

**SUMMARY OF RESULTS OF AGREED-UPON PROCEDURES AUDITS**  
**Orange County Local Transportation Authority**  
**Measure M2 Senior Mobility Program for the Year Ended June 30, 2018**

City	Result	City Management Response
Dana Point	The Measure M2 fund balance reported on the Dana Point's Expenditure Report did not agree to the fund balance per the general ledger. The \$4,724 difference was due to an incorrect beginning fund balance listed on Schedule 1 of the Expenditure Report.	Dana Point agrees and will submit a revised Fiscal Year (FY) 2017-18 M2 Expenditure Report.
	While the third party contractor validates participant eligibility, the contract does not require it and Dana Point did not monitor to ensure participants were being reviewed for eligibility	Verification of eligibility will now be handled by Dana Point staff.
	Dana Point contracts with Age Well Senior Services (Age Well) for its Senior Mobility Program (SMP) transportation. Dana Point staff asserted that Age Well was selected through a competitive process in 2013; however, there was no documentation to evidence this. Further, while Age Well indicates that wheelchair accessible vehicles are available, the contract with Age Well does not include the required language related to availability of accessible vehicles.	Dana Point agrees and will amend the existing contract with Age Well to include required language and include the language in the next Request for Proposal (RFP) process.
	None of the four monthly reports tested was submitted within 30 days of month end, as required.	Dana Point agrees and has amended procedures to ensure all reports are submitted within 30 days, as required.
La Habra	La Habra received \$55,543 during the FY ended June 30, 2018, which did not agree to the amount reported on La Habra's Expenditure Report. La Habra's Expenditure Report reflected revenues of \$56,028. The \$485 difference related to the timing of an accrual posting.	La Habra will ensure that the timing of accrual postings is accurate by cross-referencing future reports to the SMP disbursement report from OCTA.
	La Habra indicated that services from Keolis Transit Services (Keolis) were procured through a piggyback of a City of Costa Mesa (Costa Mesa) procurement in June 2017; however, the city had not obtained evidence that the procurement was competitive, as required. In addition, the contract with Keolis does not include required language relating to provision of wheelchair accessible vehicles, as needed.	La Habra abides by purchasing policy, which allows the purchase of services utilizing pricing which is established by another governmental agency's successful bid award, and which was conducted on a competitive basis. Staff reviewed Costa Mesa's RFP and discussed the process with staff. In the future, La Habra will include written documentation to reiterate verification of the procurement and selection processes.
	Two of the four monthly reports tested were not submitted within 30 days of month-end, as required.	Starting in December 2017, La Habra has assigned responsibility for filing monthly reports to the Finance Department.
Lake Forest	No exceptions noted.	
San Clemente	SMP expenditures for the FY ended June 30, 2018, were \$52,616, which differed from the amount reported on the San Clemente's Expenditure Report. San Clemente reported expenditures of \$67,206, which included portions of the city's match, in error.	Due to staff turnover, the individuals responsible are still becoming familiar with the reporting and tracking of costs related to this program and will correct this for FY 2018-19. San Clemente will refile the FY 2017-18 Expenditure Report with the adjustments identified.
	Testing of a sample of SMP trips identified one trip, for \$30, which was not eligible per the San Clemente's Service Plan. The trip originated outside of city limits and San Clemente's Service Plan specifies all trips be within city limits.	San Clemente agrees and will review trip details to make sure that only eligible services are provided. Any ineligible costs will be deducted from the next reimbursement request.
	During application of agreed-upon procedures for the FY ended June 30, 2017, auditors noted that San Clemente had not competitively procured transportation services and, instead, extended the service provider contract beyond the originally authorized term. San Clemente re-procured these services effective August 2018.	San Clemente will ensure all applicable services are included and clearly identified on future RFPs.
	Two of the four monthly reports tested were not submitted within 30 days of month-end, as required.	San Clemente identified an individual to become familiar with reporting and tracking of costs. This individual will report on a timely basis.