



ADA Paratransit Triennial Review

For the period 2018-2020

Prepared by the
Regional Transportation Authority
Audit Department

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TRIENNIAL ADA PARATRANSIT REVIEW

EXECUTIVE SUMMARY

This report summarizes the results of the Regional Transit Authority (RTA) Audit Department's triennial audit of Pace's Americans with Disability Act (ADA) Paratransit Service for the period of 2018-2020. The operation of the ADA Paratransit Service, which provides transportation to eligible individuals who are unable to use accessible fixed-route services in the RTA region due to their disabilities, is the responsibility of Pace. The audit was conducted in order to comply with the amendment to the RTA Act in 2008 which requires the RTA to conduct triennial financial, compliance, and performance audits of ADA Paratransit services.

The audit included the verification of the financial integrity of data used by the RTA, assessment of the accuracy of data used for compliance monitoring, and determination of the accuracy of data used to evaluate performance. In certain instances, we relied upon the audit work performed by Baker Tilly US, LLP. Based on work performed in areas relevant to this audit within the review period and our review indicated that it was of sufficient quality to place reliance and avoid duplication.

Results of our review include:

- All financial data that was reviewed in conjunction with the audit was adequately supported.
- ADA Service Revenue and ADA Service Expenses were supported by key data elements including ridership statistics, service hours, on-time performance and missed trips, all of which are captured in Pace's system. We reviewed the methodologies for determining Administrative Expenses and the Indirect Overhead Allocation and determined they were reasonable.
- Compliance monitoring was validated through a comparison to Pace's policies and evaluation of selected performance statistics and practices. Pace's disclosure of policies in the Customer Guide was appropriate. Statistics reviewed indicated that Pace was compliant with ADA requirements. Timeliness in the completion of complaint processing was higher than stated goals. In 2019 (pre-pandemic activity), resolution times for both Quality Assurance (QA) and Customer Relations (CR) processes exceeded the performance goals nearly every month. The 2020 monthly averages were significantly

better due to the reduced ridership due to the pandemic. November and December, however, were worse due to staffing shortages and a hiring freeze. Recognizing that the continued timeliness issue for complaint handling, ADA Paratransit identified the need for new software to provide better tracking of the complaints and anticipates an upgrade in 2022. Pace also offered gift cards for Uber to customers as part of the resolution to their complaint in certain cases.

- Key elements used to evaluate performance were identified through the National Transit Database (NTD), and then agreed to supporting documentation. No detailed testing of these elements was performed since they were already reviewed in conjunction with the annual external audit of NTD data conducted by Baker Tilly US, LLP. No findings were identified by the auditors that were required to be reported regarding the information included in the NTD report.

COVID 19 Pandemic Crisis Management

- The final year of this Triennial period, 2020, saw the emergence of the COVID 19 pandemic throughout the world, which continues today. This created a unique situation and created numerous challenges for Pace and their customers that were not previously experienced. State and City ordered “Stay at Home” mandates took effect early in the pandemic, which drastically reduced ridership and made it difficult to keep drivers.
- Given the immediate and sharp decline in ridership, Management quickly recognized the need to support its paratransit contractors in order to retain drivers and key personnel. Effective April 1, 2020, Pace implemented new contracts and developed a plan to allocate funds to pay for “service hours” and “standby hours” (in lieu of revenue hours) to cover costs that would have been incurred had normal service levels been in place. This action enabled contractors to keep drivers and other key personnel employed.

Shared rides were not possible due to the pandemic, so effective in August 2020, Pace changed the method of payment back to revenue hours and adjusted productivity ranges downward to better reflect on-street operations given the COVID-related restrictions. Pace continues to work with the carriers to support them as best as they can and to respond proactively to the changes brought by COVID-19, which continue to evolve.

- Pace expanded the use of taxis during 2020 and provided the riders with a \$30 credit/ride, which in effect, resulted in a free ride.

- Staff not required to be on-site for their job were (and still are in many cases) working remotely. Many drivers did not return to work due to health concerns about the pandemic. Pace's on-site visits of contracted carriers ceased, but toward the end of 2020 and early 2021, they began to do virtual visits of these carriers.

Pace ADA Paratransit Management agreed with the results and has already completed a majority of the recommended actions. A copy of the response is included as an Exhibit to this report.

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TRIENNIAL ADA PARATRANSIT REVIEW

Introduction

Pace's ADA Paratransit Service provides origin-to-destination transportation to ADA Paratransit eligible individuals who are unable to use accessible bus and rail service due to their disabilities. Pace is responsible for the operation of all ADA complementary paratransit services in the six-county RTA region and RTA is responsible for the funding, financial review, and oversight. In 2020, Pace provided approximately 1.9 million rides to eligible customers in the program at a cost of \$182.4 million. This compares to 3.4 million rides at a cost of \$183.9 million in 2019.

Audit Objectives

The RTA Act was amended in 2008 to require the RTA to conduct triennial financial, compliance, and performance audits of ADA paratransit services to assist in the determination of the projected annual costs of ADA paratransit services that are required to be provided pursuant to the Americans with Disabilities Act of 1990 and implementing regulations. This audit is intended to comply with the requirement that RTA conduct such audits, with the following objectives:

- Verify the financial integrity of the data used by the RTA to evaluate the costs of delivering ADA paratransit services.
- Assess the accuracy of the data used for monitoring compliance.
- Determine whether the data used to evaluate compliance with performance standards is accurate.

Scope of Review

- Determine whether the 2020 operating expenses are adequately supported. Key expenses that were reviewed include ADA service expenses (purchased transportation), fuel, and administrative expenses.
- Determine whether contractor invoices for purchased transportation are reviewed for accuracy by Pace staff and whether such invoices are supported by service hour data and fares collected.
- Verify data used for monitoring ongoing compliance with ADA Paratransit Requirements.
- Verify that semiannual desk audits are being conducted for each purchased transportation contractor.

Background

The Americans with Disabilities Act of 1990 requires that all public entities that provide non-commuter fixed route transit service also provide complementary paratransit service for persons who are unable, because of a disability, to use the fixed route service. The ADA complementary paratransit must meet specific regulatory criteria related to service area, response time, fares, days and hours of operation, trip purposes, and capacity constraints. These regulatory criteria are designed to ensure that ADA complementary paratransit service provides a level of service that is comparable to that provided by the associated fixed route services. Entities are also required to establish a process for determining who is eligible to receive this complementary paratransit service.

ADA complementary paratransit service is required where the CTA and Pace operate non-commuter fixed route transit services. The service provided by Metra does not require complementary paratransit, since it is strictly a commuter service.

From 1992 through June 2006, CTA and Pace operated separate ADA paratransit services. CTA operated ADA paratransit in the City of Chicago and Pace operated ADA paratransit in the suburbs outside of the city.

On July 29, 2005, the General Assembly made changes to the RTA enabling legislation that affected the structure of paratransit service. Pace was tasked with assuming responsibility for the operation of all ADA paratransit services. The RTA was also made responsible for the funding, financial review and oversight of all ADA paratransit services provided by any of the Service Boards.

On July 1, 2006, in response to the legislative directive, Pace assumed responsibility for the operation of all ADA paratransit services throughout the region, both city and suburban services. Initially, Pace continued to operate service in Chicago based on the model that had been developed by the CTA. In 2006 and 2007, Pace analyzed the ADA paratransit services in an effort to develop a design and policies that could both improve customer service and service efficiency while ensuring that the service was operated in full compliance with ADA requirements.

Currently, three primary carriers operate the service in Chicago (one in each of three zones) with one additional carrier providing supplemental service in this market. Three primary carriers provide service to the 8 zones defined in the suburban market. Pace has been expanding use of taxis throughout the coverage area due to cost efficiency, especially for longer trips.

ADA Service Providers by Responsibility

Market Coverage / Responsibility	Service Provider
Chicago – Zone 1	SCR Transportation
Chicago – Zone 2	Cook DuPage Transportation (CDT)
Chicago – Zone 3	MV Transportation
Chicago	First Transit
Cook County – west	First Transit
Cook County – south	Cook DuPage Transportation (CDT)
Cook County – north	MV Transportation
DuPage County	First Transit
Kane County	MV Transportation (previously Ride Right)
Lake County	First Transit
McHenry County	First Transit
Will County	First Transit

Amendment to the RTA Act

The amendment to the RTA Act in 2008 contained a new provision requiring the RTA to annually provide a written determination of the projected annual costs of ADA paratransit services that are required to be provided pursuant to the Americans with Disabilities Act of 1990 and the implementing regulations. The legislation also requires the RTA to “conduct triennial financial, compliance, and performance audits of ADA paratransit services to assist in this determination” (70 ILCS 3615/2.0ld).

Pursuant to the legislative mandate in 2008, the RTA initiated a Triennial ADA Paratransit Audit addressing the financial, compliance and performance aspects of operating the ADA Paratransit service for the periods of 2009-2011. Additional triennial audits were performed in 2016 (for the period 2012-2014) and 2019 (for the period 2015-2017).

The objective of this Triennial audit for the period of 2018-2020 was to reach concurrence with the reasonableness of the costs to operate the service within the framework of compliance with Federal regulations and standards. The data reviewed was primarily for the calendar years 2019 and 2020.

FINANCIAL AUDIT

Pace’s 2018-2020 Annual Financial Statements were audited by Baker Tilley US, LLP, who issued an unqualified opinion regarding the basic financial statements. Pace’s ADA Paratransit Services Fund financial statements are included as exhibits within Pace’s 2018-2020 Annual Financial Reports. The ADA Paratransit financial data were subjected to the auditing procedures applied in the audit of the financial statements. Certain limited audit procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information, were employed by Baker Tilley US, LLP on the ADA Paratransit Services Fund financial statement exhibits.

Since Pace’s 2019-2020 financial statements had been audited and were available at the time of our review, they served as the basis for our testing. Operating revenue, expenses and funding for 2018-2020 appear below:

2018-2020 Operating Revenue and Expenses

	2018	2019	2020
Operating Revenue			
ADA Service Revenue	\$ 11,921,670	\$ 11,988,509	\$ 5,522,334
Other Income	<u>\$ 2,438,362</u>	<u>\$ 2,411,337</u>	<u>\$ 361,705</u>
Total Operating Revenue	\$ 14,360,032	\$ 14,399,846	\$ 5,884,039
Operating Expenses			
ADA Service Expenses	\$ 153,173,774	\$ 162,686,499	\$ 161,787,806
Centralized Operations	\$ 4,353,556	\$ 4,191,586	\$ 5,397,221
Administrative Expenses	\$ 8,069,012	\$ 8,735,228	\$ 6,793,468
Indirect overhead allocation	<u>\$ 7,072,989</u>	<u>\$ 8,310,542</u>	<u>\$ 8,413,462</u>
Total Operating Expenses	\$ 172,669,331	\$ 183,923,855	\$ 182,391,957
Operating Income (Loss)	(\$ 158,309,299)	(\$ 169,524,009)	(\$ 176,507,918)
Funding			
RTA Paratransit Fund	\$ 150,334,299	\$ 161,129,209	\$ 168,113,118
ADA State Funding	<u>\$ 7,975,000</u>	<u>\$ 8,394,800</u>	<u>\$ 8,394,800</u>
Total Non-Operating Rev.	\$ 158,309,299	\$ 169,524,009	\$ 176,507,918

The above chart comes from supplementary schedules in the independent auditor’s reports for the respective years. Other income represents interest on investments and reimbursements from the RTA for transportation provided to potential Paratransit customers who attended certification testing.

ADA service expenses (purchased transportation), fuel, administrative expenses, and indirect overhead allocation were also selected for review. Pace’s Accounting Department provided account detail supporting the total revenue and expenses for each category for October, 2020, as requested.

ADA Service Revenue

The carriers submit monthly invoices to Pace. One component of these invoices is the imputed fares collected from riders (\$3.25 fare rate x number of riders), which Pace uses to offset against the expenses being requested for reimbursement. Pace validates the amount of revenue reflected on the invoices through the generation of a Pace report (Hours and Ridership Report) that identifies the number of passengers. The total revenue is calculated by extending the number of passengers at the applicable rate. In 2020, Pace provided over 1.8 million passenger trips for which it collected \$3.25 from each passenger. Pace’s calculated revenue is used for determining the amount of revenue for settlement with the carriers, as opposed to the amounts reflected on the carrier’s invoices which may differ slightly from Pace’s calculation. The carriers accept Pace’s calculated revenue as correct, since the data is extracted directly from Pace’s system.

A sample of carrier invoices (one Chicago and one suburban) from the account detail was selected for testing. Each invoice was reviewed to verify that the amount of revenue was correctly calculated based on the ridership and fare. Invoices selected included the following carriers/service areas:

2020 Carrier Invoices – Revenue

Carrier	Month	Territory	Invoice Amount
MV Transportation – Kane County	September	Kane County	\$ 1,758
First Transit - Chicago	September	Chicago	32,822
		Total:	\$ 34,580

The revenue amounts were traced to the billing reconciliation prepared by Pace. The number of passenger trips was then traced to the Pace report of passenger trips for which fares were collected and the extended amount based on the applicable fare was recalculated without exception.

Other Income

Other income includes reimbursements from the RTA for trips provided to potential ADA Paratransit customers to attend certification testing and current customers for recertification. These trips are scheduled at the request of the RTA which reimburses Pace for their cost. In 2020,

the RTA reimbursed Pace \$361,705 for 5,325 trips, before service was suspended in mid-March due to the pandemic.

ADA Service Expenses

The carrier's monthly invoices to Pace also include sections pertaining to expenses for providing the service less liquidated damages associated with non-compliance with contract requirements. Pace validates the expenses reflected on the invoices through a Pace report (Hours and Ridership Report) that identifies the number of service hours. The total expenses are calculated by extending the number of service hours at the applicable rate. Pace's calculation is used for determining the total expenses for settlement with the carriers, as opposed to the amounts reflected on the carrier's invoices which may differ slightly from Pace's calculation. The carriers accept Pace's calculated expenses as correct, since the data is extracted directly from Pace's system.

Liquidated damages represent offsets to expenses (damages) due the carriers' instances of not meeting certain contract standards. Pace generates several reports (i.e. On-time Performance Report, Missed Trip Report, Carrier Report) that are used to determine the number of instances of non-compliance. The number of instances is extended by the applicable rate to arrive at the total damages by type. Charges are imposed upon the carriers for failure to meet a variety of contract standards including:

- On-time performance goal not achieved (late pick-ups)
- On-time performance goal not achieved (late appointments)
- Missed trips
- Missed trips not reported
- Productivity goals not met
- Vehicle maintenance issues not addressed
- Reporting requirements not met
 - General monthly reporting
 - Not answering complaints
 - Accident reporting
 - Denial reporting
 - Scheduling/dispatch/reporting

The sampled invoices selected for review were for the same carriers/service areas as used for the ADA service revenue testing. Each invoice was reviewed to ensure that the amount billed was correctly calculated based on the number of service hours offset by the liquidated damages.

Service hours were traced to supporting reports to ensure their accuracy. The service hour rates were traced to the appropriate rates in the carrier’s contract. The hourly rates for the carriers/service areas tested ranged from \$52.03 to \$66.17, with the variability in rates dependent upon whether the carrier provided their own vehicles, fuel or insurance. Accordingly, individual carrier’s per trip costs vary considerably and do not serve as a valid basis of comparison to other carriers. The extended amounts were recalculated based on these elements. No exceptions were noted. Invoices selected included the following carriers/service areas:

2020 Carrier Invoices – Expenses (net of liquidated damages)

Carrier	Month	Territory	Service Hours	Invoice Amount
First Transit	September	Chicago	13,746	\$ 1,261,277
MV Transportation	September	Kane County	2,046	120,221
Cook DuPage Trans	September	South Cook County	35,803	2,955,729
		Total:		\$ 4,337,227

Liquidated damages were also recalculated to ensure they were correctly computed. Instances of non-compliance (which result in Liquidated Damages) were traced to supporting reports. The cost of each category of liquidated damages was recalculated based on the contract terms. The total cost of each category was extended to ensure accuracy. No exceptions were noted. The amount of liquidated damages for the carrier invoices reviewed was:

2020 Carrier Invoices – Liquidated Damages

Carrier	Month	Territory	Invoice Amount
First Transit	September	Chicago	\$ 2,223
MV Transportation	September	Kane County	2,432
Cook DuPage Trans	September	South Cook County	49,533
		Total:	\$ 54,188

Fuel

Per the terms of the agreements with the suburban carriers, Pace provides fuel cards for the purchase gasoline through a network of service stations. Since the 2017 audit, Pace replaced all diesel vehicles with gasoline vehicles in order to meet the engineering and capacity required for paratransit riders. In October 2020, gasoline purchases totaled \$335,386.

Carriers that service the City of Chicago are responsible for providing their own fuel. A sample of fuel card invoices was selected for review. Pace utilized Mansfield Oil Company during 2020 for fuel purchases. Mansfield provides fuel cards for the purchase of gasoline through a network of retail service stations. The sample reviewed included the following:

2020 Fuel Card Invoices

Carrier	Territory	# of Gallons	# of Invoices	Invoice Amount
Mansfield Oil Company	South Cook County	33,688	1	\$ 53,606
Mansfield Oil Company	Will County	18,847	1	30,347
	Totals:	52,535	2	\$ 83,953

Each invoice was reviewed to verify that the amount billed corresponded with the entry in Pace’s account detail and that the invoice was reviewed by Pace. No exceptions were noted.

For the fuel card invoices, Pace provided the detailed invoice supporting the retail fuel purchases appearing on the invoice. The detailed invoice lists each transaction and includes, by vehicle, the purchase location, date and time of purchase, odometer reading, type of fuel purchased, amount of fuel, cost per gallon and total cost. It also displays the miles per gallon based on the miles driven since the last fill-up and the amount of fuel purchased, along with monthly miles per gallon calculations.

Pace Management performs a detailed review of invoices and contact the fuel supplier, if they have questions on certain charges. The supplier is required to provide their response with supporting documentation. Pace continues to work with the suppliers to improve compliance with the established procedures.

Due to the nature of the account arrangement with Mansfield, fuel charges associated with additional services provided by the carriers, such as the Ride in Kane and Dial-a Ride programs

are also included on these invoices. Adjustments are subsequently made to transfer the cost of those purchases out of the general ledger account based on purchases attributable to these programs, based on the charges associated with particular vehicles. The review did not identify any issues with this process.

Administrative Expenses

Administrative expenses consist primarily of salaries (and associated benefits) for the staff who work on the ADA program, the cost of providing certification transportation, and other miscellaneous support costs including IT, rent and utilities related to the ADA staff located in the Chicago Office at 547 W. Jackson Blvd. An allocation of salaries and benefits associated with the Paratransit staff that supports both ADA and non-ADA functions is also made.

Our procedures were limited to gaining an understanding of the types of costs included within administrative expenses and the methodology for accumulating these expenses within the account. Pace's accounting system captures all costs associated with staff assigned solely to the ADA function and services directly attributable to ADA. An additional allocation of costs associated with staff assigned to the Paratransit function is made through an annual survey process whereby the revenue hours allocated to ADA and non-ADA functions is used to distribute the following year's costs. Administrative expenses of \$6,793,468 were reported on the December 31, 2020 Pace Statement of Revenues and Expenses.

Based on our evaluation of the process by which costs are directly charged or allocated to the administrative expenses, it appears that the methodology is reasonable and reflective of the costs incurred.

Indirect Overhead Allocation

Pace incurs overhead costs on behalf of managing and operating the ADA program. Such costs consist of a variety of overhead activities that support the functioning of the ADA program, but cannot be directly associated with ADA. These include the myriad of support functions provided at Pace headquarters by the following departments: Audit, Budget Planning, Finance, General Counsel, Government Affairs, Human Resources, Marketing and Communications, Purchasing, and Risk Management.

Our procedures included gaining an understanding of the types of costs included within the Indirect Overhead Allocation and the methodology for accumulating these expenses within the

account. The allocation is based on a process whereby an annual survey is conducted of all support functions. The time attributable to supporting ADA is accumulated and used to develop a rate that is then applied to the ADA activity based on the actual ADA salary costs incurred during the current year. The percentage used to allocate these costs in 2020 was 300.45%, which was based on 2019 expenses. Most of these costs relate to computer operations and salaries of non-revenue corporate departments (e.g. Purchasing and other internal services). This methodology was developed by a third-party consultant and is reviewed annually to ensure continued applicability.

Based on our understanding of the process by which costs are allocated to Indirect Overhead, it appears that the methodology is reasonable and reflective of the costs incurred in support of the ADA function.

COMPLIANCE AUDIT

Key compliance-related topics were identified and evaluated. Each topic was initially compared to Pace's policies, which are documented in the *Pace ADA Paratransit Service Customer Guide*. Topics reviewed included:

- Service areas and hours
- Fares
- Trip purpose restrictions/priorities
- On-time pickups
- On-time drop-offs
- Trip denials
- Trip lengths
- Waiting list
- Complaints and subsequent resolution

As applicable, the policies pertaining to the topics were included in the Customer Guide. Disclosure was appropriate and consistent with the ADA requirements.

Support for certain selected statistics was also obtained from Pace for further review. Data from 2020 was evaluated for ADA compliance.

A. On-time pickups

Pace considers a pickup on-time if it is no more than 20 minutes after the scheduled time in Chicago and no more than 15 minutes after the scheduled time in the suburbs. Vehicle arrivals before the scheduled time are considered on-time. Pace has a goal of 95% on-time pickups in Chicago and the suburbs, which is sufficient for ADA compliance. Pace's average actual performance during 2020 was approximately 95% in Chicago and 96% in the suburbs.

Factors beyond the control of the carrier that had affected overall performance were severe weather conditions, construction, and Covid 19 pandemic. From the carrier perspective, staffing issues and equipment availability may have also had an impact on said performance. Pace monitors these factors during their review of monthly statistics and when conducting their on-site performance reviews to identify issues and actions taken to address them. Pace will specifically meet with the carriers, if it is determined that the carrier is not meeting the expected standards because of either lack of staff or available equipment (controllable factors).

B. On-time drop-offs

While there is no specific goal for on-time drop-offs, Federal Transit Administration (FTA) has stated that customers should be able to book their trips based on their appointment times and that drop-offs should not occur after the appointment times. There is also a requirement that on-time performance must be tracked and compared to standards for these trips. Pace's performance during 2020 was 93% in Chicago and 91% in the suburbs. In cases where Pace identifies several instances of the carriers only achieving monthly appointment on-time performance below 85%, a cause analysis discussion is conducted with the carrier to improve performance. Pace established a target of 90% on-time performance and incorporated it into carrier agreements.

C. Trip denials

Contractors must accommodate trip requests as required by the FTA ADA regulations. All trip denials are required to be recorded by the contractor according to Pace guidelines and submitted to Pace in the specified format along with the monthly report

accompanying the contractor's billing for the service provided. Liquidated damages may be imposed, if the contractor exhibits a pattern of failure to record and report denials.

Pace monitors trip denials to ensure that customers are not being denied requests for service, because there was not sufficient capacity (equipment and drivers). The information provided by Pace indicated that there were no trips denied during all of 2020 for capacity reasons.

D. Trip lengths

Trip lengths are supposed to be comparable to trips with the same origin and destination in the fixed-route system, including transfers and wait times. Since Pace's system does not have the functionality to compare performance to the fixed-route system, Pace utilizes two methods to evaluate travel time.

Once a month, Pace puts flyers on the ADA vehicles inviting riders to file a complaint, if they believe their trip exceeded the fixed route travel time. During 2020, the Passenger Ride Time Report Form was accessible on Pace's website for customers, who prefer to submit a complaint on-line. Lastly, passengers are encouraged to complete an on-line survey on the service provided. The results of these complaints and surveys are reviewed to determine whether they exceeded the fixed route travel time and whether there was a pattern or practice of trips with excessive travel times.

Pace's QA Department conducts quarterly on-time performance reviews. They randomly select 25 customer rides that exceeded the on-time performance standards and compares them to the fixed route travel time to determine, if there is a practice or pattern of excessive travel times.

As a result of the monitoring activities, Pace concluded there was no pattern or practice of excessive ride times on the ADA service in 2020.

E. Waiting list

FTA requirements prohibit the maintenance of a waiting list for trip requests. Pace does not maintain a waiting list, which is compliant with the FTA requirement.

F. Complaint processing time

Pace’s CR staff logs all complaints into a database that is used to track the number of days until they are closed. The database tracks the number of days the complaints have been assigned to the Paratransit QA Department for research and investigation, plus the number of days they have been in CR pending closure after the complainant has been contacted. There were over 13,600 complaints filed during 2020, averaging 1,138 per month (approximately 0.7% of total rides), down from 29,300 in 2019.

We selected a sample of 15 complaints filed in November 2020 to review for timeliness of closure. The sample was selected to include complaints from at least five different carriers. Eight of the 15 complaints in the sample exceeded the 7-10 day goal for the carrier to respond. The average number of days in CR and Paratransit QA was 13 days and 15 days, respectively. The results of the sample were fairly representative of the entire population of complaints for the same period in which the average number of days in CR was 17.9 days and in Paratransit QA was 13.8 days. As a result, the average length of time to complete complaint handling for our sample was 31 days, which was higher than expected.

There were 849 complaints filed in November 2020 which was below the monthly average for the year. An analysis of the timeliness statistics for 2020 found that the average amount of time a complaint was in QA was approximately 11 days, and the average amount of time the complaint was awaiting closure by CR was 8 days, for a total of 19 days. The monthly average number of days in QA and CR varied throughout the year, as shown in the chart below.

Average # of Days in: (Averages for a month)	Avg. for All Months	Monthly Low	Monthly High
ADA Quality Assurance	11.42	6.3	19.2
Pace Customer Relations	7.97	2.5	37.7

The individual monthly totals are shown in Figure 1 below. Based upon these results, it appears the testing sample was slightly skewed to the longer completion times, but not

significantly. While 2020 experienced overall lower levels of complaints, overall ridership was down drastically due to the pandemic and related restrictions.

Figure 1-Timeliness of Complaint Processing in 2020

Month	Monthly Total	Avg. Days in QA	% Time in QA	Avg. Days in CR	% Time in CR	Avg. # of Days Total
January	2,419	17.57	74.39%	6.05	25.61%	23.62
February	2,346	19.18	85.09%	3.36	14.91%	22.54
March	1,657	15.21	63.48%	8.75	36.52%	23.96
April	576	7.97	80.26%	1.96	19.74%	9.93
May	380	6.53	68.45%	3.01	31.55%	9.54
June	713	6.80	74.15%	2.37	25.85%	9.17
July	784	6.80	77.45%	1.98	22.55%	8.78
August	809	6.29	67.85%	2.98	32.15%	9.27
September	1,083	9.58	79.30%	2.50	20.70%	12.08
October	1,111	11.96	62.32%	7.23	37.68%	19.19
November	853	13.81	43.69%	17.80	56.31%	31.61
December	<u>926</u>	15.28	28.84%	37.70	71.16%	52.98
Total	13,657					
Annual Avgs.	1,138	11.42	58.87%	7.97	41.13%	19.39
Compare to 2019 Avgs:	2,445	20.42	54%	17.68	46%	38.10

Carriers have three days to respond to a complaint. Next, the Paratransit QA Department has an internal goal that all complaints should be addressed/investigated within 7-10 days, from receipt from the carrier to determining the acceptable answer to the complainant. QA Department Procedures specify situations and incidents requiring immediate escalation to QA Management, including but not limited to: Pace vehicle accidents, reckless driving, violent behavior, and discourteous behavior. Additionally, criteria are set forth for monitoring riders with a history of complaints.

Lastly, once the answer is identified and input into the system, CR Department has a goal of ten days to contact the individual who filed the complaint, document the contact, and

close the complaint. Near the end of 2020, staffing shortages and a hiring freeze led to longer turnaround times.

Recognizing the continued timeliness issue for complaint handling, ADA Paratransit has continued to identify software to provide better tracking of the complaints and anticipates an upgrade in 2022. Since the 2017 audit, Pace CR staff now report to the same senior executive as the ADA Paratransit staff. This organizational structure provides ADA Paratransit with input on timeliness throughout the complaint process.

G. Responses to complaints

The same sample of 15 complaints from the November 2020 testing of complaints was used to analyze the responses provided to the complaints. The Customer Assistance Form for each complaint was reviewed to assess the responsiveness to the complaint and determine whether the action taken and responses provided appeared appropriate.

Based on the review of these complaints and management's responses, the actions taken appropriately addressed the reported issues. When appropriate, corrective action was noted that should reduce the likelihood of a recurrence of a similar complaint.

While testing customer complaints, the review also identified some positive feedback. Since customer contact and feedback is all tracked via the Customer Assistance Form process, these instances are included in the complaint volume and trends.

PERFORMANCE AUDIT

National Transit Database Reporting

Data used to monitor ADA Paratransit performance is extracted from the National Transit Database (NTD). This information is entered into the database by Pace via an NTD Internet Reporting web site. Key data elements include:

- Vehicle Revenue Miles (VRM) – Demand Response
- Vehicle Revenue Miles (VRM) – Demand Response Taxi

- Vehicle Revenue Hours (VRH) – Demand Response
- Vehicle Revenue Hours (VRH) – Demand Response Tax
- Unlinked Passenger Trips (UPT) – Demand Response
- Unlinked Passenger Trips (UPT) – Demand Response Tax
- Passenger Miles Traveled (PMT) – Demand Response
- Passenger Miles Traveled (PMT) – Demand Response Tax
- Total Actual Vehicle Miles – Demand Response
- Total Actual Vehicle Hours – Demand Response

In order to assess the validity of the data entered into NTD, Pace provided supporting documentation detailing the amounts entered. This documentation consisted of worksheets that listed each carrier along their respective monthly volume. Detailed testing of these worksheets was not performed due to our reliance on alternative procedures performed by the external auditor, as noted below.

FTA requires agencies in urbanized areas with populations greater than or equal to 200,000 with 100 or more vehicles operated in annual maximum service across all modes and types of service to have an independent auditor review all NTD data used in the Urbanized Area Formula Program and the Capital Program for Fixed Guideway Modernization allocations. This is an annual requirement and must be documented via the Independent Auditor Statement for Federal Funding Allocation Data. FTA provides a suggested list of procedures to satisfy the requirements of this review.

The independent auditor is expected to perform procedures in order to attest to the following:

- Assurance that a system exists to record and gather data on a continuing basis.
- Assurance that a system exists, and is maintained, for recording data in accordance with NTD definitions. This means that the correct data are being measured and that there are no systematic errors.
- Assurance that source documents are available to support the reported data and are maintained for FTA review and audit for a minimum of three years following FTA's receipt of the NTD Annual report. The data must be fully documented and securely stored.
- Assurance that there is a system of internal controls to ensure the accuracy of the data collection process and recording system and that reported documents are not altered.
- Assurance that a supervisor reviews and signs documents as required.
- Assurance that the data collection methods are those suggested by FTA or have been approved by FTA or a qualified statistician as being equivalent in quality and precision. The collection methods must be documented and followed.

- Assurance that the deadhead miles, computed by taking the difference between the reported total actual vehicle miles data and the reported total actual VRM data, appear to be accurate.
- Documentation that reported data have undergone analytic review to ensure that they are consistent with prior reporting periods and other facts known about transit agency operations.
- Documentation of the specific documents reviewed and tests performed.
- Documentation of how purchased transportation fare revenues and contract expenditures are reported.

As required, Pace contracts annually with an external auditor to perform certain procedures that validate the accuracy of the reported NTD data. In May 2021, Baker Tilly US, LLP issued a report covering the 2020 NTD data. Baker Tilly US, LLP followed procedures established by FTA with regard to the data reported in the annual Regional ADA Paratransit Services Fund National Transit Database report for the fiscal year ended December 31, 2020. These procedures were agreed to and specified by FTA and were agreed to by Pace. In performing these procedures, no findings requiring reporting came to the attention of Baker Tilly regarding the information included in the NTD report.

Monthly Carrier Performance Reviews

Pace performs monthly carrier performance reviews of each of the 12 carriers/service areas. A review is also performed of the regional call center that services DuPage County and Kane County. The purpose of these reviews is to ensure that performance-related issues are identified timely so that corrective action can be taken. They assist in identifying performance deficiencies that could impact customer service related to transportation and call center activities. The reviews cover numerous issues, which can be categorized within the following areas:

- Staffing levels
- Vehicles
- Technology
- Operations
- Call Center
- Runs
- Other

Pace provided copies of each of the reviews from June 2019 through December 2019. Our review indicated that reviews were conducted for all carriers and the call center operator.

Carrier On-site Reviews

Pace performs carrier on-site reviews of each of the 12 carriers/service areas at least quarterly. They also conduct site visits of the regional call center. The purpose of these reviews is to ensure proper collection and reporting of statistical data through a review of source documents; compliance with procedures concerning the use of Pace's system; professionalism in handling telephone calls; adequate documentation of drug and alcohol testing, licensing, physicals and background checks in employee files; and compliance with quality assurance procedures. Pace management also performs "drop in" visits to the carriers, if they have identified specific issues based on the monthly performance reviews (see section above) or other monitoring data that raised questions.

We reviewed the 2019 On-site Review Tracking Log and the related inspection reports. The reviews were conducted as required. There were no on-site reviews performed in 2020 due to the COVID 19 pandemic. Towards the end of 2020 and in early 2021, Pace began performing virtual reviews by having the carriers provide specific documents and pictures to support the review's results.

EXHIBIT

Pace ADA Paratransit Management Response

March 11, 2022

Ms. Lalaine I. Alvarez, CPA
Chief Auditor
Regional Transportation Authority
175 W. Jackson Blvd., #1650
Chicago, IL 60604

Dear Ms. Alvarez:

Thank you for the opportunity to respond to the comments included in the 2022 Triennial Audit of Pace's Americans with Disabilities ACT (ADA) Paratransit Service conducted by the Regional Transportation Authority (RTA). We are pleased that this is a very positive audit with no findings.

Your suggestion to upgrade our complaint system to have a module that includes a standard complaint aging report is part of the report requirements we will use when going out to bid for an updated complaint system in the near future.

As to the other suggestions, Pace has just completed updating the Trapeze system in February 2022, which will have additional features to help riders use the service.

Thank you again to you and your staff for your thoughts and timely audit. We appreciate the professionalism in which the audit was conducted. If you should have any questions, please feel free to contact me at 847/228-2302.

Sincerely,



Melinda J. Metzger
Interim Executive Director

cc: Leanne Redden



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Authority**

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