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

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

YEARS ENDED DECEMBER 31, 1997 AND 1996

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 4-15-98

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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 sheet of Westside Transit Lines (A Division of ATC/Vancom Management Services Limited Partnership) as of December 31, 1997, and the related statement of operations and divisional equity and the statement of cash flows for the year 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 audit. The financial statements of Westside Transit Lines as of December 31, 1996, were audited by other auditors whose report dated February 28, 1997, expressed an unqualified opinion on those statements.

We conducted our audit 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 audit 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 at December 31, 1997, 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 a report dated March 4, 1998, 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 conducted for the purpose of forming an opinion on the financial statements of Westside Transit Lines taken as a whole. The accompanying schedule of expenditures of Federal

events is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Government, and Non-Profit Organizations*, and is not a required part of the financial statements. 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 stated in all material respects in relation to the basic financial statements taken as a whole.

Roberts & Company

March 4, 1998

WESTSIDE TRANSIT LINES
(A Division of ATC/Vancom Management Services Limited Partnership)
BALANCE SHEETS
December 31, 1997 and 1996

	1997	1996
ASSETS		
CURRENT ASSETS		
Cash	\$ 265,539	\$ 445,292
Due from Jefferson Parish	133,518	-
Prepaid expenses	97,980	89,580
Due from ATC/Vancom Management Services Limited Partnership	11,409	11,409
TOTAL CURRENT ASSETS	\$ 508,466	\$ 550,281
TOTAL ASSETS	\$ 508,466	\$ 550,281
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	\$ 58,435	\$ 104,363
Accrued expenses	192,736	198,034
Due to Jefferson Parish	-	50,408
Deferred operating subsidy	237,793	182,404
Due to ATC/Vancom Management Services Limited Partnership	25,502	24,103
TOTAL CURRENT LIABILITIES	\$ 534,466	\$ 559,312
TOTAL LIABILITIES	\$ 534,466	\$ 559,312
DIVISIONAL EQUITY		
DUE TO ATC/VANCOM MANAGEMENT SERVICES LIMITED PARTNERSHIP	-	-
TOTAL LIABILITIES AND DIVISIONAL EQUITY	\$ 534,466	\$ 559,312

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, 1997 and 1996

	<u>1997</u>	<u>1996</u>
OPERATING REVENUES	\$ <u>1,664,046</u>	\$ <u>1,789,338</u>
EXPENSES		
Operating	4,018,053	3,960,708
Capital project	<u>155,565</u>	<u>240,232</u>
TOTAL EXPENSES	<u>4,173,628</u>	<u>4,201,038</u>
LOSS BEFORE SUBSIDIES	<u>2,389,574</u>	<u>2,411,672</u>
SUBSIDIES		
Operating	2,114,008	2,171,448
Capital project	<u>155,565</u>	<u>240,232</u>
TOTAL SUBSIDIES	<u>2,269,574</u>	<u>2,411,672</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, 1997 and 1996

	<u>1997</u>	<u>1996</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of revenues over expenses	\$ -	\$ -
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:		
(Increase) decrease in due from Jefferson Parish	(133,516)	38,227
(Increase) decrease in prepaid expenses	(8,408)	71,502
(Increase) decrease in due from ATC/Vancom Management Services Limited Partnership	-	7,163
Increase (decrease) in accounts payable	(45,828)	14,446
Increase (decrease) in accrued expenses	(5,348)	(36,551)
Increase (decrease) in due to Jefferson Parish	(31,408)	31,408
Increase (decrease) in deferred operating subsidy	53,389	69,894
Increase (decrease) in due to ATC/Vancom Management Services Limited Partnership	<u>5,480</u>	<u>4,382</u>
Total Adjustments	<u>(183,733)</u>	<u>268,480</u>
Net Cash Provided (Used) by Operating Activities	<u>(183,733)</u>	<u>268,480</u>
CASH FLOW FROM INVESTING ACTIVITIES		
	<u>-</u>	<u>-</u>
CASH FLOW FROM FINANCING ACTIVITIES		
	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash	(183,733)	268,480
Cash at Beginning of Year	<u>449,292</u>	<u>188,812</u>
Cash at End of Year	<u>\$ 265,559</u>	<u>\$ 449,292</u>

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, 1997 and 1996

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 dated June 7, 1994.

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 and Equivalents

Cash equivalents represent highly liquid investments with maturities of three months or less at the date of purchase.

Reservables

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 CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
December 31, 1997 and 1996

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

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

Concentrations of Credit Risk:

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash deposits. The Company 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

On June 7, 1994, ATC/Vancom Management Services, LP entered 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 June 1, 1994, through December 31, 1997. As compensation for the management of the Transit system, ATC/Vancom Management Services, LP received the following fees from Westside Transit Lines for the years ending December 31, 1997 and 1996:

	<u>1997</u>	<u>1996</u>
Management Fee	\$ 285,400	\$ 274,000
Accounting Services	\$ 39,189	\$ 36,179

In addition to the amounts above, ATC/Vancom Management Services, LP, earned the following incentive fees under the terms of its contract with Jefferson Parish:

	<u>1997</u>	<u>1996</u>
Incentive Fee	\$ 5,400	\$ 4,500

WESTSIDE TRANSIT LINES
(A Division of ATC/Vancouver Management Services Limited Partnership)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
December 31, 1997 and 1996

NOTE 2 - MANAGEMENT AGREEMENT (CONTINUED)

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>1997</u>	<u>1996</u>
Management Fee	\$ 281,436	\$ 220,410
Accounting Services	<u>\$ 59,188</u>	<u>\$ 56,172</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, 1997 and 1996, the Parish provided operating subsidies of \$2,154,089 and \$2,171,448 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 receives a capital subsidy from the Parish equal to the amount of cost incurred. For the years ended December 31, 1997 and 1996, capital subsidies totaled \$135,565 and \$140,332 respectively.

NOTE 4 - RELATED PARTY TRANSACTIONS

Due From ATC/Vancouver Management Services, LP

In 1996 and prior years, Westside Transit Lines incurred \$8,332 in cost which was disallowed by Jefferson Parish as unnecessary for the proper administration of the transit system. In 1995, ATC/Vancouver Management Services, LP reimbursed Westside Transit Lines \$1,680 of disallowed cost, leaving a balance due from ATC/Vancouver of \$7,322 at December 31, 1997 and 1996.

WESTSIDE TRANSIT LINES
(A Division of ATC/Vancouver Management Services Limited Partnership)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
December 31, 1997 and 1996

NOTE 4 - RELATED PARTY TRANSACTIONS (CONTINUED)

In 1994, the Westside Transit Lines exceeded its Labor (Section B) contract cost by \$17,736 for the three month period ended March 31, 1994. In 1996, ATC/Vancouver Management Services, LP reimbursed Westside Transit Lines \$13,849 of the excess cost, leaving a balance due from ATC/Vancouver of \$3,887 at December 31, 1997 and 1996.

As a result of the disallowed costs and excess labor costs discussed above, Westside Transit Lines has amounts due from ATC/Vancouver Management Services, LP totaling \$11,408 at December 31, 1997 and 1996.

Due To ATC/Vancouver Management Services, LP

During the term of its contract, ATC/Vancouver Management Services, LP earned incentive fees as shown below, as a result of the Company not exceeding its Labor (Section B) and Maintenance and Operations (Section D) contract costs. In addition, ATC/Vancouver Management Services, LP paid certain expenses on behalf of Westside Transit Lines in prior years, as shown below.

<u>Incentive Earned</u>	<u>1997</u>	<u>1996</u>
1995	\$ 8,385	\$ 8,385
1996	4,589	4,589
1997	<u>5,800</u>	<u> </u>
Total incentive earned	\$ 18,774	\$ 12,974
Amounts paid on behalf of Westside Transit in prior years	\$ <u>1,128</u>	\$ <u>1,128</u>
Due to ATC/Vancouver	\$ <u>10,502</u>	\$ <u>14,102</u>

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. The Company contributes 150% of each participant's mandatory employee contributions to the plan.

WESTSIDE TRANSIT LINES
(A Division of ATC/Vancom Management Services Limited Partnership)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
December 31, 1997 and 1998

NOTE 5 - PENSION PLAN (CONTINUED)

Although it has expressed no intent to do so, Westside Transit 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 contributions account would become fully vested.

The total pension cost charged to operations approximated \$179,700 and \$172,000 in 1997 and 1998, respectively.

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, 1994, through May 31, 1997. The agreement was renewed during 1997, and is effective June 1, 1997, through May 31, 2001.

NOTE 7 - SUBSEQUENT EVENTS

During 1998, Jefferson Parish renewed its contract with ATC/Vancom Management Services, LP for the operation of Westside Transit Lines. The new contract is effective from January 1, 1998, through December 31, 2001.

WESTSIDE TRANSIT LINES
(A Division of ATC/Vanasse Management Services Limited Partnership)
SUPPLEMENTAL INFORMATION - STATEMENTS OF INCOME
Years Ended December 31, 1997 and 1996

	<u>1997</u>	<u>1996</u>
Operating Revenues		
Passenger revenue	\$ 1,866,088	\$ 1,760,214
Advertising revenue	<u>37,588</u>	<u>29,144</u>
Total Operating Revenue	\$ 1,904,086	\$ 1,789,358
Operating Expenses		
Management fee - Section A	\$ 285,496	\$ 274,328
Labor costs - Section B	2,213,865	2,177,509
Maintenance and operations cost - Section D	251,844	212,343
Pass-thru costs - Section E	1,221,921	1,247,646
Pass-thru costs - Section F	41,129	51,452
Incentive fee	5,400	4,589
Reimbursed operating expenses	<u>-</u>	<u>(8,854)</u>
Total Operating Expenses	\$ 4,018,025	\$ 3,968,729

See independent auditor's report.

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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: **Worldwide Transit Lines**
(A Division of ATC/Vancom Management Services Limited Partnership)

We have audited the financial statements of **Worldwide Transit Lines** (A Division of ATC/Vancom Management Services Limited Partnership) as of and for the year ended December 31, 1997, and have issued our report thereon dated March 4, 1998. We conducted our audit 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 **Worldwide 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 audit, we considered **Worldwide 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 that we consider to be material weaknesses.

This report is intended for the information of management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Roberts & Company

March 4, 1998

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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/Vanover 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, 1997. Westside Transit Lines' major federal programs are identified in the schedule of expenditures of federal awards. 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 *Governance Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*. These 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, 1997.

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-113.

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 six matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Robson & Company

March 4, 1998

WESTSIDE TRANSIT LINES
(A DIVISION OF A TCU/ASOTEC MANAGEMENT SERVICES LIMITED PARTNERSHIP)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 1997

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of Westside Transit Lines.
2. No reportable conditions 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 reportable conditions 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 310(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 Formula Grants - CFDA, 20.107
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 510 of OMB Circular A-133.

WESTSIDE TRANSIT LINES
(A DIVISION OF A.T.C./VANCOUVER MANAGEMENT SERVICES LIMITED PARTNERSHIP)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended December 31, 1997

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 500(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, 1997

A. FINDING NO. 1 - DISALLOWED COSTS

Condition: Several expenses not deemed necessary and reasonable for the proper operation of the transit system were charged to the program.

Current Status: Westside Transit Lines charged the disallowed costs back to ATC/Vancom Management Services, LP. The charges are currently included under the caption "Due from ATC/Vancom" in the December 31, 1997, balance sheet.

B. OTHER

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

WESTSIDE TRANSIT LINES
(A DIVISION OF A.T.C./VANCOUVER MANAGEMENT SERVICES LIMITED PARTNERSHIP)

CORRECTIVE ACTION PLAN
Year Ended December 31, 1997

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 A TC/VANUAE MANAGEMENT SERVICES LIMITED PARTNERSHIP)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended December 31, 1997

Federal Grants/ Pass-Through Grants/ Program Title	Federal CFDA Number	Grant Number	Grant Year Ended	Revenue Recognized	Expenses
<u>U.S. Department of Transportation, Federal Transit Administration</u>					
Passed through the Jefferson Parish Council, Jefferson Parish, Louisiana					
Federal Transit Operating Assistance Grant	30.907	LA-90-0183	12/31/97	\$410,800	\$410,800
Federal Transit Capital Assistance Grant	30.907	LA-90-0175	12/31/97	155,365	155,365
Total federal awards				<u>\$566,165</u>	<u>\$566,165</u>
<u>Reconciliation of Jefferson Parish subsidy to federal awards</u>					
Local share of subsidy					\$1,683,209
Federal subsidy					<u>986,767</u>
Total subsidy from Jefferson Parish					<u>\$2,670,014</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, 1997.

WESTSIDE TRANSIT LINES
(A DIVISION OF ATC/VANDEBILT MANAGEMENT SERVICES LIMITED PARTNERSHIP)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
Year Ended December 31, 1997

NOTE C - NON-CASH ASSISTANCE

No Federal awards were expended in the form of non-cash assistance during the year ended December 31, 1997.