

September 5, 2025

Transportation Development Act Triennial Performance Audit**Overview**

The state Transportation Development Act (TDA) requires that once every three years SANDAG, as the Regional Transportation Planning Agency (RTPA), commission a performance audit of each transit operator receiving TDA funds. An audit of the RTPA is also required. Audits were recently conducted for North County Transit District, Metropolitan Transit System, and SANDAG, which included the Facilitating Access to Coordinated Transportation as SANDAG's Consolidated Transportation Services Agency.

Key Considerations

Under California law, the performance audits must be conducted by an independent entity. SANDAG entered into a contract with Weaver LLC. to carry out the performance audits. The transit operator performance audits were based on an analysis of six key performance indicators over the three-year period beginning July 1, 2021, through June 30, 2024. These key indicators are the same indicators tracked on a quarterly basis by SANDAG. In addition, key personnel at each organization were interviewed by the auditors.

The performance audit also assesses compliance with state legislation and regulations including both TDA and Public Utilities Code (PUC) requirements, identifies significant achievements as well as opportunities for improvement, and develops recommendations for short- and long-term efficiency and effectiveness improvements.

A summary of the key findings and agency management responses are available in Attachment 1. Full copies of the final performance audits can be downloaded at www.sandag.org/tda.

Next Steps

Pending approval by the Board at its September 12, 2025, meeting, SANDAG will transmit the performance audit report to Caltrans and the transit operators and will implement the performance audit recommendations pertaining to SANDAG.

SANDAG will monitor the transit operators' progress towards implementing their TDA audit findings through the Short-Range Transit Planning Task Force and bring findings to the Board annually through the resolution approving the TDA claims.

Antoinette Meier, Director of Regional Planning

Attachment: 1. Triennial (FY 2022 - FY 2024) Transportation Development Act Performance Audit Findings, Summary of Findings, and Agency Management Responses

Action: Recommend

The Transportation Committee is asked to recommend that the Board of Directors authorize the Chief Executive Officer to:

1. Transmit the performance audit report of SANDAG to the Caltrans Director as required;
2. Certify in writing to the Caltrans Director that the performance audit of the transit operators located in the area under its jurisdiction have been completed;
3. Implement the performance audit recommendations pertaining to SANDAG Transportation Development Act activities; and
4. Transmit the other recommendations to the transit operators for implementation.

Fiscal Impact:

Public Utilities Code requires that no operator shall be eligible to receive an allocation under Article 4 of the Transportation Development Act until the required performance audit report has been submitted to SANDAG.

Schedule/Scope Impact:

Without approval, the Metropolitan Transit System and the North County Transit District cannot receive their allocations under Article 4 of the Transportation Development Act.