



# **FTA Compliance Update Section 5307 & 5311**

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# Compliance

## Definition

- Compliance (noun) The act of complying with a wish, request, or demand; acquiescence.
- FTA Definition – Adhering to the Federal Transit Administration requirements necessary to ensure your program receives continual funding needed to provide transportation services or projects.

# FTA Compliance Truths

**These situations may trigger a finding**

- If a required written policy is not written
- If it is written - but not implemented as written
- If a written policy is expired or not updated per FTA frequency
- If a required FTA deadline was not met
- Any and all other circumstances that are not in compliance with the FTA 2019 Comprehensive Guide



# Satisfactory and Continuing Oversight



- **Oversight Definition:**  
Continuous review and evaluation of grantee and FTA processes to ensure compliance with statutory, administrative, and regulatory requirements
- **Oversight Goal:**  
Projects provide their promised benefits: are safe, can be properly maintained, delivered on time, within budget and in compliance with all applicable Federal requirements



# 2019 FTA Comprehensive Guide

**Purpose:** provides detailed information and resources necessary to maintain FTA compliance

<https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/oversight-policy-areas/56711/fy2019-comprehensive-review-guide.pdf>

# Comprehensive Review Findings by Topic Area

## National Results for FTA programs

Triennial Review Topic Area	2015	2016	2017	2018	% of All Findings (FY18)
ADA	197	282	225	251	16%
Disadvantaged Business Enterprise	188	279	258	207	13%
Drug Free Workplace and Drug and Alcohol Program	100	128	111	47	3%
Equal Employment Opportunity	24	43	25	38	2%
Financial Management and Capacity	105	109	118	124	8%
Maintenance	100	119	143	84	5%
Procurement	388	333	313	372	24%
Satisfactory Continuing Control	77	66	66	73	5%
Technical Capacity	167	115	120	131	8%
Title VI	58	75	82	98	6%
Other	112	80	85	118	8%
Total Number of Findings	1516	1629	1546	1543	

# Comprehensive Review Findings

## Specific Reasons for finding

Review Area	Finding	Findings in FY18
Procurement	Missing FTA clauses	53
Financial Management and Capacity	Missing, insufficient, or out of date financial operating procedures	49
Americans with Disabilities Act	Insufficient ADA complaint process	44
Americans with Disabilities Act	Limits or capacity constraints on ADA complementary paratransit service	38
Title VI	Language Assistance Plan deficiencies	37
Procurement	Lacking required cost/price analysis	36
Disadvantaged Business Enterprise	DBE uniform reports contain inaccuracies and/or are missing required information	29
Procurement	Pre-award and/or post-delivery certifications lacking	28
Americans with Disabilities Act	Reasonable modification deficiency	25
Disadvantaged Business Enterprise	DBE goal achievement analysis and corrective action plan not completed	22

# **FTA Circular Listings & CFR References**

## **National RTAP Transit Manager's Toolkit**

<https://www.nationalrtap.org/Toolkits/Transit-Managers-Toolkit/Welcome>

<https://www.nationalrtap.org/Toolkits/Transit-Managers-Toolkit/Compliance/Federal-Regulations-and-Circulars>

<https://www.nationalrtap.org/Home>



# FTA Compliance Activities

## 2019 Accomplishments to Date

- MIS Reports - Drug & Alcohol Program March 1<sup>st</sup> annual deadline
- Drug & Alcohol Policy updates are needed whenever regulations change
- 5307 Compliance Audits – Subs developed corrective action plans to address findings
- Title VI Plan updates – GDOT provided a model policy template & reviewed over 104 plans
- Semi-annual DBE reports – June 1<sup>st</sup> and Dec 1<sup>st</sup> each year
- Procurement Activities – Inform your PTS or Planner and seek GDOT approval before purchasing
- Financial Management Oversight – Key focus to continue

# GDOT UPCOMING TRAINING

## FTA Technical Capacity

- FMO Training – RLS & Associates – September 10 & 11, 2019
- Fall Drug & Alcohol Program Training – November 5-7, 2019
- Georgia Transit Association – Jekyll Island – December 4-6, 2019
- Management of Transit Construction Projects  
NTI Course January 28-30, 2020 – GDOT hosting



# American with Disabilities Act



**ADA Compliant**

# **ADA Basic Fundamentals**

## **Civil Rights Federal Law**

**Title II & III of the Americans with Disabilities Act of 1990 (ADA) provide that no entity shall discriminate against an individual with a disability in connection with the provision of transportation service. The law sets forth specific requirements for vehicle and facility accessibility and the provision of service, including access to fixed route bus and rail and complementary paratransit service.**

# **FTA C 4710.1    ADA Circular**

## **Statutes & Authorities:**

- **American with Disabilities Act of 1990**
- **Section 504 of the Rehabilitation Act of 1973, as amended**
- **49 CFR Parts 27, 37, 38 & 39**
- **Federal Transit Laws, 49 U.S.C. 5301**

# ADA Compliance

## Key Fundamentals

- All Drivers must be trained to proficiency
- Drivers should – Just ASK first when assisting a passenger with disabilities
- Track & Document all ADA complaints & report to GDOT
- Make reasonable accommodations, as requested
- Must allow mobility devices & portable oxygen supplies
- Allow passengers to board as standees to ride lift, if requested
- 5311 Systems must complete “Certificate of Equivalency” if requesting non-lift equipped vehicles
- Transit Systems should develop written guidelines for disabled passenger protocols in line with C 4710.1

# ADA Key Fundamentals - continued

- Transit facilities must be ADA accessible
- Drivers must report all lift failures immediately
- 5307 System vehicles with lift failure must be removed from service and a spare vehicle used for maximum of 3 days – Repairs must be made immediately to ensure system capacity
- 5311 System vehicle with lift failures must dispatch ADA passengers to an operable lift vehicle. Repair must be made within 5 business days to ensure capacity
- Keep all ADA equipment in good working order & follow PM's as recommended by Lift Manufacturer
- Route deviation service must not limit service to disabled passengers

# Staff & Driver Training ADA

- **Staff & Drivers must be trained to proficiency in lift and wheelchair securement procedures, including use of seat belt harness**
- **Cannot require ADA passengers to sit in priority seating – offer choice**
- **Can require wheelchairs to be secured in designated areas when vehicle equipped**
- **Allow Service animals – Can't require identification; (animal must be trained to provide a certain task)**
- **Have clear written policy on Emotional Support Animals (ESA) if your system does not wish to allow ESA's**





# 5307 Paratransit Fundamentals

- Paratransit KPI's are due to GDOT Transit Planners on a quarterly basis
- Complementary Paratransit Service must meet requirements as listed in Circular 4710.1 - Chapter 8
- Must have written ADA Paratransit Rider's Guides as required in 4710.1 Section
- 5307 systems using a TPO for operations must ensure compliance with the ADA and TPO's must stand in the shoes of the subrecipient pass-through agency
- All 5307 vehicles must be ADA accessible, even leased vehicles
- Paratransit & Rider's Guide must follow requirements as set forth in FTA C 4710.1 – fares cannot be more than twice the full fare charged on fixed route
- Drivers should make Stop Announcements & Transfer Points
- Consider “Secret Riders” to monitor driver monitoring for Stop Announcements

# Driver Passenger Sensitivity

- **Treat all customers with courtesy and respect**
- **Don't label people by disability - Use people-first language**
- **Give passengers same choice as non-disabled passengers**
- **Don't make assumptions about your passengers' abilities -  
Just ASK if they need assistance**
- **Allow travel companions**
- **Do not deny a passenger their rights under the ADA –  
Remember, they will be well versed of their rights**

# National RTAP ADA Training

<http://www.nationalrtap.org/Training/2-the-Point-Training>

**Keep your work force sharp and focused on ADA  
Transit requirements**



**ADA Compliant**

# FTA Compliance



## Disadvantaged Business Enterprise (DBE)

## Civil Rights Law

# DBE - Definition

**DBEs are for-profit small business concerns where socially and economically disadvantaged individuals own at least a 51% interest and also control management and daily business operations. Have Net worth not exceeding \$ 1.32 million**

**African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent Asian Americans, and women are presumed to be socially and economically disadvantaged.**

**Other individuals can also qualify as socially and economically disadvantaged on a case-by-case basis.**

# **DBE Semi-Annual Report Criteria**

## **June 1<sup>st</sup> and Dec. 1<sup>st</sup> each year**

- **To include participation of a DBE in the FTA DBE semi-annual report, the small business must be certified by the GDOT EEO Office and included in the Uniform Certification Program (UCP) for Georgia**

# DBE Semi-Annual Reporting

1. **GDOT will send formal notice and instruction on completing the DBE report to all subrecipients meeting the \$ 250K reporting threshold (federal funds)**
2. **Subrecipients meeting this threshold MUST complete the semi-annual report and return to GDOT by deadline stated**
3. **The newly developed reimbursement form includes a section for DBE contract reporting**
  - If you are below the \$250K report threshold, please complete the section in the reimbursement form when DBE contracts are paid. This helps us meet our DBE Goal

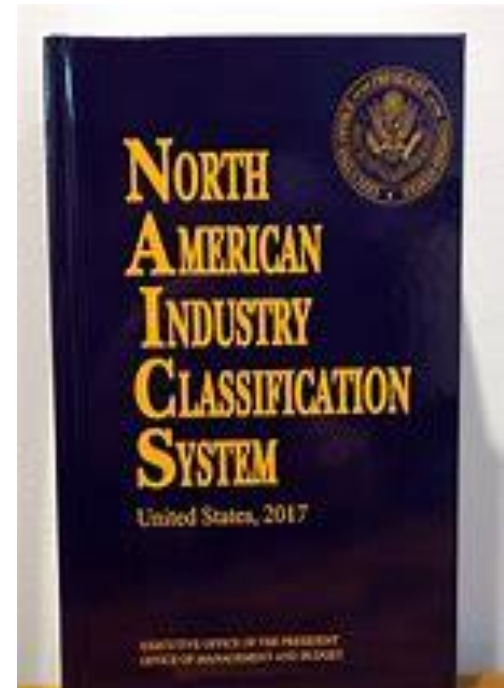
# Georgia EEO Office Website

For DBE application for Georgia Certification go to:

<http://www.dot.ga.gov/PartnerSmart/Business/Documents/DBE/Uniform%20Certification%20Application%20Revised.pdf>

[www.dot.ga.gov/PS/Business/DBE](http://www.dot.ga.gov/PS/Business/DBE)

The above link is for the Small Business Administration Outreach program





# **DBE GOAL ATTAINMENT**

**Transit Department set an FTA goal of  
10.55% for FFY2019-2021 period**

**Race NEUTRAL Contracting is used when:**

- DBE contract goals are NOT established during the contract development/award process
- Contracts without DBE goals that are awarded to DBEs must be reported as Race-Neutral contracts/contract dollars

# Good Faith Effort Documentation

- Procurement Solicitation/Advertisement Efforts – include outreach and engagement activities for DBE businesses
- DBE Assistance Efforts (technical assistance/referral to GDOT EEO Small Business Outreach resources)
- All procurement documentation is subject to GDOT and FTA audit and should be retained with procurement documents



# Prompt Payment Clause

**Applies to All contracts (not just those utilizing a DBE)**

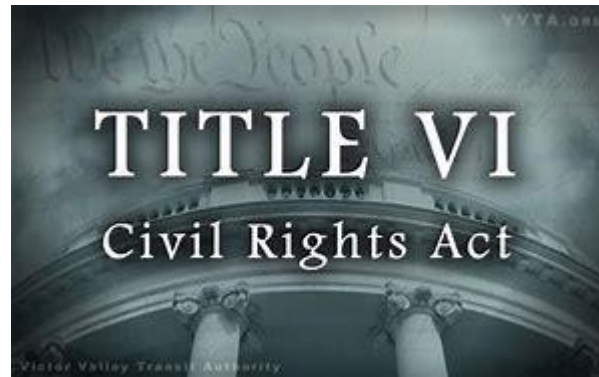


# **“Prompt Pay” Contract Clause Language**

**“The prime contractor is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the prime contractor’s receipt of payment for that work from the contracting entity. In addition, the prime contractor is required to return any retainage payment to those subcontractors within 30 days after the subcontractor’s work related to this contract is satisfactorily completed”**

# FTA Compliance

## Title VI



# Title VI

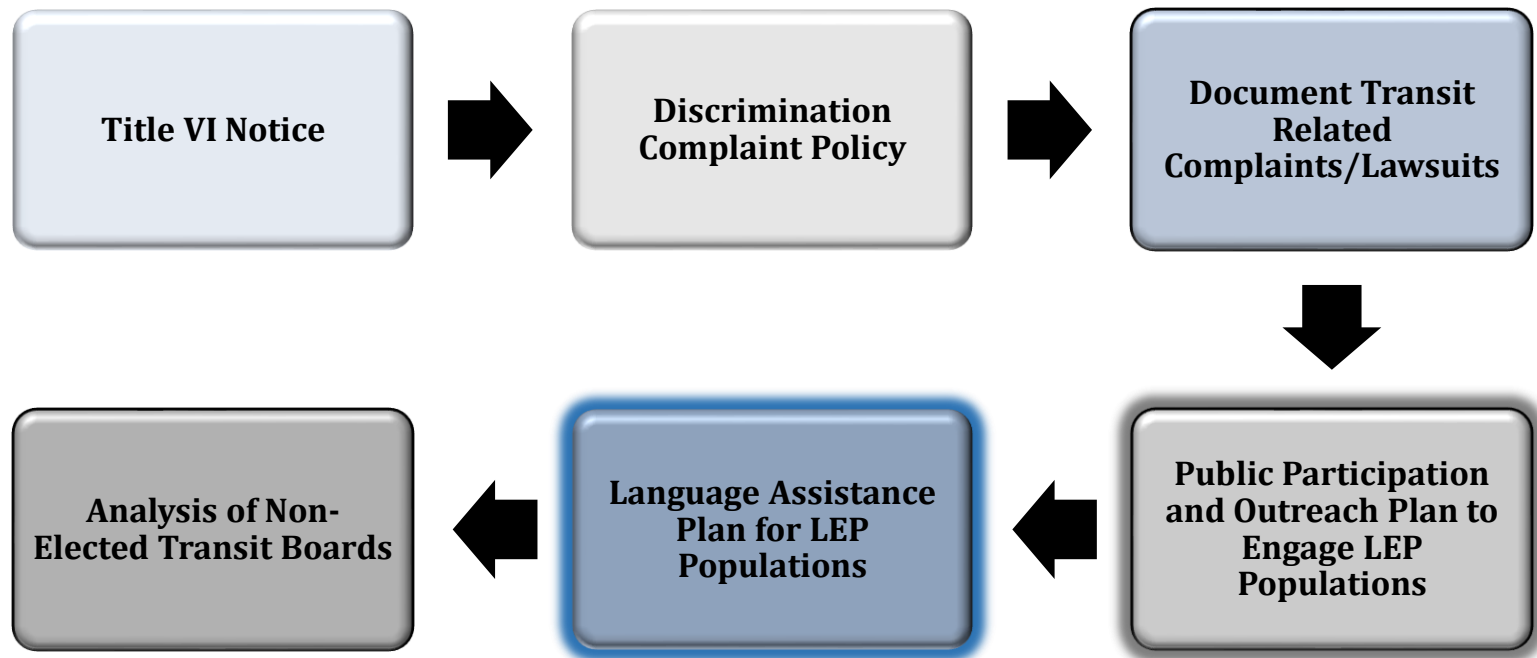


## Title VI of the Civil Rights Act of 1964

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No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

# Fundamentals of a Title VI Program



# Safe Harbor Provision

- Applies to translation of written materials for LEP and Low-Literacy populations
  - Compliance Standard:

Written translation of vital documents for each eligible LEP language group that constitutes **5% or 1,000 persons, whichever is less**, persons eligible or likely to be served, affected, or encountered

There is still an obligation or oral translation



# Notice to the Public

## Example

### Notifying the Public of Rights Under Title VI

#### Your Transit System

- Your Transit System operates its programs and services without regard to race, color, and national origin in accordance with Title VI of the Civil Rights Act. Any person who believes she or he has been aggrieved by any unlawful discriminatory practice under Title VI may file a complaint with Your Transit System.
- For more information on Your Transit System's civil rights program, and the procedures to file a complaint, contact XXX-XXX-XXXX, (TTY XXX-XXX-XXXX); email [xxxx.xxxx@yourcommunitytransit.gov](mailto:xxxx.xxxx@yourcommunitytransit.gov); or visit our administrative office at 12345 Road, City, Zip Code. For more information, visit [yourcommunitytransit.gov](http://yourcommunitytransit.gov).
- If information is needed in another language, contact XXX-XXX-XXXX

You The above sentence must also be provided in any language(s) spoken by the LEP population that meet the Safe Harbor threshold.

- You may also file your complaint directly with the FTA at: Federal Transit Administration Office of Civil Rights Attention: Title VI Program Coordinator, East Building, 5th Floor - TCR 1200 New Jersey Ave., SE, Washington, DC 20590

# Title VI Plan Implementation

- **Follow-up on implementation of plan elements**
- **Schedule Public Meeting for any Fare Changes – Service Area Changes**
- **Develop Limited English Proficiency (LEP) outreach efforts such as brochures in Spanish, language assistance phone number, flash cards**
- **Language Assistance Plan (LAP)**
- **Description of marketing/outreach efforts to encourage minority ridership participation**

# Sample Employee Survey

## Title VI Employee Survey Limited English Proficiency

In an effort to comply with U.S. Department of Transportation's Title VI requirements, the agency is surveying employees who may come in contact with riders with Limited English Proficiency (LEP) to provide better access to agency services. Riders who have language or disability challenges when using the agency's services are the target group for our efforts to evaluate our service and make improvements. Your participation in this brief survey is appreciated. Please complete the survey no later than [insert date].

LEP is defined as speaking English "not well" or "not at all"

To respond to the requirements, the agency is asking you to fill out the following survey.

1. (a) What is your position with AGENCY? \_\_\_\_\_  
(b) If you are a driver, what route do you drive? \_\_\_\_\_
2. What way(s) do you interact with AGENCY riders (circle all that apply)
  - a. Telephone
  - b. Face to Face
  - c. Email
  - d. Fax
3. How often do you come into contact with Limited English Proficient riders?
  - a. Often
  - b. Sometimes
  - c. Rarely
  - d. Never
4. Please identify through percentages, how often you interact with the following languages during your workday.

a. English	_____	%
b. Spanish	_____	%
c. Yiddish	_____	%
d. French Creole	_____	%
e. Russian	_____	%
f. Chinese	_____	%
g. Other: (please specify): _____	_____	%

100%

# Employee Survey (continued)

5. Overall, how effective are you in communicating with Limited English Proficient riders about AGENCY?
- a. Very effective
  - b. Moderately effective
  - c. Less effective
  - d. Unable to communicate
6. What are the most common questions asked by Limited English Proficient riders?
- a. Where is my bus?
  - b. Fare Information?
  - c. Hours of service?
  - d. Schedule and route information?
  - e. ADA?
  - f. Complaints?
  - g. Other, if so what? \_\_\_\_\_
7. From your perspective, what routes have high Limited English Proficient ridership?
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
8. What recommended types of resources do you think would make it easier for Limited English Proficient riders to communicate with and receive information from AGENCY?
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

Thank you for taking the time to complete this survey. If you have additional information you would like to share on this subject please contact \_\_\_\_\_.

# Title VI Resources

## FTA C 4702.1B – Appendix M

FTA Title VI Website:

<https://www.transit.dot.gov/regulations-and-guidance/civil-rights-ada/civil-rightsada>

Title VI Fixed Route Requirements – Video training:

<https://www.transit.dot.gov/regulations-and-guidance/civil-rights-ada/title-vi-fixed-route-transit-requirements-training-video>

Language Identification – “I Speak” Cards:

<https://www.azdot.gov/docs/default-source/civil-rights-library/ispeakcards2004.pdf?sfvrsn=2>

# Drug & Alcohol Monitoring Program

**Applies to Safety Sensitive Transit employees**



# FTA Basic Requirement

**“ States are required to maintain a drug-free workplace for all grant-related employees and to have an ongoing drug-free awareness program. Grantees receiving Section 5307, Section 5311 or Section 5339 funds that have safety-sensitive employees must have a drug and alcohol testing program in place for such employees”**

# Authority & Circular References

FTA FY2019  
Comprehensive  
Review Workbook

41 USC Sections 701  
et seq., Drug-Free  
Workplace Act of  
1988

FTA Implementation  
Guidelines for Drug & Alcohol  
Regulations in Public Transit  
Programs

February 2019

49 CFR Part 40

Procedures for Transportation  
Workplace Drug and Alcohol  
Testing Programs

49 CFR Part 655

Prevention of Alcohol Misuse  
and Prohibited Drug Use in  
Transit Operations



# Drug & Alcohol Program

- **GDOT holds semi-annual trainings – Spring and Fall**  
**Next class: November 5-7, 2019 – Macon GDOT Facility**

**Drug and Alcohol Program Manager (DAPM) – 2 day**  
**& Reasonable Suspicion Training – ½ day**

**Please ensure all employees have a copy of your plan and have had the 1-hour mandatory training**

**MIS reporting due to FTA by March 15th each year**

# D&A Program Fundamentals

- Do not share D&A Program files or FTA test results with outside agencies
- Maintain Confidentiality - Keep D&A files in locked file cabinet
- Cross Train DAPM's with at least one other employee in your agency
- Monitor your Collection Site to ensure technicians are trained in FTA collections
- Complete Post accident Decision Tree for every vehicle accident; forward to your District Program Manager, Transit Planner or GDOT Compliance Manager
- Make use of the GDOT Drug & Alcohol Testing Handbook and Exhibits
- Review Control & Custody forms immediately upon receipt to correct flaws or identify fatal flaws

# D&A Mandatory One-Hour Training

Available Online:

FTA Drug Awareness 60 minute video:

<https://www.bing.com/search?q=fta+drug+awareness+video&src=IE-SearchBox&FORM=IESR4N>

# More D&A Fundamentals

**DAMIS Reporting – Due to FTA March 1 - annually**

**Did your system meet FTA random testing threshold as established by USDOT?**

- **Zero Tolerance Policies**
  - **If employee tests positive, was employee fired and referred to an SAP as required?**
- **Second Chance Policy –**
  - **If employee tests positive were they immediately removed from safety sensitive service?**
  - **Was employee referred to a SAP?**

# Drug & Alcohol Testing Thresholds

## ❖ Yes – Pre-employment

## ❖ Post Accident

- 1) Yes - Passengers transported to hospital from accident scene
- 2) Yes - Vehicle is disabled, inoperable, requires towing from site
- 3) Yes – Fatality occurred
- 4) Yes – Test if any of the above applies to 5311 vehicle or private vehicle involved in accident

## ❖ Yes - Return to duty after 90 day absence

## ❖ Random Testing – January 1, 2019

1. Testing increase to 50% of safety pool, annually



# **GDOT Transit Website**

**News, Contact Information,  
Compliance Resources, Training  
Announcements**

<http://www.dot.ga.gov/IS/Transit#sectiontab-4>

# FTA Procurement



# Procurement Resources

- **FTA Circular 4220.1F**
  - Last updated March 2013; new revision expected this year
- **Best Practices Procurement Manual**
  - Last updated October 2016; due for revision
- **FY2019 Comprehensive Review Guide**
- **2 CFR 200 “Super Circular”**
- **Procurement PRO – National RTAP**  
[www.nationalrtap.org/Web-Apps/ProcurementPRO](http://www.nationalrtap.org/Web-Apps/ProcurementPRO)
- **GDOT procurement resources**
  - New written procurement policy template tool
  - GDOT Procurement SOP
  - Checklists



# Procurement Policy Tool

## *Disclaimer:*

*This tool will generate a procurement policy that may or may not meet the complete needs of any single transit agency in Georgia. This document incorporates Federal requirements and serves as a starting point for GDOT subrecipients. GDOT should permit and encourage additions and modifications to this document to more closely reflect local procedures and protocols*

# Increases to Procurement Thresholds

- OMB raised the Federal micro-purchase limit from \$3,500 to \$10,000
- Federal simplified acquisition threshold from \$150,000 to \$250,000, effective June 20, 2018
- Auditors will review procurements based on the thresholds in place at the time of purchase
- It is important to note that states or county governments are free to set thresholds lower/stricter than the Federal thresholds set by OMB

# **BUY AMERICA FUNDAMENTALS**

**The Buy America threshold was not changed by OMB's increases. It remains at \$150,000 because it's set by statute**

**However, the domestic steel content has increased on a phased in basis determined by the scheduled delivery date of the production vehicle**



# **BUY AMERICA PHASED INCREASE**

**FY2018 & 2019 production domestic content must be more than 65%**

**FY2020 deliveries and beyond domestic content must be more than 70%**

# MICRO PURCHASES

## Micro Purchases (up to \$10,000)

- The only documentation requirement for micro purchases is a determination that the price is “fair and reasonable” and the basis for that determination
- Recipients must distribute micro purchases equitably among qualified suppliers
- Recipients may not divide or reduce the size of a procurements to avoid the additional procurement requirements applicable to larger acquisitions (this is also applicable to small purchases)

# MICRO PURCHASE TOOL

## Micro Purchase Stamp (Purchases Up to \$10,000)

The price is considered fair and reasonable based on:

- ☐ Personal knowledge of item procured
- ☐ Current catalog or price list
- ☐ Commercial market advertisement
- ☐ Other (specify): \_\_\_\_\_
  
- ☐ Effort was made to distribute purchases equitably
- ☐ Purchase was not divided merely to become a micro purchase

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Name

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Date

# SMALL PURCHASES

## Small Purchase Threshold (\$10,000 - \$250,000)

- Recipients must obtain oral or written price quotations from an adequate number of qualified sources
- The award must be made to the lowest responsive and responsible vendor
- Relevant FTA-required contract clauses must be included
- Develop an independent cost estimate (ICE)
- A written procurement history must be maintained for small purchases, commensurate with the size and complexity of the procurement

# Responsive and Responsible

Responsive means that the bidder conforms in all material aspects to the requirements of the solicitation at the scheduled time of submission

Responsible means that the bidder possesses the ability, willingness, and integrity to perform successfully under the terms and conditions of the contract



# **FTA-required Third Party Contract Clauses**

**Recipients must include specific required clauses in FTA-funded contracts, intergovernmental agreements (e.g., those involving states and other public entities), and subrecipient agreements**

**Not all clauses apply to every contract. The applicability of clauses depends on the size and type of the procurement as illustrated on the following slides**

# GDOT Tool for Contract Clauses

## U.S. Government Required Clauses

**Fly America Requirements** – Applicability – all contracts involving transportation of persons or property, by air between the U.S. and/or places outside the U.S. These requirements do not apply to micro-purchases (\$10,000 or less, except for construction contracts over \$2,000). Contractor shall comply with 49 USC 40118 (the “Fly America” Act) in accordance with General Services Administration regulations 41 CFR 301-10, stating that recipients and subrecipients of Federal funds and their contractors are required to use US Flag air carriers for US Government-financed international air travel and transportation of their personal effects or property, to the extent such service is available, unless travel by foreign air carrier is a matter of necessity, as defined by the Fly America Act. Contractor shall submit, if a foreign air carrier was used, an appropriate certification or memorandum adequately explaining why service by a US flag air carrier was not available or why it was necessary to use a foreign air carrier and shall, in any event, provide a certificate of compliance with the Fly America requirements. Contractor shall include the requirements of this section in all subcontracts that may involve international air transportation.

**Buy America Requirements** – Applicability – Construction Contracts and Acquisition of Goods or Rolling Stock (valued at more than \$150,000) Contractor shall comply with 49 USC 5323(j) and 49 CFR 661, stating that Federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 CFR 661.7, and include software, microcomputer equipment and small purchases (currently less than \$150,000) made with capital, operating, or planning funds. Separate requirements for rolling stock are stated at 5323(j)(2)(C) and 49 CFR 661.11. Rolling stock must be manufactured in the US and have a minimum 60% domestic content for FY2016 and FY2017, a minimum 65% domestic content for FY2018 and FY2019 and a minimum 70% domestic content for FY2020 and beyond. A bidder or offeror shall submit appropriate Buy America certification to the recipient with all bids on FTA-funded contracts, except those subject to a general waiver. Proposals not accompanied by a completed Buy America certification shall be rejected as nonresponsive. This requirement does not apply to lower tier subcontractors.

**Charter Bus Requirements** – Applicability – Operational Service Contracts. These requirements do not apply to micro-purchases (\$10,000 or less, except for construction contracts over \$2,000). Contractor shall comply with 49 USC 5323(d) and (g) and 49 CFR 604, which state that recipients and subrecipients of FTA assistance may provide charter service for transportation projects that uses equipment or facilities acquired with Federal assistance authorized under the Federal transit laws (except as permitted by 49 CFR 604.2), or under 23 U.S.C. 133 or 142, only in compliance with those laws and FTA regulations, “Charter Service,” 49 CFR part 604, the terms and conditions of which are incorporated herein by reference.

**School Bus Requirements** – School Bus Requirements – Applicability – Operational Service

# Independent Cost Estimate (ICE)

An ICE is a recipient's estimate of what an item or service "should" cost

An ICE can range from a simple budgetary estimate to a complex estimate

Use the following in developing an ICE:

- Published price lists
- Historical pricing information from contracts awarded by the recipient's agency
- Comparable purchases by other agencies
- Independent third party estimates

The word "independent" does not imply that it must be performed by someone other than the subrecipient, although this may be the case for complex procurements

# Sample ICE Form

## Sample: INDEPENDENT COST ESTIMATE SUMMARY FORM

Requisition Number: \_\_\_\_\_ Date of Estimate: \_\_\_\_\_

Description of Goods/Services:

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\_\_\_ New Procurement \_\_\_ Contract Modification (Change Order)

\_\_\_ Exercise of Option

Method of Obtaining Estimate:

Attach additional documentation such as previous pricing documentation,  
emails, internet screen shots, estimates on letterhead, etc.

\_\_\_ Published Price List (attach source and date)

\_\_\_ Historical Pricing (attach copy of documentation from previous  
PO/Contract)

\_\_\_ Comparable Purchases by Other Agencies (attach email correspondence)

\_\_\_ Engineering or Technical Estimate (attach)

\_\_\_ Independent Third-Party Estimate (attach)

\_\_\_ Other (specify) \_\_\_\_\_ (attach  
documentation) \_\_\_\_\_ Pre-established pricing resulting from competition  
(Contract Modification only)

Through the method(s) stated above, it has been determined the estimated  
total cost of the goods/services is \$\_\_\_\_\_.

The preceding independent cost estimate was prepared by:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

# Formal Purchases



# Formal Purchases >\$250,000

- Typically involves purchase through use of sealed bids (IFBs) or competitive proposals (RFPs)
- Requires an ICE, a cost or price analysis, and applicable FTA contract clauses
- Also requires a written procurement history including:
  - the rationale for the method of procurement
  - selection of contract type
  - contractor selection or rejection
  - the basis for the contract price

# Formal Purchases: RFP vs IFB

- Request for Proposals (RFP): Using this method, proposals are publicly solicited from an adequate number of sources and the award is made to the responsive and responsible proposer whose offer is most advantageous to the recipient, with price and other factors considered
- Invitation for Bid (IFB): Using this method, bids are publicly solicited and a firm fixed price contract is awarded to the lowest responsive and responsible bidder

# **Cost Analysis and Price Analysis**

- **The purpose of a cost or price analysis is to ensure the recipient or subrecipient does not pay unreasonably high prices to third party contracts**
- **A cost or price analysis is performed after the receipt of bids or proposals but prior to the award of a contract**



# Price Analysis vs Cost Analysis

- When contracting on a fixed price basis, a comparison of the proposed prices of bidders (apples to apples) will normally satisfy the requirement to perform a price analysis
- When price competition is inadequate, such as in a single bid or sole source procurement, the subrecipient must develop a cost analysis
- Cost analysis is the review and evaluation of the separate cost elements and profit in an offeror's proposal and the application of judgment to determine how well the proposed costs represent what the cost should be assuming reasonable

# Non-Competitive Procurements

A recipient can make a sole source award in limited circumstances (with GDOT approval) when the items or services sought are available only from a single source. One of the following conditions must be present:

- A unique or innovative concept, the details of which are confidential, patented, or copyrighted
- Award to another contractor would result in substantial duplication of costs that are not expected to be recovered through competition
- An emergency situation of the subrecipient's need conduct operations

# **“Piggyback” & Consortiums**

- **For reasons of economy, FTA permits the assignment of unneeded contract rights or options to another party wishing to purchase from the contract. This practice is sometimes called “piggybacking”**
- **FTA discourages the assignment of another recipient’s contract rights as a substitute for a stand-alone procurement. Assignments are intended to be used only when a recipient has inadvertently acquired contract rights (quantities) in excess of its needs due to changed circumstances or honest mistakes**
- **A subrecipient soliciting products through use of a consortium must name all participating parties and anticipated quantities needed in the original solicitation**
- **Intentionally procuring excessive quantities using Federal money is a violation of Federal regulations**



## Rolling Stock Procurements – 5307 Program

- A 5307 subrecipient purchasing revenue service rolling stock with FTA funds must conduct pre-award and post-delivery audits
- Certifications at the pre-award stage:
  - Buy America
  - Purchaser's Requirements
- Certifications at the post-award stage:
  - Buy America
  - Purchaser's Requirements
  - Federal Motor Vehicle Safety Standards (FMVSS)

# Rolling Stock Procurements

- Recipients must have in their possession the Altoona Bus Testing Report before final acceptance of the first vehicle
- Since November 2014, FTA recipients have been required to submit (within 30 days of making an award for rolling stock), the name of the successful bidder and the total dollar value of the contract. Only eligible TVMs (that have submitted an approved DBE goal methodology to FTA) may bid on FTA-assisted transit vehicle procurements

Recipients report using the following link:

<https://www.surveymonkey.com/r/vehicleawardreportsurvey>

# Questions??

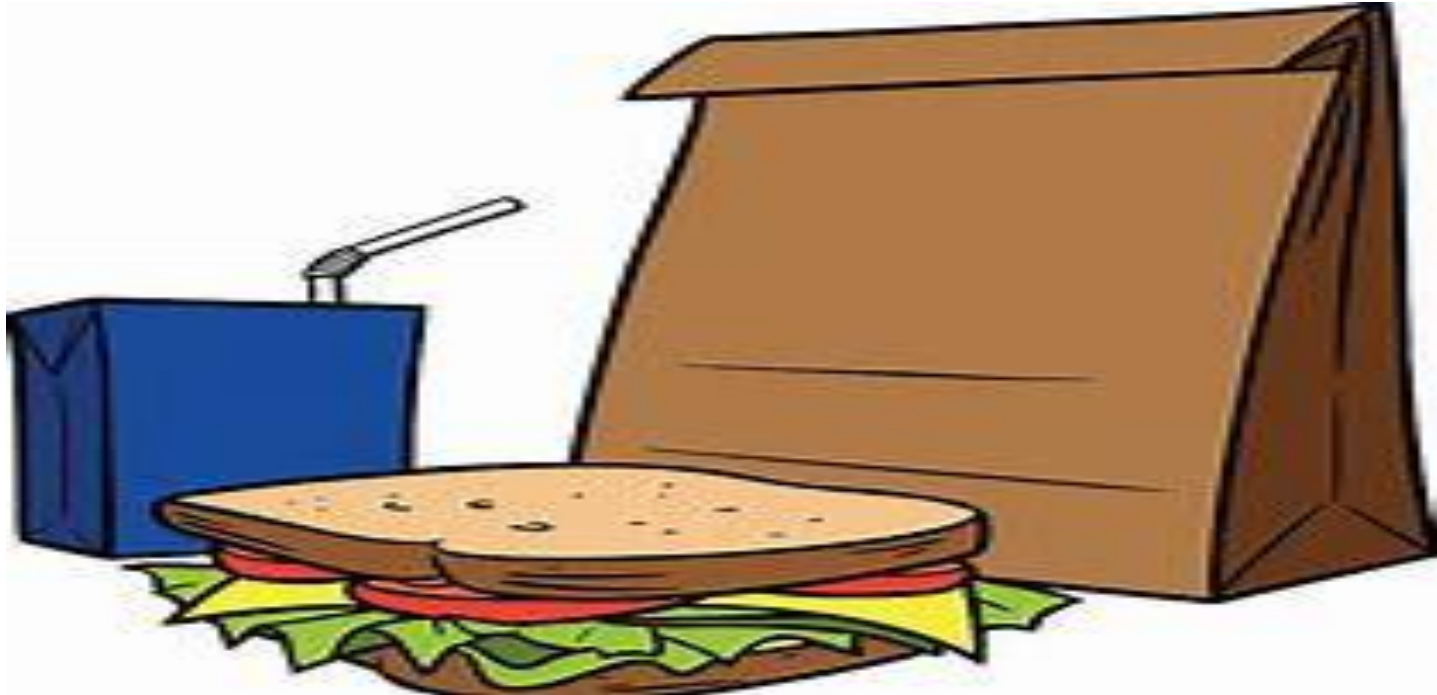
**Contact Michele Nystrom, Transit Compliance  
and Asset Manager**

**[mnystrom@dot.ga.gov](mailto:mnystrom@dot.ga.gov)**

**404/631-1235**

**Thank you!**

# **Boxed Lunches in Lobby Resume at 1:15**



# Financial Management Oversight

## Complying with Federal Grant Requirements

**Leigh Ann Trainer, GDOT Transit Program Manager**

**Michele Nystrom, GDOT Transit Compliance and Asset Manager**

**Julie Schafer, Senior Associate, RLS**





# GDOT FMO POLICY

## For discussion

- Federal Financial Management Oversight Requirements
- Indirect Cost Allocation Plan Policy and Guidance
- Profit and Cost Allocation Guidance for Oversight of For-Profit Third-party operators
- Subrecipient “Transit Program” Program Income Reserve Policy
- GDOT Program Income Policy



# Authority

## Federal Law References

- 2 CFR § 200.307(e)(1)-(3) and § 200.74
- 2 CFR Parts 200 and 1201, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”
- 49 U.S.C. Chapter 53, Federal Transit Law

# Federal Circular References

- FTA Circular 5010.1E, “Award Management Requirements”
- FTA Circular 9030.1E, “Urbanized Area Formula Program; Program Guidance and Application Instructions”
- FTA Circular 9040.1G, “Formula Grants for Rural Areas; Program Guidance and Application Instructions”
- OMB Super Circular





# **GDOT – Designated Recipient**

## **GDOT Role**

- Administrates FTA funds for Public Transit Activities
- Manages fiscal elements and develops policy in accordance with FTA, Federal and state regulations
- Passes federal dollar to subrecipients through contractual agreements
- GDOT provides oversight of FMO activities of the subrecipient

# Subrecipient Fundamentals

**FTA regulations trickle down – Subs stand in shoes of GDOT**

- Establish and maintain accounting system related to costs, revenues, and operating costs
  - ✓ Transparent, traceable, & substantially documented
  - ✓ Maintain effective control and accountability for all federal funds, property and assets
  - ✓ Use federal assets solely for original authorized purpose for which subrecipient contracts are awarded
  - ✓ Have written financial management policies



# **Certification of Local Match**

## **Subrecipient Fundamentals**

Certify they have requisite financial management systems in place that meet federal financial requirements for successful management of an FTA grant.



# Cash on Hand

## Subrecipient Fundamentals

Certify adequate cash on hand sufficient to maintain and support at least ninety (90) days of project expenses sufficient to operate and maintain the vehicles and equipment purchased under the federal project

# Transit as a “Cost Center”

## Within each subrecipients organization

- Establish a separate cost center for the FTA federal grant
- Apply all expenses and revenues earned by the FTA program
- In accordance with GAAP Accounting principles and 5010.1E
- Transparency and complete disclosure of the financial results of each federal award
- Ability to trace all funds and revenues which are supported by source documentation



# Subrecipient FMO Fundamentals

## Continued

- No co-mingling of 5307 and 5311 funding
- Match all revenues derived from the federal program with related expenses for the same time period
- Submit expenses based on the approved GDOT contracted budget and scope for each Federal Project Award

# Subrecipient FMO Fundamentals

## Continued

- Prompt payment to TPO's/contractors within 30 days of expensed
- Consistent treatment of costs charged to the Transit Cost Center  
(Example direct cost assignment cannot also be treated as an indirect cost)
- Ensure personnel have necessary technical capacity and proper qualifications for their assigned responsibilities

# Subrecipient FMO Fundamentals

Continued

- Segregation of duties
- Internal Controls
- Reduce risk for unauthorized or fraudulent acts



# Indirect Cost Fundamentals

## Subrecipient with Cognizant Agency

- If a subrecipient has an existing ICRP approved plan by their cognizant agency and they also directly operate the transit operations (in-house and not through use of a third-party operator) then GDOT will accept the approved ICRP, if it is not expired. There may be instances when an ICRP is expired or the basis for the ICRP has changed, requiring the development of an updated ICRP to be approved by the agencies' cognizant agency.



## **De-Minimus Cost Allocation Method**

If the subrecipient receives less than \$ 35 million in federal grants, they may choose to use the simplified “de-minimus” cost allocation method for indirect costs if the subrecipient has not previously established an ICRP.

# Single Audit Fundamentals

And other financial reporting

Disclose results of financially assisted activities in accordance with the financial reporting requirements and the subrecipient agreement with GDOT

(For example, submitting Single Audit Reports when meeting the reporting threshold of \$ 750K in federal funding);

# Subrecipient Oversight

## Third-party operators and contracts

- Provide oversight of conformance of Third-party operators financial information, contract terms, rate performance. Financials of the TPO must be supported with source documentation of data and expenses





# Subrecipient Oversight

## Third-Party Operators

When enlisting a Third-party operator, the subrecipient must review the third-party operator basis for the development of the proposed unit cost.



# Eligible Costs – OMB Cost Principles

## Know the Eligibility Requirements

- Ensure expenses charged to the federal project include only eligible costs as outlined in the Office of Management and Budget (OMB) cost principles and Section 5307 or 5311 program regulations;
- Ensure expenses are consistent with the approved project budget,
- Are necessary and reasonable for proper and efficient performance or administration of the transit program;
- Any expenses charged to the federal grant must have been incurred within the GDOT contract award periods;



# Expensing Costs

- Ensure payment requests are the net of all applicable credits (i.e. warranty claims, rebates, overpayments, etc.);
- Ensure no expenses are duplicated and charged to more than one grant source (no double dipping)

# Ineligible – Unallowable Costs

Include all ineligible on the reimbursement form

- Entertainment;
- Fines and penalties;
- Charitable donations;
- Interest expense on long-term borrowing and debt retirement;
- Federal, State and local income taxes;

# Ineligible Costs

## Continued

- Indirect costs associated with transit-related functions or activities of regional or local subrecipients performed as a normal consequence of general public administration (e.g. expenses of a City Council or County Commission in considering transit matters);
- Depreciation accrued by transit operators for facilities or equipment purchased with Federal, State, or local capital assistance;
- Depreciation of an intangible asset and/or depreciation in excess of the rate otherwise used for income purposes;

# Ineligible Costs

## Continued

- Expense for contingencies or capital assistance including contributions to a capital reserve account or fund;
- Gift cards, unless directly connected to an established safety plan. Gift cards are considered cash. Gift cards issued for any reason must be considered taxable income;
- Food items such as turkeys or hams;
- Bereavement, get-well flowers;
- Food purchases for staff, birthday cakes, coffee, creamer, etc. (outside of eligible expenses incurred during travel);
- Other similar items.

# Profit

- Profit is an unallowable expense except in the instance of a “For profit” third-party operator/contractor under contract with a subrecipient (pass through entity) to deliver transit operations;

# Contracting with For-Profit Entities

## Establishing Profit Margins

- When the subrecipient and TPO's contracted cost basis is a negotiated unit rate the profit will be part of the TPO's negotiated unit rate (i.e. per hour, per one way trip, per mile, per day);
- Any profit percentage or indirect cost rate of a "for-profit" TPO must be negotiated prior to entering into a contract and must be stated in the corresponding contract between the TPO and the "pass-through" entity;

# Contracting with For Profit Entities

## Formal Request for Proposal

- The subrecipient wishing to enlist a third-party operator to conduct transit operations must formally bid the contract through the use of a Request for Proposal (RFP) or Invitation to Bid (IFB).
- GDOT provides a Third-party operator RFP Template and GDOT Third-party operator Contract for this purpose.
- This process should be initiated well in advance of any existing TPO contract expirations (recommend six month prior to expiration or new fiscal year)



# Basis of Accounting

## Fundamentals

- Subrecipients may use cash, modified cash, or an accrual accounting system to maintain financial transactions.
- However; consistent with FTA Circular 9040.1G and 9030.1F, GDOT requires all 5311 and 5307 systems to use the accrual basis of accounting for their “Transit Cost Center” when filing monthly reimbursement forms.
- Accrual accounting is the preferred and most accurate of the three financial reporting methods and follows the principal that Transit Cost Center records Expenses/Revenues and invoices as expenses and revenues are incurred/earned.



# Monthly Reimbursements

## Subrecipient Financial Accounting Systems

- Subrecipients must submit their requests for reimbursements with clear, convincing, and reliable documentation
- GDOT will require the subrecipient to align all program activities/expenses to the FTA Chart of Accounts
- Subrecipients must include the general ledger entries for the periods for which they are requesting reimbursement
- The subrecipient's general ledger should clearly pertain to the expenses entered on the monthly reimbursement form



# **Program Income Application**

- Program Income is net-income received by the subrecipient that was directly generated through use of an FTA federally funded project FTA asset.

# Program Income

## Continued

- Program income earned during the grant or contract period is not eligible to be used as match for that grant or contract in the year in which it was earned, **with the exception of program income derived from the delivery of transportation service (often referred to as Purchase of Service (contracted through DHS) or Medicaid NET services (contracted through DCH).**

# Program Income in Excess of Needs for Local Match

- In circumstances where a subrecipient earns contract and elects to use this income as local match in lieu of using the funds as revenue, GDOT will treat the funds as “program income” as noted in FTA Circular 9040.1G. Program income is defined in FTA Circular 5010.1E as:
- *Program income means gross income earned by the recipient or subrecipient that is directly generated by a supported activity or earned as a result of the Grant or Cooperative Agreement during the period of performance.*

# EXCESS Program Income

## Proper Application

- Any remaining (excess match) program income revenue incurred during the period billed must be shown as:
  - a.) revenue to reduce the net operating deficit (NOD) or,
  - b) may be set aside in a Transit Enterprise (reinvestment fund) for future investment into the public transit program.
- A subrecipient must report all excess program income earned that is above the monthly operational match amount. The creation of a Transit Enterprise fund must be authorized by GDOT.

# Program Income

## Incidental Use

Incidental use of facilities (rental income, etc.) or transit assets such as rolling stock (incidental use for Meals on Wheels); advertising revenues; etc. must be fully reported on the GDOT monthly reimbursement form.

These must either be;

a.) set aside in a dedicated Transit Enterprise Fund and applied in subsequent grant years, or;

b.) with GDOT approval may be placed in a “reserve account”

# Reserve Accounts

## New GDOT Policy

The “reserve account” is restricted to an amount equal to 90 days of average operational costs. The reserve account is intended for the purpose of prompt payment or continuing operations during a government shutdown, or other approved need with which GDOT has concurred.

Once a 90-day reserve has been established, it can be reinvested in Transit activities of the Transit Cost Center and then built back up to the 90-day level approved by GDOT in order to maintain the reserve at a static amount which has been approved by GDOT



# Reserve Accounts

## Continued

- GDOT shall allow subrecipients to retain excess program income up to an amount equal to three months of the transit system's net operating expenses as a transit operating reserve account.
- Retained transportation purchase of service program income must be generated from non-FTA funds. All transportation purchase of service program income that is retained must be restricted for transit use only and reported to GDOT. Transportation purchase of service program income derived from FTA funds (5310, 5316, 5317, 5339) shall not be retained and must be deducted from the transit system's operating expenses.



# Invoicing Requirements

## Subrecipient Fundamentals

- All requests for reimbursement should be submitted in a timely manner to GDOT or within thirty (30) days following the end of the prior month period.
- Invoices must be verified with supporting documentation substantiating the payment request along with the general ledger used within the subrecipient's financial system.
-

# Reporting of Insurance Proceeds

- Proceeds from claims related to FTA property must be applied to replace damaged or destroyed property when the property is within its' useful life period.
- If property is not within the useful life period or the subrecipient does not need to replace federal property, the insurance proceeds must be returned to GDOT (less the subrecipient deductible) in an amount equal to the remaining federal interest, if any .
- When assets are within useful life and are being replaced, GDOT will use the insurance proceeds received (as lien holder) for replacement cost including the subrecipient's original 10% local share and apply to the replacement cost.



# Local Match Requirements

## Certification of Local Match

- Annually, within the application, the subrecipient must indicate the source of their local match commitment to ensure it meets eligibility as FTA local match.
- The operating local match source must be certified by the subrecipient each month when submitting their reimbursement form.
- The source of local match may not be used to match more than one grant or project, if there is excess local match.
- GDOT does not allow in-kind match.

# Common Sources of Local Match

- Dedicated county match which is specified in the county or non-federal entity (NFE) budget;
- Non-FTA share of program income, such as Purchase of Service contracts through the Department of Human Services;
- DHS ineligible local match sources are:  
FTA 5310 funding, 5316 JARC and 5317 New Freedom

# Continued – Sources of Local Match

- Medicaid contract revenues
- Advertising revenues
- Dedicated tax source, such as “Transit Special Local Sales Tax” (TSPLOST)
- Monetary donations to the transit system
- Revenues derived from incidental use of an FTA facility or FTA rolling stock asset such as rents, meals on wheels program, or other sources that have been approved by GDOT.

# Administrative Costs

- Eligible project administrative costs may include, but are not limited to: general administrative expenses (e.g., salaries of the project director, secretary, and bookkeeper); marketing expenses; insurance premiums or payments to a self-insurance reserve; office supplies; facilities and equipment rental; standard overhead rates; and the costs of administering drug and alcohol testing.



# Capital Costs

- Eligible capital expenses include the acquisition, construction, and improvement of public transit facilities and equipment needed for a safe, efficient, and coordinated public transportation system.
- Examples of capital expenses include, but are not limited to, radios and communications equipment, wheelchair lifts and restraints, vehicle rehabilitation, preventive maintenance , operational support such as computer hardware or software, and mobility management.





## Federal, State & Local Percentages by Type

Type	Federal Share	Local Share
Administrative	50%	50%
Operating	50%	50%
Capital	80%	20% or, 10% Local /10% state

# Budget Revisions

## Definition

- A budget revision is a process by which the contracted budget amounts are re-aligned by USOA Item number when variances occur in a USOA line item so that line item will not be overspent.
- A budget revision does not require the addition of more federal funds. Any budget revisions to line items must be requested by the subrecipient and presented to the District Public Transportation Specialist (PTS) (5311) or Transit Planner (TP) (5307)

# Budget Amendments/Supplementals

## Requirements for Increase to Budget

- Budget amendments/supplementals are a request for additional federal dollars due to a justifiable shortfall of the federal award amount.
- Budget supplementals must be formally requested and sent to your Public Transportation Specialist or Transit Planner.
- Requests for amendments must be justified and submitted no later than March 1, annually, for the current fiscal year

# Contract Close Out

- Final Subrecipient reimbursements for prior fiscal year must be closed out no later than September 30<sup>th</sup>, annually, or within 90 days of contract term. Any final requests for payment beyond the 90 days may, at the discretion of GDOT, be denied.



# **Subrecipient 3-5 Year Financial Plan**

## **Short-Range Transit Planning**

- Subrecipients are encouraged to develop a 3-5 year financial plan for their transit system in order to:
- Consider all federal and local funds including bond revenues or TSPLOST funds used for transit projects in order to maintain an adequate level of funding to meet the transit system needs.
- To plan for any “sunset provisions” for legislation dates that would eliminate a current state or local funding source.

# Indirect Cost Rate Plans (ICRP)

## Cognizant Agency definition

- If the Subrecipient has a federal cognizant agency (the federal agency providing subrecipient with the most federal dollars) that has approved an Indirect Cost Allocation Rate Plan (ICRP) it must be submitted to GDOT as part of the annual application process.
- Directions and example of an ICRP is set forth in 2 CFR 200.412 and Exhibit VII D2.

# ICRP Considerations

## Subrecipient choice

- Some GDOT subrecipients chose not to claim “indirect” costs under the Section 5311 or 5307 program or, due to their organizational structure, do not incur indirect costs in the administration and operation of a rural public transportation program and are not required to submit an indirect cost rate proposal.



# Unallowable Expenses

**Must be excluded from an ICRP**

2 CFR 200 states various legitimate agency expenses are unallowable under Federal cost principles, such as: bad debt, fundraising, etc.

In simplified terms, if the total of the unallowable expense includes indirect costs, the associated indirect costs are also unallowable for Federal reimbursement



# Financial Date upon which ICRP is based

- The period for presentation of financial data is the period in which such costs are incurred and accumulated for allocation to activities performed in that period. The base period normally coincides with the governmental unit or nonprofit's fiscal year and is typically based on audited data. The audited data from the prior year operations are typically used to generate the indirect cost rate for the following year. (allowing time for the audit to be completed). An example would be 2017 audited data is used to develop the indirect cost plan for 2019, or the most recent year of audited data.

# ICRP Considerations

## continued

- If a subrecipient provides full operations in house, without the use of a Third-Party Operator, and does not have an approved ICRP in place by their cognizant agency, the subrecipient may prepare simplified cost allocation plan using the de-minimus cost allocation method defined below in accordance with the Super Circular for GDOT review and approval.

# De-Minimus Cost Allocation Plan

- Any NFE that has **never** developed a negotiated ICRP through their cognizant agency, or receives less than \$35 million in federal financial assistance may elect to charge a de-minimis rate of 10% of modified total direct costs (MTDC) as a method to recover indirect costs in federal grant awards.
- The entity must submit the MTDC to GDOT in their annual application. GDOT will review and approve the proposed rate, which may remain in effect indefinitely, or until updated or rescinded by GDOT. This method may be used to claim indirect costs by local governments, tribal governments, and nonprofit organizations.
- Use the Indirect Worksheet template to arrive at the MTDC

# De-Minimus Guidance

- The total amount eligible for reimbursement under the Section 5311 and 5307 programs equals the allowable direct costs, plus the allocable portion of allowable indirect costs, minus the applicable credits for all items in the approved project budget.
- Applicable credits refer to those receipts or reduction-of-expenditure-type transactions that offset or reduce expense items allocable to the Federal award as direct or indirect (F&A) costs.
- Examples of such transactions are: purchase discounts, rebates or allowances, recoveries or indemnities on losses, insurance refunds or rebates, and adjustments of overpayments or erroneous charges.

# Determining Direct & Indirect Costs

## In a Transit Environment

- To the extent that such credits accruing to or received by the non-Federal entity relate to allowable costs, they must be credited to the Federal award either as a cost reduction or cash refund, as appropriate using the following formula :

***(Total Amount Eligible for Reimbursement = Direct Costs + Allocable Portion of Indirect Costs – Rebates/Credits)***

# Direct & Indirect Costs

## Operating vs. Administrative Costs

- Most transit operating costs are direct costs relating to all costs other than administrative costs used to operate the transit system.
- Typical direct costs include:
  - driver salaries and fringe;
  - vehicle repairs;
  - Fuel;
  - vehicle insurance;
  - Tires;
  - Uniforms;
  - Vehicle washing services
  - Compensation of employees for the time devoted and identified specifically to the performance of the grant and supported by time sheets, travel expenses incurred specifically to carry out the award, etc.

# Indirect Costs

- **Indirect costs** are those that have been incurred for common or joint purposes.
- These costs benefit more than one cost objective or program and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved
  - (e.g., the level of effort necessary to split a cost and allocate to the expense category is difficult or impossible).

# Typical Indirect Costs

- Typical indirect costs may include:
- Administrative Salaries & Wages of staff performing accounting or personnel services for the subrecipient or operator, but whose time is not accounted for by functional activity (i.e. Transit Cost Center)
- Because time records do not exist to support direct allocation of these costs, they are eligible under the indirect category
- Administrative Facilities, including leased buildings where transit functions were not performed in expressly dedicated portions of the building, making direct allocation of transit related expenses difficult or impossible



# Indirect Costs

## Continued

- Telephone or utility charges for basic phone service when there is no logical method to directly allocate costs
- Certain central service costs
- General administration of the organization, accounting and personnel services performed within the subrecipient department
- Agency, costs of operating and maintaining facilities, etc.

# Use of a Third-party Operator

## ICRP application

- Third-party operator organizations whose sole purpose is the provision of public transit service may have indirect costs; but all costs incurred would be directly attributable to the transit program and included in the unit rate.
- The indirect costs assumed by the TPO then become part of the negotiated rate by which the TPO is reimbursed for providing transit operations. This rate may be an hourly, per trip, per mile or per day negotiated trip rate.

# Third-Party Operator

## Georgia Relevance & Federal Requirements

- GDOT may award 5311 or 5307 funds to a subrecipient (public entity or Private non-profit) who may engage a third-party operator to operate the transit service. The arrangement between the first tier subrecipient (pass through entity) and second tier contractor (for profit operator) constitutes a third party contract since the for-profit operator is not eligible to receive funds directly from GDOT.
- Both the Subrecipient and the TPO must stand in the shoes of the subrecipient relative to FTA regulations.

# Use of Third-party operators

## Formal IFB or RFP required

- Subrecipients that utilize private, for profit operators, consistent with the procurement requirements of federal funds, must secure these services through competitive means. This typically would mean a formal Invitation for Bids (IFB) or Request for Proposal (RFP). GDOT policy, effective in FY2020 requires subrecipients adopt unit pricing strategies (e.g., cost per trip, cost per mile, cost per hour, cost per day) for TPO's rather than utilizing cost reimbursement contracts.
- This negotiated rate should include the indirect costs of the for-profit, and may include a profit margin not to exceed 10%.

## **Request for ICRP during application process**

- GDOT must consider the proposed ICRP of subrecipients during the application review period in order to include the ICRP percentage to the anticipated operating costs submitted by the subrecipient which is their budget request
- This is necessary so that the amount of Section 5311 or 5307 financial assistance will not exceed the amount provided for in the grant agreement.

# Federal Guidance for ICRP's

- Indirect costs are allowable only to the extent they conform to an indirect cost allocation plan that has:
- Been approved by a cognizant Federal agency (Office of Management and Budget (OMB) will assign a cognizant agency for those subrecipients that receive more than \$25 million in Federal awards each year;
- Been approved by the grantor agency (Federal or State) that provides the most Federal funds to the entity;
- In the absence of any other Federal or State agency having approved an indirect cost allocation plan, indirect costs are allowable only to the extent they conform to an indirect cost allocation plan that has been reviewed and received the concurrence of GDOT.



# **SAVE THE DATE**

## **FMO Training Announcement**

### **Reimbursement & Indirect Cost Rate Development**

- September 10, 2019 – GDOT Gainesville District Office
- September 11, 2019 – GDOT Macon Riverside Drive

Trainer:

Julie Schaefer, Senior Associate, RLS

# Third-Party Operators (for profits)

## Negotiating Profit Margin

- GDOT requested subrecipients to adopt unit pricing strategies (e.g., cost per trip, cost per mile, cost per hour, cost per day) for TPO's rather than utilizing cost reimbursement contracts. This negotiated rate should include the indirect costs of the for-profit, and may include a profit margin not to exceed 10%.



**BREAK**  **TIME**



# **FY2020 Reimbursement Process**

**Leigh Ann Trainer, GDOT Transit Program Manager**

**Julie Schafer, Senior Associate, RLS**

# The Monthly Invoice Process

- Effective with July FY20 invoice submission





# Key Discussion Topics

## Fundamental Discussion

- The Basics of Reimbursement Requests
- Changes for FY2020
- Crosswalk

# First Year Challenges

## Learning Curves

- Different accounting systems used by subrecipients
- Multiple grant sources
- Lengthy review path
- Large number of error points (The Dreaded Penny Error)
- Procurement compliance
- Timeliness
- Muddled organization of documents

# The Monthly Invoice Process

We are in year two for 5311 programs and GDOT has developed a new monthly invoicing process that:

Meet FTA subrecipient oversight requirements





# **Accounting Fundamentals**

**All subrecipients are required to establish and maintain an accounting system to which all transportation-related costs, revenues, and operating costs are recorded so that they may be clearly identified, easily traced and substantially documented. The fully allocated cost of the public transit program must be clearly identified regardless of the operational nature of the agency.**



# Accounting

## Setting Up Your Financial Books and Accounting System

- ✓ Organize your operating and capital expenses and revenues into a formal set of “accounts”
- ✓ Enter the system’s expenses and revenues into the proper accounts
- ✓ Use commonly accepted accounting policies and procedures





# Accounting

**The subrecipients accounting system must be able to segregate the Section 5311 program from all other agency programs**

**The subrecipients accounting system must be capable of generating revenue and expense reports specific to the Section 5311 program**



## Fundamental Requirements

- Only expenses consistent with 2 CFR Part 200 can be reimbursed by GDOT.
- Salary charges should be documented by timesheets for all labor costs (subrecipient and TPO(s)).
- Facility charges, including rent, should be budgeted and consistent with the 2 CFR Part 200.
- Payment of “bonuses” is permissible only with an approved “Incentive Pay Policy”
- Indirect costs can be reimbursed only with an approved Indirect Cost Allocation Plan approved by GDOT Audit Office.



# Accounting Refresher

Both 2 CFR part 225 (formerly OMB Circular A-87), Cost Principles for State, Local, and Indian Tribal Governments, and 2 CFR part 230 (formerly OMB Circular A-122), Cost Principles for Nonprofit Organizations, indicate that reports reflecting the distribution of activity of each employee must be maintained of all staff members whose compensation is charged, in whole or in part, directly to (a grant) award.



# **Accounting Refresher**

**The use of percentage time allocations of staff in their charges of time is not permissible under the cost principles of either local government or nonprofit organizations.**



# Accounting Refresher

**Time charged to the Section 5307 or 5311 program must:**

- Reflect after-the-fact determination of actual activity;
- Account for the total activity of the employee;
- Be signed by the individual employee; and
- Be prepared at least monthly and coincide with one or more pay periods.



# **Indirect Costs - Revisited**

**Indirect cost rate proposals are prepared annually and submitted to the cognizant Federal agency, an agency designated by OMB as responsible for reviewing, negotiating, and approving indirect cost rate. In the absence of a designated cognizant agency, the Federal funding source providing the most significant amount of funding will typically serve as the**



# Program Income - Revisited

**Program Income is revenue generated directly or indirectly from grant-supported activities.**

- Contract Revenue from purchase of service contracts.
- Sale of maintenance services.
- Advertising revenue.
- Lease/rent of transit facility office space



# Program Income - Revisited

**Grantees may retain program income so long as it is used only for transit purposes:**

1. Planning
2. Capital
3. Operating Expenses

**Program Income, except for purchase of transportation service for program purpose, may not be used to reduce the local share of the grant from which it was earned but may be used in future grants.**





# Chart of Accounts

**The Uniform System of Accounts (USOA) is the basic reference document for the National Transit Database. It contains the accounting structure required by Federal Transit laws (previously Section 15 of the Federal Transit Act).**

**GDOT must be able to reconcile the subrecipient chart of account to the USOA accounts.**

# Accounting Crosswalk

**Each subrecipient will be required to complete an accounting crosswalk. The crosswalk will tie the subrecipient chart of accounts to the USOA codes.**

**The GDOT monthly invoice form requires subrecipients to report revenue and expense using the USOA codes.**

USOA ACCOUNT CODES - VEHICLE OPERATIONS		ACCOUNT CODE NUMBER IN TRANSIT SYSTEM GENERAL LEDGER	ACCCOUNT NAME IN TRANSIT SYSTEM GENERAL LEDGER
5011 LABOR			
5011	OPERATORS SALARIES AND WAGES	100-5540-51.1100.501.01	Driver regular pay
5011	OPERATORS SALARIES AND WAGES	100.5540-51- 1300.501.01.1	Driver overtime pay
5011	OPERATORS SALARIES AND WAGES		
5011	OPERATORS SALARIES AND WAGES		
5011.1	OTHER SALARIES AND WAGES	100.5540-51-1100.501.02	Dispatcher regular pay
5011.1	OTHER SALARIES AND WAGES	100-5540-51- 1300.501.02.1	Dispatcher overtime pay
5011.1	OTHER SALARIES AND WAGES		
5011.1	OTHER SALARIES AND WAGES		
5015 FRINGE BENEFITS			
5015	FRINGE BENEFITS DISTRIBUTION	100-5540-51.2100	Group Health drivers and dispatchers
5015	FRINGE BENEFITS DISTRIBUTION		FICA - Driver and Dispatchers
5015	FRINGE BENEFITS DISTRIBUTION		

LOCAL REVENUE		ACCOUNT CODE NUMBER IN SYSTEM GENERAL LEDGER	ACCCOUNT NAME IN SYSTEM GENERAL LEDGER
Transportation Revenue			
4010	Passenger Fares for Transit Service	100-0000-34.5510	Fares
4010.1	Passenger Fares for Transit Service	100-0000-34.5510.01	Pass Sales
4010.2	Passenger Fares for Transit Service	100-0000-34.5510.02	Token Sales
4010.3	Passenger Fares for Transit Service		
4160	Special Transit Fares (Contract Revenue)	100-0000-35.1184	Non FTA source POS contract revenue
4160.1	Special Transit Fares (Contract Revenue FTA)	100-0000-38.1185	FTA Non eligible POS contract revenue
4150	Investment Income		
4500	Other Federal Cash Grants FTA	100-0000-33-1160	Section 5307 Reimbursement
4150.1	Other Revenue		
4150.1	Other Revenue		
4150.1	Other Revenue		
Local Cash		ACCOUNT CODE NUMBER IN SYSTEM GENERAL LEDGER	ACCCOUNT NAME IN SYSTEM GENERAL LEDGER
4300	Local Cash	100-0000-38-1230	County General Fund Match Transfer
4300.	Local Cash		

# Operating versus Capital

## 5311 Rural Subrecipients

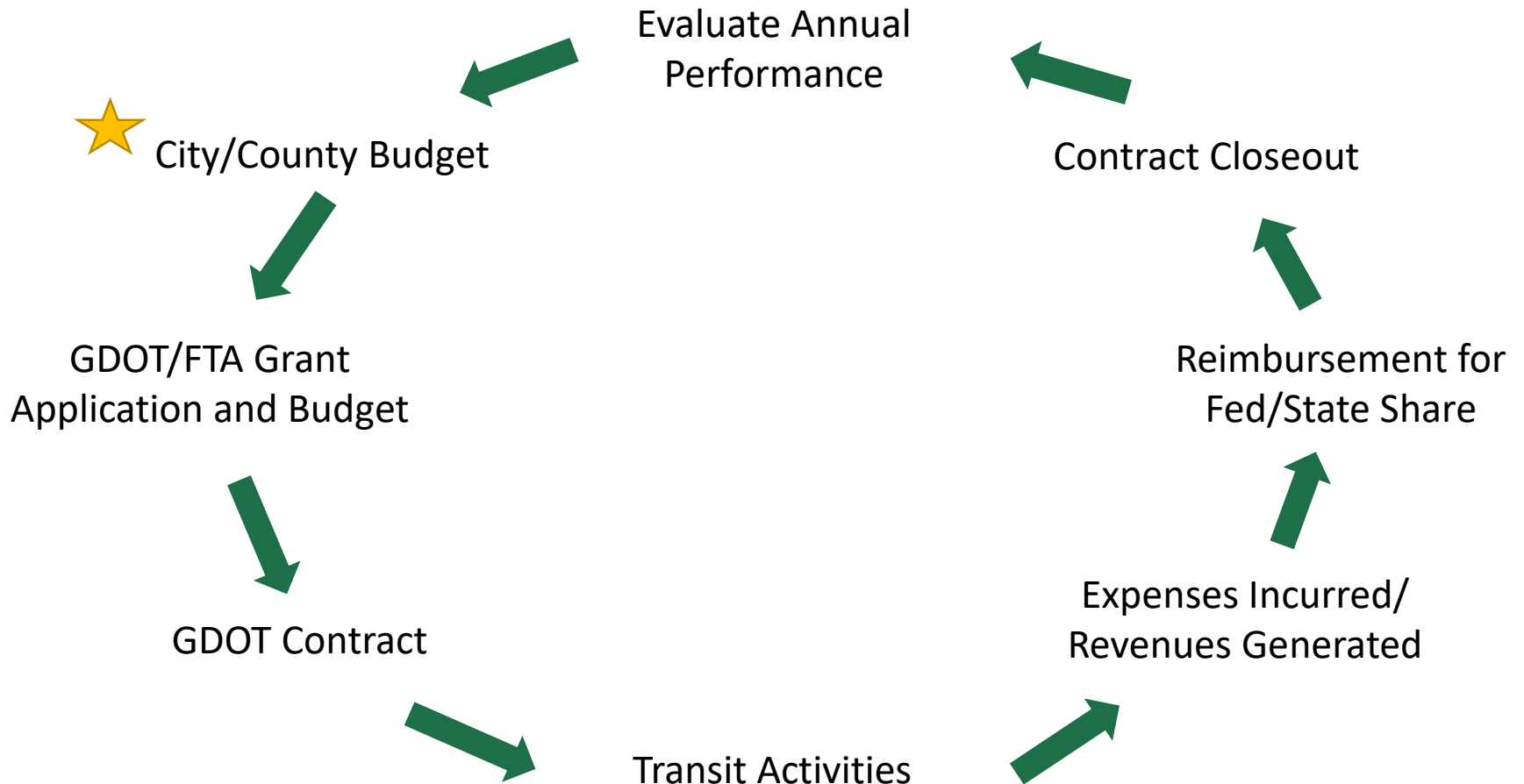
- Operating
  - Larger number of categories; fuel, salaries, vehicle maintenance, etc.
  - Backup/Supporting operating documentation (invoices)
- Capital
  - Majority of 5311 capital purchases fall into two categories
  - Micro purchases less than \$9,999
  - Small purchases are greater than \$10,000, but less than \$250,000
- Note: Always refer to your FTA compliant transit procurement policy

# Reimbursement Process Standards

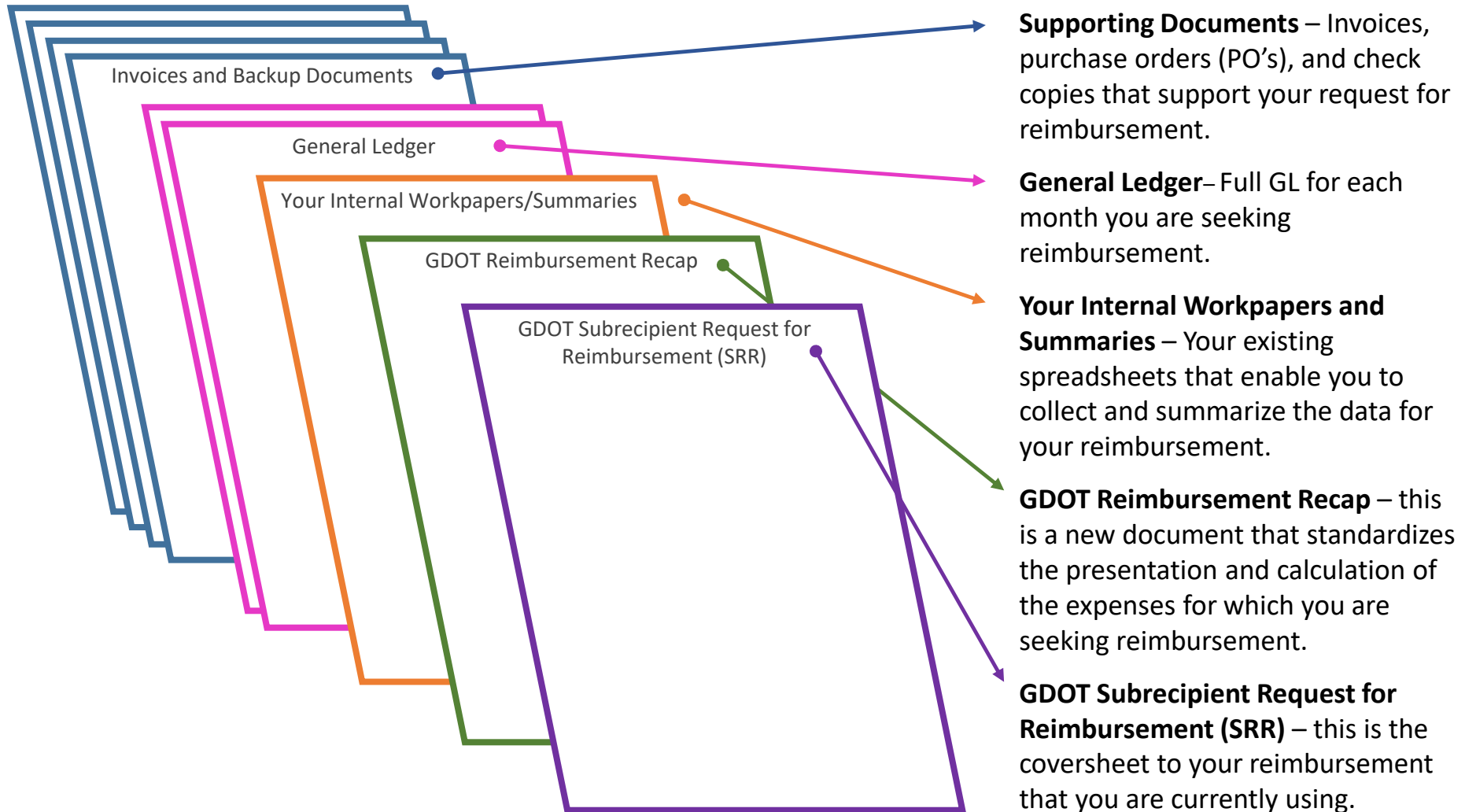
## Standards for Supporting Documentation

- All expenses must be supported by documentation and invoices
- All capital reimbursements must be supported by invoices and check copies
- All capital purchases **MUST** follow the scope of work in contract exhibits

# Pathway to a Reimbursement



# Standardizing the Process





# 5307 Standardizing the Process

## New Forms

- Introducing a new Recap for both Operating and Capital
- Creates a uniform summarization of your expenses and request
- The Recap will mirror your award
- Operating categories will generally match the categories you applied for in the application budget workbook

## New Standards for Supporting Documentation

- A complete general ledger must be submitted for each full month
- One operating reimbursement will require a complete invoice submission; general ledger for the remainder
- All capital reimbursements must be supported by invoices

# Take-aways

## The most important elements and changes

- Be in a position where any staffer can confidently approve and process your reimbursements
- Create uniformity across all seven transit systems
- Enhance the quality of the supporting documentation
- Reduce the time it takes to process reimbursements
- Collect all of the information required for Comprehensive Reviews and audit compliance

# Setting up a “Transit” Cost Center

## Setting Up Your Financial Books and Accounting System

- Organize your operating and capital expenses and revenues into a formal set of “accounts”
- Enter the system’s expenses and revenues into the proper accounts
- Use commonly accepted accounting policies and procedures

# Accounting System Requirements

**The subrecipients accounting system must be able to segregate the Section 5311 or 5307 program from all other agency programs.**

**The subrecipients accounting system must be capable of generating revenue and expense reports specific to the Section 5311 or 5307 program.**

# Transit Salaries

**Both 2 CFR part 225 (formerly OMB Circular A-87), Cost Principles for State, Local, and Indian Tribal Governments, and 2 CFR part 230 (formerly OMB Circular A-122), Cost Principles for Nonprofit Organizations, indicate that reports reflecting the distribution of activity of each employee must be maintained of all staff members whose compensation is charged, in whole or in part, directly to (a grant) award.**

# Timesheets Rules - salaries paid by federal grant dollars (\$1 or more)

**The use of percentage time allocations of staff in their charges of time is not permissible under the cost principles of either local government or nonprofit organizations.**

**Time charged to the Section 5311 or 5307 programs must:**

- Reflect after-the-fact determination of actual activity;
- Account for the total activity of the employee;
- Be signed by the individual employee; and
- Be prepared at least monthly and coincide with one or more pay periods.

# Indirect Cost Definition

**Indirect costs are those: (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. The term "indirect costs," applies to costs of this type originating in the grantee department, as well as those incurred by other departments in supplying goods, services, and facilities.**

# Indirect Cost Rules

**Where an accumulation of indirect costs will ultimately result in charges to a Federal award, an indirect cost allocation plan is required.**

**Amounts not recoverable as indirect costs or administrative costs under one Federal award may not be shifted to another Federal award, unless specifically authorized by Federal legislation or regulation.**



# Indirect Cost Rate Plan

**Indirect cost rate proposals are prepared annually and submitted to the cognizant Federal agency, an agency designated by OMB as responsible for reviewing, negotiating, and approving indirect cost rate. In the absence of a designated cognizant agency, the Federal funding source providing the most significant amount of funding will typically serve as the cognizant agency.**

# Accounting Refresher

**Program Income is revenue generated directly or indirectly from grant-supported activities.**

Contract Revenue from purchase of service contracts.

Sale of maintenance services.

Advertising revenue.

Lease/rent of transit facility office space

**Program Income generated from POS from an FTA program cannot be used as match for another FTA program**

Ineligible for use as local match:

Section 5310 POS revenue cannot be used to match the Section 5307 grant

# GDOT Program Income Policy

**Grantees may retain program income so long as it is used only for transit purposes:**

- Planning

- Capital

- Operating Expenses

**Program Income, except for purchase of transportation service for program purpose, may not be used to reduce the local share of the grant from which it was earned but may be used in future grants.**

# Chart of Accounts

**The Uniform System of Accounts (USOA) is the basic reference document for the National Transit Database. It contains the accounting structure required by Federal Transit laws (previously Section 15 of the Federal Transit Act).**

**GDOT must be able to reconcile the subrecipient chart of account to the USOA accounts.**



adjourn

# Fleet & Asset Management



# Transit Asset Management Fundamentals

**TAM Purpose - Business model that uses asset condition to guide optimal prioritization of funding to keep transit systems in State of Good Repair (SGR)**

## **Objective:**

- Better manage public transit capital assets to:
  - ✓ Enhance Safety
  - ✓ Reduce Maintenance Costs
  - ✓ Increase Reliability
  - ✓ Improve Performance



# Vehicle Repairs & State of Good Repair

**A state of good repair means:**

- ✓ **FTA assets within useable life period must be maintained and repaired in a timely fashion**
- ✓ **Build repair costs into your 5311 budgets annually based on age and condition of vehicles**
- ✓ **Vehicles should not be parked due to catastrophic breakdown**
- ✓ **FTA & ADA law requires that lift equipped vehicles are returned to service within 3-5 business days**

# Transit Asset Management Update Year Two



# TAM Plan

## Annual Performance Targets Update

**GDOT Transit Asset Management (TAM) Plan Year One - Effective 10-1-18, covers 4-year (FFY19-FFY22) period**

- Included SGR Performance Targets by Asset Class for FY19
  - Based on FTA-required Performance Measures

**FTA requires Performance Targets be reviewed/reset annually**

- FY20 Targets to be approved by Subrecipient's Accountable Executive by October 1, 2019

**FFY20 Targets should be based upon updated asset inventory data and estimated vehicle replacements by June 30, 2020**

# TAM Performance Targets – Rolling Stock

Asset Class	Useful Life Benchmark (ULB)	Baseline – Year One ACTUAL Performance ratio to Target (775 assets)	FY19 Performance TARGET (% over ULB)	FY19 ACTUAL Performance (% over ULB)	Recommended FY20 Target
BU – Bus (35'–40')	14 yrs.	9.8%	15%	9% Improved	15%
BU – Bus (29'-30')	12 yrs.	38.9%	35%	35% Improved	35%
CU-Cutaway Bus	7 yrs.	8.8%	10%	6% Improved	10%
MV – Minivan	8 yrs.	100.00%	50%	N/A	35% Recommend Reduction
SB - School Bus	15 yrs.	24.2%	50%	22% Improved	35% Recommend Reduction
VN – Van	8 yrs.	50%	50%	50% Static	35% Recommend reduction

# The BUS Center

**Welcome  
Harry Hosey  
& Karla Lynch  
of the Bus Center**

# Thanks GDOT!

## Over 350 bus deliveries since 2017!



# Preventative maintenance 101

PROVIDING SAFE, CLEAN, AND RELIABLE OPERATION

Harry Hosey  
Karla Lynch



# Proper Maintenance Improves Vehicle Reliability

## Remember The Basics

- Know your equipment
- Check and maintain all fluids
- Check and maintain proper tire pressure
- Set and follow your P.M. Plan
- Emphasize the importance of the pre-trip
- Emphasize the importance of the post-trip





# Ford Owners Manual

[www.fordowner.com](http://www.fordowner.com)

- Locating Key Component
- Caring For Your Equipment
- Preventative Maintenance Best Practices

1. Battery
2. Windshield wiper fluid reservoir
3. Engine oil filler cap
4. Automatic transmission fluid dipstick
5. Air filter assembly
6. Engine oil dipstick
7. Power steering fluid reservoir
8. Brake fluid reservoir
9. Engine coolant reservoir
10. Power distribution box

## Under The Hood

# Recommended Service Intervals (Ford)

## Scheduled Maintenance Guide

### Every 5,000 Miles

- Inspect Brake System
- Rotate tires, inspect tires for wear and measure tread depth
- Inspect wheels and related components for abnormal noise, wear, looseness, and drag.

### Every 5,000 Miles or 6 Months

- Inspect and lubricate U-joints

### Every 5,000 Miles or 6 Months

- Change engine oil (5W-20) and replace oil filter.

### Every 15,000 Miles

- Replace fuel filter

# Key Points In Maintaining Your Wheelchair Lift

- Routine cycling of lift is recommended
- Cycling of the manual lift mechanism 1-2 times annually
- Get familiar with the owners manual
- Have technicians attend training sessions
- Add industry web sites at favorite sites. Take advantage of online training.
- Routine and timely adjustments are the key to avoiding costly repairs.



Braun Operational Video

<https://youtu.be/ImLwiRAEvDM>

# A/C System Performance 101

## Caring For A/C System

- Do not sweep interior of bus while A/C System is in operation
- Check your Return Filter every month, and clean when needed.
- Clean your condenser coil every 90 days.
- Examine belts on a regular basis.
- Do not run the A/C unnecessarily
- Have a A/C System check up once a year. (Avoid an early summer surprise)



## Caring for Exterior Body

- Wash with light soapy detergent (Dish Detergent)

### **Best Practices**

- Wax exterior once per year (Min.)
- Do not park vehicle under trees
- Keep up with minor body repairs
- Check all body seams for cracks and separation, including roof seam. (will prevent water intrusion)
- Never spray your floor with a water hose.



# Company Initiatives & Personnel



# 2019 StarTrans Product updates

- Rear View Mirror Back Up Camera System Now Standard
- Non-Slip Ger-Flor Option Is Now Standard
- Intermotive FlexTech System Now Standard

**Gerflor**  
the flooring group





# We are moving!

**October 28-31 we will move our location to our larger facility in Acworth, Georgia.**

## **NEW ADDRESS:**

**110 Holt Industrial Circle  
Acworth, GA 30101**



# New State of the art 9,000 square foot Body Shop (Birmingham, Al)

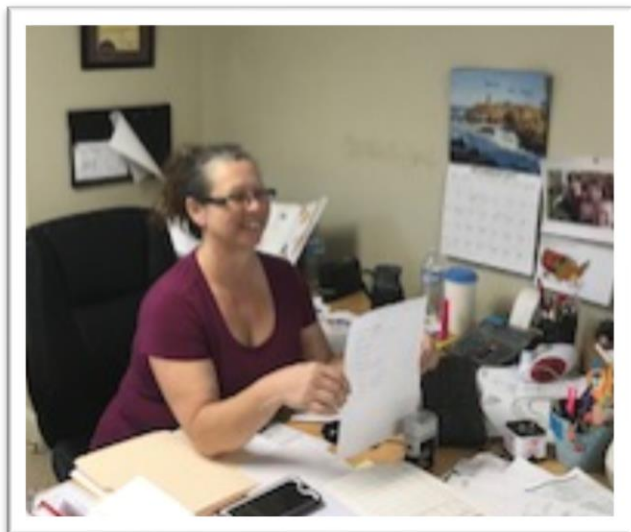


# Our people are what makes the difference!

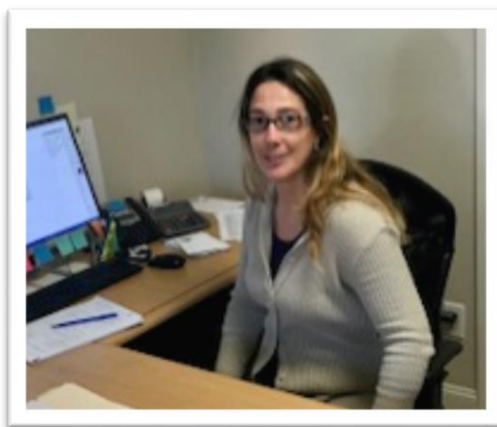




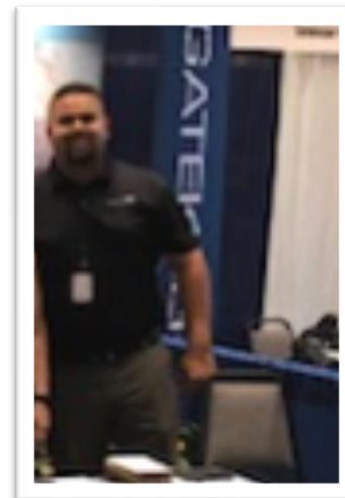
# Parts Department



**Celia Swim**



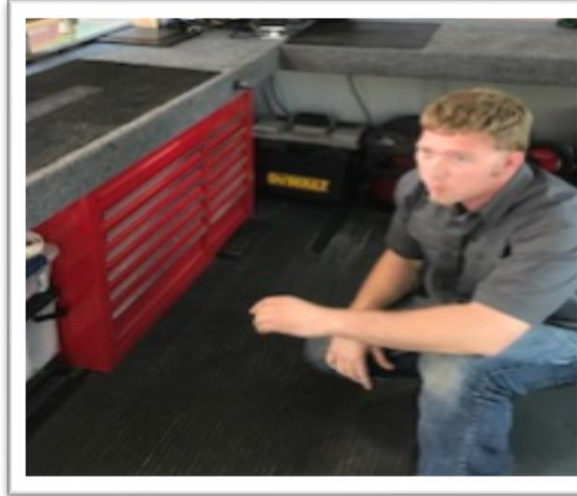
**Musfiqur Rahman**



# SERVICE Department



**Kristina Kelly**



**Ray Hogate**

## **Commercial Sales:**

- Karla Lynch Cell – 470-303-0979
- Harry Hosey Cell – 404-620-8240

## **Service and Warranty: 770-675-3738**

- Kristina Kelly (Service Writer)
- Kristina Kelly (Warranty Coordinator)
- Ray Hogate (Service Technician)

## **Parts: 770-675-3738**

- Celia Swim
- Mufiqur Rahman Cell 404-805-9657
- Heather Chambers
- Sean Kendrick

# Thank You!



A TRADITION IN TRANSPORTATION SINCE 1972

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N A S H V I L L E      B I R M I N G H A M      A T L A N T A

Welcome – Glenn Bell

**Creative Bus Sales**



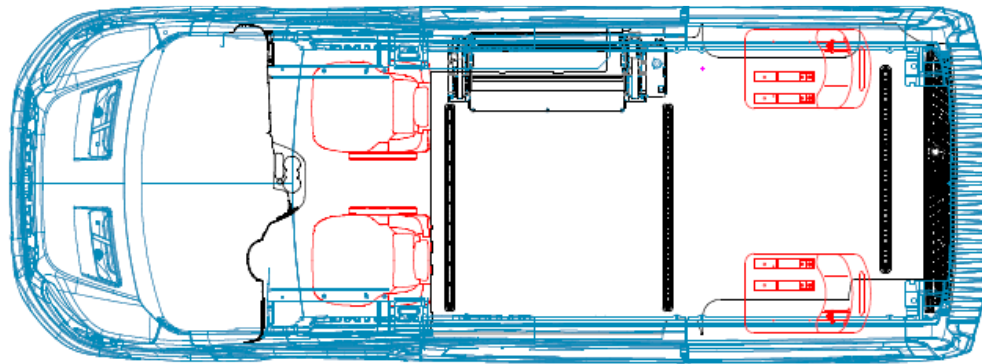
## **Transit 150 Medium Roof Wagon with Side Lift, 2 Rear Fixed Seats and 2 Wheelchair positions**

### **Vehicle Specifications:**

- 3.7L V-6 Engine**
- 130" Wheelbase**
- Power Mirrors, Windows and Locks**
- GVWR: 8550 lbs**
- Rearview Camera**
- 25 Gallon Fuel Tank**
- 800 lb Side Wheelchair Lift Price-\$42,863.25**

### **Vehicle Capacity:**

- 3 Ambulatory Passengers (Including Co-Pilot) and 2 Wheelchairs, simultaneously**



## Transit 150 Medium Roof Wagon with Side Lift, 2 Double Passenger Flip Seats and 2 Wheelchair positions

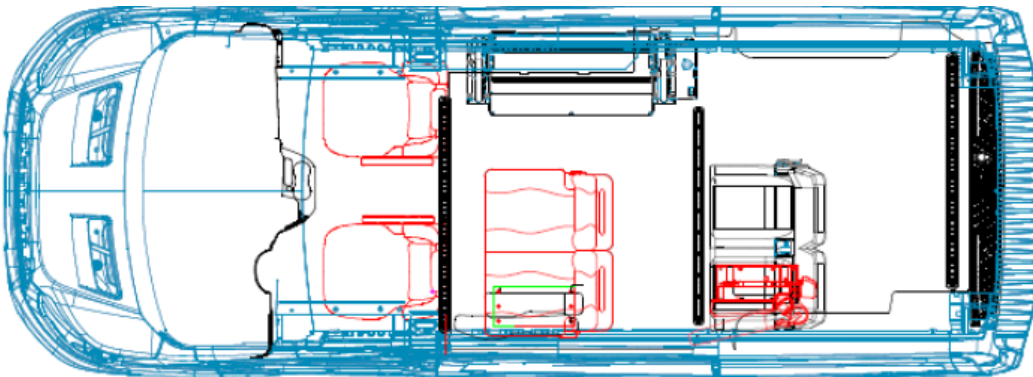
### Vehicle Specifications:

- 3.7L V-6 Engine
- 130" Wheelbase
- Power Mirrors, Windows and Locks
- GVWR: 8550 lbs
- Rearview Camera
- 25 Gallon Fuel Tank
- 800 lb Side Wheelchair Lift **PRICE-\$44,825.25**



### Vehicle Capacity:

- 5 Ambulatory Passengers (Including Co-Pilot) without Wheelchairs
- 3 Passengers and 1 Wheelchair (Including Co-Pilot) or 2 Wheelchair Positions



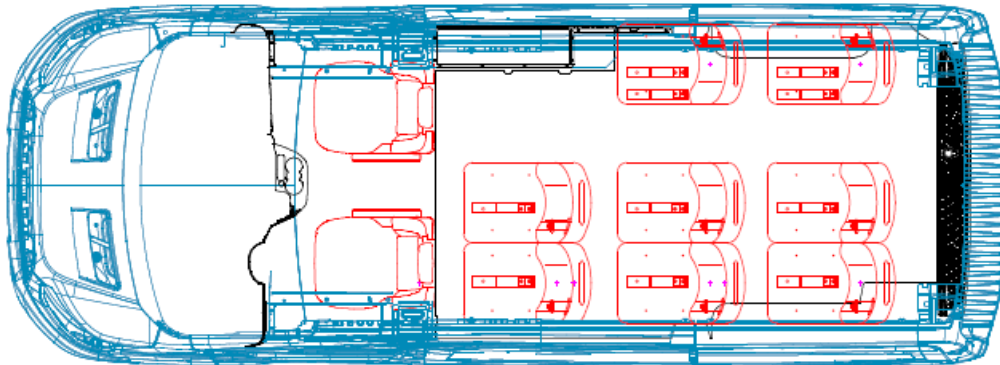
## Transit 150 Medium Roof Wagon with 8 Rear Passenger Van

### Vehicle Specifications:

- 3.7L V-6 Engine
- 130" Wheelbase
- Power Mirrors, Windows and Locks
- GVWR: 8550 lbs
- Rearview Camera
- 25 Gallon Fuel Tank **Price-\$41,513.75**

### Vehicle Capacity:

- 9 Ambulatory Passengers (Including Co-Pilot)



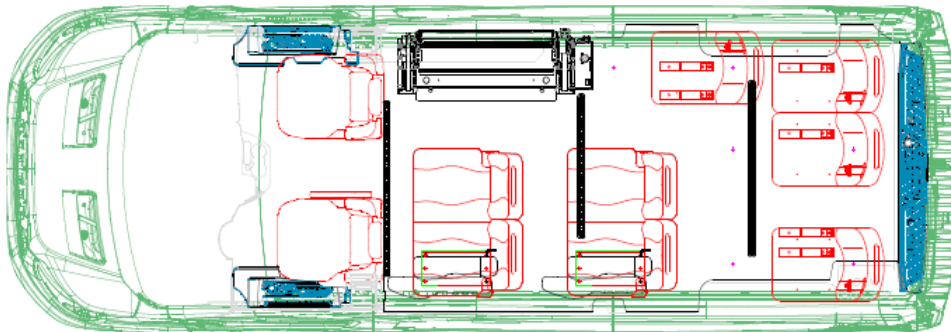
## Transit 350 Medium Roof Wagon with Side Lift, (2) 2 Passenger Flip Seats, 4 Fixed Seats and 2 Wheelchair Positions

### Vehicle Specifications:

- 3.7L V-6 Engine
- 148" Wheelbase
- Power Mirrors, Windows and Locks
- GVWR: 9000 lbs
- Rearview Camera
- 25 Gallon Fuel Tank
- 800 lb Side Wheelchair Lift **Price-\$52,585.25**

### Vehicle Capacity:

- 9 Ambulatory Passengers (Including Co-Pilot) without Wheelchairs
- 5 Passengers (Including Co-Pilot) and 2 Wheelchair Positions
- 7 Passengers (Including Co-Pilot) and 1 Wheelchair Position





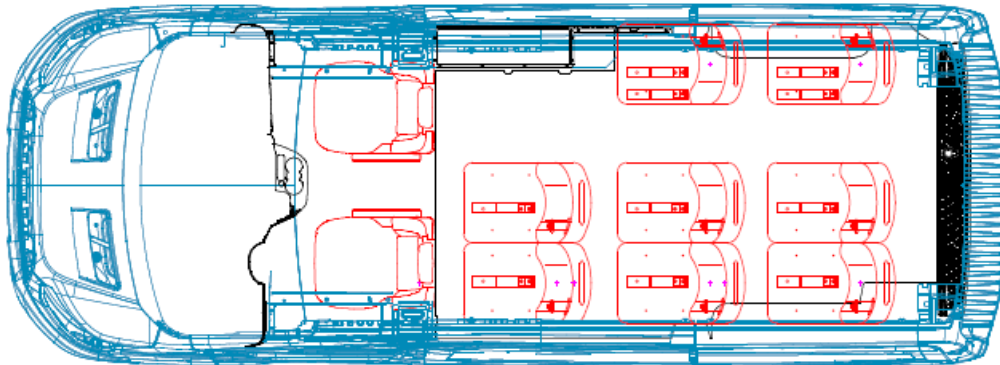
## Transit 150 Medium Roof Wagon with 8 Rear Passenger Van

### Vehicle Specifications:

- 3.7L V-6 Engine
- 130" Wheelbase
- Power Mirrors, Windows and Locks
- GVWR: 8550 lbs
- Rearview Camera
- 25 Gallon Fuel Tank **Price-\$41,513.75**

### Vehicle Capacity:

- 9 Ambulatory Passengers (Including Co-Pilot)



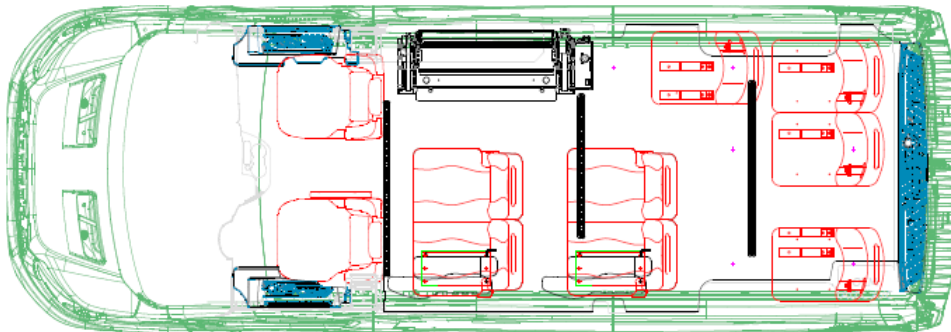
## Transit 350 Medium Roof Wagon with Side Lift, (2) 2 Passenger Flip Seats, 4 Fixed Seats and 2 Wheelchair Positions

### Vehicle Specifications:

- 3.7L V-6 Engine
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### Vehicle Capacity:

- 9 Ambulatory Passengers (Including Co-Pilot) without Wheelchairs
- 5 Passengers (Including Co-Pilot) and 2 Wheelchair Positions
- 7 Passengers (Including Co-Pilot) and 1 Wheelchair Position



# Delivery Pick-up Process Fundamentals

**Power of Attorney**

**Certificate of Insurance**

**CDL licensed driver for  
vehicles over 16 passengers**



# Fleet Maintenance & Facility Plans

- **Each subrecipient must follow the stated interval for oil change as required by the manufacturer or as written in your plans**
- **PM's must be on schedule at least 80% of the time – 10% grace over/under allowed**
- **FTA Maintenance Plans must be followed as written for Preventive Maintenance (PM) schedules**



# 5311 Asset Surplus Process

**Cutaways – must have 150,000 miles or 5 years to meet ULB**

**All vehicle replacements must be of like kind for vehicle surplused**

**PTS will complete a surplus turn-in checklist that must be signed by the subrecipient**

**Subrecipients will remove license plates/decals/branding**

**Return vehicle whole, as received**

# **5311 Surplus Retention Process**

**Department will provide option to retain 5311 vehicle at time of surplus for county use**

**Retained vehicles are not to be used for public transit except in a temporary situation where an accident has occurred or a vehicle is down for repairs.**

**Subrecipients should request replacements in their annual applications**

# BRANDING - MARKETING



# Bus Advertising – Revenue Contracts

- Revenue contracts for advertising must ensure a competitive process to permit interested parties an equal chance to obtain that limited opportunity (FTA C 4220.1F Chapter II (4(a))

<https://www.nationalrtap.org/News/Best-Practices-Spotlight/Archive-Advertising>

# Transit Operations Best Practices

- **Safety takes priority over on-time arrival**
- **Allow passengers ample time to board and be seated**
- **Employ bus safety features when loading wheelchairs**
- **Track trip denials**
- **Conduct Pre-trip vehicle and lift inspections**
- **Just ASK if customers need assistance – be ready to provide!!**
- **Stop at all Railroad Crossings**
- **No Cell Phone Use**

# Accident Reporting Best Practices

- Report Accidents to Transit Planner or Program Manager within 24 hours
- Conduct Driver training to include evacuation procedures
- Reduce risk which is chance of injury, damage or loss, including death.
- Respond – during crisis a driver and dispatcher response can be critical
- Recovery – post accident documentation, claims filing
- Send GDOT a copy of police report as soon as available
- Post Accident D&A decision tree – to meet FTA thresholds
- FTA requirements – report incidents, injuries or fatalities for NTD reporting



