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**WESTSIDE TRANSIT LINES  
(A Division of ATC/Vancom Management  
Services Limited Partnership)**

**FINANCIAL STATEMENTS AND SUPPLEMENTAL  
INFORMATION WITH INDEPENDENT  
AUDITOR'S REPORT THEREON**

**YEARS ENDED DECEMBER 31, 1999 AND 1998**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date MAY 17 2000

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# REBOWE & COMPANY

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## **INDEPENDENT AUDITOR'S REPORT**

### **To Westside Transit Lines**

(A Division of ATC/Vancom Management Services Limited Partnership)

We have audited the balance sheets of **Westside Transit Lines** (A Division of ATC/Vancom Management Services Limited Partnership) as of December 31, 1999 and 1998, and the related statements of operations and divisional equity and the statements of cash flows for the years then ended. These financial statements are the responsibility of **Westside Transit Lines'** management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards, and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Westside Transit Lines** as of December 31, 1999, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2000, on our consideration of **Westside Transit Lines'** internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements of **Westside Transit Lines**. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole. Also, the supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

*Reboue & Company*

February 25, 2000

# **FINANCIAL STATEMENTS**

**WESTSIDE TRANSIT LINES**  
**(A Division of ATC/Vancom Management Services Limited Partnership)**  
**BALANCE SHEETS**  
**December 31, 1999 and 2000**

	1999	1998
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 677,040	\$ 298,306
Due from Jefferson Parish	-	19,242
Prepaid expenses	-	149,299
Due from ATC/Vancom Management Services Limited Partnership	-	11,409
<b>TOTAL CURRENT ASSETS</b>	<b>677,040</b>	<b>478,256</b>
<b>TOTAL ASSETS</b>	<b>\$ 677,040</b>	<b>\$ 478,256</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 52,614	\$ 14,593
Accrued expenses	431,389	313,115
Due to Jefferson Parish	-	52,804
Deferred operating subsidy	157,364	79,592
Due to ATC/Vancom Management Services Limited Partnership	35,663	18,152
<b>TOTAL CURRENT LIABILITIES</b>	<b>677,040</b>	<b>478,256</b>
<b>TOTAL LIABILITIES</b>	<b>677,040</b>	<b>478,256</b>
<b>DIVISIONAL EQUITY</b>		
<b>DUE TO ATC/VANCOM MANAGEMENT SERVICES LIMITED PARTNERSHIP</b>	-	-
<b>TOTAL LIABILITIES AND DIVISIONAL EQUITY</b>	<b>\$ 677,040</b>	<b>\$ 478,256</b>

See accompanying notes to the financial statements.

**WESTSIDE TRANSIT LINES**  
**(A Division of ATC/Vancom Management Services Limited Partnership)**  
**STATEMENTS OF OPERATIONS AND DIVISIONAL EQUITY**  
**Years Ended December 31, 1999 and 1998**

	<u>1999</u>	<u>1998</u>
OPERATING REVENUES	\$ <u>2,116,878</u>	\$ <u>2,109,115</u>
EXPENSES		
Operating	4,276,869	3,901,590
Capital project	<u>-</u>	<u>13,305</u>
TOTAL EXPENSES	<u>4,276,869</u>	<u>3,914,895</u>
LOSS BEFORE SUBSIDIES	<u>2,159,991</u>	<u>1,805,780</u>
SUBSIDIES		
Operating	2,159,991	1,792,475
Capital project	<u>-</u>	<u>13,305</u>
TOTAL SUBSIDIES	<u>2,159,991</u>	<u>1,805,780</u>
EXCESS OF REVENUES OVER EXPENSES	-	-
DIVISIONAL EQUITY		
Beginning of Year	<u>-</u>	<u>-</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the financial statements.

**WESTSIDE TRANSIT LINES**  
**(A Division of ATC/Vancom Management Services Limited Partnership)**  
**STATEMENTS OF CASH FLOWS**  
**Years Ended December 31, 1999 and 1998**

	1999	1998
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Excess of revenues over expenses	\$ -	\$ -
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:		
Decrease in due from Jefferson Parish	19,242	114,296
(Increase) decrease in prepaid expenses	149,299	(51,319)
Decrease in due from ATC/Vancom Management Services Limited Partnership	11,409	-
Increase (decrease) in accounts payable	38,021	(43,842)
Increase in accrued expenses	275,648	120,379
Increase (decrease) in due to Jefferson Parish	(52,804)	52,804
(Decrease) in deferred operating subsidy	(79,592)	(158,201)
Increase (decrease) in due to ATC/Vancom Management Services Limited Partnership	17,511	(1,350)
Total Adjustments	378,734	32,767
Net Cash Provided by Operating Activities	378,734	32,767
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	-	-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	-	-
Net Increase in Cash	378,734	32,767
Cash at Beginning of Year	298,306	265,539
Cash at End of Year	\$ 677,040	\$ 298,306

See accompanying notes to the financial statements.



**WESTSIDE TRANSIT LINES**  
**(A Division of ATC/Vancom Management Services Limited Partnership)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 1999 and 1998**

**NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Westside Transit Lines (the Division) is a division of ATC/Vancom Management Services Limited Partnership. As a division of ATC/Vancom, Westside Transit Lines operates a public bus transportation system in Jefferson Parish, Louisiana. The system is currently operated under a management agreement between ATC/Vancom and Jefferson Parish.

As part of that agreement, Jefferson Parish subsidizes the operation of the bus system, in amounts necessary for the system to operate at break-even on an annual basis, using a combination of local and federal funds.

Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting. Westside Transit Lines recognizes revenue when earned and expenses when incurred. This basis of accounting conforms to generally accepted accounting principles.

Cash Equivalents

Cash equivalents represent highly liquid investments with maturities of three months or less at the date of purchase. There were no cash equivalents as of December 31, 1999 and 1998.

Receivables

Westside Transit Lines uses the allowance method to account for uncollectible receivables. All receivables were fully collectible at year end; therefore, no allowance has been provided.

Property and Equipment

All property and equipment used in the operation of Westside Transit Lines is the property of Jefferson Parish. Accordingly, those assets are included in the financial statements of the Parish.

Income Taxes

Westside Transit Lines' parent company, ATC/Vancom Management Services Limited Partnership, is not a taxpaying entity for purposes of federal and state income taxes, but is a pass-through entity, with each partner responsible for income taxes on its proportionate share of the partnership's income. As a division of ATC/Vancom, Westside Transit Lines is not a

**WESTSIDE TRANSIT LINES**  
**(A Division of ATC/Vancom Management Services Limited Partnership)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**December 31, 1999 and 1998**

**NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

separate legal entity and is therefore not a taxpaying entity. Accordingly, these statements contain no provision for federal or state income taxes.

Concentrations of Credit Risk

Financial instruments that potentially subject Westside Transit Lines to concentrations of credit risk consist principally of cash deposits. Westside Transit Lines at times has cash on deposit at financial institutions that is in excess of federally insured limits.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 - MANAGEMENT AGREEMENT**

ATC/Vancom Management Services Limited Partnership renewed an agreement with the Parish of Jefferson under which it agreed to manage the operation of the public transit system on the West Bank of Jefferson Parish from January 1, 1998 through December 31, 2001. This new agreement calls for payment of management fees from Jefferson Parish to ATC/Vancom Management Services Limited Partnership of \$185,000 in the first year and \$285,000 in each successive year plus actual accounting service fees. As compensation for the management of the Transit system, ATC/Vancom Management Services Limited Partnership received the following fees from Westside Transit Lines for the years ending December 31, 1999 and 1998:

	<u>1999</u>	<u>1998</u>
Management Fee	<u>\$ 285,000</u>	<u>\$ 185,000</u>
Accounting Services	<u>\$ 64,260</u>	<u>\$ 62,682</u>

**WESTSIDE TRANSIT LINES**  
**(A Division of ATC/Vancom Management Services Limited Partnership)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**December 31, 1999 and 1998**

**NOTE 2 - MANAGEMENT AGREEMENT (CONTINUED)**

In addition to the amounts above, ATC/Vancom Management Services Limited Partnership earned the following incentive fees under the terms of its contract with Jefferson Parish for the years ending December 31, 1999 and 1998:

	<u>1999</u>	<u>1998</u>
Incentive Fee	<u>\$ 11,663</u>	<u>\$ 13,880</u>

The Parish is required to provide sufficient funds to Westside Transit Lines to pay all operating expenses, as defined in the agreement of the transit system. As a result, the following funds were received by Westside Transit Lines from Jefferson Parish to pay these management and accounting fees:

	<u>1999</u>	<u>1998</u>
Management Fee	<u>\$ 285,000</u>	<u>\$ 185,000</u>
Accounting Services	<u>\$ 64,260</u>	<u>\$ 62,682</u>

**NOTE 3 - SUBSIDIES**

Operating Subsidies

Jefferson Parish subsidizes Westside Transit Lines in amounts necessary to operate the system at break-even. For the years ended December 31, 1999 and 1998, the Parish provided operating subsidies of \$2,159,991 and \$1,792,475, respectively.

Capital Subsidies

Westside Transit Lines contracts for significant repairs and restoration of transportation equipment owned by Jefferson Parish, and purchases capital items which are titled in the name of the Parish. Westside Transit Lines receives a capital subsidy from the Parish equal to the amount of cost incurred. For the years ended December 31, 1999 and 1998, capital subsidies totaled \$ 0 and \$13,305, respectively.

**WESTSIDE TRANSIT LINES**  
**(A Division of ATC/Vancom Management Services Limited Partnership)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**December 31, 1999 and 1998**

**NOTE 4 - RELATED PARTY TRANSACTIONS**

Due From ATC/Vancom Management Services Limited Partnership

In prior years, Westside Transit Lines incurred accumulated disallowed cost of \$26,308, for which ATC/Vancom reimbursed Westside Transit Lines \$14,899 in 1995. This resulted in a receivable from ATC/Vancom of \$11,409 as of December 31, 1998 which was subsequently paid by ATC/Vancom. There were no disallowed cost in 1999.

Incentives are paid directly to Westside Transit Lines who in turn remit them to ATC/Vancom. The accumulated incentive as of December 31, 1998 was \$18,152. As of December 31, 1999, Westside Transit Lines had paid its accumulated incentive fees due to ATC/Vancom. In 1999, the incentive earned by Westside Transit Lines and payable to ATC/Vancom is \$11,663.

Under the management agreement, Westside Transit Lines is responsible for obtaining liability insurance coverage for which the premiums are reimbursed by Jefferson Parish. Until September 1999, liability coverage was obtained under a "stand-alone" policy in the name of Westside Transit Lines with a \$5,000 per occurrence deductible. Beginning in September 1999, this policy was rolled into ATC/Vancom's blanket insurance policy that requires a substantially larger deductible. ATC/Vancom has agreed to indemnify Jefferson Parish against any and all deductibles in excess of \$5,000. The premiums paid by ATC/Vancom for the blanket policy were less than those under the stand-alone policy of Westside Transit Lines. In return for the indemnification agreement, Jefferson Parish has agreed to reimburse Westside Transit Lines based on the prior stand-alone premiums. As a result of the premiums paid by ATC/Vancom on behalf of Westside Transit, there is an additional \$24,000 due to ATC/Vancom as of December 31, 1999.

**NOTE 5 - PENSION PLAN**

Westside Transit Lines has a defined contribution pension plan covering substantially all employees who have completed one year of service. Employee contributions to the plan are based on a percentage of earnings. Westside Transit Lines contributes 150% of each participant's mandatory employee contributions to the plan.

Although it has expressed no intent to do so, Westside Transit Lines has the right to terminate the Plan, subject to certain limitations established in its collective bargaining agreement with the Amalgamated Transit Union. Upon termination, the rights of each participant to the amounts in his employer contribution account would become fully vested.

The total pension cost charged to operations approximated \$197,000 and \$183,000 in 1999 and 1998, respectively.

**WESTSIDE TRANSIT LINES**  
**(A Division of ATC/Vancom Management Services Limited Partnership)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**December 31, 1999 and 1998**

**NOTE 6 – UNION AGREEMENT**

Westside Transit Lines entered into an agreement with the Amalgamated Transit Union, Division No. 1400, which represents its operators, mechanics, and support personnel, effective from June 1, 1997 through May 31, 2001.

## **SUPPLEMENTAL INFORMATION**

**WESTSIDE TRANSIT LINES**  
**(A Division of ATC/Vancom Management Services Limited Partnership)**  
**SUPPLEMENTAL INFORMATION - STATEMENTS OF OPERATING REVENUES AND**  
**EXPENSES**  
**Years Ended December 31, 1999 and 1998**

	<u>1999</u>	<u>1998</u>
<u>Operating Revenues</u>		
Passenger revenue	\$ 2,087,451	\$ 2,077,075
Advertising revenue	<u>29,427</u>	<u>32,040</u>
Total Operating Revenues	<u>\$ 2,116,878</u>	<u>\$ 2,109,115</u>
<u>Operating Expenses</u>		
Management fee - Section A	\$ 285,000	\$ 185,000
Labor costs - Section B	2,517,058	2,465,822
Start-up costs - Section C	-	-
Maintenance and operations cost - Section D	266,415	207,032
Pass-thru costs - Section E	1,180,233	1,011,111
Pass-thru costs - Section F	16,500	18,745
Incentive fee	<u>11,663</u>	<u>13,880</u>
Total Operating Expenses	<u>\$ 4,276,869</u>	<u>\$ 3,901,590</u>

See independent auditor's report.

## **COMPLIANCE SECTION**



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## **REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

### **To *Westside Transit Lines***

(A Division of ATC/Vancom Management Services Limited Partnership)

We have audited the financial statements of **Westside Transit Lines** (A Division of ATC/Vancom Management Services Limited Partnership) as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated February 25, 2000. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether **Westside Transit Lines'** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audits, we considered **Westside Transit Lines'** internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in

the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, Jefferson Parish, Louisiana, federal awarding agencies and pass-through entities, and the Legislative Auditor, and is not intended to be, and should not be, used by anyone other than those specified parties.

*Rebowe & Company*

February 25, 2000

## **SINGLE AUDIT SECTION**

# REBOWE & COMPANY

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## **REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

### **To Westside Transit Lines**

(A Division of ATC/Vancom Management Services Limited Partnership)

### Compliance

We have audited the compliance of **Westside Transit Lines** with the types of compliance requirements described in the U.S. Office of Management and Budget's (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 1999. **Westside Transit Lines'** major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. *Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Westside Transit Lines' management. Our responsibility is to express an opinion on Westside Transit Lines' compliance based on our audit.*

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about **Westside Transit Lines'** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on **Westside Transit Lines'** compliance with those requirements.

In our opinion, **Westside Transit Lines** complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 1999.

## Internal Control Over Compliance

The management of **Westside Transit Lines** is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered **Westside Transit Lines'** internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, Jefferson Parish, Louisiana, federal awarding agencies and pass-through entities, and the Legislative Auditor, and is not intended to be, and should not be, used by anyone other than those specified parties.

*Rebowe & Company*

February 25, 2000

**WESTSIDE TRANSIT LINES**  
**(A DIVISION OF ATC/VANCOM MANAGEMENT SERVICES LIMITED PARTNERSHIP)**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended December 31, 1999**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion, on the financial statements of Westside Transit Lines.
2. No material weaknesses in internal control relating to the audit of the financial statements are reported in the *Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Westside Transit Lines were disclosed during the audit.
4. No material weaknesses in internal control relating to the audit of the major federal award programs are reported in the *Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133*.
5. The auditor's report on compliance for the major federal award programs administered by Westside Transit Lines expresses an unqualified opinion.
6. The auditor's reports disclosed no findings that are required to be reported under Section .510(a) of OMB Circular A-133.
7. The following programs were identified as major programs:  
  
U. S. Department of Transportation, Federal Transit Administration  
Federal Transit Operating and Capital Assistance Grants – CFDA 20.500
8. The threshold for distinguishing Type A and Type B programs was \$300,000.
9. Westside Transit Lines qualified as a low-risk auditee under the provisions of Section .530 of OMB Circular A-133.

**WESTSIDE TRANSIT LINES**  
**(A DIVISION OF ATC/VANCOM MANAGEMENT SERVICES LIMITED PARTNERSHIP)**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**Year Ended December 31, 1999**

**B. FINDINGS REQUIRED TO BE REPORTED – FINANCIAL STATEMENT AUDIT**

There were no audit findings that are required to be reported in accordance with generally accepted government auditing standards.

**C. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

There were no audit findings as defined in Section .510(a) of OMB Circular A-133 that are required to be reported in this section of the report.

**WESTSIDE TRANSIT LINES**  
**(A DIVISION OF ATC/VANCOM MANAGEMENT SERVICES LIMITED PARTNERSHIP)**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS RELATED TO  
FEDERAL AWARD PROGRAMS  
Year Ended December 31, 1999**

**A. FINDINGS**

There are no audit findings for the year ended December 31, 1999, that were reported under the provision of generally accepted auditing standards.



**WESTSIDE TRANSIT LINES**  
**(A DIVISION OF ATC/VANCOM MANAGEMENT SERVICES LIMITED PARTNERSHIP)**

**CORRECTIVE ACTION PLAN**  
**Year Ended December 31, 1999**

There were no audit findings reported in the *Schedule of Findings and Questioned Costs*. Accordingly, no corrective action plan is required to be submitted by Westside Transit Lines' management.

**WESTSIDE TRANSIT LINES**  
**(A DIVISION OF ATC/VANCOM MANAGEMENT SERVICES LIMITED PARTNERSHIP)**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended December 31, 1999**

Federal Grantor/ Pass-Through Grantors/ Program Title	Federal CFDA Number	Grant Number	Grant Year Ended	Revenue Recognized	Expenses
<b>U.S. Department of Transportation, Federal Transit Administration</b>					
Passed through the Jefferson Parish Council, Jefferson Parish, Louisiana					
Federal Transit Operating Assistance Grant	20.500	LA-90-X213	12/31/99	\$996,954	\$996,954
Total federal awards				<u>\$996,954</u>	<u>\$996,954</u>
<b>Reconciliation of Jefferson Parish subsidy to federal awards</b>					
Local share of subsidy					\$1,163,037
Federal subsidy					<u>996,954</u>
Total subsidy from Jefferson Parish					<u>\$2,159,991</u>

**NOTE A – BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards has been prepared using the accrual basis of accounting, in accordance with generally accepted accounting principles. The accrual basis of accounting has also been used in presenting the financial statements, as disclosed in Note 1.

**NOTE B – PASS-THROUGH AWARDS**

Westside Transit Lines did not pass-through any of its federal awards to a subrecipient during the year ended December 31, 1999.

**WESTSIDE TRANSIT LINES**  
**(A DIVISION OF ATC/VANCOM MANAGEMENT SERVICES LIMITED PARTNERSHIP)**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**Year Ended December 31, 1999**

**NOTE C – NON-CASH ASSISTANCE**

No federal awards were expended in the form of non-cash assistance during the year ended December 31, 1999.