

COMMUNITY TRANSPORTATION PROGRAM DISPOSITION POLICY GUIDELINES & ACCIDENT/INCIDENT REPORT *for* PERSONAL PROPERTY

Revised 1/2022

When personal property has been replaced and/or has met the required useful or service life, the recipient shall dispose of the item in a manner that is in compliance with the FTA Circulars 9040.1G (Section 5311), 9070.1G (Section 5310) and 5010.1E, the State Management Plan, 2 CFR Part 200 and the N.C.G.S. The following guidelines reflect these requirements.

1. Vehicles

- 1.1 Disposition of vehicle(s) takes place when the vehicle meets the required mileage (“useful life”) criteria and is reflected on the Enterprise Asset Management (EAM/Assetworks) System, the project’s grant application, and/or the CTSP implementation schedule for replacement.
 - 1.1.1. The current “useful life” is 100,000 miles for Minivans, Center Aisle Vans, Conversion Vans, and Lift-equipped Vans. Light-duty Light Transit Vehicles (cutaway type vehicles) must also accumulate 100,000 miles to meet “useful life.” Requirements for medium and heavy transit vehicles vary.
 - 1.1.2. When the new replacement vehicle(s) are received and placed in service, the old vehicle(s) must be disposed. The New Vehicle Inspection/ Disposition Form (use the most recent for that fiscal year) requires the disposition information to be completed about the replaced vehicle. The entire inspection/disposition form must be completed and emailed to the Administrative Assistant at the Integrated Mobility Division (IMD).
 - 1.1.3. The IMD requires all Certificates of Title for vehicles purchased through the Community Transportation (CT) Program (Section 5311), Elderly & Disabled Program (Section 5310), New Freedom Program (Section 5317), Section 5339, and state funded programs to have a first lien to IMD recorded on the titles. All titles are kept in our office files. Titles will be released when the useful life for the replaced vehicle has been reached and the inspection/disposition form for the new vehicle has been completed and submitted.
 - 1.1.4. The disposition process for the replaced vehicle must be started within sixty (60) days after delivery of the new vehicle. IMD’s Regional Grant Specialist (RGS) will review any changes in the vehicle replacement that differs from the vehicle approved in the funded application.

The System’s Fleet Listing, current FY application, and vehicle replacement log must be kept current to reflect the same vehicle(s) that are requested for disposition. Approved changes must be indicated/noted under the current FY application by the RGS with notification to Procurement and to IMD Administrative Assistant/Title Specialist.
 - 1.1.5. Within sixty (60) days after taking delivery of the new vehicle, the system must remove the tag and cancel the insurance on the vehicle to be disposed.

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- 1.1.6. Before vehicles are sold or transferred, all markings, lettering or system logos must be removed from the vehicles. Please note this is a responsibility of the transit system and no vehicle is to be sold or transferred with system name, phone number, or logo displayed on the vehicle.
- 1.1.7. IMD will release titles for replaced vehicles only to the owner (grant recipient). Once the title is received, the project may proceed with local disposition of vehicle. Vehicle(s) may be sold by advertising for sealed bids or through electronic or public auction method, or transferred, with IMD approval, to another agency.
- 1.2 Disposition methods are described as follows:
 - 1.2.1. Advertising for sealed bids. This method may be used by both public and private non-profit transit systems and requires the following:
 - 1.2.1.1. A minimum of two (2) appraisals of the current fair market value of the vehicle will be required to establish a minimum bid price.
 - 1.2.1.2. A Fair Market Value form is included in the Inspection/Disposition Workbook Packet to assist in getting appraisals from dealers.
 - 1.2.1.3. Estimates may be averaged to establish the minimum bid.
 - 1.2.1.4. An advertisement in local paper or paper with a large circulation shall be placed at least once allowing for not less than seven (7) days between the advertisement date and sealed bid opening.
 - 1.2.1.5. Ad must include minimum bid, place and time of bid opening.
 - 1.2.1.6. Sealed bids must be submitted and the award shall be made to the highest bid over the minimum established bid.
 - 1.2.1.7. The current grant recipient designated in the resolution by the Board of Directors, County Commissioners or City Council may keep 100% of the proceeds.
 - 1.2.2. Local Public auction. This method may be used by both public and private non-profit transit systems and the following shall apply:
 - 1.2.2.1. The vehicle(s) may be sold through an advertised public auction.
 - 1.2.2.2. Award shall be made to the highest bid.
 - 1.2.2.3. The current grant recipient designated in the resolution by the Board of Directors, County Commissioners or City Council may keep 100% of the proceeds
 - 1.2.3 State Surplus. This method is only available to public entities. Private non-profit systems may find that their county procurement or finance offices may be able to process dispositions on their behalf. Please contact the IMD Procurement Specialist if you have questions about this method.

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- 1.2.3.1. Once the project receives the title, the State Surplus Property Agency can be contacted to arrange the disposition of the vehicle on the Surplus Bid sheet.
- 1.2.3.2. Contacts at State Surplus are Betsy Finch, 919-854-2169, betsy.finch@ncmail.net or Karen Routh, 919-854-2167, karen.routh@ncmail.net.
- 1.2.3.3. Project will receive authorization and instructions to submit information electronically at the website: <http://www.ncstatesurplus.com/ssp/agency/logon.asp>.
- 1.2.3.4. Select review by State Surplus Property Agency.
- 1.2.3.5. A Power of Attorney must be completed for each title. (see tab)
 - 1.2.3.5.1. Do not complete the back of the title.
 - 1.2.3.5.2. Complete the form, sign, and have it notarized.
- 1.2.3.6. MVR 180-A, Odometer and Damage Disclosure form must be completed for each vehicle. (see tab)
- 1.2.3.7. The Power of Attorney form, Certificate of Title and MVR 180-A form must be forwarded to:

State Surplus Property Agency
1310 Mail Service Center
Raleigh, NC 27669-1310
Attention: Betsy Finch

*****NOTE - THE PAPERWORK MUST BE RECEIVED BY STATE SURPLUS BEFORE TRANSPORTING A VEHICLE TO THEIR LOT ON NC 54.*****
- 1.2.3.8. The vehicle may be transported to Raleigh and held at the Surplus Property lot on NC 54 or may remain at the project's designated location.
 - 1.2.3.8.1. If vehicle is retained at the project site, a street address must be provided.
- 1.2.3.9. The vehicle will appear first in the "Classified Ads" section of the web site.
- 1.2.3.10. If the vehicle is not sold, it will be posted on the statewide bid list in approximately 3-4 weeks.
- 1.2.3.11. The bids are posted on the internet at the following web site: www.doa.state.nc.us/ssp/bidsnet.htm.
- 1.2.3.12. After the vehicle is sold, State Surplus will forward the proceeds to the current grant recipient, less a 5% service charge for processing the vehicle.
- 1.2.4 Transferred Vehicles. This method may be used by both public and private non-profit transit systems and requires the following procedure:

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- 1.2.4.1. On the Inspection/Disposition Form, complete the section for transferring a vehicle.
- 1.2.4.2. Identify the agency vehicle will be transferred to.
- 1.2.4.3. Indicate how vehicle will be used by the agency.
- 1.2.4.4. The vehicle cannot be used by the agency in a manner that would be in competition with the transit system.
- 1.2.4.5. The vehicle must be removed from the system's fleet inventory and EAM (Assetworks).
- 1.2.4.6. The vehicle will not be eligible for replacement again under any of IMD's administered funding programs.
- 1.2.4.7. The transit system's Regional Grant Specialist will review the request and if approved, the title will be forwarded to the project with the lien released.
- 1.2.4.8. If a vehicle is not approved for transfer, another method of disposition must be selected.
- 1.2.5 Electronic Auctioning.
 - 1.2.5.1. Equipment may be disposed of electronically on the Internet.
 - 1.2.5.1.1. Agency can develop their own electronic auction procedure; or
 - 1.2.5.1.2. Use an existing private or public electronic auction service.
 - 1.2.5.2. Prior authorization by your governing board to sell equipment electronically, as with all dispositions, will be required.
 - 1.2.5.3. The Federal Trade Commission has information on electronic auctions at this web site: <http://www.ftc.gov/bcp/online/pubs/online/auctions.htm>.
- 1.3 Other vehicle disposition Issues.
 - 1.3.1 Vehicle(s) that are less than ten (10) years old and have not met the "useful life" requirement may be disposed of with prior approval of IMD. A monetary reimbursement for the mileage shortage shall be required to be remitted to IMD.
 - 1.3.2 Vehicle(s) that are ten (10) years old or more that have not met the "useful life" requirement for mileage will be eligible for disposition with prior approval of IMD but shall not be replaced.
 - 1.3.2.1 The disposition proceeds may be retained by the current grant recipient.
 - 1.3.3 If the vehicle has not met the "useful life" requirement, the procedures outlined in the previous sections, 1.3.1 and 1.3.2 shall apply.

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- 1.3.4 Administrative Staff Vehicle. Systems are permitted to retain one replaced vehicle for use as an “Administrative Staff” vehicle. It must be marked for Administrative use only and may not be used for revenue service. This is a “One-time ONLY” event per system.
 - 1.4 Proceeds received from vehicles that are sold or due to casualty loss, originally purchased with state or Federal funds, must be used in the Transit Program.
 - 1.5 Notification to IMD of Sale.
 - 1.5.1 Within ninety (90) days after new replacement vehicle(s) is received, the system must submit disposition information including:
 - 1) Type of Disposition (Select: Sale or Transfer);
 - 2) Odometer reading;
 - 3) Buyer/Recipient (Select: Private, State Agency, County, Non-Profit, Transit Agency or Other);
 - 4) Sales Receipt Date;
 - 5) Sale Amount; and,
 - 6) Attachment of bill of sale/sales receipt that contains the following: Odometer reading, Buyer, Sale Date and Sale Amount.
 - 1.5.2 A request for this information will be sent by the IMD Procurement Specialist after we have received your inspection/disposition checklist. The request will be emailed to the person completing the inspection/disposition checklist and will come in the form of a Smartsheet Update Request. Please contact the IMD Procurement Specialist with any questions related to entering in this information into Smartsheet. The request for information will trigger the beginning of the ninety (90) day timeline.
 - 1.5.3 If you cannot submit this information within ninety (90) days of receiving your replacement vehicles, please notify the IMD Procurement Specialist of the need of an exception.
- ## 2. Technology Goods, Microcomputers and Related Items
- 2.1 Technology goods, microcomputers and related items may be disposed of using the same methods as outlined above for vehicles in 1.2.
 - 2.2 Replacement eligibility may be determined by referring to the Capital Replacement Schedule which is distributed each grant cycle with the application.
 - 2.2.1. Once the replacement is purchased, the replaced item may be disposed.
 - 2.3 All data and information should be erased securely and completely from the drives and the software removed. Contact your local IT support office for assistance.

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- 2.4 When transferring these items to other agencies or groups, prior approval by IMD staff is required. Submit your request to your IMD RGS in writing. You will receive a written approval or disapproval.
3. **Communication Equipment, Office Furniture and Equipment, and Other Capital Items**
 - 3.1 Communication equipment may be disposed of following the above methods in 1.2 when the equipment has met the required service life and has been replaced.
 - 3.1.1. Communication equipment is eligible for replacement after six (6) years.
 - 3.2 Replacement eligibility for office furniture and equipment and other capital equipment may be determined by referring to the Capital Replacement Schedule, distributed with the grant application each fiscal year.
 - 3.2.1. After the replacement equipment is purchased, the replaced item may be disposed of following the methods outlined in 1.2.
4. **General**
 - 4.1 In accordance with FTA Circular 9040.1G (Section 5311), 9070.1G (Section 5310) the State Management Plan, and 2 CFR Part 200, proceeds received from the sale of equipment, purchased with state and Federal funds, must be used in the Transit Program.
 - 4.2 Local property management records or fixed asset inventories should be updated to reflect the type of disposition, date, and value of sale.
5. **Vehicle Incident or Casualty Loss Procedures**
 - 5.1 Grantee must report a vehicle incident, accident or casualty to IMD as soon as possible, but no later than the following business day after the occurrence.
 - 5.1.1. Enter accident information into Enterprise Asset Management (EAM) formerly AssetWORKS.
 - 5.1.1.1. the Trapeze EAM website is: <http://faweb2.assetworks.com/ncdot/asuiteinfocenter.aspx>; and,
 - 5.1.1.2. Email notification will be generated to IMD.
 - 5.2 Vehicles that are damaged, but repairable, must be repaired to the same or better condition prior to the incident.
 - 5.3 If the vehicle is determined to be a total loss, the following documentation must be submitted to the IMD Procurement Specialist within ten (10) working days of the incident.

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- 5.3.1. N.C. Accident Report (DMV-349) or N.C. Incident Report (fire casualty); and
- 5.3.2. Correspondence from the Insurance Company indicating the amount of the settlement of proceeds.
- 5.4. Casualty Loss Criteria.
 - 5.4.1. Minivans, standard vans, center aisle vans, conversion vans and lift equipped vans with 15 passengers or less must have a minimum of 100,000 miles.
 - 5.4.2. Medium-duty transit buses (20'-28') (formerly cutaway buses) must have a minimum of 100,000 miles.
 - 5.4.3. Medium-duty transit buses (approximately 30') must have a minimum of 350,000 miles.
 - 5.4.4. Heavy-duty transit buses (approximately 30') must have a minimum of 350,000 miles.
 - 5.4.5. Heavy-duty transit buses (35'-40') must have a minimum of 500,000 miles.
- 5.5. Vehicles that have been totaled and have met the "casualty loss criteria" may be disposed of as follows:
 - 5.5.1. If a replacement vehicle was already budgeted in the current application or on order, the totaled vehicle can be disposed and the insurance proceeds retained. The proceeds must be used in the Transit Program. IMD still retains a financial interest in the replacement vehicle if the value of the casualty loss vehicle is greater than or equal to \$5,000.
 - 5.5.2. If no replacement vehicle has been budgeted for this totaled vehicle in the current application or is on order, the system may use the proceeds towards a replacement vehicle following the correct procurement methods. IMD still retains a financial interest in the replacement vehicle if the value of the casualty loss vehicle is greater than or equal to \$5,000. If a system wishes to apply for reimbursement for local funds used for vehicle replacement, they may do so on the next available grant cycle.
 - 5.5.3. If the system chooses not to use the proceeds to replace the vehicle at the time of the loss and keeps the proceeds, no other vehicle, either a replacement or expansion, may be ordered for that system now or in the future. However, if a system wishes to apply for reimbursement for local funds used for vehicle replacement, they may do so on the next available grant cycle.
- 5.6. Vehicles that have been totaled, but have not met the above "casualty loss criteria," may be disposed of and the insurance proceeds applied as follows:

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- 5.6.1. Return to IMD either the Federal and/or state interest of the unamortized value of the vehicle based on straight line depreciation of the original purchase price or the Federal and/or state interest of proceeds, whichever is greater; or
- 5.6.2. Apply 100% of net proceeds to the acquisition of the same model year, or newer, like-kind vehicle. Any additional costs, if more than the proceeds, are to be met by the grantee. Excess proceeds are to be returned to IMD, with the grantee retaining the pro-rata local share.
- 5.7. Once all the required documentation is received by IMD, a letter along with the title will be forwarded to the grantee within thirty (30) days. The letter will address the options to grantee regarding the casualty loss.
 - 5.7.1. If the vehicle has met or exceeded the “casualty loss criteria,” the grantee will have the options listed above in Section 5.5 for the settlement proceeds.
 - 5.7.1.1. If a new replacement vehicle is scheduled, the system may keep the proceeds and use the proceeds toward transit related needs.
 - 5.7.1.2. The system may apply the settlement proceeds toward a replacement vehicle; or
 - 5.7.1.3. The system may choose to keep the proceeds and use the proceeds for transportation related needs. No other vehicle, replacement or expansion, may be purchased for the system to replace the shortage in the fleet.
 - 5.7.1.4. The system must provide in writing or by email to the IMD Procurement Specialist which of the last two actions they will choose within sixty (60) days.
 - 5.7.2. If the vehicle has not met the “casualty loss criteria,” the grantee will receive instructions in their letter.
 - 5.7.2.1. Return the Federal and/or state share to IMD within thirty (30) days. No other vehicle, replacement or expansion, may be purchased for the system.
 - 5.7.2.2. Provide in writing to IMD Procurement Specialist that they will purchase a “like-kind” vehicle within sixty (60) days.