



December 3, 2025

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Janet Sutter, Executive Director
Internal Audit Department

Subject: Same-Day Taxi Service, Internal Audit Report 26-503

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of Same-Day Taxi service. Based on the audit, program and contract oversight controls and invoice review controls are adequate and functioning, and Cabco Yellow, Inc., doing business as California Yellow Cab, complies with contract terms.

Recommendation

Receive and file Same-Day Taxi Service Internal Audit Report No. 26-503, as an information item.

Background

To manage the growth in demand and cost of OC ACCESS service, the Orange County Transportation Authority (OCTA) subsidizes up to five miles of a taxi trip for OC ACCESS-eligible customers. The customer pays \$3.60 for up to five miles, plus any additional costs above the five-mile trip.

OCTA entered into Agreement No. C-3-2396 (contract) with Cabco Yellow, Inc., doing business as California Yellow Cab (Yellow Cab) for provision of all services, including vehicles, drivers, and customer service. The contract term runs from December 1, 2023, through November 30, 2025, with two, one-year option terms. Under the contract, OCTA pays a subsidy rate for each approved trip, as well as a fee for no-shows, cancelled trips, and trips requiring wheelchair accommodation. The contract maximum obligation is set at \$2,601,143.00. Contract oversight and monitoring is performed by staff within the Operations Division (Operations). Invoices are drafted by Financial Planning and Analysis

staff within the Finance and Administration Division after analyzing trip data and performing validation checks. Draft invoices are then forwarded to Yellow Cab for review and issuance. Once issued, invoices are routed for approval in accordance with OCTA policy.

Discussion

Based on the audit, program and contract oversight controls and invoice review controls are adequate and functioning, and Yellow Cab complies with contract terms.

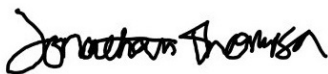
In addition, Internal Audit noted that Operations staff has developed, documented, and implemented standard operating procedures for monitoring Yellow Cab's compliance with contract requirements. Documentation of the reviews is maintained and indicates that timely and appropriate monitoring and follow-up is performed.

Summary

Internal audit has completed an audit of Same-Day Taxi service.

Attachment

A. Same-Day Taxi Service, Internal Audit Report No. 26-503

Prepared by:

Jonathan Thompson
Internal Auditor
714-560-5930

Approved by:

Janet Sutter
Executive Director, Internal Audit
714-560-5591