition C Fund**
Years ended June 30, 2021 and 2020

**NOTE 7 BALANCE SHEET AND SCHEDULES OF REVENUES AND EXPENDITURES AND
ADVANCED FUNDS AND DEFERRED REVENUES**

The Balance Sheet and the Schedules are intended to reflect the financial position and 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. P000ASI25 and P000AS124. Accordingly, the Balance Sheet and the Schedules do not purport to, and do not present fairly the financial position of Access Services and changes in financial position as of June 30, 2021 and for the years ended June 30, 2021 and 2020 in conformity with generally accepted accounting principles in the United States of America.

As of June 30, 2021 and 2020, Access Services has unspent funds of \$4,632,566 and \$6,283,055, respectively, related to Proposition C funding from Metro that it has presented as Deferred Revenues in its audited financial statements.

NOTE 8 START UP COSTS OF BUDGETED CAPITAL PROJECTS

Start up costs of budgeted capital projects comprised of the following as of June 30:

	2021	2020
Remaining startup cost-GPI	\$ 346,081	\$ -
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
Accessible Traveler Mobile App (ATMA) grant	18,750	-
AVTA additional free fare for FY19-20 expensed in FY21	-	55,207
WMR enhancement for FY20-21 expensed in FY22	71,054	-
Remaining startup cost for project SGT 3421	4,292	4,292
Trinet - Access webpage redesign	1,348	1,348
	\$ 946,214	\$ 710,781

NOTE 9 IMPACT OF CORONAVIRUS PANDEMIC

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 including the United States.

Access Services
MOU Nos. P000ASI25 and P000ASI24

**Notes to the Balance Sheet, the Schedules of Revenues and Expenditures and the
Schedule of Advanced Funds and Deferred Revenues – Proposition C Fund
Years ended June 30, 2021 and 2020**

NOTE 9 IMPACT OF CORONAVIRUS PANDEMIC (CONTINUED)

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. However, the Access Services' management believes that the financial impact, if any, did not materially affect the June 30, 2021 financial statements.

NOTE 10 SUBSEQUENT EVENTS

Access Services has evaluated events or transactions that occurred subsequent to June 30, 2021 through March 16, 2022 the date the accompanying Schedules were available to be issued, for potential recognition or disclosure and determined no subsequent events require disclosure or adjustment to the accompanying Balance Sheet and Schedules.



Independent Auditor's 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 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 Balance Sheet as of June 30, 2021, and the 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. P000ASI25) dated September 24, 2020 between Access Services, as grantee, and the Los Angeles County Metropolitan Transportation Authority, as grantor as of and for the year ended June 30, 2021, and have issued our report thereon dated March 16, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the Balance Sheet and 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 Balance Sheet and Schedules, 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 Balance Sheet and 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 Balance Sheet and 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 Balance Sheet and Schedules and compliance. Accordingly, this communication is not suitable for any other purpose.

**Glendale, California
March 16, 2022**

COMPLIANCE SECTION



Independent Auditor's Report 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. P000ASI25) dated September 24, 2020 (collectively, the Guidelines) for the year ended June 30, 2021.

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, 2021.



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.

Glendale, California
March 16, 2022

**Access Services
MOU No. P000ASI25
Compliance Matrix
Year ended June 30, 2021**

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 Metro 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 Metro 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. P000ASI25
Compliance Matrix
Year ended June 30, 2021**

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 Metro 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 Metro'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 Metro 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. P000ASI25
Schedule of Findings and Questioned Costs
Year ended June 30, 2021**

There were no findings noted.

EXIT CONFERENCE

An exit conference was held on December 20, 2021 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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