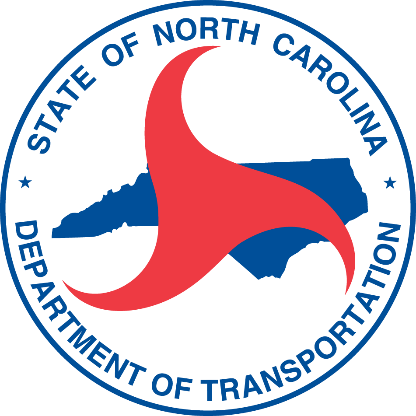
THE

NORTH CAROLINA

DEPARTMENT OF TRANSPORTATION

INTEGRATED MOBILITY DIVISION



Compliance Review (CR)

*A Review of Regulatory Compliance, Technical Skills Capacity &*

*Management Proficiency of Federal and North Carolina State Funded Transit Subrecipients*

CY 2025 – WORKBOOK

Integrated Mobility Division (IMD) Grantees

Receiving Funds under

Sections 5307, 5311, 5310, 5339, CARES Act



Transit System Information

|  |  |  |
| --- | --- | --- |
|  | **Subrecipient:** |  |
|  | Address: |  |
|  | Phone No. (include area code) |  |
|  | Fax: |  |
|  | Website: |  |
|  | **Contact Person:** |  |
|  | Phone No. (include area code) |  |
|  | Email: |  |
|  | **Contract Service Provider:** |  |
|  | Contact Name: |  |
|  | Phone No. (include area code) |  |
|  | Email: |  |
|  | **Organizational Structure:** |  |
|  | County |  |
|  | Non-Profit |  |
|  | Authority |  |
|  | **Consulting Firm**: |  |
|  | * Reviewer: |  |
|  | * Reviewer: |  |
|  | **Federal/State Funding Received since the last review (check all that apply)** | 5311 administrative funds  5311 operating funds  5311 capital funds  5310 operating funds  5310 capital funds  5310 mobility management funds  5307 operating funds  5307 capital funds  5339 capital funds  CARES Act administrative funds  CARES Act operating funds |
|  | **Review Dates:** |  |
|  | * Desk Review Dates: |  |
|  | * Onsite Date(s): |  |
|  | * Onsite Date(s): |  |
|  | **Review Period:** |  |
|  | * From: |  |
|  | * To: |  |
|  | **Draft Compliance Report Date:** |  |

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# OVERVIEW

North Carolina General Statute 136-44.20 gives the North Carolina Department of Transportation (NCDOT), Integrated Mobility Division (IMD) the authority to administer federal and state public transportation funding programs.

NCDOT/IMD has contracted for consultant services to perform proficiency reviews of its Federal Transit Administration (FTA) Sections 5307, 5311, 5339, 5310, and CARES Act programs subrecipients. The review will be conducted on-site following a desk review.

This review process is intended for use with public transit operators that receive Section 5311, 5307, 5339 and CARES Act public transit funds. Since some public transit operators also receive funds under the federal Section 5310 program, the review also covers requirements unique to those programs.

The review is to ensure that transit agencies/subrecipients are able to manage the FTA funded programs in accordance with the grant application, the grant agreement, and the FTA approved State Management Plan and all applicable laws and regulations using sound management practices. The review is intended to look behind the signed certifications and assurances submitted by grant subrecipients to ensure that subrecipients are adhering to all statutory and program requirements when expending federal and/or state funds on local projects.

As a tool, the review will primarily be used to:

* Assess the technical capacity of subrecipients to receive and manage federal and state funds.
* Assess the technical capacity of subrecipients to successfully adhere to governmental requirements for grant and program administration, including but not limited to property and financial management, training needs, security readiness and civil rights requirements.
* Clarify federal/state regulatory requirements.
* Improve the management efficiency and effectiveness of federal/state funded transportation programs.
* Identify areas where training and technical assistance may be warranted.

The IMD is using this compliance Workbook which contains a questionnaire to be completed by the subrecipient transit systems and a list of information and materials to be submitted to the consultants prior to the on-site visit.

The overall compliance review process involves the following steps:

* **Conduct the Desk Review** – Review consultants and IMD conduct desk reviews of the documentation that subrecipients have provided to IMD (applications, reports, requests for reimbursements) and discuss specific issues regarding the subrecipient.
* **Schedule the On-Site**– While the desk review is being conducted, the review consultants coordinate with the Safety, Education and Compliance section at IMD and subrecipients to make arrangements for the on-site or virtual visit. Approximately 6 weeks prior to the on-site/virtual visit, subrecipients are contacted to schedule a date for the visit. This is followed up with a letter that confirms the visit date, explains the purpose of the visit, and outlines the day’s agenda and transmits the Workbook. Subrecipients are asked to complete their portion of the Workbook to be returned to the consultants at least two weeks before the review. As indicated below, the subrecipients also are asked to send some additional information to the review team in advance. On this schedule, subrecipients have four weeks to prepare and submit the information to the review consultants.
* **Review Workbook and Prepare for On-Site/Virtual Visit –** Prior to the visit, the review consultants use the completed Workbook and other materials submitted by the subrecipients to identify areas that need to be addressed during the on-site/virtual visit.
* **Conduct On-Site Visit** - Site visits generally require one day on-site (but may span multiple days if virtual). If services are contracted, this may include a visit to the contractor or the contractor may come to the subrecipient’s office. A typical site review will include:
  + **Entrance Conference with the Transit Manager and Key Staff**
  + **Review of Each Area**
  + **Visit to Facility and Inspection of Maintenance Records**
  + **Resolving as Many Remaining Questions as Possible**
  + **Exit Interview**
* **Compliance Review (PR) Site Report –** A CR site report is prepared that includes findings, corrective actions needed and a timeframe for submission of the corrective actions to IMD.
* **Corrective Actions –** Subrecipients are given a specific timeframe (30-90 days) to correct deficiencies and to submit documentation to the IMD that verifies corrective actions taken.
* **Close Out Letter –**Subrecipients will receive a letter once all corrective actions are complete and closed out by IMD.

Please refer to IMD’s *Business Guide – Section 1400 -Oversight and Monitoring* for details on state oversight requirements.

## Special Notes on Supplemental Federal Funding in Response to Public Health Emergency

On March 27, 2020, the President of the United States signed into law the Coronavirus Aid, Relief, and Economic Security (CARES) Act. North Carolina received $322.4 million in Coronavirus Aid, Relief, and Economic

Security (CARES) Act funding in April 2020 to assist transit agencies in their ability to respond to and recover from COVID-19 impacts.

NCDOT’s IMD is responsible for administering $132.9 Million of this funding, including $94.9 Million in Section 5311 Formula Grants for Rural

Areas funding and $38 Million in Section 5307 Urbanized Area Formula Grants funding directed to small urban areas (50,000 – 200,000 population).

CARES Act funding was intended to be expended expeditiously to relieve the transit systems of administrative and operational burdens due to COVID-19. Eligible expenses and other program requirements mirror the traditional Section 5311 and 5307 programs; however, the FTA emphasized that expenditures were to be used primarily for operating expenses.

Unlike the Section 5311 and 5307 grants, CARES Act funding was provided at a 100% federal share, with no state/local match required, and was available to support capital, operating, and other expenses generally eligible under those programs to prevent, prepare for, and respond to COVID-19.

The CARES Act Funding is available until expended/reimbursed at the

Federal level, but the IMD initially set an interim end date of June 30, 2021 as a goal to encourage the transit systems to draw down funding as expeditiously as possible. As of March 2021, the end date has been extended to June 30, 2022.

Recipients were allowed to use CARES Act funds for eligible expenses incurred on or after January 20, 2020. FTA generally considered all expenses eligible under urbanized or rural area programs that were incurred on or after January 20, 2020 to be in response to economic or other conditions caused by the public health emergency and thus eligible under CARES.

CARES Act funding can be used for administrative leave, such as leave for employees due to reductions in service, leave required for a quarantined worker, or and leave for an employee to receive the COVID-19 vaccine, including reasonable time for the employee to recover from potential side effects. Preventive maintenance is considered an operating expense for the purposes of CARES Act reimbursement.

This version of the Workbook notes the flexibilities FTA granted during the pandemic and additional requirements imposed.

# REVIEW DOCUMENTS

IN ADDITION to completing the questionnaire the subrecipient must remit or have available onsite the following information as indicated below.

|  |
| --- |
| Note: Electronic submission of requested information is preferred. The Workbook is being provided to you in Word format so you can record answers directly into the Workbook. The documents that you need to send to the Consultant review team in advance of the site visit are listed below. Electronic submission of the entire completed workbook and requested documents are required by uploading it to your folder in SmartSheets.  If you have questions on data submission (technical or otherwise) you can contact IMD either Kevin Edwards (919-707-4695) or Blair Chambers (919-707-4693). |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **FINANCIAL MANAGEMENT AND CAPACITY** | | | | |
|  | | Written financial management procedures (required – may include some items listed below) | | |
|  | | Board-approved guidelines governing the acceptance of advertising (required *ONLY* if ads are accepted) | | |
|  | | Accounting policy and procedures manual (required) | | |
|  | | Budget Procedures and Five-Year Budget Plan (required) | | |
|  | | Current budget approved by the Board (required) | | |
|  | | Indirect Cost Rate Certificate or Plan, if appropriate (required) | | |
|  | | Cash handling policies including petty cash (required) | | |
|  | | Fare collection procedures (required) | | |
|  | | Credit card use policy (required) | | |
|  | | Travel policies (if separate from IMD’s policy) (required) | | |
|  | | Record Retention and Storage Policy/Procedures (required) | | |
| **TECHNICAL CAPACITY** | | | | |
|  | | Organization chart that shows the staff as well as reporting relationship to the Board (required) | | |
| 2. | | Written grant management procedures, (required) | | |
| 4. | | Personnel manual including personnel policies (required) | | |
| 5. | | Job descriptions | | |
| 6. | | Copy of Training Policy (required) | | |
| **MAINTENANCE** | | | | |
|  | | Written vehicle maintenance plan (required) | | |
|  | | Pre-trip inspection form (required) | | |
|  | | Written facility/equipment maintenance plan (required for FTA-funded facilities) | | |
|  | | Camera Video Data Usage, Retention and Dissemination (required) | | |
| **ADA** | | | | | |
|  | | Written ADA policies and procedures (required if meet criteria) | | | |
|  | | Current ADA plan, if available | | | |
|  | | ADA complementary paratransit application and guidelines *(*required, if applicable) | | | |
|  | | ADA Equivalent Service Contract (required, if applicable) | | | |
|  | | ADA Complaint Process and List with their resolution (required) | | | |
|  | | Driver training material and records that document that drivers have completed training in passenger assistance techniques and sensitivity (required) | | | |
|  | | Documentation of maintenance of ADA equipment | | | |
| **TITLE VI** | | | | | |
|  | | Title VI Program Document (including, for grantees with for fixed route services, fixed route service standards and policies) (required) | | | |
|  | | Title VI notices to the public and printed materials for the public that include these Title VI notices (required) | | | |
|  | | LEP Assessment (required, may be part of TVI Program) | | | |
|  | | Title VI Complaint Process and list of complaints, with their resolution (required) | | | |
| **PROCUREMENT** | | | | | |
|  | | Procurement Policy and Procedures and Adopting resolution (required) | | | |
|  | | Code of conduct governing procurements, if separate from Procurement Policy (required) | | | |
|  | | Third Party Contracts – including consultant and operations/management contracts, and contract rates (required, if applicable) | | | |
|  | | DBE Policy (required) | | | |
| **LEGAL** | | | |
| 1. | | Articles of incorporation, Declaration of Authority (G.S. 160A, Article 25, 26, or 27), an ordinance or order(s), if not a part of City or County government | |
|  | | Bylaws, if not part of City or County government | |
|  | | Transportation Advisory Board (TAB) Handbook (required) | |
|  | | Governing Board and Advisory Board minutes – Provide a schedule of the Board meetings that were held in the last 24 months. The minutes of these meetings are to be available upon request at the site visit. Open Meetings required | |
|  | | Governing and Advisory Board ethics or conflict of interest policy (required) | |
|  | | Business continuity/disaster recovery plan, if available | |
| **SATISFACTORY CONTINUING CONTROL** | |
| 1. | Property Disposition Policies and Procedures (required) |
| 2. | Transit Asset Management (TAM) Plan (required unless system is part of the NCDOT Tier II Group Plan) |
| 3. | Insurance policies or certificates – Certificate of Insurance – COI required) |
| **PUBLIC COMMENTS ON FARE INCREASES OR MAJOR SERVICE REDUCTIONS** | | | |
| 1. | | Written process for soliciting comments from the public on fare increases or major service reductions (required) | |
| **CHARTER** | | | | | | |
|  | | Charter Policy (required) | | | | |
|  | | Records on Charter Bus Service and Complaints | | | | |
| **DRUG AND ALCOHOL** | | | | | | |
|  | | Drug and alcohol policy and testing program (required) | | | | |
|  | | Random sample data | | | | |
|  | | Annual MIS Reports for last 3 years | | | | |
| **EEO** | | | | | | |
|  | | EEO policy statement (required) | | | | |
|  | | Sample job application (or provide link to website) | | | | |
|  | | Sample job posting and advertisement (or provide link to website) | | | | |
|  | | EEO Complaint Process and List with their resolution (required) | | | | |
|  | | Abbreviated EEO Program, if applicable (including policy dissemination plan, designation of personnel, assessment of employment practices, and monitoring and reporting system), if applicable (grantees with at least 50 transit employees and FTA op/cap funding >$1m or planning > $250k in previous year | | | | |
|  | | Full EEO Program, if applicable (grantees with at least 100 transit employees and FTA op/cap funding >$1m or planning > $250k in previous year | | | | |
| **OTHER SERVICE REQUIREMENTS** | | | | | | |
|  | | Service and Operating policies and procedures, (required) | | | | |
|  | | Operator manual, (if separate from above) | | | | |
|  | | Complaint resolution procedures (required)  *(Non-Civil Rights Related)* | | | | |
| 4. | | Marketing Plan, if available | | | | |
| 5. | | Printed general public marketing materials (schedules, brochures, newspaper ads, etc.) or link to website | | | | |
| **AGENCY SAFETY PLAN (ASP) – Section 5307 Subrecipients Only** | | | | | | | |
| 1. Current board approved Agency Safety Plan (ASP) (required) | | | | | | | |
| 1. Minutes of board approval of the ASP (required) | | | | | | | |
|  | | | | | | | |

|  |  |
| --- | --- |
| System Name: | Date: |

Note: Review Team members should also sign-in

Site/Virtual Visit

# ATTENDANCE SHEET

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Name | Title | Organization | Phone | Email |
| 1 |  |  |  |  |  |
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**Compliance Review**



# QUESTIONNAIRE

LEGAL NAME OF SUBRECIPIENT:

SERVICE AREA:



Instructions and Information

Ü All questions contained in the workbook must be answered.

Ü Responder should answer questions as completely as necessary for the Reviewer to make an assessment.

Ü Responder may use N/A, if the question is not applicable to their organization.

Ü Read the narrative descriptions for each review category prior to answering the questions.

**Ü** Questions regarding the Workbook may be directed to your assigned Review Team.

**Ü** Electronic submission of requested information is required. The Workbook is provided as a Word document so you might record your answers directly into the Workbook.

You are requested to complete the Compliance Review Workbook that you can download from your folder in SmartSheet). The Workbook includes both 1) a list of materials your agency is to provide in advance of the review team visit and 2) a survey your agency is to complete. Electronic submission of the entire completed Workbook and requested documents are required by uploading them to your folder in SmartSheet. If you have any questions on how to do this or need assistance, please contact either Kevin Edwards (919-707-4695/ kbedwards2@ncdot.gov) or Blair Chambers (919-707-4693/tbchambers@ncdot.gov).

# 1. FINANCIAL MANAGEMENT AND CAPACITY

*Subrecipients must demonstrate the ability to match and manage FTA and NCDOT grant funds, cover cost increases and operating deficits, cover maintenance and operational costs for FTA-funded facilities and equipment, and conduct and respond to applicable audits.*

Subrecipients must have sufficient local resources to provide the required match and carry out the proposed project. As part of the grant application process, subrecipients certify that the required local funds will be available as of the beginning of the fiscal year/grant period.

Subrecipients must also have the financial management systems to account for and report on FTA and state grant assistance. Subrecipients must practice sound financial management practices and conduct an annual independent audit in accordance with the provisions of 2CFR200. All costs charged to grant projects must be supported by properly executed payrolls, employee time records, invoices, contracts or vouchers evidencing in detail the nature and propriety of the charges. Financial records must be retained for at least five years after the grant is complete; records for real property and equipment acquired with Federal/state funds must be retained for five years after final disposition of the property.

Areas of financial capacity and management that are reviewed include:

* Financial capacity
* Funds management/grant accounting
* Audit/oversight reports
* Overhead/indirect cost allocation
* Budget controls
* Cash management

*CARES Act Notes – On an individual expenditure level, the approvals in the EBS grant management system ensure that the CARES Act funds are being spent on eligible expenses as outlined by the FTA. IMD monitors the cash spend on a periodic basis ensuring funds are spent in a timely manner by subrecipients*.

*Reimbursement Documentation: No special documentation is required for the CARES Act funding to support a reimbursement. Documentation that is normally required under the Urbanized Area Formula Grants (5307) and Formula Grants for Rural Areas (5311) shall be submitted.*

|  |  |  |  |
| --- | --- | --- | --- |
| Financial Capacity | | | |
| **QUESTION** | **RESPONSE** | **OBSERVATION** | | |
| 1. Please confirm the sources of local funding for administrative, operating and capital expenses. Note any changes.   ***REVIEWER****: List the sources of local funding from the application.* | **Source** | **Amount per Application** | **Actual Amount** | |
|  |  |  | |
|  |  |  | |
|  |  |  | |
|  |  |  | |
| 1. Are the sources of local funding sufficient to implement the project and maintain project equipment? Are the non-federal matching requirements met? If applicable, does the system calculate the amount eligible for operating expenses appropriately?   ***REVIEWER****: CARES Act funding is 100% federal – no local match required* |  |  | |
| 1. Does the transit system use FTA capital funds to support ADA paratransit operating costs? |  |  | |
| 1. For 5307, what is the non-federal share on vehicles and vehicle-related equipment attributable to compliance with ADA?   ***NOTE***: *Under 5307, the Federal share for capital is not to exceed 80 percent of the net project cost. However, the Federal share may be 85% of the cost of vehicles and 90% for the cost of vehicle-related equipment attributable to compliance with the Americans with Disabilities Act and the Clean Air Act*  ***REVIEWER****: CARES Act funding is 100% federal – no local match required* |  |  | |
| 1. In the next few years, does the transit system anticipate significant changes in the level of local funding for transit, the sources of local funding for transit or the current transit services levels? |  |  | |
| 1. Does the transit system have any unfunded operating or capital deficits or liabilities? If so, what are the amounts, nature and forecast of the deficits/liabilities? |  |  | |
| 1. Has the grantee had layoffs, service cuts, or deferred maintenance in the last three years? Are any anticipated in the next few years? |  |  | |
| 1. Do you generate revenue through advertising?   If yes, do you have Board-approved guidelines governing the acceptance of advertisements? |  |  | |

|  |  |  |  |
| --- | --- | --- | --- |
| **QUESTION** | **RESPONSE** | | **OBSERVATION** |
| Funds Management – Accounting Systems and Policies | | | |
| 1. Does the agency have adequate cash flow? If not, what steps are being taken to ensure this? |  | |  |
| 1. Do you have reserves? If yes:   ***BEST PRACTICE****: IMD strongly recommends that subrecipients have at least three months operating expenses in reserve to cover cost overruns and operating deficits.* |  | |  |
| * What is the amount? |  | |  |
| * How many months of operations will it cover? |  | |  |
| 1. Are operating expenses covered in a fiscally responsible and Board-approved manner before being reimbursed by the state? |  | |  |
| 1. Does the agency maintain an up-to-date accounting policies and procedures manual that covers accounting for fixed assets, the budget process, accounts payable process, procurement, payroll, retention of records, reporting requirements, requirements and schedules for audits?   ***REQUIREMENT (FTA)***  – Do these include written policies and procedures for determining allowability of costs and to ensure the timely distribution of funds? | |  |  |
| 1. Is the information generated from the system’s accounting software sufficient to support expenditures to grants? | |  |  |
| 1. Does the subrecipient use the UPTAS chart of accounts? | |  |  |
| 1. Are the financial records being kept in accordance with Generally Accepted Accounting Principles (GAAP)?   ***REQUIREMENT:*** *Subrecipients must maintain financial reports in accordance with GAAP principles.* | |  |  |

|  |  |  |
| --- | --- | --- |
| Funds Management - Grant Invoicing and Accounting | | |
| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Are grant expenditures tracked reviewed, and billed at least on a quarterly basis? Has the system been requesting reimbursement from NCDOT at least quarterly and are invoices submitted within 30 days (90 days for the final period) after the period for which the system is claiming reimbursement?   ***NOTE****: Subrecipients must submit invoices at least quarterly with applicable supporting documentation.* |  |  |
| 1. Are agencies and organizations that you provide services to billed based on the executed agreement? If not, why? |  |  |
| 1. Are administration operating and routine capital expenses billed only as costs are incurred? |  |  |
| 1. Is there a system in place for tracking encumbrances of grant expenditures? Do procedures address tracking grant budgets by activity line item and address process to reconcile discrepancies? |  |  |
| 1. Is required supporting documentation included in grant management files?   ***REVIEWER****: Check guide provided by IMD for required documentation.* |  |  |
| 1. Are you and your Board members aware of any ineligible expenses as defined in the corresponding OMB Circulars? |  |  |

|  |  |  |
| --- | --- | --- |
| Audits | | |
| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. When was the date of your last Audit? For non-governmental entities, when was it submitted to IMD? For local governments, when was it submitted to the Local Government Commission (LGC)?   ***NOTE:*** *Public Subrecipients Submit Audits both to IMD and to the LGC* |  |  |
| 1. Did the transit agency expend over $750,000 in federal funds annually during the review period? If so, was a single audit conducted?   *NOTE: This threshold was changed to $1M on October 1, 2024)* |  |  |
| ***REQUIREMENT:*** *All subrecipients regardless of type are required to submit their Annual Audit directly to IMD within 9 months after the close of their fiscal year. As a condition of their grant funding, public subrecipients (governmental entities) must also submit their Audits to the Local Government Commission (LGC). Note that federal rules only require an audit if the subrecipient expended over $750,000 in federal funds (2CFR200.501) (increased to $1M as of October 2024, however IMD requires an audit from all grantees* |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| 1. Please provide listing of AUDIT findings below. Indicate corrective actions that have been implemented and whether there are any unresolved compliance issues in the audits conducted during the audit period. | | | |
|  | | | |
|  | **Finding** | **Date Corrective Action Implemented** | **Comments** |
|  |  |  |  |
|  |  |  |  |

|  |  |  |
| --- | --- | --- |
| Overhead/Indirect Cost Rates | | |
| **The following questions are for agencies and subrecipients who charge indirect costs to grants.**  Note: as of Oct 2024, subrecipients can use the increased de minimis rate of 15% of Modified Total Direct Costs (MTDC)  Per Office of Management and Budget (OMB), indirect costs are costs that are incurred for a common or joint purpose that benefits more than one cost objective and are not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved. Examples of indirect costs are accounting and personnel services.  Subrecipients that charge indirect costs to grants must do so in accordance with an approved cost allocation plan/overhead cost plan that was developed in accordance with 2CFR200. Governmental subrecipients should have an indirect cost/overhead rate and a signed certificate or federal cognizant agency for indirect costs from their local government. These should be sent to IMD. Non-profit grantees are eligible to negotiate an indirect cost or overhead rate with IMD using one of the methods in 2CFR200. In addition to the initial approval by the cognizant agency, the rate must be updated annually with grant applications. Note: Indirect overhead costs are only allowable by NCDOT under administrative grants. | | |
| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Is there an indirect cost/overhead rate plan to support indirect administrative costs related to a grant program or is the de minimis indirect rate used? If you have a indirect rate plan: |  |  |
| * Was the plan developed in accordance with OMB requirements? |  |  |
| * Has the plan been submitted to IMD (or the appropriate cognizant federal agency) and approved? |  |  |
| * Have procedures been established to ensure that costs are classified as either direct or indirect (but not both)? |  |  |
| * If grantee central services costs are included in the indirect cost rate, is there an approved central services plan and are the rates in the plan consistent with the rates charged to the operating agency and included in the operating agency’s indirect cost rate proposal? |  |  |
| * Has the plan been followed? |  |  |
| * Has the rate been updated annually? In addition to the initial approval, the rate must be updated annually. |  |  |
| * Has the accounting system changed, thereby affecting the previously approved cost allocation plan/indirect cost rate and its basis of application? |  |  |
| * Has the indirect cost rate changed by more than 20 percent of the previously approved rate? |  |  |
| * Has the methodology changed since the plan was approved? |  |  |
| * Are all indirect cost rate plans and related documentation used as a basis for claiming cost under federal and state awards retained for audit purposes? |  |  |

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| Budget Controls |  |  |
| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Are there written budget procedures? |  |  |
| * Please describe the process used to develop the budget. |  |  |
| * Who is responsible for developing the budget? |  |  |
| * Are the goals, objectives and targets approved by the Board used to guide the development of the budget? |  |  |
| 1. Are reports showing actual expenses versus budgeted expenses reviewed on a monthly basis to prevent budget overruns? How often? |  |  |
| * Who performs the comparisons? |  |  |
| 1. Does the Board approve the budget?   ***REVIEWER:*** *Check minutes where budget approval took place.* |  |  |
| * Is the budget prepared in sufficient time to allow full review and interaction by the Board? |  |  |
| * Is the Board provided a budget with sufficient detail to make decisions about the allocation of program resources? |  |  |
| * Are all anticipated farebox revenue, contributions, grants, contracts and other program income projected in the overall transportation budget? |  |  |
| * When revisions are made in the budget line items and funds are transferred between line items, is this being documented in accordance to IMD guidelines?   ***NOTE****: Procedures for budget revisions are available to grant recipients through IMD’s Enterprise Business Services (EBS)* |  |  |
| * What is the threshold for authorized approval?   ***requirement*** *–* *Budget revisions must be authorized prior to making the revision* |  |  |
| * Does the authorized official review and approve budget revisions? |  |  |
| * Does the Board pre-approve these changes? |  |  |
| 1. Is the contract balance monitored on a monthly basis? Are revenues from Federal, State and Local government sources, service contracts, advertising and fares compared with the projections in the budget? How often and who performs this comparison? |  |  |
| * Do you know your grant balances? |  |  |
| * Are adequate steps taken to ensure that the system is able to operate within its yearly allocation? |  |  |

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| Cash Management | | |
| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Is the agency's mail opened by someone other than the cashier, accounts receivable accountant, or other accounting employees who may initiate or post journal entries? |  |  |
| 1. How often are cash receipts deposited? |  |  |
| 1. Who makes bank deposits? |  |  |
| 1. Does a person other than the individual who conducts the accounting function verify the cash receipts listing against the deposit slips? |  |  |
| 1. Are authenticated deposit slips retained and reconciled to the corresponding amounts in the cash receipts records? |  |  |
| 1. Do remittances from various funding sources (state, local, federal) contain enough information to properly record them against the amount due from each source? |  |  |
| 1. Describe your farebox collection procedures below. Do they adequately address security and assurance? Please answer (describe where necessary) the following questions: |  |  |
| * Are there written procedures for collecting, processing and depositing fares? |  |  |
| * How often are the farebox revenues pulled? |  |  |
| * Are there procedures in place to control cash collected by drivers/operators in the farebox? |  |  |
| * What are the procedures for the driver to turn in the fares? |  |  |
| * How often are drivers required to turn in the fares? |  |  |
| * Where are fares stored until deposited? |  |  |
| * How often are the fares deposited? |  |  |
| * Who has the keys to the vaults or fare boxes? |  |  |
| * Where are the keys kept? |  |  |
| * Is this a secure location? |  |  |
| * Who makes the deposit? * (person and position in the organization) |  |  |
| * Is there a requirement that more than one person be present when fares are counted?   ***NOTE:*** *IMD recommends that two individuals count fares.* |  |  |
| 1. Who reconciles the fares, driver’s logs, and scheduler sheets? |  |  |
| 1. If the drivers count fares and do reconciliations, have you designated transit system personnel to monitor these activities? |  |  |
| 1. Do you have written procedures governing up-front money that drivers have for making change, if applicable ? |  |  |
| 1. Have you implemented risk management procedures such as estimating how much a route should produce based on passenger counts to ensure the transit system is receiving the proper amount of farebox revenue? |  |  |
| 1. Do you issue passes, tickets or tokens? If yes, please describe: |  |  |
| * How do you maintain control over the passes, tickets or tokens? |  |  |
| * Are they individually numbered? |  |  |

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| Cash Management - Accounts Payable | | |
| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Do you have a petty cash fund? 2. If yes, are there written policies and procedures in place for petty cash expenditures which include how it may be used and who is eligible to withdraw funds? |  |  |
| 1. If your agency is responsible for paying vendor invoices and handling accounts payable |  |  |
| * Are pre-numbered checks used and all check numbers accounted for? |  |  |
| * Are voided checks properly defaced and retained? |  |  |
| * Are two signatures required on all accounts (checking, savings, investment, etc.) and checks? |  |  |
| * Whose signatures are required? |  |  |
| * For checks, what is the dollar threshold for two signatures? |  |  |
| * Are the check signers independent of each other? |  |  |
| * Are invoices, vouchers, and other supporting documents presented to each check signer along with the checks needing signature? |  |  |
| * Is signing of blank checks prohibited? |  |  |
| * Are checks payable to "Cash" or "Bearer" prohibited? |  |  |
| * Are check signers authorized by the board of directors? |  |  |
| 1. Are vendors’ invoices, receipts, and purchase orders matched (i.e., three-way match) before requesting reimbursements? |  |  |
| 1. Are there procedures in place to ensure that costs coded to FTA grants/projects are reasonable, allowable, and allocable? If yes: |  |  |
| * Is the coding to FTA grants/projects reviewed and approved prior to posting? |  |  |
| 1. Are statements from vendors regularly reviewed and reconciled against recorded liabilities? |  |  |
| 1. Do adjustments to accounts payable (e.g., write-off of debit balances) require the approval of a designated official? |  |  |

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| Cash Management - Credit Cards | | |
| 1. How many agency credit cards are currently issued? If so: |  |  |
| * To whom are they assigned? |  |  |
| * What are the credit limits on each of the cards? |  |  |
| * Is there an up-to-date credit card policy outlining procedures for making charges, obtaining documentation, and posting credit card charges to the general ledger? |  |  |
| * Who is responsible for authorizing credit card charges? |  |  |
| * How are credit card charges reconciled? |  |  |

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| Cash Management – Travel Reimbursement | | |
| 1. Is the agency following the Division travel policy?   ***NOTE:*** *IMD may only reimburse eligible travel expense up to the State approved rates*.  ***REVIEWER****: Check for policy and when put in place.* |  |  |

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# 2.TECHNICAL CAPACITY

*Subrecipients must be able to implement FTA and NCDOT funded projects using sound management practices and in accordance with FTA and NCDOT requirements.*

**Project Management/Grant Administration** includes the ability of transit systems to administer the grant program and to report status and progress to NCDOT. Areas reviewed under grant management include:

* Grants Management
* Staff capacity
* Reporting

## Grant Management

Subrecipients must have the technical capacity to implement their program of projects, manage grants, and comply with federal and state requirements, using sound management practices. To demonstrate technical capacity, subrecipients must have an adequate number of staff (who possess the necessary knowledge, skills and abilities) and maintain adequate documentation of key policies. If they contract for services, subrecipients must have procedures for managing transit service contractors to ensure that contractors comply with federal requirements and that quality service is provided.

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| **QUESTION** | | **RESPONSE** | **OBSERVATION** |
| Grant Administration | | |
| 1. Does the transit system have written grant management procedures? |  |  |
| 1. Explain procedures for managing the transit systems FTA and state grants. How are various grant administration functions performed, including:  * Grant application * Budget preparation * Financial management/invoicing * Procurement * Contract management, if applicable * Service provision/operation * Fleet management * Maintenance * Planning * Human resources * Drug and alcohol testing * Report preparation/submission? |  |  |
| 1. Please describe your staffing and the responsibilities of key staff.   ***REVIEWER:*** *Use the organization chart for the system. Does the number of staff appear appropriate for the number and complexity of tasks and the size of the program? Is the staff size adequate to meet FTA and state requirements? Assess if staff has the knowledge skills and abilities to carry out duties and responsibilities.* |  |  |
| 1. Are there clear lines of authority and responsibility for grant administration and for preparing required reports? Explain. |  |  |
| 1. Who is the designated “back-up” person? |  |  |
| * Is the person familiar with program rules and regulations? |  |  |
| * Does that person attend IMD-sponsored meetings and training sessions?   If no, why not?  ***BEST PRACTICE*** *- IMD strongly recommends that back-up personnel be trained in the program rules and regulations. It is the responsibility of the recipient agency to ensure that training is provided to these individuals.* |  |  |
| 1. How are financial reports, service reports and statistical data used in day-to-day management of transit service? |  |  |
| 1. Do you contract with private operators or other agencies? If yes, please answer the following questions. |  |  |
| * Who is responsible for managing the contract? |  |  |
| * What procedures are used to ensure that quality service is provided? |  |  |
| * How does the transit system monitor its contractors and lessees to ensure compliance with FTA requirements? |  |  |
| * Was the contract sent to and reviewed by IMD prior to execution? |  |  |
| ***requirement*** *- IMD concurs in the procurement process prior to awarding service contracts. Subrecipients must have procedures for managing service contractors to ensure that quality service is provided.* |  |  |

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| Open Grants | | |
| 1. Are procedures in place to complete projects and close out grants in a timely manner? |  |  |
| * + Are projects completed within the period of performance |  |  |
| * + Are any open grants inactive? Should these or any others be closed? |  |  |
| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| Force Account | | |
| 1. Is the transit agency’s staff used to execute capital grant projects? |  |  |
| * + If yes, and the work costs $1, 000,000 or more, does the system have a force account plan?   *NOTE: Force Accounts are not needed when transit employees conduct preventive maintenance* |  |  |
| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| Leased Assets | |  |
| 1. Has the transit system used FTA capital funds to finance the lease of any transit facilities or equipment costing $100,000 or more annually or $250,000 over the life of the lease |  |  |
| * + If yes, did the system make a written comparison of the cost of leasing the asset with the cost of purchasing or constructing it? |  |  |

## Staffing Capacity

As a good business practice, subrecipients should have Board-approved, comprehensive personnel policies. Current job descriptions should be on file for every position funded with transit dollars.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Who is responsible for personnel management? |  |  |
| 1. Are personnel policies written and approved by the Board? |  |  |
| 1. Are there written job descriptions on file for all positions? |  |  |
| 1. Do you review personnel policies on a periodic basis to ensure compliance with all applicable laws or regulations? |  |  |
| 1. Do you review your employee handbook on a periodic basis and issue updates when needed? |  |  |
| 1. Does the Board approve changes in the personnel policies? |  |  |
| 1. What training has the manager and staff undertaken in the past 24 months?   ***NOTE:*** *Staff training and development is an important component to acquiring and maintaining the technical capacity to receive and manage federal and state funds.* |  |  |
| 1. Do the job descriptions identify: |  |  |
| * Job title |  |  |
| * Primary responsibilities |  |  |
| * Applicable performance standards |  |  |
| * Wage rate or salary range |  |  |
| * Safety responsibilities |  |  |

## Record Retention

The transit system must ensure accurate operating and financial records for their grants with NCDOT are accessible, secure and retained according to the State's Record Keeping policies.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Do you have document control and retention procedures? If yes, do they address:   ***requirement*** *– record retention is addressed in the agreement (minimum of 5 years after audit complete)* |  |  |
| * Records filing and storage |  |  |
| * Naming, storing, and backing up electronic files |  |  |
| * Document security |  |  |
| * Document destruction |  |  |
| 1. Has management established procedures to prevent unauthorized access to, or destruction of, documents, records, and assets? |  |  |
| 1. Has management established policies for controlling access to computer programs and data files? |  |  |
| 1. Describe the procedures in place to ensure that terminated employees do not have access to documents, records, and assets? |  |  |
| 1. Are all records of all federal and state requirements readily available for inspection? |  |  |
| 1. For S.5307 subrecipients, did your agency submit its NTD report for each of the past three years? Does the agency have a “30 or Fewer Vehicle Waiver”? |  |  |
| 1. For S.5307, what is the system for collecting unlinked passenger trip and passenger mile information? If the grantee uses automatic passenger counters (APCs), does it have an agreement with NTD? Does it validate the counts throughout the year? |  |  |
| 1. For S.5307, has your agency submitted transit safety and security data in NTD for the past year timely (monthly)? |  |  |

# 3. MAINTENANCE

*Subrecipients must keep FTA and NCDOT-funded vehicles, equipment and facilities in good working order. Subrecipients also must keep ADA accessibility features on all vehicles and facilities in good working order.*

Subrecipients must maintain project equipment and facilities at a high level of cleanliness, safety, and mechanical soundness. To accomplish this, subrecipients must have a written maintenance plan for vehicles and facilities and facility-related equipment. Subrecipients must have procedures to track when preventive maintenance inspections are due and to schedule preventive maintenance inspections in a timely manner. Subrecipients must maintain a file on each piece of equipment that contains daily logs, inspection checklists, and repair records.

Subrecipients must have a pre-trip inspection program that addresses vehicle condition, appearance and cleanliness, safety, and ADA accessibility equipment. Deficiencies noted in a pre-trip inspection must be repaired in a timely manner and properly reviewed by management. Subrecipients must repair accessibility features promptly and take reasonable steps to continue service to persons with disabilities while repairs are being made.

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| Vehicle Maintenance | | |
| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Who is responsible for maintenance? |  |  |
| 1. Are routine maintenance functions performed in-house or under contract? |  |  |
| 1. Does the transit system have a current vehicle maintenance plan for federally-funded vehicles? Is the maintenance plan written? Does it include goals and objectives?   ***requirement****- Subrecipients must have a written maintenance plan.* |  |  |
| 1. Are the written maintenance plan and preventive maintenance checklists consistent with the transit system’s current operating fleet? Are they consistent with manufacturer’s minimum maintenance requirements for vehicles under warranty?   ***requirement****- Preventive maintenance schedules must meet manufacturers’ minimum requirements for severe operations*. |  |  |
| 1. How does the transit agency track the manufacturer’s recommendations and updates on requirements for FTA-funded vehicles? |  |  |
| 1. Is a preventive maintenance plan in place for lifts and other accessibility features such as ramps, public announcement systems, tie-downs, etc.? Please describe.   ***requirement****- subrecipients must maintain all accessibility features and equipment in operating condition.* |  |  |
| 1. Are there patterns of service interruptions due to inadequate maintenance? |  |  |
| 1. Have there been any safety incidents related to maintenance? |  |  |
| 1. Have there been early retirements and/or mid-life engine overhauls of FTA/NCDOT funded assets due to maintenance? |  |  |
| 1. Are daily pre-trip inspections conducted prior to placing a vehicle in service?   ***requirement****- pre-trip inspections must be conducted prior to placing a vehicle in service.* |  |  |
| 1. Does the daily pre-trip inspection cover all areas prescribed in the IMD Business Guide?   ***requirement****- the pre-trip inspection must address safety, vehicle operation, appearance, and cleanliness, and passenger comfort.* |  |  |
| 1. Are deficiencies noted in daily pre-trip inspections repaired in accordance with federal and state guidelines? Who reviews the checklists? How often?   ***requirement-*** *deficiencies noted in daily pre-trip inspection must be repaired in accordance with federal and state guideline.* |  |  |
| 1. Does the pre-trip inspection ensure that all items, such as boxes with bi-directional reflective triangles and fire extinguishers are secured to the vehicle?   ***requirement-*** *safety and other equipment must be secured so that they are not loose to injure a passenger or damage the vehicle.* |  |  |
| 1. Does the pre-trip inspection plan address lifts and other accessibility features, such as ramps, public announcement systems, and tie-downs?   ***REVIEWER:*** *Subrecipients must have a regular system of checks and inspections for lifts and other accessibility features.* |  |  |
| 1. Are your drivers completing the required daily lift cycle to keep it in good working order? |  |  |
| 1. Do you operate fixed route (or route deviation) service?  * If yes, when a lift is found to be inoperative, is the vehicle taken out of service by the beginning of the next service day and repaired before returning it to service? * What alternative arrangements are made for riders?   ***requirement****- Subrecipients must remove vehicles with inoperative lifts from fixed route service before the next day unless no spare is available and taking the vehicle out of service would reduce the level of service. Alternative arrangements are required if a vehicle with an inoperable lift is used on a fixed route and the headway to the next accessible vehicle exceeds 30 minutes.* |  |  |
| 1. Are FTA-funded vehicles leased to contractors? If yes:   ***requirement****-* *The State Management Plan requires Subrecipients that lease FTA-funded vehicles to providers to require the lessee to adhere to IMD’s maintenance standards.* |  |  |
| 1. Does the lease agreement require the lessee to adhere to IMD’s maintenance standards? |  |  |
| 1. Does the transit system have written maintenance standards for the contractor’s maintenance of FTA funded vehicles? |  |  |
| 1. How does the system ensure that contractors follow the required maintenance standards? |  |  |
| 1. Do the vehicles meet an acceptable level of cleanliness (exterior and interior)? |  |  |
| 1. Are the manufacturer’s warranty provisions being followed? |  |  |
| 1. Are vehicle warranties on file? |  |  |
| 1. How are warranties tracked? |  |  |
| 1. Are warranty claims pursued effectively, promptly to conclusion? |  |  |
| 1. Have you documented all deficiencies contained in recall notices that have been corrected? |  |  |

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| Facility and Equipment Maintenance NOTE: The following questions are for Subrecipients that have an FTA or State funded facility or have federally-funded equipment (other than vehicles). | | |
| 1. Are the facilities and equipment inspected at least once every year to determine what repairs and/or maintenance are needed to the equipment or building?   ***BEST PRACTICE*** |  |  |
| * What was the date of the last inspection? |  |  |
| 1. Is there a written facility maintenance plan and inspection checklist?   Was the checklist submitted to IMD? |  |  |
| * For maintenance facilities, does the written plan or inspection checklist address equipment such as hydraulic lifts, bus washers, roofing systems, and HVAC systems? (List equipment that is pertinent.) |  |  |
| * When was the written maintenance plan for FTA-funded facilities and facility-related equipment last updated? |  |  |
| * Does it define ‘mission critical’ items? |  |  |
| * Does it address facility security equipment? |  |  |
| * Does the written plan or inspection checklist address maintenance of ADA accessibility features, such as power-assist doors and elevators? |  |  |
| * Do preventive maintenance checklists follow the minimum requirements determined by the manufacturer, supplier or builder? |  |  |
| 1. Are files maintained on maintenance of facilities and related equipment?  * How long are records kept? |  |  |
| 1. Do the files indicate that preventive maintenance inspections of facilities and related equipment are conducted at the intervals required by the plan?   ***REVIEWER:*** *sample maintenance records.* |  |  |
| 1. Are any features of facilities or related equipment under warranty? If yes, please list. |  |  |
| * What is the grantee’s system for tracking warranty issues and recovering warranty claims for FTA-funded assets? * Are warranty claims pursued? |  |  |
| 1. Does the facility need to be painted? If yes, when is this scheduled?   Are there any visible defects?  ***REVIEWER:*** *Are the facilities clean and well maintained?* |  |  |
| 1. Are FTA and/or State-funded facilities or equipment leased to contractors? If yes: How does the transit system ensure that the contractors adhere to IMD’s maintenance standards? |  |  |

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# 4. AMERICANS WITH DISABILITIES ACT (ADA)

*Titles II and III of the Americans with Disabilities Act of 1990 (ADA) provide that no entity shall discriminate against an individual with a disability in connection with the provision of transportation service. The law sets forth specific requirements for vehicle and facility accessibility and the provision of ADA complementary paratransit service.*

Systems providing fixed-route service must also provide complementary paratransit service that is comparable to the level of service provided to individuals without disabilities who use the fixed-route system.

For systems that operate route deviation service, if deviations are available to all members of the public (not just persons with disabilities), the service is considered “Demand Response” and your system does not need to operate ADA complementary paratransit services. If deviations are only available for persons with disabilities, you must offer separate complementary paratransit as well.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Does the transit system have written policies and procedures for complying with ADA? |  |  |
| 1. Does your system have a copy of: |  |  |
| * 49 CFR Parts 27, 37, and 38 |  |  |
| * + FTA Circular 4710.1 |  |  |
| 1. What are your procedures for tracking, resolving, and responding to ADA-related complaints? |  |  |
| 1. How do you inform the public about your process for filing an ADA complaint? |  |  |
| 1. How do you ensure your complaint procedures are accessible to and usable by individuals with disabilities? |  |  |
| 1. Have any complaints/lawsuits of discrimination due to disability been received from riders or employees?   ***requirement****- IMD requires notification of any discrimination incident (within 24 hours)* |  |  |
| * If yes, please describe the complaints/status. |  |  |
| * What is the process to resolve and respond to the complaints? How are responses documented? |  |  |
| 1. What are the document retention policies for complaints? |  |  |
| 1. Are facilities accessible? |  |  |
| 1. Do you take steps to ensure that when planning new or rehabilitated facilities, they comply with ADA? |  |  |
| 1. Are all vehicles used in fixed-route or route deviation service equipped with wheelchair lifts or ramps? |  |  |
| 1. If you have non-accessible vehicles in your demand-responsive fleet, how do you ensure that equivalent service is provided?   ***requirement***  *- ADA requires that service to individuals with disabilities be equivalent to the service provided other individuals with respect to response time, fares, geographic service area, hours and days of service, and capacity.* |  |  |
| 1. Have you engaged the services of a taxi company, transportation network company, or other private entity to operate demand-response service, including Microtransit, on its behalf or in conjunction with its services? If so, are all vehicles accessible, or can equivalent service be demonstrated?   ***REQUIREMENT -*** *if a subrecipient has engaged the services of a taxi company, transportation network company, or other private entity to operate demand-response service, including Microtransit, on its behalf or in conjunction with its services, all vehicles must be accessible, or equivalent service must be demonstrated.* |  |  |
| 1. Are system brochures, application forms, rider handbooks, and occasional bulletins available in alternative formats upon request?   ***requirement*** *- ADA requires public information to be made available in alternative formats upon request. Examples of alternative formats include large type, audio-tapes, Braille, and information posted on the Internet.* |  |  |
| 1. Is your system’s TDD number printed on all public materials where your voice telephone number appears? Or is the statewide 1-800-735-2962 TDD/TYY telephone number listed on system information? If your system doesn’t have a TDD#, do you have some “alternative to audio communications”?   ***BEST PRACTICE****: The TDD number should be listed on public materials wherever the voice telephone number appears unless alternative methods of audio communication are provided.* |  |  |
| 1. Are all accessible vehicles marked with the blue accessibility symbol?   ***Best Practice****: It is recommended that accessible vehicles be identified with the international accessibility symbol.* |  |  |
| 1. Do you transport any wheelchair as long as it does not exceed the capacities of the vehicle and its equipment (lift/ramp)?   ***requirement:*** *Transportation providers are required to carry a wheelchair and its user, as long as the lift can accommodate the size and weight of the wheelchair and its user, and there is space for the wheelchair on the vehicle.* |  |  |
| 1. Have you removed the term “common wheelchair” from your ADA policy, rider materials, website, training documents? |  |  |
| 1. Do all accessible vehicles have a securement system for wheelchairs?   ***requirement:*** *ADA requires that all accessible vehicles have a securement system for wheelchairs.* |  |  |
| 1. Are your drivers required to request that persons sitting in priority seats and any fold-down seats over the securement area vacate those seats when a person with a disability needs to use them? |  |  |
| 1. What is your policy for providing service if a mobility device cannot be secured?   ***requirement:*** *ADA requires that service must be provided even when a mobility device cannot be secured if your securement system is unable to secure any wheelchair that can be accommodated on your lift.* |  |  |
| 1. Do you require wheelchair users to transfer to a seat?   ***NOTE:*** *ADA stipulates that operators may request but not require that wheelchair users transfer to a seat* |  |  |
| 1. Do you require wheelchair users to wear a seat belt?   ***NOTE:*** *Unless ALL passengers are required to wear a seatbelt, you may request but not require that wheelchairs use a seatbelt.* |  |  |
| 1. Do drivers provide assistance to passengers as necessary and upon request with lifts, and securement devices?   ***requirement*** *- ADA requires drivers and other personnel to provide assistance as necessary and upon request.* |  |  |
| 1. Do you permit individuals that do not use wheelchairs to use lifts?   ***requirement*** *- ADA requires operators to deploy lifts for standees upon request.* |  |  |
| 1. What is your policy regarding service animals?   ***requirement*** *- ADA requires that operators permit service animals to travel with riders.* |  |  |
| * Do you recognize animals other than guide dogs as service animals?   ***NOTE:*** *Animals other than dogs must be recognized as service animals if they are trained to provide a service.* |  |  |
| * Do you require service animals to be certified?   ***requirement****: You may not require service animals to be certified.* |  |  |
| 1. Have you had problems with passengers bringing animals that do not appear to be service animals? |  |  |
| * How did you address the problem? |  |  |
| * Did you “officially” notify the Division?   ***BEST PRACTICE:*** *to notify NCDOT of any questions regarding non-service animals.* |  |  |
| 1. Are drivers required to deploy lifts at any designated stop unless the lift cannot be deployed, the lift will be damaged if deployed, or a temporary condition such as construction precludes the safe use of the lift?   ***requirement*** *- ADA requires.* |  |  |
| 1. Do you provide service to persons using respirators or portable oxygen?   ***requirement:*** *ADA requires operators to provide service to persons using respirators or portable oxygen.* |  |  |
| 1. What is your policy regarding the time allowed for boarding and alighting?   ***requirement****: ADA requires that operators allow adequate time for passengers with disabilities to board and alight vehicles.* |  |  |
| 1. Do you require drivers to make use of all available accessibility equipment?   ***requirement:*** *ADA requires that operators make use of all available accessibility equipment when needed.* |  |  |
| 1. How are policies governing providing service to passengers covered under the ADA conveyed to drivers? |  |  |
| 1. Are all drivers trained in passenger assistance and sensitivity?   ***requirement:***  *ADA requires that drivers receive training in passenger assistance and sensitivity.* |  |  |
| 1. Are drivers trained in the use of accessibility equipment? |  |  |
| * How soon after being hired does the training occur?   ***requirement*** *- ADA requires that drivers receive training in the use of the accessibility equipment.* |  |  |
| 1. How do you monitor drivers to ensure that they comply with ADA requirements?   ***Examples****: Follow-up on complaints, ghost riders, road supervision, ADA advisory committee.* |  |  |
| 1. How do you ensure that contractors and lessees comply with ADA requirements? |  |  |
| 1. How does your agency make reasonable modifications to your policies, practices or procedures when necessary to avoid discrimination on the basis of disability? What process is used to consider such requests? Are drivers and staff trained on these requirements? How does the agency inform riders about how to request a reasonable modification? |  |  |
| 1. Do you provide deviated fixed-route service? |  |  |
| * If yes, do public materials and bus schedules clearly state the procedures for requesting deviated fixed-route service and that the service is available to the general public?   ***BEST PRACTICE****: Your marketing materials should avoid using technical terminology such as “deviated” and “complementary.” The materials should state that the system may provide service from your house directly to the destination for any person as well as persons with disabilities and to call for information.* |  |  |

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| The following only apply to operators of fixed route service  **All other Subrecipients can skip to the next section.** | | |
| 1. Do you have a written policy governing stop announcements?   Does it meet ADA requirements?  ***requirement:*** *For fixed-route and deviated fixed-route service, ADA requires drivers to announce stops at transfer points with other fixed routes, major intersections and destination points, upon request, and at intervals along a route sufficient to permit individuals with visual impairments or other disabilities to be oriented to their location.*  ***BEST PRACTICE:*** *IMD requires a written ADA stop announcement policy.* |  |  |
| 1. When multiple routes serve the same stop, what mechanism is in place to alert individuals with visual impairments or other disabilities to the route number and destination?   ***requirement****: ADA requires that operators have such a mechanism.* |  |  |
| 1. Do you provide complementary paratransit service to ADA eligible individuals and their personal care attendants (PCA)?   Do you charge the PCA a fare?  ***requirement****: ADA requires that you provide complementary paratransit service to a PCA and prohibits charging the PCA a fare.* |  |  |
| 1. Do you provide complementary paratransit service to ADA eligible individuals and at least one companion?   Additional companions if space permits?  ***requirement****: ADA requires the provision of service to at least one companion and additional companions if space permits. A PCA is not considered a companion.* |  |  |
| 1. Explain your procedures for certifying riders as eligible for complementary paratransit services. |  |  |
| 1. Are ADA complementary paratransit eligibility decisions made within 21 days of receipt of a complete application?   If no, is presumptive eligibility granted?  ***NOTE:*** Eligibility decisions must be made within 21 days of receipt of an application; if not then presumptive eligibility must be granted until an eligibility decision is made. |  |  |
| 1. Do you certify for conditional eligibility? |  |  |
| 1. Are persons who are denied eligibility or given conditional or temporary eligibility given a written statement of reason and notice of their right of appeal? Does the appeals process adhere to DOT ADA regulations (opportunity to be heard, separation of function, decision within 30 days, and written notification of decision, with a reason for it)? |  |  |
| 1. Is presumptive eligibility granted if the appeal is not decided within 30 days until eligibility is denied?   ***requirement:*** *Persons denied eligibility must be given the notice of the right of appeal. If the appeal takes longer than 30 days, presumptive eligibility must be granted until the appeal is decided.* |  |  |
| 1. Do you provide complementary paratransit to ADA-eligible visitors for up to 21 days in a 365-day period? Does your visitor policy recognize that visitors may or may not have documentation of eligibility from another transit system?   ***requirement****: ADA requires service to be provided to ADA-eligible visitors for up to 21 days over a year’s period.* |  |  |
| 1. Do you provide ADA paratransit service within ¾ miles of fixed routes and the core service area?   ***requirement****: Complementary paratransit service must be provided within ¾ miles of fixed routes and the core service area.* |  |  |
| 1. At a minimum, do you provide curb-to-curb service? Origin-to-destination when necessary?   ***requirement****: At a minimum, complementary paratransit service must be curb-to-curb service but must be origin-to-destination when needed.* |  |  |
| 1. Is service provided the same days and hours as fixed-route service?   ***requirement****: Complementary paratransit must be provided the same days and hours as fixed-route service.* |  |  |
| 1. Are the fares no more than twice the fares for fixed-route service?   ***requirement****: Fares for complementary paratransit service cannot be more than twice the general public fares for fixed-route service.* |  |  |
| 1. Is service restricted or trips ranked by trip purpose?   ***NOTE:*** *Providers may not place restrictions or priorities based on trip purpose.* |  |  |
| 1. Is next day service provided? If yes, what percent of reservations are made for the next day?   ***requirement:***  *At a minimum, next day service must be provided.* |  |  |
| 1. Are requests for reservations accepted during normal business hours on all days prior to days of service, even if the administrative office is closed? If yes, how?   ***requirement:*** *Requests for reservations must be accepted during normal business hours on all days prior to days of service, even if the administrative office is closed. Answering machines can be used to take reservations.* |  |  |
| 1. Are trips scheduled within one hour of requested trip time?   ***requirement****: Trips must be scheduled within one hour of the requested trip time.* |  |  |
| 1. Are rides that are not scheduled in a one-hour window tracked as denials even if the rider accepts an alternative time?   ***requirement****: Rides not scheduled in a one-hour window must be tracked as denials even if the rider accepts an alternative time. Refusals to take a roundtrip when one leg of a trip cannot be reserved must be tracked as two denials.* |  |  |
| 1. When one leg of a roundtrip cannot be reserved, is it tracked as two denials when the rider declines the trip? |  |  |
| 1. Do you have a no-show policy? If so, please describe.  * How do you define a no-show and/or a late cancellation? * Does the policy(ies) require that the vehicle arrive within the agreed-upon pickup window? * What is the service suspension policy(ies) for no-shows? * How do you determine whether no-shows are due to circumstances beyond the rider’s control? * What are the thresholds for a cancellation before it is considered a no-show? * Are penalties assessed for no-shows? If so, what are they? * How do you determine whether a rider has engaged in a pattern or practice of missing scheduled trips? * What is the process for appealing proposed service suspensions? * How did you determine the length of the proposed suspensions period(s)? Are the lengths of the suspension periods reasonable? |  |  |
| The purpose of the following 10 questions is to determine if there is a capacity constraint. This only pertains to subrecipients that provide Fixed Route/ ADA Paratransit service. Subrecipients may not restrict capacity to limit the number of complementary paratransit trips.  ***Requirement:*** *Applicable* agencies must upload trip records and/or software output showing on-time performance, average trip time and trip denial data. Provide reviewer with any ADA capacity constraint data specifying the ADA capacity constraint percentages for all elements according to the questions. | | |
| 1. What is the average telephone wait time for a reservation? |  |  |
| 1. For next day service, at what time of day are reservations cut off?   ***requirement****: Reservations must be taken until close of administrative office hours the day before.* |  |  |
| 1. At peak times, can a caller reach the reservation office? |  |  |
| 1. Do you have excess non-subscription capacity? If no, does subscription service exceed 50 percent of available resources? |  |  |
| 1. What percentage of trips have been denied in the last year? |  |  |
| * How do you monitor trip denials? |  |  |
| 1. What do you consider an on-time trip for trips scheduled for a pick-up time? |  |  |
| * How do you monitor on-time pick-up performance? |  |  |
| * What is your on-time pick-up performance rate? |  |  |
| 1. What do you consider an on-time trip for trips scheduled for a drop-off time? |  |  |
| * How do you monitor on-time drop-off performance? |  |  |
| * What is your on-time drop-off performance rate? |  |  |
| 1. Do you have standards for excessively long trips? |  |  |
| * Do you monitor for excessively long trips? |  |  |
| * What percentage of trips are excessively long? |  |  |
| 1. Do the answers to the above questions indicate that a capacity constraint exists? |  |  |

# 5. TITLE VI-NONDISCRIMINATION IN THE DELIVERY OF SERVICE

*Subrecipients must ensure that no person is, on the grounds of race, color, or national origin, excluded from participating in, or denied the benefits of, or subject to discrimination under any program or activity receiving federal financial assistance.*

FTA and IMD prohibit discrimination on the grounds of race, color, or national origin, in the delivery of public transit services. FTA also prohibits discrimination on the grounds of low-income status. Title VI complaints must be reported to IMD within 24 hours of receipt of the complaint. Note that the minority representation on planning and advisory boards required under Title VI is reviewed in the section below on Governance.

Subrecipients are required to have a TVI Plan that includes all elements on the attached TVI checklist – note this checklist is not for use with transit systems that operate 50+ fixed route vehicles in peak service and are in UZAs with a population of 200,000. The TVI Plan must be adopted by the Governing Board and updated every three years. TVI Plans must be submitted to IMD and approved by NC Office of Civil Rights (OCR).

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Who in your organization is responsible for Title VI Program – for ensuring that transit services are operated without discrimination on the basis of race, color or national origin?   ***requirement****: If a different individual is listed on the plan, it needs to be updated.* |  |  |
| 1. Describe the mechanisms you use to analyze whether services and benefits are distributed in a non-discriminatory manner. |  |  |
| * + How are vehicles assigned to routes? Does the process ensure that assignments are made without regard to race, color, national origin, or income? |  |  |
| * + Please describe the location of transit services, facilities, and amenities such as shelters. How have you ensured that decisions on the location of transit services and facilities are made without regard to race, color, national origin, or income? |  |  |
| * + When considering changes in service or fare increases, have you ensured that Title VI was taken into consideration? How do you determine that changes in services and fare increases do not have a disproportionately high negative impact on low income or minority populations? |  |  |
| 1. How are individuals provided opportunities to participate in the transit planning and decision-making processes without regard to race, color, national origin, or income? |  |  |
| * Have representatives of these groups expressed a need for transportation improvements? If yes, please describe. |  |  |
| 1. What outreach efforts were undertaken to identify minority groups and low-income persons? How have you sought out and considered their viewpoints in the course of conducting public outreach and involvement activities? |  |  |
| 1. Do public information materials such as schedules, brochures, and your agency’s website notify beneficiaries of: |  |  |
| * Protection under Title VI? |  |  |
| * How to obtain additional information on nondiscrimination obligations? |  |  |
| * How to file a complaint?   ***requirement*** *: Subrecipients must notify the public of its protections under Title VI, how to obtain additional information on nondiscrimination obligations, and how to file a complaint.* |  |  |
| 1. Where is the notification to beneficiaries posted?   ***requirement*** *: The notification may not be limited to a notice on the Subrecipient’s website. At a minimum, this information must be posted on each vehicle and in public passenger areas.*  ***Reviewer:*** *Confirm these are posted on site and in vehicles by taking pictures and submitting to Policy Upload SmartSheet.* |  |  |
| 1. Do you have procedures for investigating, tracking, and documenting Title VI complaints? If yes, please describe.   ***Requirement:*** *Subrecipients must have a written procedures for tracking Title VI complaints.* |  |  |
| 1. Have any complaints concerning discrimination in the delivery of service been received since the last review or last grant application?   If yes: |  |  |
| * How were the complaints identified and resolved? |  |  |
| * Did you report the complaints to IMD and the NCDOT Office of Civil Rights within 24 hours of receipt of the complaint?   ***requirement*** *: Title VI complaints must be reported to NCDOT within 24 hours of receipt of the complaint.* |  |  |
| * Did you maintain a record of the complaints that includes: |  |  |
| * + The date of the complaint was filed? |  |  |
| * + A summary of the allegations? |  |  |
| * + The status of the investigation? |  |  |
| * + The actions taken in response to the complaint? |  |  |
| 1. Are Title VI Notices posted in all Public Access areas as required by FTA? (photo documentation required) |  |  |
| 1. Are Title VI notices posted in all Revenue Vehicles as required by FTA? (photo documentation required) |  |  |
| 1. Are Title VI notices posted in all Bus Shelters as required by FTA? (if applicable) (photo documentation required) |  |  |
| 1. Are schedules and other public information provided in languages other than English? If yes, what languages are provided?   ***REVIEWER:*** *Please verify.* |  |  |
| 1. Has your staff been trained on the requirements of Title VI? Is the training provided periodically? |  |  |
| 1. Do the answers to the above questions indicate any disparate impacts or treatment on the basis of race, color, national origin, or income? |  |  |
| 1. Does your system operate fixed route services? If so, have you established the following required Title VI service standards (on vehicle load, on-time performance, headways, and service availability) and service policies (vehicle assignment and distribution of transit amenities)? |  |  |
| 1. Have you located any new transit facilities during the review period? If so, did you complete a Title VI equity analysis during the planning stage with regard to where a project is located or sited to ensure the location is not discriminatory? Did you engage in outreach to persons potentially impacted by the siting of facilities and compare the equity impacts of various siting alternatives before the selection of the preferred site?   ***Note****: For purposes of this requirement, “facilities” do not include bus shelters, as these are transit amenities and nor does it include transit stations, power substations, etc. (those are evaluated during project development and the NEPA process). Facilities would include, but are not limited to, storage facilities, maintenance facilities, operations centers, etc.* |  |  |

# 6. PROCUREMENT

*All subrecipients must comply with the requirements and regulations of the FTA Circular 4220.1G, 2 CFR Part 200/1201 and the N.C.G.S. 143-129.*

When procuring supplies, equipment, or services using FTA funds, subrecipients can follow the same policies and procedures it uses for procurements with non-federal funds but must comply with the following statutory and administrative requirements:

* Conduct all procurements in a manner providing full and open competition
* Exclude the use of statutorily or administratively imposed in-state or local geographical preferences in the evaluation of bids or proposals except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference
* Do not enter into any contract for rolling stock with a period of performance exceeding five years inclusive of options without prior FTA approval
* Ensure that every purchase order and contract executed using Federal funds includes all applicable clauses required by Federal statutes and executive orders and their implementing regulations
* Use competitive proposal procedures based on the Brooks Act when contracting for architectural and engineering services if the state has not adopted a statute governing the procurement of such services
* Award to only responsible contractors processing the ability, willingness and integrity to perform successfully under the terms and conditions of the contract.
* Comply with Buy America, Debarments and Suspension, and Lobbying restrictions.

Most procurements involving construction, consultant services, transit operations, and various other items that are procured locally are required to be reviewed by the Division. IMD prior approval is required for all purchases over $10,000. Subrecipients must consult with IMD before starting procurements for contracted services and IMD must concur at several points during the process. Subrecipients must submit all formal procurements estimated to cost over $90,000 to the Division prior to bid.

Areas reviews under procurement include:

* Procurement Standards, Practices and History
* Buy America
* Debarment/Suspension
* Lobbying

General requirements in each of these areas are presented just prior to the review questions below.

Note: The procurement thresholds for federally-funded procurements:

* Micro-purchase threshold is $10,000 or less for contracts awarded after June 20, 2018.
* Simplified Acquisition (small purchase) threshold is $250,000 or less for procurements awarded after June 20, 2018.

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## Procurement Standards, Practices and History

Subrecipients must have written procurement policies and standards that meet federal and state procurement requirements. Subrecipients must keep adequate records (history) of the procurement process and outcomes.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| **PROCUREMENT STANDARDS, PRACTICES, AND HISTORY** | |  |
| 1. Who in your organization is responsible for purchasing/ leasing?   Please identify staff person and title.  Is the person by reason of education, training, and experience qualified for the responsibility? |  |  |
| 1. How does our agency organize and structure procurement functions and personnel to support FTA-funded procurements (e.g., separate department within organization, split responsibility between transit staff and county procurement office, etc.)?  * If decentralized, how does the grantee ensure that FTA-funded procurements are in compliance with FTA requirements? * How do procurement personnel collaborate with users in the development of specifications and choosing the method for procurement? |  |  |
| 1. Does the transit system have written procurement procedures and standards that reflect applicable state and local laws and also conform to federal rules including: |  |  |
| * Contract administration system |  |  |
| * Written record of procurement history including records retention system |  |  |
| * Code of conduct/conflict of interest |  |  |
| * Contract cost or price analysis for every procurement action, including exercising options |  |  |
| * Independent Cost Estimate (ICE) prior to receiving bids or proposals |  |  |
| * Full and open competition and written selection process |  |  |
| * No local or state geographical preference |  |  |
| * Inclusion of appropriate federal clauses in procurements that use federal funds, including purchase orders and intergovernmental agreements |  |  |
| * No contracts for rolling stock and replacement parts exceeding five years inclusive of options |  |  |
| * Award only to responsible bidders (able to perform the work and not debarred/suspended from federal contracts) |  |  |
| * Procurement protest procedures |  |  |
| * Contract issues/dispute settlement procedures |  |  |
| 1. Are procurement procedures approved by the Governing Board?   ***requirement****: Non-profit systems are required to have procurement policies that address Governing Board approval. Public entities may have their own or use local municipality’s procedures. All must be in compliance with FTA C 4220.1G.* |  |  |
| 1. What are the procedures for reviewing acquisitions in order to identify, evaluate, and mitigate potential organizational conflicts of interest?   ***requirement*** *:The Standards of Conduct policy address the performance of employees (any staff or board member) engaging in the award and administration of contracts.* |  |  |
| 1. Do any potential conflicts of interest exist between Board members, employees, officers, agents, or family members of your organization that have participated in the selection, award, or administration of a contract with consultants/vendors/suppliers or between a management contractor and their consultants/ vendors/suppliers? |  |  |
| 1. How does the transit system allow for full and open competition for all transactions under the following methods of procurement?   ***NOTE:*** *Sealed bids of Competitive Proposals or Bids are required for awards over $90,000 (state requirement). Revenue contacts must be awarded on a competitive basis and income derived from such contracts must be used to offset program costs* |  |  |
| * Micro-purchases ($9,999\* or less). How do you determine that price to be paid is fair and reasonable? Do you distribute purchases equitably among qualified suppliers in your area? |  |  |
| * Price quotes ($10,000 or more than but less than $30,000). For price quotes, do you solicit written or oral price or rate quotations from three qualified sources?   Has the appropriate NCDOT procurement checklist been completed? |  |  |
| * Informal written quotes (from $30,000 up to $90,000). For informal written quotes, were written quotes solicited from three qualified sources?   Has the appropriate NCDOT procurement checklist been completed? |  |  |
| * Items over $90,000, do you use Sealed Bid/Invitation for Bid (IFB) for construction, supplies and equipment? For all service contracts or technical supplies and services have you issued Competitive Proposals/Request for Proposals (RFP)?   ***NOTE:*** *The State threshold for competitive procurements is $90,000 while the federal threshold is $250,000.* |  |  |
| 1. Has the transit system improperly imposed geographical preferences, except when contracting for A&E services based on the Brooks Act? |  |  |
| 1. If applicable, does the agency include the competitive procurement clause in contracts with private operator? How does the agency monitor the procurement process of a private contractor to ensure that federal requirements are met? |  |  |
| 1. Have you submitted procurements estimated to cost over $90,000 to the Division for review prior to bid and award?   ***requirement:*** *formal bid procedures; must complete formal bid procurement checklist and submit for pre-award approval.* |  |  |
| 1. Do your purchasing procedures ensure the most efficient and economic purchase? |  |  |
| 1. Are awards made only to responsible contractors? |  |  |
| 1. Do the procedures provide for competition in the award of revenue contracts? |  |  |
| 1. Have you attached the most current applicable federal requirements/contract clauses to all solicitations over $10,000\* for local purchases that were funded in part with federal funds?   ***requirement*** *- all purchases over $10,000 must include the laws and regulations that will affect the third party contractor.* |  |  |
| 1. Please review all documentation submitted for all procurements, for example; quotes, price sheets, procurement checklist, purchase orders, etc.   ***requirement*** *– All records should be kept for* at least five years after completion of Procurement. |  |  |

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| **PROCUREMENT HISTORY** | | | |
| 1. Please list all local procurements for which the subrecipient used federal and/or state funds from since the last review or three years, whichever is greater. Examples: fuel, maintenance services, vehicles, construction, professional services, etc.)   NOTE: Add separate sheet if needed. | | | |
| **Item** | |  |  |
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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. In the purchases listed above, did you request IMD approval (over threshold or low bid not selected)? |  |  |
| 1. Was the lowest responsive bidder taken in each case? If not, why? |  |  |
| 1. Do the files document the procurement history? |  |  |
| 1. Do any contracts exceed five years in length, including base and options?   ***requirement:*** *rolling stock and replacement parts are limited by law to 5 years, other third party agreements must be reasonable.* |  |  |
| 1. Do you have contracts for transportation services and has IMD reviewed and authorized the system to enter into the third party agreement?   ***requirement*** *- IMD must review all third party contracts prior to execution.* |  |  |
| 1. Has IMD been provided a copy of all executed third party agreements?   ***requirement*** *- IMD requires a copy of all executed third party agreements.* |  |  |
| 1. Has the transit agency had any sole-source, single bid or brand name or equal awards during the audit period? If so, do the files include appropriate justification and/or documentation? |  |  |
| 1. Has the transit agency conducted any piggyback procurements or joint procurements? If yes, is the appropriate documentation on file? |  |  |
| 1. Did the transit agency receive any procurement protests during the review period? Did they follow their own written protest procedures? What was being procured? What was the result of said protest? Was it sustained or withdrawn? |  |  |
| 1. Have advanced or progress payments been used for any procurements? If yes, did the grantee obtain written approval from FTA/NCDOT before doing so? If progress payments have been made, did the grantee obtain title to the property or take alternative measures to protect FTA’s interests? |  |  |
| 1. Has the transit agency used liquidated damage clauses in any of its procurements? If so, were they reasonable? |  |  |

**PROCUREMENT FILE REVIEW SHEET**

Subrecipient\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Amount\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Contract Number\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Purpose\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Award Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Number of Bids/Quotes Received\_\_\_

Awarded To\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date File Inspected\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

|  |  |  |  |  |
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|  | **Item** | **Yes** | **No** | **N/A** |
| 1 | Does the file contain an index or checklist of items that it should contain?  Procurement History Form |  |  |  |
| 2 | Does the file include an Independent Cost Estimate (ICE) prepared prior to initiating the procurement? |  |  |  |
| 3 | Does the file contain the rationale for the method of procurement and contract type? Procurement History Form |  |  |  |
| 4 | Does the file contain the invitation for bids or the request for proposals? All procurements should have a Procurement Checklist with it. (Procurements over $90,000 need IMD pre-approval) |  |  |  |
| 5 | Does the file contain the notices and advertisements? (formal bids) |  |  |  |
| 6 | Does the file include all bids/quotes received? |  |  |  |
| 7 | Does the file include verification that the vendor is not on the federal or state debarred list? |  |  |  |
| 8 | Does the file documentation include the federal requirements with the bid/quote? (currently federal/state requires with all procurements over $10,000) |  |  |  |
| 9 | Does the file document the evaluation and the results of the evaluation? |  |  |  |
| 10 | Does the file contain a signed contract? (A copy is to be submitted to IMD) |  |  |  |
| 11 | Are documents filed in chronological order? |  |  |  |
| 12 | If a pre-bidders’ conference was held, does the file document the bidders notified of the conference, the date/time of the conference, and the list of the attendees? |  |  |  |
| 13 | If the procurement was a sole source, single bid, brand name, or award to other than low bidder, does the procurement file contain a justification for the award? (IMD pre-approval required) |  |  |  |
| 14 | Do the files contain a cost or price analysis? (Required for single bids; A best practice for all bids) |  |  |  |
| 15 | Do the files indicate that the subrecipient ensured that goods and services were received? (Materials received should be completed) |  |  |  |
| 16 | Does the file include all contract modifications and amendments? |  |  |  |
| 17 | Does the file contain copies of all correspondence with the vendor? |  |  |  |
| 17 | Does the file contain IMD concurrence (if it was above the micro-purchase ) |  |  |  |

## Buy America

Buy America law requires Subrecipients to purchase steel, iron, and manufactured products that are produced in the United States for FTA-funded projects, unless the FTA has granted a waiver or the product is subject to a general waiver. All construction, material and goods, or vehicle purchases over $150,000 are required to include the Buy America Certifications in the solicitation.. Revenue service rolling stock not subject to a general waiver must be assembled in the United States and have a 70% domestic content in by 2020.

***Note: These questions do not apply if vehicles are purchased off State contract.***

Two areas are reviewed under Buy America:

* Buy America Provisions and Certifications
* Pre-award and Post-Delivery of Rolling Stock

|  |  |  |
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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| BUY AMERICA PROVISIONS |  |  |
| 1. Does the system conduct the procurement of steel, iron and manufactured products over $150,000 outside the state contract? |  |  |
| 1. If yes, has the transit system included a Buy America **clause** for all vehicle procurements (or other steel, iron and manufactured products), except for purchases of less than $150,000? |  |  |
| 1. Did you include the appropriate Buy America **Certifications** and did the contractor/vendor submit one with bid?   ***REVIEWER:*** *This can be verified in Procurement File review*  *requirement: a buy america certification must be included in the solicitation and must be submitted with the bid to make the bid responsive and eligible for award.* |  |  |
| PRE-AWARD AND POST-DELIVERY AUDITS | |  |
| 1. If you purchase vehicles off the state contract: |  |  |
| * Did you verify the Federal Motor Vehicle Safety Standard (FMVSS) sticker and final assembly locations of all new vehicles and complete the vehicle inspection checklist before accepting a new vehicle? |  |  |
| * Did you submit the vehicle Inspection/Disposition Checklist for all new vehicles to IMD within 30 days? |  |  |
| 1. If you conduct your own vehicle procurements: |  |  |
| * Do you conduct pre-award and post-delivery audits for purchase of rolling stock over $150,000? Are the properly completed pre-award and post-delivery certifications in the contract files? If there were multiple delivery dates, were these performed for each group of vehicles? |  |  |
| * What process was used to verify the domestic content of the vehicle, its components and subcomponents prior to awarding the contract? |  |  |
| * As part of the post-delivery review, have you visually inspected, verified final assembly took place in USA, checked for FMVSS stickers, and road tested vehicles to ensure that they meet the contract specifications? * ***REVIEWER:*** *Verify that Post Delivery Audit items have been completed on vehicle inspection forms. IMD Financial Management unit reviews vehicle inspection documentation to ensure compliance in this area.* * ***requirement****: post delivery audit must be completed on all vehicles purchased with federal funds.* |  |  |
| * Did the bus models require Altoona testing? How was the determination made? |  |  |

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| * If they required testing, was the model tested? Was a test report issued? Did the model pass the test (meet FTA’s testing requirements)? Was the report received prior to final acceptance of the first vehicle and expenditure of FTA funds? |  |  |
| * If they did not require testing, did the system have certifications from the manufacturer that the bus does not need to be tested? |  |  |

## Suspension/Debarment

Subrecipients are prohibited from contracting for goods and services from individuals or organizations that have been suspended or debarred from receiving federally assisted contracts.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Are parties that have been debarred or suspended from participation in federally-assisted transactions excluded from procurements? |  |  |
| 1. Has the transit system included a term or condition requiring compliance with the Suspension and Debarment requirement in procurement and solicitations $25,000 or more and lower tier covered transactions? |  |  |
| 1. How did you verify and document (print) that the contractor was not on the System for Award Management (SAM) excluded parties list?   ***requirement*** *: in accordance with the federal requirements, the agency is to verify that the contractor is not on the debarment list before entering into any contracts* |  |  |
| 1. Have you verified that the vendor is not on the state’s list of debarred vendors? <https://ncadmin.nc.gov/government-agencies/procurement/contracts/debarred-vendors> |  |  |
| 1. Have you become aware of any new information, following the award of a contract or subcontract, where there is a change in the status of a contractor or subcontract and that they may be listed on the SAM excluded parties list? If yes, did you promptly inform IMD in writing?   ***REVIEWER:*** *Subrecipients need to provide immediate written notice to IMD if they learn that their certification or the certification of any contractors is no longer valid.* |  |  |

## Lobbying

No federal funds can be used for lobbying activities. Recipients of grants and contracts exceeding $100,000 must certify that they have not and will not use federal appropriated funds to pay for lobbying. Subrecipients certify to NCDOT and Contractors certify to the Subrecipient.

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| **Answer these questions only if you received a grant that exceeded $100,000.** | | |
| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. No Federal funds can be used to influence anyone in connection with awarding a Federal contract, grant or cooperative agreement. Have you used FTA funds for lobbying activities? |  |  |
| 1. Have any funds other than federal appropriated funds been used for lobbying?  * If yes, have you filed with the Division the Standard Form-LLL, “Disclosure Form to Report Lobbying” and any necessary updates? |  |  |
| 1. Has the transit system included the lobbying clause in all agreements and procurement solicitations exceeding $100,000? |  |  |
| 1. Have you obtained signed lobbying certifications with procurement solicitations exceeding $100,000?   ***NOTE:*** *This will be verified in Procurement File review.*  ***requirement:*** *the lobbying certification must be included in all procurements $100,000 and over. the certification should be submitted with the bid.* |  |  |
| 1. Have any of your contractors that filed certifications used non-federal funds for lobbying activities? If yes, have proper disclosures been made and filed with you on Standard Form LLL? What process do you use to receive and file the certifications and disclosure statements? Have all disclosures been updated quarterly if needed and so reported? |  |  |

# 7. DISADVANTAGED BUSINESS ENTERPRISE (DBE)

Subrecipients must not discriminate on the basis of race, color, national origin, or sex in the award and performance of FTA-assisted contracts. All Subrecipients must provide Disadvantaged Business Enterprises (DBEs) the maximum opportunity to compete for and perform contracts and subcontracts financed in whole or in part with federal funds. As of 2024, FTA recipients and subrecipients who will award prime contracts (excluding transit vehicle purchases) the cumulative total value of which exceeds $670,000 in FTA funds in a Federal fiscal year are designated as FTA Tier I recipients. FTA Tier I recipients must submit and maintain a DBE program that meets all requirements of 49 CFR Part 26.

FTA recipients and subrecipients who will award prime contracts (excluding transit vehicle purchases) the cumulative total value of which does not exceed $670,000 in FTA funds in a Federal fiscal year are designated as FTA Tier II recipients. Tier II subrecipients will continue to be included under the NCDOT DBE program but will have additional reporting requirement beginning in 2025. *FTA Tier II recipients must maintain a DBE program meeting the following requirements: reporting and recordkeeping; contract assurances; policy statement; fostering small business participation through a small business element; and transit vehicle procurements. Tier II recipients do not submit documentation of these requirements to the FTA for approval. [[1]](#footnote-2)*

Subrecipients must submit DBE reports with each Request for Reimbursement.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Is your agency considered Tier 1 or Tier II? |  |  |
| 1. If you meet the threshold for Tier 1, has your agency developed a DBE program that includes the required elements? Has this been submitted to FTA (or NCDOT?) |  |  |
| 1. Who within the transit agency is responsible for ensuring that Disadvantaged Business Enterprises (DBEs) are not discriminated against in the award of federally-funded contracts? To whom does this individual report? Are there any potential conflicts of interest? |  |  |
| 1. Describe how the agency has 1) taken necessary and reasonable steps and 2) demonstrated good faith efforts to contract with and/or purchase from DBE organizations.   ***REVIEWER:*** *Subrecipients must make good faith efforts to ensure that DBE's have the maximum opportunity to compete for and perform contracts and subcontracts financed in whole or in part with FTA funds.* |  |  |
| 1. Describe how you document that DBE organizations had the maximum opportunity to compete for contracts funded with federal/state funds |  |  |
| 1. Did your system report to NCDOT on DBE activity with each request for reimbursement? |  |  |
| 1. What are the procedures used to ensure that DBE reports are complete and include all FTA-funded contracting activity of the grantee and any applicable subrecipients? |  |  |
| 1. Do the reports indicate that your system was successful in contracting with DBEs? |  |  |
| 1. What efforts has the transit agency made concerning DBE financial institutions? |  |  |
| 1. Do you have a current IMD listing of certified DBE firms? Does the transit agency use the IMD list or certify DBEs itself?   ***REVIEWER:*** *IMD provides all subrecipients a link to the ncdot certified dbe firms on the ncdot website at https://www.ebs.nc.gov/VendorDirectory/search.html?s=cert&a=new* |  |  |
| 1. Were any DBE complaints received during this period of review? If yes, please comment below: |  |  |
| * Describe the complaint and how it was resolved. |  |  |
| * What is the process for handling and resolving such complaints? |  |  |
| 1. Has the transit agency purchased or leased buses **directly** from a vendor with FTA and/or State funds (not off the state contract)? |  |  |
| * If yes, did you report to the award to FTA by completing the Transit Vehicle Award Reporting Form on the FTA’s Transit Vehicle Manufacturer (TVM) webpage?   ***NOTE****: Effective November 2014, FTA recipients must submit, within 30 days of making an award, the name of the successful bidder and the total dollar value of the contract. This is done online using the FTA’s Transit Vehicle Award Reporting Form.* |  |  |

# 8. LEGAL

*Subrecipients must be eligible and authorized under state and local law to request, receive, and spend FTA funds and to execute and administer FTA-funded projects.*

Transit systems must be organized and governed in a manner that allows the transit system to comply with federal regulations**.** Areas reviewed under organizational management include:

* legal authority
* annual certifications
* governance
* control environment
* labor protection

Requirements under these areas are described below.

## Legal Authority

Subrecipients must have the legal capacity to receive federal and state grants. Subrecipient must be eligible under the specific requirements of the FTA programs. The authority to take necessary actions and responsibility on behalf of the subrecipients must be properly delegated and executed. This means that:

* Subrecipients must have designated a body legally responsible for the overall organization, management and operation of the transportation system.
* The officials acting on behalf of subrecipients must have the appropriate authority. This is usually documented in an authorizing resolution passed by the governing body.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| **LEGAL AUTHORITY** |  |  |
| 1. What is the name of the designated body legally responsible for the overall organization, management, and operation of the transit system? |  |  |
| 1. What is the name or title of the person or persons with the authority to act on behalf of the transit system? |  |  |
| 1. What is the source of that authority? Does the system have a Governing Board approved authorizing resolution? When was it submitted to IMD?   ***REVIEWER:*** *IMD requires subrecipients adopt an Authorizing Resolution every five years. The most current AR should be in the files.* |  |  |
| 1. Do the articles of incorporation or ordinance specifically mention public transportation, coordination of transportation or other passenger transportation functions? |  |  |

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## Annual Certifications

Subrecipients must certify annually to FTA that they will comply with the applicable federal requirements and that they have met the statutory and program requirements. This means that subrecipients must have signed their annual certification and assurances required by FTA; generally as part of the annual grant application and that the person signing is an authorized individual. Opinions of Counsel must accompany the certifications and assurances.

These certifications are provided by subrecipients for all grant programs – although IMD only requires one set of certifications from a single subrecipient (these may cover multiple grants from Section 5307, 5339, 5311, 5310, CARES Act), a copy of the original certifications/assurances must be included in each grant module on NC Enterprise Business Services (EBS) – formerly Partner Connect.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| **CERTIFICATIONS AND ASSURANCES** |  |  |
| 1. Has the transit system submitted properly completed Annual Certifications and Assurances? |  |  |
| * When were they submitted? |  |  |
| * Were they signed by an authorized official and attorney with the proper authority? |  |  |

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## 

## Governance

NCDOT requires that public transit agencies have a County Commissioner-approved transportation Advisory or Governing Board.

GOVERNING BOARD

Governing Boards represent and are the legal entity of the transportation organization. The Governing Board has the legal and fiduciary responsibility of the organization. The transit agency’s Governing Board must be representative of the community and be able to provide transit personnel with community based advice and also be able to bring management and other organizational skills and expertise from which transit management can draw. The Board should meet regularly, be “actively engaged” and must conduct business in an open and transparent manner. The Board should set policy and goals and objectives for the system and not involve itself in day-to-day operations.

advisory board

Each subrecipient is required to have a Transportation Advisory Board (TAB). If the subrecipient agency serves as an “umbrella” agency for programs in addition to transportation services, then the Governing Board may not serve as the TAB. There may be overlapping of members with the Governing Board but there must be a separate TAB. If the subrecipient is a transportation authority or a non-profit organization that only provides transportation, the Governing Board can serve as the TAB. In this case, the composition of the Governing Board must meet the S.5311/5307 program requirements to serve as the TAB or consider creating a separate TAB that does meet the requirements. The TAB must be both representative of the community to provide the service area community a mechanism to advise and bring to management the mobility concerns and needs of the entire service community. The TAB should meet regularly, be “actively engaged” and must conduct business in an open and transparent manner. The TAB should have input into appropriate policy decisions, planning, service delivery and budget preparation items. This input will service to assist the organization in meeting its goals and objectives for the system. This board should not be involved in day-to-day operations.

| **QUESTION** | **RESPONSE** | **OBSERVATION** |
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| **GOVERNANCE** |  |  |
| 1. Does the Governing Board have written bylaws for its governance which include *(Answer Yes or No):* |  |  |
| * Duties and responsibilities |  |  |
| * Method of member selection |  |  |
| * Terms of office |  |  |
| * Frequency and notification of meetings |  |  |
| * Procedure for appointing manager |  |  |
| * Avoiding conflict of interest in:   1. Selection of Board members |  |  |
| * 1. Purchasing and doing business with the agency |  |  |
| * 1. Employment |  |  |
| 1. How are members selected for the Governing Board? Are they elected? (please describe) |  |  |
| 1. Is the Governing Board representative of the communities it serves? |  |  |
| * # Members: Total |  |  |
| * # Members: Private sector |  |  |
| * # Members: Public sector |  |  |
| * # Members: Elected officials |  |  |
| * # Members: Consumers |  |  |
| * # Members: Minorities |  |  |
| * # Members: Male |  |  |
| * # Members: Female |  |  |
| * # Members: Disabled |  |  |
| * Vacancies |  |  |
| 1. Are Governing board members subject to an ethics, written code of conduct or conflict of interest policy? |  |  |
| 1. Are relatives of any public transit employee allowed to serve on the Governing board? (blood or by marriage)   ***REVIEWER:*** *If yes, check for any improprieties, especially in salaries, promotions, or any exceptions given to approved policies and practices. Did board member recuse themselves on matters of actual or perceived conflict?* |  |  |
| 1. Do Governing Board records indicate that Board minutes are complete and signed by the elected or appointed secretary? |  |  |
| 1. For public entities, including authorities, are Board meetings conducted in accordance with the NC State’s Open Meetings Law. |  |  |
| 1. Does a majority of Governing Board members regularly attend meetings? |  |  |
| 1. How many times per year does the Governing Board meet? (e.g. quarterly, monthly, etc.) |  |  |
| 1. Does the Governing Board receive and review financial reports? |  |  |
| * If yes, How often? |  |  |
| 1. Does the Governing Board involve itself in day-to-day operations? |  |  |
| 1. Has training been provided to the Governing Board concerning its role and responsibilities? |  |  |
| * How is this accomplished? |  |  |
| 1. Are Governing Board members provided a handbook or policy manual?   If yes, what does it contain? |  |  |
| 1. Does the Governing Board formally review the performance of the chief executive officer, manager or executive director at least annually? |  |  |
| 1. Does the transit system have both a Governing Board and a Transportation Advisory Board (TAB) or committee to advise the Governing Board on transit policy? |  |  |
| * If yes, are roles, responsibilities clearly defined? |  |  |
| * Does this model work to the best interest of the service area? |  |  |
| 1. Does the TAB have written bylaws for its governance? Do they include: | Yes  No |  |
| * Duties and responsibilities |  |  |
| * Method of member selection |  |  |
| * Terms of office |  |  |
| * Frequency and notification of meetings |  |  |
| * Procedure for appointing manager |  |  |
| * Avoiding conflict of interest in: |  |  |
| 1. Selection of Board members |  |  |
| 1. Purchasing and doing business with the agency |  |  |
| 1. Employment |  |  |
| 1. Is the TAB representative of the communities it serves? |  |  |
| * # Members: Total |  |  |
| * # Members: Private sector |  |  |
| * # Members: Public sector |  |  |
| * # Members: Elected officials |  |  |
| * # Members: Consumers |  |  |
| * # Members: Minorities |  |  |
| * # Members: Male |  |  |
| * # Members: Female |  |  |
| * # Members: Disabled |  |  |
| * # Members: By key geographic areas or political subdivisions |  |  |
| 1. Are TAB members required to read, understand and sign a conflict of interest statement?   ***REVIEWER*:** If yes, check for signed statements. |  |  |
| 1. Are relatives of any public transit employee allowed to service on the TAB? (blood or by marriage)   ***REVIEWER*:** If yes, assess if this has this been a problem. |  |  |
| 1. Do TAB records indicate that TAB minutes are complete and signed by the elected or appointed secretary, if applicable? |  |  |
| 1. For public entities, including authorities, are TAB meetings conducted in accordance with the North Carolina State’s Open Meetings Law? |  |  |
| 1. Describe how members are selected for the TAB? |  |  |
| 1. Does a majority of ADVISORY Board members regularly attend meetings? |  |  |
| 1. How many times per year does the TAB meet, e.g. quarterly, monthly, etc.? |  |  |

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## Control Environment

An agency’s overall control environment sets the tone of the organization and influences the control consciousness of its employees. To successfully address risks and achieve its objectives, agency management must institute various control activities, such as segregation of duties, physical controls, and a system of approvals.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| **CONTROL ENVIRONMENT** |  |  |
| 1. Are agency employees skilled and trained to perform the duties associated with their particular job functions (e.g. daily management of staff, accounting functions, delivery of services, etc.)?   ***REVIEWER:*** *Check for evidence of staff qualifications or training.* |  |  |
| 1. How does management remain abreast of the requirements of laws and regulations pertinent to the transit grant programs?   ***REVIEWER:*** *Check to see if there is a hard or electronic copy, or internet bookmarks of the applicable Federal Circular(s) and/or State Management Plan* |  |  |
| 1. Are background and reference checks done on applicants for financial, IT, and key management positions? |  |  |
| 1. Is there a formal (written) conflict of interest policy or code of conduct in effect? How does the agency management convey the message that integrity cannot be compromised? How is this communicated to employees? |  |  |
| 1. Are employees who handle cash, securities, and other valuable assets bonded or otherwise covered under an insurance policy? |  |  |

## Labor Protection

S. 5311 subrecipients must have signed the special 5333(b) warranty addresses labor issues such as collective bargaining and employee displacement and dismissal. A notice of labor protections must be posted in a location visible to employees. As part of the annual grant process, subrecipients must provide verification of all private transportation providers in their service area.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| **LABOR PROTECTIONS** |  |  |
| 1. For 5311 Subrecipients, has the special labor protection warranty [Section 5333(b)] been signed? Has it been posted clearly for all employees to see?   ***REVIEWER:*** *Check for posting.*  ***requirement:*** *Section 5311 Subrecipients must post the special labor protection warranty where affected employees may see it.* |  |  |
| 1. For those S.5311 systems with third party operators, is the 5333(b) warranty posted in a location that is visible to the operator’s employees? |  |  |
| 1. For Section 5311 Subrecipients, have any special labor protection warranty complaints been received?   If yes, were they reported to the IMD?  How were the complaints resolved?  ***requirement****: Section 5311 Subrecipients must report any special labor warranty complaints and how they were resolved to IMD.* |  |  |

# 9. SATISFACTORY CONTINUING CONTROL

*Subrecipients must ensure that FTA and NCDOT funded property remain available to be used for its originally authorized purpose throughout its useful life until disposition.*

Transit systems must maintain control over real property, facilities and equipment that are funded with FTA and/or State transit dollars and ensure that they are used to provide public transportation. As part of this requirement, subrecipients must participate in an FTA-compliant Transit Asset Management (TAM) plan either by developing their own or participating in the NCDOT Group TAM Plan.

The number of spare vehicles must be appropriate to the size and age of the fleet, the amount of peak demand, and the projected ridership growth.

Subrecipients must certify insurance annually. Subrecipients must carry enough insurance to replace any FTA and/or State-funded facility or equipment such as bus washers, bus lifts, etc.

Subrecipients must obtain prior written approval from IMD before selling, leasing, or disposing of vehicles, equipment or facilities that have remaining federal and/or state interest.

Review areas under Asset Management include:

* Control of Real Property and Equipment
* Transit Asset Management (TAM) Plan
* Disposition of Excess Real and Personal Property
* Revenue Vehicles

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| Control of Real Property/Equipment | |  |
| 1. Is property (includes rolling stock, facilities, materials, equipment, computers, etc.) that was purchased with FTA and/or State funds being used for transit purposes?   ***requirement*** *: Property is to be used for transit purposes in accordance with fta requirements and state requirements* |  |  |
| 1. If the transit agency owns real property that was purchased by FTA funds, is it located in a Flood Zone? How was this verified? |  |  |
| 1. If the transit agency owns real property that is located in a Flood Zone, do they have sufficient levels of insurance? How was this determined? |  |  |
| 1. Does the transit system have any excess real property? |  |  |
| 1. Does the transit system make incidental use of any real property? If so, does the system maintain continuing control over the property? Is the revenue generated used for transit purposes? |  |  |
| 1. Can you account for all equipment or facilities purchased with FTA and/or State funds, including parts?   ***requirement*** *: Agency should have an inventory of all equipment and should be able to physically account for it.* |  |  |
| 1. Do you have a written inventory for all equipment, vehicles, and real property, including parts, computer hardware and software?   ***requirement****:**All vehicles should be entered into the IMD Inventory control and Maintenance Recordkeeping Database –AssetWorks* |  |  |
| * Is it updated regularly in the EAM database? If not, how often is it reconciled? |  |  |
| * Does it contain the information needed to track which grant it was funded under? |  |  |
| * If parts have been funded by IMD, have you submitted an annual certified parts inventory? |  |  |
| 1. If applicable, how does the transit system maintain control of any federally funded **contractor-operated** equipment? |  |  |
| 1. Are the facility lease agreements current for all facilities? |  |  |
| 1. How are FTA and State-funded facilities and equipment insured? Is the transit system self-insured, have commercial insurance or a combination? |  |  |
| 1. What are your coverage limits for: |  |  |
| * Comprehensive and collision insurance? |  |  |
| * Commercial/comprehensive general liability insurance? |  |  |
| ***requirement:*** *State law requires liability insurance on all vehicles with limits of $1.5M per occurrence for vehicles 15 passengers and under and $5M for 16 passengers and over; FTA/IMD requires comprehensive and collision on vehicles to cover the useful life of the equipment.* |  |  |
| 1. Are the limits sufficient to replace FTA and/or State-funded vehicles, facilities, and equipment?   ***requirement:*** *Federal and State share must be protected through the vehicle’s useful life in accordance with state and federal guidance.* |  |  |
| 1. Has the transit system certified that they have insurance and has this been submitted annually?   ***requirement****: a certificate of liability insurance coverage that demonstrates the applicant is*  *complying with the liability insurance requirements set by imd must be*  *submitted to imd on an annual basis.* *a vehicle schedule listing the vehicles the grantee has covered with liability and collision insurance must also be submitted.* |  |  |
| 1. Does management periodically review insurance coverage? |  |  |
| 1. Do you carry risk, liability, workman’s compensation, and fire insurance? |  |  |
| 1. If self-insured, is there a self-insurance reserve account? |  |  |
| 1. Is there a workers’ compensation management system which provides for verification of accident/injury, administration of benefits, vocational rehabilitation? |  |  |

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| Transit Asset Management (TAM) Plan | |  |
| 1. Is the transit system a Tier II provider?   ***NOTE****: Tier II subrecipients have 100 or fewer vehicles in peak vehicles, are S.5311 subrecipients, or an American Indian tribe* |  |  |
| 1. If so, is transit system participating in the NCDOT group plan? Or have they opted-out of the group plan? |  |  |
| 1. If the transit is a Tier I provider or has opted out of the NCDOT group plan, has the transit system developed its own written group plan?   ***requirement*** *: Tier I transit systems are required to have their own TAM plan. If the system is a tier II provider, it may participate in a group plan* |  |  |
| 1. If yes, does the independent TAM plan include all the elements required by FTA? |  |  |
| * Assignment of an accountable executive |  |  |
| * Inventory of all assets |  |  |
| * Condition assessment of all assets |  |  |
| * An investment prioritization that ranks projects, includes all capital assets and is at least at the asset class level |  |  |
| * A description of analytical process or decision-making tools that system uses to estimate capital needs over time and develop its investment prioritization |  |  |
| * **Tier I Plans only** |  |  |
| * 1. Documentation of a TAM/SGR policy |  |  |
| * 1. Implementation strategy that outlines a plan to achieve goals |  |  |
| * 1. Written description of key TAM activities planned |  |  |
| * 1. Summary or list of resources needed to carry out the TAM plan |  |  |
| * 1. Outline of how the TAM plan will be monitored, updated and evaluated: how it related to business practices |  |  |

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| Disposition of Real and Personal Property | |  |
| 1. Has the transit system disposed of any property or equipment during the audit period? Do you have documentation for the sale of all replaced or retired vehicles? If yes, provide a list.   ***REVIEWER:*** *Review sales of disposed vehicles, facilities and other equipment purchased with federal funds.*  *IMD policy states that replaced/retired vehicles should be disposed within 180 days (After the lien is released from IMD).* |  |  |
| 1. Was any **equipment** disposed of before the end of its useful life? If so, Explain: |  |  |
| 1. Have all funds received from the sale or disposition of federally-funded **vehicles and/or property** been returned per IMD Policy? |  |  |
| 1. Did the transit system dispose of any FTA funded **real property** during the audit period? If yes: |  |  |
| * Were competitive sales procedures used to ensure highest possible return on the sale of real property? |  |  |
| * Was any real property removed from service before the end of its useful life? If so, was FTA notified? Did FTA concur in the method of disposition? Was FTA reimbursed for its share, if required? |  |  |

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| Revenue Vehicles |  |  |
| 1. How many vehicles were in use at the time of the visit? |  |  |
| 1. How many vehicles were parked or in the garage at the time of the visit? |  |  |
| 1. Regarding your revenue service fleet: |  |  |
| 1. What is the number of revenue vehicles? |  |  |
| 1. What is the number of vehicles required for maximum service? |  |  |
| 1. What is the number of spare vehicles (a minus b)? |  |  |
| 1. What is the spare ratio (c divided by b)? |  |  |
| 1. How often is the maximum number of vehicles required? |  |  |
| 1. Do future ridership projections indicate a need for additional vehicles? |  |  |
| 1. Does the spare ratio appear reasonable given the size and age of the fleet, the frequency of peak service demand, and the projected ridership growth?   ***NOTE:*** *IMD bases the number of spares it allows on the peak number of vehicles used at least once during the busiest day of the week. IMD considers that a reasonable spare ratio should not exceed 20% of this number.* |  |  |
| 1. Are the vehicles used appropriate for the type of service, ridership volumes, and scheduling patterns? |  |  |

# 10. PLANNING AND COORDINATION

*Subrecipients must participate in the transportation planning process in accordance with FTA requirements, Fixing America’s Surface Transportation (FAST) Act, and the metropolitan and statewide planning regulations.*

Subrecipients must coordinate to the maximum extent feasible with transportation assisted from other federal sources. Subrecipients must involve the public in service planning. Services also must be planned and delivered in a manner that is non-discriminatory (see section on Title VI).

An effective public involvement program has an educational and outreach component, and addresses transit riders, the non-riding public, special populations, community leaders, and civic groups. The State requires that applicants for FTA and State transit funding conduct public hearing annually as part of the grant application process: NCDOT requires that all applicants for S.5311and S.5310 hold a public hearing in front of the applicant’s governing body so the public is afforded an opportunity to have input. Subrecipients must document that the requirement has been met (including a copy of the published notice, hearing record and summary of efforts to involve the public and private sector in to the extent feasible). They must also document that adequate outreach has been conducted for low income, minority and special needs populations.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| Planning |  |  |
| 1. Explain how transit services are planned in the community. |  |  |
| 1. Explain how representatives of the transit system participate in local transportation planning process. Is transit “at the table” when decisions are made on other modes (highways) or land use? Is there a formal agreement that specifies cooperative procedures for that involvement? |  |  |
| 1. Have you cultivated working relationships with community leaders? For example, are you a member of the chamber of commerce and do you attend meetings regularly? |  |  |
| 1. Are you involved or do you periodically consult with local planning agencies and governmental units? |  |  |
| 1. Does the local RPO person sit on your Advisory or Governing Board? |  |  |
| 1. During the development of the latest CCP planning process, were private sector operators given an opportunity to participate? Please explain how. |  |  |

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| Public Participation in Program of Projects (POP) | |  |
| 1. How does the transit system publish its annual Program of Projects; how is information on annual projects/grant application made available to the public? |  |  |
| 1. Do you hold a public hearing annually? How is it published? Is the notice made available to non-English speakers? Is it held in front of your governing body so the public is afforded an opportunity to provide input?   ***REQUIREMENT****: NCDOT requires that a public hearing be held on the POP ( as part of the grant application process). The hearing must be published in a newspaper with general circulation. The site must be accessible and the hearing must be in front of the governing body.* |  |  |
| 1. Is the hearing site accessible to low income, minorities and individuals with disabilities and held at time the public is likely to attend? |  |  |
| 1. How are comments from the public considered? Do you document comments received at the hearings? |  |  |
| 1. Are private operators consulted in the development of the annual POP? How? |  |  |
| 1. Have any private providers filed complaints with the state or FTA? |  |  |
| 1. Has the transit system received any complaints or lawsuits with regard to public involvement or other planning efforts? |  |  |

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| **QUESTION** | | **RESPONSE** | | **OBSERVATION** | |
| Coordination | |  | |  | |
| 1. How was your community involved in the development of the 2018 State-wide local coordinated public transit-human services transportation plan (LCP)? | |  | |  | |
| 1. Are you currently participating in public transit coordination efforts identified in the LCP?   ***NOTE:*** *An adopted LCP is required to apply for and receive S.5310 funds.* | |  | |  | |
| * What initiatives have resulted from the planning effort? | |  | |  | |
| 1. Please describe any other ways that are coordinating with other transportation providers in the area.   ***NOTE****: Federal Sections 5311and 5310 circulars strongly support coordination of services.*  ***REVIEWER:*** *This goes to intended use/purpose of funds.* | |  | |  | |
| 1. Are there more opportunities for coordination? | |  | |  |
| * If yes, please describe | |  | |  |

# 11. PUBLIC COMMENT PROCESS ON FARE INCREASES AND SERVICE REDUCTIONS

*FTA expects S. 5307 subrecipients to have a written, locally-developed process for soliciting and considering public comments before raising a fare or carrying out a major transportation service reduction.*

NCDOT extends this requirement to all subrecipients that receive administrative or operating funds through the department including S.5311.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Does the transit system have a locally developed process for soliciting and considering public comment prior to a fare increase or a major service reduction? How are these procedures documented? What does the subrecipient consider to be a “major” service reduction? |  |  |
| 1. When was the last fare change or major service reduction? Did the agency follow its locally developed process for the change? If not, what did the subrecipient do differently? Was an opportunity for a public hearing afforded?   ***BEST PRACTICE****: Subrecipient should try to give passengers and IMD 30 days’ notice before raising fares or implementing a substantial service change.* |  |  |
| 1. Does the local process include a public hearing? Do they meet NCDOT public hearing requirements? |  |  |
| * Were the hearings scheduled at a reasonable time and accessible place? |  |  |
| * Are hearings conducted in accordance with due process procedures and are they fair and open? |  |  |
| * Has the agency adequately addressed comments that were made in the hearings? |  |  |

# 12. CHARTER BUS

*Subrecipients are prohibited from using federally funded equipment and facilities to provide charter service except in accordance with allowable exemptions or exceptions. Subrecipients are allowed to operate community-based charter services excepted under the regulations.*

Subrecipients must have a written charter bus policy and keep records of charters services provided. One key exemption allows S.5311 and S.5310 subrecipients to provide services to elderly and individuals with disabilities for “program purposes”. Otherwise, Charter service is defined as:

* Transportation provided at the request of a third party for the exclusive use of a bus or van for a negotiated price; or
* Transportation provided to the public for events or functions that occur on an irregular basis or for a limited duration and:
  + A premium fare is charged that is greater than the usual or customary fixed route fare; or
  + The service is paid for in whole or in part by a third party.

There are also exceptions for some services such as government officials (80 hrs. annually) or if no registered charter provider responds to the email notice sent by the recipient – see a complete list in the table below. If subrecipients provide any service defined as “charter”, including services provided under one of the exceptions, they must report charter services to IMD and follow charter bus rules for any services defined as charter services.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Does the transit system have a written and approved charter bus policy? |  |  |
| 1. Do you provide transportation for “program purposes,” that is, service that serves the needs of human service agencies or elderly persons, persons with disabilities, or low-income persons? If yes, please describe.   ***NOTE****: For Sections 5310, 5311, transportation for “program purposes,” that is, that serves the needs of either human service agencies or elderly persons, persons with disabilities, or low-income persons, is exempted from the regulation.* |  |  |
| 1. Have you completed and submitted the Charter Service Reporting Form to IMD on a quarterly basis since required?   ***requirement:***  *IMD requires Quarterly Charter Bus Reports* |  |  |
| 1. Do you maintain charter records for at least three years? Are these procedures documented?   ***requirement****: Charter records must be maintained for at least 3 years.* |  |  |
| 1. Do you operate any services that are defined in the federal regulations as charter service?   If **yes**, describe the charter service provided and answer the balance of the questions in this section.  If **no**, skip to Section 14 - School Bus  If you are **not sure**, describe the service in question.  ***REVIEWER****: Determine whether the service was charter service and go through the balance of the questions during the site visit.*  ***REVIEWER****: Please review the most recent audit on file with the state for any charter revenue. Review service brochures to see if the Subrecipient promotes charter service.*  ***NOTE****: Charter service is defined as:*  *Transportation provided at the request of a third party for the exclusive used of a bus or van for a negotiated price; or*  *Transportation provided to the public for events or functions that occur on an irregular basis or for a limited duration and:*   * *A premium fare is charged that is greater than the usual or customary fixed route fare; or* * *The service is paid for in whole or in part by a third party.* |  |  |
| 1. Under what exception is the charter service operated? |  |  |
| 1. Did you follow the procedures required by the exception?   ***SUBRECIPIENT****: Please have the paperwork ready for the site visit documenting that you have complied with the procedures.* |  |  |
| 1. If you use charter profit for local match, how do you determine profit? |  |  |
| 1. Have any complaints been filed alleging that the charters are in violation of the FTA regulations? |  |  |
| 1. Is charter service provided with locally owned vehicles? |  |  |
| * If yes, are the vehicles maintained or stored in an FTA-funded facility?   ***NOTE:*** *Charter service using locally-owned vehicles that are maintained or stored in an FTA-funded facility must comply with the charter regulations. If maintained or stored in a non-FTA-funded facility, the service must be completely segregated from FTA-funded service.* |  |  |

# 13. SCHOOL BUS

*Subrecipients are prohibited from providing exclusive school bus service unless the service qualifies under an allowable exemption and is approved by the FTA Administrator.*

In no case can federally funded vehicles, equipment or facilities be used to provide exclusive school bus service. School tripper service that operates and looks like regular service is allowed. Head Start transportation is considered human service transportation, not school bus service.

To operate exclusive school bus service under an exception from FTA, subrecipients must demonstrate that they operate a school transportation system and also operate an exclusive school bus service with non-federally or state funded equipment, vehicles or facilities.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Do you provide school “tripper” service? *A tripper is an extra bus that is added to a route to provide capacity or service that cannot be accommodated by the buses already in service.* If yes, does the tripper service meet the following criteria to be considered public transit service? |  |  |
| * + Regularly scheduled mass transportation service? |  |  |
| * Buses are clearly marked as open to the public? |  |  |
| * Service has been modified to meet needs of students/school personnel? |  |  |
| * Service uses various fare collection systems or subsidies? |  |  |
| * Buses have no special designations (e.g., school bus, school special)? |  |  |
| * Buses use regular bus stops? |  |  |
| * Service is noted on published schedules? |  |  |
| ***NOTE****: If not, the service does not qualify as public transit service and cannot be provided with FTA-funded equipment or out of FTA-funded facilities.*  ***REVIEWER****: Please review all schedules and signs used on buses to ensure that the tripper service complies with the stated criteria.* |  |  |
| 1. If any service is provided to schools, does it meet the following criteria? |  |  |
| * + Part of a regularly scheduled service? |  |  |
| * + Service is open to the public? |  |  |
| * + Has regular public transit stops? |  |  |
| 1. Is exclusive school bus service operated? If yes, does it qualify for one of the three statutory exceptions?  * The Subrecipient operates a school system and operates a separate and exclusive school bus service. * Existing private school bus operators are unable to provide adequate, safe transportation. * The Subrecipient is a public body that operated school bus service prior to 1973. |  |  |
| * + Has the FTA administrator approved the service? |  |  |
| * + Is it operated only with non-federally funded equipment and from non-federally funded facilities? |  |  |
| ***NOTE****: Subrecipients are prohibited from providing exclusive school bus service unless the service qualifies under an allowable exemption and is approved by the FTA administrator. In no case can federally funded equipment or facilities be used to provide exclusive school bus service.* |  |  |

# 14. SAFETY AND SECURITY

Section 5307 subrecipient must comply with the federal Public Transportation Agency Safety Plan (PTASP) regulation to ensure public transit providers develop and implement an Agency Safety Plan (ASP.) The federal requirements for the S.5307 ASP are reviewed in Section 18.

Beyond this, NCDOT requires that all subrecipients, regardless of funding, achieve the highest practical level of safety and security to protect passengers, employees, revenues, and property. Subrecipients must document that drivers have a valid operator’s license, have a safe driving record, and have been trained in the NCDOT Public Transportation Guidelines for minimum training. All safety devices must be maintained in operative condition. All vehicles must be outfitted with a blood-borne pathogens kit, first-aid kit, fire extinguisher, bi-directional reflective triangles, and web cutters. Drivers and in some instances, passengers must wear seat belts. Smoking is prohibited on all vehicles. Drivers must focus on driving and limit distractions when vehicles are in motion.

Drivers and other personnel must understand the need for vigilance in public transportation settings to help prevent terrorism and – equally important – to deter crime and increase safety throughout transit systems. Criminal background checks must be performed on applicants and then every three years.

Areas reviewed below include 1) safety, and 2) security and emergency management.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** | |
| Safety | | |
| 1. Is the following documentation maintained for all drivers of vehicles? |  |  |
| * A valid, appropriate vehicle operator’s license.   ***REVIEWER:*** *Will verify on site.*  ***requirement****: Verify Driver’s driving record. Document that they are free of convictions and violations.* |  |  |
| * A US DOT physical within the past 24 months, if driver is a CDL holder\*   ***REVIEWER:*** Verify  ***requirement:*** *NC DOT requires for all cdl holders*  *\*In addition to CDL drivers, drivers of vehicles designed to seat 9 – 15 passengers including the driver, if operating for direct compensation, or over 10,000 lbs. GVWR, must also have a US DOT physical (FMCSA not an FTA requirement)* |  |  |
| The following questions are to determine whether minimum training standards for Community Transportation Vehicle Operators are being met. Reviewers will verify that all employees/vehicle operators meet the minimum training standard requirements (full and part-time employees)? *Source: Minimum Training Standards For Community Transportation Vehicle Operators , Dated January 1, 2022.* | | |
| 1. Are copies of the training materials (both instructor and student) kept on file for review and available to NCDOT/IMD? |  |  |
| 1. Are all defensive driving courses part of a certified program, or curriculum? |  |  |
| 1. Is the Defensive Driver training conducted annually?   ***requirement*** *– IMD requires that all vehicle operators, including any employees that operate the vehicles in revenue service participate in defensive driver training. DD training must be completed upon hire and annually* |  |  |
| 1. Do operators participate in ADA training that includes: sensitivity training, passenger assistance, wheelchair handling, proper securement (both passenger and mobility device), lift inspection and proper use of wheelchair lift, including emergency operation?   Are records available noting the date of the training and names of participants? |  |  |
| 1. How often is the ADA training conducted? Are drivers trained to proficiency in use of accessibility equipment? How do you determine this? Are drivers periodically evaluated (at least once a year) to ensure they are using ADA equipment properly and providing proper passenger assistance? Are drivers that are not proficient given remedial training?   ***requirement*** *– ADA training must be completed upon hire and annually* |  |  |
| 1. Are drivers provided training opportunities in Bloodborne Pathogens techniques in accordance with OSHA? Is this conducted annually?   ***requirement*** *: systems receiving federal funds must comply with the occupational safety and health administration guidelines for the training as listed in standard 29 cfr 1910.1030(g)(2). IMD requires bloodborne pathogens training be completed upon hire and annually* |  |  |
| 1. Are drivers trained in the emergency procedures for communications/ notifications, incident/ accident handling, passenger handling, vehicle and facility evacuation, driver and passenger security training, emergency evacuation procedures, use of equipment such as web cutters, fire extinguisher, emergency triangles, bloodborne pathogen kits and first aid kits? |  |  |
| 1. If yes, how often are the trainings conducted? |  |  |
| 1. Where are the records kept? Are they available for NCDOT review?   ***requirement*** *– Trainings must be done upon hire and at least annually.*  ***source:*** *Minimum Training Standards for Community Transportation Vehicle Operators* |  |  |
| 1. Does the pre-trip inspection include a check of the safety equipment noted below:   ***requirement*** *– All vehicles must be outfitted with: Blood-borne pathogen kit, first-aid kit, fire extinguisher, bi-directional reflective triangles, and web cutters.* |  |  |
| 1. Blood-borne pathogen |  |  |
| 1. first aid kit (full) |  |  |
| 1. fire extinguisher (charge and inspection date) |  |  |
| 1. bi-directional reflective triangles |  |  |
| 1. web cutters |  |  |
| 1. How often does the manager or the person responsible for system safety spot check these items on the pre-trip inspections?   ***requirement*** *: All systems must demonstrate a procedure that assures the pre-trip inspections are verified by a supervisor not the driver.* |  |  |
| 1. Are all required safety devices or systems installed and functioning properly on vehicles?   ***requirement****: All safety devices must be maintained in operative condition. Fire extinguishers must be secure, accessible, and in date.* |  |  |
| 1. Are fire extinguishers secure, accessible, of the correct type, and in date? |  |  |
| 1. Are new drivers given a Ride Check – Driver Evaluation before being allowed to operate a transit vehicle unsupervised?   ***requirement****: Ride checks must be conducted upon hire and annually on all drivers* |  |  |
| 1. Are all drivers given an annual evaluation to assess their performance, skills and knowledge? |  |  |
| 1. Is remedial training provided when needed in addition to the annual training? |  |  |
| 1. What are the investigative procedures for major incidents? What circumstances and conditions determine which incidents will be investigated? Who does the investigation? To whom do the reports go? What follow-up action is taken? |  |  |
| 1. Have you reported accidents or incidents to NCDOT after an accident/incident has occurred?   ***requirement****: IMD requires subrecipients to submit a Post-Accident/Incident Notification Form within 24 hours after the occurrence – saved in Trapeze EAM.* |  |  |
| * Do you utilize the NCDOT accident/Incident form? |  |  |
| * Within what time frame is NCDOT notified of the accident/incident? |  |  |
| 1. Are the procedures for handling accidents and medical emergencies kept on board the vehicles? |  |  |
| 1. Are passengers required to wear a seat belt?   ***BEST PRACTICE:*** *All passengers should be encouraged to wear seat belts. Agencies are encouraged to require that seat belts be worn at all times. By law, some vehicles such as mini vans would require seat belts to be worn at all times.* |  |  |
| 1. Is there adequate and visible signage indicating smoking is prohibited while riding on public transportation vehicles? |  |  |
| 1. Are drivers allowed to bring food or drinks on-board vehicles?   If yes, are drivers allowed to eat or drink while the bus is in motion?  ***BEST PRACTICES****: IMD discourages the operation of a vehicle while eating or drinking.* |  |  |
| 1. Are drivers prohibited from using a cell phone while the bus is in motion?   From texting while driving?  ***NOTE:*** *IMD discourages the operation of a vehicle while using a cell phone unless the call is work-related emergency. NC State law prohibits drivers from texting any time while the vehicle is in motion.* |  |  |
| 1. Are all carry-on items properly stowed before moving the vehicle?   ***NOTE:*** *IMD recommends that all carry-on items be properly stowed before moving a vehicle.* |  |  |
| 1. What are the procedures for investigating accidents? |  |  |
| 1. Who is responsible for investigating accidents? |  |  |
| * Are written reports made? |  |  |
| * To whom do the reports go? |  |  |
| * What follow-up action is taken and by whom? |  |  |
| 1. Do you collect information on safety incidents? |  |  |
| 1. If yes, what is done with the data? What traffic accident analysis and prevention activities are undertaken? |  |  |
| 1. What key safety issues have been identified and how are they being addressed? |  |  |
| 1. Is there a process for hazard identification for waste containment and disposal? |  |  |
| 1. Do job descriptions address safety responsibilities? |  |  |
| 1. Are the vehicles stored in a safe place? |  |  |
| 1. Please identify all locations where vehicles are stored.   Are the vehicles stored at ALL times out of the flood plain or areas prone to flooding?  ***requirement*** *: IMD requires that all vehicles be stored out of the flood plain.* |  |  |
| 1. Do operations personnel receive training and retraining in crime prevention? |  |  |
| 1. What on-vehicle and at-facility crime prevention activities does the service employ? Examples include video cameras, locks, fencing, lighting, and silent codes. |  |  |
| 1. Do you have a system in place to insure against loss/damage/theft?   Please describe. |  |  |
| 1. Are regular safety meetings convened?   ***Best Practice:*** *IMD Recommends at a minimum quarterly.* |  |  |
| 1. Are Drivers trained on handling brake failure, tire blow out and railroad crossing procedures? |  |  |
| Security And Emergency Preparedness | |  |
| 1. Please explain current security and emergency preparedness practices in place at the transit system. |  |  |
| 1. Does the transit system have a system security and emergency management plan, appropriate to the size, location and scope of its operation in place? Is it integrated with your County emergency management plan(s)? |  |  |
| 1. Have you worked with local law enforcement, fire departments, medical services and county emergency management agencies on county/regional emergency response efforts? Do you have an agreement with the County Emergency Management System? |  |  |
| * 1. What is your role in the plan? |  |  |
| * 1. Does the agreement include rates? |  |  |
| 1. What types of activities have you conducted to prepare for an emergency?   ***FOR EXAMPLE****: Field drills, table top exercises, or assessments of potential emergency events If yes, when? Please describe.* |  |  |
| 1. Do you provide training in recognizing and reporting suspicious behavior? |  |  |
| 1. Have public awareness materials been developed and distributed to riders and the community? |  |  |
| 1. Has the system developed a process to assess and manage security threats, vulnerabilities and consequences? |  |  |
| 1. Are security threats, concerns and incidents reported to IMD? |  |  |
| 1. How does the transit system control access to security critical facilities? Are ID badges used for visitors, employees and contractors? |  |  |
| 1. Have background investigations been conducted on all new front-line operations and maintenance facilities employees through the North Carolina Law Enforcement Division or, if not a resident of NC for at least 5 consecutive years, the National Crime Information Center (NCIC)? Then re-checked every three years? Are convictions checked for prior 10 years? |  |  |
| 1. Are mutual aid agreements in place with other regional public agencies, such as local government, fire and police in order to facilitate coordinated reaction to natural disasters, fires accidental chemical releases, acts of violence or terrorism and other emergencies that might occur? |  |  |
| 1. Does each transit agency manager and staff member understand their roles and responsibilities in reacting to the various kinds of emergencies that could occur? |  |  |

# 15. DRUG FREE WORKPLACE/DRUG AND ALCOHOL TESTING PROGRAM

*Subrecipients and their contractors should maintain a drug-free workplace for all employees and have an on-going drug-awareness program. Subrecipient are required to have a drug and alcohol-testing program in place for all safety-sensitive employees.*

For subrecipients that have volunteer drivers, the volunteers are not subject to testing unless the volunteer is required to hold a commercial driver’s license (CDL) or receives reimbursement in excess of expenses incurred while engaged in the safety-sensitive function. Maintenance contractors for providers in areas under 200,000 are not required to have a drug and alcohol-testing program. Taxis and TNCs are not required to have a testing program only if riders are able to randomly choose among a number of taxi companies/TNCs.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Who is the contact person for the Drug Free Workplace and drug and alcohol testing programs? |  |  |
| 1. Do you have a copy of the most recent versions of 49 CFR Part 40 (6/1/2023) and 49 CFR Part 655 (6/25/13)? |  |  |
| 1. Has a drug free workplace been established? Does your system have a written Drug Free Workplace policy? Has it been distributed to all grant-related employees? |  |  |
| 1. Describe your on-going drug awareness program. |  |  |
| 1. Has any employee reported a criminal conviction for a drug statute violation that occurred in the workplace since your last review? If yes, was the notice timely? Did you inform FTA? What action was taken against the person with the conviction? |  |  |
| 1. Does the system have a drug and alcohol testing policy that has been approved by the agency’s governing board (proof of adoption is required)? |  |  |
| 1. If the system contracts with taxi companies or TNCs, how do you ensure that they have a compliant drug and alcohol testing policy?   ***Note:*** *If riders are able to choose among a number of taxi companies or TNCs, the drug and alcohol testing requirement does NOT apply.* |  |  |
| 1. When was the policy last updated? Does the policy address changes to Part 40 effective 6/1/23? Was the updated policy approved by your governing body and distributed to covered employees? When? |  |  |
| 1. Before performing a drug or alcohol test, how does your agency system inform each employee of the testing authority (i.e., FTA authority, transit system authority)? |  |  |
| 1. What information do you provide to the collection site for each DOT test you are requesting? |  |  |
| 1. Does your policy include a definition of “service agent”? If so, has it been updated with the revised definition in 49 CFR Part 40?   ***Note****: If your policy does not specifically define “service agent”, no action needs to be taken.* |  |  |
| 1. Does the policy make reference to 49 CFR Parts 40 and 655? |  |  |
| 1. Have you submitted your policy to NCDOT for detailed review? When was it submitted? Have all issues been resolved (documentation required)? |  |  |
| 1. Does your policy correctly and completely list the categories of employees who provide “safety sensitive’ functions and subject to the testing (1) operating a revenue vehicle, whether in or out of service, 2) maintaining a revenue service vehicle or equipment used in revenue service, 3) controlling the dispatch of movement of a revenue service vehicle, 4) operating a non-revenue vehicle that requires a CDL, or 5) carrying a firearm for security purposes). |  |  |
| 1. Were these job titles selected because you determined that their duties require them to perform safety-sensitive functions? |  |  |
| 1. Does the policy include the requirement that covered employees submit to drug and alcohol testing as a condition of employment? |  |  |
| 1. Does the policy describe the consequences for covered employees who have verified drug tests, who have violated alcohol use prohibitions or who refuse to submit to a drug and alcohol test, including mandatory immediately removal from his or her safety-sensitive function and referral to a substance abuse professional? |  |  |
| 1. Does the policy state what constitutes a refusal and that a refusal is considered a positive test? |  |  |
| 1. Drug and Alcohol Testing - Does the system test for marijuana, cocaine, opioids, amphetamines, phencyclidine and alcohol? |  |  |
| 1. Drug Use - Does your policy indicate that employees are prohibited from using the five listed drugs at all times, and that a covered employee maybe tested for these drugs anytime while on duty? |  |  |
| 1. Alcohol Prohibitions – Does the policy indicate that employees may not perform a safety sensitive function 1) while having an alcohol concentration of .02 or greater 2) within four hours before performing or while performing a safety sensitive duty, and 3) for 8 hours following an accident or until post-accident testing is performed. |  |  |
| 1. Alcohol testing – Does the policy indicate that random and reasonable suspicion alcohol testing is only permissible just before, during or just after an employee has performed covered duties? |  |  |
| 1. Does the system conduct pre-employment (drug only), random, post-accident, and reasonable suspicion drug and alcohol testing? |  |  |
| 1. If the system has a second chance policy does it conduct return-to-duty and follow-up testing under direct observation? |  |  |
| 1. Are return to duty and follow-up tests conducted in accordance with 49 CFR Part 655 and 49 CFR Part 40? |  |  |
| 1. Does the policy describe the consequences for covered employees found to have an alcohol concentration of .02 or greater but less than .04? |  |  |
| 1. Does the policy describe how tests that are dilute negative are handled (retest or not retest) |  |  |
| 1. Pre-employment – does your policy require pre-employment drug testing with 1) negative test before performing a safety sensitive duty 2) evidence of successful completion of rehab program from applicants or employees that previously failed a DOT drug test, 3) testing for employees that have not performed safety-sensitive duties for 90 consecutive days and have not been in the random pool? |  |  |
| 1. Does your system conduct pre-employment alcohol tests? If so, do you use the testing procedures in 49 CFR Part 40? |  |  |
| 1. Describe your process for asking applicants or transfers whether they have been subject to DOT drug and alcohol testing at a prior job. How are prior employers contacted to determine whether the applicant ever failed or refused a DOT test? |  |  |
| 1. Random Tests – Does the policy describe random testing as scientifically valid, reasonably spread, unannounced and immediate, and with no discretion by managers (all covered employees have an equal chance of being selected)? |  |  |
| 1. How do you ensure that the random tests are spread reasonably throughout the year and that testing is conducted on all days and hours in which safety sensitive functions are performed? |  |  |
| 1. How do you update your DOT random testing pool? How often are random testing selections made? By what selection method? |  |  |
| 1. How is the random selection list transmitted to the DER and who has access to the list? |  |  |
| 1. After being informed of the random test requirements, how long until the employee proceeds to the collection site? How long are they given to arrive? How is this documented and tracked (how do you know if they arrived in a time manner) |  |  |
| 1. If the DAPM is a covered employee and selected for a random test, how is the DAPM notified and when do they proceed for testing? |  |  |
| 1. Do you ever excuse an employee selected for a random test from random testing? Under what circumstances? How is this documented? |  |  |
| 1. Does the system test at a minimum FTA random rate (as of 1/1/19, 50% for drugs and 10% for alcohol)? |  |  |
| 1. Post-Accident – does the policy describe post-accident tests as 1) meeting FTA thresholds, 2) meeting drug and alcohol testing time limits, and 3) requiring employees to remain “readily available” for testing (unless employee is assisting in the resolution of the accident or receives medical attention following the accident)? |  |  |
| 1. Who in your agency is responsible for deciding when post-accident tests should be performed? And ensuring that it is accomplished? |  |  |
| 1. Has the system had any accidents that met the FTA Post Accident thresholds including 1) fatality, 2) bodily injury requiring medical attention away from the scene, 3) disabling damage to the vehicle that rendered it inoperable? If so, describe. |  |  |
| 1. Have all drivers and covered employees whose performance might have contributed to the accident been tested? |  |  |
| 1. What method do you use to document post-accident decision making process? |  |  |
| 1. When would you commence testing after an accident? What are the time limits for post-accident alcohol testing? Drug testing? How do you document when testing cannot begin within two hours of the accident? |  |  |
| 1. Reasonable Suspicion – Does the policy state that reasonable suspicion testing is required when 1) one or more trained supervisors can articulate and substantiate physical, behavioral or performance indicators of probably drug or alcohol misuse by observing the appearance, behavior, speech or body odors of the covered employee? |  |  |
| 1. How does your agency document reasonable suspicion referrals? |  |  |
| 1. Are drug and alcohol testing records maintained in a secure location with controlled access? |  |  |
| 1. Are you notified of alcohol test results of .02 or greater? When and by what method? |  |  |
| 1. What action would you take upon notification that an employee had an alcohol test result of .04 or greater? What about .02 or greater? |  |  |
| 1. When an employee has a positive FTA drug test result, by what method and how soon after the test is verified does the MRO notify you? Have you and the MRO established a password of other verification method to ensure verbal transmission of positive test results is secure? |  |  |
| 1. Do you have a method to identify if the MRO has not provided the test result in a reasonable period of time? |  |  |
| 1. What action would you take upon verbal notification from the MRO that the employee had a positive test result? |  |  |
| 1. How do you monitor the drug and alcohol testing programs of your contractors? Are your contractors in compliance? |  |  |
| 1. Describe how the system provides oversight and monitors compliance of its service agents? |  |  |
| 1. Have all supervisors received two hours of more of reasonable suspicion training? Did it include 60 minutes on drug use and 60 minutes on alcohol use? Which employees received the training? Is this sufficient to cover all shifts of employees performing safety sensitive functions? How do you maintain documentation of this training? |  |  |
| 1. Have all safety-sensitive employees received one hour or more of substance abuse awareness training? How do you maintain documentation of this training? |  |  |
| 1. Does the system prepare and submit accurate MIS report by the NCDOT established deadline (March 15)? |  |  |
| 1. Do any of the provisions on your policy go beyond those required by Section 655? If so, are they clearly and obviously described as being based on your system’s dependent authority? |  |  |
| 1. Do all medical review officers, substance abuse professionals, breath alcohol technicians, and collectors in the drug and alcohol testing program have the required qualifications?   ***Note: These must be uploaded to your Compliance Review SmartSheet Document.*** |  |  |

# 16. EQUAL EMPLOYMENT OPPORTUNITY (EEO)

*Subrecipients must ensure that no person shall on the grounds of race, color, religion, national origin, sex, age or disability be subject to discrimination in employment*.

Subrecipients must post in conspicuous and accessible places and make available to employees and applicants for employment notices setting forth an EEO policy. Reasonable accommodations must be made for persons with disabilities upon request.

FTA’s EEO circular (dated October 31, 2016) indicates that agencies with both 100 or more transit-related employees that also receive in excess of $1M in capital and operating assistance or in excess of $250,000 in planning assistance in the previous year need to submit formal EEO programs to FTA every four years. Agencies with 50-99 transit employees are required to prepare and maintain the major elements of an EEO Program (an “abbreviated program”) to provide to FTA upon request.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Who is responsible for ensuring that EEO obligations are fulfilled? |  |  |
| 1. To whom does this individual report for EEO matters? Is this a collateral duty assignment? If so, do potential conflicts exist and how are they identified and resolved? |  |  |
| 1. Have you posted an EEO statement in a conspicuous and accessible place?   ***REVIEWER****: Check for EEO display. Is it conspicuously placed?*  ***requirement****: an eeo statement must be posted in a conspicuous place where employers and job applicants will see it.* |  |  |
| 1. Is an EEO policy included in your personnel policies and/or employee handbook?   ***REVIEWER****: An EEO policy should be included in personnel policies and/or employee handbook.* |  |  |
| 1. Do all employees have a policies and procedures handbook? |  |  |
| 1. Are EEO statements included on your job applications and employment notices/job postings?   ***NOTE****: Job applications and employment notices should include an EEO statement.* |  |  |
| 1. Did the transit system (or its contractor) employ 50 - 99 transit-related employees and receive FTA funding in excess of $1M in capital or operating assistance of in excess of $250,000 in planning assistance in the previous year? |  |  |
| * If yes, has the transit system developed an abbreviated EEO program? * Does it contain each of the following elements?   + Statement of policy   + Dissemination plan   + Designation of personnel   + Assessment of employment practices   + Monitoring and reporting system * Was it submitted to NCDOT? |  |  |
| 1. Did the transit system (or its contractor) employ 100 or more transit-related employees and receive FTA funding in excess of $1M in capital or operating assistance of in excess of $250,000 in planning assistance in the previous year? |  |  |
| * If yes, has the transit system developed a formal EEO program? Was it approved by FTA? When does the approval expire? |  |  |
| * If yes, were EEO goals met during the past three years? What is being done to address underutilization? |  |  |
| 1. How does the transit system ensure non-discrimination for ADA-eligible persons in terms of employment? If requested, were reasonable accommodations made for hiring a person with disabilities in accordance with Title I of the ADA? If so, please describe.   ***requirement*** *- title i of the ada prohibits discrimination in employment; requires subrecipients to make reasonable accommodations for qualified employees and applicants.* |  |  |
| 1. Were any EEO complaints or lawsuits received in the audit period? If yes: |  |  |
| * Describe the complaint and how it was resolved. |  |  |
| * What is the process for handling and resolving such complaints? |  |  |
| * Do you require employees to attend sexual harassment training? |  |  |

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# 17. OTHER SERVICE REQUIREMENTS

There are a number of other requirements for the provision of services when using FTA and NCDOT transit funds:

* Operating services open to the general public
* Use of S.5311 funds in urbanized areas
* Incidental use of vehicles and property funded with transit grants

Services may be designed to maximize use by members of the general public who are transportation-disadvantaged, including elderly persons and persons with disabilities. Coordinated human service transportation that primarily serves elderly persons and persons with disabilities, but which is not restricted from carrying other members of the public, is considered available to the general public if it is marketed as public transit service.

Section 5311 funds only can be used for public transportation projects and intercity projects in nonurbanized areas. In the event that urbanized area recipients of Section 5307 funds also receive Section 5311 funds to carry out projects in surrounding rural areas, these subrecipients should use Section 5311 funds only to assist the rural portion of those localities. FTA expects the subrecipient to develop a reasonable basis related to the service provided, for allocating operating costs between the two FTA funding sources.

Incidental use of a Section 5311 vehicle for non-passenger transportation on an occasional or regular basis, such as meal delivery, must not result in reduction of public transit service quality or availability. Incidental services must cover the operating costs associated with providing the services.

Subrecipients may provide incidental service with FTA-funded vehicles and facilities, but the service must not interfere with the provision of transit service and must bear the costs of providing the service.

## Open to the Public

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| The following questions are designed to determine whether the service provided meets FTA’s recommended criteria to be considered public transit service. | | |
| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. What types of contract and subscription service do you provide? With whom? |  |  |
| * + Do the contracts and subscription service interfere with the provision of public transit? |  |  |
| * + Have you had to deny public transit trips because the contracts and subscription service utilized all available capacity? If yes, how often? |  |  |
| 1. Do you provide service to the general public at least 40 hours per week? |  |  |
| 1. Is the service available during normal commute times?   ***NOTE****: Though not a IMD requirement, it is suggested that service be provided to the general public at least 40 hours per week and be available during normal commute times.* |  |  |
| 1. Are your services shared-ride? Do you allow multiple users to share the same vehicle, when possible?   ***NOTE:*** *To be considered “public transit,” services must be offered in a manner that allows multiple riders on the same vehicle. For example, every trip does not have to be shared-ride in order for a taxi company to be considered a shared ride operator, but the general nature of the service must include shared rides.* |  |  |
| 1. Do you prioritize trips by trip purpose?   *If yes, please provide the order of priority.* |  |  |
| * Does the prioritization discourage the general public from using the service? |  |  |
| * Have you denied service because a trip was low priority? * If yes, how often? |  |  |
| 1. Is the phone number to call for a ride on the vehicles?   ***REVIEWER:*** *Verify*  ***NOTE:*** *Vehicles should be clearly identified as general public transit service though not a IMD requirement* |  |  |
| 1. Are the vehicles marked in any way that represents exclusive use for a specific organization or clientele?   ***NOTE:*** *Vehicles should not display markings that imply exclusive use for a specific organization or clientele.* |  |  |
| 1. If you are a private, non-profit, have you advertised at least twice yearly in the local newspaper (not legal notice) that the service is for use by the general public and operates during regular commute hours?   ***REVIEWER:*** *Examine the newspaper file during site visit.*  ***NOTE:*** *While not a requirement, subrecipients who are private, non-profit organizations should advertise at least twice yearly in the local newspaper that the service is for use by the general public and operates during regular commute hours.* |  |  |
| 1. Does the agency answer the phone in such a way that the general public knows that it has contacted a public transit provider? |  |  |
| 1. Do you have a direct line for transportation or do all transportation calls go through the general receptionist? |  |  |

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## Marketing

Section 5311 Subrecipients should have a marketing program that attracts riders and promotes a positive image to the community. Subrecipients should have a written marketing plan as part of their annual grant application. Systems are required to spend 2% of the total of their Section 5311 administrative funding request, minus vehicle insurance, on marketing. Funding for promotional items may not exceed 25% of the marketing budget. Public information should be attractive, widely distributed, and accessible in various formats.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. How do you advertise your transit service? What media are used and how often? |  |  |
| 1. The following questions will aid us in our efforts to assist your marketing efforts. |  |  |
| * How much “promo” items do you have on hand? | None  Little  Average/Enough  More than enough |  |
| * Describe how you use these items? |  |  |
| * Do you primarily distribute these items to your regular riders? |  |  |
| * Do you find these items useful to your marketing efforts? |  |  |
| * What items does the public like the most or the least? |  |  |
| 1. What other types of marketing/promotion are you doing for your transit program? |  |  |
| 1. Are the public information systems complete, easy to understand and available in alternative formats? |  |  |
| * Schedules and timetables |  |  |
| * Route maps |  |  |
| * Signage and other user aides |  |  |
| * How-to-ride information |  |  |
| * Telephone information system (including a dedicated number for general public service) |  |  |
| 1. Is the fare policy reviewed annually? |  |  |
| 1. What activities are undertaken to enhance and draw attention to the public image of your service? |  |  |
| 1. How and where are marketing materials (brochures, schedules) distributed? |  |  |
| * Are they displayed at key public locations such as city halls, libraries, community centers, shopping malls? |  |  |
| * Have arrangements been made with the institutions to notify you when the racks need replenishing? |  |  |
| * Is there a regular schedule for replenishing the racks? |  |  |
| 1. Do you have a website? If yes, does the website provide information on:   ***REVIEWER****: Pull up website and assess if the general public would likely be able to find. Does the website clearly indicate that the transit system provides public transportation?* |  |  |
| * Hours and days of service? |  |  |
| * Types of service? |  |  |
| * How to plan a trip? |  |  |
| * Bus schedules and maps? |  |  |
| * Public meetings and hearings? |  |  |
| * Route and schedule changes? |  |  |
| * Transit Advisory Board participation and meetings? |  |  |
| * List of Board members and telephone numbers? |  |  |
| * Customer service number? |  |  |
| * Links to other transit system websites? |  |  |
| * TDD number? |  |  |
| * Sign up for an email information list? |  |  |
| * Protection under Title VI? |  |  |
| * How to file a compliment, complaint, or suggestion, including a Title VI complaint? |  |  |
| * How to obtain additional information on Title VI obligations? |  |  |
| * ADA complementary paratransit? |  |  |

## Use of S.5311 in Urbanized Areas

Section 5311 funds only can be used for public transportation projects and intercity projects in nonurbanized areas.

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| **QUESTION** | **RESPONSE** | | **OBSERVATION** |
| 1. Do you receive both S.5307 and S. 5311 funds? |  | |  |
| 1. Do you provide any service within an urbanized area (population greater than 50,000)? If yes:   Please describe the service.  ***NOTE:*** *Subrecipients may not use Section 5311 assistance to provide service within an urbanized area. Subrecipients may provide service to and from urbanized areas. Subrecipients must have a state-approved methodology for allocating costs between the urban and rural service.* |  |  | | |

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| * Do you use Section 5311 assistance to support the service? |  |  |
| * How do you allocate costs between the urbanized and nonurbanized area service? |  |  |
| * Have the methodology and plan been approved by NCDOT/IMD? |  |  |

## Meal Delivery and Incidental Use

Subrecipients may provide incidental service, including meal delivery, with FTA-funded vehicles but the service must not interfere with the provision of transit service and must bear the costs of providing the service.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Do you deliver meals or provide incidental services? If yes, then please answer the following: |  |  |
| * How many meals or other incidental services do you deliver? |  |  |
| * At what times of the day? |  |  |
| * Do the services interfere with the provision of transit service? |  |  |
| * Do the incidental services bear the costs of the service? |  |  |
| * How much is the transportation program reimbursed for meal delivery? |  |  |
| * + How do you account for the miles involved in meal delivery and incidental uses? For replacement purposes (thresholds), are these subtracted from the vehicle mileage when calculating useful file? |  |  |

# 18. SECTION 5307 PROGRAM REQUIREMENTS

There are a number of requirements that are only applicable for subrecipients receiving S.5307 funds, namely:

* Planning
* Half Fare
* Public Transit Agency Safety Plan (ASP)

## Planning

Subrecipients must participate in the transportation planning process in accordance with Federal Transit Administration (FTA) requirements and the metropolitan and statewide planning regulations. This includes:

* having a written agreement with the metropolitan planning organization (MPO) and other local and regional public transportation providers that identifies mutual responsibilities in carrying out the metropolitan planning process.
* ensuring that their program of projects is included in a transportation improvement program (TIP) for the area.
* developing, publishing, affording an opportunity for a public hearing on, and submit for approval, a program of projects (POP). This is generally done as part of the grant application process.

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. [Does your transit system have a written agreement with the metropolitan planning organization (MPO) and any other local or regional providers of public transportation that identifies their mutual responsibilities in carrying out the metropolitan transportation planning process and do they jointly agree upon and develop specific written provisions for the development and sharing of performance information?](#No19_1) |  |  |
| 1. Do you provide information about your available funding under Section 5307 to the public and provide for public involvement in the development of the Program of Projects (POP) it proposes to undertake? |  |  |

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| Half Fare For fixed-route service supported with Section 5307 assistance, fares charged seniors, persons with disabilities or an individual presenting a Medicare card during off peak hours will not be more than one half the peak hour fares. | | | |
| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Do you charge no more than half the peak-hour fare for seniors, persons with disabilities, and individuals presenting Medicare cards during off-peak hours? |  |  |
| 1. What is the full fare? What is the half fare? |  |  |
| 1. During what hours are the half fares available (all hours or off peak hours only)? |  |  |
| 1. Are there any 5307-funded fixed route services not included in the half-fare program? |  |  |
| 1. At the time of boarding, what proof of eligibility is required for seniors? Persons with disabilities? Medicare cardholders? |  |  |
| 1. If a special identification card is accepted as the sole basis for determining some of all eligibility, what are the procedures for obtaining the card? |  |  |
| 1. How have you informed your employees and the public that half fares are available? |  |  |

## Public Transit Agency Safety Plan (PTASP)

Section 5307 subrecipient must comply with the federal Public Transportation Agency Safety Plan (PTASP) regulation to ensure public transit providers develop and implement an Agency Safety Plan (ASP).

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| **QUESTION** | **RESPONSE** | **OBSERVATION** |
| 1. Does the transit system have a written Agency Safety Plan (ASP)? Has it been signed off by the Accountable Executive and Board or Equivalent Authority? What Date? Was it Approved by NCDOT?   ***requirement:*** *Board resolution with DATE* |  |  | |
| 1. Has the plan been updated to include an Accountable Executive and Chief Safety Officer (CSO) or Safety Management System (SMS) Executive? If so, please name them, provide title and role in the agency |  |  |
| 1. Do the CSO/SMS Executive hold a direct line of reporting to the Accountable Executive? |  |  |
| 1. Does the ASP include Safety Performance Targets (SPTs) to include fatalities, injuries, safety events and system reliability |  |  |
| 1. Have the SPTs been made available to NCDOT and the MPO? |  |  |
| 1. Does the ASP include a Safety Management Policy (SMP) Statement in its Safety Management System (SMS) |  |  |
| 1. Does the agency effectively communicate and promote the Safety Management Policy (SMP)? |  |  |
| 1. Does the ASP reference or include an Employee Safety Reporting Program? |  |  |
| 1. Does the ASP identify leadership positions and key staff responsible for the Safety Management System (SMS)? |  |  |
| 1. Has the transit system developed a Safety Risk Management (SRM) process to include safety hazard identification, safety risk assessment and safety risk mitigation? |  |  |
| 1. Does the system have a process in place to support Safety Assurance (SA)? |  |  |
| 1. Does the transit agency establish competencies and training for all agency personnel directly responsible for safety, and to establish and maintain the means for communicating safety performance and safety management information?   ***NOTE***: *IMD TRAINING STANDARDS MEET THE INTENT OF THIS PART 673 REQUIREMENT.* |  |  |
| 1. Is there an annual review of the ASP? |  |  |
| 1. Were front line staff included during the development of the ASP? |  |  |
| 1. Does the agency have an Emergency Preparedness and Response Plan or procedures that address, at a minimum, assigning employee responsibilities during an emergency and coordinating with Federal, State, regional, and local officials for emergency preparedness and response in the service area? |  |  |

1. Effective FY2025. [↑](#footnote-ref-2)