



Report to the Board of Directors

Audit Results for the year ended June 30, 2025

Presented on January 26, 2026

access

Index

<i>I. BPM Responsibilities under Auditing Standards Generally Accepted in the United States</i>	1
<i>II. Audit Status</i>	2
<i>III. Progress Report</i>	3
<i>IV. Significant Accounting and Reporting Matters</i>	4
<i>V. Required Communications</i>	5-7
<i>VI. Independence</i>	8
<i>VII. Exhibits</i>	9

I. BPM Responsibilities Under Auditing Standards Generally Accepted in the United States

1	<p>To express our opinion on whether the financial statements prepared by management, with your oversight, are fairly presented in all material respects in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). However, our audit does not relieve you or management of your responsibilities, including the responsibility for the prevention and detection of fraud or errors, and the maintenance of internal controls.</p>
2	<p>To perform an audit in accordance with auditing standards generally accepted in the United States ("U.S. GAAS") as issued by the American Institute of Certified Public Accountants ("AICPA"), and design the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.</p> <p>Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit will detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.</p> <p>Because of the inherent limitations of an audit, it is possible that material misstatements of the financial statements resulting from fraud and, to a lesser extent from errors, may not have been detected.</p>
3	<p>To consider internal control over financial reporting as a basis for designing audit procedures but not for the purpose of expressing an opinion on its effectiveness or to provide assurance concerning such internal control.</p>
4	<p>To communicate findings that, in our judgement, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying control deficiencies.</p>

II. Audit Status

Financial Statements	We have completed our audit of the financial statements of Access Services (the “Organization”) for the year ended June 30, 2025 and issued an unmodified opinion on those statements dated December 19, 2025.
Findings	We will discuss significant findings arising from our financial statement audit procedures and review with the Board of Directors those matters required to be communicated by U.S. GAAS and <i>Government Auditing Standards</i> .
Restrictions	There were no restrictions on the scope of our audit procedures.
Fraud or Violations	We did not become aware of any fraud, violations or possible violations of laws or regulations, or conflicts of interest during our work and we received the full cooperation of management and other employees. Because of the inherent limitations of an audit, it is possible that material misstatements of the financial statements resulting from fraud and, to a lesser extent from errors, may not have been detected.
Adjustments	We will discuss adjustments made and the impact of the potential adjustments not made by management which were not considered material to the financial statements taken as a whole.

III. Progress Report

Phase 1 Engagement Start-Up	Phase 2 Interim/Audit Planning	Phase 3 Fieldwork	Phase 4 Concluding
<ul style="list-style-type: none"> ✓ Provide engagement letter ✓ Kickoff meeting with management ✓ Agree on timing of fieldwork and delivery of report ✓ Discuss effect of new accounting pronouncements or tax regulations 	<ul style="list-style-type: none"> ✓ Interim visit/discussion to complete our understanding of internal controls and major grant and contract agreements to determine nature and extent of procedures ✓ Provide list of requested schedules and documents ✓ Perform audit planning ✓ Present audit plan to the Board of Directors ✓ Send audit confirmations 	<ul style="list-style-type: none"> ✓ Perform planned audit procedures ✓ Audit manager field review ✓ Audit partner review ✓ Draft financial statements and proposed adjustments ✓ Communication with legal counsel 	<ul style="list-style-type: none"> ✓ Exit conference with Those Charged with Governance ✓ Obtain signed representation letter from management ✓ Delivery of final report ✓ Completion of data collection form ✓ Discuss emerging accounting standards/issues

✓ Step Completed

IV. Significant Accounting and Reporting Matters

During our audit, we noted the following results from performing our audit procedures (note: items marked "(S)" were those identified in planning as significant risks (whether due to error or fraud):

Area:	What BPM Noted:
Cash and Cash Equivalents	Reviewed bank reconciliations and reviewed restrictions on various cash balances.
Accounts Receivable and Revenue Recognition (S)	Reviewed aging, sent confirmations, sample tested individual revenue transactions and reviewed funding agreements. Gained an understanding of any changes to the Organization's revenue recognition policies.
Investments	Sent confirmations and tested purchases and sales, fair value and leveling, price, and gains/losses reconciliations.
Accounts Payable and Accrued Liabilities	Performed search for unrecorded liabilities, reviewed returned legal confirmations, and updated the responses through issuance.
Fixed Assets	Reviewed and tested a sample of additions and disposals and reviewed reasonableness in depreciable lives of fixed assets.
Net Assets	Reviewed the changes in the net asset schedule and tested the release of restrictions. Compared classification of restrictions to work performed around contributions.
Functional Expenses (S)	Tested for proper expense coding, reviewed expense allocation methodology, and reviewed for unusual transactions.
Debt	Sent confirmation and reviewed debt covenant calculations and waivers for any noncompliance.
Journal Entries	Reviewed supporting documentation for reasonableness and proper authorization of nonrecurring journal entries.
Compliance Testing	Reviewed grant documents and reviewed significant compliance sections (including allowable costs/activity, cash management, equipment and real property management, period of performance, and procurement and suspension and debarment).
Leases	Examined the key parameters used to record the lease transactions for a sample of leases.

V. Required Communications

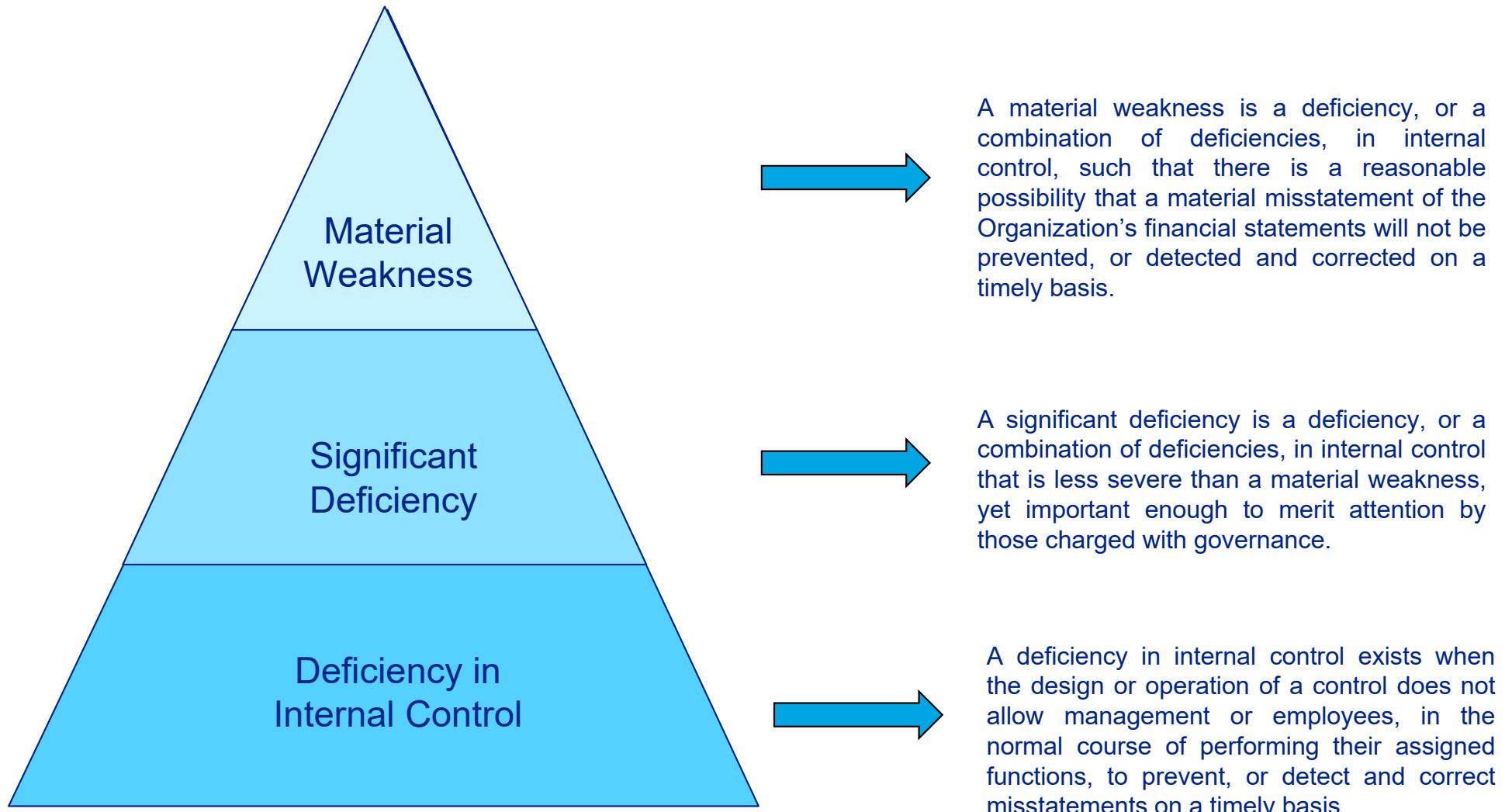
Significant Accounting Estimates and Judgment	<ul style="list-style-type: none">- Fair value measurements- Revenue recognition- Functional expenses allocations- Retirement plan- Self-insurance
Significant Financial Statement Disclosures	<ul style="list-style-type: none">- Footnote 8 Investments and fair value measurements- Footnote 9 Notes payable- Footnote 10 Leases- Footnote 13 Deferred support- Footnote 14 Retirement plan- Footnote 15 Commitments and contingencies
Journal Entries	<ul style="list-style-type: none">- Reviewed nonstandard journal entries
Significant Accounting Policies	<ul style="list-style-type: none">- The qualitative aspects of the Organization's financial reporting, significant accounting policies and practices, and critical estimates are neutral, consistent, complete, and clear.

V. Required Communications, continued

Third-Party Related	<ul style="list-style-type: none">- No third-party specialists were used during the course of the audit.- No other audit firms were involved with the audit.- No consultations with other accountants to our knowledge that would require communication to the Board of Directors.
Audit Related	<ul style="list-style-type: none">- No alternative accounting treatment discussions.- No material errors or irregularities came to our attention that would require communication to the Board of Directors.- No management advisory services performed for the Organization.- No consultations outside the engagement team.- No fraud, illegal acts, or violations or possible violations of laws or regulations noted.
Management Related	<ul style="list-style-type: none">- No disagreements with management.- No issues discussed with management prior to our retention.- Certain representations were obtained from management during the audit- No difficulties were encountered while performing the audit.

V. Required Communications, continued

Internal Control Deficiencies fall into three categories:



VI. Independence

We have been engaged to audit the financial statements of the Organization for the year ended June 30, 2025. Professional standards require that we communicate with those charged with governance circumstances or relationships that may reasonably be thought to bear on independence, and to which we have given significant consideration in reaching the conclusion that independence has not been impaired.

We are not aware of any relationships between our Firm and the Organization that may reasonably be thought to bear on our independence which have occurred since May 5, 2025 through the date of this report.

We hereby confirm that, as of the date of this report, we are independent accountants with respect to the Organization, within the requirements of the AICPA and the AICPA Code of Professional Conduct.

This report is intended solely for the use of the Board of Directors, management, and others within the Organization and should not be used for any other purposes.

VII. Exhibits

Exhibit A

Management's Representation Letter



December 19, 2025

BPM LLP
3800 Kilroy Airport Way, Suite 250
Long Beach, CA 90806

This representation letter is provided in connection with your audits of the financial statements of Access Services, which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States ("U.S. GAAP").

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information such that, in the light of surrounding circumstances, there is a substantial likelihood¹ that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of December 19, 2025:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 5, 2025, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
2. The financial statements referred to above have been fairly presented in accordance with U.S. GAAP and include all proper classifications, required supplementary information, and note disclosure.
3. We acknowledge our responsibility for the design, implementation, and maintenance of the system of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. With respect to your assistances with the preparation of financial statements and disclosures and schedule of expenditures of federal awards, we have performed the following:
 - a. Made all management decisions and performed all management functions;
 - b. Assigned a competent individual to oversee the services;
 - c. Evaluated the adequacy of the services performed;
 - d. Evaluated and accepted responsibility for the result of the service performed; and
 - e. Established and maintained internal controls, including monitoring ongoing activities.
6. The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of the applicable financial reporting framework.
7. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
8. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
9. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
10. With regard to items reported at fair value:
 - a. The underlying assumptions are reasonable, and they appropriately reflect management's intent and ability to carry out its stated courses of action.

- b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
- c. The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
- d. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

11. All assets and liabilities under the entity's control are included in the financial statements.
12. Net assets presented in the statement of financial position are appropriately classified, and reclassifications between net asset classes are appropriate.
13. We have maintained the composition of the entity's assets in amounts needed to comply with all donor restrictions.
14. The entity's disclosed tax exempt status is accurate.
15. The entity has disclosed all matters of taxation that are deemed to be reasonably uncertain including, but not limited to, aggressive tax elections, the status or results of IRS examinations, provisions for unpaid unrelated business income taxes and tax benefits to the extent that the entity believes that it is "more likely than not" that its tax positions will be sustained upon IRS examination.
16. The basis used for the allocation of functional expenses is reasonable.
17. Internal controls over the receipt and recording of contributions are adequate.

Information Provided

18. We have provided you with:
 - a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, meeting minutes, and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity and others from whom you determined it necessary to obtain audit evidence.
19. All transactions have been recorded in the accounting records and are reflected in the financial statements.
20. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
21. We have provided to you our evaluation of the entity's ability to continue as a going concern, including significant conditions and events present, and we believe that our use of the going concern basis of accounting is appropriate.
22. We have no knowledge of any instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors, regulators, or others.
23. We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
24. We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
25. We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, abuse or waste that you have reported to us.
26. We have a process to track the status of audit findings and recommendations.
27. We have identified for you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
28. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors (contractors), regulators, or others.
29. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
30. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
31. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.

32. Access has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
33. We have disclosed to you all guarantees, whether written or oral, under which Access Services is contingently liable.
34. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts.
35. There are no:
 - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
 - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with FASB Accounting Standards Codification™ (ASC) 450, *Contingencies*.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by ASC-450.
36. Access Services has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
37. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
38. We represent that receivables recorded in the financial statements represent valid claims against funding sources for revenues and support arising on or before the statement of financial position date and have been reduced to their estimated net realizable value.
39. We represent that management's estimate of the self-insurance accruals is based on a current actuarial study of the self-insured automobile liability program. We believe that the self-insurance accrual balance at June 30, 2025 and 2024 of \$7,245,693 and \$8,775,259, respectively, is reasonable to cover possible claims based on the actuarial report.
40. We represent that management's estimate of the unfunded pension liability is based on a current actuarial study of the California Public Employees' Retirement System Actuarial Office. We believe that the unfunded pension liability balance as of June 30, 2025 and 2024 of \$6,559,885 and \$6,690,264, respectively, is reasonable to cover pension funds based on the actuarial report.
41. We represent to you that deferred support amounts are committed for future acquisitions of vehicles, capital expenditures, and current period and near-term operating expenditures. Access Services receives funds from LACMTA and FTA for the support of operations, acquisitions of vehicles and other capital expenditures. These funds are initially recorded as deferred support, a liability on the statement of financial position. Deferred support amounts are reduced based on the recognition of revenue, the timing of which may be different than the expenditures for operations. All other deferred support consists of grants in which funds have not yet been received. Access Services recognizes revenue related to these grants when the respective expenses are incurred.
42. We represent to you that accrual litigation amount of approximately \$10,000,000 and \$13,000,000 as of June 30, 2025 and 2024, respectively, is reasonable based on our experiences in the pending litigations and historical trends. We believe any amounts over these accrual balances will be fully covered by our insurance policies.
43. We represent to you that due from LACMTA balance of \$11,140,736 and \$5,753,046 as of June 30, 2025 and 2024, respectively, will be fully acknowledged and accepted by LACMTA upon completion and submission of the audited financial statements of Access Services as of and for the year ended June 30, 2024. We also represent that these amounts have been, or will be fully collected subsequent to the statement of financial position date.
44. Access Services is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings and tax authorities are up-to-date.

Single Audit

45. With respect to federal awards, we represent the following to you:
 - a. We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).
 - b. We are responsible for the preparation and presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance.

- c. We believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with the Uniform Guidance.
- d. As part of your audit(s), you prepared the draft financial statements and related notes and schedule of expenditures of federal awards. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes and schedule of expenditures of federal awards.
- e. The methods of measurement or presentation have not changed from those used in the prior period.
- f. We are responsible for including the auditor's report on the schedule of expenditures of federal awards in any document that contains the schedule and that indicates that the auditor has reported on such information.
- g. We have identified and disclosed all of our government programs and related activities subject to the Uniform Guidance compliance audit.
- h. We have notified you of federal awards and funding increments that were received before December 26, 2014 (if any), and differentiated those awards from awards and funding increments received on or after December 26, 2014, and subject to the audit requirements of the Uniform Guidance.
- i. When the schedule of expenditures of federal awards is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by the entity of the schedule of expenditures of federal awards and the auditor's report thereon.
- j. We have, in accordance with the Uniform Guidance, identified in the schedule of expenditures of federal awards, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, food commodities, direct appropriations, and other assistance.
- k. We have provided to you our interpretations of any compliance requirements that are subject to varying interpretations.
- l. We have made available to you all federal awards (including amendments, if any) and any other correspondence relevant to federal programs and related activities that have taken place with federal agencies or pass-through entities.
- m. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- n. We have identified and disclosed to you all amounts questioned and any known noncompliance with the direct and material compliance requirements of federal awards, including the results of other audits or program reviews or stated that there was no such noncompliance. We also know of no instances of noncompliance with direct and material compliance requirements occurring subsequent to the period covered by the auditor's report.
- o. We have disclosed to you any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- p. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- q. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared (and are prepared on a basis consistent with the schedule of expenditures of federal awards).
- r. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- s. We have properly classified amounts claimed or used for matching in accordance with related guidelines in the Uniform Guidance, as applicable.
- t. We have charged costs to federal awards in accordance with applicable cost principles.
- u. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.

- v. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- w. The reporting package does not contain personally identifiable information.
- x. We have disclosed all contracts or other agreements with service organizations and disclosed to you all communications from these service organizations relating to noncompliance at the organizations.
- y. We have reviewed, approved, and taken responsibility for the financial statements and related notes and an acknowledgment of the auditor's role in the preparation of this information.
- z. We have disclosed to you the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period.

In addition:

- a. We are responsible for understanding and complying with the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major federal program; and we have complied with these direct and material compliance requirements.
- b. We are responsible for designing, implementing and maintaining, and have designed, implemented, and maintained, effective internal control over compliance for federal programs that provide reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal award that could have a material effect on our federal programs. Also, no changes have been made in the internal control over compliance or other factors that might significantly affect internal control, including any corrective action taken by management with regard to significant deficiencies and material weaknesses in internal control over compliance have occurred subsequent to the period covered by the auditor's report.
- c. We are responsible for and have accurately completed the appropriate sections of the Data Collection Form and we are responsible for taking corrective action on audit findings of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.



Hector Rodriguez, Deputy Executive Director



Bruce Frink

Bruce Frink, Senior Manager of Financial Planning & Analysis

Rene Arrieta, Controller