

AGENDA ITEM 3C
Information Item

MEMORANDUM

DATE: April 7, 2022

TO: El Dorado County Transit Authority

FROM: Matthew Mauk, Executive Director

SUBJECT: Draft Triennial Performance Audit of the El Dorado County Transit Authority for Fiscal Year 2018/19, 2019/20, and 2020/21

REQUESTED ACTION:

BY MOTION,

No Action Required. Information Item Only

BACKGROUND

The El Dorado County Transportation Commission (EDCTC) is statutorily required by California Public Utilities Code §99246 to designate entities other than itself to conduct a Triennial Performance Audit of the activities of the Regional Transportation Planning Agency (RTPA) and the Transit Operator to whom it allocates Transportation Development Act (TDA) funds. The performance audit follows the guidelines established in the Performance Audit Guidebook for Transit Operators published by the California Department of Transportation (Caltrans) Division of Mass Transportation.

In addition to meeting the TDA requirements for performance monitoring, an audit typically provides an opportunity for an independent, objective, and comprehensive review of the economy, efficiency, and effectiveness of the entity being audited. The audit provides additional benefits, including the following:

- Provides management with useful information to assess past activities and provides insight for future planning efforts.
- Provides management with a review and evaluation of an agency's organization and operations.
- Presents an opportunity to utilize auditor expertise which can supplement staff work.
- Assures public accountability for the use of public funds.

DISCUSSION

The EDCTC retained Moore & Associates, Inc. to prepare the Triennial Performance Audit of the El Dorado County Transit Authority (El Dorado Transit) as the transit operator. The Draft Triennial Performance Audit of El Dorado Transit covering the three (3) fiscal year period

beginning July 1, 2018, through June 30, 2021, is available at www.eldoradotransit.com/board-meeting/april-7-2022

The following summary of findings is excerpted from the draft Triennial Performance Audit of El Dorado Transit for Fiscal Year 2018/19, 2019/20, and 2020/21:

“Based on discussions with El Dorado County Transit Authority staff, analysis of program performance, and a review of program compliance and function, the audit team submits the no compliance findings for the EDCTA.

The audit team has identified three functional findings. While these findings are not compliance findings, the audit team feels they are significant enough to be addressed within this audit:

- 1. The EDCTA could use an additional 1.0 FTE to provide support for purchasing/procurement activities.*
- 2. The EDCTA should continue to explore whether IT issues are having a disproportionate impact on maintenance operations.*
- 3. Transit planning completed prior to the COVID-19 pandemic is unlikely to be relevant given the significant changes in the transit landscape.*

In completing this Triennial Performance Audit, the audit team submits the following recommendations for the EDCTA’s public transit program. They have been divided into two categories: TDA Program compliance recommendations and functional recommendations. TDA program compliance recommendations are intended to assist in bringing the operator into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the triennial audit that are not specific to TDA compliance. Given there were no compliance findings, only functional recommendations are provided.

Additional Recommendation

In addition to the functional findings and recommendations detailed above, the audits have also included an additional recommendation that is not tied to a specific finding. This recommendation, while related to Functional Finding #3, looks at specific issues arising from the COVID-19 pandemic and the future of transit in western El Dorado County.”

Kathy Chambers of Moore & Associates, Inc. will present the audit report and recommendations and answer any questions. Comments regarding the Draft Triennial Performance Audit are welcome and will be considered for incorporation prior to the document being finalized and submitted to Caltrans. The Final Triennial Performance Audit will be included in the May 5, 2022, Board agenda to receive and file.

FISCAL IMPACT

None. Information Only.