



FY 2007-2009 TRIENNIAL
PERFORMANCE AUDIT OF
FRESNO COUNTY ECONOMIC
OPPORTUNITIES COMMISSION
TRANSIT SYSTEMS

SUBMITTED TO

COUNCIL OF FRESNO COUNTY
GOVERNMENTS

SUBMITTED BY



August 2010

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Section I

Introduction

California's Transportation Development Act (TDA) requires that a triennial performance audit be conducted of public transit entities that receive TDA revenues. The performance audit serves to ensure accountability in the use of public transportation revenue.

The Council of Fresno County Governments (Fresno COG) has engaged PMC to conduct a performance audit of the Fresno County Economic Opportunities Commission (FCEOC) Transit Systems covering the most recent triennial period, fiscal years (FYs) 2006-07 through 2008-09. The purpose of the performance audit is to evaluate FCEOC's effectiveness and efficiency in its use of TDA funds to provide public transit in its service area. This is required as a condition for continued receipt of these funds for public transportation purposes. In addition, the audit evaluates the FCEOC's compliance with the conditions specified in the California Public Utilities Code (PUC). This task involves ascertaining whether FCEOC is meeting the PUC's reporting requirements. Moreover, the audit includes calculations of transit service performance indicators and a detailed review of FCEOC's transit administrative functions. From the analysis that has been undertaken, a set of recommendations have been made for the agency which are intended to improve the performance of transit operations.

In summary, this TDA audit affords the opportunity for an independent, constructive and objective evaluation of the organization and its operations that otherwise might not be available. The methodology for the audit included in-person interviews with management, collection and review of Agency documents, data analysis, and on-site observations. The *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities* published by the California Department of Transportation (Caltrans) was used to guide in the development and conduct of the audit.

Overview of the Transit System

The FCEOC is a non-profit corporation incorporated in the State of California on August 30, 1965. The agency's purpose is to develop, conduct and administer programs established under the provisions of the Economic Opportunity Act of 1964. To this end, FCEOC is a locally based community action agency which provides an array of services and programs that assist low income families and individuals with developing skills and knowledge toward self-sufficiency. The agency is supported primarily through government grants, donor contributions and fees for services. The Board of Commissioners of FCEOC includes 24 members representing target areas, community organizations and institutions, and locally elected officials.

The transit program is administered and managed by the Director of Food Services and Transit Systems, and the Transit Operations Coordinator/Senior Accountant. The transit program reports to an Assistant Executive Director, who in turn reports to the Executive Director. As each program

under FCEOC is a self sustaining entity, the transit system operates as a standalone service.

The FCEOC transit system is one of over 25 programs provided under the umbrella agency. FCEOC operates a specialized transit service for social service clients throughout Fresno County acting as the co-designated Consolidated Transportation Services Agency (CTSA) for both the urban and rural regions of the county. The agency is co-designated with Fresno Area Express (FAX) for the Fresno-Clovis Metropolitan Area, and with the Fresno County Rural Transit Agency (FCRTA) for the non-urbanized areas of the county. From this designation, FCEOC has responsibility for working toward improved social service transportation through coordination and consolidation of transportation services.

In its effort to further coordinate social service transportation, FCEOC also markets vehicle maintenance services for social service agencies. Many clients for whom FCEOC provides trips are provided vehicle maintenance as well as dispatching and driver training services. Other clients have contracted with FCEOC for maintenance only.

System Characteristics

As contained in the annual TDA claims submitted to Fresno COG during the audit period of FY's 2007 through 2009, the agency provided transportation service to 13 urban CTSA contract clients, and eight rural CTSA contract clients. The largest client is the Central Valley Regional Center (CVRC) which provides over 65 percent of the total contract service revenue. FCEOC has been providing contract services to CVRC to provide weekday roundtrip passenger service from the program's developmentally disabled consumer's residence to various training and educational sites throughout Fresno County. CVRC trips comprise about 60 percent of all urban CTSA trips, and over half of all rural CTSA trips. Both passenger transportation and meal delivery are part of various contracts.

FCEOC also provides general public rural transportation services under a contract with the FCRTA. Under the contract, FCEOC operates 17 different services including intra-community trips and inter-city service linking the rural areas with the Fresno urbanized area. Both demand response and fixed route services are offered. A summary of Urban and Rural area contract services are presented in Tables I-1 and I-2:

Table I-1
FCEOC Contract Services – The Fresno Urban Area CTSA

Agency	Type of Service
Local Conservation Corps	Vehicle Maintenance
Fresno Madera Area Agency on Aging	Senior Transportation
FCEOC Senior Meals/Summer Lunch	Congregate Meal Delivery; Vehicle Maintenance
Head Start	Student Transportation Vehicle Maintenance Congregate Meal Delivery
St. Agnes Medical Center-ADHC	Senior Transportation

Agency	Type of Service
	Vehicle Maintenance
Masten Towers	Senior Transportation Vehicle Maintenance
Nikkei	Vehicle Maintenance
Sanctuary	Vehicle Maintenance
Senior Citizens Village	Senior Transportation Vehicle Maintenance
Fresno County CalWORKS	Passenger Transportation Vehicle Maintenance
Central Valley Regional Center	Developmentally Disabled Transportation Vehicle Maintenance
Charter Trips for Social Service Agencies	General Transportation Vehicle Maintenance
United Cerebral Palsy	Emergency Coordinated Back-up Transportation

Source: FCEOC

Table I-2
FCEOC Contract Services – The Fresno Rural Area CTSA

Agency	Type of Service
Fresno Madera Area Agency on Aging	Senior Transportation Vehicle Maintenance
FCEOC Food Services	Senior Meals/Summer Lunch Vehicle Maintenance
Head Start	Student Transportation Congregate Meal Delivery Vehicle Maintenance
FCRTA	Public Agency Contract Services Ridersharing Services
Nikkei	Vehicle Maintenance
Fresno County Office of Education	Student Transportation
Central Valley Regional Center	Disabled Passenger Transportation
Charter Trips for Social Service Agencies	General Public and Non-Profits Transportation Vehicle Maintenance

Source: FCEOC

Fleet

FCEOC operates an active fleet of 144 vehicles. Most vehicles are gasoline powered. The fleet also contains diesel powered vehicles and a few powered by compressed natural gas (CNG). There are currently a number of older additional vehicles that are retired and will need to be salvaged.

Table I-3 summarizes the composition of the system fleet:

**Table I-3
FCEOC Fleet Inventory**

Year	Make & Model	Quantity	Seating Capacity	Wheelchair Capacity
1992	Carpenter	1	36	N/A
1993	Carpenter	1	36	N/A
1997	Carpenter	2	41	N/A
1992	Ford	1	15	N/A
1993	International	1	36	N/A
1994	GMC	8	48	N/A
1995	GMC	6	48	N/A
1996	GMC	1	48	N/A
1993	Ford	3	14	N/A
1998	Ford	1	14	N/A
1999	Ford E350	24	14	N/A
1999	Ford E450	4	21	7
1999	Ford E450	5	17	7
1999	GMC	4	48	N/A
2000	Ford E350	1	14	N/A
2001	Ford E450	4	17	7
2002	Ford	1	10	2
2002	Ford E450	9	18	2
2002	Ford E350	5	14	N/A
2003	Thomas	3	41	N/A
2003	Thomas	7	48	N/A
2003	Ford E450	4	16	6
2003	Ford E450	4	16	4
2004	Thomas	3	34-60	2
2004	Ford E450	7	16	6
2005	Blue Bird	1	34-60	2
2005	Ford E450	8	16	6
2006	Ford E450	8	14	5
2007	Ford E450	7	14	5
2008	Ford E450	9	14	5
2009	Thomas	1	34-60	2
Total		144		

Source: FCEOC

Section II

Operator Compliance Requirements

This section of the audit report contains the analysis of FCEOC's ability to comply with State requirements for continued receipt of TDA funds. The evaluation uses the guidebook, *"Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Agencies"* which was developed by the Department of Transportation (Caltrans) to assess transit operators. The guidebook contains a checklist of eleven measures taken from relevant sections of the Public Utilities Code and the California Code of Regulations. Each of these requirements is discussed in the table below, including a description of FCEOC's efforts to comply with the requirements. In addition, a discussion of the findings from the compliance review is described in the text following the table.

TABLE II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
The transit operator submitted annual reports to the RTPA based upon the Uniform System of Accounts and Records established by the State Controller. Report is due 90 days after end of fiscal year (Sept. 30), or 110 days (Oct. 20) if filed electronically (internet).	Public Utilities Code, Section 99243	Completion/submittal dates (internet filing): FY 2007: October 3, 2007 FY 2008: October 13, 2008 FY 2009: September 29, 2009 Conclusion: Complied
The operator has submitted annual fiscal and compliance audits to the RTPA and to the State Controller within 180 days following the end of the fiscal year (Dec. 27), or has received the appropriate 90 day extension by the RTPA allowed by law.	Public Utilities Code, Section 99245	Completion/submittal dates: FY 2007: December 21, 2007 FY 2008: December 23, 2008 FY 2009: December 29, 2009 Conclusion: Complied
The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator's compliance with Vehicle Code Section 1808.1	Public Utilities Code, Section 99251 B	FCEOC participates in the CHP Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior

TABLE II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
following a CHP inspection of the operator's terminal.		to each TDA claim. Copies of certificates are attached to TDA claims. Copies of certificates were also submitted to the auditor for review. Inspection dates applicable to the audit period are as follows: FY 2007: August 1 & 10, 2006 FY 2008: August 9 & 10, 2007 FY 2009: July 14, 15, 16, 18 & 23, 2008; June 10, 11, 12, 16 & 17, 2009 Conclusion: Complied
The operator's claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPA for such claims.	Public Utilities Code, Section 99261	As a condition of approval, FCEOC's annual claims for Local Transportation Funds and State Transit Assistance are submitted in compliance with rules and regulations adopted by Fresno COG. COG staff provides assistance as needed to the agency in completing the claim. Conclusion: Complied
If an operator service urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and	Public Utilities Code, Section 99270.1	FCEOC's transit services do not collect passenger fare revenues, but are based on service contract revenues. As a CTSA, in lieu of the farebox requirement, Fresno

TABLE II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
regulations adopted by the RTPA.		COG's policy is for FCEOC to maintain a 45/55 ratio of LTF to local support revenues. During the audit period of FYs 2007 through 2009, FCEOC has maintained this ratio. Conclusion: Complied
The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	Public Utilities Code, Sections 99266	Percentage increase in FCEOC's operating budget (combined rural and urban): FY 2007: 2.87% FY 2008: 10.34% FY 2009: 10.65% Source: FY 2007-2009 FCEOC Annual TDA Claims. Conclusion: Complied
The operator's definitions of performance measures are consistent with Public Utilities Code Section 99247, including (a) operating cost, (b) operating cost per passenger, (c) operating cost per vehicle service hour, (d) passengers per vehicle service hour, (e) passengers per vehicle service mile, (f) total passengers, (g) transit vehicle, (h) vehicle service hours, (i) vehicle service miles, and (j) vehicle service hours per employee.	Public Utilities Code, Section 99247	FCEOC's definition of performance measures is consistent with Public Utilities Code, Section 99247. Conclusion: Complied
If the operator serves an	Public Utilities Code, Sections	In lieu of farebox, FCEOC

TABLE II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
urbanized area, it has maintained a ratio of fare revenues to operating costs at least equal to one-fifth (20 percent), unless it is in a county with a population of less than 500,000, in which case it must maintain a ratio of fare revenues to operating costs of at least equal to three-twentieths (15 percent), if so determined by the RTPA.	99268.2, 99268.3, 99268.12, 99270.1.	transit systems is subject to Fresno COG's policy to maintain a TDA/local support ratio. Conclusion: Not Applicable
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating costs at least equal to one-tenth (10 percent).	Public Utilities Code, Sections 99268.2, 99268.4, & 99268.5	In lieu of farebox, FCEOC transit systems is subject to Fresno COG's policy to maintain a TDA/local support ratio. Conclusion: Not Applicable
The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA which will fully fund the retirement system within 40 years.	Public Utilities Code, Section 99271	FCEOC contributes to a defined contribution pension plan which covers substantially all employees of the Agency. Generally, FCEOC contributes an amount equal to five percent of the compensation earned by each eligible employee. Employer contributions are vested immediately. Conclusion: Complied
If the operator receives state transit assistance funds, the operator makes full use of funds available to it under the	California Code of Regulations, Section 6754(a)(3)	FCEOC does not receive state transit assistance funds but does utilize FTA Section 5310 funding for vehicle

TABLE II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
Urban Mass Transportation Act of 1964 before TDA claims are granted.		procurement. Source: State Controller Reports Conclusion: Not Applicable

Findings and Observations from Operator Compliance Requirements Matrix

1. FCEOC has complied with all applicable compliance requirements. Three of the 11 compliance requirements were not applicable to FCEOC.
2. FCEOC participates in the CHP Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim. The CHP inspection reports submitted for review were found to be satisfactory.
3. The operating budget saw moderate growth during the audit period. The highest increase occurred in FY 2009 by 10.65 percent.
4. Because the type of transit service provided by FCEOC does not require passengers to pay a fare, an alternative method to the farebox recovery ratio has been adopted by Fresno COG. This method requires FCEOC to match LTF revenues with local support revenues on a 45 percent LTF/ 55 percent local support basis. The local match has come from service contract fees by participating social service agencies, charter trips, and donations.
5. The calculated local support match for the rural area was 85.57 percent for FY 2007, 82.94 percent in FY 2008 and 86.15 percent for FY 2009. For the urban area, the local support match was 86.72 percent for FY 2007, 84.87 percent in FY 2008 and 87.57 percent in FY 2009. These percentages far exceeded the minimum 55 percent match.

Section III

Prior Triennial Performance Recommendations

FCEOC's efforts to implement the recommendations made in the prior triennial audit are examined in this section of the report. For this purpose, each prior recommendation for the agency is described, followed by a discussion of the agency's efforts to implement the recommendation. Conclusions concerning the extent to which the recommendations have been adopted by the agency are then presented.

Prior Recommendation 1

Continue to Work Closely with Fresno COG and Partner Agencies on the Coordinated Public Transit-Human Services Transportation Plan.

Actions taken by FCEOC:

Fresno COG adopted the County's Coordinated Public Transit/Human Services Transportation Plan in January 2008, a federal requirement of SAFETEA-LU legislation. The intended purpose of the plan is for the COG to develop a coordinated countywide social service plan that will become a blueprint for spending multiple federal transit grants for coming years.

As the designated CTSA for the metropolitan Fresno area and rural Fresno County, FCEOC was instrumental in the development of the Coordinated Plan through its representation on the Fresno COG Social Services Transportation Advisory Committee (SSTAC), Transportation Technical Committee (TTC) and Coordinated Public Transit-Human Services Transportation Plan Working Group.

Conclusion:

This recommendation has been implemented.

Section IV

TDA Performance Indicators

This section reviews FCEOC Transit Systems' performance in providing transit service in an efficient and effective manner. TDA requires that at least five specific performance indicators be reported for the three year audit period, which are contained in the following tables:

- Combined passenger and meal transportation, urban and rural.
- Passenger transportation, urban and rural.
- Meal delivery, urban and rural.

Table IV-1
TDA Performance Indicators
Urban and Rural
Passenger and Meal Transportation

Performance Data and Indicators	FY 2006	Audit Period			% Change FY 2006- 2009
		FY 2007	FY 2008	FY 2009	
Operating Cost	\$6,153,190	\$6,105,083	\$6,074,539	\$6,376,133	3.6%
Total Passengers	1,352,512	1,312,210	1,444,508	1,458,211	7.8%
Vehicle Service Hours	109,144	114,822	123,757	122,539	12.3%
Vehicle Service Miles	2,023,129	2,058,311	2,071,237	2,185,536	8.0%
Employee FTE's	52	55	57	55	5.8%
Local Support Revenues	\$4,918,473	\$5,271,016	\$5,613,146	\$5,552,941	12.9%
Operating Cost per Passenger & Meal Delivered	\$4.55	\$4.65	\$4.21	\$4.37	-3.9%
Operating Cost per Vehicle Service Hour	\$56.38	\$53.17	\$49.08	\$52.03	-7.7%
Operating Cost per Vehicle Service Mile	\$3.04	\$2.97	\$2.93	\$2.92	-4.1%
Passengers/Meals per Vehicle Service Hour	12.4	11.4	11.7	11.9	-4.0%
Passengers/Meals per Vehicle Service Mile	0.67	0.64	0.70	0.67	-0.2%
Vehicle Service Hours per Employee	2,099	2,088	2,171	2,228	6.1%

Source: Annual Transit Productivity Evaluation, State Controller Operator's Reports

Table IV-2
TDA Performance Indicators
Urban, Passenger and Meal Transportation

Performance Data and Indicators	FY 2006	Audit Period			% Change FY 2006- 2009
		FY 2007	FY 2008	FY 2009	
Operating Cost	\$4,117,837	\$4,066,580	\$4,445,691	\$4,237,533	2.9%
Total Passengers & Meals Delivered	801,939	761,637	814,970	821,636	2.5%
Vehicle Service Hours	73,370	79,049	81,935	81,158	10.6%
Vehicle Service Miles	1,297,076	1,332,257	1,328,095	1,413,506	9.0%
Local Support Revenues	\$3,296,101	\$3,526,717	\$3,772,873	\$3,710,602	12.6%
Operating Cost per Passenger & Meals Delivered	\$5.13	\$5.34	\$5.46	\$5.16	0.4%
Operating Cost per Vehicle Service Hour	\$56.12	\$51.44	\$54.26	\$52.21	-7.0%
Operating Cost per Vehicle Service Mile	\$3.17	\$3.05	\$3.35	\$3.00	-5.6%
Passengers/Meals per Vehicle Service Hour	10.9	9.6	9.9	10.1	-7.4%
Passengers/Meals per Vehicle Service Mile	0.62	0.57	0.61	0.58	-6.0%
Average Revenue per Passenger/Meals Delivered	\$4.11	\$4.63	\$4.63	\$4.52	9.9%

Source: Annual Transit Productivity Evaluation, State Controller Operator's Reports

Table IV-3
TDA Performance Indicators
Rural, Passenger and Meal Transportation

Performance Data and Indicators	FY 2006	Audit Period			% Change FY 2006- 2009
		FY 2007	FY 2008	FY 2009	
Operating Cost	\$2,035,353	\$2,038,503	\$2,218,915	\$2,138,600	5.1%
Total Passengers & Meals Delivered	550,573	550,573	629,538	636,575	15.6%
Vehicle Service Hours	35,773	35,773	41,822	41,381	15.7%
Vehicle Service Miles	726,054	726,054	743,143	772,030	6.3%
Local Support Revenues	\$1,622,372	\$1,744,299	\$1,840,274	\$1,842,339	13.6%
Operating Cost per Passenger & Meals Delivered	\$3.70	\$3.70	\$3.52	\$3.36	-9.1%
Operating Cost per Vehicle Service Hour	\$56.90	\$56.98	\$53.06	\$51.68	-9.2%
Operating Cost per Vehicle Service Mile	\$2.80	\$2.81	\$2.99	\$2.77	-1.2%
Passengers/Meals per Vehicle Service Hour	15.4	15.4	15.1	15.4	0.0%
Passengers/Meals per Vehicle Service Mile	0.76	0.76	0.85	0.82	8.7%
Average Revenue per Passenger/Meals Delivered	\$2.95	\$3.17	\$2.92	\$2.89	-1.8%

Source: Annual Transit Productivity Evaluation, State Controller Operator's Reports

Table IV-4
TDA Performance Indicators
Urban and Rural Passenger Transportation

Performance Data and Indicators	FY 2006	Audit Period			% Change FY 2006- 2009
		FY 2007	FY 2008	FY 2009	
Operating Cost	\$5,777,988	\$5,702,290	\$5,651,606	\$5,876,133	1.7%
Total Passengers	532,067	522,142	538,132	544,142	2.3%
Vehicle Service Hours	102,598	107,266	113,716	111,038	8.2%
Vehicle Service Miles	1,800,961	1,834,145	1,865,106	1,960,209	8.8%
Local Support Revenues	\$4,697,580	\$5,059,587	\$5,376,913	\$5,314,152	13.1%
Operating Cost per Passenger	\$10.86	\$10.92	\$10.50	\$10.80	-0.6%
Operating Cost per Vehicle Service Hour	\$56.32	\$53.16	\$49.70	\$52.92	-6.0%
Operating Cost per Vehicle Service Mile	\$3.21	\$3.11	\$3.03	\$3.00	-6.6%
Passengers per Vehicle Service Hour	5.2	4.9	4.7	4.9	-5.5%
Passengers per Vehicle Service Mile	0.30	0.28	0.29	0.28	-6.0%
Average Revenue per Passenger	\$8.83	\$9.69	\$9.99	\$9.77	10.6%

Source: Annual Transit Productivity Evaluation, State Controller Operator's Reports

Table IV-5
TDA Performance Indicators
Urban, Passenger Transportation

Performance Data and Indicators	FY 2006	Audit Period			% Change FY 2006- 2009
		FY 2007	FY 2008	FY 2009	
Operating Cost	\$3,949,624	\$3,881,125	\$3,660,896	\$3,997,533	1.2%
Total Passengers	331,694	321,769	337,777	340,314	2.6%
Vehicle Service Hours	71,007	75,675	78,561	76,965	8.4%
Vehicle Service Miles	1,237,384	1,270,568	1,269,893	1,350,939	9.2%
Local Support Revenues	\$3,174,610	\$3,410,431	\$3,654,756	\$3,579,268	12.7%
Operating Cost per Passenger	\$11.91	\$12.06	\$10.84	\$11.75	-1.4%
Operating Cost per Vehicle Service Hour	\$55.62	\$51.29	\$46.60	\$51.94	-6.6%
Operating Cost per Vehicle Service Mile	\$3.19	\$3.05	\$2.88	\$2.96	-7.3%
Passengers per Vehicle Service Hour	4.7	4.3	4.3	4.4	-5.3%
Passengers per Vehicle Service Mile	0.27	0.25	0.27	0.25	-6.0%
Average Revenue per Passenger	\$9.57	\$10.60	\$10.82	\$10.52	9.9%

Source: Annual Transit Productivity Evaluation, State Controller Operator's Reports

Table IV-6
TDA Performance Indicators
Rural, Passenger Transportation

Performance Data and Indicators	FY 2006	Audit Period			% Change FY 2006- 2009
		FY 2007	FY 2008	FY 2009	
Operating Cost	\$1,828,364	\$1,821,165	\$1,990,710	\$1,878,600	2.7%
Total Passengers	200,373	200,373	200,355	203,828	1.7%
Vehicle Service Hours	31,591	31,591	35,155	34,073	7.9%
Vehicle Service Miles	563,577	563,577	595,213	609,270	8.1%
Local Support Revenues	\$1,522,970	\$1,649,156	\$1,722,157	\$1,734,884	13.9%
Operating Cost per Passenger	\$9.12	\$9.09	\$9.94	\$9.22	1.0%
Operating Cost per Vehicle Service Hour	\$57.88	\$57.65	\$56.63	\$55.13	-4.7%
Operating Cost per Vehicle Service Mile	\$3.24	\$3.23	\$3.34	\$3.08	-5.0%
Passengers per Vehicle Service Hour	6.3	6.3	5.7	6.0	-5.7%
Passengers per Vehicle Service Mile	0.36	0.36	0.34	0.33	-5.9%
Average Revenue per Passenger	\$7.60	\$8.23	\$8.60	\$8.51	12.0%

Source: Annual Transit Productivity Evaluation, State Controller Operator's Reports

Table IV-7
TDA Performance Indicators
Urban and Rural Meal Delivery

Performance Data and Indicators	FY 2006	Audit Period			% Change FY 2006- 2009
		FY 2007	FY 2008	FY 2009	
Operating Cost	\$375,202	\$393,962	\$422,933	\$500,000	33.3%
Total Meals Delivered	820,445	790,068	906,376	914,069	11.4%
Vehicle Service Hours	6,546	7,557	10,041	11,501	75.7%
Vehicle Service Miles	222,169	224,166	206,132	225,327	1.4%
Local Support Revenues	\$220,893	\$211,429	\$236,233	\$238,789	8.1%
Operating Cost per Meal Delivered	\$0.46	\$0.50	\$0.47	\$0.55	19.6%
Operating Cost per Vehicle Service Hour	\$57.32	\$52.13	\$42.12	\$43.47	-24.2%
Operating Cost per Vehicle Service Mile	\$1.69	\$1.76	\$2.05	\$2.22	31.4%
Meals Delivered per Vehicle Service Hour	125.3	104.5	90.3	79.5	-36.6%
Meals Delivered per Vehicle Service Mile	3.69	3.52	4.40	4.06	9.8%
Average Revenue per Meal Delivered	\$0.27	\$0.27	\$0.26	\$0.26	-3.0%

Source: Annual Transit Productivity Evaluation, State Controller Operator's Reports

Table IV-8
TDA Performance Indicators
Urban, Meal Delivery

Performance Data and Indicators	FY 2006	Audit Period			% Change FY 2006- 2009
		FY 2007	FY 2008	FY 2009	
Operating Cost	\$168,213	\$176,624	\$194,728	\$240,000	42.7%
Total Meals Delivered	470,245	439,868	477,193	481,322	2.4%
Vehicle Service Hours	2,363	3,374	3,374	4,193	77.4%
Vehicle Service Miles	59,692	61,689	58,202	62,567	4.8%
Local Support Revenues	\$121,491	\$116,286	\$118,117	\$131,334	8.1%
Operating Cost per Meal Delivered	\$0.36	\$0.40	\$0.41	\$0.50	39.4%
Operating Cost per Vehicle Service Hour	\$71.19	\$52.35	\$57.71	\$57.24	-19.6%
Operating Cost per Vehicle Service Mile	\$2.82	\$2.86	\$3.35	\$3.84	36.1%
Meals Delivered per Vehicle Service Hour	199.0	130.4	141.4	114.8	-42.3%
Meals Delivered per Vehicle Service Mile	7.88	7.13	8.20	7.69	-2.3%
Average Revenue per Meal Delivered	\$0.26	\$0.26	\$0.25	\$0.27	5.6%

Source: Annual Transit Productivity Evaluation, State Controller Operator's Reports

Table IV-9
TDA Performance Indicators
Rural, Meal Delivery

Performance Data and Indicators	FY 2006	Audit Period			% Change FY 2006- 2009
		FY 2007	FY 2008	FY 2009	
Operating Cost	\$206,989	\$217,338	\$228,205	\$260,000	25.6%
Total Meals Delivered	350,200	350,200	429,183	432,747	23.6%
Vehicle Service Hours	4,183	4,183	6,667	7,308	74.7%
Vehicle Service Miles	162,477	162,477	147,930	162,760	0.2%
Local Support Revenues	\$99,402	\$95,143	\$118,117	\$107,455	8.1%
Operating Cost per Meal Delivered	\$0.59	\$0.62	\$0.53	\$0.60	1.7%
Operating Cost per Vehicle Service Hour	\$49.48	\$51.96	\$34.23	\$35.58	-28.1%
Operating Cost per Vehicle Service Mile	\$1.27	\$1.34	\$1.54	\$1.60	25.4%
Meals Delivered per Vehicle Service Hour	83.7	83.7	64.4	59.2	-29.3%
Meals Delivered per Vehicle Service Mile	2.16	2.16	2.90	2.66	23.4%
Average Revenue per Meal Delivered	\$0.28	\$0.27	\$0.28	\$0.25	-12.5%

Source: Annual Transit Productivity Evaluation, State Controller Operator's Reports

Findings from Verification of TDA Performance Indicators

1. **Operating cost per vehicle service hour**, an indicator of cost efficiency, declined 7.7 percent systemwide from \$56.38 in FY 2006 to \$52.03 in FY 2009. The Urban CTSA combined passenger and meal delivery services saw its cost per vehicle service hour decline 7 percent during the period from \$56.12 to \$52.21. The Rural CTSA combined passenger and meal delivery services exhibited a comparable decline of 9.2 percent from \$56.90 to \$51.68. Hourly costs for all passenger services declined 6 percent and for meal delivery there was a decline of 24.2 percent. Rural meal delivery exhibited the biggest decline of 28.1 percent. Operating costs increased 3.6 percent systemwide during the triennial period with operating hours exhibiting an increase of 12.3 percent.
2. **Operating cost per passenger and meal delivered**, an indicator of cost effectiveness, declined a modest 3.9 percent systemwide from \$4.55 in FY 2006 to \$4.37 in FY 2009. Urban CTSA passenger and meal delivery exhibited a slight increase of 0.4 percent while rural CTSA passenger and meal delivery exhibited a decline of 9.1 percent. Passenger services exhibited a 0.6 percent decrease in cost per passenger. In contrast, meal delivery saw its cost per meal delivered decline by 19.6 percent over the same the period. Ridership systemwide increased 2.3 percent during the period from 532,067 passengers in FY 2006 to 544,142 passengers in FY 2009. Meals delivered systemwide increased 11.4 percent from 820,445 in FY 2006 to 914,069.
3. **Passengers/meals delivered per vehicle service hour**, which measures the effectiveness of the service delivered, declined 4 percent systemwide between FY 2006 and FY 2009 from 12.4 passengers/meals per hour to 11.9 passengers/meals per hour. Urban CTSA passenger and meal delivery exhibited a comparable decline of 7.4 percent over the same period from 10.9 to 10.1 passengers per hour. Rural passengers and meals delivered per hour for rural CTSA operations remained unchanged at 15.4. Urban and rural passengers per hour exhibited a decline of 5.5 percent, while urban and rural meal delivery per hour exhibited the most significant decline of 36.6 percent.
4. **Passengers/meals per vehicle service mile**, another indicator of service effectiveness, declined 0.2 percent between FY 2006 and FY 2009, remaining relatively unchanged at 0.67 passengers/meals per service mile. For urban CTSA operations, the number of passengers and meals per service mile was down 6 percent from 0.62 to 0.58. In contrast, Rural CTSA operations exhibited an increase of 8.7 percent from 0.76 to 0.82 passengers/meals per mile. Urban and rural passengers per mile exhibited a 6 percent decline. However, meals delivered per service miles increased 9.8 percent from 3.69 to 4.06 meals delivered. From the FY 2006 base year to FY 2009, total vehicle service miles increased 8 percent systemwide.

5. **Vehicle service hours per employee** increased 6.1 percent systemwide from 2,099 hours in FY 2006 to 2,228 hours in FY 2009. The number of full time employee equivalents held relatively stable during the audit period, only increasing 5.8 percent from 52 in FY 2006 to 55 in FY 2009. This measure is based on the number of employee Full-Time Equivalents (FTE) using employee pay hours from the State Controller's Report and dividing by 2,000 hours per employee.

Conclusion from the Verification of TDA Performance Indicators

Systemwide cost indicators have exhibited a positive trend indicating improved efficiencies. However, this trend is not reflective across service modes. FCEOC should continue to closely monitor its performance indicators, as some indicators are showing trends that might cause concern in the provision of overall service. Examples include the sharp growth in costs for both rural and urban meal delivery services. Operating costs for meal delivery grew 33.3 percent during the audit period. Urban meal delivery saw a 43 percent increase whereas rural meal delivery saw a nearly 26 percent increase. Total vehicle hours for meal delivery increased by nearly 76 percent. Operating cost per vehicle service hour and meals delivered exhibited the highest increase during the audit period, particularly for urban meal delivery.

It is understood that the FCEOC transit system differs from public transit operators in that social service agency programs can fluctuate from year to year, and that FCEOC provides its clients with transportation under annual service contracts with participating social service agencies. The number of client trips and the negotiated hours and miles for each client are individually tailored to meet the needs of each client. However, from an overall performance standpoint, the service should be monitored closely for potential continued declines in performance trends as the data are used for future improvements to the service, including future negotiations of hours and miles of service relative to client trips.

While FCEOC is not required to meet a specific fare recovery ratio, as it does not collect fares from its riders, the agency is required to meet the annual ratio of 45 percent TDA revenues to 55 percent local support revenues to continue receiving TDA funds. Local support revenues include grant funds, service contract revenues and donations. FCEOC has been able to meet this ratio requirement in each year of the triennial audit. The 13.1 percent increase in local support revenues has continued to outpace the growth in operating costs.

Section V

Review of Operator Functions

This section provides an in-depth review of various functions within the FCEOC Transit Systems. The review highlights accomplishments, issues and/or challenges that were determined during the audit period. The following departments and functions were reviewed at FCEOC:

- Operations and Planning
- Maintenance
- Marketing
- General Administration and Management

Subfunctions are also included within the major functions listed above, such as grant administration and funding which is described under general administration.

Operations and Planning

The Mission Statement of FCEOC is *“to humanely focus all available resources to empower low-income families and individuals working toward the skills, knowledge, and motivation for self-sufficiency.”* Similarly, the FCEOC’s Vision Statement is congruent with its Mission Statement by *“Helping People, Changing Lives”*. FCEOC implements its mission and vision by offering the residents of Fresno County a myriad of community, educational, health, meal, training and transit services.

Established in 1965 and designated as a CTSA in 1982, FCEOC has grown into a \$169 million non-profit corporation. Under its Food Services/Transit Systems Division, FCEOC provides door-to-door and curbside services within the urban and rural areas of Fresno County. For its achievements, FCEOC was recognized at the 2007 CalACT Conference for the most “Outstanding Paratransit Program”. The agency also placed fourth in the CalACT Roadeo competition.

The Central Valley Regional Center (CVRC) is FCEOC’s largest contract transportation client in contract dollar terms. The CVRC contract was modified from a fixed-rate to an attendance-based schedule. The Transit Systems division was also awarded a contract by CVRC to provide dispatching services in Coalinga.

FCEOC has a contract with the Fresno County Office of Education to provide transport for Head-Start and court-appointed schools. During FY 2009, FCEOC contracted with the Office of Education to provide transportation for students between the Tielman Education Center in west Fresno and their homes in the South Valley. Another service EOC provides for the Office of Education is transportation from the rural areas of Fresno to Sunnyside High School located in southeast Fresno. This program was established for rural area students who have an interest in pursuing a career in the medical field.

The agency provides drivers and dispatching services for FCRTA. In addition, FCEOC operated several demonstration services for FCRTA that were initiated during the audit period. These services were Biola Transit, Coalinga Express, Juvenile Justice Campus Transit and South Sierra Transit. These routes were operated over a three-month trial period and were discontinued due to low passenger loads and poor farebox recovery. Buses used for the Juvenile Justice service had video camera installed to track activity on-board.

In July 2009, FCEOC commenced operations of Selma Transit on behalf of FCRTA. Selma Transit is a four vehicle system comprised of a fixed-route and a demand response operation. The City of Selma expressed its intent to leave FCRTA in December 2007 effective July 1, 2008. The City wanted to explore the direct administration of its own transit service under a private contract operator as a cost saving measure. Issues pertaining to this option were discussed in March 2008, including the option of contracting Selma Transit through the FCEOC as the Rural CTSA. At a City Council meeting in May 2008, the City reviewed a proposal submitted by a contract operator, which did not include fuel costs. The City Council also requested that FCRTA submit its option for providing the service. In June 2008, the City Council approved a resolution that rescinded the prior resolution to withdraw from FCRTA. They expressed the desire to maintain the status quo with regards to the JPA and its current level of service. FCEOC personnel are stationed in Selma as well as in Kingsburg to provide dispatch and operations services.

Table V-1 shows the number of passengers trips by contract reported during the audit period.

Table V-1
FCEOC Transit Systems
Passenger Trips by Contract

Year	2007	2008	2009	Total
CVRC	206,880	216,389	231,319	654,588
FCRTA	227,232	275,725	251,861	754,818
Head Start	263,108	259,840	253,150	776,098
Other Agencies	55,056	48,227	58,178	161,461
Annual Totals	752,276	800,181	794,508	2,346,965

Source: FCEOC

The largest number of trips reported during the period was for Head Start, followed by FCRTA and CVRC. Other agencies that FCEOC provides transportation for is the Fresno-Madera Area Agency on Aging (FMAAA) Senior Program. Program participants are transported to FMAAA's senior nutrition sites. FCEOC expanded into the South Valley in April 2009 by providing meal delivery and transportation to nutrition sites for the Kings/Tulare Area Agency on Aging nutrition program.

FCEOC provides assistance for other non-profit and social service agencies with Federal Transit Administration (FTA) Section 5310 grants. Those agencies include new non-profit adult-care agencies, Arc Fresno, United Cerebral Palsy (UCP) and West Care. Arc Fresno empowers individuals with developmental disabilities to attain greater independence by offering everyday life experiences in a supportive community. UCP is a service provider and advocate for adults and

children with disabilities including cerebral palsy. WestCare, a family of tax-exempt nonprofit organizations, provides a wide spectrum of health and human services in both residential and outpatient environments. Their services include substance abuse and addiction treatment, homeless and runaway shelters, domestic violence treatment and prevention, and mental health programs. Through this grant process, the other agencies become more acquainted with FCEOC and inquire about operations and services offered.

The scoring criteria for the Section 5310 grants place a higher emphasis on emergency service planning. To this end, FCEOC has forged collaborative relationships with Fresno Organization Active in Disasters (FOAD), which brings together churches/faith-based organizations, non-profit and social service agencies such as the American Red Cross which serves as the coordinating agency. As part of this effort, FCEOC provides transportation to summer cooling and winter warming centers, which is coordinated by the County of Fresno. The City of Fresno expressed interest in designating FCEOC as a shelter center given that, among other amenities, FCEOC has food preparation capability and a backup generator. FCEOC is also active in Team 21 meetings, which involve non-management representatives from other FCEOC divisions and Head Start.

The transit operations began utilizing Versatrans scheduling software acquired in 2008 for \$15,000 plus a maintenance fee. Versatrans is intended to replace current methods of scheduling and tracking trips. The company provided on-site training and cross training of the software. However, the software is still being transitioned into full operation, thereby keeping the current methods in use. Global Positioning System (GPS) units are being installed in select FCEOC-owned vehicles under the dashboard. In combination with a new radio system equipped with caller-identification, the units will send Internet reports into dispatch about the vehicle's performance such as speed and location. These new units are being utilized on the CVRC runs, whereas public transit services are still conducted manually using three dispatchers. The public transit vehicles are owned by FCRTA.

FCEOC averages around 27 accidents annually. Accidents are classified as either at-fault or not-at-fault and involve a three tier reporting procedure covering mechanical, behavioral and vehicular details. Information about accidents is shared at management meetings. Discipline parameters are being developed for at-fault accidents so that post-accident procedures are consistent between the issuance of a reprimand letter and the actions taken by supervisors. The three step protocol includes issuing the written reprimand, making a suspension, and discharging the driver. These actions impact transit insurance costs which bases rates in part on the financial cost impact from driver activity. Drivers involved in accidents are subject to additional re-training, drug testing and post random tests, all of which are noted in their personnel file. Table V-2 provides a summary of accidents and incidents involving FCEOC vehicles:

Table V-2
FCEOC Transit Systems
Accidents

Year	2006	2007	2008	2009	Total
At Fault	13	18	24	11	66
Not At Fault	11	9	16	5	41
Annual Totals	24	27	40	16	107

Source: FCEOC

The number of accidents have exhibited an upward trend during the audit period but declined to the lowest number of reported incidents in FY 2009. At-fault accidents outpaced not-at-fault accidents. An employee accident prevention program designed to reward drivers with good driving practices remains in place.

FCEOC maintains and files a complaint/commendation form. The form provides space to identify the driver and complainant, phone number, nature of the complaint/commendation, supervisor comments, follow up comments, and signature by the transit supervisor, business manager and general manager. Only a few complaints are received per year based on completed forms provided by FCEOC. The requirement for signatories by three separate managers provides evidence of FCEOC's attention to passenger comments and oversight of its drivers.

Several capital improvements were made to FCEOC's facilities. The maintenance and existing administrative buildings were expanded. A new employee parking lot was completed in order to separate fleet vehicles from employee vehicles. In addition to the existing improvements, FCEOC is constructing a new administrative building that will feature a 125 person capacity training room with state-of-the-art audio-visual technology. The main kitchen used in conjunction with the meal delivery program is undergoing expansion and renovation. The EOC has also taken steps to implement green/eco-friendly initiatives across all departments. These initiatives include the installation of solar panels in the parking lot and using compact florescent light bulbs.

As a self assessment to improve its operations, FCEOC contracted with Innovative Paradigms of Sacramento to conduct an operations audit of the transit system. Various aspects of the transit system were reviewed and interviews conducted including for technologies and related equipment; training and monitoring; scheduling; recordkeeping; maintenance; and risk management. The consultant released its report in December 2007 and made over 30 recommendations to improve operations. Should funds become available, the study also recommended the hiring of three additional staff including dedicated IT staff, a maintenance service assistant, and a safety compliance coordinator. FCEOC has been working on implementing these recommendations which should help increase the system's efficiency of operations and safety.

Maintenance

FCEOC has one maintenance supervisor and three full-time mechanics. These Automotive Service Excellence (ASE)-certified mechanics perform routine preventative maintenance of the FCEOC fleet based on the California Highway Patrol (CHP) 3,000 mile or 45 day vehicle inspection protocol. The next interval is every 5,000 miles or 90 days. The expanded maintenance facility contains four service bays (capable of holding eight vehicles) with three lifts, each with 18,000 pound capacity.

The maintenance staff utilizes Fleet Controller software to monitor vehicle maintenance and parts inventory. A sample query print out from the software shows the history of work conducted for each vehicle, including dates, parts and labor costs, time required and name of mechanic. The software also provides an alert when the next scheduled maintenance for each vehicle is required by color coding which vehicles need to be pulled out for maintenance. Staff indicated that the software continues to meet the agency's needs. Fleet Controller also generates the pre-trip inspection sheets.

One measure of vehicle maintenance is the number of vehicle breakdowns during revenue service. Roadcalls pertain to mechanical and other operational failures while the transit vehicles are in service. FCEOC maintains a quarterly record of vehicle breakdowns. Table V-3 summarizes FCEOC's roadcalls during the audit period:

Table V-3
FCEOC Transit Systems
Roadcalls

Year	2007	2008	2009	Total
Roadcalls	35	47	49	131
Vehicle Revenue Miles	2,058,311	2,071,237	2,185,536	6,315,084
Miles Between Roadcalls	58,809	44,069	44,603	48,207

Source: FCEOC, PMC

The number of roadcalls increased each year from 35 in FY 2007 to 49 in FY 2009, a 40 percent increase. Vehicle revenue miles traveled by the transit system also increased during this time period, but only by 6 percent. The performance metric of vehicle revenue miles between roadcalls showed less miles between each roadcall, indicating decreased maintenance effectiveness. The FCEOC transit fleet inventory shows that over 75 percent of the vehicles are over five years old, with over 40 percent that are older than 10 years. FCEOC has been diligent in submitting competitive FTA Section 5310 applications for new vehicle purchases, and using local transportation funds as a match.

Vehicles are fueled at the Valero fueling station (LRC Kwik Services) located at 3403 West Ashlan Avenue between North Valentine and State Route 99. FCEOC utilizes a fleet card lock system and purchases approximately 25,000 gallons monthly for its 144 vehicle fleet. A retail discount of 6

cents per gallon is given. FCEOC added a supplemental fuel surcharge on its contracts when fuel prices spiked in 2008.

Pursuant to the California Environment Protection Agency (CALEPA), all diesel vehicles over 14,000 pounds beginning in 2010 have to be retrofitted. Head Start received a Health and Human Services (HHS) Administration grant to retrofit school buses operated by FCEOC ranging from \$10,000 to \$12,000 per vehicle.

FCEOC is seeking to market its recently expanded maintenance facility to other transportation operators and social service agencies for its 24-hour use potential.

Marketing

FCEOC utilizes several methods for marketing its transit services. The agency maintains an informative website found on the web at <http://www.fresnoeoc.org/>. A brief description of the transit system is provided under the listing of programs offered by the agency. A prototype brochure on the transit system is also available. The brochure provides a colorful and attractive layout describing the benefits of the system. The brochure is used at trade fairs, by human resources to recruit new employees and as a medium for explaining the system to potential clients and the general public. FCEOC has entered into the social marketing arena by establishing its own Facebook page (<http://www.facebook.com/fresnoeoc?v=info>). The Facebook page contains timely information about the activities of the EOC, including a list of programs and services offered.

Additional marketing is provided by the clients that FCEOC serves. Each participating social service agency is responsible for advertising the transit service to its own clients. FCEOC has assisted the Fresno Madera Agency on Aging (FMAAA) in marketing transportation services. In addition, FCEOC works with Fresno County case workers to increase ridership on the CalWORKS systems to assure efficiency and productivity. FCEOC participates in community service events to market its services and utilizes its agency network to expand its roster of contacts that may have use for transportation services.

Annual surveys are conducted to better understand the service being offered. Surveys are either mailed back or are given to drivers. The survey is comprised of seven multiple choice questions. Passengers are queried on how frequently they use the service, driver courtesy, vehicle comfort, and on-time performance.

General Administration and Management

FCEOC is governed by a 24-member tripartite Board of Commissioners comprised of eight elected representatives from target areas, eight community sector representatives and eight representatives of public officials. The Board appoints the Executive Director who is the EOC's chief administrator. The Executive Director retired during the audit period and was replaced by an interim director. Executive management also includes an Assistant Executive Director and three Associate Executive Directors. The Assistant Executive Director for Program Affairs oversees

the Food Services/Transit Systems Division. The management structure of the Food Services/Transit Systems Division is comprised of the Food Services/Transit Systems Director, Business Manager and four supervisors.

Management meetings are held monthly and include all transit supervisors, two drivers, and a human resource representative. In addition, driver in-service meetings are held six times annually. Subject areas covered at the meetings include customer conduct, safety, accident prevention, first aid and CPR techniques. The safety team meets prior to each in-service meeting.

FCEOC has devoted more resources towards training of drivers. The agency hired a supervising trainer and increased the number of trainers on staff to five. Four of the trainers are school bus certified drivers (behind the wheel) who are certified in cardiopulmonary resuscitation (CPR), given that FCEOC Transit Systems includes 26 routes for Head Start plus school bus routes. Driver training records are stored using EasyBus software.

A set of goals are developed for supervisors based on their assignments that are rotated annually among them. An action plan, completion date and outcome are criteria for assessing job assignments. Employee evaluations are conducted annually by the driver's immediate supervisor. An evaluation is comprised of a ride along as well as measuring an employee's appearance, attitude and aptitude in passenger loading and unloading. Contract drivers for FCRTA services are included in FCRTA's insurance program. To encourage employees to be aware and safe, FCEOC has implemented a Safety BINGO program. The game starts at \$10 and tops out at \$100. Winning employees may choose gift cards from Best Buy, Costco, Regal Movie Theatres, Target and Wal-Mart.

The Food Services/Transit Systems Division employs 141 drivers and 13 substitute drivers. A standby driver is licensed to drive all makes of vehicles. There are nine substitute drivers who have a Class B license with a passenger endorsement. There are two driver classifications with different pay scales, one being a FCRTA transit driver, and the other being a transit driver with air brake training (same as a school bus driver). The school bus equivalent driver earns about two dollars more per hour. FCEOC reports a low turnover in driver personnel during the audit period.

Basic employee benefits are available to all regular full-time and part-time employees hired to work a minimum of 30 hours weekly. Group health, dental and vision coverage are offered through Blue Cross. FCEOC contributes \$800 monthly to the Blue Cross Family Plan. Retirement benefits consist of pension plan whereby, the Commission contributes five percent of the employee's salary. In addition, employees may also contribute a portion of their salary into the plan not to exceed ten percent of their compensation. Another retirement savings option is a voluntary, self-directed Section 403(b) tax annuity program.

Employees accrue 1 ¼ days vacation each month up to a maximum of 15 days annually during their first two years of employment. With three or more years of employment, employees accrue 1 2/3 vacation days each month up to a maximum of 20 days annually. Sick leave accrues at the rate of one day for each month worked up to 12 sick days annually. The maximum accrual is 60 days or 450 hours. In addition, employees receive 13 paid holidays annually. For those

employees assigned to serve clients with a different holiday schedule, the driver would be entitled to receive double-time hourly compensation.

FCEOC participates in the United Non-Profits Insurance Corporation insurance pool for non-profit transit agencies. This company maintains five different policy levels for liability, including comprehensive and collision coverage on newer vehicles. The insurance pool has provided a significant cost savings to FCEOC. Older vehicles are self-insured for comprehensive and collision coverage.

Grant Administration and Funding

As the co-CTSA for metropolitan Fresno and rural Fresno County, FCEOC is eligible to receive TDA Article 4.5 funds, which are budgeted to assist with operational costs. According to the annual TDA claims submitted by FCEOC for FYs 2007 through 2009, TDA Article 4.5 funding comprised between 12 and 17 percent of FCEOC operational costs in the urban area, and between 17 and 20 percent in the rural area. Contract revenue from its various social service contracts comprises the remaining 88 percent (urban) and 80 percent (rural) of its operational revenue.

FCEOC has explored and will continue to research the listing of additional capital and operating funding sources available to public and private agencies. Federal SAFETEA-LU grants such as FTA Section 5310 (Elderly Individuals and Individuals with Disabilities Program), 5316 (Jobs Access and Reverse Commute Program) and 5317 (New Freedom Program) require the establishment of the locally developed, Coordinated Public Transit-Human Services Transportation Plan. Fresno COG adopted the Fresno County Coordinated Public Transit/Human Services Transportation Plan in 2008 with input from FCEOC and other community and social service providers.

As the CTSA, FCEOC has been awarded capital grants to purchase vehicles and equipment under FTA Section 5310. In accordance with FTA's instructions, the local required match is deposited into a special account prior to any purchases. When all equipment has been purchased, all remaining funds in the account, including interest earned, are returned to the grantee.

Section VI

Findings and Recommendations

The following material summarizes the major findings obtained from this Triennial Audit covering FY's 2007 through 2009. A set of recommendations is then provided.

Triennial Audit Findings

1. FCEOC has complied with all applicable compliance requirements. Four out of the 11 compliance requirements were not applicable to FCEOC.
2. FCEOC participates in the CHP Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim. The CHP inspection reports submitted for review were found to be satisfactory.
3. The operating budget saw moderate growth during the audit period. The highest increase occurred in FY 2009 by 10.65 percent.
4. Because the type of transit service provided by FCEOC does not require passengers to pay a fare, an alternative method to the farebox threshold has been utilized. This method requires FCEOC to match LTF revenues with local support revenues on a 45 percent LTF/ 55 percent local support basis. The local match has come from service contract fees by participating social service agencies, charter trips, and donations.
5. The calculated local support match for the rural area was 85.57 percent for FY 2007, 82.94 percent in FY 2008 and 86.15 percent for FY 2009. For the urban area, the local support match was 86.72 percent for FY 2007, 84.87 percent in FY 2008 and 87.57 percent in FY 2009. These percentages far exceeded the minimum 55 percent match.
6. FCEOC satisfactorily implemented the prior triennial audit recommendation by working closely with Fresno COG and partner agencies on the Coordinated Public Transit-Human Services Transportation Plan.
7. The Central Valley Regional Center (CVRC) is FCEOC's largest contract. The contract terms were modified from a fixed-rate to an attendance-based schedule. The Transit Systems division was awarded a contract by CVRC to provide dispatching services in Coalinga.
8. FCEOC operated several demonstration services for FCRTA that were initiated during the audit period. These services were Biola Transit, Coalinga Express, Juvenile Justice Campus Transit and South Sierra Transit. These routes were operated over a three-month trial period and were discontinued due to low passenger loads and poor farebox recovery.

9. The largest number of trips reported during the period was for Head Start, followed by FCRTA and CVRC. Among the other agencies that FCEOC provides transportation for is the Fresno-Madera Area Agency on Aging (FMAAA) Senior Program. Program participants are transported to FMAAA's senior nutrition sites. FCEOC expanded into the South Valley in April 2009 by providing meal delivery and transportation to nutrition sites for the Kings/Tulare Area Agency on Aging nutrition program.
10. FCEOC is constructing a new administrative building that will feature a 125 person capacity training room with state-of-the-art audio-visual technology. The main kitchen used in conjunction with the meal delivery program is also undergoing separate expansion and renovation.
11. FCEOC has also taken steps to implement green/eco-friendly initiatives across all departments. These initiatives include the installation of solar panels in the parking lot and using compact florescent light bulbs.
12. FCEOC has entered into the social marketing arena by establishing its own Facebook page (<http://www.facebook.com/fresnoeoc?v=info>). The Facebook page contains timely information about the activities of the EOC, including a list of programs and services offered.
13. To encourage employees to be aware and safe, FCEOC has implemented a Safety BINGO program. The game starts at \$10 and tops out at \$100. Winning employees may choose gift cards from Best Buy, Costco, Regal Movie Theatres, Target and Wal-Mart.

Triennial Audit Recommendations

1. Coordinate with other public transit and social service agencies in funding and offering consolidated travel training and ambassador services.

Identified as a short-range strategy and priority contained in the *Fresno County Coordinated Human Services Transportation Plan*, a travel training program is designed to empower senior citizens, persons with disabilities, and non-English speaking persons to use fixed-route public transit services independent of family, friends or demand responsive transit. Other local public transit agencies may not have the personnel or the financial resources available to administer such a program individually. FCEOC already offers shared training resources and driver training programs made available to human service agencies and transit providers. The Coordinated Plan recommends that FCEOC, as the co-CTSA in metropolitan Fresno and rural Fresno County, work with Fresno COG and the SSTAC to research resources available to fund a travel training program and to seek potential agencies to administer the program.

2. Work with FAX and Clovis Transit to determine the cost effectiveness of coordinating a countywide ADA-certification process.

Both FAX and Clovis Transit offer demand responsive transit services to ADA-certified passengers. Each transit system has their own separate protocol to determine eligibility. Given that demand responsive transit can be both cost and labor intensive, it is essential that such specialized transit be made available to those most in need of it. However, the certification procedures are not always consistent between transit agencies and require additional resources to adequately process ADA-certifications. In keeping with its role in social service and transit coordination, FCEOC should work with FAX and Clovis Transit to determine the potential cost effectiveness of contracting with these agencies to conduct ADA certifications should FCEOC be able to obtain economies of scale through its social service network. The transit systems could reimburse FCEOC based upon each submitted application and for maintaining a central database.

3. Continue to implement automatic vehicle locator (AVL) and video technology when financially feasible.

FCEOC has been working on GPS and AVL related infrastructure to increase its service efficiency and effectiveness. Given the transit system's relatively large geographic service area, large vehicle fleet and focus on demand response and subscription services, GPS/AVL provides a wide-range of operational benefits. FCEOC could enhance its capability to track vehicle location in real time via computer; improve dispatch, on-time performance, and customer service; allow cross-checking of driver log data; and increase safety.

4. Investigate the potential to translate CTSA knowledge expertise into additional training opportunities.

FCEOC is one of the larger and more successful CTSA's in the State by virtue of its level of coordinated service offerings including contract social service transportation, contract public transit, dispatching, driver training, grant writing and vehicle maintenance. As a relatively large CTSA with in-house expertise, FCEOC should consider marketing its skills and expertise in coordinated transportation for hire in a consulting role. Social service and transportation agencies that are responsible for coordinated transportation but are faced with constrained transportation resources may have interest and need for potential FCEOC consulting, contracting or direct training engagements both locally and beyond the Fresno region. FCEOC's new administration building includes a state-of-the-art meeting and training room that could serve such purpose.