Introduction

Since fiscal year (FY) 2002-03, the California State Controller's Office (SCO) has required financial transactions report (FTR) preparers to use an electronic reporting program to complete their FTRs. This electronic reporting system generated an output file that FTR preparers then sent to SCO through a file transfer protocol (FTP) address. In FY 2017-18, SCO moved the reporting system online for Transit Operator (TO). Users can access the Local Government Reporting System (LGRS) Online at https://lgrsonline.sco.ca.gov/account/login.

LGRS Online is a web-based reporting program that operates on most web browsers, including Internet Explorer, Mozilla Firefox, and Google Chrome.

SCO has also revised TO FTR forms to incorporate more recent governmental accounting standards; conform to generally-accepted accounting principles, where possible; and improve compliance with Federal Transit Administration Uniform System of Accounts and Public Utilities Codes. SCO will continue to revise FTR forms and/or instructions as needed for future Governmental Accounting Standards Board (GASB) pronouncements.

Frequently Asked Questions (FAQs)

Login and/or Password

1. **Where can I find the login information for LGRS Online?**
   Please refer to the Alert Letter; or contact SCO by telephone at (916) 322-9672 or email at LGRsupport@sco.ca.gov for the login information.

2. **Who should I contact if I am unable to log in, or if I am getting login error messages?**
   Please contact SCO by telephone at (916) 322-9672 or email at LGRsupport@sco.ca.gov.

Submission/Extension

1. **Where can I find the Cover Page?**
   After successfully submitting your report, the Cover Page will appear as confirmation, with the date and time of submission. It is located in the upper right corner of main menu of LGRS Online.

2. **What options are available to sign the Cover Page?**
    - The original method – hard copy print out with wet/electronic signature
    - LGRS Online Electronic Signature feature

3. **Where can I find the LGRS Online Electronic Signature instructions?**
   Refer to the "LGRS Online User Guide" found at https://www.sco.ca.gov/ard_locinstr_transit_forms.html for instructions to use the LGRS Online Electronic Signature.

4. **Is it mandatory to use the LGRS Online Electronic Signature feature?**
   Currently, the LGRS Online Electronic Signature feature is the preferred method to sign the cover page. However, a printed signed cover page is also acceptable by our office. In the near future, our office will transition into requiring agencies to sign the cover page via the LGRS Online Electronic Signature feature.

5. **Do we still need to mail a hard copy of the Cover Page to SCO?**
   Agencies that sign the Cover Page using the LGRS Online Electronic Signature feature do not need to mail a signed copy to SCO. Agencies that print out the cover page and sign using wet signature can scan and email to LGRsupport@sco.ca.gov or mail to the below mailing address:

   Local Government Reporting Section – Transit Operator
   Local Government Programs and Services Division
   California State Controller's Office
   P.O. Box 942850
   Sacramento, CA 94250

6. **Why is the report marked "Received Late"?**
   TO FTR must be filed with SCO on or before the due date specified in the Alert Letter sent out by our office annually in November. If the report is received after that date, it will be marked as "Received Late".

7. **Will SCO offer extensions on the FTR filing deadline?**
   No, SCO does not grant extensions. Public Utilities Code (PUC) 99243 requires the FTR to be submitted to SCO within seven months after the close of the fiscal year.

State Transit Assistance (STA)

1. **What is "qualifying revenue"?**

   Per PUC section 99314(b), "qualifying revenue" means fare revenues, including fares generated for community transit services under contract with the STA-eligible operator, and any other funds used by the operator in the delivery of transit service, except federal and state funds. Revenue used for capital expenditures or depreciation are <u>not</u> qualifying revenue.

2. **What is to be included in "operating expenses"?**

   Per PUC section 99314(e), "operating expenses" include, but are not limited to, the direct cost of operating transit service, payments by the STA-eligible operator for community transit service provided by entities that are not eligible to receive funds directly pursuant to subdivision (a) of Section 99314.3, administrative costs, and routine maintenance. Operating expenses <u>do not</u> include transfers from an operating budget to a capital account.

3. **What is the '2026-27 State Transit Assistance (STA) Program Revenue Basis (Public Utilities Code 99314)' form used for?**

   The purpose of this form is to report the transit operator's qualifying revenues and operating expenses, pursuant to Public Utilities Code (PUC) section 99314. This form, together with the annual STA program eligibility certification submitted to SCO by each transportation planning agency, county transportation commission, and the San Diego Metropolitan Transit Development Board, will be used by SCO to determine each STA-eligible operator's revenue basis portion of the 2026-27 STA allocation.

   The STA Program Revenue Basis form must be signed by both the STA Program Manager and the Fiscal Officer, and must be signed electronically on LGRS Online or submitted in paper form to SCO to complete filing requirements for the STA Program.

4. **What is the definition of "community transit services"?**

   Per PUC 99275, *community transit services* are transportation services that link intracommunity origins and destinations, including such services for populations such as the disabled, who cannot use conventional transit services. Please refer to Article 4.5 of the California Public Utilities Code sections 99275-99277.

Reporting

1. When reporting Passenger Fares, why is there a need to add a footnote?

Passenger Fares line item may include fares from contracted general service and/or community transit services per PUC 99312.2(f) and PUC 99314(b) that are remitted and/or not remitted to this transit operator. If an STA-eligible operator includes fares generated for community transit services under contract with the STA-eligible operator, a footnote must be added to provide the full name(s) of the contractor(s) and the corresponding amount(s) (regardless if the amount was remitted or not).

2. Where on the income statement do I report the purchase of an asset?

Transit operation is considered an enterprise activity.
In an enterprise fund, purchasing a capital asset only affects the Statement of Net Position:

Cash	Credit $$$	
Capital Assets		Debit $$$

There should not be an impact on the income statement (IS). The IS reports gains and losses from disposal of capital assets as non-operating revenues and non-operating expenses, respectively.

3. How can I report "Other" fields on the revenues and expenses form?

The "Other" fields on the revenues and expenses form are for items that do not apply to a hard-coded field elsewhere on the form.

Please review all of the fields on the form before reporting an item as "Other." A footnote is required for those entries.

4. Why must I report "Local Transportation Fund (LTF: TDA ¼ Cent Sales Tax)" under the State Government Funds section?

LTF is a state fund, as it was a state statute creating the LTF program and was voted on by each county board in 1971.

The ¼ sales tax is a general tax collected statewide. As it is a return to source revenue, it takes on the appearance as a local source, like a local sales tax, but it should be treated as a State source that does not qualify as a local support revenue.