



ALAMEDA COUNTY TRANSPORTATION COMMISSION

Direct Local Distribution Program Compliance Review Orientation for Fiscal Year 2017-18



A presentation to the Independent Watchdog Committee
Alameda CTC Staff
March 11, 2019

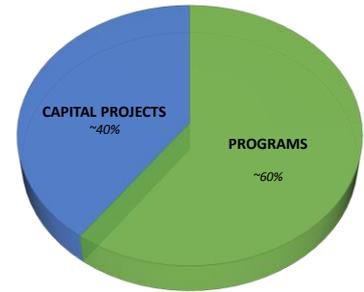
Today's Agenda

1. Overview of Measure B and Measure BB Programs
2. Purpose of Program Compliance Review and Process
3. Audited Financial Statement and Compliance Reporting Requirements and Policies
4. Review Walk-through Financial Statement and Compliance Reporting Forms
5. Review Schedule



DLD Distributions Overview

- **Over 50% of net revenues** generated from the Measure B and Measure BB Programs **are returned to source** as “Direct Local Distributions” (DLDs)
- Twenty recipients (*cities, transit agencies and the County*)
- DLD Programs
 - Bicycle/Pedestrian
 - Local Streets and Roads (*local transportation*)
 - Transit
 - Special Transportation for Seniors and People with Disabilities (*Paratransit*)



~\$150M
Annually
Available
 to DLD Programs



Direct Local Distributions Fiscal Year 2017-18

Direct Local Distributions FY2017-18 (dollars in millions)			
DLD Programs	Measure B	Measure BB	Total Funds
Local Streets and Roads	\$32.1	\$29.2	\$61.3
Mass Transit	\$30.5	\$31.4	\$61.9
Special Transportation for Senior and People with Disabilities (Paratransit)	\$13.0	\$4.4	\$17.4
Bicycle and Pedestrian Safety	\$5.4	\$13.1	\$18.5
TOTAL	\$81.0	\$78.1	\$159.1



Measure B and Measure BB DLD Recipients By Program Category					
No.	Agency	Bicycle and Pedestrian Program	Local Streets and Roads Program (Local Transportation)	Transit Program	Paratransit Program
1	ACE / SJRRC			X	
2	AC Transit			X	X
3	BART			MBB only	X
4	LAVTA			X	X
5	WETA			X	
6	Alameda County	X	X		
7	Alameda	X	X		X
8	Albany	X	X		X
9	Berkeley	X	X		X
10	Dublin	X	X		
11	Emeryville	X	X		X
12	Fremont	X	X		X
13	Hayward	X	X		X
14	Livermore	X	X		
15	Newark	X	X		X
16	Oakland	X	X		X
17	Piedmont	X	X		
18	Pleasanton	X	X		X
19	San Leandro	X	X		X
20	Union City/Union City Transit	X	X	X	X

X = Agency receives Measure B and Measure BB Direct Local Distributions for the Identified Program, unless otherwise stated.



DLD Eligible Use of Funds

DLD Program	Eligible Uses
Bicycle/Pedestrian 	<ul style="list-style-type: none"> • Sidewalk, Curb and Gutter Programs • Safety improvements • Maintenance of bike/ped facilities • Crossing improvements • Bicycle parking facilities, lockers, racks • ADA on-street improvements • Signage for pedestrians and/or bicyclists • Access improvements • Traffic calming projects • Costs related to program implementation of eligible activities, including staffing, program administration, reporting



DLD Eligible Use of Funds

DLD Program	Eligible Uses
<p>Local Streets and Roads <i>(Local Transportation)</i></p> 	<ul style="list-style-type: none"> • Streets and roads infrastructure • Street resurfacing and rehabilitation • Street maintenance and repair • Sidewalks and curb ramps • Bridge/Tunnel improvements • ADA on-street improvements • Traffic signals, signage, and lights • Bike facilities such as bicycle routes, boulevards, lanes, multi-use pathways • Transit operations and facility improvements • Costs related to program implementation of eligible activities, including staffing, program administration, reporting



DLD Eligible Use of Funds

DLD Program	Eligible Uses
<p>Transit</p>  	<ul style="list-style-type: none"> • Mass transit system operations and services, including commuter rail; express, local, and feeder bus; and ferry • Capital improvements and studies • Upgrades to or expansions to bus, ferry, rail and shuttle infrastructure • Purchase or lease of equipment or new vehicles for transit services • Paratransit services • Costs related to program implementation of eligible activities, including staffing, program administration, reporting



DLD Eligible Use of Funds

DLD Program	Eligible Uses
<p>Special Transportation for Seniors and People with Disabilities (Paratransit)</p>  	<ul style="list-style-type: none"> • Paratransit services and operations • ADA mandated services • Volunteer Driver Programs • Same Day Taxi Programs • Capital projects, programs, maintenance or operations that directly improve paratransit services • Costs related to program implementation of eligible activities, including staffing, program administration, reporting



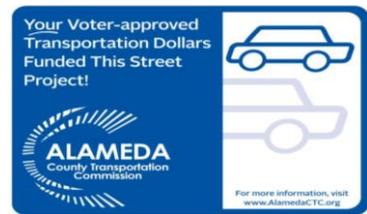
Purpose of Program Compliance

1. Independent audit of Direct Local Distributions (DLD) receipts and expenses
2. Monitor the use and performance of the DLD funds
3. Completion of program reporting requirements
4. Adherence to Timely Use of Funds requirements



Recipient Reporting Mechanisms

- Annually required to submit to the Alameda CTC:
 - 1. Audited Financial Statements**
 - 2. Program Compliance Reports**
- This year’s reporting period covers Fiscal Year 2017-18 expenditures (*July 1, 2017 to June 30, 2018*)

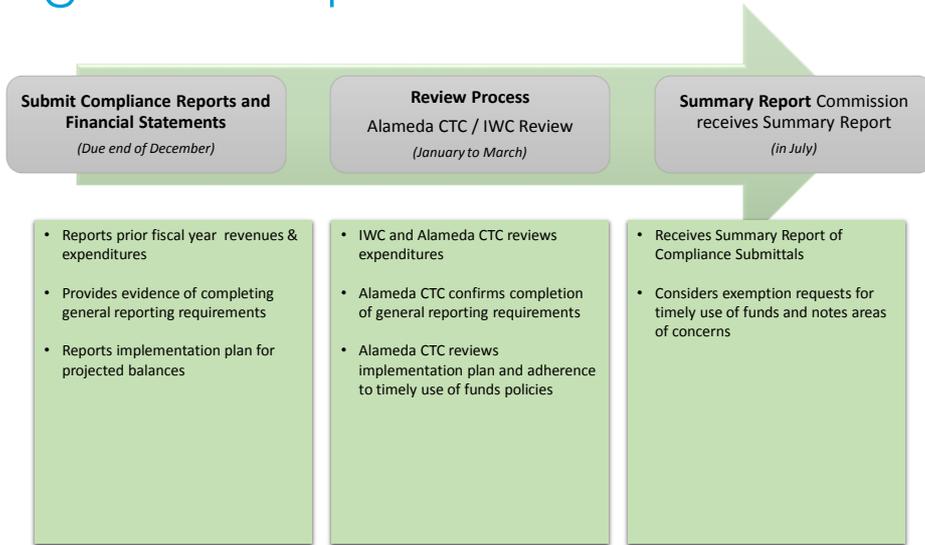


Role of the Independent Watchdog Committee

- Reviews all 2000 Measure B and 2014 Measure B expenditures for the four programmatic areas
- Reports to the public through the “Annual Report to the Public”
- May request additional information from recipients on their expenditures



Program Compliance Process



Audited Financial Statement and Compliance Reporting Requirement & Policies



Audited Financial Statement Requirements

1. Separate Audited Financial Statements for MB and MBB

2. Primary Components

- Balance Sheet
- Statement of Revenues, Expenditures, and Changes in Fund Balances
- Independent Audit opinion that demonstrates compliance
 - *"In our opinion, the recipient is in compliance with the laws and regulations, contracts, and grant requirements related to [Measure B/Measure BB] funds as specified in the agreement between the recipient and the Alameda County Transportation Commission."*
- Separate line on statement for DLD Program revenues, interest and other adjustments i.e. GASB31

3. Explanations

- Restated fund balances
- Interest earnings



Program Compliance Requirements

1. Accounts for Revenues, Expenditures and Fund balances

- Beginning of year balances tie to prior year fund balances
- Revenues received tie into Alameda CTC's distribution
 - DLD distributions: <https://www.alamedactc.org/funding/direct-local-prog-dist-pay/>

2. Documents expenditures are on eligible expenses

3. Documents current Bicycle/Pedestrian Master Plan

4. Documents completion of publicity requirements (articles, signage, and website)

5. Documents adherence to 15% requirement for MBB LSR funds on bike/pedestrian improvements

6. Documents annual performance accomplishments

7. Documents compliance with agreement requirements



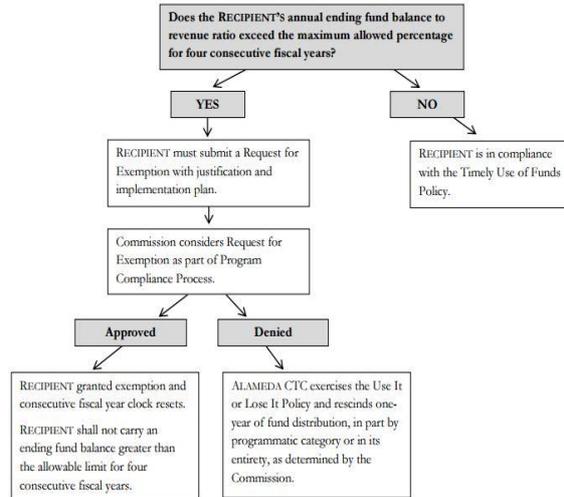
Timely Use of Funds Policy

Policy: Recipient shall not carry a fiscal year ending fund balance greater than 40 percent of the DLD revenue received for that same fiscal year for four consecutive fiscal years.

Penalty: Non-compliance may invoke DLD rescission or withholding.

Effective: Policy effective on Fiscal Year 2016-17 distributions.

Exemptions: Recipient may seek an exemption for Commission approval.



Performance Monitoring

- **Requirement:** DLD recipients required to report annually on the performance and accomplishments.
- **Performance Measures Examples:**
 - Annual quantity of improvements (sidewalks, bike lanes built/stripped, pavement rehabilitation, pothole repair)
 - Annual Capital vs Administrative investments
 - Annual transit performance (ridership, on time performance, route speeds)
 - Timely Use of Funds: Monitoring fund balances
 - Measure BB LSR 15% of bike/ped improvements
- **Monitoring Performance:** Monitoring conducted through various reports include compliance reports, Alameda CTC's performance report, paratransit program plan and other planning functions.



Monitoring Timely Use of Funds

Ratio Percentage = Ending Balance / Annual Revenue

Goal is to have a ratio under 40% at least once by the end of Fiscal Year 2019-20

Jurisdiction	MEASURE B		MEASURE BB
AC Transit	15%		15%
BART	0%		0%
LAVTA	0%		0%
WETA	91%		15%
ACE	41%		0%
Alameda County	50%		201%
City of Alameda	166%		81%
City of Albany	57%		77%
City of Berkeley	69%		116%
City of Dublin	133%		137%
City of Emeryville	293%		108%
City of Fremont	79%		40%
City of Hayward	128%		125%
City of Livermore	208%		157%
City of Newark	101%		107%
City of Oakland	92%		75%
City of Piedmont	16%		56%
City of Pleasanton	121%		159%
City of San Leandro	115%		80%
City of Union City	47%		80%



Walk-through Review Audited Financial Statements and Compliance Reporting Forms



IWC Reviewer's Toolkit

1. Financial Statements/Compliance Reports on Alameda CTC Website

- <https://www.alamedactc.org/funding/reporting-and-grant-forms/>

2. Program Compliance Review Guide

- General Guidance document for reviewers
- Link to the current policies: <https://www.alamedactc.org/funding/reporting-and-grant-forms/>

3. IWC Comment Form

- https://www.alamedactc.org/wp-content/uploads/2019/02/IWC_MB-MBB_ComplianceReviewForm.xlsx

Agency	Reviewer's Comments
Transit Agencies and Authorities	
1 AC Transit	
Audited Financial Statement	
Mass Transit	
Paratransit	
2 BART	
Audited Financial Statement	
Paratransit	
3 LAFTA	
Audited Financial Statement	
Mass Transit	
Paratransit	
4 WETA (Alameda Ferries)	
Audited Financial Statement	
Mass Transit	
5 Altamont Commuter Express (ACE)	
Audited Financial Statement	
Mass Transit	
Alameda County Agencies	
6 Alameda County (ACPWA)	
Audited Financial Statement	
Bicycle/Pedestrian	
Local Streets & Roads	
City Agencies	
7 City of Alameda	
Audited Financial Statement	
Bicycle/Pedestrian	
Local Streets & Roads	
Paratransit	
8 City of Albany	
Audited Financial Statement	
Bicycle/Pedestrian	
Local Streets & Roads	
Paratransit	
9 City of Berkeley	
Audited Financial Statement	
Bicycle/Pedestrian	



Audited Financial Statement

Revenues, Expenditures and Changes in Fund Balance

	Bicycle and Pedestrian	Local Streets and Roads	Paratransit	Total	Programs
REVENUES					
Measure B Direct Local Distribution Program Revenue					
Direct Local Distribution Funds Allocation	\$ 248,891	\$ 861,419	\$ 115,336	\$ 1,225,646	
Subtotal Program Revenues	248,891	861,419	115,336	1,225,646	
Other Measure B Revenue					
Investment Earnings:					
Interest	1,448	10,080	-	11,528	
GASB 31 Adjustments	(923)	(2,402)	-	(3,415)	
Subtotal Other Measure B Revenues	495	7,618	-	8,113	
Total Revenues	249,386	869,037	115,336	1,233,759	
EXPENDITURES					
Measure B Direct Local Distribution Program Expenditures					
Construction	60,181	2,013,491	-	2,073,672	
Salaries and Benefits	-	-	115,336	115,336	
Subtotal Measure B Expenditures	60,181	2,013,491	115,336	2,189,008	
Total Expenditures	60,181	2,013,491	115,336	2,189,008	
REVENUES OVER (UNDER) EXPENDITURES / NET CHANGES IN FUND BALANCES					
REVENUES OVER (UNDER) EXPENDITURES / NET CHANGES IN FUND BALANCES	189,205	(1,144,454)	-	(955,249)	
FUND BALANCES					
Beginning Fund Balances	38,559	1,386,074	-	1,424,633	
Ending Fund Balances	\$ 227,764	\$ 241,620	\$ -	\$ 469,384	



Structure of the Compliance Report

1. **Cover Page**
2. **General Reporting Questions**
3. **Table 1: Summary of Revenues and Expenditures**
4. **Table 2: Summary of Expenditures and Accomplishments**
5. **Agency's Signed Certification of Use of Funds**

MEASURE B AND MEASURE BB Annual Program Compliance Report Reporting Fiscal Year 2016-2017	
AGENCY CONTACT INFORMATION	
Agency Name:	City of Pleasanton
Date:	12/11/2017
Primary Point of Contact	
Name:	Nick Johnson
Title:	Senior Accountant
Phone:	925-931-5406
Email:	njohnson@cityofpleasantonca.gov
<p>Agency's Certification of True and Accurate Reporting by Submission</p> <p>By submitting this Compliance Report to the Alameda County Transportation Commission, the submitting agency certifies the compliance information reported is true and complete to the best of their knowledge, and the dollar figures in the agency's Audited Financial Statement <u>matches exactly</u> to the revenues and expenditures reported herein.</p>	
<p>Program Compliance Report Structure</p> <p>This Reporting Form is broken into the following sections for the Measure B and BB Direct Local Distribution Programs applicable to the recipient agency.</p> <ul style="list-style-type: none"> * Cover - Agency Contact * General Compliance Reporting for all programs * Table 1 - Summary of Revenue, Expenditures, and Changes in Fund Balance * Table 2 - Detailed Summary of Expenditures and Accomplishments 	



General Compliance Reporting

General Reporting Questions Include

1. Completed Reporting Requirements?
2. Identified Potential uses of Fund Balances?
3. Completed Publicity Requirements?
4. Followed policies guiding expenditures?

GENERAL COMPLIANCE REPORTING																																							
<p>1. Indicate the adoption year of the most current Bicycle/Pedestrian Master Plan, as applicable.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="width: 20%; text-align: center;">Adoption Year</td> </tr> <tr> <td>Bicycle Master Plan</td> <td style="text-align: center;">2017</td> </tr> <tr> <td>Pedestrian Master Plan</td> <td></td> </tr> <tr> <td>Bike/Ped Master Plan</td> <td></td> </tr> </table>				Adoption Year	Bicycle Master Plan	2017	Pedestrian Master Plan		Bike/Ped Master Plan																														
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Bicycle Master Plan	2017																																						
Pedestrian Master Plan																																							
Bike/Ped Master Plan																																							
<p>If the plans are over five years past the last adoption year, specify when your agency's will perform its next update. Indicate N/A, if not applicable.</p> <div style="background-color: #ffffcc; height: 20px; width: 100%;"></div>																																							
<p>2a. How much of the program balance is encumbered into active contracts and projects?</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="4" style="text-align: right;">\$ Encumbered</td> </tr> <tr> <td style="width: 20%;">M/B Balance</td> <td style="width: 10%; text-align: right;">\$ 227,705</td> <td style="width: 10%; text-align: right;">\$ 227,705</td> <td style="width: 5%;"></td> </tr> <tr> <td>M/B Balance</td> <td style="text-align: right;">\$ 564,373</td> <td style="text-align: right;">\$ 564,373</td> <td></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$ 792,078</td> <td style="text-align: right;">\$ 792,078</td> <td></td> </tr> </table>				\$ Encumbered				M/B Balance	\$ 227,705	\$ 227,705		M/B Balance	\$ 564,373	\$ 564,373		Total	\$ 792,078	\$ 792,078																					
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<p>2b. Explain why the program has a fund balance, and how the agency plans to expend the balances down. Indicate N/A, if not applicable.</p> <div style="background-color: #ffffcc; padding: 5px; font-size: small;"> The City has begun a project to design bike and ped improvements along West Las Positas Blvd. This project will consist of buffered and protected bike lanes, intersection, and sidewalk improvements. The encumbered money is expected to be used for construction of the improvements on the corridor. </div>																																							
<p>2c. Specify any large planned uses of fund balances within this program and their status (i.e. planned or underway).</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Project Title</th> <th style="width: 35%;">Brief Project Description</th> <th style="width: 15%;">O/LD Amount</th> <th style="width: 25%;">Project Status</th> </tr> </thead> <tbody> <tr> <td>West Las Positas Corridor Plan</td> <td>Bike and ped improvements along a 3.4 mile stretch of roadway.</td> <td style="text-align: right;">\$ 792,078</td> <td>Underway</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">\$ --</td> <td></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">\$ --</td> <td></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">\$ --</td> <td></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">\$ --</td> <td></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">\$ --</td> <td></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">\$ --</td> <td></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">\$ --</td> <td></td> </tr> </tbody> </table>				Project Title	Brief Project Description	O/LD Amount	Project Status	West Las Positas Corridor Plan	Bike and ped improvements along a 3.4 mile stretch of roadway.	\$ 792,078	Underway			\$ --				\$ --				\$ --				\$ --				\$ --				\$ --				\$ --	
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<p>3. Confirm all expenditures were governing body approved (Yes/No).</p> <div style="text-align: right;">Yes <input type="checkbox"/></div>																																							
<p>4. Confirm the completion of the publicity requirements in the table below (Yes/No).</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="4" style="text-align: center;">Copy of Article, website, signage Attached?</td> </tr> <tr> <td style="width: 10%;"></td> <td style="width: 10%;">Measure B</td> <td style="width: 10%;">Measure BB</td> <td style="width: 10%;"></td> </tr> <tr> <td>Article</td> <td style="text-align: center;">Yes</td> <td style="text-align: center;">Yes</td> <td style="text-align: center;">Yes</td> </tr> <tr> <td>Website</td> <td style="text-align: center;">Yes</td> <td style="text-align: center;">Yes</td> <td style="text-align: center;">Yes</td> </tr> <tr> <td>Signage</td> <td style="text-align: center;">Yes</td> <td style="text-align: center;">Yes</td> <td style="text-align: center;">Yes</td> </tr> </table> <p>If applicable, briefly explain why the publicity requirement wasn't completed.</p> <div style="background-color: #ffffcc; height: 20px; width: 100%;"></div>				Copy of Article, website, signage Attached?					Measure B	Measure BB		Article	Yes	Yes	Yes	Website	Yes	Yes	Yes	Signage	Yes	Yes	Yes																
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Article	Yes	Yes	Yes																																				
Website	Yes	Yes	Yes																																				
Signage	Yes	Yes	Yes																																				



Table 1: Revenues and Expenditures

TABLE 1: SUMMARY OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE

DIRECTIONS: Complete the sections below based on the Measure B and BB Audited Financial Statements, for the applicable DLD programs for your agency. Values must match financial statements and total reported expenditures on Table 2.

A. 2000 MEASURE B Direct Local Distribution Programs

	Bicycle / Pedestrian	Local Streets and Roads	Mass Transit	Paratransit	Total
Beginning of Year Fund Balance	\$ 38,559	\$ 1,386,074	\$ -	\$ -	\$ 1,424,633
Revenue	\$ 248,891	\$ 861,419	\$ -	\$ 115,336	\$ 1,225,646
Interest	\$ 495	\$ 7,618	\$ -	\$ -	\$ 8,113
Expenditures	\$ 60,181	\$ 2,013,491	\$ -	\$ 115,336	\$ 2,189,008
End of Year Fund Balance	\$ 227,764	\$ 241,620	\$ -	\$ -	\$ 469,383

Notes

B. 2014 MEASURE BB Direct Local Distribution Programs

	Bicycle / Pedestrian	Local Streets and Roads	Mass Transit	Paratransit	Total
Beginning of Year Fund Balance	\$ 366,884	\$ 1,087,978	\$ -	\$ 305,694	\$ 1,760,556
Revenue	\$ 201,925	\$ 768,661	\$ -	\$ 192,056	\$ 1,162,642
Interest	\$ 2,819	\$ 7,303	\$ -	\$ 2,291	\$ 12,413
Expenditures	\$ 7,491	\$ 1,434,233	\$ -	\$ 213,767	\$ 1,655,491
End of Year Fund Balance	\$ 564,137	\$ 429,709	\$ -	\$ 286,274	\$ 1,280,120



Example Financial and Compliance Review The City of Pleasanton's Bicycle/Pedestrian Program

Audited Financial Statement

	Bicycle and Pedestrian
REVENUES	
Measure B Direct Local Distribution Program Revenue	
Direct Local Distribution Funds Allocation	\$ 248,891
Subtotal Program Revenues	248,891
Other Measure B Revenue	
Investment Earnings:	
Interest	1,448
GASB 31A Adjustments	(953)
Subtotal Other Measure B Revenues	495
Total Revenues	249,386
EXPENDITURES	
Measure B Direct Local Distribution Program Expenditures	
Construction	60,181
Salaries and Benefits	-
Subtotal Measure B Expenditures	60,181
Total Expenditures	60,181
REVENUES OVER (UNDER) EXPENDITURES / NET CHANGES IN FUND BALANCES	189,205
FUND BALANCES	
Beginning Fund Balances	38,559
Ending Fund Balances	\$ 227,764

Compliance Report

TABLE 1: Summary of Revenues and Expenditures

	Bicycle / Pedestrian
Beginning of Year Fund Balance	\$ 38,559
Revenue	\$ 248,891
Interest	\$ 495
Expenditures	\$ 60,181
End of Year Fund Balance	\$ 227,764



Program Compliance Review Schedule

Program Compliance Review Schedule	
By December 28, 2018	Recipients' Audited Financial Statements and Compliance Reports Due
January 2019	Alameda CTC reviews and requests revisions to the recipient reports (as necessary).
February 2019	Recipients submit revised reports; revised reports posted onto Alameda CTC's website.
March 11, 2019 (IWC Meeting)	Program Compliance Review Orientation Workshop <ul style="list-style-type: none">• Staff provides general review guidance
March 22, 2019	IWC comments due to Alameda CTC
April 2019	IWC comments forwarded to recipients for response
July 2019	IWC receives response to comments and summary report



Focus Questions

IWC Review Focuses on Revenues and Expenditures

- Do the revenues and expenditures from the Audited Financial Statements/Compliance Reports match?
- Are expenditures descriptive enough to determine the performance accomplishments of the Measure B/BB funded activity?
- Are expenditures on eligible activities?

Submit comments by Friday, March 22, 2019 to:

John Nguyen
Senior Transportation Planner
jnguyen@AlamedaCTC.org
(510) 208-7419

Andrea Gomez
Assistant Transportation Planner
agomez@alamedactc.org
(510) 208-7456



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