

State Management Plan
For The Administration Of The
Section 5311- Nonurbanized Area Formula Grant Program
And
Rural Transportation Assistance Program



Administered Through The
Oklahoma Department of Transportation
Transit Programs Division

In Association With The
U. S. Department Of Transportation
Federal Transit Administration

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SECTION 5311 NONURBANIZED AREA FORMULA PROGRAM FEDERAL FUNDS TO SUPPORT NONURBANIZED TRANSIT PROVIDERS

1.1 INTRODUCTION

The Oklahoma Department of Transportation (ODOT) is the Governor's designee to apply for, receive and administer federal public transportation financial assistance programs for the nonurbanized areas of the state. Among such programs is the Federal Transit Administration's Section 5311-Nonurbanized Area Formula Program. Under this program, funds are appropriated annually and are apportioned to states based on their nonurbanized population and land area in nonurbanized areas relative to the national nonurbanized population and nonurbanized land area. The Federal Transit Administration (FTA) is responsible for administering the Section 5311 Program at the federal level. The code assigned to the Section 5311 Program in the Catalogue of Federal Domestic Assistance is 20.509.

FTA's Circular 9040.1, as revised, provides guidance to the states on the administration and management of the Section 5311 Program. It requires each state to develop a *State Management Plan* (SMP) outlining its policies and procedures for management of the Section 5311 Program. This document has been prepared according to these guidelines and is a consolidation of Oklahoma's policies, procedures, objectives and administrative requirements for the Section 5311 Program. Oklahoma's *Section 5311 Application Handbook* is incorporated by reference as part of the SMP.

1.2 PROGRAM GOAL AND OBJECTIVES

Program Goal: To provide transportation services for the people of Oklahoma living in nonurbanized areas so that they may have access to services such as health care, shopping, education, recreation, public services and employment by encouraging the maintenance, development, improvement and use of passenger transportation systems.

Program Objectives: To provide transportation services to the public in the rural and small urban areas of Oklahoma, provide fair distribution of public transportation funds to all areas of the State, to the best of our ability and coordinate the activities of existing and proposed public and private providers of public transportation services.

1.3 ROLES AND RESPONSIBILITIES

ODOT is responsible for the administration of federal Section 5311 Program funds as promulgated under Title 730, Chapter 45 of the Oklahoma Administrative Rules. ODOT, as the Governor's designee with regard to the administration of federally funded programs, is charged with the responsibility of actively pursuing available Section 5311 Program funds for the development and maintenance of rural public transportation services and to disburse these funds to eligible local transit operators throughout the State. The responsibility for the administration of these Section 5311 Program funds is vested in ODOT's Transit Programs Division. It is the responsibility of the Transit Programs Division to:

- distribute information about the Section 5311 Program;
- provide technical assistance;

- review and monitor Section 5311 Program subrecipients; and
- submit an annual program of projects to the FTA for approval.

At the beginning of each federal fiscal year, FTA publishes in the Federal Register a compilation of the various certifications and assurances. Direct recipients of FTA assistance in the prescribed fiscal year must execute the certifications and assurances. Certifications and assurances ODOT must sign include those applicable to all direct grantees, the special certifications and assurances for the nonurbanized area formula program and all other certifications and assurances applicable to the projects and activities ODOT intends to support with Section 5311 funds, regardless of whether or not the state or its subrecipients implement the activity.

The responsibilities for Section 5311 subrecipients are described in ODOT's *Section 5311 Application Handbook*.

1.4 COORDINATION

Oklahoma does not have a state process for intergovernmental review of federal programs, therefore the Section 5311 Program grants are not submitted to a state clearinghouse for review. However, the Section 5311 Program is included as an element of ODOT's Statewide Transportation Improvement Program (STIP) and thereby goes through the STIP review process as any other transportation project would.

In an effort to coordinate the Section 5311 Program and the Section 5310 program, which is administered in Oklahoma by the Department of Human Services (DHS), ODOT submits its annual program of projects to DHS for review.

Applicants for Section 5311 Program funding must provide documentation to support their efforts to locally coordinate their proposed transportation services with Human Service transportation providers and public transportation providers. This includes both private for profit operators and nonprofit operators. Efforts to accomplish this would include, but not be limited to written invitations, published invitations, public announcements, sign-in sheets, and notes of public forums.

1.5 ELIGIBLE RECIPIENTS

Eligible recipients of Section 5311 Program funds include nonprofit organizations, State agencies, units of local government, such as counties and cities, Indian Tribes and groups and public transportation providers. Private for profit providers of transit services or intercity bus services may participate through third party contracts with eligible local recipients. For the purpose of this program, "public transportation" is defined as mass transportation by bus, rail or other conveyance, either publicly or privately owned, which provides service to the public on a regular and continuing basis. For the purpose of this program, subrecipient, transit provider and contractor are used synonymously.

1.6 ELIGIBLE SERVICES AND SERVICE AREAS

Section 5311 Program funds are available for public transportation projects in non-urbanized areas of the state. For the purpose of this program, the terms "non-urbanized areas" and "rural and small urban areas" are used synonymously to mean any area outside

an urbanized area, as designated by the Bureau of the Census. An urbanized area consists of a core area and the surrounding densely populated area with a population of 50,000 or more, with boundaries fixed by the Census Bureau or extended by state and local officials. Since the goal of the Section 5311 Program is to enhance the transportation mobility for people living in non-urbanized areas, subrecipient operations may include transporting non-urbanized area residents to and from urbanized areas.

1.7 ELIGIBLE ASSISTANCE CATEGORIES

Eligible costs and the level of federal participation for these expense categories are discussed in the following sections.

Allowable costs shall be governed by the applicable cost principles as published in Office of Management and Budget (OMB) Circulars:

- State agencies, local governments or Indian tribal governments will use the cost principles in OMB Circular A-87;
- Private nonprofit organizations will use the cost principles in OMB Circular A-122; and
- Educational institutions will use the cost principles in OMB Circular A-21.

1.7.1 State Administration

The Section 5311 Program allows states to use an amount not to exceed fifteen percent of its annual apportionment for administration, planning and technical activities.

1.7.2 Capital

Capital expenses include the acquisition, construction and improvement of public transit facilities and equipment for a safe, efficient and coordinated public transportation system. The amount of federal reimbursement for the allowable costs of the facilities and equipment shall not exceed eighty percent of the net cost. There are, however, two exceptions:

- When vehicle related equipment is purchased solely to comply with the Americans with Disabilities Act of 1990 (ADA); and
- When vehicle related equipment is purchased to comply with the Clean Air Act (CAA).

When either of these conditions exists, the federal reimbursed rate will be an amount not to exceed ninety percent of the net cost of the ADA or CAA vehicle related components. The cost of the basic vehicle is reimbursed at the rate of eighty percent of the cost balance or vehicle cost may be calculated for federal reimbursement at an amount not to exceed eighty-three percent of the total cost of the vehicle. This avoids the complication of determining which costs relate to the ADA or CAA vehicle related components and which costs relate to the basic vehicle.

Examples of eligible capital expenditures include, but are not limited to, buses, vans, paratransit vehicles, communication equipment, wheelchair lifts, vehicle rehabilitation and computer hardware and software. Other examples of eligible capital expenditures can be

found in FTA Circular 9040.1, as amended.

1.7.3 Project Administrative Expenses

The Section 5311 Program has the option of treating project administrative expenses as a separate category. This allows these expenses to be considered "non-operating" expenses and therefore reimbursable at a rate not to exceed eighty percent of the actual cost. Eligible project administrative line items will be limited to:

Director Salary	Advertising
Secretary Salary	Subscriptions/Membership Fees
Bookkeeper Salary	Training Program
Fringe, Administrative	Office Furnishings
Audit	Indirect Cost, Administrative
Legal Service	Alcohol and Drug Testing
Travel, Administrative	

1.7.4 Operating Expenses

Eligible operating expenses will be limited to the items listed below and reimbursable at the maximum rate of fifty percent of the net operating deficit. The net operating deficit is the amount that remains after the farebox revenue is subtracted from eligible operating expenses. Farebox revenue includes fares paid directly by riders and fares paid by riders who are later reimbursed by a human service agency or other user-side subsidy arrangements. Farebox revenue received by a Subrecipient must be reported as such via the ODOT MYLEO-net online reporting program (MYLEO-net). Application of contract revenue is further defined in the following section, LOCAL SHARE AND LOCAL FUNDING REQUIREMENTS. Eligible operating expenses line items will be limited to:

Supervisor Salary	Printing
Dispatcher Salary	Postage
Clerk Salary	Interest Expense
Driver Salary	Fuel
Mechanic Salary	Vehicle Maintenance/Repairs
Fringe, Operating	Building Maintenance/Repairs
Travel, Operating	Equipment Maintenance/Repairs
Vehicle Insurance	Indirect Cost, Operating
Insurance, Other	Fees & Licensing
Office/Garage Space	Transportation Service Agreements
Supplies	Vehicle Service Agreements
Telephone	Equipment Service Agreements
Utilities	Miscellaneous

1.8 LOCAL SHARE AND LOCAL FUNDING REQUIREMENTS

At least one-half of the local match for net operating, capital and administrative expenses must be provided in cash or cash equivalent. Examples of local share funds are local appropriations, dedicated tax revenue, income generated from purchase of service contracts and the profit generated from incidental charter services. The remainder of the local share may include unrestricted federal funds other than FTA sources of funding, such as Community Service Block Grants and Community Development Block Grants.

To encourage coordination among Federal agencies that provide transportation services, the Safe, Accountable, Flexible, Effective Transportation Equity Act – A Legacy for Users (SAFETEA-LU) states that the “nonfederal” match may be provided from different sources, including amounts available to a department or agency of the federal government, other than the Department of Transportation (except for Federal Lands Highway funds which may be used as match).

The applicant must identify sources of local funding. Letters of commitment from these funding sources must be incorporated into the application. If the applicant plans to use unrestricted funds from other federal programs as part of the local match, it will be the responsibility of the applicant to contact the funding agency and obtain, in writing, authorization to apply their funds as local match to the Section 5311 Program.

Examples of State funds eligible for use as a local match include, but are not limited to, the State Public Transit Revolving Fund and the Oklahoma Department of Commerce's Anti-poverty funds.

1.9 PROJECT SELECTION CRITERIA

ODOT uses a discretionary method for project selection. Criteria for selecting projects include:

- the lack of an existing public transportation provider within the purposed service area;
- effort to coordinate with other public transportation providers and inclusion of community efforts for human service transportation planning;
- the project scope;
- managerial and operational capacity of the applicant with regard to operating an open to the public transportation system; and
- willingness to serve the general public's needs.

ODOT receives the applications and reviews them for correctness of format and completeness. A proposed project is evaluated for content. The financial support listed by the agency is assessed to determine the applicant's ability to meet the local match requirement. A resolution of the governing body of the applicant pledging financial support of the project must accompany an application. Letters of commitment from potential funding agencies must be attached. It is the responsibility of the applicant to determine that funds from a certain source are eligible as match for federal Section 5311 Program funds.

Before executing a contract, personnel from ODOT's Operations Review and Evaluation Division will perform a pre-award audit. The purpose of this audit is to determine the applicant's capability to maintain records that meet generally accepted accounting standards and their ability to meet the program's fiscal requirements. If the applicant is an existing subrecipient and has a good record of having no audit findings for the previous periods, ODOT may consider a pre-award audit unnecessary.

1.10 INTERCITY BUS TRANSPORTATION

ODOT will expend not less than the statutorily determined percentage of its annual Section

5311 Program apportionment for intercity bus service. This amount is set at fifteen percent, as per Section 5311(f), Intercity Bus Transportation. This money may be spent for the development and support of intercity bus transportation, or the Governor may certify that the intercity bus needs of the state are adequately being met. ODOT will annually consult with intercity bus service providers before certifying to the secretary that intercity bus service needs of the state are being adequately met without making the fifteen percent allocation of funds for such services.

Funding under the Intercity Bus Transportation Service requirement may support intercity bus service in rural and small urban areas. Eligible activities include:

- Capital operating assistance to non-profit organizations for the direct operation of intercity service after appropriate consideration of participation by private for-profit service providers;
- Feeder bus service;
- Planning and marketing for intercity bus transportation;
- Intercity bus shelters;
- Joint use stops and depots;
- Operating grants through purchase of service agreements;
- User subsidies and demonstration projects; and
- Coordination of rural connections between small operations and intercity bus carriers.

Capital assistance may also be provided to purchase vehicles or vehicle related equipment, such as wheelchair lifts, for exclusive use in intercity bus service. Eligible categories for line items are the same as those previously listed under the Section 5311 Program.

For the purpose of this provision, intercity bus service is defined as regularly scheduled bus service for the general public which operates with limited stops over fixed routes connecting two or more urban areas not in close proximity, which has the capacity for transporting baggage carried by passengers, and makes meaningful connections with scheduled intercity bus service to more distant points, if such service is available. Package express service may also be included, if incidental to passenger transportation. An urban area, as defined by the Federal Transit Act, is "any area that includes a municipality or other built-up place which is appropriate...for a public transportation system..." Commuter service is excluded in this definition. Feeder bus service is defined as the provision of service which acts as a feeder to intercity bus service and includes the coordination of rural connections between small transit operations and intercity bus carriers. The feeder service is not required to have the same characteristics as the intercity service with which it connects. For example, feeder service may be demand responsive, while intercity bus service is by definition fixed route. Feeder service must, however, make meaningful connections with an intercity carrier that provides services to more distant points. For the purpose of this program the term, a meaningful connection, is defined as a transit operating schedule that would permit the transit user access to intercity bus service within five hours of its arrival/departure time. Intercity feeder bus routes must make a direct connection to a bus station that is serviced by an intercity carrier.

- Section 5311 Program subrecipients must record all intercity services. The format for recording this data is established within MYLEO-net which is supplied by the Transit Programs Division. The hardcopy of the format is referred to as "Data Intake Forms 01 & 02." This data is submitted monthly to the Transit Programs Division. Other information, such as costs associated with intercity service, may also be required by ODOT.
- A public entity operating or contracting for intercity bus service is not required to provide complementary paratransit service for individuals with disabilities who are unable to use the fixed route intercity bus service. Fixed route feeder service provided by a public entity, however, must be evaluated on a case by case basis to determine if its characteristics are those of commuter service or of transit which would require complementary paratransit. The federal match for intercity projects is the same as for the Section 5311 Program as outlined in Section 1.7, ELIGIBLE ASSISTANCE CATEGORIES. ODOT may, if it regards it as appropriate, fund regional or statewide planning activities at one hundred percent, if included within the fifteen percent allowed State Administration. However, any planning expenses for intercity bus not included in the fifteen percent allowed for State Administration is funded at the current year's established Federal share for Project Administration.

2.1 ANNUAL PROGRAM OF PROJECTS

All Federal funds programmed for highway or transit projects must be included in a STIP. Section 5311 Program funds are included in this requirement. For the purpose of the STIP, the State may aggregate its planned expenditures of Section 5311 Program funds and RTAP funds into statewide projects. These funds may then be used for items such as vehicle acquisition for rural and small urban transportation services, operating assistance, intercity bus projects, facility construction, state administration, and training and technical assistance. The STIP includes four program years. Metropolitan Planning Organizations (MPOs) are responsible for transportation planning and programming in metropolitan areas. If a subrecipient is proposing services within an MPO's planning/study urbanized boundaries, or if the area is expected to become urbanized within twenty years, these services must be included in the MPO's Transportation Improvement Program (TIP) and the STIP. The State's procedures for developing the Program of Projects are outlined in the introduction to the STIP under the heading "Project Selection". It states, "Projects in the STIP that fall within the rural areas and urban areas of less than 50,000 population, excluding the projects on the National Highway System and projects funded with Interstate Maintenance and Bridge Replacement funds, were selected by the State in cooperation with affected local officials."

In June of each year, ODOT submits its Section 5311 Program of Projects to FTA for the succeeding program year. The program's fiscal year is October 1 through September 30. To be eligible for consideration of funding for the succeeding fiscal year, an applicant must submit the following to the Transit Programs Division by April 1:

- A notice of intent to apply for Section 5311 Program funds;
- A resolution from the governing board pledging financial support of the project; and
- A draft application.

The deadline for submitting a **completed application** for Section 5311 funds is May 1. It is strongly suggested that a draft be submitted to the Transit Programs Division for review by the first business day in April. Draft documents will be reviewed in the order in which they are received. It is important that a prospective applicant understands that the deadline to submit its completed application to the Transit Programs Division is the first business day of May. Applicants should therefore submit their draft in a timely manner. This will allow for the review, possible rewrite and submission of the completed document by the May deadline. A **completed** application is defined as a document that clearly outlines the applicant's proposed transit services, contains all necessary information as outlined by the *Section 5311 Application Handbook* and does not require further revisions or editing by the Transit Programs Division staff. This includes completion of the public hearing requirement. Failure to submit a completed application will result in the applicant being considered ineligible for Section 5311 Program financial assistance for the succeeding fiscal year.

It should be noted, however, that the completed application may not represent the **final application document**. The application will be subject to change as ODOT deems necessary. The completed application will not be considered final until ODOT advises the applicant that the application has been approved for funding.

Technical assistance in preparing an application is provided by the Transit Programs Division. However, the development and preparation of the document is the sole responsibility of the applicant.

Application instructions may be obtained by writing to:

Oklahoma Department of Transportation
Transit Programs Division
200 N. E. 21st Street, Room 3-D4
Oklahoma City, Oklahoma 73105-3204

2.2 TRANSFER OF FTA PROGRAMS FUNDS

As the Governor's designee to administer the State's appropriated Section 5307 funds for the Oklahoma Region of the Fort Smith, Arkansas, urbanized area, ODOT may transfer any amount it deems appropriate to any urbanized area within the state or to supplement the state's Section 5311 Program. ODOT will make such transfers only after consultation with responsible local elected officials and publicly owned operators of mass transportation services in the areas to which the funding was originally apportioned. ODOT may make such transfers without consultation within the last ninety days in which the funds are available for obligation.

ODOT is the Governor's designee to administer FTA's Jobs Access and Reverse Commute Program – Section 5316 (JARC) and the New Freedom Program – Section 5317 for small urbanized and rural areas of the state. If the chief executive officer of the State certifies that all of the objectives of JARC or New Freedom are being met in the specified areas, funds designated may be transferred for use anywhere in the State, including urbanized areas.

2.2.1 Transfer of Surface Transportation Program Funds

Flexible funding opportunities for highway and transit use are maintained in the Surface Transportation Program (STP). STP funds may be used by States for both highway and

transit projects. Once the funds are distributed to the States, each State must set aside eighty percent for general purpose use, ten percent for safety projects, and ten percent for transportation enhancement programs.

Opportunities for transit projects to receive STP funding under the general purpose category include all projects that might otherwise be eligible for funding under current FTA grant programs, excluding Section 5307 (Urbanized Area Formula Assistance Program) operating assistance. When the annual requests for Section 5311 Program funds exceed the amount of FTA funds available to the Transit Programs Division will request transfer of STP funds for use by the Section 5311 Program. The transfer will be subject to approval by ODOT's Director.

2.3 STATE ADMINISTRATION AND TECHNICAL ASSISTANCE

The Transit Programs Division routinely distributes information concerning the Section 5311 Program. It maintains communications with public transportation providers throughout the nation through its participation in transit associations such as the South West Transit Association and American Association of State Highway and Transportation Officials. Department personnel also meet with local and national organizations to inform them about the Section 5311 Program.

Personnel at the Transit Programs Division are available to answer questions and give technical assistance. The Transit Programs Division conducts various transit related studies such as needs assessments. For specialized areas, such as marketing, private consultants may be employed to make special presentations and conduct workshops.

The activities described in this section are funded for an amount not to exceed 15% of the annual allocation of Section 5311 Program funds. The federal share is 100%. ODOT may not use FTA Rural Transit Assistance Program (RTAP) Funds for the administration of the RTAP Program or for overhead expenses. However, administrative expenses incurred by ODOT in administering the RTAP Program may be covered by the Section 5311 Program formula allocation available for administrative purposes.

2.4 RURAL TRANSIT ASSISTANCE PROGRAM (RTAP)

United States Code Section 5311 (b)(3) provides an annual allocation to each state to develop and implement training and technical assistance programs in conjunction with the State's administration of the Section 5311 Program.

The objectives of the RTAP Program are:

- to promote the safe and effective delivery of public transportation in non-urbanized (rural and small urban) areas and to make more efficient use of public and private resources;
- to foster the development of State and local capacity for addressing the training and technical assistance needs of the rural and small urban transportation community;
- to improve the quality of information and technical assistance available through the development of training and technical assistance resource materials;
- to facilitate peer-to-peer self-help through the development of local networks of

transit professionals;

- to support the coordination of public, private, specialized and human service transportation services; and
- to build a national database on the nonurbanized segment of the public transportation industry.

There are two components to the RTAP Program; however, this State Management Program addresses only the first component.

- State Program: RTAP funds are allocated to the states annually. States may apply for these funds to develop and implement training and technical assistance programs and other support services for rural operators. This component of the program is administered as an element of ODOT's annual Section 5311 Program grant application.
- National Program: This portion of the program is managed at FTA Headquarters and consists of the development of training and technical assistance materials for use by states and local operators, a national information clearinghouse function and other research and coordination activities carried out through contractual arrangements.

ODOT will be the state agency responsible for the administration of the RTAP program. ODOT will maintain broad discretion in deciding how best to provide assistance and implement projects under the RTAP program. The Transit Training Advisory Board consists of subrecipients, officials from the Oklahoma Department of Human Services, Oklahoma Transit Association, University of Oklahoma and Oklahoma State University Center for Local Government Technology. As members of the Transit Training Advisory Board, personnel from these organizations provide guidance in the development and implementation of training curriculum.

RTAP funds may be used to support nonurbanized transit activities in four categories: training, technical assistance, research and related support services. Any capital purchases using funds should be directly related to carrying out the intent of the RTAP as defined above and as defined in, FTA C 9040.1, as amended.

RTAP funds may not be interchanged with other Section 5311 Program funds. Furthermore, these RTAP funds may not be used for ODOT's administration of the RTAP or for overhead expenses.

ODOT will use a wide range of mechanisms for program delivery based on the needs and resources available. These can include:

- assistance by ODOT staff;
- contracts with private consultants, universities, non-profit organizations, state transit associations or other organizations of transit operators, support of peer-to-peer networks of individuals to provide assistance to each other;
- interagency agreements with other state agencies, both within the State and in other states; and
- scholarships or tuition and expenses for individuals to attend training courses or workshops.

Because travel scholarship requests typically exceed funding availability, RTAP reimbursement of eligible travel expenses must be submitted and processed in a timely manner to make available any unused funds for future events. Therefore, all claim documents must be submitted in full (to OSU/CLGT) no later than thirty (30) days following the last day of the approved event. Any documentation received after the thirty (30) day deadline will be returned and reimbursement will be cancelled.

At present, all projects are funded by the RTAP program at one hundred percent. ODOT may, at its discretion, require those who benefit from RTAP funded training, technical assistance or capital equipment to contribute a local cash match.

ODOT has not established formal project selection criteria for the RTAP program. However, ODOT will poll the Transit Training Advisory Board to identify priority needs and suggested uses for the RTAP monies.

The same procedures outlined in the preceding section of this State Management Plan, Section 5311 Rural Public Transportation, will apply to any equipment procurement using RTAP funding.

2.5 PRIVATE SECTOR PARTICIPATION

Private providers must be afforded the opportunity to participate in the planning and development of the proposed Section 5311 Program services, as well as an opportunity to provide the proposed transportation services. Applicants are required to provide documentation of their efforts to include private providers (see Section "C" of the *Section 5311 Application Handbook*). If there are any private providers in the area, ODOT requires the applicant to invite them to participate in planning the system.

2.6 CIVIL RIGHTS

The Transit Programs Division will coordinate all civil rights issues with ODOT's Office of Civil Rights. This office has department-wide responsibility for ensuring the compliance of Title VI, Equal Employment Opportunity and Disadvantaged Business Enterprises. ODOT will comply with all federal rules and regulations regarding civil rights laws. The three areas of Civil Rights requirements with which subrecipients must be familiar and comply are:

- Title VI (of the Civil Rights Act of 1964): Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, and national origin. Related law further prohibits discrimination on the basis of age or gender. Subrecipients receiving funds or goods from the Federal government through ODOT are required to submit certain information to the Transit Programs Division annually to track compliance with these laws. These requirements are:
 - Title VI Complaint Procedures: Subrecipients shall develop procedures for filing a Title VI complaint.
 - Record Title VI Investigations, Complaints or Lawsuits: Subrecipients shall prepare and maintain a list of any active investigations conducted by entities other than FTA, lawsuits or complaints naming the subrecipient that allege discrimination on the basis of race, color or national origin.

- Provide Meaningful Access to Services by LEP Persons: Subrecipients shall take reasonable steps to ensure meaningful access to the benefits, services, information and other important portions of their programs and activities for individuals who are Limited English Proficient (LEP).
- Notify Beneficiaries of Protection Under Title VI: Subrecipients are required to disseminate a notice that it complies with Title VI and procedures the public may follow to file a discrimination complaint.
- Promote Inclusive Public Participation: Subrecipients shall provide a summary of public outreach and involvement activities undertaken and a description of steps taken to ensure that minority persons had meaningful access to these activities.
- Equal Employment Opportunity (EEO): Section 19 of the Federal Transit Act states that “No person in the United States shall on the grounds of race, color, creed, national origin, gender or age be excluded from participation in, or denied the benefits of, or be subject to discrimination under any project, program or activity funded in whole or in part through financial assistance under this Act. The provisions of this section shall apply to employment and business opportunities, and shall be considered to be in addition to and not in lieu of the provisions of Title VI of the Civil Rights Act of 1964.”

ODOT is responsible both for its own compliance (managed by the Office of Civil Rights) and for ensuring that subrecipients are in compliance with the EEO. The threshold for compliance is receipt in the previous fiscal year of \$1 million or more in FTA assistance, and fifty or more mass transit-related employees. The Transit Programs Division may require documentation from any subrecipient as it deems necessary to ensure that they do not discriminate on the basis of race, color, creed, national origin, sex, age or disability.

ODOT’s EEO plan has been reviewed and approved by FTA.

- Disadvantaged Business Enterprise (DBE): Subrecipients who intend to receive Section 5311 Program funds must have an approved DBE Program as directed by 49 CFR Part 26, as amended. This requirement is described in more detail within the *Section 5311 Application Handbook*. The Transit Programs Division will assist all subrecipients who are seeking Section 5311 Program financial assistance in obtaining technical assistance from the Office of Civil Rights in establishing EEO and DBE plans, as necessary. Compliance by subrecipients will be evaluated during periodic on-site monitoring visits.

2.7 MAINTENANCE

It is important that vehicles, equipment and facilities be maintained in good working order. Subrecipients should follow the manufacturer’s recommended maintenance schedule for Section 5311 funded property including vehicles, wheelchair lifts and other accessibility equipment. Subrecipients should have a documented maintenance policy and plan with specific goals and objectives.

Vehicle maintenance involves two major components: preventive maintenance and the repair function, both of these should be monitored through a maintenance management system, which could range from a paper file on each vehicle to a computerized program

utilizing specialized vehicle maintenance software. Preventive maintenance activities should include daily pre-trip inspections by the vehicle operators, including daily checks of wheelchair lifts and associated accessibility equipment.

2.8 CHARTER RULE

FTA's charter regulations, as outlined in CFR 49 Part 604, are the governing regulations for establishing a subrecipient's ability to provide charter service. Subrecipients are allowed to operate community based charter services exempted under the *regulations*; some *irregular or limited duration services*; and those that are covered by the *exceptions*.

EXEMPTIONS

The charter service regulations provide for the following six **exemptions**:

1. Transportation of Employees, Contractors and Government Officials: Grantees are allowed to transport its employees, other transit system employees, transit management officials, transit contractors and bidders, government officials and their contractors and official guests, to or from transit facilities or projects within its geographic service area or proposed geographic service area for the purpose of conducting oversight functions such as inspection, evaluation, or review,
2. Private Charter Operators: Private charter operators that receive, directly or indirectly, Federal financial assistance under section 3038 of TEA 21, as amended, or to non-FTA funded activities of private charter operators that receive, directly or indirectly, FTA financial assistance under any of the programs: Sections 5307, 5309, 5310, 5311, 5316, or 5317.
3. Emergency Preparedness Planning and Operation: Grantees are allowed to transport its employees, other transit system employees, transit management officials, transit contractors and bidders, government officials and their contractors and official guests, for emergency preparedness planning and operations.
4. Recipients of Funds Under Sections 5310, 5311, 5316 and 5317: Grantees that use Federal financial assistance from FTA, for program purposes only, under Section 5310, 5311, 5316, or 5317.
5. Emergency Response: Grantees are allowed to provide service, up to 45 days, for actions directly responding to an emergency declared by the President, governor, or mayor or in an emergency requiring immediate action prior to a formal declaration.
6. Recipients in Non-Urbanized Areas: Grantees in non-urbanized areas for transporting its employees, other transit system employees, transit management officials, and transit contractors and bidders to or from transit training outside its geographic service area.

IRREGULAR OR LIMITED DURATION SERVICES

The examples of irregular or limited duration services grantees are allowed to operate under the regulation are as follows:

1. Service that is irregular or on a limited basis for an exclusive group of individuals and provides the service free of charge when a third party requests service. When the transit agency initiates service it is allowed so long as the grantee does not charge a

premium fare for the service and there is no third party paying for the service in whole or in part.

2. Shuttle service for a one-time event if the service is open to the public; the itinerary is determined by the grantee; the grantee charges its customary fixed route fare; and there is no third party involvement.
3. When a university pays the grantee a fixed charge to allow all faculty, staff, and students to ride the transit system for free. So long as the grantee provides the service on a regular basis, along a fixed route, and the service is open to the public.
4. When the grantee sees a need and wants to provide service for a limited duration at the customary fixed route fare.

If a subrecipient wishes to continue to provide charter services in the future, it must develop plans/procedures and submit the documentation to ODOT to ensure that services are consistent with the definition and/or exemptions allowed under charter regulations.

EXCEPTIONS:

The grantees are allowed to operate community-based charter services under the following **exceptions**.

1. Government Officials: A subrecipient is allowed to provide charter service (up to 80 service hours annually) to government officials (Federal, state and local) for official government business, which can include non-transit related purposes;
2. Qualified Human Service Organization (QHSO): A subrecipient is allowed to provide charter service to a QHSO for the purpose of serving persons:
 - a. With mobility limitations related to advanced age;
 - b. With disabilities; or
 - c. With low income.
3. Leasing of Equipment and Driver: A subrecipient is allowed to lease its FTA-funded equipment and drivers to registered charter providers for charter service only if certain conditions exist;
4. No response by Registered Charter Provider: A subrecipient is allowed to provide charter service, on its own initiative or at the request of a third party, if no registered charter provider responds to the notice issued;
5. Agreement with All Registered Charter Providers: The subrecipient is allowed to provide charter service directly to a customer consistent with an agreement entered into with all registered charter providers in the grantee's service area. The grantee is allowed to provide charter service up to 90 days without an agreement with the newly registered charter provider in the geographic service area subsequent to the initial agreement. Any parties to an agreement may cancel the agreement after providing a 90-day notice to the grantee.
6. Petition to the Administrator: The subrecipient may petition the Administrator for an exception to the charter service regulations to provide charter service directly to a customer for:

- Events of regional or national significance;
- Hardship (only for non-urbanized areas under 50,000 in population or small urbanized areas under 200,000 in population); or
- Unique and time sensitive events (e.g., funerals of local, regional or national significance) that are in the public's interest.

Subrecipients who provide charter service must maintain records relating to charter service cost/profit, clients served and dates of service, vehicle usage and description of the charter trip. The description of the charter trip should include information such as name of customer served, number of riders, origin and destination, fee charged to customer, cost of service, miles of travel and vehicle(s) used. ODOT will require each subrecipient to submit a quarterly Charter Services Report detailing monthly charter service activities including destinations, numbers of riders, revenues and costs of service, summarizing the above information for all charter activities.

Miles traveled in charter service will be deducted when calculating the useful life of a vehicle. These miles are not to be reported in MYLEO-net. Deficits incurred due to charter service operations are not eligible for reimbursement from the Section 5311 Program. Profits made by providing a charter service must be applied to the subrecipient's local match requirement.

For specific information regarding charter rule refer to 49 CFR Part 604, "Charter Service; Final Rule"; Federal Register, January 14, 2008

2.9 SECTION 504 AND AMERICANS WITH DISABILITIES (ADA)

On September 6, 1991, the U. S. Department of Transportation (US DOT) published final regulations implementing certain provisions of the Americans with Disabilities Act of 1990 (ADA). Included in these regulations is a requirement that public entities operating fixed route transportation service for the general public must also provide complementary paratransit service to persons unable to use the fixed route system. The regulations specify:

- when this service is required;
- eligibility criteria for paratransit services;
- the level of service which must be provided; and
- standards for certain aspects of operation.

The regulations define a "public entity" as any State or local government, any department, agency, special purpose district or any other instrumentality of a State or States or local government, the National Railroad Passenger Corporation (AMTRAK), or any commuter authority under the Rail Passenger Service Act that provides fixed route service. The regulations also require that a plan for implementing complementary paratransit service be submitted. Subrecipients should refer to the *ADA Paratransit Handbook: Implementing the Complementary Paratransit Service Requirements of the Americans with Disabilities Act of 1990*. This document provides guidance and practical information for determining if complementary paratransit service must be provided.

Section 504 of the Rehabilitation Act of 1973, requires all subrecipients to provide transportation services for disabled persons. The transportation service must be reasonable in comparison to the service provided to the general public and must meet a significant fraction of the actual transportation needs of such persons within a reasonable time. To promote compliance with this requirement, each subrecipient must have eighty-five percent of their vehicle fleet in compliance with ADA. Standard vehicles may be purchased only after this threshold has been met and justified on a case-by-case basis.

Each subrecipient must ensure that disabled persons and groups representing them have adequate notice of and opportunity to comment on the present and proposed activities of the subrecipient.

Subrecipients must submit monthly reports (ODOT Forms 01 & 02) showing the number of riders and elderly riders served. The report divides the ridership into classifications which include total passenger, persons with disabilities and the elderly. The definition of who qualifies as a person with disabilities is established in the *ADA Paratransit Handbook*. The definition of who qualifies as an elderly person is established by the local operator.

Each application for Section 5311 Program funds must include a signed Americans with Disabilities Act of 1990 / Section 504 of the Rehabilitation Act of 1973 assurance. Furthermore, if the application includes a request for ninety percent (or eighty-three percent of the total cost of the vehicle) funding for vehicle related equipment to accommodate persons with disabilities; the applicant must certify that the equipment is necessary solely to meet the ADA requirements. Standard forms are included in the *Section 5311 Application Handbook*.

ODOT monitors each subrecipient's compliance under ADA through periodic monitoring visits. Every three years each subrecipient must submit a report to ODOT including the following information:

- A description of the service currently provided to disabled persons as compared to the service for the general public;
- Any significant modifications made in the service since the previous report or modifications planned for the next three-year period;
- Copies of a summary of the comments on any significant changes made in the service since the previous report, and

A description of the resources that have been devoted to service for disabled persons each year since the previous report and who's proposed to be devoted to this purpose in each of the next three years

2.10 NATIONAL TRANSIT DATABASE

The National Transit Database (NTD) is the USDOT/FTA's primary national database for statistics on the transit industry. Section 5311(b)(4) specifies that each recipient of Section 5311 Program funds shall submit an annual report containing information regarding capital investment, operations and service provided under Section 5311. Items to be reported

include total annual revenue, sources of revenue, total annual operating costs, total annual capital costs, fleet size, type and related facilities, revenue vehicle miles and ridership.

ODOT is responsible for ensuring that the data is collected by each Section 5311 sub-recipient and that the data complies with the NTD requirements. The Transit Programs Division collects the data for the NTD Program through the monthly submission of uniform operating and financial reports from each subrecipient. The information is accumulated and compiled into the format required by the NTD Program. The deadline for submitting the annual report to the National Transit Database is January 31.

3.1 STATE PROGRAM MANAGEMENT

As part of a comprehensive management effort, ODOT has developed the following policies, procedures and operational requirements.

3.1.1 Availability of Funds

Section 5311 Program funds are allocated to the subrecipient for the current program year only. Funds not obligated by the subrecipient during the program year will lapse and become subject to reallocation. Funds will be considered obligated during the program fiscal year if (a) payment has been made for goods received or services rendered during the program fiscal year, (b) an award of bid for capital equipment or professional services, requiring a lump sum payment, has been executed during the program fiscal year, or (c) goods or services have been received during the program fiscal year. Claims for the reimbursement of expenses must be received by ODOT within thirty days after the close of the program fiscal year.

3.1.2 Apportionment of Funds

Provisions within FTA's funding legislation provide states with estimated Section 5311 Annual Apportionments. The actual amount each state will receive is not known until it is published in the Federal Register. This usually occurs during the first quarter of each federal fiscal year. When personnel at the Transit Programs Division are made aware of Oklahoma's actual Section 5311 Annual Apportionment, we will allocate the monies using the method outlined below. After completing the calculations, each subrecipient will be notified of the estimated amount of Section 5311 funding that will be made available to them for the subsequent program year. This notification should occur during December of each year.

3.1.2.1 Allocation Procedure for Section 5311 Funds

- Administration and Technical Assistance
ODOT may retain an amount of up to fifteen percent of Oklahoma's Annual Section 5311 Apportionment for the administration and technical assistance responsibilities related to the administration of the Section 5311 Program, as allowed by FTA regulations.
- Intercity Bus Service
ODOT will set aside an amount equal to fifteen percent of Oklahoma's Annual Section 5311 Apportionment for qualified Intercity Bus Services, as prescribed by FTA regulations. The following process will be used for allocating the fifteen percent

set-aside required for intercity bus service:

- approved application to implement a qualifying Intercity Bus Service project;
- contactors who have documented qualifying intercity bus services will be allocated an amount equal to the Federal share of such expenses.
 - Examples include insurance expenses, special permits and certifications and drivers' physicals.
- for the purpose of establishing an intercity bus allotment related to the administrative and operating expenses for such services, subrecipients will be funded at an amount equal to the federal share of such expenses. ODOT may limit the amount of intercity bus service funding, for a specific program year, to the required fifteen percent set-aside. If requested funds exceed the funds available, projects will be allocated a pro rata share. The methodology for calculating the allocation for administrative and operating intercity bus service expenses is as follows:
 - The project's preceding two years annual average of intercity bus service miles multiplied by the federal share of the preceding two years annual average cost per mile.
 - The intercity bus service miles will be omitted from the revenue miles for the purpose of calculating the Statewide Allotment.
- Program Reserve

After reducing the Annual Apportionment for state administration and technical assistance and Intercity Bus Services, five percent of the annual apportionment balance will be used to establish a Program Reserve. Eligible uses of this Program Reserve will include the following:

 - New Start/New Program Service¹
 - The establishment of a new Public Transportation Provider in a geographical area where no service presently exists.
 - The expansion of the geographical area of a subrecipient wherein no service presently exists.
 - However, if a subrecipient wishes to begin new service during an ongoing program year, funds under this section may be eligible to finance the continuation of the service(s) under the following conditions:
 - Written notice of intent to begin new service must be provided prior to beginning the new service; and
 - The new service must have started within the immediate six month period preceding the application program year; and
 - The continuation of the new service(s) is contingent upon receiving New Start/New Program Service funding.
 - Catastrophic/Uncontrollable Events
 - Example projects under this category include:
 - The replacement of vehicles lost resulting from an event such as a tornado, wherein a subrecipient may have lost its entire vehicle fleet;

¹ With regards to a subrecipient that is expanding its geographical area, the first two years of the "new start's" statistical data will not be included when calculating the Program's Performance and Incentive Allotments.

- Replacement of office furniture/equipment made necessary as a result of a provider having had a fire which caused great damage; or
- Other events as the ODOT, Transit Programs Division, may deem appropriate.

Any application submitted to establish a new Public Transportation Provider will be for a two year period. If approved, funds available from the then current and subsequent year's Program Reserve will be committed to the project. After the initial two year period, all subsequent funding will be contingent upon the project's pro rata share in the PROGRAM YEAR ALLOTMENT process as outlined below. All other applications will be funded as a single occurrence project.

All funds not obligated from the Program Reserve will be combined with the subsequent year's Statewide Allotment for distribution to subrecipients.

- Statewide Allotment

After deducting for state administration and technical assistance, Intercity Bus Service, the Program Reserve, and adding carryover funds from the previous year's Program Reserve, if any, the balance of Section 5311 funds will be referred to as the Statewide Allotment. This Statewide Allotment will be divided among subrecipients using the three step process illustrated below.

- Incentive Allotment: The first part of the process establishes the Incentive Allotments. The incentive Allotment consists of farebox. Each subrecipient will receive an incentive amount equal to the preceding two years' annual average of farebox revenue reported. For the purpose of administering this program:
 - Farebox² is defined as: Cash payments made by an individual transit user such as:
 - Money paid into the farebox as the individual boards the vehicle
 - Payment made for a transit pass. The subsidized amount does not qualify.
- Base Amount: The second part of the process is establishes the Base Amount for each subrecipient. This is done by using the subrecipient's 2006 administration plus operational amount as per their contract with ODOT. For the 2008 program year, this Base Amount will be 60% of the 2006 administration plus operational funds as per their contract with ODOT. This base amount will be reduced by 20% per year for each subsequent year through the 2010 Program Year.
- Performance Allotment: The third step is to determine the Performance Allotment. For the purpose of this program, performance allotment is defined as a procedure for dividing the annual allocation of Section 5311 funds among subrecipients using three performance indicators based on annual statistics. The amount available for distribution under the Performance Allotment is calculated by subtracting the cumulative totals of the Incentive Allotment plus the cumulative total for the Base Amounts from the Statewide Allotment. The Performance Allotment is then divided into three performance measures. Each subrecipient is

² Sources which do not qualify as farebox include, but are not limited to: profit from charter services, money collected via a non-voluntary fee, i.e. university fees, in-kind services, proceeds from the Oklahoma Public Transit Revolving Fund.

allocated a pro rata share based on their performance under these three measures. The Performance Allotment is calculated as follows:

- Passenger miles: Thirty-five percent of the Performance Allotment is disbursed based on each subrecipient's pro rata share of the preceding 2 years annual average passenger miles reported statewide. The annual reporting period is October through September.
 - Revenue miles: Twenty percent of the Performance Allotment is disbursed based on each subrecipient's pro rata share of the preceding 2 years annual average revenue miles reported statewide. The annual reporting period is October through September.
 - Passenger trips: Forty-five percent of the Performance Allotment will be disbursed based on each subrecipient's pro rata share of the preceding 2 years annual average passenger trips reported statewide. The annual reporting period is October through September.
- Program Year Allotment

The Program Year Allotment establishes the maximum amount of Section 5311 funds available to the subrecipients. The amount of Section 5311 funding that will be made available to each subrecipient will be determined by the cumulative amounts of their Intercity Bus Service Allotment, Incentive Allotment, Base Amount and Performance Allotment. Any funds not programmed or obligated by the subrecipient during the contracted program year ODOT will deem as lapsed and such balance of funding will be carried forward for allocation within the subsequent year's Statewide Allotment.

All statistical data for the months of October through September must be submitted to the Transit Programs Division by December 1. Any statistical data not submitted by this deadline will be deemed late and therefore not eligible for inclusion into the processes for calculating the Intercity Allotment, Incentive Allotment and Performance Allotment.

For any first time applicant who does not qualify as a new start program and does not have the required twenty-four months of data, ODOT will work with them to formulate a twenty four month estimate. ODOT will continue this estimating process until such time as they accrue twenty four months of data.

ODOT recognizes that no one process will fully meet the needs for every subrecipient and that the process being established is new and will most likely need some "tuning." To help improve the allotment process, the Transit Programs Division will maintain an open door policy for submitting comments regarding the impact and/or efficiency of the Section 5311 Allocation Process. Furthermore, to aid in the fair and equitable distribution of funds, the Transit Programs Division, will hold annual listening sessions to gather input on the effectiveness of the process and will solicit suggestions as to what changes might be made. These listening sessions will be held throughout the state. We will be providing press releases to local newspapers to extend invitations to the general public. Human Service organizations, Tribal Governments, City, County and State officials will be expressly invited.

ODOT will monitor the status of federal transit funds available to the State. If the

demand for funds in the rural areas exceeds the availability of Section 5311 Program funds, FTA Section 5307 funds may be transferred from the urbanized areas, and vice-versa. ODOT has the option to transfer un-obligated Section 5307 funds or Section 5311 Program funds to the area with the greatest need. ODOT must advise the FTA of any such transfer of funds.

3.1.3 Contracting

ODOT's contract with a subrecipient cannot exceed a period of 1 year.

3.1.4 Audits

Each subrecipient who expends a cumulative amount of more than \$500,000 in Federal funds must conduct an annual agency-wide audit as outlined in OMB Circular A-133. This annual audit must be submitted to ODOT in duplicate, for review and approval within the earlier of thirty days after receipt of the auditor's report(s), or 9 months after the close of the fiscal year.

If the subrecipient does not meet the \$500,000 threshold, an annual audit shall be submitted under the same time lines. ODOT will conduct program compliance audits as deemed necessary to aid in determining if the subrecipient is managing the project according to applicable laws and regulations.

If the audit is not received by ODOT or the Federal Audit Clearinghouse by the deadline, the subrecipient may be required to submit supporting documentation for each of the line item expenses of the monthly claim until such time as the audit is received by ODOT, reviewed by the ODOT Operations and Review Division and found to contain no errors or areas of concern.

3.1.5 Accounting System

Personnel from ODOT's Operations Review and Evaluation Division will conduct pre-award audits on all newly funded subrecipients to determine if an applicant's accounting system conforms to generally accepted accounting procedures. The pre-award audit will also be used to help determine the subrecipient's ability to conform to the requirements of the State Auditor and Inspector's Office and with ODOT and Federal requirements. Technical assistance is available from ODOT to aid applicants in establishing a proper accounting system.

3.1.6 Reimbursement of Expenses

ODOT cannot advance Section 5311 Program funds to subrecipients. All payments are made on a cost reimbursement basis. Subrecipients must be able to finance their operations for a thirty to sixty day period and wait for reimbursement from ODOT. The estimated time for receiving payment is four to six weeks from the date a claim is received and accepted by the Transit Programs Division. Subrecipients must be willing and able to make the necessary financial arrangements to avoid jeopardizing the fiscal stability of their project.

3.1.7 Assignment of a Claim

ODOT does recognize that a financial hardship could be placed on some subrecipients when they must pay for expenses such as the purchase of vehicles or payment for vehicle insurance. In these instances, the subrecipients may file an assignment of the claim. This

process allows the subrecipient to pay to the vendor their required local share only and assign payment of the Federal balance directly to vendor. The Transit Programs Division has established the following procedure for the Assignment Claim:

- The assignment of a claim is limited to major single purchases with a minimum cost of \$1,000.00.
 - Upon delivery and acceptance of the goods or services, the subrecipient pays directly to the vendor the required local share;
 - The subrecipient will file an assigned claim for the federal share, which ODOT will pay directly to the vendor. The assigned claim must include:
 - an executed and notarized claim form;
 - the subrecipient's original invoice to ODOT;
 - a copy of the notification of award of bid and amount of award or a copy of the purchase order; and
 - a copy of the vendor's invoice to the subrecipient.

3.1.8 Grant Closeout

ODOT will begin grant closeout procedures within ninety days of having a zero balance on an FTA grant. All closeout documents will be forwarded to FTA within the required ninety days following initiation of a grant closeout. If the final audit is not available at the end of closeout procedures, it will be forwarded to FTA as soon as it is available.

3.1.9 Reporting

All statistical and financial data will be submitted electronically via MYLEO-net. Each subrecipient is required to enter data from daily drivers log sheets, as listed on ODOT's "Data Intake Forms 01 & 02." This data will be used to compile statistical ridership data for each project. Monthly financial data which will be used by the Transit Programs Division to generate the monthly reimbursement claims. This financial data will include all actual project expenses. When necessary ODOT will request that supporting documentation be mailed to the ODOT office. Each subrecipient must also report the amount of intercity bus service it provides. The process for identifying intercity bus service is described in the *Section 5311 Application Handbook*. All drivers log sheets must be signed by the driver and retained by the subrecipient for a minimum of three years after the end of the applicable program year. Failure to maintain such records will deem the report for the effective period as ineligible.

Reports that are required to be submitted monthly are: reimbursement claims for eligible expenses, trip statistics and the amount of intercity bus service provided.

Reports that are required to be submitted quarterly are: Disadvantaged Business Enterprise contracting activities report, charter service activities and a project narrative, including proof of the advertising of the schedule of services to the general public. All reports are due by the twentieth day of the month following the required reporting period. To facilitate processing of the invoice and prompt reimbursement of expenses, the financial report and invoice should be submitted by the tenth day of the following month.

All claims for the reimbursement of any non-expendable item with a useful life of over 1 year and a unit cost of \$100 or greater, or any capital item, must include an inventory management data form for each item purchased. This includes, but is not limited to, items

such as vehicles, radios, typewriters, calculators, desks, file cabinets, etc. Inventory management data forms will be supplied by the Transit Programs Division.

3.1.10 *Monitoring and Evaluations*

ODOT conducts on-site project evaluations and compliance reviews of each subrecipient's management, and operations. A written report of the monitor's findings is prepared and presented to the subrecipient. This report denotes any administrative or operating services that are excellent and/or program weaknesses. ODOT conducts two types of on-site project evaluations:

- **Project Assessment** – A review as to how the subrecipient is addressing key points of FTA's administrative and operational rules and regulation. The assessment can be conducted by one person during a one day visit, two days for multi-county projects.
- **Project Management Review** – An in-depth review of the subrecipient's administration and operations. A broad field of FTA program requirements and rules are reviewed. The Project Management Review is conducted by two to three persons over two to three days, four days for large multi-county projects.

A Project Assessment or Project Management Review is conducted as deemed appropriate. However, each subrecipient will be evaluated quinquennially, at a minimum.

3.1.11 *Performance Standards*

ODOT has adopted standards to evaluate a subrecipient's performance to determine the level of funding at which it will participate. These standards are outlined in Section 1:9 Apportionment of Funds. Evaluations are used to determine reasonableness of the line items, such as office space costs. Should an expense against any line item be deemed as inappropriate, Transit Programs Division personnel will meet with the subrecipient to negotiate an "amount not to exceed." These comparisons are based on past performance and the other subrecipients' data. The comparisons are also based on costs of specific expenses of units of service delivered. ODOT personnel will also work with the subrecipient to determine what steps might be taken to either cut costs or increase service.

3.1.12 *Procurement*

All procurements and third party contracts shall meet FTA Circular 4220.1, as amended, and other Federal and State laws pertaining to the expenditure of public funds. Prior to execution, subrecipients must submit to ODOT, for approval, all third party contracts for the procurement of goods or services which involve the use of Section 5311 Program funds.

3.1.13 *Procurement of Capital and Non-expendable Items*

The following procedures apply to the procurement of all capital and non-expendable equipment. It should be noted that all federal regulations, regardless of the amount of the purchase, apply to all procurements. This includes, but is not limited to, Pre-award and Post-delivery Audit of Rolling Stock Purchases, Bus Testing Program, Buy America Act, Equal Employment Opportunity Requirements, Disadvantaged Business Enterprise Program Requirements and Title VI Program Requirements.

The Buy America Act applies to any procurement with an aggregate cost of \$100,000.00 or

more. The FTA C 9040.1, as amended, applies to any purchase of capital equipment.

BUY AMERICA. Section 165 of the Surface Transportation Assistance Act of 1982 provides that, with exceptions, Federal funds may not be obligated for mass transportation projects unless steel and manufactured products used in such projects are produced in the United States. The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) adds iron to the list of commodities covered. Section 5311 Program recipients must conform to the FTA regulations CFR parts 660 and 661, and any amendments thereto. Buy America requirements apply to all purchases over \$100,000.00, including materials or supplies funded as operating costs. Requests for Buy America waivers must be submitted to the FTA for approval.

There are four exceptions to this basic requirement. First, the requirement will not apply if its application is not in the public interest. Secondly, the requirement will not apply if materials and products being procured are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality. Thirdly, the requirement will not apply in a case involving the procurement of buses and other rolling stock (including train control, communication, and traction power equipment) if the cost of components and sub-components which are produced in the United States is more than sixty percent of the cost of all components and sub-components of the vehicle or equipment, and if final assembly takes place in the United States. Fourthly, the requirements will not apply if the inclusion of domestic material will increase the overall project contract by more than twenty-five percent.

Each bid solicitation should include a Buy America Certificate for execution, and a properly executed Buy America Certificate must be obtained from each vendor for each purchase of over \$100,000.00 that involves Federal funds. This certificate should be retained in the subrecipient's procurement files. If a vendor's product does not meet Buy America requirements, a waiver must be obtained from FTA prior to completing the purchase.

In general, capital eligibility is the same as for other FTA capital programs, where FTA allows certain costs to be capitalized or treated as operating expenses. Capital expenses include the acquisition, construction and improvement of public transit facilities and equipment needed for a safe, efficient and coordinated public transportation system. For clarification regarding a purchase that may be of question, refer to FTA Circulars 9040.1, and 9300.1, as amended, or contact the Transit Programs Division office. Capital equipment purchases, which includes items with a, per unit cost of \$500.00 or greater, is programmed as a capital line item. Non-expendable equipment items with a cost of \$499.00 or less will be programmed as an administrative or operational line item. All purchases of capital and non-expendable equipment with a useful life of over one year, and a unit cost of \$100 or greater, must be reported to the Transit Programs Division office using the inventory management data form.

3.1.14 *Capital Equipment*

Prior to issuing a purchase order, the subrecipient will coordinate the procurement of capital items by notifying the Transit Programs Division, in writing, of their intent to make a capital purchase. The notice of intent will include:

- a statement affirming that the item(s) are programmed under the subrecipient's currently approved application for capital equipment;

- a description, quantity and estimated purchase price of the equipment to be purchased; and
- a certification that the necessary local match has been deposited in the subrecipient's regular banking account and that these monies will be used exclusively to purchase the requested equipment. Refer to the example at the end of this section.

If the request is for transit rolling stock and the vehicle(s) will not be equipped with a wheelchair lift, the subrecipient's notice of intent must also include a certification to ODOT that:

- the transportation services provided by the subrecipient is meeting the transportation needs of persons with disabilities within its service area and that the subrecipient is in compliance with all requirements of the Americans with Disabilities Act of 1990; and
- the vehicle(s) requested will not be used in a fixed route mode.

After the Transit Programs Division has determined that the required documentation has been submitted and an appropriate amount of funds has been programmed, a notice to proceed will be sent to the subrecipient.

The following steps should be used to complete the procurement:

- Equipment is on state contract:
 - a copy of the state contract pertaining to the equipment requested will be forwarded to the subrecipient;
 - the subrecipient will deal directly with the vendor and all purchases will be shipped directly to the subrecipient;
 - the subrecipient will issue its purchase order directly to the designated vendor. When issuing the purchase order, extra care should be taken to ensure that the equipment requested is clearly specified and that all related contract numbers are included;
 - The subrecipient should also take extra care to ensure that FTA's Pre-award audit requirements and all the special provisions and assurances have been properly executed before finalizing the purchase; and
 - When the equipment is delivered, the subrecipient must conduct a post-delivery audit to confirm that the items are delivered as specified.
- Equipment not on state contract:
 - a. *Procurements more than \$25,000.00 -*
 - **Competitive bid process** through the Oklahoma Department of Central Services, Central Purchasing Division (Central Purchasing) must be used, unless otherwise authorized by ODOT in writing. This procedure will also apply to the procurement of any item(s) that vary from those available on state contract and is as follows:
 - the subrecipient will make a request for bids through Central Purchasing;
 - the subrecipient will develop specifications that clearly and precisely

define the equipment that is being requested. This effort should be coordinated with the Transit Programs Division;

- the subrecipient will prepare and submit a purchase requisition and equipment specifications to Central Purchasing;
 - Central Purchasing will solicit and receive bids for the equipment requested and will advise the subrecipient as to the lowest and best bid;
 - if the subrecipient is in agreement with the outcome of the bid solicitation, it will advise Central Purchasing to award the bid; and
 - if the subrecipient is not in agreement with the outcome of the bid solicitation, it should advise Central Purchasing to cancel the bid and start the process over.
- **Authorized local bid process** by ODOT, requires the subrecipient to develop specifications that clearly and precisely define the equipment that is being requested. This effort should be coordinated with the Transit Programs Division as follows:
- advertise its request for bids using local newspaper and industry periodicals, as applicable. The subrecipient will purposely include publications directed to minorities;
 - allow prospective bidders thirty calendar days to submit their bid; analyze each bid received by conducting a pre-award audit;
 - The subrecipient will award the bid to the lowest and best responsive bid based on a fair and comparative analysis of the bid proposals submitted; and
 - The subrecipient must have, at a minimum, two responsive bids before it can make a decision to award the bid.

b. Procurements \$25,000.00 or less -

- coordinate the procurement with the Transit Programs Division;
- develop specifications or standards that clearly and precisely define the equipment that is being requested;
- solicit written price quotes from at least two vendors;
- maintain a record of all bid solicitation activities;
- award the contract to the lowest and best bid based on a fair and comparative analysis of the bid proposals. The subrecipient must have, at a minimum, two responsive bids before it can make a decision to award the bid; and
- issue a purchase order to the successful vendor using the subrecipient's procurement procedures.

NOTE: *It is the responsibility of the purchaser to ensure that all special provisions and assurances are properly executed before finalizing any purchase. The subrecipient is financially responsible for the payment of all purchases. To help ease the financial burden of paying one hundred percent of the cost of major purchases and waiting for reimbursement of the federal share, ODOT will accept assigned claims that are for \$1,000.00 or more. The process for filing an assigned claim is outlined in the preceding section "Assignment of a Claim."*

All equipment purchases are to be delivered directly to the agency unless otherwise designated. Transit Programs Division personnel will oversee the bid process and delivery of all vehicles. They will assist the subrecipient during the bid review and delivery of the vehicles. They will ensure that all required certifications and assurances relative to the purchase have been executed. The ODOT reviewer will secure a copy of all documents relative to the procurement and bring them to the Division office for filing. Division personnel, who did not participate in the on-site post-delivery audit, will perform a secondary review by conducting a desk review of the documents to determine that all requirements had been met and that all documents relating to the purchase are on file at ODOT.

Example of Certification of Local Match Document

Certification of Local Match

The {Subrecipient's name} hereby certifies that it has, on deposit at a financial institution, the necessary local matching funds in the amount of \$_____, to pay the required local matching share for the item(s) as outlined in our notice of intent dated _____. Said funds will remain on deposit for the exclusive use to pay for said item(s) once delivered.

Signature

Date

Title

3.2 OTHER PROVISIONS

The U.S. Department of Transportation imposes certain compliance provisions on recipients of Section 5311 Program funds. FTA does not review assurances made by individual applicants but requires ODOT to assure that certain requirements have been met. In order to make these assurances, ODOT requires that all subrecipients sign assurances relating to compliance with Civil Rights, Disadvantaged Business Enterprises, Disabled Accessibility, Labor Protection, Drug and Alcohol Testing Program and other assurances as contained in Section "G" of the *Section 5311 Application Handbook*.

3.2.1 Annual Certifications and Assurances

Subrecipients must annually submit the applicable certification and assurances. For a detailed listing of these certifications and assurances, see Section G. Assurances of *Section 5311 Application Handbook*.

3.2.2 Drug and Alcohol Testing Program

Implementing a drug and alcohol program is a significant undertaking as it involves planning, contracting, administrative, legal and monitoring efforts. In order to reduce program burdens and associated costs experienced in complying with the regulations, Oklahoma's Statewide Rural Transit Drug and Alcohol Testing Consortium was established. ODOT Transit Programs Division uses State Administration funds to finance the activities of the consortia. Section 5311 subrecipient's membership in this consortium is voluntary.

Oklahoma State University's Center for Local Government Technology (CLGT) will act as the contract technical administrator and ODOT's liaison to ensure the program is staffed and operated as outlined in the Third Party Administrator's proposal.

All employees performing safety-sensitive functions are placed in a statewide pool and will have an equal chance of being selected for testing during each testing cycle. The actual "drawing" of the names of the safety-sensitive employees to be randomly tested is done by the Third Party Administrator. No personnel from ODOT, CLGT, or the subrecipients are involved in this drawing of names. The FTA regulations require that recipients and subrecipients of FTA funds implement the following elements in their policies and programs:

- A policy statement on prohibited drug use and alcohol misuse in the workplace;
- An employee and supervisor education program and training program;
- A prohibited drug and alcohol testing program for employees and applicants for employment in safety-sensitive positions to include functions performed by those who;
 - operate revenue service vehicles including when not in revenue service
 - operate non-revenue service vehicles that require drivers to hold a *Commercial Driver's License* (CDL);
 - dispatch or control revenue service vehicles;

- maintain revenue service vehicles or equipment used in revenue service, except for those vendors who contract with the subrecipients for such service; or
- provide security and carry a firearm.

Note: *These categories include supervisors who perform these functions, but exclude supervisors of employees in these categories who do not themselves perform these functions.*

- Evaluation of the employee who has violated the drug and alcohol regulations;
- Administrative procedures for record-keeping, reporting, releasing information, and certifying compliance. The drug and alcohol rules require six types of testing:
 - Pre-employment;
 - Reasonable suspicion;
 - Post-accident;
 - Random;
 - Return to duty; and
 - Follow-up

The FTA has published regulations prohibiting drug use and alcohol misuse by transit employees and requiring transit agencies to test for prohibited drug use and alcohol misuse. Setting up the FTA required drug and alcohol program may require modifying a subrecipient's existing substance abuse policies and programs or may require developing an entirely new program. The critical program elements will be drug and alcohol testing of employees and applicants for employment in positions that require the performance of safety-sensitive functions. The FTA regulations require that recipients and subrecipients of FTA funds implement the following elements in their policies and programs.

Subrecipients must comply with the FTA regulations to be eligible for FTA funding. Furthermore, subrecipients who contract with a third party as a provider of transportation services must make sure that such a subcontractor complies with the provision of the published regulations prohibiting drug use and alcohol misuse. The subrecipient must pass these requirements on to its subcontractor and monitor their performance.

The subcontractor will be responsible to pay for any drug and alcohol testing associated with their own employees performing safety sensitive functions. These safety sensitive employees must be placed in a testing pool as part of a drug and alcohol testing program that meets the requirements as set out by FTA. This pool will be separate from the State's drug and alcohol testing consortium pool.

3.2.3 School Bus Operation

Subrecipients may not engage in school bus operations exclusively for the transportation of students and school personnel in competition with private school bus operations. This does not preclude providing normal public transit services to school children. Each application must include a signed assurance concerning charter and school bus operations.

3.2.4 Grievance Procedure

Questions concerning the fairness of local procedures and decisions must first be addressed at the local level. Each subrecipient must develop a mechanism, preferably

independent of the sponsoring agency, to address disputes arising from its public transportation service. This procedure must be addressed in the grant application as outlined in Section G of the *Section 5311 Application Handbook*.

Complaints which cannot be resolved at the local level shall be forwarded, in writing, to the Transit Programs Division. A meeting will be scheduled (not more than ten working days after receipt of complaint) between the subrecipient and the complainant, at which, the Transit Programs Division will work with the parties in an attempt to resolve the conflict. If the conflict cannot be resolved at this level, the matter will be forwarded to the Deputy Director of ODOT who will review the proceedings and make a final decision for ODOT.

The FTA Region VI Administrator will review complaints and only become involved if they are procedural in nature.

3.3 ADDITIONAL PROVISIONS

The following policies have been adopted by ODOT:

- **Driver's License:** A driver's license is a reimbursable expense only for volunteer drivers.
- **Communications Equipment:** Citizen Band Radios (CBs) are not eligible items for reimbursement, nor is the maintenance of such equipment. Installation charges for UHF and VHF equipment will be considered as part of the procurement cost.
- **In-Kind Contributions:** The value of donated personal services, materials, equipment and building space must be clearly identified and documented.
- **Real Property:** Any agency wishing to use office, warehouse or garage space as a program cost or local match must request, in writing, an appraisal of the space from ODOT. The request must indicate the exact location(s) and describe the Section 5311 Program activities for which the space will be utilized. Requests for appraisal must include a drawing with dimensions of each office area the subrecipient would like appraised. ODOT appraisers will prepare a market analysis and determine a fair market value for the space. If the area(s) are shared by other agency programs, a methodology showing the division of the space cost and how much will be charged to the subrecipient must be provided. If the subrecipient will occupy real property acquired from a third party, either by donation (in-kind) or actual rental, ODOT's appraised value will set the maximum amount eligible as an expense to the project. Real property owned by the contracting agency is not considered donated (in-kind) space. The contracting agency may claim actual cost for real property that is used by the subrecipient. The method for determining actual cost must be submitted to ODOT for approval. Depreciation is not allowable for calculating actual cost for properties acquired with federal funds. If the structure occupied by the subrecipient was originally built with federal funds, the cost to occupy the space is not an eligible expense the Section 5311 Program.
- **Contract Revenue:** Revenue generated through contracts with social service agencies and businesses for the express purpose of transporting their clients and/or employees, even if the client(s) are listed by name within the contract, need not be reported as "farebox revenue," but may be counted as contract services and used as

local match for Section 5311 Program funds. Charter trips in which the vehicle is traveling in a "closed door" mode must be accounted for separately from the other types of Section 5311 Program activities. All Section 5311 Program charter regulations apply, and no operational deficits may be reimbursed with Section 5311 Program funds. All profits earned from charter service must be applied to the promotion and development of the transit service.

- All profits earned from advertising services provided by the subrecipient, such as signs on the vehicles and bus benches, must be applied to the promotion and development of the subrecipient.
- All revenue generated through contracts with the populace, for transportation services performed on behalf of an individual shall be regarded as fare box revenue and shall be reported as such by deducting the amount received from the project's gross operating expenses.
- Three Year Plan: Each subrecipient must involve the general public in developing a "Three Year Plan." Public planning meetings should be held and minutes of the meetings retained for documentation. A sign-in sheet should be a part of the minutes. The plan must include efforts to coordinate transportation services with other Federal, State and local agencies.

As the costs associated with the operations of the subrecipient increase, financial planning for the program must extend beyond a single year. An increasing demand for new vehicles, expansion of services and requests for technical and administrative assistance is already evident. It is in the best interest of rural public transportation to plan for the future now. At a minimum, the "Three Year Plan" should include:

- an outline of proposed transit activities, including additions to services or service area;
- requests for new vehicles by type; and
- major changes in administration, or an annual program budget.

The "Three Year Plan" will be a continuing planning document and will be required with a program's second year and each subsequent year's application/proposal. The "Three Year Plan" should be prepared for the three program years following the year funds are being applied for (i.e., Plan for FY-2014 program year should reflect program years 2015, 2016 and 2017). Plan should be submitted as a separate document. Like all planning tools, this document should be flexible enough to adapt to changes that may occur.

- Training Program: Eligible expenses include only those costs that are directly associated with transit operations and administrative functions.
- Dependent Insurance Coverage: Dependent insurance cost is not an eligible program cost.
- Volunteer Labor: The value of volunteer labor will be based on the rate approved in the budget for that service. Personnel services will be reimbursed limited to the value of the services rendered, and not at the value of the expertise of the person performing the service or on the basis of duties performed in another capacity. (Example: The local school superintendent drives the bus in the summer. The value

of that work is based on the hourly wage of other drivers in the transit program, and not on his/her regular salary as a school official.)

- **Shared Employee:** If a paid employee works for more than one program operated by the subrecipient, the pay rate for the transit service employee will reflect only the value of like or similar service performed for the transit service. (Example: If the employee works half time as a foreman in the weatherization program and half time as a dispatcher for the transit service, the rate for the time spent dispatching should be comparable to other dispatchers. The rate for dispatcher will be set in the line item justification of the program budget.)
- **Interest:** Interest on short-term loans (ninety days or fewer) is an eligible expense only when the subrecipient experiences a delay in receiving reimbursement from ODOT. The loan may cover operating and project administration expenses. The subrecipient should coordinate with the Transit Programs Division prior to obtaining such a loan. Interest on money borrowed to meet the subrecipient's local match requirement is not an eligible reimbursable expense.
- **Non-Expendable Equipment:** When purchasing non-expendable equipment, the subrecipient must follow the same procedures as outlined for capital procurements with the exception that they do not need to obtain a notice to proceed from the Transit Programs Division. Non-expendable equipment is defined in ODOT policy as "...items costing less than \$500.00 and not immediately consumed when placed in use. May also include inexpensive office equipment and furniture type items costing less than the above limit..." Examples of non-expendable equipment are letter trays, waste baskets, staplers, etc.
- **All drivers of vehicles designed to transport sixteen or more passengers (including the driver) must have a Commercial Driver's License (CDL). Mechanics, program directors or other staff members who drive such vehicles must also have a CDL even though driving such vehicles may be uncommon.**

3.4 *Property Management and Disposition*

Both ODOT and the subrecipient are responsible for managing and maintaining various types of property purchased with FTA funds.

3.4.1 *Title and Lien*

Vehicle(s) acquired with Section 5311 Program funds shall be titled in the name of the subrecipient. The subrecipient will, at the time of registering the vehicle, name the Oklahoma Department of Transportation as first lien holder. ODOT will provide to the subrecipient a "Lien Entry Form" which will be presented to the tag agent when registering the vehicle.

When registering a new vehicle, the "Date of Security Agreement" section of the lien will be the date ODOT executes the current contract. When registering a vehicle which has been transferred from another subrecipient, the "Date of Security Agreement" section of the lien will be the date of the "Receipt of Transfer."

3.4.2 *Inventory Management and Useful Life*

ODOT Transit Programs Division maintains an inventory of equipment purchased using FTA funds. If a subrecipient requests reimbursement for a non-expendable item greater than or equal to \$100, an equipment form must be completed and submitted to ODOT. The project manager will then enter the item into the Inventory Management System (IMS). The subrecipient may request an item be removed from IMS when it reaches its useful life. For the purpose of this program, the useful life of all vehicles, with the exception of medium duty transit buses, shall be 4 years or 100,000 miles. The useful life of medium duty transit buses such as the city streetcar replica or forty foot buses shall be 7 years or 200,000 miles. Office furnishings and other equipment shall have a useful life of 4 years.

When the useful life has been reached, there is no longer a Federal interest in vehicles and equipment. The subrecipient may request, in writing, permission to dispose of vehicles and equipment, using the *Request for Disposal of Equipment Form* along with justification for its sale. Upon review and approval of the completed *Request for Disposal of Equipment*, ODOT may, at its discretion, permit the subrecipient to sell the vehicle or equipment using the Department of Central Services Surplus Auction process, or through the auspice of a public auction. All proceeds shall be retained by the subrecipient for the purpose of continuing and/or enhancing the program. Such funds may be used as local match for project expenses. If the subrecipient would like to maintain possession of the item after the useful life has been reached, the subrecipient will include a justification for continued possession on the *Request for Disposal of Equipment Form*. This process will be more often utilized for office furnishings and other equipment and only in special circumstances for rolling stock and real property items.

Note: *Mileage for charter services must be deducted when determining useful life.*

In the event that a subrecipient withdraws or is excluded from the Section 5311 Program, the following procedures (with prior approval from ODOT) will be used to dispose of all equipment acquired with Section 5311 Program funds:

If the equipment has not exceeded its useful life as defined above:

- The subrecipient may contact other subrecipients operating in the State and negotiate a fair market value for the equipment. The withdrawing agency will be paid its local share equity in the equipment by the receiving subrecipient; or
- The subrecipient disposing of the equipment may sell the equipment at public auction or by solicitation of sealed bids from all interested parties. The subrecipient would retain the local share equity of the sale price and return the balance to FTA; or
- The subrecipient may choose to retain the equipment by repaying to ODOT FTA's pro rata share of the equipment's fair market value.

If the equipment has exceeded its useful life as defined above:

- ODOT may permit the subrecipient to keep the equipment if it can demonstrate that the equipment will be used for other acceptable mass transit purposes; or
- ODOT may instruct the subrecipient to sell the equipment at public auction or by solicitation of sealed bids from all interested parties. The subrecipient would retain the local share equity of the sale price and return the balance to ODOT.

If ODOT determines that any piece of equipment is serviceable and another subrecipient is

willing and able to buy the equipment, the withdrawing subrecipient will be directed to contact the other subrecipient and negotiate a fair market value for the equipment. The withdrawing subrecipient will be paid its local share equity in the equipment by the receiving subrecipient.

To establish the fair market value of the equipment, with the exception of vehicles, either the straight line depreciation method or a "statement of estimated value" from an industry vendor may be used. To establish the fair market value of vehicles, ODOT may use, at its discretion, the "average loan value" as stated by the National Automobile Dealers Association's *Official Used Car Guide* or other such industry periodical, a "statement of estimated value" from an industry vendor or the straight line depreciation method by applying the percentage of the vehicle's remaining useful life by mileage or years to the purchase price of the vehicle.

ODOT must give its approval regarding any action taken to dispose of any equipment purchased with Section 5311 Program funding.

3.4.3 Insurance

Subrecipients are required to secure liability, collision and comprehensive vehicle insurance upon receipt of the vehicle. Minimum amounts of coverage shall be:

Liability	Bodily injury	\$175,000 each person
	Property damage	\$25,000 each occurrence
	Claimants & arising out of a single occurring accident	\$1,000,000 each occurrence
Comprehensive	Deductible to be determined by local operator	
Collision	Deductible to be determined by local operator	

3.4.4 Intrastate Transporters

The Oklahoma Corporation Commission has jurisdiction, via 47 O.S. 230.22 and 230.23, over for-hire motor carriers of passengers not operating exclusively within the limits of an incorporated city or town.

However, cabs and bus companies are exempt from OCC's jurisdiction unless operating between 2 or more cities or towns and duly licensed by a municipal corporation in which they might be doing business. Also exempt from this jurisdiction are transports paid for by government contracts.

Intrastate transporters of persons or property not subject to authority requirements of the OCC are not required to file liability insurance certificates as set forth in OAC 165:30-3-11.

3.4.5 Protection of the Environment

FTA's procedures allow the flexibility to categorically exclude most of the projects typically funded under the Section 5311 Program. ODOT will screen potential projects to make an initial determination as to which projects clearly meet the FTA criteria for categorical exclusions and which projects may require additional documentation. The latter projects will be coordinated with the FTA Regional Office early in the project development so that any necessary environmental analysis and review will not delay implementation. Those projects or activities with no environmental impact or minimal impact require no individual review by

FTA. However, a project involving new construction of a facility or substantial rehabilitation of an existing facility will be discussed with FTA to determine the need for information supporting a categorical exclusion and whether any additional environmental requirements apply. Early coordination with FTA is also necessary to identify those projects for which an Environmental Assessment (EA) will have to be prepared. If an EA is required, further steps to develop the project (e.g., property acquisition, final design, and construction) will not be authorized until FTA makes a final environmental finding for the project. Any project listed in Category B or C of a Program of Projects that does not qualify as a categorical exclusion will receive environmental clearance from FTA before being advanced to Category A.

3.4.6 Facility Construction and Renovation

ODOT personnel or its representatives/consultants will monitor all phases of the construction and/or renovation of facilities that involve the use of FTA funds.

- Design Phase
 - ODOT must review and approve the process for solicitation of bids for project design, including award of bid and award of design contract;
 - ODOT will participate in all pre-bid, pre-award and pre-design meetings; and
 - ODOT must review and approve all plans and documents related to the project.
- Construction Phase
 - ODOT must review and approve the process for solicitation of bids for a project, contractor, including award of contracts;
 - ODOT will participate in all pre-bid, pre-award and pre-construction meetings;
 - ODOT must review and approve expenses claimed by the subrecipient before reimbursement will be made; and
 - Inspections will be made by ODOT personnel at prescribed stages of the project.

This policy statement may be supplemented as necessary to respond to changed conditions or additional regulations which may be forthcoming.

EXHIBIT “A” OKLAHOMA RURAL COMMUNITY TRANSIT SYSTEMS

OKLAHOMA RURAL COMMUNITY TRANSIT SYSTEMS

REVISED: MARCH, 2009

TOWN OF BEAVER

Beaver City Transit

PONTOTOC COUNTY PUBLIC TRANSIT AUTHORITY

Call-A-Ride Public Transit

CENTRAL OKLAHOMA COMMUNITY ACTION AGENCY

Central Oklahoma Transit System

NORTHERN OKLAHOMA DEVELOPMENT AUTHORITY

Cherokee Strip Transit

UNITED COMMUNITY ACTION PROGRAM, INC.

Cimarron Public Transit System

DELTA COMMUNITY ACTION FOUNDATION, INC.

Delta Public Transit

ENID PUBLIC TRANSPORTATION AUTHORITY

The Transit

LOGAN COUNTY HISTORICAL SOCIETY, INC.

First Capital Trolley

CITY OF GUYMON

The Ride

INCA COMMUNITY SERVICES

JAMM Transit

KI BOIS COMMUNITY ACTION FOUNDATION, INC.

Ki Bois Area Transit System

LITTLE DIXIE COMMUNITY ACTION AGENCY, INC.

Little Dixie Transit

MUSKOGEE COUNTY PUBLIC TRANSIT AUTHORITY

Muskogee County Transit

DEPARTMENT OF PARKING AND TRANSIT SERVICES OSU–STILLWATER COMMUNITY TRANSIT

OSU/Stillwater Community Transit

GRAND GATEWAY ECONOMIC DEVELOPMENT ASSOCIATION, INC.

Pelivan Transit

COMMUNITY ACTION DEVELOPMENT CORPORATION

Red River Transportation Service

BIG FIVE COMMUNITY SERVICES, INC.

Southern Oklahoma Rural Transportation System

SOUTHWEST OKLAHOMA COMMUNITY ACTION GROUP, INC.

Southwest Transit

WASHITA VALLEY COMMUNITY ACTION COUNCIL

Washita Valley Transit