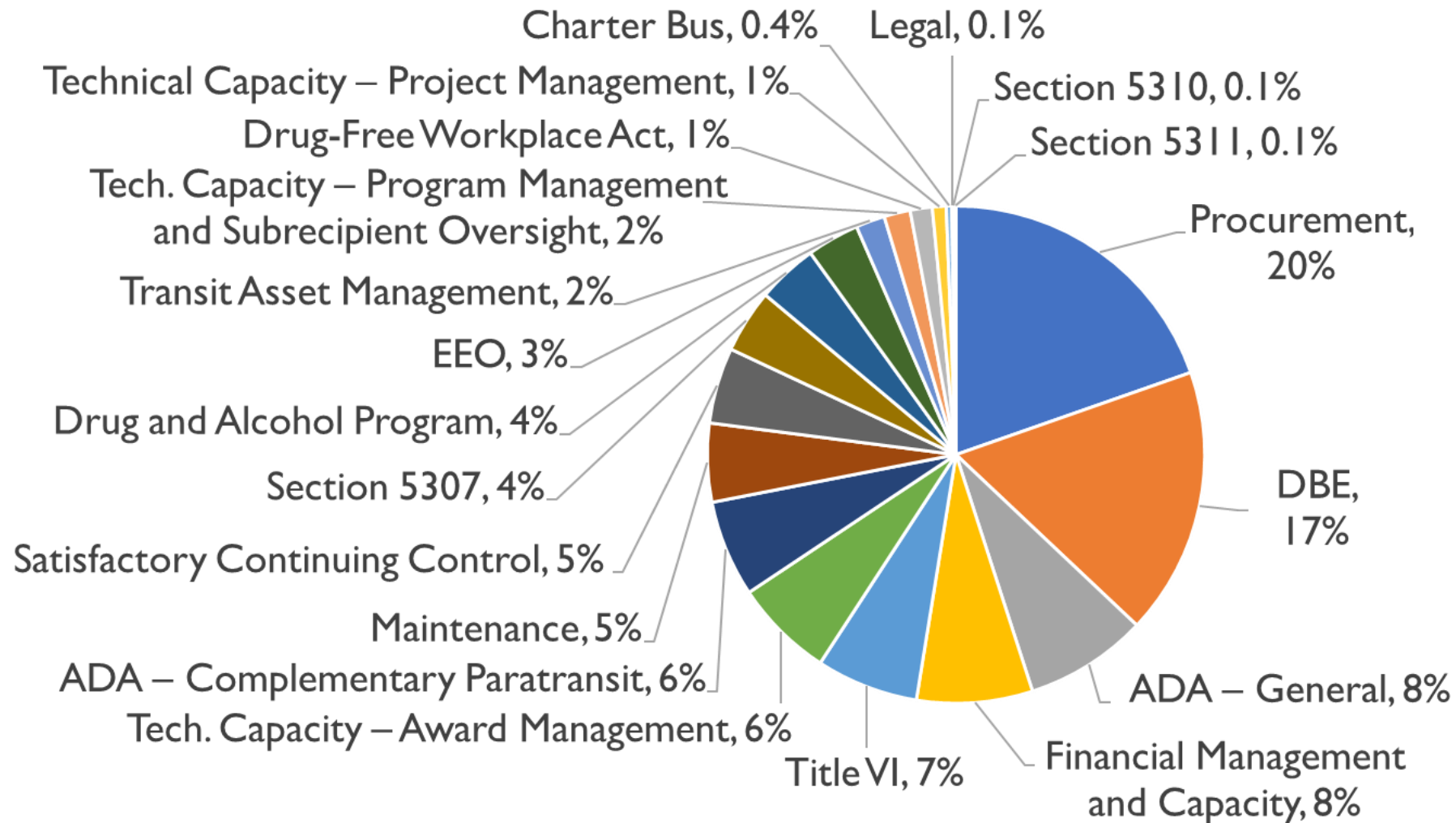
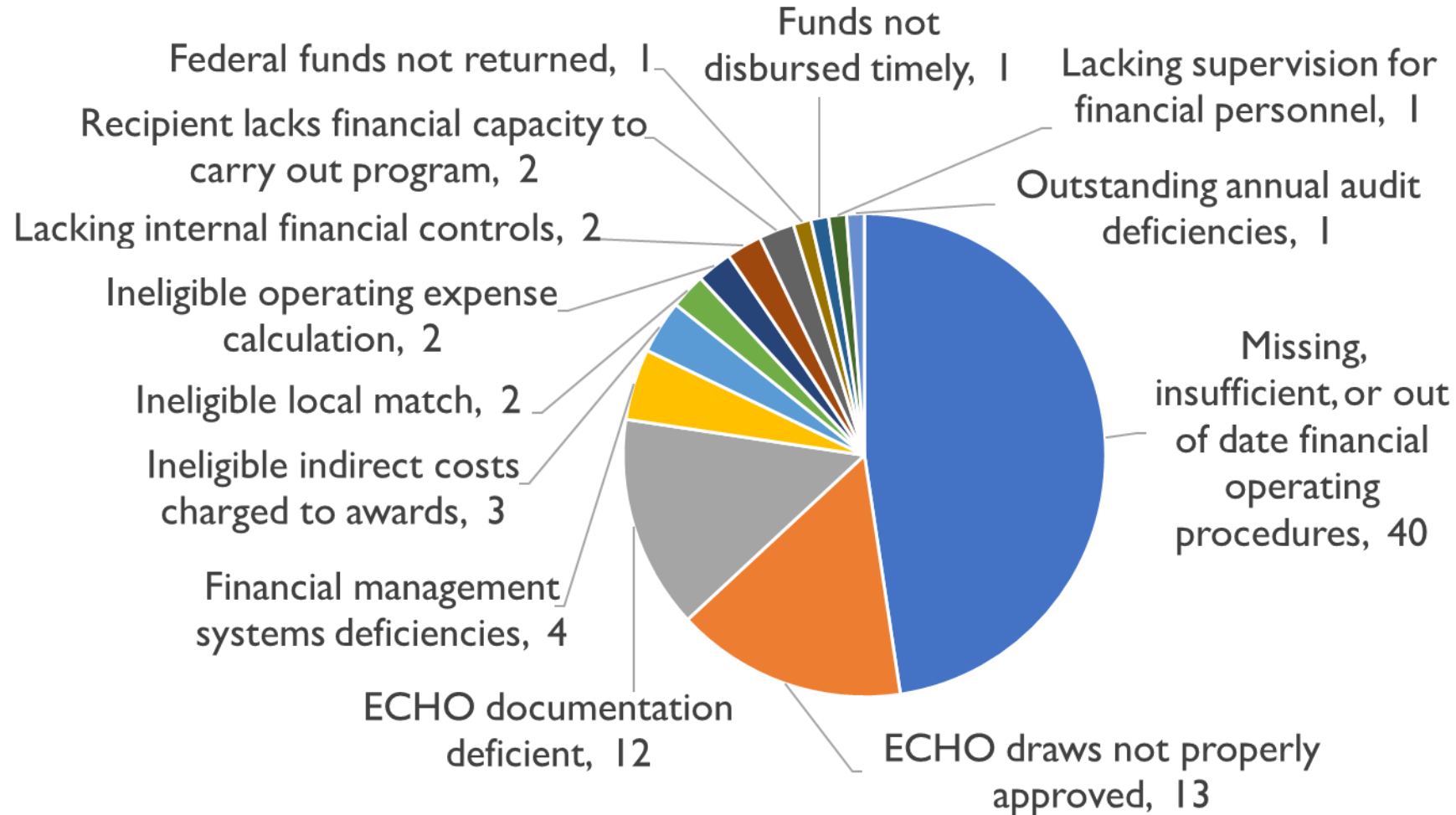


# **Common Compliance Issues in Triennial Reviews and State Management Reviews**

# FY2019 Deficiencies



# Financial Management and Capacity



## Financial Management and Capacity

Missing, insufficient, or out-of-date financial operating procedures

- Almost 50% of the findings in this area!
- FTA requires recipients to have two aspects of their financial policies and procedures to be in writing
  - Cash Management
  - Allowability of Costs

## Financial Management and Capacity

What is “Cash Management”?

- FTA only authorizes drawdown from an award when the funds are immediately necessary
- When a recipient draws down federal funds from an award, the drawn funds must be disbursed (i.e. mailed) within three business days of the draw
- While most recipients operate on a reimbursement basis, they still must have a written policy stating that if they ever were to operate on a non-reimbursement basis, that this requirement would be met

## Financial Management and Capacity

### Allowability of Costs

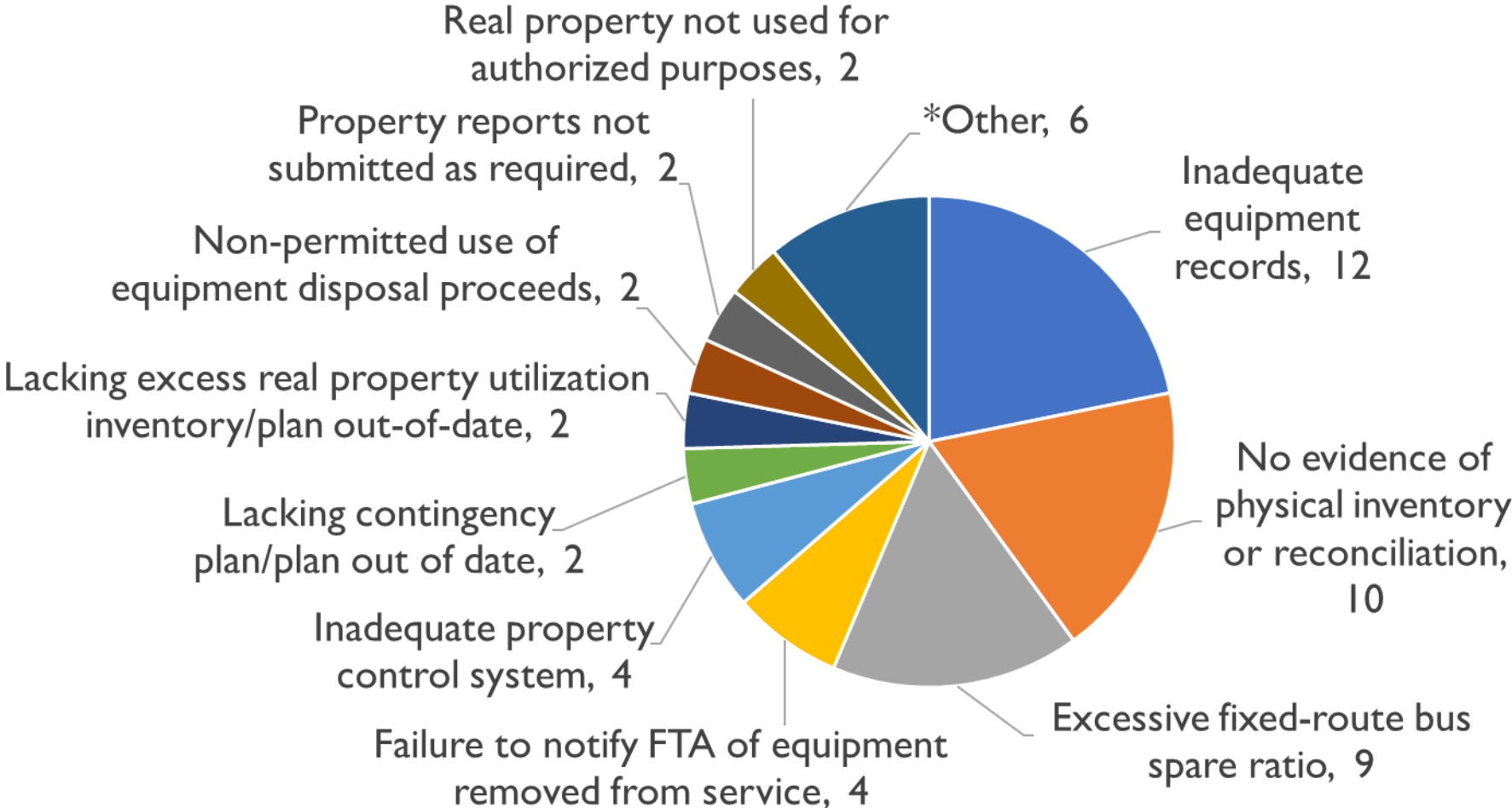
- The recipient must maintain a system of internal controls over federal expenditures to provide reasonable assurance that federal awards are expended only for allowable activities and that the costs of goods and services charged to federal awards are allowable

# Financial Management and Capacity

## 2 CFR 200.403 Factors Affecting Allowability of Costs

- The cost must:
  - Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
  - Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
  - Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the district.
  - Be accorded consistent treatment.
  - Be determined in accordance with generally accepted accounting principles.
  - Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period.
  - Be adequately documented.

# Satisfactory Continuing Control





# Satisfactory Continuing Control

## Inadequate Equipment Records

- Recipients must conduct a biennial inventory of their federally funded assets that have a per unit acquisition cost equal to or greater than \$5k and must reconcile the results post-inventory
- The inventory must have all of the following elements:
  - Description
  - ID or serial number
  - Title holder
  - Federal Award Identification Number (FAIN)
  - Acquisition date
  - Acquisition cost
  - Federal participation percentage
  - Location
  - Useful life
  - Use and condition
  - Disposition data, including date of disposal, sale price, method used to determine fair market value

## Satisfactory Continuing Control

### Flood Insurance

- FTA cannot provide funds for acquisition/construction of buildings if located in special flood hazard area (100- year flood zone) unless the owner of the property first has obtained flood insurance. Flood Disaster Protection Act (FDPA).
- Applies to any construction or acquisition with a cost of \$10k or more
- Building: “a building with two or more outside rigid walls and a fully secured roof that is affixed to a permanent site”
- Every recipient must procure flood insurance for any federally funded building located in a 100 year flood zone and must have a process for determining what buildings require flood insurance

## Website Issues

Multiple review areas require that an agency provide certain information to the public

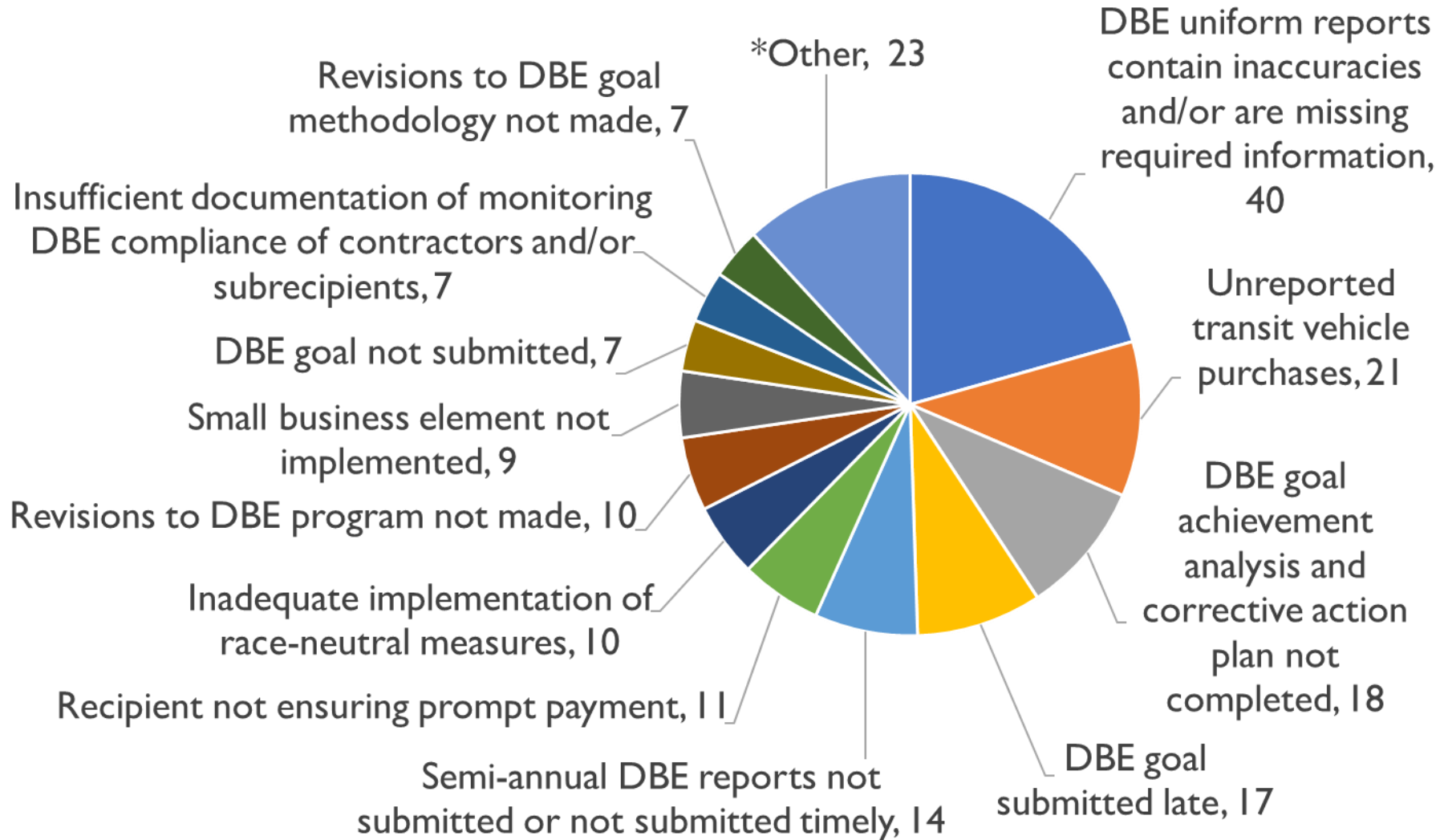
- Common Issues:
  - Missing Information
  - Broken Links
  - Inconsistent Information/Documents
  - Outdated Documents
  - Noncompliant Information
  - Overreliance on mechanical means of translation

# Website Issues

## What should be on your website?

- ADA:
  - Process to file an ADA complaint
  - Availability of reasonable modifications
  - Availability of information in alternative accessible formats
- Title VI
  - Title VI Notice to the Public
  - Title VI Complaint Form
  - Translated vital documents, if applicable
- EEO
  - Job postings should include a statement that the agency is an equal opportunity employer
- Procurement
  - Protest procedures if not included in solicitations or otherwise publicly available

# Disadvantaged Business Enterprise



## DBE

### Shortfall Analysis Not Completed

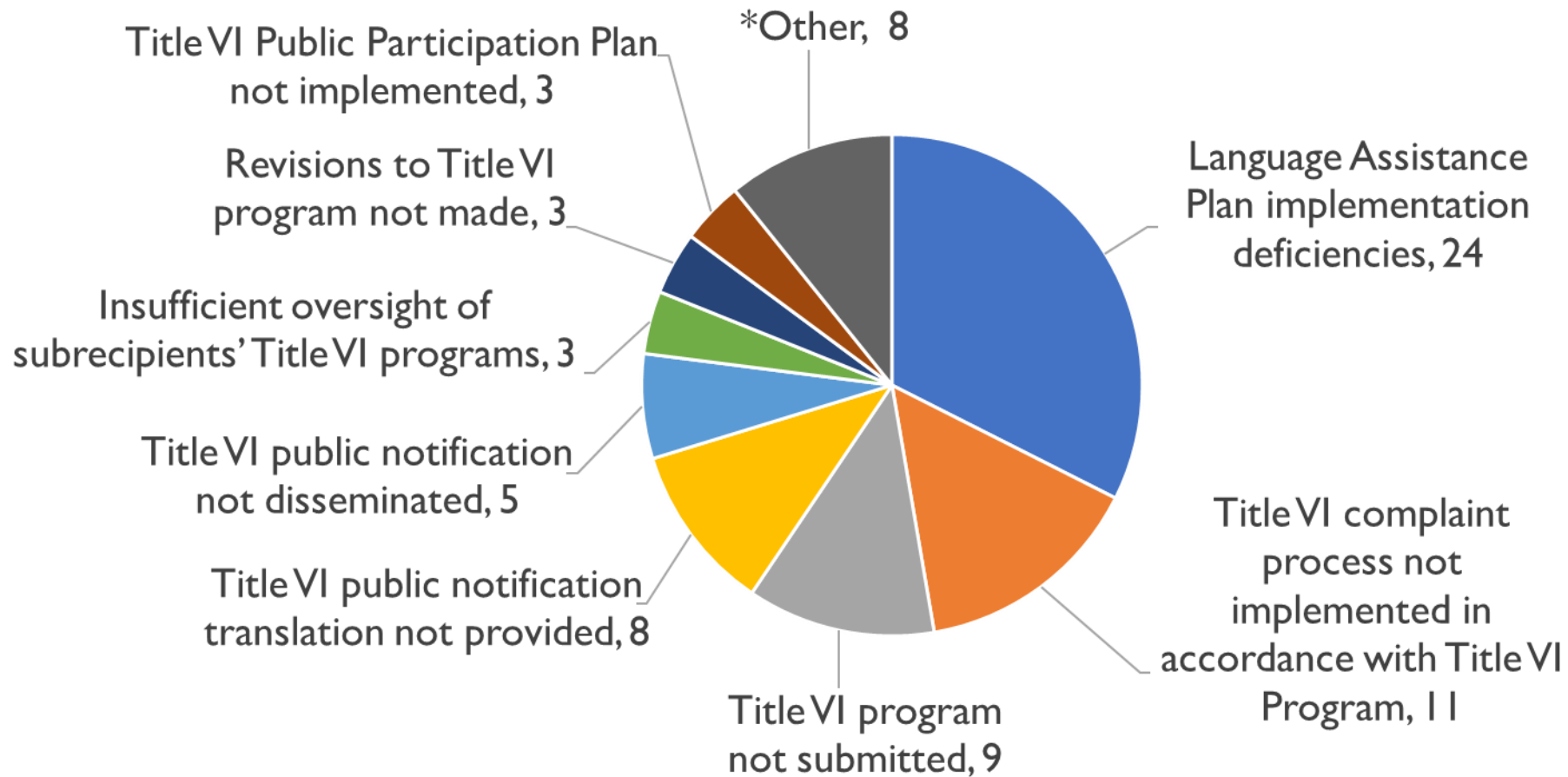
- If a recipient does not meet its annual DBE goal, it must perform a shortfall analysis for each year in which the goal was not met
  - Must analyze in detail the difference between the overall goal and the DBE awards in that fiscal year
  - Must establish specific steps to correct the problems identified in the analysis
  - Must establish timeline/milestones to perform to enable meeting the goal for the new fiscal year
  - The 50 largest transit agencies must submit the analysis in TrAMS within 90 days of the end of the Federal Fiscal Year (December 29<sup>th</sup>)
    - Smaller agencies just retain for three years and make it available to FTA on request

## DBE

### Unreported Transit Vehicle Purchases

- If a recipient procures a transit vehicle with federal funds, it must report the purchase to FTA within 30 days of making the award
- Report the name of the bidder and the contract value
- GDOT has to report all purchases made by its subrecipients
- [Transit Vehicle Award Reporting Form](#)

# Title VI





## Title VI

Most Title VI findings relate to not implementing your Title VI plan correctly

- LAP Implementation deficiencies
  - Title VI complaint process not implemented in accordance with Title VI Program
  - PPP not implemented
  - Title VI public notice not disseminated
  - Title VI public notice translation not provided
- 
- Most important thing about Title VI is that you will be held to whatever is written in your Title VI Plan!

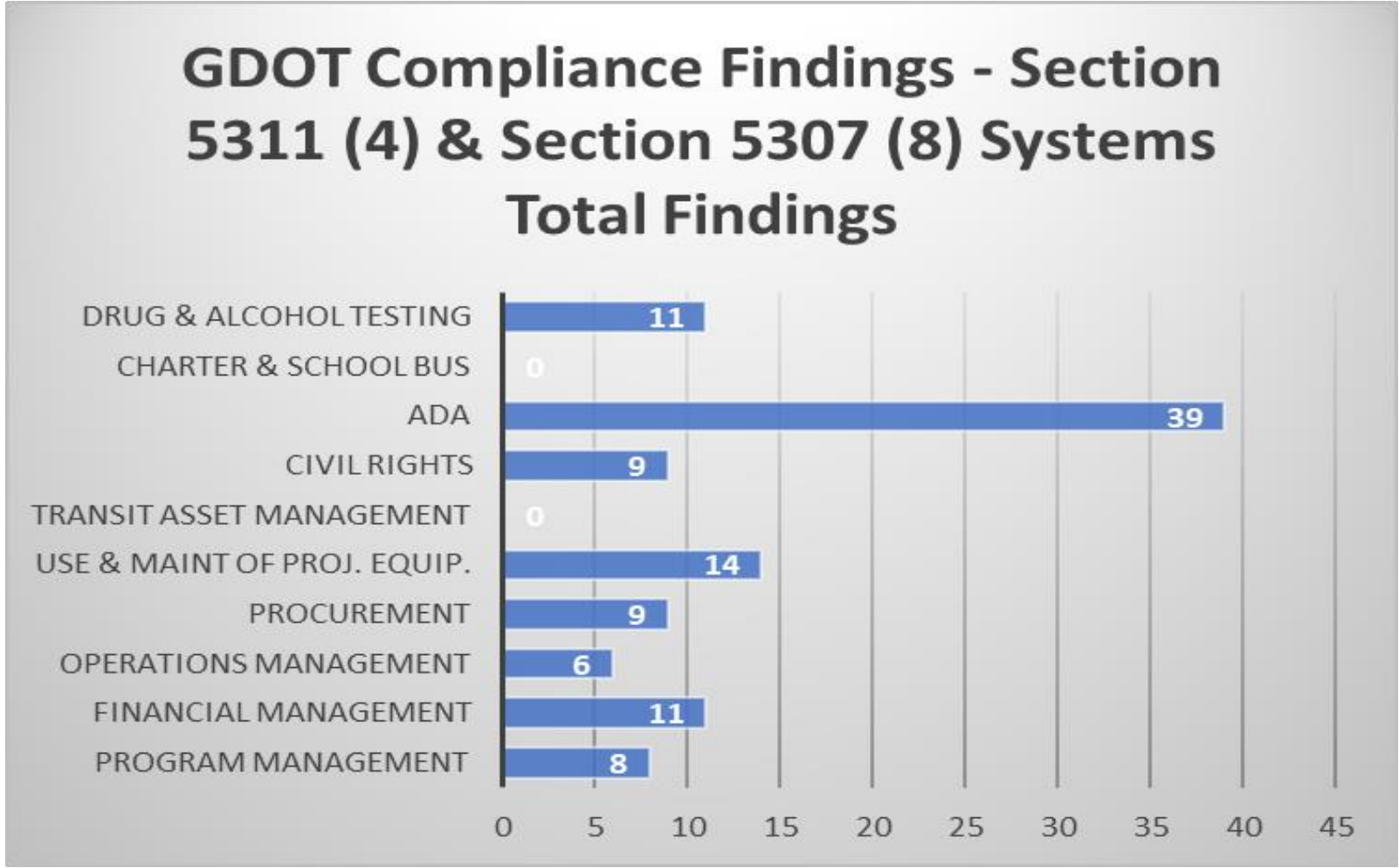
## ADA Complementary Paratransit

### Unreasonable No-Show Suspension

- Recipients may establish an administrative process to suspend, for a reasonable period, complementary paratransit service
- Must establish pattern or practice of no-shows (taking into account frequency of trips)
- Must provide for due process (the right to appeal)
- Must not include no-shows outside of the rider's control
- FTA considers any suspension over thirty days to be excessive



# Common 2021 GDOT Compliance Findings – Section 5311 & Section 5307 Reviews



# Common 2021 GDOT Compliance Findings

## Program Management

- Late GDOT quarterly reports (3)
- Lacked basic service information on website (3)
- KPI reports not submitted to GDOT (2)

**Corrective Actions:** Submittal of reports on-time, add basic service type, hours, days, etc. to website

**Note:** As your transit system service changes, keep a checklist on all public information materials that need to be revised (i.e., website, system brochure, flyers, etc.) and consider changes in compliance requirements.

# Common 2021 GDOT Compliance Findings

## Financial Management

- Lacked or had insufficient grants management procedures (4)
- Lacked sufficient cash management procedures (3)
- No service agreement for contract service to local agency or contract expired (3)

**Corrective Actions:** Develop detailed cash management procedures to ensure two individuals present when counting fares/donations, ensure contract service agreements are executed prior to initiation of service, and develop detailed grants management procedures to include actions to “determine eligible and allowable costs”.

**Tip:** For service contracts, always begin the process at least two months prior to new contract to provide sufficient time for governing board approval, if necessary.

# Common 2021 GDOT Compliance Findings

## Operations Management

- ADA definition of trip denials not used (4)

**Corrective Actions:** Revise ADA policies for more specific trip denial definition details:

- A rider requests a next-day trip, and the transit agency says it cannot provide that trip.
- A rider requests a next-day trip, and the transit agency can only offer a trip that is outside of the 1 hour negotiating window. *This represents a denial regardless of whether the rider accepts such an offer.*
- A rider requests a round-trip and the agency can only provide one leg of the trip. If the rider does not take the offered one-way trip, both portions of the trip are denials.

## Common 2021 GDOT Compliance Findings

### Procurement

- Procurement Policy did not include all federal requirements (6)
  - Examples of common issues: -No
    - Bid protest procedures
    - Documenting sam.gov debarment/suspension checks
    - OMB changes to thresholds on micro-purchase (<\$10,000), small (>\$3,000 to \$250,000), and formal (>\$250,000) purchase thresholds
    - Did not consistently complete independent cost estimates

**Corrective Actions:** Revise Procurement Policy using GDOT's compliant template that was recently updated. Customization will likely be required depending on the subrecipient's purchase thresholds (but must at least be =/< GDOT/Federal requirements).



## Common 2021 GDOT Compliance Findings

### Use and Maintenance of Project Equipment and Facilities

- Did not meet 80% on-time performance with vehicle PM intervals (7)
- Lacked facility maintenance plan for federally-funded shelters (4)

**Corrective Actions:** Improve staff (management/operations) monitoring PM interval performance and including the FTA 80% on-time performance (+/- 10% of the target interval mileage in the vehicle maintenance plan and training all staff of the goal).

Development of Facilities Maintenance Plan that includes Federally-funded passenger bus stop shelters and amenities.

## Common 2021 GDOT Compliance Findings

### Americans With Disabilities Act

- Does not sufficiently advertise information regarding how riders can request reasonable modifications in policies, practices, or procedures (8)
- Does not sufficiently advertise to the public the process for filing an ADA-related complaint (7)
- Does not sufficiently advertise the availability of information in accessible formats (6)
- No-show policy - unreasonable numerical threshold for suspension (5)
- Service animal definition not consistent with FTA requirements (4) – stated only dogs

**Corrective Actions:** Revise ADA policies and procedures using Best Practice samples and training staff on requirements. **Best Resource For More Information On No-Show/Suspensions:** Topic Guides on ADA Transportation <https://dredf.org/ADAtg/>

## Common Drug & Alcohol Findings

- Drug & Alcohol Policy
- Random Testing Spread
- Service Agent Oversight – Review of CCFs/ATFs

## Common Drug & Alcohol Findings

### Drug & Alcohol Policy

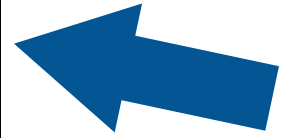
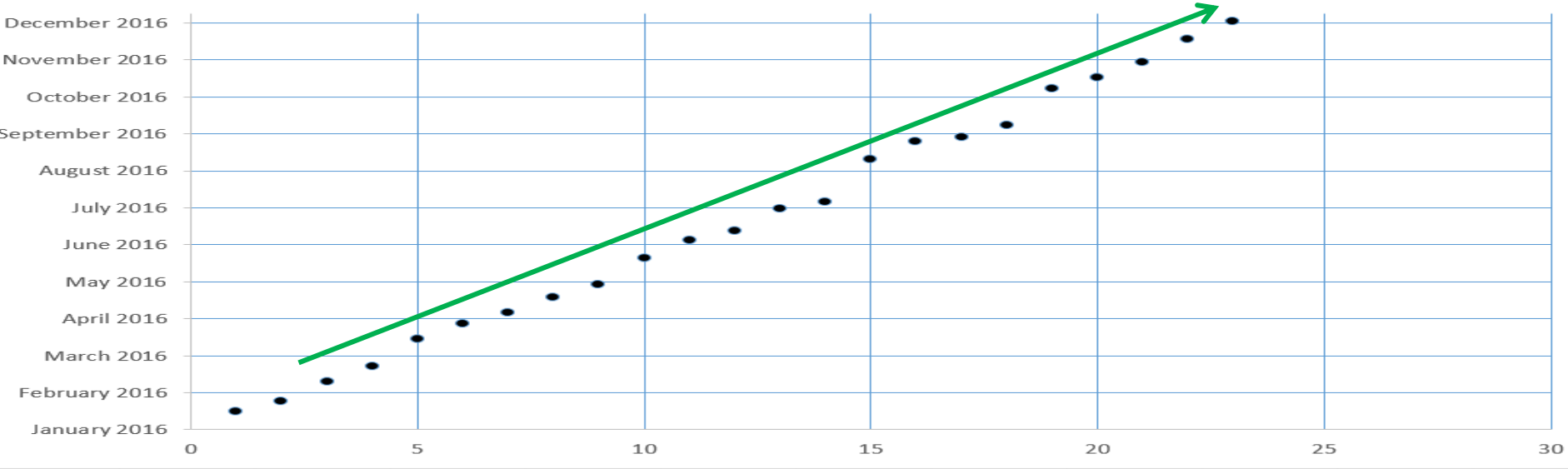
- Needs updates
  - Your policy will ALWAYS be a **LIVING** document
  - Seek expert review on regular basis (FTA or GDOT)
  - [FTA policy builder website](#)
  - GDOT Template (updated in April 2021)
- USDOT-FTA Provisions vs. Employer Specific Provisions
- Governing authority must re-approve EVERY TIME POLICY IS REVISED

## Common Drug & Alcohol Findings

### Random Testing Spread

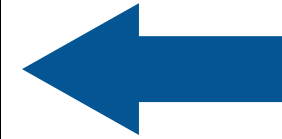
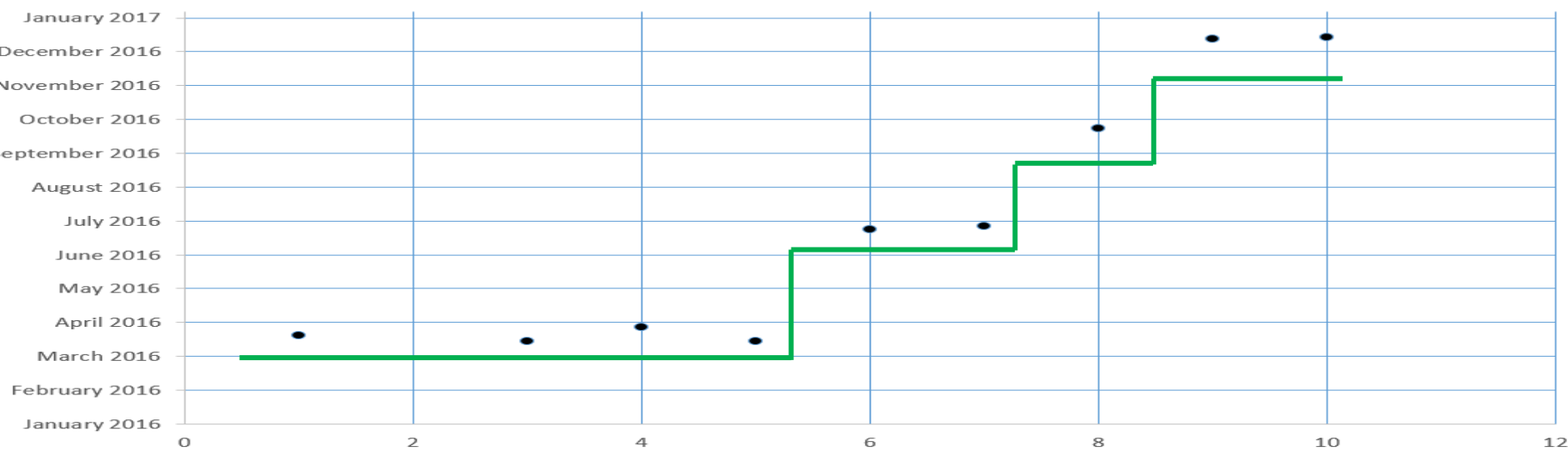
- Your random tests are **REQUIRED** to be spread throughout the year during ALL days/times safety-sensitive functions are performed
- Testing **MUST NOT** be patterned or predictable
- **#1 Purpose = Deterrence and Detection!!!!**

**ACME TRANSIT - Random Testing Throughout The Year**



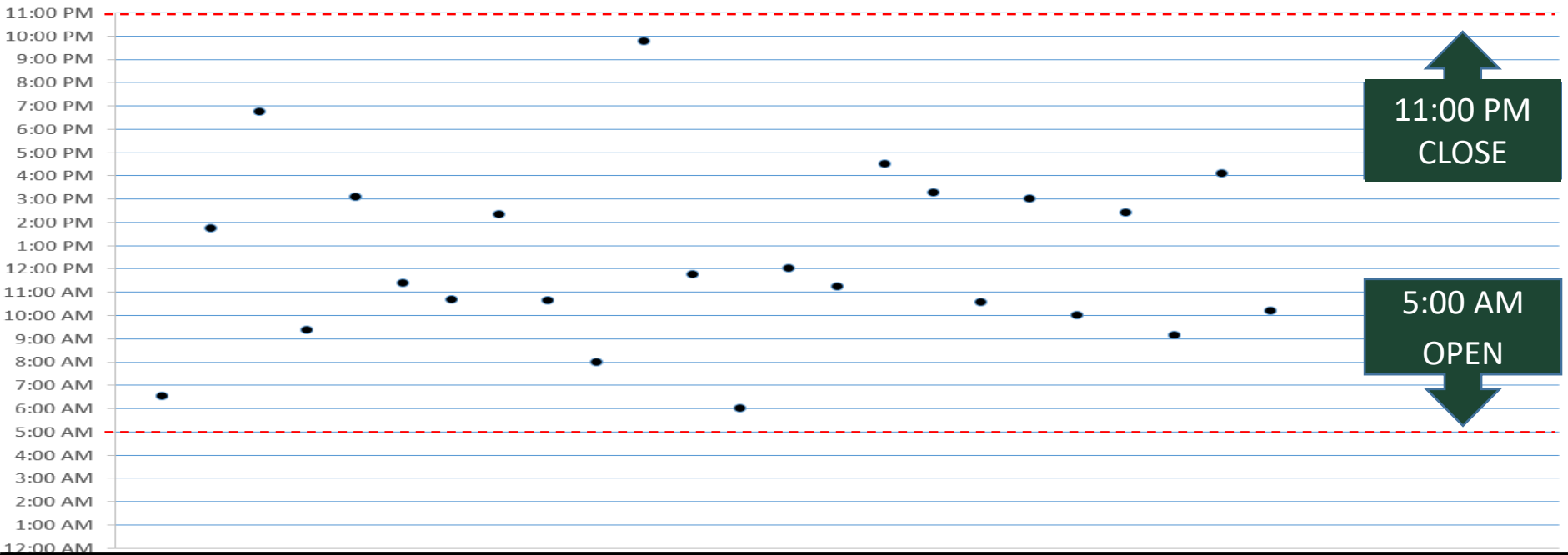
**GOOD!**

**SUNRAY TRANSIT - Random Testing Throughout The Year**

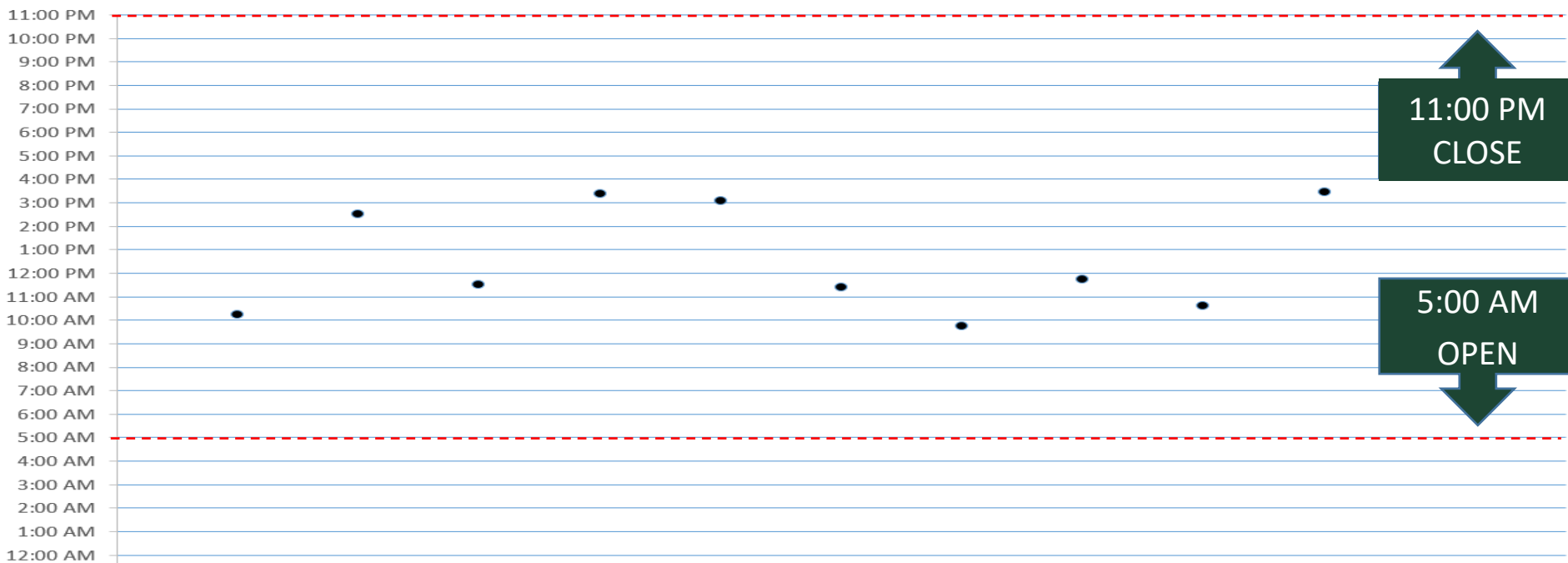


**Predictable  
w/ Gaps**

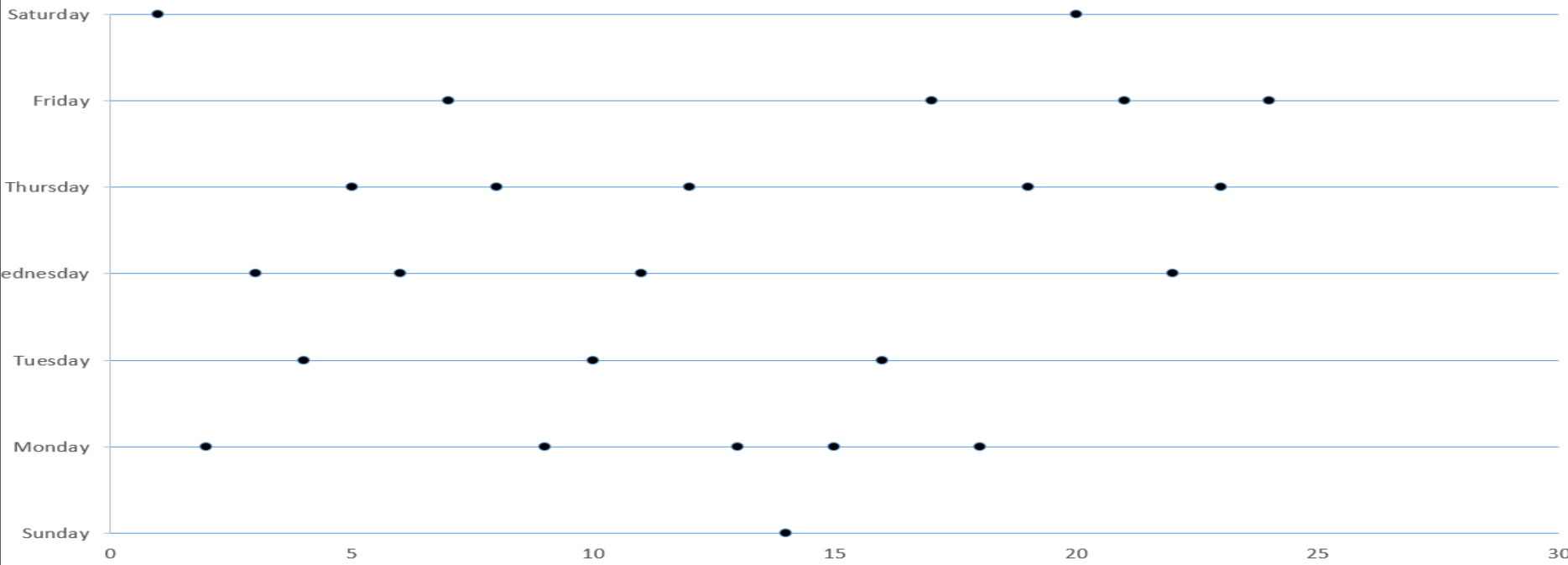
ACME TRANSIT - Random Testing Throughout The Day



SUNRAY TRANSIT - Random Testing Throughout The Day

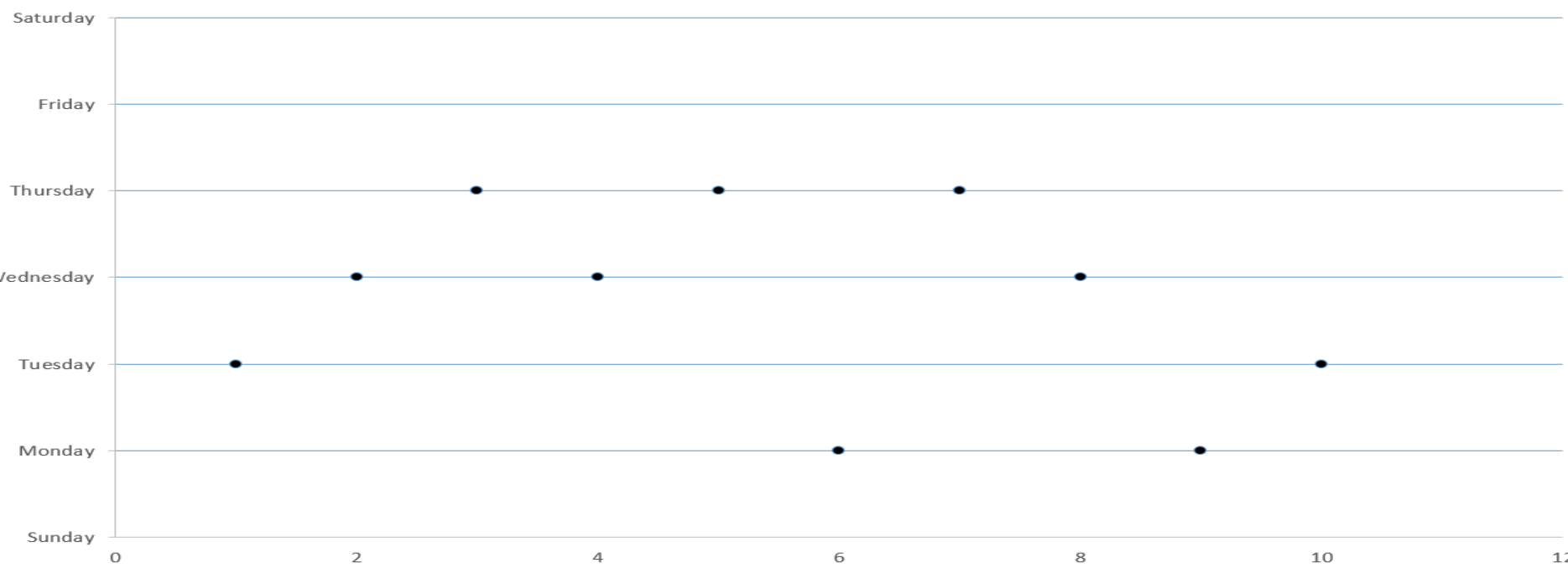


ACME TRANSIT - Random Testing Throughout The Week



 **GOOD!**

SUNRAY TRANSIT - Random Testing Throughout The Week



 **Predictable  
w/ Gaps**



## Common Drug & Alcohol Findings

### Custody and Control Form (CCF) & Alcohol Testing Form (ATF) Review

- You must be reviewing ALL CCFs/ATFs
  - As you receive them, not “periodically”
  - If errors found, they must be addressed and documented
- CCF/ATF Review Tools (available from GDOT)
  - Helps you conduct the review comprehensively
  - Everything required on the form must be completed
  - Review what is completed for accuracy
- Sample Affidavits of Correction (available from GDOT)

## Common Drug & Alcohol Findings

### UPDATE!!! -- REVISED CCF MUST BE USED

- Timeline:
  - 8/17/2020: OMB approved revised CCF
  - 6/1/2021: “Revised” CCF widely available for use
  - **8/30/2021**: “Revised CCF **MUST** be used
    - If old form used, MFR **MUST** be completed, or test is canceled
- “How Do I Know If My Collection Site is Using the “Revised” CCF or Not?”
  - See “yellow” highlights on next slide



FEDERAL DRUG TESTING CUSTODY AND CONTROL FORM

SPECIMEN ID NO. 0000001

ACCESSION NO.

STEP 1: COMPLETED BY COLLECTOR OR EMPLOYER REPRESENTATIVE

A. Employer Name, Address, I.D. No. \_\_\_\_\_ B. MRO Name, Address, Phone No. \_\_\_\_\_

C. Donor SSN, Employee I.D., or **CDL State and No.** \_\_\_\_\_

D. Specify Testing Authority:  HHS  NRC Specify DOT Agency:  FMCSA  FAA  FRA  FTA  PHMSA  USCG

E. Reason for Test:  Pre-employment  Random  Reasonable Suspicion/Cause  Post Accident  Return to Duty  Follow-up  Other (specify) \_\_\_\_\_

F. Drug Tests to be Performed:  THC, COC, PCP, OPI, AMP  THC & COC Only  Other (specify) \_\_\_\_\_

G. Collection Site Address: \_\_\_\_\_ Collector Contact Info: Phone \_\_\_\_\_  
 Fax \_\_\_\_\_  
 Other \_\_\_\_\_

**NOTE: Use of CDL for FTA tests is PROHIBITED**

STEP 2: COMPLETED BY COLLECTOR (make remarks when appropriate).  URINE  ORAL FLUID

COLLECTION:  Split  Single  None Provided, Enter Remark.

**URINE:** Collector reads urine temperature within 4 minutes. Temperature between 90° and 100° F?  Yes  No, Enter Remark  Observed, Enter Remark

**ORAL FLUID:** Split Type:  Serial  Concurrent  Subdivided Each Device Within Expiration Date?  Yes  No  Volume Indicator(s) Observed

REMARKS:

STEP 3: Collector affixes seal(s) to bottle(s)/tube(s). Collector dates seal(s). Donor initials seal(s). Donor completes STEP 5 on Copy 2 (MRO Copy)

STEP 4: CHAIN OF CUSTODY - INITIATED BY COLLECTOR AND COMPLETED BY TEST FACILITY

*I certify that the specimen given to me by the donor identified in the certification section on Copy 2 of this form was collected, labeled, sealed and released to the Delivery Service noted in accordance with applicable federal requirements.*

**X** \_\_\_\_\_  
 Signature of Collector

\_\_\_\_\_ AM  
 \_\_\_\_\_ PM  
 (PRINT) Collector's Name (First, MI, Last) Date (Mo/Day/Yr) Time of Collection

**SPECIMEN BOTTLE(S)/TUBE(S) RELEASED TO:**  
 \_\_\_\_\_  
 Name of Delivery Service

STEP 5: COMPLETED BY DONOR

*I certify that I provided my specimen to the collector; that I have not adulterated it in any manner; each specimen bottle/tube used was sealed with a tamper-evident seal in my presence; and that the information provided on this form and on the label affixed to each specimen bottle/tube is correct.*

**X** \_\_\_\_\_  
 Signature of Donor

\_\_\_\_\_ (PRINT) Donor's Name (First, MI, Last) \_\_\_\_\_  
 \_\_\_\_\_ Date (Mo/Day/Yr)

**Email address:** \_\_\_\_\_ Daytime Phone No. ( ) \_\_\_\_\_ Evening Phone No. ( ) \_\_\_\_\_ Date of Birth \_\_\_\_\_  
 (Mo/Day/Yr)

After the Medical Review Officer receives the test results for the specimen identified by this form, he/she may contact you to ask about prescriptions and over-the-counter medications you may have taken. Therefore, you may want to make a list of those medications for your own records. THIS LIST IS NOT NECESSARY. If you choose to make a list, do so either on a separate piece of paper or on the back of your copy (Copy 5). – DO NOT PROVIDE THIS INFORMATION ON THE BACK OF ANY OTHER COPY OF THE FORM. TAKE COPY 5 WITH YOU.