



**GREATER DAYTON REGIONAL TRANSIT AUTHORITY
MONTGOMERY COUNTY**

AGREED-UPON PROCEDURES

FOR THE YEAR ENDED DECEMBER 31, 2016



Dave Yost • Auditor of State



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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Greater Dayton Regional Transit Authority
Montgomery County
4 South Main Street
Dayton, Ohio 45402

To the Board of Trustees:

We have performed the applicable procedures enumerated below, with which the Board of Directors and the management of the Greater Dayton Regional Transit Authority (the Authority) and the Federal Transit Administration (FTA) agreed, solely to assist the Board in complying with the reporting requirements of the National Transit Database (NTD), Uniform System of Accounts (USOA) and Records and Reporting System, Final Rule, as specified in 49 CFR Part 630, Federal Register, January 15, 1993, and as presented in the *2016 Policy Manual*, for the year ended December 31, 2016. Management of the Authority is responsible for compliance with these requirements. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures in the attached appendix with the criteria enumerated below, either for the purpose for which this report has been requested or for any other purpose.

FTA has established the following standards with regard to the data reported to it in the Federal Funding Allocation Statistics Form of the Authority's annual National Transit Database (NTD) report:

- A system is in place and maintained for recording data in accordance with NTD definitions. The correct data are being measured and no systematic errors exist.
- A system is in place to record data on a continuing basis, and the data gathering is an ongoing effort.
- Source documents are available to support the reported data and are maintained for FTA review and audit for a minimum of three years following FTA's receipt of the NTD report. The data are fully documented and securely stored.
- A system of internal controls is in place to ensure the data collection process is accurate and that the recording system and reported comments are not altered. Documents are reviewed and signed by a supervisor, as required.
- The data collection methods are those suggested by FTA or otherwise meet FTA requirements.
- The deadhead miles, computed as the difference between the reported total actual vehicle miles data and the reported total actual VRM data, appear to be accurate.
- Data are consistent with prior reporting periods and other facts known about transit authority operations.

We have applied the procedures to the data contained in the accompanying FFA-10 form for the fiscal year ending December 31, 2016. Such procedures, which were agreed to and specified by FTA in the Declarations section of the 2016 Policy Manual and were agreed to by the transit authority, were applied to assist you in evaluating whether the transit authority complied with the standards described in the first paragraph of this part and that the information included in the NTD report Federal Funding Allocation Statistics form for the fiscal year ending December 31, 2016 is presented in conformity with the requirements of the *Uniform System of Accounts (USOA) and Records and Reporting System; Final Rule*, as specified in 49 CFR Part 630, Federal Register, dated January 15, 1993, and as presented in the 2016 Policy Manual. Additional procedures performed (if any), which are agreed to by the transit authority but not by FTA, are described in a separate attachment to this report. The procedures were applied separately to each of the information systems used to develop the reported actual VRM, FG DRM, PMT, and OE of the Greater Dayton Regional Transit Authority for the fiscal year ending December 31, 2016 for each of the following modes:

- Motor Bus (MB), Trolley Bus (TB), and Demand Response (DR). All modes are Directly Operated..

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and applicable attestation engagement standards included in the *Comptroller General of the United States' Government Auditing Standards*. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion on compliance with the specified requirements. Accordingly we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is to provide assistance in the evaluation of the Authority's compliance with the standards described in the first paragraph of this report for the fiscal year ending December 31, 2016 and is not suitable for any other purpose.



Dave Yost
Auditor of State
Columbus, Ohio

September 7, 2017

APPENDIX

Section 9 Certification – Agreed-Upon Procedures

Each procedure below is applied to each applicable mode and type of service (TOS) (directly operated (DO) and purchased transportation (PT)) as listed below:

1. Obtain and read a copy of written system procedures for reporting and maintaining data in accordance with NTD requirements and definitions set forth in 49 CFR Part 630, Federal Register, dated January 15, 1993, and as presented in the 2014 Policy Manual. Written procedures are available for reporting and maintaining required data.
2. Inquire with the personnel assigned responsibility for supervising the preparation and maintenance of NTD data to determine:
 - The extent to which the transit authority followed the procedures on a continuous basis. Personnel (who is it) responded that the procedures were followed on the continuous basis., and
 - That procedures identified above result in the accumulation and reporting of data consistent with NTD definitions and requirements set forth in 49 CFR Part 630, Federal Register, dated January 15, 1993, and as presented in the 2014 Policy Manual. We observed the required reporting data was accumulated and available.
3. Obtain the retention policy that the transit authority follows and observe that source documents supporting NTD data reported on the Federal Funding Allocation Statistics form are included. NTD data is included in the Authority's retention policy.
4. Based on a description of the transit authority's procedures from items (1) and (2) above, identify all the source documents that the transit authority must retain for a minimum of three years. For each type of source document, select three months out of the year and determine whether the document exists for each of these periods. Documentation exists.
5. Inquire whether separate individuals (independent of the individuals preparing source documents and posting data summaries).compare the data periodically. Select a haphazard sample of source documents and compare to the data summaries. Also, observe that the documents in the sample are complete, accurate, and reasonable Individuals independent of the preparing and posting data summaries compared the source documents to the data summaries on a monthly basis. No exceptions were found.
6. Select a random sample of the source documents and determine whether supervisors' signatures are present as required by the system of internal controls. Source documentation contains supervisors' signatures.
7. Obtain the worksheets used to prepare the final data that the transit authority transcribes onto the Federal Funding Allocation Statistics form. Agree the periodic data included on the worksheets to the periodic summaries prepared by the transit authority. Test the arithmetical accuracy of the summaries. Data on worksheets was agreed to the summaries with no exceptions and no arithmetic errors were found.
8. Confirm that the procedure for accumulating and recording passenger miles traveled (PMI) data was in accordance with NTD requirements. Confirm the procedure is one of the methods specifically approved in the 2014 Policy Manual. The established procedure was in accordance with NTD requirements and is one of the approved methods.

9. Confirm with transit authority staff (the auditor may wish to list the titles of the persons interviewed) the transit authority's eligibility to conduct statistical sampling for PMT data every third year. Confirm the agency's policies and the last statistical sample for accumulating PMT data meets NTD criteria that allow transit agencies to conduct statistical samples for accumulating PMT data every third year rather than annually. Specifically:
- Observe the 2010 Census, to determine that the public transit authority serves an UZA with a population less than 500,000. The authority serves an UZA with a population of less than 500,000.
 - Observe reports that indicate the public transit authority directly operates fewer than 1 00 revenue vehicles in all modes in annual maximum revenue service (VOMS) (in any size UZA). No exceptions found.
 - Observe the NTD report to determine that service purchased from a seller is included in the report. No exception noted.
 - For transit agencies that meet one of the above criteria, observe the NTD documentation for the most recent mandatory sampling year (2014) and determine that statistical sampling was conducted and meets the 95 percent confidence and ± 10 percent precision requirements. No exceptions noted.
 - Inquire how the transit authority estimated annual PMT for the current report year and recalculate. No exceptions noted.

The transit authority does not meet any of these criteria and must engage in annual statistical sampling.

10. Obtain a description of the sampling procedure for estimating the PMT data used by the transit authority. Obtain a copy of the transit authority's working papers or methodology used to select the actual sample of runs for recording PMT data.
- a. If the transit authority used average trip length, observe that the universe of runs was the sampling frame and determine that the methodology used to select specific runs from the universe resulted in a random selection of runs. No exceptions noted.
 - b. If the transit authority missed a selected sample run, determine that a replacement sample run was random. Determine that the transit authority followed the stated sampling procedure. Sampling procedures were followed.
11. Select a random sample of the source documents for accumulating PMT data and determine that the data are complete (all required data are recorded) and that the computations are accurate. Source documents were complete and computations were accurate.
12. Select a random sample of the accumulation periods and re-compute the accumulations for each of the selected periods. List the accumulations periods that were tested. Test the arithmetical accuracy of the summary. No exceptions found.
13. Inquire about the procedures for systematic exclusion of charter, school bus, and other ineligible vehicle miles from the calculation of actual vehicle revenue miles with transit authority staff and determine that they follow the stated procedures by selecting a random sample of the source documents used to record charter and school bus mileage and test the arithmetical accuracy of the computations. No exceptions were noted.

14. For actual vehicle revenue mile (VRM) data, inquire about the collection and recording methodology and determine that deadhead miles are systematically excluded from the computation. This is accomplished as follows:
 - If actual VRMs are calculated from schedules, document the procedures used to subtract missed trips. Select a random sample of the days that service is operated, and re-compute the daily total of missed trips and missed VRMs. Recalculate the arithmetical accuracy of the summary. No exceptions found.
 - If actual VRMs are calculated from hubodometers, document the procedures used to calculate and subtract deadhead mileage. Select a random sample of the hubodometer readings and determine that the stated procedures for hubodometer deadhead mileage adjustments are applied as prescribed. Recalculate arithmetical accuracy of the summary of intermediate accumulations. The transit authority does not utilize hubodometers.
 - If actual VRMs are calculated from vehicle logs, select random samples of the vehicle logs and determine that the deadhead mileage has been correctly computed in accordance with FTA definitions. The transit authority does not utilize vehicle logs.
15. For rail modes, observe the recording and accumulation sheets for actual VRMs and determine that locomotive miles are not included in the computation. The transit authority does not operate a rail mode.
16. If fixed guideway or High Intensity Busway directional route miles (FG or HIB DRM) are reported, interview the person responsible for maintaining and reporting NTD data and determine whether the operations meet the FTA definition of fixed guideway (FG) or High Intensity Busway (HI B) in that the service is:
 - Rail, trolleybus (TB), ferryboat (FB), or aerial tramway (TR); or
 - Bus (MB, CB, or RB) service operating over exclusive or controlled access rights-of-way (ROW); and
 - Access is restricted;
 - Legitimate need for restricted access is demonstrated by peak period level of service D or worse on a parallel adjacent highway;
 - Restricted access is enforced for freeways; priority lanes used by other high occupancy vehicles (HOV) (i.e., vanpools (VP), carpools) must demonstrate safe operation; and
 - High Occupancy/Toil (HO/T) lanes meet FHWA requirements for traffic flow and use of toll revenues. The transit authority has provided the NTD a copy of the State's certification to the U.S. Secretary of Transportation stating that it has established a program for monitoring, assessing, and reporting on the operation of the HOV facility with HO/T lanes. No exceptions were found.
17. Inquire with the person reporting NTD data the procedures used to measure FG and HIB DRM and determine that the mileage was computed in accordance with FTA definitions of FG/HIB and DAM. Inquire of any service changes during the year that resulted in an increase or decrease in DAMs. If a service change resulted in a change in overall DAMs, re-compute the average monthly DAMs, and reconcile the total to the FG/HIB DAM reported on the Federal Funding Allocation Statistics form. No exceptions noted.

18. Inquire if any temporary interruptions in transit service occurred during the report year. If these interruptions were due to maintenance or rehabilitation improvements to a FG segment(s), determine that the:
 - The reported DRMs for the segment(s) was for the entire report year if the interruption is less than 12 months in duration. Observe that report included the months of operation on the FG/HIB segments form as 12. The transit authority should document the interruption. The interruption in service was reported and the FG/HIB segments were reported as 12.
 - If improvements cause a service interruption on the FG/HIB DRMs lasting more than 12 months, that the transit authority contacted its NTD validation analyst to discuss. And the DRMs were reported in accordance to the FTA determination No exceptions were found.
19. Recalculate FG/HIB DRM from maps or by retracing route and compare to amounts reported. No exceptions were noted.
20. If other public transit agencies operate service over the same FG/HIB as the transit authority, determine that the transit authority coordinated with the other transit authority (or agencies) such that the DRMs for the segment of FG/HIB are reported only once to the NTD on the Federal Funding Allocation form. Each transit authority should report the actual VRM, PMT, and OE for the service operated over the same FG/HIB. There are no other public transit agencies that operate service over the same FG/HIB as the transit authority.
21. Observe the FG/HIB segments form and inquire with staff if any segments were added in the 2014 report year. Observe the Authority Revenue Service Start Date for the added segments with the persons reporting NTD data. Determine that the date reported is the date that the authority began revenue service. This may be later than the Original Date of Revenue Service if the transit authority is not the original operator. If a segment was added for the 2016 report year, determine that the Authority Revenue Service Date occurred within the transit authority's 2016 fiscal year. There were no new segments added during the 2016 report year. Segments are grouped by like characteristics. Note that for apportionment purposes, under the State of Good Repair (§5337) and Bus and Bus Facilities (§5339) programs, the 7 -year age requirement for fixed guideway/High Intensity Busway segments is based on the report year when the segment is first reported by any NTD transit authority. This pertains to segments reported for the first time in the current report year. Even if a transit authority can document an Authority Revenue Service Start Date prior to the current NTD report year, FTA will only consider segments continuously reported to the NTD.
22. Agree operating expenses reported for NTD reporting with audited financial data after reconciling items are removed. No exceptions were noted.
23. If the transit authority purchases transportation services, interview the personnel reporting the NTD data on the amount of PT-generated fare revenues. Compare the PT fare revenues to the amount reported on the Contractual Relationship form. The transit authority did not purchase any transportation services.
24. If the transit authority's report contains data for PT services, observe that the assurances of the data for those services are included and obtain a copy of the IAS-FFA regarding data for the PT service. Attach a copy of the statement to this report. Note as an exception if the transit authority does not have an Independent Auditor Statement for the PT data. Required assurances were not obtained as the transit authority did not purchase any transportation services.

25. If the transit authority purchases transportation services, obtain a copy of the PT contract and determine that the contract specifies the public transportation services to be provided; the monetary consideration obligated by the transit authority or governmental unit contracting for the service; the period covered by the contract (and that this period overlaps the entire, or a portion of, the period covered by the transit authority's NTD report); and is signed by representatives of both parties to the contract. Interview the person responsible for retention of the executed contract, and determine that copies of the contracts are retained for three years. The transit authority did not purchase any transportation services.
26. If the transit authority provides service in more than one UZA, or between an UZA and a non UZA, inquire of the procedures for allocation of statistics between UZAs and non-UZAs. Obtain the FG segment worksheets, route maps, and urbanized area boundaries used for allocating the statistics, and determine that the stated procedure is followed and that the computations are correct. The transit authority did not provide services in more than one UZA or between an UZA and a non UZA.
27. Compare the data reported on the Federal Funding Allocation Statistics Form to data from the prior report year and calculate the percentage change from the prior year to the current year. For actual VRM, PMT or OE data that have increased or decreased by more than 10 percent, or FG DRM data that have increased or decreased. Interview transit authority management regarding the specifics of operations that led to the increases or decreases in the data relative to the prior reporting period. The Motor Bus PMT increased by 12.89 percent relative to the prior reporting period. The transit authority management provided acceptable specifics of operations that led to this increase.

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GREATER DAYTON REGIONAL TRANSIT AUTHORITY

MONTGOMERY COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 21, 2017**