



**RCTC**

**RIVERSIDE  
COUNTY  
TRANSPORTATION  
COMMISSION**

**FY 2022-2024**

**Triennial Performance Audit  
of Riverside County  
Transportation Commission**

**Final**

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Submitted to:  
**Riverside County Transportation Commission**

Submitted by:

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**AECOM**

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## Section I

### Introduction – Initial Review of RTPA Functions

The Riverside County Transportation Commission (RCTC, Commission) retained Michael Baker International to conduct its Transportation Development Act (TDA) performance audit covering the most recent triennial period, fiscal years (FY) 2021–22 through 2023–24. RCTC is required by California Public Utilities Code (PUC) Sections 99246 to prepare and submit an audit of its performance on a triennial basis to the California Department of Transportation (Caltrans) in order to continue to receive TDA funding.

This performance audit is intended to describe how well RCTC is meeting its administrative and planning obligations under the TDA, as well as to present a description of its organizational management and efficiency. To gather information for the TDA performance audit, Michael Baker reviewed various documents, conducted interviews with agency staff and the transit operators within RCTC’s jurisdiction, and evaluated RCTC’s responsibilities, functions, and performance of the TDA guidelines and regulations.

### Overview of RCTC

RCTC was established by state legislative statute (Assembly Bill [AB] 1276, Chapter 1333) in September 1976. The Commission was initially governed by a board of seven commissioners representing the interests of communities within Riverside County. Today, RCTC’s membership totals 34 commissioners comprising one elected official from each of the county’s 28 incorporated cities, all five county supervisors, and a non-voting ex officio member from Caltrans, District 8 appointed by the governor. The member jurisdictions include the following entities:

**Table I-1  
RCTC Member Jurisdictions**

County of Riverside	City of Eastvale	City of Norco
City of Banning	City of Hemet	City of Palm Desert
City of Beaumont	City of Indian Wells	City of Palm Springs
City of Blythe	City of Indio	City of Perris
City of Calimesa	City of Jurupa Valley	City of Rancho Mirage
City of Canyon Lake	City of Lake Elsinore	City of Riverside
City of Cathedral City	City of La Quinta	City of San Jacinto
City of Coachella	City of Menifee	City of Temecula
City of Corona	City of Moreno Valley	City of Wildomar
City of Desert Hot Springs	City of Murrieta	

Riverside County is geographically located in Southern California, stretching nearly 200 miles across. The County is bordered by San Bernardino County on the north, Orange County on the

west, San Diego and Imperial Counties on the south, and the Colorado River on the east. Riverside County was created in 1893 from parts of San Bernardino and San Diego Counties. The county derives its name from the City of Riverside, christened when the upper canal of the Santa Ana River reached it in 1871. Riverside County spans approximately 7,303 square miles, including 7,206 square miles of land, and is served by an extensive transportation network comprising hundreds of miles of highways, thousands of miles of local roadways, and both freight and commuter rail lines.

The 2025 countywide California Department of Finance (DOF) population estimate is 2,495,640 residents, which currently ranks fourth largest in the state. The most populous cities in the county based on DOF estimates include Riverside (320,337), Moreno Valley (210,823), Corona (159,157), Murrieta (115,316), and Temecula (112,220). According to the Southern California Association of Governments (SCAG), Riverside County's population was 2.41 million in 2020 and is projected to reach approximately 2.55 million by 2025—reflecting about a 5 percent increase over the five-year period<sup>1</sup>. This trend aligns with SCAG's long-range planning assumptions and underscores the continued need for robust transit services to support growing demand.

Against a backdrop of rapid population growth, Riverside County's economy has become increasingly diverse and robust. This is attributed to the economy's construction and industrial capacity. Interstates 10 (I-10), I-15, and I-215 corridors and State Routes 60 and 91 are major development corridors for employment centers and trade. As such, freight and some commuter trains parallel these corridors including I-10, sections of I-215 and sections of State Route's 60 State Route 91. As economic expansion in the Inland Empire continues, the economic and population trends have resulted in a myriad of transportation projects with investments in highway capacity, toll road development, rail transit, and express bus service that link all of it together. RCTC has committed itself to be an effective facilitator of mobility throughout the county.

## **Role of RCTC**

When RCTC was established by the state legislature in 1976 as part of a reform of transportation planning and programming throughout Southern California, its mission was to plan and program transportation improvements for Riverside County. To this end, RCTC was designated as a regional transportation planning agency (RTPA) for state transportation planning and programming purposes. RCTC is responsible for setting policies, establishing priorities, and coordinating activities among the County's various transit operators and other public agencies. The Commission also programs and/or reviews the allocation of federal, state, and local funds for highway, transit, rail, nonmotorized travel (bicycle and pedestrian), and other transportation activities.

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<sup>1</sup> Southern California Association of Governments. (2024). *Connect SoCal 2024 Demographics & Growth Forecast Technical Report* (Table 12, p. 34).

The Commission serves as the tax authority and implementation agency for the voter approved Measure A Transportation Improvement Program. Measure A was originally approved by the County’s electorate in 1988. On November 5, 2002, the voters of Riverside County approved the renewal of Measure A commencing in July 2009 and extending through June 2039.<sup>2</sup> Under the 2009 Measure “A” Expenditure Plan (Ordinance No. 02-001), funding is allocated among three geographic areas: Western Riverside County, Coachella Valley, and Palo Verde Valley, supporting highways, local streets and roads, public transit, and regional arterials.

Acting in its capacity as the Service Authority for Freeway Emergencies (SAFE), the Commission also provides motorist aid services designed to expedite traffic flow and enhance highway safety. These services include Freeway Service Patrol (FSP), a roving tow truck service to assist motorists with disabled vehicles on the main highways of the County during peak rush hour traffic periods; and 511 traveler information services. These services are provided at no charge to motorists and are funded through a \$1.00 surcharge on vehicle registrations.

As the RTPA, RCTC is legally responsible for allocating TDA funds, the major source of funds for transit in the County. RCTC also received state and federal tolling authority to pursue major projects that include tolled roadways.

In March 2017, the Commission commenced toll operations on the RCTC 91 Express Lanes following substantial completion of the State Route 91 corridor improvement project. In April 2021, the 15 Express Lanes between SR-60 in Jurupa Valley and Cajalco Road in Corona were opened to the public. In addition, the I15/SR91 Express Lanes Connector (ELC) in Western Riverside County was completed and opened to traffic in November 2023, following approximately 30 months of construction that began in April 2021. Delivered through a design–build approach by RCTC in partnership with Caltrans at a cost of \$270 million—partially funded by Senate Bill 132 and toll revenues—the project establishes two direct, tolled express-lane connectors. These operations are accounted for in an enterprise fund

In 2021, RCTC became the managing agency for the Western Riverside County Regional Conservation Authority (RCA). RCA manages one of the largest habitat conservation plans in the country through the permanent conservation of 500,000 acres and through the protection of 146 native plants and animals, including 31 endangered or threatened species. Environmental permits held by RCTC help improve Riverside County transportation by expediting freeway and road projects by as many as two years, ultimately saving tax revenues.

## **Organizational Structure**

As noted above, RCTC’s governing body comprises 33 voting members and one non-voting member from Caltrans District 8. The Commission is supported by seven committees that provide policy recommendations. Five committees are composed of board members, while two advisory

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<sup>2</sup> <https://www.rctc.org/wp-content/uploads/2018/07/Measure-a-expenditure-plan-ordinance.pdf>

committees include non-board members from the public and technical agencies. The committees consist of the following:

<b>Committee</b>	<b>Purpose and Function</b>
<b>Executive Committee</b>	Reviews and makes final decisions on personnel issues and office operational matters. The committee is composed of the chair, vice chair, second vice chair, past chair, four representatives from cities in Western and Eastern Riverside County, and three members of the Board of Supervisors. The executive committee meets the second Wednesday of the month.
<b>Budget and Implementation Committee</b>	Oversees budgetary and financial matters of the Commission as well as construction contracts, grant allocations, and motorist assistance programs. Composed of up to 15 regular members of the Commission selected by the chair, with at least 9 members from Western Riverside County and at least 4 members from Eastern Riverside County. The committee provides oversight on annual budget development, competitive state and federal grant programs, countywide communications and outreach programs, countywide strategic plan, legislation, short range transit plans (SRTP), and other areas as may be prescribed by the Commission. This committee meets the fourth Monday of the month.
<b>Western Riverside County Programs and Projects Committee</b>	Oversees transportation capital projects in Western Riverside County. Composed of up to 12 Western Riverside County regular members of the Commission. The committee provides policy direction on subject matter that may include air quality, capital projects, communications and outreach programs, specific transit projects, intermodal programs, motorist services, new corridors, regional agencies/regional planning, Regional and State Transportation Improvement Programs (RTIP/STIP), and Transportation Uniform Mitigation Fee Program related to Western Riverside County, and other areas as may be prescribed by the Commission. This committee meets the fourth Monday of the month.
<b>Toll Policy Operation Committee</b>	Addresses policies involving the Commission’s toll facilities; sets tolls or rates; considers contracts with vendors working on the toll program; reviews statewide and federal legislative issues regarding tolling; reviews outreach and marketing of the toll facilities; interacts with neighboring jurisdictions

Committee	Purpose and Function
	regarding toll matters; and addresses user-based funding programs and future opportunities for toll facility development in Riverside County. The committee meets quarterly on the fourth Thursday of the months of February, May, August, and November.
<b>State Route 91 Advisory Committee</b>	Senate Bill (SB) 1316, as successor to AB 1010, the enabling legislation for the Orange County Transportation Authority’s purchase of the State Route 91 toll road, calls for the creation of an advisory committee composed of 10 voting members and 3 non-voting members. The voting members consist of five members from Orange County Transportation Authority and five members from the Riverside County Transportation Commission. The non-voting members are composed of the Caltrans district directors from Districts 8 and 12, and a member of the San Bernardino County Transportation Authority. The committee meets quarterly on the first Friday of the months of March, June, September, and December.
<b>Citizens and Specialized Transit Advisory Committee (non-board member)</b>	Formerly called “Social Services Transportation Advisory Council,” this committee was renamed in April 2021. Along with the name change, the committee bylaws were updated. The committee is composed of 15 citizen members appointed by the Commission, each serving a three-year term, and achieving geographic equity considerations. As part of the update, committee term limits expire over the same three-year period. This committee meets the statutory requirement for the Social Services Transportation Advisory Council under the TDA. Committee functions include review of SRTPs and transit coordination issues and participating in the transit needs hearings. The committee meets three times a year: in April, August, and December. Recruitment takes place every three years and new members participate in an orientation upon appointment.
<b>Technical Advisory Committee (non-board member)</b>	Composed of city and county public works directors, city managers, or transit planning managers. This committee meets on the third Monday of every other month.

In addition, the Commission chair or the chairs of the policy committees have the authority to create ad hoc committees on specific issues. Ad hoc committees are legally required to be temporary and focused on a single issue and are not required to meet on a regular basis.

Prior to hearing by the full Commission, business items related to RCTC's transportation programs are reviewed by the appropriate committees. Committee members are allowed opportunities to examine the items in detail prior to making recommendations to the full Commission. This provides a formal process for staff to communicate its analyses of policies, programs, and projects with its board members, and enables commissioners to make informed public policy decisions. Documentation provided by RCTC shows that during the audit period, RCTC has provided detailed staff reports on a regular basis to its committees.

According to the Annual Comprehensive Financial Report (ACFR), RCTC's annual revenue for the fiscal years covered by this performance audit ranged from \$799.9 million in FY 2022 to \$872 million in FY 2023, and to \$888.1 in FY 2024.<sup>3</sup> The revenues include both program revenue and general revenue, including Measure A and TDA, which marginally declined between FYs 2023 and 2024, as compared with the increase in program grant revenues.

RCTC's annual expenses ranged from \$533.6 million in FY 2022 to \$632.3 million in FY 2023, and to \$601.1 million in FY 2024.<sup>4</sup> During this period, governmental expenses fluctuated up and down, as highway expenses increased 11 percent between FYs 2022 and 2023 while transit expenditures increased about 58 percent over the same time period. Highway expenditures exhibited a slight decrease in FY 2024 compared to the prior year whereas transit expenditures exhibited a slight increase. Bicycle and pedestrian expenses increased 62 percent between FY 2022 and FY 2023, before decreasing the following year.

It is recognized that RCTC increased its actual staffing levels from 67 FTEs in FY 2022 to 73 FTEs in FY 2023, and then to 77 FTEs in FY 2024. Management continues to be firmly committed to the intent of the Commission's enabling of legislation that called for a relatively small staff.

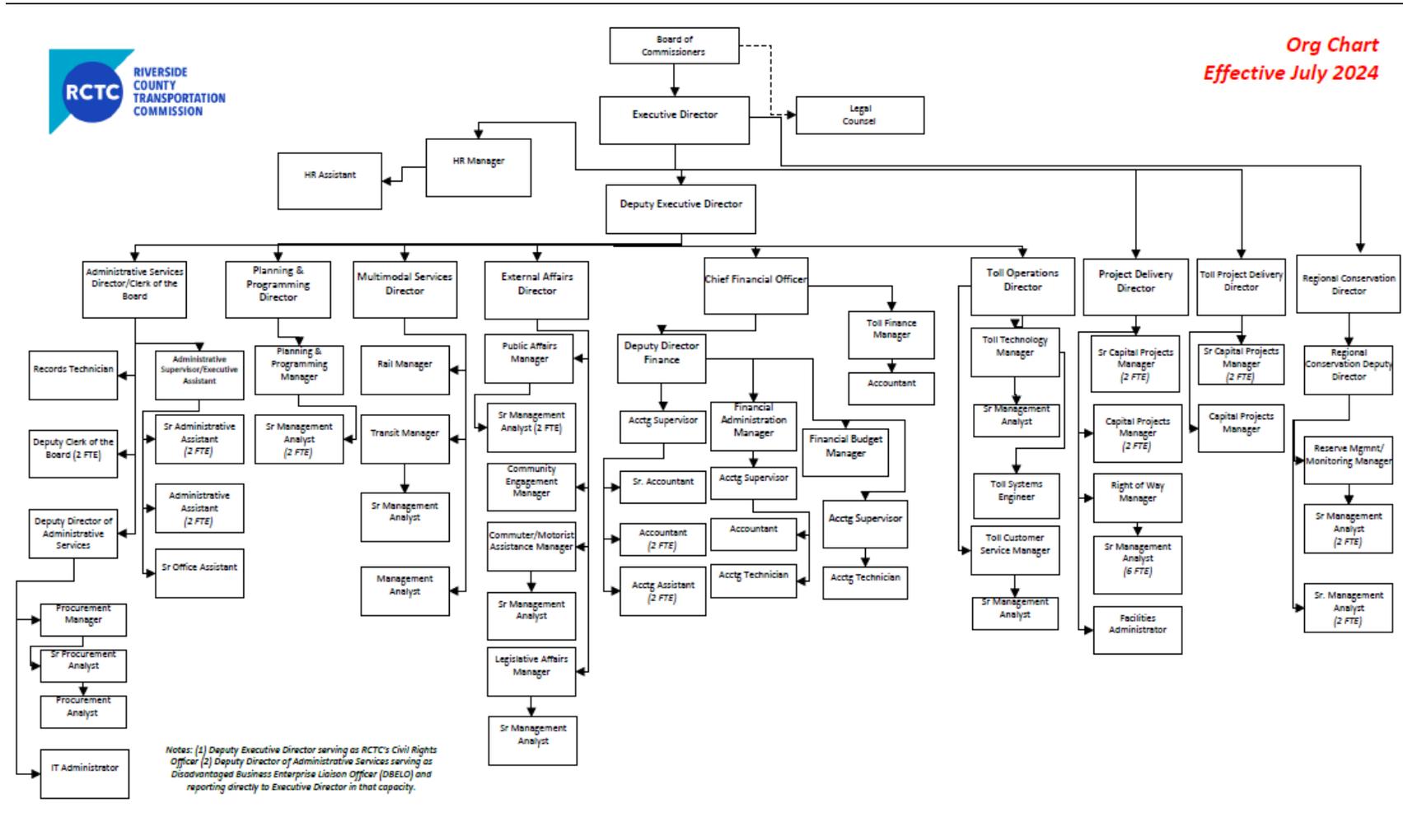
The RCTC staff organization chart during the audit period is shown in Figure I-1.

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<sup>3</sup> Annual CAFR, Overview of the Financial Statements; Changes in Net Position from governmental and business-type activities.

<sup>4</sup> Annual CAFR, Statement of Activities.

Figure I-1 Staff Organization Chart



Source: RCTC FY 2024–2025

## **Audit Methodology**

To gather information for this performance audit, Michael Baker International accomplished the following activities:

- **Document Review:** Conducted an extensive review of documents including various RCTC files and internal reports, committee agendas, and public documents.
- **Interviews:** Conducted interviews with RCTC management and program staff as well as the transit operators under RCTC's jurisdiction.
- **Analysis:** Evaluated the responses from the interviews as well as the documents reviewed about RCTC's responsibilities, functions, and performance to TDA guidelines and regulations. Additional research was conducted in audit areas that required further analysis.

The remainder of this report is divided into four sections. In Section II, Michael Baker provides a review of the compliance requirements of the TDA administrative process. Section III describes RCTC's responses to the recommendations of the previous performance audit. Section IV provides a detailed review of RCTC's functions, while Section V summarizes our statement of facts and recommendations for the current FY 2022–24 triennial cycle.

## Section II

### RTPA Compliance Requirements

Fourteen key compliance requirements are suggested in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*, which was developed by Caltrans to assess an agency’s conformance with TDA. Our findings concerning RCTC’s compliance with state legislative requirements are summarized in Table II-1.

Table II-1 RCTC Compliance Requirements Matrix		
RCTC Compliance Requirements	Reference	Compliance Efforts
All transportation operators and city or county governments which have responsibility for serving a given area, in total, claim no more than those Local Transportation Fund (LTF) monies apportioned to that area.	Public Utilities Code, Section 99231	<p>RCTC accounts for its claimants’ areas of apportionment and has not allowed those claimants to claim more than what is apportioned for their area and what each public transit operator claimant is eligible to receive during the fiscal year. RCTC makes this finding in each adopted resolution approving LTF claims. RCTC has an adopted LTF reserve and funding disbursement policy for the apportionments.</p> <p>Claims by public transit operators are submitted using TransTrack Manager. RCTC allocates LTF based on population to determine each claimant’s apportionments, according to law. Mid-year projections of LTF provide updated apportionment data to the claimants.</p> <p><b>Conclusion: Complied.</b></p>
The RTPA has adopted rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles.	Public Utilities Code, Sections 99233.3 and 99234	RCTC has an adopted set of policies governing the Article 3 (SB 821) Bicycle and Pedestrian Facilities Program. A call-for-projects occurs biennially where an evaluation committee, comprised of a minimum of five evaluators representing a wide range of interests and geographic areas, evaluates proposed projects according to five evaluation criteria. Guidelines and application are available on the

**Table II-1  
RCTC Compliance Requirements Matrix**

<b>RCTC Compliance Requirements</b>	<b>Reference</b>	<b>Compliance Efforts</b>
		<p>Commission webpage and in RIVtrack, the Commission’s electronic data tool that helps manage and administer the program. The evaluation committee will recommend to the Commission allocation of funds to projects in order of highest ranking to lowest ranking until all Article 3 funds have been allocated. Payment to the claimant is on a reimbursement basis after submitting sufficient documentation substantiating satisfactory project completion.</p> <p><b>Conclusion: Complied.</b></p>
<p>The RTPA has established a social services transportation advisory council. The RTPA must ensure that there is a citizen participation process which includes at least an annual public hearing.</p>	<p>Public Utilities Code, Sections 99238 and 99238.5</p>	<p>RCTC has established a Citizen and Specialized Transit Advisory Committee (CSTAC) fulfilling the requirements under PUC 99238. The CSTAC also serves as the Citizens Advisory Committee (CAC). In a letter dated May 2010, Caltrans stated that only one public hearing is required anywhere in the county to carry out the citizen participation process under PUC 99238.5. RCTC has since held at least one public hearing annually.</p> <p>The Commission appoints no less than 9 and no more than 15 individuals to the Committee, which meets the membership requirements under PUC 99238. The Committee generally averaged between 11 and 13 members during the audit period, with RCTC continually recruiting new members and has a membership application available on its website. The committee selects a chair and vice chair, and subcommittees may be formed as needed, according to the adopted bylaws for the RCTC CSTAC. Members represent the constituencies identified in state law and reside in a number of</p>

**Table II-1  
RCTC Compliance Requirements Matrix**

<b>RCTC Compliance Requirements</b>	<b>Reference</b>	<b>Compliance Efforts</b>
		<p>communities throughout the county in order to provide a perspective from a wide geographic area. RCTC identifies the area represented by the member, their categorical membership per TDA, and qualifications.</p> <p>The CSTAC meetings were changed from quarterly to bi-monthly during this audit period, and the committee participates in numerous issues including the annual unmet transit needs hearings, development of the coordinated plan for specialized transportation services, Call for Projects for Specialized Transit, and review of SRTPs. The committee meets three times annually in April, August, and December.</p> <p><b>Conclusion: Complied.</b></p>
<p>The RTPA has annually identified, analyzed, and recommended potential productivity improvements which could lower the operating costs of those operators which operate at least 50 percent of their vehicle service miles within the RTPA’s jurisdiction. Recommendations include, but are not limited to, those made in the performance audit.</p> <ul style="list-style-type: none"> <li>• A committee for the purpose providing advice on productivity improvements may be formed.</li> <li>• The operator has made a reasonable effort to implement improvements recommended by the RTPA, as determined by the RTPA, or</li> </ul>	<p>Public Utilities Code, Section 99244</p>	<p>The Commission meets this requirement through adoption and approval of the SRTPs, which detail the operating and capital costs for planned transit services for both bus and commuter rail. SRTPs are presented to the CSTAC for comments.</p> <p>The Commission also meets this requirement through the Triennial Performance Audit requirement conducted through PUC 99246.</p> <p><b>Conclusion: Complied.</b></p>

**Table II-1  
RCTC Compliance Requirements Matrix**

<b>RCTC Compliance Requirements</b>	<b>Reference</b>	<b>Compliance Efforts</b>
<p>else the operator has not received an allocation which exceeds its prior year allocation.</p>		
<p>The RTPA has ensured that all claimants to whom it allocates Transportation Development Act (TDA) funds submits to it and to the state controller an annual certified fiscal and compliance audit within 180 days after the end of the fiscal year (December 27). The RTPA may grant an extension of up to 90 days as it deems necessary (March 26).</p>	<p>Public Utilities Code, Section 99245</p>	<p>For the audit period, RCTC provided record of emails transmitting the fiscal and compliance audits of the claimants by the established dates set by the State Controller. RCTC typically requests the 90-day extension and submits the fiscal audits to the Controller by that date. RTA and SunLine conduct their own fiscal audits and submit their respective reports to the Controller when completed, with confirmation by RCTC. For FY 2024, RCTC notified the Controller that City of Banning’s audit would be submitted after the extension, citing the retirement of the City Chief Financial Officer contributing to the completion delay. RCTC reviews the audited farebox recovery ratios to determine compliance with this key TDA measure and any audit findings.</p> <p><b>Conclusion: Complied.</b></p>
<p>The RTPA has designated an independent entity to conduct a performance audit of operators and itself (for the current and previous triennium). For operators, the audit was made and calculated the required performance indicators, and the audit report was transmitted to the entity that allocates the operator’s TDA monies and to the RTPA within 12 months after the end of the triennium. If an operator’s audit was not transmitted by the start of the second fiscal year following the last fiscal year of the triennium,</p>	<p>Public Utilities Code, Sections 99246 and 99248</p>	<p>For the current three-year period, RCTC has retained Michael Baker International to conduct the performance audit of RCTC and the seven transit operators. Michael Baker International was retained to conduct the previous audit of RCTC and the transit operators for the three fiscal years that ended June 30, 2021.</p> <p><b>Conclusion: Complied.</b></p>

<p align="center"><b>Table II-1</b> <b>RCTC Compliance Requirements Matrix</b></p>		
<b>RCTC Compliance Requirements</b>	<b>Reference</b>	<b>Compliance Efforts</b>
TDA funds were not allocated to that operator for that or subsequent fiscal years until the audit was transmitted.		
The RTPA has submitted a copy of its performance audit to the Director of the California Department of Transportation. In addition, the RTPA has certified in writing to the Director, that the performance audits of the operators located in the area under its jurisdiction have been completed.	Public Utilities Code, Section 99246(c)	Email communication between RCTC and Caltrans indicated RCTC submitted performance audits of RCTC and each of the seven transit operators in March 2023.  <b>Conclusion: Complied.</b>
The performance audit of the operator providing public transportation service shall include a verification of the operator’s operating cost per passenger, operating cost per vehicle service hour, passengers per vehicle service mile, and vehicle service hours per employee, as defined in Section 99247. The performance audit shall include, but not be limited to, consideration of the needs and types of passengers being served and the employment of part-time drivers and the contracting with common carriers of persons operating under a franchise or license to provide services during peak hours, as defined in subdivision (a) of Section 99260.2	Public Utilities Code, Section 99246(d)	The performance audit of each transit operator in Riverside County includes all required elements such as performance metric trends and verification of compliance measures regarding service delivery methods.  <b>Conclusion: Complied.</b>
The RTPA has established rules and regulations regarding revenue ratios for transportation operators providing services in urbanized and new urbanized areas.	Public Utilities Code, Section 99270.1 and 99270.2	There are four transit operators under RCTC’s jurisdiction - RTA, SunLine Transit, City of Banning, and City of Beaumont - that serve both urbanized and non-urbanized areas. RCTC developed rules and regulations for

**Table II-1  
RCTC Compliance Requirements Matrix**

<b>RCTC Compliance Requirements</b>	<b>Reference</b>	<b>Compliance Efforts</b>
		<p>determining the minimum fare ratios for these operators using a blended farebox recovery formula. As stipulated under RCTC Transit Policy No. 5-1, the transit operators are responsible for calculating the blended farebox ratio and providing the ratio calculation to the Commission for approval during the SRTP update. The Commission reviews the blended farebox ratios prepared by the operators by June 30 each year, which are reflected in the annual operator fiscal audits. Once approved by the Commission, the fare ratio cannot be changed for the year. The methodology and rules for the blended farebox recovery are described in both the RCTC Transit Policies Manual and the RCTC Transit Operator Funding Guide.</p> <p><b>Conclusion: Complied.</b></p>
<p>The RTPA has adopted criteria, rules and regulations for the evaluation of claims under Article 4.5 of the TDA and the determination of the cost-effectiveness of the proposed community transit services.</p>	<p>Public Utilities Code, Section 99275.5</p>	<p>RCTC utilizes Measure A local transportation sales tax revenues as well as federal funds to fund specialized community transit services. As such, Article 4.5 funds are not apportioned.</p> <p><b>Conclusion: Not Applicable.</b></p>
<p>State transit assistance funds received by the RTPA are allocated only for transportation planning and mass transportation purposes.</p>	<p>Public Utilities Code, Sections 99310.5 and 99313.3 and Proposition 116</p>	<p>RCTC allocates State Transit Assistance (STA) funds for transit purposes only. STA funds can be utilized for capital and operations; however, the Commission prioritizes STA funds for capital projects and to match federal and other state grants to maintain a more competitive capital program. Also, under RCTC Transit Policy No. 5-2 approved in May 2025, the agency established a reserve policy of 10 percent of regional STA funds for each of the subregions. Transit operators may access reserve</p>

Table II-1 RCTC Compliance Requirements Matrix		
RCTC Compliance Requirements	Reference	Compliance Efforts
		<p>funds in the current year by amending their SRTP through the established amendment process. Further, STA has been more readily used for operations by some of the operators in large part from State legislation providing relief by removing requirements in meeting State Transit Assistance efficiency standards for operating assistance until FY 2025/26.</p> <p><b>Conclusion: Complied.</b></p>
<p>The amount received pursuant to Public Utilities Code, Section 99314.3; by each RTPA for state transit assistance is allocated to the operators in the area of its jurisdiction as allocated by the State Controller's Office.</p>	<p>Public Utilities Code, Section 99314.3</p>	<p>RCTC allocates operator revenue-based STA funds to the operators in accordance with the amounts published by the State Controller's Office.</p> <p><b>Conclusion: Complied.</b></p>
<p>If TDA funds are allocated to purposes not directly related to public or specialized transportation services, or facilities for exclusive use of pedestrians and bicycles, the transit planning agency has annually:</p> <ul style="list-style-type: none"> <li>• Consulted with the Social Services Transportation Advisory Council (SSTAC) established pursuant to Public Utilities Code, Section 99238;</li> <li>• Identified transit needs, including: <ul style="list-style-type: none"> <li>○ Groups that are transit-dependent or transit disadvantaged,</li> <li>○ Adequacy of existing transit services to meet the needs of groups identified, and</li> </ul> </li> </ul>	<p>Public Utilities Code, Section 99401.5</p>	<p>Since 2009, all TDA funds have been used exclusively for public transit in Riverside County. Per a clarification letter issued by Caltrans in May 2010, RCTC continues to hold an annual public hearing to solicit transit comments in compliance with law to gather input on transit needs for analysis and consultation with the CSTAC and the operators. The public hearing is generally held as part of the committee meeting and was held on the following dates during the audit period: August 8, 2022, August 7, 2023, and July 12, 2024.</p> <p><b>Conclusion: Complied.</b></p>

**Table II-1  
RCTC Compliance Requirements Matrix**

<b>RCTC Compliance Requirements</b>	<b>Reference</b>	<b>Compliance Efforts</b>
<ul style="list-style-type: none"> <li>○ Analysis of potential alternatives to provide transportation services;</li> <li>• Adopted or re-affirmed definitions of “unmet transit needs” and “reasonable to meet;”</li> <li>• Identified the unmet transit needs and those needs that are reasonable to meet; Adopted a finding that there are no unmet transit needs that are reasonable to meet; or that there are unmet transit needs including needs that are reasonable to meet.</li> </ul> <p>If a finding is adopted that there are unmet transit needs, these needs must have been funded before an allocation was made for streets and roads.</p>		
<p>The RTPA has caused an audit of its accounts and records to be performed for each fiscal year by the county auditor, or a certified public accountant. The RTPA must transmit the resulting audit report to the State Controller within 12 months of the end of each fiscal year and must be performed in accordance with the Basic Audit Program and Report Guidelines for California Special Districts prescribed by the State Controller. The audit shall include a determination of compliance with the transportation development and accompanying rules and regulations. Financial statements may not commingle the state transit assistance fund, the local transportation fund, or other</p>	<p>California Administrative Code, Section 6662</p>	<p>The accounting firm Eide Bailly, LLC, provided the independent auditor’s reports of RCTC for FYs 2022, 2023 and 2024, provided the auditor’s reports. The Audited Financial Statements and Compliance Reports were submitted to the State Controller within 12 months of the end of each fiscal year.</p> <p>FY 2022: October 31, 2022  FY 2023: October 31, 2023  FY 2024: October 31, 2024</p> <p>RCTC also maintains fiscal and accounting records and supporting papers for at least four years following the fiscal year close.</p> <p><b>Conclusion: Complied.</b></p>

<b>Table II-1 RCTC Compliance Requirements Matrix</b>		
<b>RCTC Compliance Requirements</b>	<b>Reference</b>	<b>Compliance Efforts</b>
revenues or funds of any city, county, or other agency. The RTPA must maintain fiscal and accounting records and supporting papers for at least four years following the fiscal year close.		

## **Findings and Observations from RTPA Compliance Requirements Matrix**

RCTC has satisfactorily complied with all relevant state legislative mandates for RTPAs. During the audit period, the membership of the CSTAC stabilized with between 11 and 13 members and a few vacancies from reaching its maximum of 15. Also, the TDA mandate for RCTC to analyze and recommend potential productivity improvements for the transit operators is accomplished through review and approval of SRTPs for each operator, presentation of the SRTPs to the CSTAC for comments, and utilizing the Triennial Performance Audit recommendations.

With regard to the schedule of the annual audit of the TDA financial statements of each operator's transit services fund, RCTC typically requests the allowed 90-day extension from the State Controller Office, to accommodate the audit schedules of the smaller operators. RCTC complied with all statutory requirements for the timely completion and submission of annual TDA fiscal audits. Email records provided for the audit period confirm that RCTC transmitted fiscal and compliance audits to the State Controller within required timelines, typically after requesting the allowable 90-day extension. RCTC also reviewed audited farebox recovery ratios to verify compliance with TDA requirements.

Transit policies and funding procedures including for TDA are consolidated into newly developed documents approved by the Commission in May 2025, after the audit period. The documents provide clear and expanded rules and guidance for the agency's activities and coordination with the public transit operators in light of State legislative remedies and other factors to help operators navigate through challenging post-pandemic times while remaining in compliance for funding.

## Section III

### Prior Triennial Performance Audit Recommendations

This chapter describes RCTC's response to the recommendations included in the prior triennial performance audit cycle. 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

Revisit TDA funding formula for Western Riverside County bus and commuter rail service.

*Background:* A carryover from prior performance audits, RCTC implements a TDA funding formula for Western Riverside County for distributing Local Transportation Funds (LTF) between bus and commuter rail service. The formula is 78 percent LTF toward public bus and 22 percent to commuter rail, which was developed in FY 2004–05 and where it has remained since. According to a board report to the Commission, staff are currently monitoring the current economic conditions to determine the appropriate time to revisit the TDA formula for Western Riverside County bus and commuter rail service. The COVID-19 pandemic, federal stimulus funds, and the subsequent changes in transit service have changed the funding landscape for Riverside County operators. In addition, services are still reduced, with many riders transitioning from commuting to working from home. Efforts to address the funding formula for Western Riverside County bus and commuter rail service were temporarily placed on hold. Rail funding and Metrolink funding plans are being reviewed by RCTC, which will affect the funding formula. RCTC staff continue to monitor economic conditions and will determine when to revisit this issue once economic conditions and ridership recovery take shape.

#### Actions taken by RCTC:

RCTC multimodal staff prepared a discussion and evaluation of the funding formula to present to the Commission Board. The report cited that several major events have occurred, which have impacted transit service demand and funding, including economic downturns, the introduction of new services like the Perris Valley Line (PVL), the implementation of new state funding programs such as Senate Bill 1 State of Good Repair (SGR) and the Low Carbon Transit Operations Program (LCTOP), and the COVID-19 pandemic. RCTC analyzed the current and future growth of services and determined that a modification to the Western County LTF and STA allocation policy was needed to fund the expansion of PVL service as was originally intended including station operations and maintenance.

Riverside County received a substantial amount of federal relief funding – approximately \$193.5 million that was distributed to the transit operators and alleviated the pressure on LTF resources, helping transit operators maintain operations. Due to these one-time federal funds and increased sales tax revenues for LTF, fund balances have increased, providing an opportunity to reassess how funds are distributed. From the evaluation presented, including engagement with the transit operators in Western County, including the Riverside Transit Agency over the last year, an update to the TDA funding formula for Western County bus and rail was approved at the February 2025, Commission meeting revising the Western County funding formula to 72 percent for bus and 28 percent for rail effective July 1, 2025. The proposed policy would shift about \$7 million per year from bus to rail in Western County. Through FY 2029-30, RCTC calculated sufficient LTF will still be available for bus and rail operations based on fund balance and other growth assumptions. The funding formula policy will be reviewed at least every five years.

Conclusion:

This recommendation has been implemented.

Prior Recommendation 2

Ensure all transit operators complete and submit separate State Controller Reports for general public transit and for specialized services.

*Background:* A carryover from a prior performance audit that was partially implemented, one requirement for the Transit Operators Financial Transactions Report is that the transit operator prepares separate reports for general public transit and for specialized services. Several operators changed their reporting to two separate documents. Only one operator, Beaumont Transit, continues to submit one State Controller Report rather than the required split between two reports. This requirement is included in the City of Beaumont performance audit recommendation for implementation. It is recommended that the Commission continue to ensure that the operators adhere to the proper reporting procedures for the Transit Operator Financial Transactions Reports. One such action is to place a stipulation in the TDA claims form, such as in the Standard Assurances, that the operator complies with State Controller instructions for preparation of the Transit Operators Financial Transactions Report.

Actions taken by RCTC:

RCTC provided the City of Beaumont the prior TDA Triennial Performance Audit report and asked the City to submit separate State Controller reports. In Beaumont's FY 23/24 SRTP, the City indicated in Table 4.5 that it will submit separate reports to the State Controller beginning with FY 2022-23. The current TDA Triennial Performance Audit for Beaumont Transit reviewed the City's implementation of the State Controller report and concluded that the recommendation has been partially implemented and is being carried forward for full compliance.

During the current audit period, Beaumont Transit continued to submit combined reports for two of the three fiscal years reviewed. In FY 2024, the City initiated the process of preparing separate reports; however, the Specialized Service report lacked distinct financial and operating data, and the submission remained incomplete. Beaumont Transit, with RCTC oversight, should ensure that future Transit Operators Financial Transactions Reports submitted to the State Controller’s Office include complete and separate data for general public and specialized services. This will require coordination with the Finance Department, proper identification of service modes, and adherence to state reporting instructions to demonstrate transparency and regulatory compliance. RCTC should continue monitoring Beaumont’s progress with completely implementing this recommendation.

Conclusion:

This recommendation has been partially implemented and is carried over in this audit for full implementation.

Prior Recommendation 3

Develop an in-house TDA Administrative Guidance Manual.

*Background:* RTPAs such as RCTC play a critical role in administering TDA funding and meeting the spirit of the law. RCTC’s administrative practices have nuances, including the apportionment and allocation split of TDA revenue between bus and rail, the general format of the claim form, inclusion of SRTPs in the funding process, and use of performance monitoring tools such as TransTrack. Changes in TDA administration and RCTC’s interpretation of the statute continuously warrant development of a comprehensive in-house manual as a repository of all localized materials and processes related to the TDA. Such a guidance document provides transparency in funding administration and also serves as a training tool for both RCTC personnel and the claimants for consistency in regional practice. RCTC staff-initiated development of a scope of work for a transit funding manual, which includes policies and procedures for TDA administration. An RFP was released on May 26, 2022.

Actions taken by RCTC:

Two critical documents that meet this prior recommendation were created that guide Commission transit policy, procedures, funding, and oversight of the transit operators. Developed during the audit period and approved following the period, one document is the *Transit Policies Manual* approved by RCTC in May 2025, and the other is a companion document titled *Transit Operator Funding Guide*. The primary goal of the deliverables was to identify, update, and combine all Commission approved transit policies and procedures into a revised manual, detailing the roles and responsibilities of both RCTC and public transit agencies and steps and guidance on how to receive Commission-approved funding. The Transit Policies Manual is a compilation of all existing transit policies while the Transit Operator Funding Guide is essentially a “how to” guide for operators submitting the proper documents to RCTC and provides

procedural and administrative guidance that may change slightly overtime to make processes more efficient. The procedures include TDA claim and funding guidance. The transit policy documents are posted on RCTC's website located at: <https://www.rctc.org/travel-riverside-county/bus-services/>.

Conclusion:

This recommendation has been fully implemented.

## Section IV

### Detailed Review of RTPA Functions

In this section, a detailed assessment of RCTC’s functions and performance as an RTPA during this audit period is provided. Adapted from Caltrans’s *Performance Audit Guidebook*, categories for RCTC’s activities can be divided into the following activities:

- Administration, Management, and Coordination
- Transportation Planning and Programming
- TDA Claimant Relationships and Oversight
- Public Information and External Affairs
- Grant Applications and Management

Within the general headers are subtopics for detailed review of specific programs. For example, under Transportation Planning and Programming is the subtopic for transit planning.

#### Administration, Management, and Coordination

RCTC develops policy goals and objectives each fiscal year as part of the budget process that are consistent with the Commission’s overall strategic direction. The Commission policy goals and objectives provide an opportunity to match the Commission’s spending priorities in a manner that implements the promises made to the citizens of Riverside County in both Measure A Expenditure Plans and that fulfills other Commission responsibilities. The Commission identifies 21 goals<sup>5</sup>, grouped by four core mission statements, covering the following topics:

- Quality Of Life:
  - Choice
  - Environmental stewardship
  - Mobility
  - Equity
  - Access
  - Goods movement
  - Public Engagement
- Operational Excellence:
  - State of Good Repair
  - Promises fulfilled
  - Efficiency
  - Innovation
  - Information
- Connecting the Economy:
  - Workforce mobility
  - Population growth
  - Economic impact

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<sup>5</sup> Public Engagement and Partnerships goals were added in the FY 2023/2024 budget, with the 4 core mission statements and all 21 goals approved at the March 2023 Commission meeting.

- Responsible Partner:
  - Streets and roads
  - Transit
  - Active transportation facilities
  - Grants
  - Local Measure A value
  - Partnerships

The agency actively participates in regional forums such as the SCAG Programming Roundtable and the RTPA group, engaging with peer agencies like SBCTA and OCTA to share best practices and advocate for common goals. Executive-level coordination is also emphasized, with monthly CEO meetings to align with policy priorities. Regional coordination is a foundational element of the agency and in its capital project development, particularly with the Southern California Association of Governments (SCAG). The agency’s focus on project delivery, largely guided by Measure A, complements SCAG’s broader planning role under the Regional Transportation Plan (RTP). Collaboration remains strong, especially in areas such as FTIP and RTP updates, air quality compliance, and financial constraint verification.

RCTC continued to balance its growing responsibilities as a transportation planning and programming agency with project delivery and implementation. With continuation of the Measure A program, one of RCTC’s primary strategies has been project delivery and getting projects into construction. The increased development and delivery of projects programmed through Measure A, combined with the Transportation Uniform Mitigation Fee (TUMF), remains a priority of the agency together with multimodal planning, rail development, goods movement, and toll lane implementation. RCTC has both state tolling authority and federal tolling authority for the toll projects and has design-build authorization for the State Route 91 and I-15 corridor improvement projects.

With this increased responsibility, RCTC personnel have grown over the three-year period, but continues to maintain a relatively small staff (see Table IV-1). Employee counts during the time period include the RCA staff starting in January 2021. Toll operations staff are split between toll operations and project development/delivery functions. According to RCTC human resources department data, turnover for the three-year period included 32 appointments (including promotions and changes in classifications) and 23 separations. These staffing numbers are complemented by consultants to provide specialized services. Of note during the latter part of the audit period was the retirement of the Executive Director in May 2024. Her successor was with RCTC for the past 17 years which aided in continuity during the transition. As such, management continues to be firmly committed to the intent of the Commission’s enabling of legislation that called for small staffing resources as well as to maintain administrative program delivery costs below policy threshold.

**Table IV-1  
Staff Summary by Function/Program FYs 2022–24**

<b>Function/Program</b>	<b>FY 21-22</b>	<b>FY 22-23</b>	<b>FY 23-24</b>
Management Services and Administration	21.1	24.0	25.4
Planning and Programming	4.0	4.6	5.8
Rail Operations and Maintenance	3.8	3.1	3.9
Specialized Transit/Transportation	2.7	2.6	2.7
Commuter Assistance	0.9	1.2	1.4
Motorist Assistance	0.5	1.2	0.8
Capital Project Development and Delivery	20.7	19.3	20.1
Regional Conservation	13.3	17.0	16.9
<b>Total Full-time Equivalents</b>	<b>67.0</b>	<b>73.0</b>	<b>77.0</b>

*Source: FY 2024 Annual Comprehensive Financial Report (ACFR)*

During the beginning of the audit period, the agency made progress in modernizing its administrative infrastructure mostly through the development and deployment of a centralized database tool called RIVTrack by the Planning and Programming Department. Since 2021, the system has become an important part of the administration function offering efficient service to its modal programs and communication with its member jurisdictions while replacing Excel-based processes. The modernization of administrative processes through the database tool has aligned the department with best practices observed in peer agencies, such as SCAG.

The database is composed of four distinct modules, each designed to support a specific programmatic function. The first module which is available to most RCTC staff facilitates the Federal Transportation Improvement Program (FTIP) that automates project update verifications with local agencies and logs all communications. This feature has been valuable in maintaining continuity given frequent staff turnover at partner agencies. The second module supports the process of updating Measure A streets and roads capital improvement projects including viewing a work queue, searching a capital improvement program (CIP), starting a new CIP, or amending a CIP, and remaining in compliance. The third module administers the TDA Article 3 program, including the SB821 biennial call for projects, and generates the allocations instructions form used by the finance group for claims processing. The fourth module serves as a centralized tracking system for Western Riverside County regional arterials projects, acting as a one-stop shop for monitoring awarded projects.

Staff have reported positive feedback regarding the database being intuitive and easy to use. It has saved the time required for administrative tasks, such as processing project extensions for those that missed initial invoicing deadlines. The consultant who developed the tool continues to provide responsive and cost-effective support. Training resources, including recorded kickoff workshops and job aids, are readily available to both internal and external users. The department maintains a “wish list” of desired improvements, which are implemented using residual contract funds. These enhancements typically begin with addressing user errors and evolve toward

optimizing user preferences, such as saving time on repetitive tasks. The improvement process is ongoing and iterative.

Along with the database's capabilities, certain financial processes are coordinated with RCTC's Finance Department. For example, the TDA Article 3 claim form is generated within the system and emailed by the claimants to the finance group for processing. Similarly, an invoice template developed in collaboration with Accounts Payable (AP) for regional arterials is used by local agencies for which their invoice packages are completed and emailed to AP. To ensure accuracy, the department conducts monthly reviews of payment listings before final approval by RCTC finance.

Another technology system limitation is the one-way data flow from EcoInteractive capital planning into the project database in which the Planning and Programming Department cannot push its own updates back into the EcoInteractive eFTIP program. While staff have embraced the efficiencies introduced by the tool, there are no formal performance metrics in place to quantify productivity gains, though the department operates with an efficiency mindset.

### Capital Project Development

In Western Riverside County, the agency administers the highway capital program, which is organized into three 10-year strategic plans, development of new transportation corridors, and regional rail projects., Additionally, RCTC provides assistance to public agencies that have regionally significant projects that align to the Measure "A" Expenditure Plan or the State Transportation Improvement Program. Management of these components of the Measure "A" Expenditure Plan has continued with the assistance of the Bechtel Infrastructure Corporation (Bechtel). Bechtel provides program management and construction management services, which includes program managers, project engineers, construction engineers, inspectors, contracts administration, and support staff. Bechtel assists RCTC in forming and managing contracts between RCTC and its consultants and contractors.

During the audit period, Capital Project Development and Delivery undertook the following activities:

- Continued preliminary engineering, design, right of way acquisition, and/or construction of projects included in the Western County Highway Delivery Plan, and projects to improve operations of Metrolink commuter rail service.
- Continued to support operations planning and design of projects led by other agencies.
- Continued as lead agency for partner agency projects, closed out the I-15/Railroad Canyon Interchange project, continued preliminary engineering of the I-10/Highland Springs Avenue Interchange project, and continued environmental clearance and design efforts for the Santa Ana River Trail.
- Considered opportunities to implement technology-based strategies, or Smart Freeway projects, to manage traffic, reduce congestion and pollution, increase safety, and improve

the quality of commutes. Finalized plans, specifications and estimates for the Smart Freeway project on I-15 in Temecula.

- Maintained and enhanced communication and collaboration with the California Department of Transportation (Caltrans) to improve the Commission's ability to deliver critical projects.
- Collaborated with local jurisdictions to implement Transportation Uniform Mitigation Fee (TUMF) regional arterial program projects and facilitate the delivery of eligible arterial improvements in western Riverside County (Western County).
- Continued active engagement in state and federal efforts to streamline and modernize the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) to improve the Commission's ability to deliver critical projects.

### Internal Controls

As a means of promoting internal coordination and communication among RCTC service lines and achieving greater efficiencies, the agency continues to work with several technological platforms. The Commission's Finance Department utilizes the Tyler Eden Systems for accounts receivable, accounts payable, and the general ledger. The budget is drafted utilizing both Workiva for budget narrative and Questica for developing budgeted amounts. RCTC has begun the transition to Tyler Munis which is a new platform to the agency but within the same vendor's products. Upgrading to ERP system benefits all staff in the management of accounting and project information and further automation of a paperless workflow system.

During the audit period, there were no significant changes in policies and procedures in terms of internal controls. Existing measures have been implemented related to oversight, reporting, fraud, internal control, and ethics to maintain the public's confidence in the Commission, including participation in the Government Finance Officers Association (GFOA) certificate programs. Finance Department functions such as accounts payables and receivables, and journal entries are undertaken in a primarily electronic paperless system. Commission IT staff established secure remote working processes for finance staff which were used during the COVID period and provide more work environment flexibility.

Earlier in the audit period, 2013 Toll Revenue bonds were partially refinanced in October 2021 and the 91 Express Lanes TIFIA loan was prepaid with issuance of toll revenue refunding bonds including 2021 Series A senior bonds, 2021 Series B-1 senior bonds, 2021 Series B-2 Senior Bonds, and 2021 Series C second lien bonds. The new bonds were refunding outstanding 2013 Series A senior bonds, toll revenue subordinate bonds, and outstanding TIFIA obligations. The 2021 Toll Revenue Refunding Bonds prepaid \$509.8 million in the TIFIA obligation and refunded \$125.4 million in the 2013 A Toll Bonds (including bonds tendered for purchase and tendered for exchange) and \$35.6 million for the cash defeasance of the 2013 B Toll bonds.

The agency is committed to maintaining a strong electronic records management system that provides storage and accessibility of the Commission's actions and documents, and the retention

capability for incoming and internally created records. Staff migrated to Laserfiche electronic records storage and management, which provides a more organized structure while backing up data regularly. Digital recordings of meetings and electric transcriptions of meeting minutes are kept, and electronic signature policies are in place. All files, from board meetings to capital project documents, are kept on RCTC's Laserfiche system. The RCA also uses Laserfiche for its services combined with geographic information systems overlays. The Commission has a records retention policy and has worked on a records management policy to guide usage and control of the Laserfiche program tool.

RCTC utilizes the PlanetBids procurement platform. RCTC implements a centralized paperless procurement process in order to strengthen controls and ensure consistency in the application of procurement policies and procedures and adherence to applicable laws and regulations. Several benefits are realized from using a digital procurement platform, including automating functions such as cost bidding, and submittal of large construction bids and reducing redundancy from paper procurement. Procurement of services over \$250,000 in contract value must go through a formal bid process. Similar procurement processes are employed in general for contracts large or small, and depending on whether federal funds are involved, which require additional forms. A report on the usage of single signature authority by the executive director is released quarterly. The Commission's procurement policy manual was last updated in March 2021 in consultation with the RCA to combine RCA's purchasing policies and RCTC's procurement policies into one procurement policy manual, and to reflect changes made in the Caltrans Local Assistance Procedures Manual for roadway contracting.

RCTC has integrated several software systems to enable greater functionality and benefit to all staff in the management of accounting and project information while automating a paperless workflow system. Ultimately, these improvements result in enhanced customer service to its members and project delivery to the community. Ongoing process improvement underlies the agency's action to continue the replacement of its financial software system in order to better integrate project accounting needs and improve accounting efficiency.

In terms of independent reviews, an independent audit is conducted annually on the Commission's accounting books and records. The Commission is also responsible for ensuring that audits of Measure A and TDA funding recipients are completed and reviewed for compliance and other matters in a timely manner. The Chief Financial Officer or designee in the finance department reviews the TDA financial audits of the claimants that are completed by outside accounting firms. Audit findings are reported to the Audit Committee before the audits go before the Board.

### *Personnel Management*

Personnel benefits and rights are stipulated in the RCTC *Personnel Policies and Procedures Manual*, which was updated most recently in April 2024 reflecting expanded leave benefits for staff which the Human Resource Department considered overall as minor policy additions made to conform to legal requirements.

Employee evaluations are based on a performance rating scale. The updated evaluations improve upon the method and basis for assessing staff performance and provide greater consistency in the process. The Human Resources Department maintains official records of each employee's job performance each year. Multiple steps are involved in the current evaluation, including the employee completing a self-evaluation, the supervisor completing the entire performance evaluation, review by the department director and Human Resources for approval, and an evaluation meeting with the employee to complete the evaluation. Any area of the performance evaluation that is rated at the lowest includes a performance improvement plan. The Executive Director approves rating/merit percentage increases. The performance criteria and ratings scale differ for evaluations of staff, managers, directors, and executives. Up to 4 percent merit pay raise can be awarded from the ratings.

More defined roles for staff have been developed, enabling personnel to enhance their focus on their respective responsibilities. RCTC has had an opportunity to evaluate and refine its organizational structure given the challenges of assuming a rapid pace of project delivery and meeting milestones promised to the voters for Measure A.

## **Transportation Planning and Programming**

This functional area addresses planning functions required of RCTC, including development of the federal transportation improvement program (FTIP), Bicycle and Pedestrian Facilities Program, and Rail and Transit Planning including the SRTP process. Additional transportation programs administered by the agency are also discussed, including commuter assistance.

### *Federal Transportation Improvement Program*

RCTC is responsible for preparing the FTIP for Riverside County projects that have been approved for federal and state funding. Federal fund sources that RCTC programs include Congestion Mitigation and Air Quality (CMAQ), Surface Transportation Block Grant Program (STBG), Active Transportation Program (ATP) or Transportation Alternatives Program (TAP) funding, and transit formula and discretionary revenue by the Federal Transit Administration. Through the federal Infrastructure Investment and Jobs Act, new federal funding for multimodal projects was more available and benefit modes such as active transportation and commuter rail, which were reexamined during the COVID-19 period. State fund sources include LTF, STA, SGR, LCTOP, STIP Regional Improvement Program funds, and SB 1. Regional TUMF revenues are also allocated to RCTC by the Western Riverside Council of Governments.

Federal regulations require that all projects funded with state and federal funds be included in an FTIP in order to receive the funds. In addition, projects that are regionally significant but locally funded are required to be included in the FTIP. RCTC programming staff indicated that local match requirements by the local jurisdictions as a condition of receiving state and federal funding have been more difficult to meet due to less local contributions such as general fund dollars. Recent cost proposals submitted by firms for construction have significantly overbid

project estimates due to economic factors brought on by COVID-19, including skilled worker shortages leading to higher wages, and materials cost increases from supply chain issues. RCTC has been careful to not over program available revenue in light of the cost bid trends.

RCTC submits the county’s FTIP to Southern California Association of Governments (SCAG), the metropolitan planning organization for the six-county region of Orange, Los Angeles, Imperial, Riverside, San Bernardino, and Ventura counties. SCAG is responsible for ensuring that the FTIP is consistent with the long-range Regional Transportation Plan and Sustainable Communities Strategy and adopted air plans. SCAG is the responsible agency for submittal of the FTIP to Caltrans and federal agencies for approval. The FTIP is generally updated every two years with administrative and formal amendments occurring between updates.

When there are sufficient funds to do so, RCTC administers a call for projects for Riverside County local agencies to consider participating in. Project evaluation criteria are developed in coordination with the Technical Advisory Committee prior to each call for projects. More funding requests are being made from RCTC member agencies between calls for projects. Criteria are modified to meet the specific eligibility requirements for each fund source per local, state, and federal guidelines. RCTC has used the following criteria for past calls for projects for CMAQ, STBG, and STIP funds:

- |                          |                          |
|--------------------------|--------------------------|
| 1. Emphasis on Measure A | 6. Safety                |
| 2. Regional Significance | 7. Congestion Mitigation |
| 3. Economic Development  | 8. Matching Funds        |
| 4. Project Readiness     | 9. System Continuity     |
| 5. Air Quality           | 10. Geographic Balance   |

Planning and programming staff are cross trained to work on each of the three different programming documents that comprise the FTIP: local highways, state highways, and transit. The programming of projects by RCTC involves a high level of technical capability and coordination among affected agencies. For projects programmed during the audit period, the 2019 FTIP covering FYs 2018-19 through 2023-24 showed a total transit program cost of \$13.3 billion. The Riverside County Transit FTIP for 2019 showed about \$1.1 billion for operating assistance and capital projects in Western Riverside County. The 2021 SCAG FTIP showed a total transit program cost of \$13.7 billion for the six-year FTIP period of FYs 2020-21 through 2025-26. The revenues to support the transit program include Federal Transit Administration (FTA), state, and local sources. Transit programming in the FTIP is generally for a shorter time horizon (1-2 years) in comparison to highway projects (6 years).

Programming staff are highly involved with SCAG committees and served on several subgroups during the SCAG Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) process including finance, transportation modeling, plans and programs, and sustainability. RCTC program staff served as representatives during the RTP/SCS review for the most recent plan titled *Connect SoCal 2024*. Staff also serve in key statewide associations, such as California Association

of Council of Governments, which provide additional opportunities to interface with the California Transportation Commission and Caltrans.

In addition, programming staff have responsibility for the TUMF. Based on an amended Memorandum of Understanding with Western Riverside Council of Governments and annual budgets, the Commission received 45.7 percent of TUMF revenues in both FYs 2021-22 and 2022-23, and 48.1 percent in FY 2023-24 (as updated by the most recent Nexus study). TUMF funds received by the Commission are split between new corridors and regional arterials.

The Commission's updated Traffic Relief Plan (TRP), first adopted in 2020 and updated in April 2024, outlines the agency's Long Range Transportation Plan and helps provide Riverside County residents with a dependable, safer, more efficient transportation system that will accommodate the County's growing population and economy. The Plan is a countywide transportation blueprint designed to reduce traffic congestion, implement roadway safety measures, and offer greater mobility options for communities across Riverside County. The TRP was developed through a multi-year outreach program which identified over \$30 billion in aspirational projects based on public input. Highways emerged as the top investment priority, followed closely by public transportation. Notably, the TRP proposes a significantly higher allocation for transit—approximately 25 percent for Western Riverside County—compared to the current Measure A allocation of 11.6 percent. Proposed transit investments include high-capacity rapid services, rail extensions, and fare support programs for vulnerable populations such as veterans, seniors, and low-income residents. The TRP's outreach efforts reached over 5.3 million people and included presentations to city councils and community organizations, reinforcing the agency's role as a responsive and transparent project delivery entity.

#### *Bicycle and Pedestrian Facilities Program*

As an important piece of the county transportation system, nonmotorized transportation is encouraged by RCTC. In its efforts, the agency administers a biennial call for projects process for bicycle and pedestrian facilities. RIVTrack's Module 3 is the tool used to administer the call for projects under Article 3 of the TDA which provides two percent of funding for the implementation of bicycle and pedestrian facilities. RCTC's *Bicycle and Pedestrian Facilities: Biennial Call for Projects Guidelines* document is updated with each biennial call and was updated for the FY 2022 and FY 2024 grant cycles. The guidelines detail the policies of the program, including project eligibility, scoring, and award. An evaluation committee comprising a minimum of five evaluators—representing a wide range of interests and geographic areas, such as accessibility, bicycling, Coachella Valley, Western Riverside, public transit, and the region—evaluate proposed projects according to the following five evaluation criteria:

1. Destinations Served
2. Safety
3. Multimodal Access
4. Matching Funds

## 5. Population Equity

An average score is given to each project to determine funding priorities. During the audit period, the following allocations were made according to the Commission budgets:

- FY 2022: \$2,500,000
- FY 2023: \$1,600,000
- FY 2024: \$7,942,300

The allocations are based on up to 2 percent of TDA fund apportionments, as allowed by law, plus carryover funds from prior years.

Expenditures on bicycle and pedestrian facilities per the ACFR were as follows:

- FY 2019: \$2,319,895
- FY 2023: \$2,578,177
- FY 2024: \$1,756,152

For FY 2024, per the ACFR, \$11,178,811 in TDA funds have been allocated to jurisdictions within the County for bicycle and pedestrian projects as a reserve fund balance. Bicycle and pedestrian facilities expenses are based on claims submitted for approved projects. An unclaimed balance exists because not all projects that are selected to receive funding are ready for construction. Agencies receiving an award are reimbursed in arrears only upon proof of satisfactory project completion, including but not limited to the RCTC claim form for the fiscal year in which the project was awarded, a signed assurance of maintenance and a copy of the notice of completion, and photographs of the completed project. The adopted Commission policy states that agencies will have up to three years to complete the project, or the agency may request an extension of time to complete the project if there are uncontrollable delays in project delivery. Any unused allocations after this time are reprogrammed into the next year's revenues.

### Transit Planning including the Short-Range Transit Planning Process

RCTC has the responsibility of oversight in both the funding and operations of Riverside County's public and specialized transit operators. The Commission is responsible for the coordination of transit among all the operators in the county to ensure an efficient delivery of services. In this capacity, the agency has provided a regional perspective to facilitate the provision of public transit by the seven transit operators and the Southern California Regional Rail Authority.

Three critical documents were created to guide Commission transit policy, procedures, funding, and oversight of the transit operators. Developed during the audit period and approved following the period, the first is the *Transit Policies Manual* approved by RCTC in May 2025, the second is a companion document titled *Transit Operator Funding Guide*, and the third being *Transit Staff Desk Procedures*. The primary goal of the deliverables was to identify, update, and combine all

Commission approved transit policies and procedures into a revised manual, detailing the roles and responsibilities of both RCTC and public transit agencies and steps and guidance on how to receive Commission-approved funding. The Transit Policies Manual is a compilation of all existing transit policies while the Transit Operator Funding Guide is essentially a “how to” guide for operators submitting the proper documents to RCTC and provides procedural and administrative guidance that may change slightly overtime to make processes more efficient. The Transit Staff Desk Procedures is an internal administrative document for staff.

The policies manual contains an outline of the legal relationship between RCTC and the transit operators; Short Range Transit Plan approval and amendments; transit funding policies from Measure “A,” state, and federal sources; performance analysis and reporting; and project development. The funding guide explains RCTC’s role and responsibilities as the RTPA and County Transportation Commission (CTC) and details the funding sources that are available to operators, the process for accessing these funds, and other funding requirements regarding performance monitoring and reporting. Transit planning and funding activities conducted by RCTC during the audit period are encapsulated and memorialized within these new documents.

### SRTP Process

As part of the RTP and TIP process required for funding, RCTC requires development of a short-range transportation program spanning three to five years from the transit operators. The program reflects transportation capital and service priorities within the County in coordination with the operators and other regional partners. The SRTP encompasses federal, state, and local funding allocated for transit operating and capital projects and serves as the primary mechanism through which RCTC fulfills this requirement. The document serves as a budgeting and programming tool and outlines strategies for guiding near-term transportation decisions. It emphasizes coordination among operators by detailing fares, transfers, agreements, and planning processes, thereby promoting efficiency and collaboration throughout Riverside County.

The SRTP consists of four core chapters, designed to help operators meet federal and state requirements. These chapters include System Overview and Service Profile; Existing Service and Route Performance; Future Service Plans, Fare Changes, Capital Planning, and Marketing; and Financial Planning. SRTP data tables on services, fleet, performance measures, and costs also must be provided, whether from an operator’s electronic file or through their use of TransTrack Systems, Inc. (TransTrack) database.

The annual SRTP update process runs from February to July each year, beginning with a kickoff meeting in February led by RCTC staff. In this meeting, staff cover projected revenues for the upcoming years, describe the recommended outline of the SRTP narrative, and provide the approval timeline. Draft SRTPs are due in April with formal adoption of the plans by the Commission in June. The Citizens and Specialize Transit Advisory Committee (CSTAC) provides comment on the SRTPs. A schedule of monthly activities and deliverables for the SRTP annual update process is included in the Transit Operator Funding Guide.

Transit operators including fixed-route bus, specialized transit, and rail, must submit an updated SRTP to RCTC each year to qualify for federal, state, and local funding. This requirement was met each audit year by the operators.

The SRTP provides the justification for the operator to receive TDA funds for both capital and operating expenditures. Financial tables including cash flow are developed in the SRTP to align annual expenditures and revenues, and to show the level of TDA funds needed each year, which are reflected in the TDA claims submittal.

Actual and projected performance data from the Commission's TransTrack data management software tables are included in the SRTP to provide metrics of service delivery. The SRTP also provides the basis for services and capital projects that are programmed into the FTIP and approved by RCTC, SCAG, and federal grant-awarding agencies like the FTA for operating and capital grants.

Once the SRTP is approved by the Commission by June every year, RCTC and transit operator staff work together to monitor and amend the plan as needed throughout the year. One-on-one assistance is provided when requested. In addition, RCTC is taking a greater leadership role in the rollout of zero-emission vehicles regionally in coordinating with and supporting the transit operators, in particular with the smaller operators.

While transit operators have the discretion to implement services as they see fit, any modifications made post-adoption must align with the program's objectives. RCTC is informed of these changes. Amendments to the SRTP are made through TransTrack, which are reviewed by RCTC transit planning and either meet deviation limits or are taken to the board for approval.

#### *Productivity Performance Monitoring*

Performance monitoring and reporting are described in detail in the recently completed Transit Operator Funding Guide. The Commission uses various methods to provide performance monitoring oversight, including through the following:

- Monthly information collected through the TransTrack database system
- Quarterly Performance Monitoring Meetings
- TDA annual financial fiscal audit and single audit report
- Annual SGR Report
- Transit Needs Public Hearing
- Citizens and Specialized Transit Advisory Committee
- TDA Triennial performance reporting

The Commission's TransTrack data management software standardizes the regular reporting of key performance data by the operators on several tables. These tables include the transit operator's fleet inventory, service provider performance targets, SRTP performance report, SRTP service summary, SRTP route statistics, summary of funding requests, and capital project justification forms. This transit performance monitoring system is fully functional with expanded performance and operational templates for data record keeping and performance trends.

TransTrack has provided value in terms of enabling RCTC to monitor and track operator performance by route, analyze new services and service extensions, and calculate performance information with annual targets adjusted by consumer price index. On an ongoing basis, transit operators include ridership and financial information monthly and quarterly within the TransTrack data management software which provides the Commission with up-to-date trends and performance data. The system flags indicators that are outside the target.

Operators have become familiar with the TransTrack features and did not report any particular entry or output issues with the system. In fact, a prior audit recommendation for a small operator to improve their usage of TransTrack resulted in the agency becoming a user to input data into the RCTC TransTrack modules and use its various modules and analytical tools.

However, a small operator (Riverside Connect) pays separately for additional TransTrack modules not included in RCTC's annual updates. Furthermore, RCTC has identified a data transfer issue where certain input data is not visible on their end creating verification issues to confirm successful data transfer, which potentially impacts regional performance monitoring. RCTC has also identified future functionality for the system such as tracking outstanding funds from previous allocations for reconciliation against existing tracking tools, and testing and validating TransTrack's accommodation of State legislative measures including AB 149 and SB 125.

Using additional means to monitor performance, one-on-one planning meetings with the operators are held with RCTC each quarter to review progress and updates such as existing service planning update, performance updates, marketing-fare changes update, financial updates, and capital planning/projects update. In addition, the operators have been updating their respective Comprehensive Operational Analyses, which take a long-range planning view, as well as updating their capital improvement plans. Further, the Commission utilizes the annual TDA financial and compliance audits as well as the triennial performance audits as a mechanism to provide oversight and recommendations towards performance monitoring.

With evolving tools and needs to monitor performance, the Commission last developed a Biennial-Countywide Transit Report of public transportation services covering through FY 2021-22. This report provided a graphic-rich summary of transit performance information drawn from the SRTPs, quarterly meetings with transit operators, and financial and triennial performance audits. Based on past comments on this report completed biennially, RCTC staff looked at a more simplified report to convey the necessary information in an easy-to-read format.

RCTC personnel will continue to review the performance monitoring program and its value as a tool for the operators to improve service. Increased involvement by RCTC in transit policy, planning, and practice is also being reviewed by staff in light of the current evolution of public transit service and statewide initiatives on transit performance measurement, TDA funding, and impacts on the transit industry. These ongoing efforts of dialogue, oversight, and monitoring fulfill the requirement under PUC Section 99244 to monitor and provide productivity recommendations.

### Rail

Rail develops and supports passenger rail transportation options for increased mobility within Riverside County and the region. The Rail Department directs efforts in the areas of regional commuter rail, intercity passenger rail, and capital improvements to support enhanced passenger and freight rail service. To expand passenger rail options throughout the County, the Commission conducts feasibility and planning studies to assess the viability of commuter rail expansion. The entire program includes elements of planning, programming, commuter and intercity rail development and support, station and corridor management, mitigation of community and environmental impacts, legislative and regulatory advocacy, and construction of capital projects. Other Commission departments, legal counsel, and consultants manage or support many of these elements.

The Commission participates in the ongoing funding and governance of Metrolink through SCRRA. Unlike the other SCRRA member agencies, the Commission owns and operates the commuter rail stations serving the County: Riverside Downtown, Jurupa Valley – Pedley, Riverside – La Sierra, Corona – West, Corona – North Main, Riverside – Hunter Park/ UCR, Moreno Valley – March Field, Perris – Downtown, and Perris – South. The Riverside Downtown Operations Control Center (RDOCC), located at the west end of the Riverside Downtown station, provides monitoring of closed-circuit televisions at the stations as well as facilities for train crews. Layover track facilities are located at the Riverside Downtown and Perris – South stations; however, SCRRA maintains the layover facilities.

Station operation and maintenance costs are included in the Rail Department budget with services currently coordinated by the Capital Projects Development and Delivery Department through the Facilities Administrator. Station maintenance includes property management, utilities, grounds maintenance, repairs, cleaning, and security services at the Commission-owned rail stations, including the RDOCC. As a result of the new Perris Valley Line service and increased stations, LTF funding allocations are generally used for Metrolink operating contributions and 2009 Measure A Western County rail funds are used for station maintenance.

### Public Transit-Human Services Transportation Coordination Plan

During the audit period, RCTC undertook an update to its *Coordinated Public Transit-Human Services Transportation Plan for Riverside County* which was last completed in January 2021. These plans are intended to promote mobility by identifying needs and transportation service

gaps of five targeted populations: older adults, persons with disabilities, persons of limited income, persons with limited English proficiency, and military veterans. The Coordinated Plan does not provide funding, but helps to guide funding decisions, specifically those related to the FTA Section 5310 *Enhanced Mobility for Seniors and Individuals with Disabilities Program* and other federal and state funding sources as they become available.

Seven “mobility needs themes” were identified in the last completed Coordinated Plan regarding network gaps and areas of unmet transit needs. These need themes are addressed through four mobility goals and 20 accompanying strategies to improve mobility to the target groups. The mobility goals are:

- Build a more responsive, sustainable public transit network.
- Strengthen specialized transportation options.
- Equitably distribute transportation resources.
- Grow public transportation awareness to rebuild ridership.

RCTC announced the release of the Draft Coordinated Public Transit–Human Services Transportation Plan Update in September 2025. While outside this audit period, the updated plan reflects extensive community input, including:

- Interviews with over 30 human and social service agencies
- Nearly 800 survey responses
- Input from public and specialized transit providers
- Feedback from advisory bodies and community meetings
- More than 130 social media comments
- Over 40 community members actively participated in prioritizing the strategies included in the Coordinated Plan

### *Riverside County Long-Range Transportation Study*

As introduced earlier in this section, the previous 2019 Long-Range Transportation Study was replaced with a new long-range study conducted during the audit period. The Commission’s TRP updates the agency’s Long Range Transportation Plan and helps provide Riverside County residents with a reliable, safer, more efficient transportation system that will accommodate the County’s growing population and economy.

The TRP, like most of the Commission’s work, is guided by RCTC’s four core goals and underlying objectives for the people of Riverside County and the transportation system upon which they rely. These policy goals continue to drive the agency’s annual budgeting and are described by the following:

- Quality of Life: *RCTC is focused on improving life for the people of Riverside County and empowering them to live life at their pace.*
- Operational Excellence: *RCTC is a responsible and conservative steward of taxpayer dollars.*
- Connecting the Economy: *RCTC is a driver of economic growth in Riverside County.*
- Responsible Partner: *RCTC partners with local, regional, and state governments to deliver road and transit projects.*

### Commuter Assistance Program

The focus of the Commuter Assistance Program is to improve mobility throughout the transportation system. While much of the Commission’s work focuses on enhancing transportation infrastructure, there is significant value in ensuring that the transportation systems are used efficiently. To foster a more efficient use of infrastructure investments and transit networks, the Commission’s Commuter Assistance Program, funded by Measure A and SAFE funding, seeks to increase the awareness of and consideration for alternative modes of transportation such as riding a bus or train, carpooling, vanpooling, walking, bicycling, or telecommuting.

This transportation demand management strategy, implemented under the “IE Commuter” ([www.iecommuter.org](http://www.iecommuter.org)) umbrella in partnership with San Bernardino County Transportation Authority, provides services and incentives to Riverside and San Bernardino County employers and commuters in an effort to shift behavior away from single-occupant vehicle commuting via the following methods:

- Leverage regional campaigns, local outreach, employer health fair and rideshare events, and social media to increase awareness for transportation alternatives;
- Partner with and serve as a resource to employers to implement transportation demand management programs, services, and incentives to increase consideration and adoption of transportation alternatives at worksites throughout the region;
- Provide online access ([IECommuter.org](http://IECommuter.org)) and personal support (866-RIDESHARE) to deliver customized commute information and ride matching services;
- Incentivize commuters for beginning and/or maintaining an alternative commute mode; and
- Leverage technology to deliver easy-to-use online resources and tools to efficiently engage, educate, and serve employer partners, their employees, and other commuters.

Incentives in the form of gift cards are provided to eligible rideshare participants. The commuter must rideshare to work at least five days a month for three consecutive months and log trips with IE Commuter.

To supplement the Park & Ride network in Riverside County with additional capacity, RCTC leases excess parking spaces from property owners to establish leased Park & Ride facilities. These facilities connect commuters to vanpools, carpools, and transit. In total, Riverside County has 2,688 Park & Ride spaces, including 534 leased spaces across eight locations provided through RCTC's Park & Ride lease program. RCTC provides the financial resources for the lease while Caltrans insures the facility and provides the signage.

RCTC also provides 511 Traveler Information Services through SoCal 511, a regional platform administered by the Los Angeles County Metropolitan Transportation Authority in partnership with neighboring county transportation commissions. SoCal 511 offers travelers access to transit, real-time traffic, rideshare, and other travel information. This partnership creates a seamless phone, web, and smartphone application experience for motorists throughout Southern California, including Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties.

Although outside the audit period, it is worth recognizing that the Commuter Assistance Program was recently honored with the Transportation Demand Management (TDM) Industry Impact Award during the 39th Annual Association for Commuter Transportation (ACT) International Conference in August 2025.

### VanClub

The VanClub helps supplement the transit network and expand commuter transportation options in Riverside County. VanClub covers 50 percent of eligible Riverside County vanpools vehicle lease rates up to a \$400 (increase to \$600 effective July 1, 2023) monthly subsidy toward the cost of the vanpool lease which includes vehicle maintenance, roadside assistance, and insurance. Participating vanpools are required to report performance data and out of pocket expenses pursuant to an FTA reporting requirement as well as for the State Controller Office Transit Operator report. The VanClub program is funded through Measure A, a Mobile Source Air Pollution Reduction Review Committee (AB 2766) grant from the South Coast Air Quality Management District, and federal Congestion Mitigation and Air Quality Improvement grant funds.

The vanpool program subsidizes vanpools from the following RCTC approved 3rd party leasing vendors: the California Vanpool Authority (CalVans) and Commute with Enterprise. The VanClub is marketed on the regional IE Commuter website; however RCTC's separate front-facing website, VanClub.net, uses TripSpark Technologies as the underlying software product powering the application process, reporting, and database maintenance system.

Active vanpool participation continues to grow following the lowest point in the pandemic. According to RCTC, there are about 60 vanpools being subsidized by VanClub. The VanClub is helping promote growth post-pandemic and drive performance through its application and database system, and new subsidies and incentives (i.e., \$5.00/Day Rideshare Incentives) launched in April 2022.

In 2024, VanClub's service area expanded to include the Coachella Valley and eastern Riverside County, establishing a countywide vanpool subsidy program. During this period, SunLine Transit transferred its existing SolVan program to VanClub. This consolidation helped streamline services and enhance the efficiency of vanpool operations across Riverside County.

Since the program's inception in 2018, VanClub members have helped reduce more than 575,700 drive-alone vehicle trips, 22.2 million vehicle miles traveled, and 8,408 tons of vehicle emissions.

## **TDA Claimant Relationships and Oversight**

This functional area addresses RCTC's interaction with the transit operators in Riverside County and its administration of the provisions of the TDA. The sub-functions described include costs to administer the program, technical and managerial assistance to operators, TDA claims processing, and the unmet transit needs process.

### *RCTC Administration and Planning*

The uses of LTF revenues apportioned to Riverside County flow through a priority process prescribed in state law. Prior to apportionment of funds to the Bicycle and Pedestrian Facilities Program and the transit operators, the Commission is able to claim LTF revenues for administration of the fund and for transportation planning and programming purposes. By law, the Commission is limited by up to 3 percent of LTF for planning and programming. The limit does not apply to fund administration, but RCTC has been responsible in the amount it claims.

The Commission also allocates revenues to SCAG for planning purposes as a member of the regional agency. The amount is based on a formula of 0.75 of 1 percent of the County's total annual LTF.

Mid-year adjustments are made from original projections to better reflect revenue receipts from the economy in the Inland Empire region. During the audit years of 2022 through 2024, RCTC claimed the following amounts:

**Table IV-2  
LTF Claimed for RCTC Administration and Planning**

<b>Fiscal Year</b>	<b>LTF <sup>(1)</sup></b>	<b>Administration and Planning &amp; Programming <sup>(2)</sup></b>	<b>Percentage of LTF</b>
2022	\$150,693,950	\$5,650,587	3.8%
2023	\$156,282,435	\$6,422,800	4.1%
2024	\$156,212,458	\$5,539,000	3.6%

*Sources: RCTC Annual Comprehensive Financial Reports for FYs 2022–2024. LTF amounts from Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual - Major Special Revenue Funds.*

*(1) Actual tax revenue plus interest income.*

*(2) Transfers out include allocations to the Commission’s General fund for planning and administration; planning, programming, and agency share of the administrative costs; and administrative costs allocation. Source LTF of Riverside County, Financial and Compliance Reports for FY’s 2022-2024.*

Amounts transferred out of LTF by RCTC for administration, planning and programming ranged between 3.6 percent and 4.1 percent for the three-year period. The highest amount claimed was in FY 2023.

*Technical and Managerial Assistance to Operators*

RCTC must produce multiple reports to satisfy state and federal mandates, including the TDA audit, National Transit Database (NTD), State of Good Repair, and Low Carbon Transportation Operations Program. Each report follows different rules and fiscal year parameters, and staff expressed that a unified reporting framework would greatly simplify these processes.

Also, capacity constraints in smaller municipal transit agencies pose a persistent challenge. Many of these operators have minimal staffing and sometimes only two or three individuals who are focused solely on daily operations. This limits their ability to engage in strategic planning, pursue continuous improvement, or participate in broader coordination efforts.

RCTC provides an array of administrative and technical services to the operators. Recent completion of the three transit documents (*Transit Policies Manual, Transit Operator Funding Guide, and Transit Staff Desk Procedure*) provides RCTC updated policies and materials to manage the transit program. Assistance to the operators is offered through implementation of oversight and monitoring procedures described in the documents and conveyed through meetings, phone and email correspondence, and site visits. Examples of technical and managerial assistance include meetings to prepare the SRTPs as well as discussing policy and technical issues quarterly. Other examples include one-on-one meetings with the operators, release of TDA apportionment data, allocation of local Measure A funds, federal revenue estimates, monitoring of various funding programs, and administration of TDA claims. The Commission also provides technical assistance to applicants for specialized transportation services under the FTA Section 5310 program managed by Caltrans.

A revised LTF reserve policy and funding disbursement policy are contained in the *Transit Policies Manual* to ensure that operator budgets do not exceed available funds. The purpose of a reserve policy is to address operating costs outpacing current year revenue and cash flow issues due to non-receipt of federal funding. The LTF reserve policy remains at a 10 percent set-aside of apportionments to transit operators (bus and rail) that could be drawn down pending approval of a request by an operator and a budget and SRTP amendment. The reserve policy was revised to also include 10 percent set-aside of State Transit Assistance (STA) and Measure 'A' Public Transit funds.

The policy manual also provides a revised funding disbursement timeline for the LTF allocation where two-twelfths (16.67 percent) of the operating funds are disbursed in the first month and the remaining allocation (83.33 percent) is disbursed over the next 11 months. Transit operators may request up to 50 percent of the allocation in one upfront payment contingent upon sufficient LTF fund balance and a cash flow analysis provided by the transit operator and approved by RCTC's Chief Financial Officer (CFO) or designee. The remaining LTF funds shall be disbursed on a modified payment plan over the course of the fiscal year. Disbursement policies are also developed for STA, Measure "A" public transit, and SGR operating funds.

RCTC implements a TDA funding formula for Western Riverside County bus and commuter rail service. Since 2003, the funding formula was 78 percent for public bus and 22 percent for commuter rail. In implementing a prior performance audit recommendation, as described in Section III, RCTC multimodal staff prepared a discussion and evaluation of the funding formula to present to the Commission Board. The report cited that several major events have occurred, and staff analyzed the current and future growth of services and determined that a modification to the Western County LTF and STA allocation policy was needed to fund the expansion of PVL service. From the evaluation presented, including engagement with the transit operators in Western County, especially the Riverside Transit Agency over the last year, an update to the TDA funding formula for Western County bus and rail was approved at the February 2025, Commission meeting revising the Western County funding formula to 72 percent for bus and 28 percent for rail effective July 1, 2025.

To ensure efficient use of existing capital funds, the Commission has policies requiring operators to spend down existing TDA capital balances prior to requesting additional TDA capital funds. For the public transit operators to claim LTF and/or STA funds, the Commission must allocate funds to support the transit services and capital projects contained in the SRTPs. The requested allocations are consistent with the approved SRTPs, and the funds are explicitly for the projects stated in the approved plans.

In addition to other state transit grants supported by the Commission such as the one-time formula Senate Bill 125 Transit and Intercity Rail Capital Program and Zero Emission Transit Capital Program for transit zero-emission transition, Commission staff provide assistance in the planning and programming of federal grants, as the transit operators are eligible for various FTA grant programs. RCTC is the conduit between the operators and SCAG in procuring certain capital

grants such as FTA urbanized grants that must pass through SCAG, as the designated recipient of the funds. The Commission must develop and approve a Program of Projects for each urbanized area and adhere to public hearing requirements prior to an operator submitting its Section 5307 grant application to the FTA.<sup>6</sup> A separate Program of Projects is developed for rural Section 5311 funds. Projects must be included in an approved FTIP before the operators can access federal transit funds, which include Sections 5337 and 5339 discretionary funds. RCTC tracks the status of capital grants through the quarterly grant tracking program in which each operator submits a quarterly report detailing the status of existing open grants.

### TDA Claims Processing

On an annual basis during this audit period, RCTC was responsible for managing the apportionment of \$131.7 million (FY 2022), \$159.0 million (FY 2023), and \$148.1 million (FY 2024) in LTF revenues for transit, and \$17.1 million (FY 2022), \$29.8 million (FY 2023) and \$29.1 million (FY 2024) in STA funds.<sup>7</sup> Initial claims are generally submitted in July of the year of the claim. Revised claims are submitted throughout the remainder of the fiscal year as funding amounts or spending priorities change.

RCTC prepares and distributes several documents during the TDA claims process. The documents include the findings of apportionment by population area and a packet providing claimants with the necessary forms and funding information needed to prepare TDA claims. The claims are prepared by each operator, adopted by the operator's governing board or council, and must include a sign-off on the implementation of a number of TDA requirements. These requirements are contained in the "Standards Assurances For Applicants" and include compliance with revenue ratios, attachment of specific documentation, and submittal of compliance audits and reports. Each submitting claimant certifies that all conformance requirements are satisfied to receive both LTF and STA funds.

RCTC emails a TDA claims packet and other details for agencies to complete, sign, and return back electronically. The electronic TDA claim forms are available on TransTrack. Once the claims are processed and funds are allocated by RCTC, operators can amend claims during the fiscal year as actual transit service is delivered. RCTC has transitioned the claims into TransTrack to streamline the process, given that inputs into the claims and SRTPs such as financial and performance data are already entered into that data system.

STA funds are claimed under the procedures and formulas established in the TDA statute. RCTC is required to make annual findings prior to allocation of STA funds to the transit operators. These

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<sup>6</sup> In the 2018 MOU with SCAG, RCTC relies on SCAG to perform the public hearing when it updates an FTIP and has a public involvement process when it receives a formal amendment. This is for all federal funds but also due to the FTA POP requirements. Typically, each operator conducts a supplemental public hearing when they adopt their budget/SRTP. RCTC's budget includes a public hearing but RCTC does not provide a supplemental public hearing for pass through FTA funds with the exception of 5310.

<sup>7</sup> Revenue Estimates For Transit, RCTC Annual SRTP Funding Matrix, FY 22-26, FY 23-27, and FY 24-28.

findings are part of the Standard Assurances checklist and are integrated with the claims for LTF revenues.

The recent development of the *Transit Operator Funding Guide* during the audit period serves as RCTC's in-house TDA guidance document that describes all applicable TDA rules and regulations pertaining to claimants in Riverside County. The guide provides description and a how-to tool for TDA and other State transit funds administration and RCTC's interpretation of the statutory language.

### Unmet Transit Needs

While no TDA funding has been allocated by the Commission for streets and roads, the Commission must still conduct at least one transit public hearing within its jurisdiction in compliance with PUC Section 99238.5. The annual public hearing was advertised by transit operators, specialized transit providers, and other stakeholders on buses, facilities, and social media. RCTC provides public notice through local newspapers and other forums and supplies operators with flyers and marketing materials to promote public participation. Staff also published a 30-day hearing notice in *The Press-Enterprise*, *The Desert Sun*, and *The Palo Verde Times*. The following methods were made available to the public to submit comments via oral or written testimony:

- 1) Email at [publictransit@rctc.org](mailto:publictransit@rctc.org)
- 2) Postal mail to:  
Riverside County Transportation Commission  
Attn: Transit Needs Public Hearing Comments  
P. O. Box 12008, Riverside, CA 92502-2208
- 3) Online form at [rctc.org/TransitNeeds](http://rctc.org/TransitNeeds)
- 4) QR code on unmet needs advertising
- 5) By phone at (951) 787-7141
- 6) In-person via video/ teleconference at the Citizens and Specialized Transit Advisory Committee meeting

The hearing is held at a CSTAC meeting, and all operators are encouraged to attend. RCTC provides a summary of the public comments received within each operator's jurisdiction, allowing operators to respond directly to customers as needed. Although not formally required, RCTC will monitor comments and require justification for any unmet needs not included in future plans. The CSTAC participates on the hearing panel during the meeting and in the review of the comments. While not as formal as the unmet transit needs process, the purpose of the hearing is to receive comments from the public on whether there are reasonable transit needs that are not being met in Riverside County. RCTC typically receives 20 to 30 comments per year. The public hearing is generally held as part of the committee meeting and was held on the following dates during the audit period: August 8, 2022, August 7, 2023, and July 12, 2024.

According to RCTC, systemic coordination gaps in specialized transit services remain unresolved. Programs designed to support long-distance travel—such as for medical appointments—often face funding limitations tied to local sources like Measure A, which requires that the user resides in Western Riverside County. There are limited transit services available for specialized services that cross county boundaries. Staff noted that, to their knowledge, no agency has successfully addressed this issue.

## **Public Information and External Affairs**

Public outreach is a critical component of the agency’s capital project strategy, led by the External Affairs Department. Outreach efforts are designed to communicate the direct benefits of infrastructure projects to residents, emphasizing improvements to quality of life. Major projects are branded with distinct logos that align with the agency’s identity, enhancing public recognition and trust. For example, for large-scale efforts like the 91 CIP, outreach includes coordination with cities, emergency services, and Caltrans to ensure comprehensive stakeholder engagement.

Staffing fluctuations in External Affairs occurred in the latter part of the audit period. The department experienced executive-level turnover and vacancies resulting in a temporary drop in full-time equivalents between fiscal years 2023 and 2024 and a budgeted staff salary decrease of 39 percent. These changes were not attributed to layoffs but rather to project-specific staffing allocations, temporary vacancies, and retirements. For instance, during a period of executive-level vacancy, some staff were noted to be fulfilling dual roles, which affected the recorded staffing levels. Recruitment quiet period and shifts in project focus also contributed to the temporary reduction in FTEs. To help retain information resources, the department maintains a specialized database system that logs all interactions and project histories, allowing staff to quickly access relevant information even when partner agency personnel change.

RCTC has developed a comprehensive outreach effort to elicit support for its mission and to educate the public of its role in the delivery and maintenance of transportation infrastructure. The outreach program supports several roles at the agency, including legislative affairs and media relations. The External Affairs Department manages three core functions: legislative affairs, public affairs, and community engagement. These are public-facing functions with high impact on how residents, stakeholders, and decision-makers interact with the Commission. External Affairs is tasked with communicating with the state and federal legislative staff and delegations, preparing fact sheets and legislative materials to build support and search for funding, responding to constituent inquiries, researching pending legislation, identifying, and pursuing grant opportunities, and partnering with peer agencies such as the SBCTA, OCTA, LA Metro, VCTC, etc. This advocacy is not only limited to large infrastructure but also extends to emerging mobility solutions. Duties include the following:

- Shaping proposed legislation, rules, and regulations that would impact the Commission.

- Ensuring Commission projects and programs are eligible for new and existing competitive grant programs and formula funding.
  - Participating in two-way dialogue to expand engagement and reach with the public via RCTC’s Facebook, X (formally known as Twitter), Instagram, YouTube, and LinkedIn platforms.
  - Producing and providing resource materials, such as fact sheets, maps, videos, surveys, brochures, construction updates, text messages, frequently asked questions, annual reports, billboards, digital ads, and newsletters.
  - Providing media relations.
  - Partnering with community-based organizations to ensure equity, public health, and robust stakeholder engagement.
  - Actively building enduring relationships to gain support from local jurisdictions and community groups for grant funding pursuits while supporting the Commission’s long-term success. This includes maintaining strong relationships with RCTC commissioners.

The External Affairs department plays a crucial role in legislative advocacy by aligning its efforts with the agency’s priorities and the needs of the community. The legislative team actively monitors both state and federal legislation for any proposed policies or funding opportunities to evaluate their potential to support the RCTC’s mission and goal. Their efforts involve the utilization of lobbyists to help attain adequate funding for transportation projects. As part of its mission in providing transportation projects services to Riverside County, RCTC plays an active role in Washington D.C. and Sacramento in advocating transportation-friendly policies.

At the beginning of every year, the Commission adopts a Federal and a State legislative platform that sets forth basic positions on transportation policy issues. RCTC also works with the SBCTA to establish a unified front in advocating for transportation legislation on behalf of the entire Inland Empire. However, it is noted that the two counties differentiate from one another on other fronts when appropriate, such as for local needs. Adjustments are made to the legislative platform to include equitable access to transportation in rural areas, and further emphasis on equity in the planning, programming, and implementation of transportation projects.

RCTC’s media relations efforts include conveying information through RCTC’s website, publications, and public presentations. *The Point* is RCTC’s electronic newsletter and blog, a monthly email newsletter that covers major transportation news for the county. From construction status to highway improvement projects to funding updates, *The Point* highlights the actions of the Commission and emerging topics.

RCTC’s website (<https://www.rctc.org/>) serves as the primary portal to agency activities. The website’s masthead contains vivid photographs and a dropdown menu to meetings and agendas, projects, business opportunities, funding and planning, travel information, agency information, RCA, search feature, and social media links. The website also contains information about major programs and projects and recent posts from *The Point* blog and newsletter.

The main website contains links that provide further details on projects. For example, the Projects section lists each highway and rail project and links to more information about each project. In addition, several major construction projects have an additional link to their own separate project websites, such as for corridor improvements, express lanes, interchanges, and rail project. The separate websites are still managed by RCTC but have their own respective format and design and can be updated by each manager.

The Commission provides information to the public through various channels including: 1) social media; 2) participation at public meetings, chambers of commerce, industry associations, and service clubs; 3) production and provision of resource materials and fact sheets; 4) maintenance and enhancement of the Commission's website; and 5) development of press releases, radio and television interviews, news conferences, and video footage.

External Affairs supports community access to Commission activities and has control and presence over five social media platforms: Facebook, Twitter, Instagram, YouTube, and LinkedIn. Metrics for website and social media usage are tracked for determining proper resource distribution of information and communications. A community engagement manager serves as a liaison between RCTC and community-based organizations to build coalitions and strong relations around specific projects being implemented. This position helps to provide a continual presence for the agency and to be proactive with outreach.

Metrics are collected and displayed through infographics for public engagement. External Affairs staff monitor public engagement activities in a manner and with new tools to prepare Quarterly Public Engagement Metrics Reports. The quarterly report is a data-driven approach to measure progress toward public engagement goals, allow staff to assess the effectiveness of its efforts on an ongoing basis, and provide transparency into how the Commission uses its resources to engage and educate the public. The quarterly report continues to evolve as staff refine approaches to measuring public engagement activities and in response to any feedback from Commissioners.

The quarterly report includes different sets of data:

- Metrics for RCTC's overall public engagement activities including public sentiment on social media; social media followers, engagement, and reach; email notifications; website use and access; and top pages visited.
- Metrics for RCTC's 15/91 Express Lanes Connector Project including email activity, text messages, website sessions, and social media followers.
- Metrics for RCTC's 71/91 Interchange Project including email activity, website sessions, and social media following.

Over the past several years, External Affairs enhanced its capacity for outreach and community engagement including adopting a multichannel outreach strategy such as bilingual content, video

production, and active use of social media platforms such as Facebook, Instagram, Nextdoor, and Reddit, alongside digital advertising on Google and YouTube. Public messages on social media are published from a stance to see how the message benefits the participants and how this will improve their quality of life. This includes shortened and easy to read articles and blurbs for broad appeal to the audience. In addition, the traditional in-person engagement remains a basis of the agency's approach, as it allows for deeper community connections and more meaningful feedback.

While social media plays an important role in outreach and engagement, the agency acknowledges it cannot fully replace the value of in-person events. Thus, a hybrid approach is used by leveraging digital platforms for a much broader reach while conducting face-to-face interactions with the public to gather more quality feedback. An example of this hybrid strategy was during the 2023 TRP in which the department reached more community members and generated more than 1,000 public comments. Other engagement tactics included tele-town halls, city council presentations, and meetings with community groups with messaging focused on how projects improve residents' quality of life, and emphasis on transparency around funding sources to build trust and encourage public buy-in.

Additionally, project branding was noted as a critical component of public engagement as each initiative follows a consistent visual identity, including elements like the RCTC logo and standardized presentation materials. This strategy ensures clarity, professionalism, and recognition across all public-facing communications.

As part of the TDM strategy, the agency further explored creative collaborations with transit agencies to enhance public engagement. For example, RCTC's Rail Department coordinated with External Affairs and City of Beaumont to organize an excursion to a Dodgers baseball game where the city marketed the excursion and provided transit to a Metrolink station to then transfer on the train to the game. This effort was promoted through a coordinated social media strategy External Affairs utilized for cross-training opportunities to strengthen inter-agency collaboration.

Other strategies are that RCTC is interested in incorporating social media influencers in their marketing strategy, similar to what Metrolink and other transit agencies are doing which involve influencers who ride and promote transit services. Additionally, platforms like Reddit, which has high transit-oriented communities, are being considered for targeted ad campaigns given upcoming events like the 2026 World Cup that will offer significant opportunities for collaboration across transit and other public agencies. These efforts will be important in ensuring mobility and effective public engagement.

## **Grant Applications and Management**

RCTC uses a variety of local, state, and federal funding sources. The Commission, as needed, assists Riverside County transit operators and local jurisdictions with grant pursuits such as alerting them to funding opportunities, and providing concurrence and letters of support. In

addition to LTF and STA funding, RCTC administers other state funding including SB 1 State of Good Repair, Low Carbon Transit Operations Program, SB 125 Transit and Intercity Rail Capital Program, and Zero-Emission Transit Capital Program. RCTC assists with additional competitive state grants such as the Caltrans Sustainable Transportation Planning grants for transit-oriented development planning, and partners with the transit operators to compete for zero-emission energy projects and transit station enhancements. Local revenues for transit include Measure A.

RCTC is responsible for programming the federal funding that public transit operators receive and for providing oversight on regulatory compliance. Project funds for regional transit projects are contained in the FTIP programmed by RCTC. Federal funding sources during the audit period include FTA Sections 5307 urbanized area formula grants, 5310 enhance mobility of seniors and persons with disabilities, 5311 and 5311(f) formula grants for rural areas, 5337 State of Good Repair, and 5339 funding to construct bus-related facilities, and replace buses and related equipment.

The public transit operators that receive federal transit funding, including FTA Sections 5307 and 5311, directly manage their federal grants, with the exception that RCTC has administrative and operational responsibility for rail funding allocated to Riverside County.

The SRTPs approved by RCTC contain operating and capital plans and accompanying budget with cost estimates along with an implementation timeline. RCTC receives revenue projections of various funds to support the SRTP projects and prepares revenue estimates for transit summary of each fund source for approval by the Commission. The Commission develops and approves a Program of Projects for each urbanized area and adheres to public hearing requirements prior to a transit operator submitting its FTA Section 5307 grant application to the FTA. The Program of Projects is included in an approved FTIP and subsequently forwarded to SCAG for review and processing.

RCTC multimodal staff work with the planning and programming team to make sure that projects programmed by the operators in their SRTP are included in the FTIP, split letters are updated through the SCAG process, and concurrence letters reviewed. Multimodal staff assistance is provided if there are issues with FTA concerning funding and grants for the Riverside operators and conversations are held with FTA officials.

RCTC multimodal staff provided assistance to the operators including City of Banning, SunLine, and RTA that sought funding through SCAG's call for projects for programs under the Federal Highway Administration including Congestion Mitigation and Air Quality, Surface Transportation Block Grant, and Carbon Reduction Program funds. Staff provided technical guidance and feedback to the operators on their grant applications which were selected for grant awards. Also, RCTC transit and rail staff previously wrote FTA grants on behalf of Metrolink as a subrecipient. For the smaller operators, RCTC remains aware of resource constraints at these smaller agencies, particularly to identify and attain funding which can affect their ability to fully capitalize on available funding opportunities, and multimodal staff continue their efforts assisting the smaller operators in addressing this challenge.

## Section V

### Statement of Facts and Recommendations

The following summarizes the findings obtained from the triennial audit covering FYs 2022 through 2024. A set of audit recommendations is then provided.

#### Statement of Facts

1. RCTC has satisfactorily complied with all state legislative mandates for regional transportation planning agencies. Management continues to be firmly committed to the intent of the Commission's enabling legislation that called for a relatively small staff to carry out its growing responsibilities in planning, programming, and project delivery.
2. The TDA mandate for RCTC to analyze and recommend potential productivity improvements for the transit operators is accomplished through review and approval of SRTPs for each operator, quarterly meetings, review of TransTrack data, and utilizing the Triennial Performance Audit recommendations.
3. RCTC has fully implemented two prior performance audit recommendations regarding a revisit of TDA funding formula for Western Riverside County bus and commuter rail service and development of an in-house TDA Administrative Guidance Manual. The prior recommendation pertaining to transit operators' submissions of separate bus and specialized paratransit services reports to the State Controller annually has been partially implemented and is being carried forward for full implementation. During the current audit period, Beaumont Transit continued to submit combined reports for two of the three fiscal years reviewed, and when the City initiated the process of preparing separate reports, the Specialized Service report lacked distinct financial and operating data and the submission remained incomplete.
4. With increased responsibility, RCTC personnel has grown over the three-year period but continues to maintain a relatively small staff to manage the agency's programs while being firmly committed to the intent of the Commission's enabling of legislation. Actual full-time equivalent employees (FTEs) grew from 67 in FY 2022 to 73 in FY 2023, then to 77 FTEs in FY 2024. Of note during the latter part of the audit period was the retirement of the Executive Director in May 2024.
5. Since the beginning of the audit period in 2021, the RIVTrack centralized data tool has been an important part of the administration function offering efficient service to its modal programs and communication with its member jurisdictions while replacing Excel-based processes. The modernization of administrative processes through the database tool has aligned the department with best practices observed in peer agencies, such as SCAG.

6. RIVTrack's Module 3 is the tool used to administer the call for projects under Article 3 of the TDA which provides two percent of funding for the implementation of bicycle and pedestrian facilities. RCTC's *Bicycle and Pedestrian Facilities: Biennial Call for Projects Guidelines* document is updated with each biennial call and was updated for the FY 2022 and FY 2024 grant cycles.
7. Three critical documents were created that guide Commission transit policy, procedures, funding, and oversight of the transit operators. Developed during the audit period and approved following the period, the first is the *Transit Policies Manual* approved by RCTC in May 2025, the second is a companion document titled *Transit Operator Funding Guide*, and the third being *Transit Staff Desk Procedures*. The primary goal of the deliverables was to identify, update, and combine all Commission approved transit policies and procedures into a revised manual, detailing the roles and responsibilities of both RCTC and public transit agencies and steps and guidance on how to receive Commission-approved funding.
8. The annual SRTP update process serves as a budgeting and programming tool and outlines strategies for guiding near-term transportation decisions. It emphasizes coordination among transit operators by detailing fares, transfers, agreements, and planning processes, thereby promoting efficiency and collaboration throughout Riverside County.
9. A revised LTF reserve policy and funding disbursement policy are contained in the *Transit Policies Manual* to ensure that operator budgets do not exceed available funds. The purpose of a reserve policy is to address operating costs outpacing current year revenue and cash flow issues due to non-receipt of federal funding.
10. While no TDA funding has been allocated by the Commission for streets and roads, the Commission continued with conducting at least one transit public hearing within its jurisdiction in compliance with PUC Section 99238.5. The hearing is held at a CSTAC meeting, and all operators are encouraged to attend.

## **Recommendations**

### **1. Ensure City of Beaumont Transit completes and submits separate State Controller Reports for general public transit and for specialized services.**

This prior audit recommendation is carried forward for full implementation. As described in the prior audit recommendation section, while the City indicated in its FY 2023-24 SRTP that it would prepare separate controller report, the City initiated the process of preparing separate reports in FY 2024,; however, the Specialized Service report lacked distinct financial and operating data, and the submission remained incomplete. Beaumont Transit, with RCTC oversight, should ensure that future Transit Operators Financial Transactions Reports submitted to the State Controller's Office include complete and separate data for general public and specialized services. This will require coordination with the Finance Department, proper identification of service modes, and adherence to state reporting instructions to demonstrate transparency and regulatory compliance. RCTC should continue monitoring Beaumont's progress with completely implementing this recommendation.

### **2. Further the standardization and optimization of web-based data management across transit operators.**

During the current audit period, the City of Riverside Special Transportation Services (Riverside Connect) completed its upgrade to RCTC's data management and transit performance monitoring software, in alignment with a prior audit recommendation. However, Riverside Connect pays separately for additional modules not included in RCTC's annual updates to the transit data management platform. Also, RCTC has identified some data input and verification issues with the system. For potential expansion, RCTC has further identified future functionality such as tracking outstanding funds from previous allocations for reconciliation against existing tracking tools, and testing and validating the software's accommodation of State legislative measures including AB 149 and SB 125.

To enhance consistency, cost-efficiency, and data integrity across transit operators using a web-based data management platform, the following is recommended to add in efficiencies for TDA funds under the Commission's purview:

- A. Standardization and simplification of modules: RCTC should continue obtaining operator feedback and re-evaluating its standardized set of modules with a goal of meeting operator needs for the system. This would:
  - Promote uniformity and simplicity in data collection and reporting.
  - Enable consistent performance comparisons across agencies.
  - Reduce redundant or inconsistent expenditures by individual operators.
  
- B. Data Input, Verification, and Transfer Protocols: While data imports are currently enabled, RCTC should develop and distribute procedural guidance that includes:
  - Standardized data input practices and reduction in manual entries.

- Verification steps to confirm successful data transfer.
- Troubleshooting tips for common glitches or discrepancies.

Anticipated benefits from these actions include improved data accuracy and visibility for RCTC; enhanced regional performance monitoring and analytics; cost savings and operational efficiency for transit operators; more user-friendly functionality; and stronger alignment with audit goals and prior recommendations.