



Public Transportation Division

**State Management Plan (SMP)
for
Federal Transit Administration (FTA) Programs**

March 7, 2025

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Note: Copies of this document are available in alternative formats upon request. Please contact the following individual to discuss suitable formats:

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Salem, OR 97301
(503) 986-3300
TTY: 711

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I. OVERVIEW & PURPOSE

Introduction

The United States Department of Transportation, Federal Transit Administration (FTA) requires that each state adopt policies and procedures to be used in administering the FTA's programs. The State Management Plan (SMP) is the document that describes the state's policies and procedures for administering federal programs under the FTA that are awarded to the Governor. These state-managed FTA programs include:

- 49 U.S.C. § 5304, Statewide Transportation Planning
- 49 U.S.C. § 5307, Urbanized Area Formula Grants Program
 - Governor's Apportionment
- 49 U.S.C. § 5310, Enhanced Mobility of Seniors and Individuals with Disabilities Program
- 49 U.S.C. § 5311, Formula Grants for Rural Areas
 - § 5311(b)(3), Rural Transit Assistance Program (RTAP)
 - § 5311(f), Intercity Bus Program
- 49 U.S.C. § 5339, Bus and Bus Facilities Formula Program
- FTA awards received under the Transit Infrastructure Grants for Community Project Funding Program

The Oregon Department of Transportation (ODOT), Public Transportation Division (PTD) is required to have an approved SMP on file with the FTA Region 10 office and to update it regularly to incorporate any changes in program management or new requirements. ODOT must provide an opportunity for review by program collaborators and recipients when it develops a new SMP or significantly revises an existing SMP. ODOT has determined this SMP represents a significant revision to the current SMP. FTA permits the designated agency to include all federal programs in a single document or to separate documents; as many entities in Oregon receive multiple funding awards, PTD has elected to develop a single SMP.

Purpose

The purpose of the SMP is to articulate ODOT's policies and procedures for administering federal grant programs, facilitate state management and FTA oversight, and act as a source of guidance to current subrecipients and interested parties. FTA requires the SMP address, at a minimum, the following elements:

- Program Goals and Objectives
- Roles and Responsibilities
- Coordination
- Eligible Subrecipients
- Eligible Services and Services Areas
- Eligible Assistance Categories
- Local Share and Local Funding Requirements
- Project Selection Criteria and Method of Distributing Funds
- Intercity Bus Transportation
- Annual Program of Projects Development and Approval Process
- Funds Transfers
- State Administration and Technical Assistance
- State Regional Transportation Assistance Program (RTAP)
- Private Sector Participation
- Civil Rights
- Maintenance
- Charter Rule
- Section 504 and Americans with Disabilities Act (ADA) Reporting
- National Transit Database (NTD) Reporting
- Program Measures
- State Program Management
- Other Provisions

Associated Documents

PTD supplements the guidance in this plan with a web-based guidance library and provider handbook to provide more detailed information for subrecipients regarding meeting federal requirements. These documents can be found in the PTD Document Library with additional resources found in the [Safety and Compliance Policies that Guide Public Transit website](#).

Authority

FTA Circular 9040.1H, Rural Areas Formula Grant Programs Guidance

FTA Circular 9070.1H, Enhanced Mobility of Seniors and Individuals with Disabilities Program Guidance

1.1 Designated Administrative Entity

Designated Agency

The Governor of the State of Oregon designated ODOT as the state's administrative agency to foster the development of intercity, urban, and community public transportation for all those who live and work in Oregon. Consistent with federal law, the Governor designated ODOT as the state agency with principal authority and responsibility for the administration of programs funded by FTA. ODOT's responsibility includes administering the following FTA programs:

- Statewide Planning (Section 5304)
- Enhanced Mobility of Seniors and Individuals with Disabilities (Section 5310)
- Formula Grants for Rural Areas (Section 5311)
 - Rural Transit Assistance Program (Section 5311(b)(3))
 - Intercity Bus (Section 5311(f))
- Bus and Bus Facilities Formula Grants (Section 5339)

In addition, the Governor designated ODOT as the agency responsible for administering the Urbanized Area (UZA) formula Program (Section 5307) governor's apportionment to Oregon for the state's small urban transit agencies, including the Central Oregon Intergovernmental Council (Bend), City of Albany, City of Corvallis, Longview-Rainier, Josephine County (Grants Pass), and the Rogue Valley Transportation District (Medford). The metropolitan areas of Eugene, Portland, and Salem all receive Section 5307 funding directly from the FTA with ODOT providing other program funding to these urban areas.

Organization

PTD supports transportation systems in Oregon's 36 counties and nine tribal governments and fosters collaborative and regional service delivery. PTD is comprised of four sections that provide support for Oregon's multimodal transportation system. These sections include:

- Policy & Strategic Investment Unit
- Transit Operations Unit
- Program Services Unit
- Multimodal and Rail Services Unit

1.2 ODOT Mission and Goals

ODOT Mission

"We provide a safe and reliable multimodal transportation system that connects people and helps Oregon's communities and economy thrive."

ODOT Long-Range Transportation Plan

The [Oregon Transportation Plan](#) (OTP), adopted by the Oregon Transportation Commission on July 13, 2023, is the state's long-range multimodal transportation plan used by PTD as guidance for administering transit programs. The OTP addresses the future needs of Oregon's transportation system including airports, bicycle and pedestrian facilities, highways and roadways, pipelines; ports and waterway facilities, public transportation, and railroads through the year 2050. It establishes a vision of a balanced, multimodal transportation system and provides a framework for policy objectives. The OTP emphasizes maintaining assets and optimizing the existing system performance through technology and better system integration, creating sustainable funding, and investing in strategic capacity enhancements. The OTP also provides a framework for prioritizing transportation improvements based on varied future revenue conditions, but it does not identify specific projects for development.

The OTP directs the work of ODOT by establishing goals, objectives, policies, and strategies for ODOT's divisions, including PTD, to implement. The OTP goals include the following:

Economic and Community Vitality	Improve prosperity, opportunity, and livability for all people who live, work, and recreate in Oregon.
Social Equity	Improve access to safe and affordable transportation for all, recognizing the unmet mobility needs of people who have been systemically excluded and underserved. Create an equitable and transparent engagement and communications decision-making structure that builds public trust.
Mobility	Create a resilient multimodal transportation system that enables the diverse range of community members and businesses with different needs to get where they need to go safely, reliably, affordably, and with minimal environmental impact.

Stewardship of Public Resources	Guided by open, data-driven decision-making processes, secure sufficient and reliable revenue for transportation funding and invest public resources to achieve a resilient and sustainable multimodal transportation system.
Safety	Enable safe travel for all people, regardless of their age, ability, race, income, or mode of transportation.
Sustainability and Climate Action	Minimize transportation's negative role in climate change by reducing GHG emissions for all sectors of transportation, while also reducing air toxics, noise and light pollution, water toxics, and habitat loss.

The [Oregon Public Transportation Plan](#) (OPTP), adopted in 2018, is the state's transit modal plan. It informs the OTP goals and objectives related to the public transportation system, including public transit, special needs transportation, transportation options, and intercity bus programs. PTD's programs are designed to implement the OPTP goals and strategies and expand on the OTP's overall goals and objectives as described in the OPTP. Figure 1 outlines OPTP goals below:

Figure 1: OPTP Goals



1.3 Communications

Entities that received Section 5310, 5311, or 5339 funding work with assigned Regional Transit Coordinators (RTCs) in the Transit Operations Unit of PTD serve as the principal point of contact for all communications with ODOT. Communication from all program subrecipients, applicants, and contractors should be directed first to the appropriate local RTC. A map of the RTC regions and points of contact can be found [here](#).

Communications may also be sent to PTD via email (ODOTPTDReporting@ODot.oregon.gov) or postal mail:

Public Transportation Division
Oregon Department of Transportation
355 Capitol St NE, MS43
Salem, Oregon 97301

Individuals can also contact the Oregon Relay for telecommunications relay services for the state of Oregon including TTY, Voice Carry Over (VCO), Hearing Carry Over (HCO), Speech-to-Speech (STS), Spanish and CapTel®.

Dial 711 to use Oregon Relay or call one of the toll-free numbers below:

- TTY/HCO: [800-735-2900](tel:800-735-2900)
- VCO: [800-735-3260](tel:800-735-3260)
- Spanish: [800-735-3896](tel:800-735-3896)
- Speech-to-Speech: [877-735-7525](tel:877-735-7525)
- Voice: [800-735-1232](tel:800-735-1232)

II. PROGRAM ADMINISTRATION

PTD manages several sources of federal and state financial assistance for transit projects in Oregon. Below are brief overviews of each program with the eligible recipients, activities, and service areas described further in this chapter of the SMP.

Program Overview: Section 5304

The Statewide Transportation Planning program, codified at 49 U.S.C. 5304, provides funding to state and local agencies for various transportation planning efforts. PTD assists in planning projects that support improved accessibility for transit users, more livable and economically vibrant communities, and efficient, coordinated public transportation systems.

Statewide Public Transportation Planning funds are available to support statewide public transportation planning efforts and assist local improvements in public transportation network development.

Projects are identified by PTD during the biennial discretionary grant process. Grants may be used for consultant services, and the value of agency staff time and materials may be used as local match for planning projects. Examples of planning projects include:

- System design plans
- ADA paratransit plans for new fixed route providers
- Transit marketing plans
- Environmental Justice plans
- Local coordination plans

Program Overview: Section 5310

The Enhanced Mobility of Seniors and Individuals with Disabilities Program, codified at 49 U.S.C. 5310, provides formula funding to states and designated recipients for projects that are designed to benefit and improve mobility for seniors and individuals with disabilities. PTD allocates the funds through a biennial formula grant process.

This program provides grant funds for capital and operating expenses to recipients for:

- Public transportation projects planned, designed, and carried out to meet the needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or

- unavailable;
- Public transportation projects that exceed the requirements of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.);
- Public transportation projects that improve access to fixed-route service and decrease reliance on complementary paratransit; and
- Alternatives to public transportation projects that assist seniors and individuals with disabilities with transportation.

Program Overview: Section 5311

The Formula Grants for Rural Areas Program, codified at 49 U.S.C. 5311, authorized under the provisions set forth in Bipartisan Infrastructure Law (BIL), provides formula funding to assist states and local governmental authorities in financing public transportation investments in rural areas. Funds can be used for capital, operations, and planning, as well as job access and reverse commute projects. Section 5311 program funds are specifically designated for rural areas with populations less than 50,000. PTD prefers to award funds to public agencies and will contract with private nonprofit agencies only when a willing and able public agency is not available. Private for-profit companies are not eligible subrecipients for this program and may only participate through purchase-of-service agreements with an eligible subrecipient. PTD manages Section 5311 as a base source of ongoing funds to assist rural areas and, therefore, does not distribute the funds through a competitive discretionary process. The annual amount each eligible entity receives is determined by a formula defined by PTD, which is updated periodically.

PTD makes Section 5311 funds available to pre-approved subrecipients through its formula funding program. Funds remaining after distribution under the formula funding program may be distributed through a competitive discretionary grant process.

Other areas of program funding under Section 5311 include the Rural Transit Assistance Program, (RTAP) providing technical assistance to ODOT's subrecipients, and the intercity bus program, codified in 49 U.S.C 5311(f). Technical assistance includes project planning, program and management development, public transportation coordination activities, and research the state considers appropriate to promote effective delivery of public transportation in rural areas. The state must use at least 15 percent of its annual apportionment to support intercity bus service, unless the Governor certifies that the intercity bus needs of the state are adequately being met after consultation with affected intercity bus providers. In depth descriptions of ODOT's intercity bus program and RTAP program can be found in Section 3.3 and Section 3.6, respectively.

Program Overview: Section 5339

The Bus and Bus Facilities Program is authorized under the provisions in the BIL, as codified at 49 U.S.C.

5339 (“Section 5339”). The FTA may make grants under this section to assist eligible recipients in financing capital projects to replace, rehabilitate, and purchase buses and related equipment, and to construct bus-related facilities. PTD allocates the small urban (urbanized areas with a population between 50,000 and 200,000) and rural communities’ (population areas with fewer than 50,000) apportionment among subrecipients. PTD operates the program through a competitive solicitation designed to support eligible recipients in maintaining their existing vehicle fleets and facilities in a state of good repair and to strategically improve the state’s public transportation network infrastructure for rural and small urban systems.

Program Overview: Section 5307

The Urbanized Area Formula Funding program (49 U.S.C. 5307) makes federal resources available to urbanized areas and governors for transit capital, operations, and planning assistance in urbanized areas. An urbanized area is an incorporated area with a population of 50,000 or more that is designated as such by the U.S. Department of Commerce, Bureau of the Census.

Section 5307 funds are apportioned directly to urbanized areas with over 200,000 in population. Funds for small urbanized areas, between 50,000 and 200,000 in population, are apportioned to the governors of each state. PTD administers Section 5307 funds under the governor’s apportionment for Oregon. While grant administration responsibilities are conducted by FTA, federal transit law provides that Section 5307 funds will continue to be apportioned to the Governor. Therefore, PTD performs the critical allocation of funds to the respective small urbanized areas in consultation with the affected metropolitan planning organizations and transit agencies. PTD annually prepares the allocation of these funds in a split letter and allocation table for the ODOT Director which is then communicated to all small urban transit agencies in the state for review and comment. In addition, PTD, in coordination with FTA, works to ensure that any funds in the Governor’s apportionment subject to lapse is identified and re-obligated to avoid the loss of federal transit funds to the state.

State Directed Program Funding

Program Overview: Statewide Transportation Improvement Fund

The Statewide Transportation Improvement Fund (STIF) program was created by the House Bill 2017 Transportation Funding Package to fund public transportation improvements across Oregon. STIF funds may be used for public transportation purposes that support the effective planning, deployment, operation, and administration of public transportation programs. STIF funds may not be used for light rail capital expenses and are not intended to supplant local funding sources to maintain existing services.

Investments from the STIF program have helped to make transportation in Oregon more equitable and affordable by supporting reduced-fare programs, expanded service coverage, and increased service frequency to low-income communities. This program has advanced greenhouse gas emission reduction efforts by funding the transition to low-emission vehicles. Funds have also supported expanded connectivity across Oregon's multimodal network through transit service, infrastructure, and technology improvements.

At its inception, the STIF program was funded solely by the Oregon [Statewide Transit Tax](#) which is a state payroll tax equal to one-tenth of 1 percent. Effective July 1, 2023, The STIF program was consolidated with the Special Transportation Fund (STF) program. The STF program was funded by ID card fees, non-highway gas tax, and cigarette tax revenues. Those revenues and the goals of the STF program are now part of the STIF program. The total funding amount is estimated annually, and actual revenues vary based on transit tax collections.

See the most recent version of the [STIF and STN Guidebook](#) for the most current information.

Program Overview: Statewide Transit Network Program

The purpose of the Statewide Transit Network (STN) Program is to support projects that enhance Oregon's statewide fixed route bus network by investing in key transit hubs, closing gaps between two or more communities, improving collaboration and coordination between agencies that results in functional benefits, or other activities that improve the function of the overall intercity bus network and serve the interests of more than one transportation service provider. The goals of the Statewide Transit Network Program are to:

- Increase strategic intercity connections
- Improve coordination between public transportation services
- Enhance ease of use of the Statewide Transit Network
- Improve infrastructure at inter-regional transit hubs

The STN Program currently utilizes two fund sources: STIF Intercommunity Discretionary (STIF Intercommunity) and FTA Section 5311(f) Intercity funds (FTA 5311(f)). While each funding source has different project eligibility requirements, there is significant overlap between the two.

Program Overview: Vehicle Replacement Program

The Vehicle Replacement Program provides funding transferred from the Federal Highway Administration (FHWA) Surface Transportation Block Grant (STBG) program to Oregon transit agencies eligible to receive Section 5307, 5310, or 5311 funding for urgent vehicle replacements. This discretionary program has traditionally been offered on a biennial basis. After projects are selected for funding, the STBG funds are transferred from the highway program into the appropriate PTD program based on recipient eligibility.

2.1 Program Goals and Objectives

Goals: Section 5310

The goal of ODOT's Section 5310 program is to improve mobility for seniors and individuals with disabilities throughout Oregon by removing barriers to transportation services and expanding the transportation mobility options available. Toward this goal, FTA provides financial assistance for transportation services planned, designed, and carried out to meet the transportation needs of seniors and individuals with disabilities in all areas—large urbanized, small urbanized, and rural areas.

The following indicators are targeted to capture overarching program information as part of the annual report that each state and designated recipient submits to FTA. ODOT submits both quantitative and qualitative information as available on each of the program measures below. FTA has adopted a different set of measures depending on the type of project.

Section 5310 Program Measures:

- Traditional Section 5310 Projects
 - **Gaps in Service Filled.** Provision of transportation options that would not otherwise be available for seniors and individuals with disabilities measured in numbers of seniors and people with disabilities afforded mobility they would not have without program support as a result of traditional Section 5310 projects implemented in the current reporting year.
 - **Ridership.** Actual or estimated number of rides (as measured by one-way trips) provided annually for individuals with disabilities and seniors on Section 5310–funded vehicles and services as a result of traditional Section 5310 projects implemented in the current reporting year.
- Non-Traditional Section 5310 Projects
 - **Increases or enhancements related to geographic coverage, service quality, and/or service times** that impact the availability of transportation services for seniors and individuals with disabilities as a result of other Section 5310 projects implemented in the current reporting year.
 - **Additions or changes to physical infrastructure** (e.g., transportation facilities, sidewalks, etc.), technology, and vehicles that impact the availability of transportation services for seniors and individuals with disabilities as a result of other Section 5310 projects implemented in the current reporting year.
 - **Actual or estimated number of rides** (as measured by one-way trips) provided for seniors and individuals with disabilities as a result of other Section 5310 projects

implemented in the current reporting year.

Goals: Section 5311

FTA apportions or awards Section 5311 funds to states, tribal governments, or other eligible recipients located in rural areas for planning, public transportation capital projects, operating costs, job access reverse commute projects, and the acquisition of public transportation service. PTD's Section 5311 program supports both the maintenance of existing rural public transportation services and the expansion of those services through the following program goals:

- Enhance the access of people in rural areas to health care, employment, other transportation services, education, public services, shopping, and recreation;
- Assist in the maintenance, development, improvement, and use of public transportation systems in rural areas;
- Encourage and facilitate the most efficient use of transportation funds to provide public transportation in rural areas through the coordination of programs and services;
- Provide financial assistance to help carry out national goals related to mobility for all, including seniors, individuals with disabilities, and low-income individuals; and,
- Encourage mobility management, employment-related transportation alternatives, joint development practices, and transit-oriented development.

Section 5311(f) Specific Goals

- Increase availability of transportation options through investments in intercity bus services;
- Assist in the development and support of intercity bus transportation; and,
- Provide for and encourage the participation of private transportation providers in rural public transportation.

Goals: Section 5339

FTA awards grants under this section to the designated recipients in the large urbanized areas and states to finance capital bus and bus-related projects such as replacing, rehabilitating, and purchasing buses and related equipment and to construct bus-related facilities that support the continuation and expansion of public transportation services in small urbanized and rural areas.

Oregon Transportation Plan Process and Rural Consultation

As noted in Section 1.2, the established goals, objectives, policies, and strategies in the OTP and OPTP direct PTD's administration and implementation of its transit funding programs. Attainment of these goals and objectives are tracked through ODOT's [Key Performance Measures](#) monitored by the

Performance Management Office and reported on annually through ODOT's Annual Performance Progress Report.

As part of ODOT's long-range planning processes, ODOT c regularly engages with rural officials, including Tribal government representatives, to gain valuable input and feedback on its plans and goals. During plan development, ODOT typically involves one or more advisory committees that engage a diverse range of representatives. A Policy Advisory Committee (PAC) is convened for most plan updates. The PAC provides direction and guidance throughout the entirety of the planning process, informing key planning products, reviewing feedback from public involvement efforts, and serving as an essential communication conduit that relays information to local constituencies, committees, and decision-making bodies. PACs typically consist of high-level stakeholders representing urban, suburban, and rural interests from around the state, as well as specific modes, and interest areas such as health and equity.

A Technical Advisory Committee (TAC) is also often formed and generally serves to provide expertise on technical components or in-depth issues of the plan. These committees are often comprised of similar interests as the PAC but tend to be staff-level representatives and practitioners who will work to implement the plan once adopted.

Other outreach efforts, such as focus groups, surveys, interviews, and online open houses may be used to supplement other outreach methods and to reach both stakeholders and the general public. Specific processes and those involved may vary depending on the topic. Cities, counties, Area Commissions on Transportation (ACTs), and MPOs serve as primary conduits for coordination with local stakeholders and decision-makers, and it is customary for ODOT to provide broad coordination through meetings with these entities as well.

ODOT has also adopted an official government-to-government relations policy statement guiding the Department's interactions with Tribal Governments, Policy INT 13. When conducting consultation for statewide planning and Statewide Transportation Improvement Program (STIP) development, ODOT staff submit a consultation request in the form of an emailed formal letter to the identified Tribal staff. These requests are triggered by a series of milestones and are summarized in the policy document. Following the initial request, Tribal Governments determine the most appropriate level of involvement and representation; this may include a meeting with staff or a visit to Tribal Council.

The consultation milestones outlined in this documentation do not preclude a Tribal Government from being involved in other engagement opportunities. If the Tribal Government is inclined to participate in ODOT's planning and programming processes in some other form, they are encouraged to do so.

See the most recent [Tribal Consultation for Statewide Transportation Plans and Statewide Transportation Improvement Program](#) for more information.

2.2 Roles and Responsibilities

Public Transportation Division

ODOT is comprised of divisions that implement the agency's various responsibilities. PTD is the designated recipient of FTA funds and is the primary recipient. Transportation providers and other agencies that receive FTA funding passed through by PTD are called "subrecipients." PTD is responsible for state-level transit program development and management, as well as all compliance requirements. PTD provides grant management and oversight of projects and activities supported with state and federal transit funds. Technical assistance is provided on an ongoing basis to transit agencies. A detailed listing of all PTD responsibilities is included under each topical area throughout the rest of the Plan.

Other ODOT Divisions

Other division within ODOT assisting PTD in grant and program management include:

Division/Office	Description
Audit Services	Provides an essential audit and oversight service to management to improve accountability and protect the public.
Equity & Civil Rights	Oversees ODOT's civil rights obligations and implements its civil rights programs and initiatives such as updating the Intermodal Title VI Program.
Engineering & Technical Services	Provides subject matter expertise in facility and construction projects such as assisting with the NEPA process, and real estate guidance.
Financial Services	Manages ODOT's gross revenues, transfers, and records and tracks expenditures and provides services such as federal drawdowns, financial forecasting, and cost allocation.
Procurement Office	Conducts procurements for highway and bridge construction and other public improvements, architectural and engineering services, agreements, goods, equipment, and trade services, including PTD-related projects.
Planning	Oversees the creation, update, and implementation of ODOT's various transportation planning responsibilities including management of the long-range transportation plan, as well as collaboration with Oregon's MPOs.

Oregon Transportation Commission

The Oregon Transportation Commission (OTC) is the state entity responsible for approving the operations and budget of ODOT. The OTC establishes state transportation policy and guides the planning, development, and management of a statewide integrated transportation network including highways, public transportation, rail, transportation safety, motor carrier transportation, and drivers and motor vehicles. The OTC approves federally funded projects exceeding 5 million dollars. OTC members are appointed by the Governor. The Commission regularly meets on the second Thursday of every other month.

Public Transportation Advisory Committee

In 2000, the OTC established the Public Transportation Advisory Committee (PTAC). The purpose of PTAC is to provide advice to both OTC and PTD to assist in developing transit policies and programs, and to serve as a forum for discussing and identifying public transportation issues and solutions. Members provide input on public transportation issues of regional and statewide significance. The PTD Administrator determines the agenda for PTAC with input from the PTAC chairperson.

The committee's membership is a diverse representation of public transportation stakeholders, including representatives from: general public providers in urban areas with over 200,000 in population; urban areas with 50,000 - 200,000 in population; small communities with fewer than 50,000 residents; private for-profit intercity bus providers; tribal governments; the Association of Oregon Counties; the League of Oregon Cities; the Statewide Independent Living Council; the Transportation Options Group of Oregon; the Oregon Department of Human Services – Vocational Rehabilitation; the Oregon Disabilities Commission; the Governor's Commission on Senior Services; the Oregon Passenger Rail Advisory Council; and a citizen-at large. More information can be found at the [PTAC website](#).

Area Commissions on Transportation

The Area Commissions on Transportation (ACTs) are advisory bodies, authorized by the OTC, whose mission is to address all aspects of transportation in defined areas of the state with a primary focus on the state's Highway transportation system. The ACTs provide an opportunity for local citizen involvement in ODOT's decision-making. ACTs consider regional and local transportation issues as they affect the state system and help identify priority projects for inclusion in the Statewide Transportation Improvement Program (STIP). They work with other local organizations dealing with transportation-related issues, including public transit. Public transit agency representatives are appointed members of the ACTs.

Oregon Transit Association

The Oregon Transit Association (OTA) is a private nonprofit organization whose membership consists of public, private for-profit, and private nonprofit transit agencies, as well as transit industry providers such as transit vehicle vendors. The purpose of the association is to assist members in the development and improvement of efficient, safe, and convenient transportation services, techniques, methods, facilities, and equipment. The PTD Administrator is a voting member of the OTA Board.

Metropolitan Planning Organizations

There are nine federally designated Metropolitan Planning Organizations (MPOs) in Oregon. They include three large urban MPOs (areas greater than 200,000 in population): the Portland regional area, the Salem/Keizer area, and the Eugene/Springfield area; and six small urban MPOs (areas between 50,000 - 200,000 in population): the Medford/Rogue Valley area, the Cities of Corvallis/Philomath, the Cities of Longview/Rainier, the City of Bend, the City of Albany, and the City of Grants Pass. PTD passes through financial assistance from the Section 5303 program to assist MPOs with the planning activities required, specifically the transit element of the Unified Planning Work Program (UPWP). PTD staff participate in planning reviews and receive planning progress reports. MPO staff work with urban transit agencies to provide planning and technical assistance. The MPOs may use locally controlled STBG funds to finance the transit capital needs of urban areas. MPOs ensure that projects financed with FTA funds within the urbanized areas are included in the Metropolitan Transportation Improvement Program (MTIP).

Transportation Options Group of Oregon

The Transportation Options Group of Oregon (ToGo) represents Oregon's primary association of professionals and advocates collaborating to promote a balanced and integrated system of transportation alternatives to the single-occupant vehicle. It strives to communicate its vision for transportation options in Oregon to policymakers. The group is actively involved with public transportation issues and has a seat on the Public Transportation Advisory Committee.

Subrecipient Agencies

Public transportation providers are the delivery system of transit service in Oregon. Urban transit districts, tribal governments, cities, counties, private nonprofit agencies, and private for-profit operators, such as taxi and intercity bus companies, offer a wide range of transit services for the general public and special needs populations. Many of these agencies are eligible to receive state and federal transit funding. Determination of eligibility is made by PTD in accordance with FTA program circulars and the policies defined by this State Management Plan. Transportation providers receiving state or federal funds are responsible for ensuring that their projects are implemented in accordance with various

requirements, including this Plan. Many of the services needed by the traveling public are provided by the private sector. ODOT recognizes the value of private for-profit transportation providers and reserves a seat on PTAC for a representative of private for-profit providers.

Subrecipients are responsible for certifying their compliance with the most recent FTA Master Agreement and FTA's certifications and assurances are included as part of PTD's subrecipient agreements. Subrecipient applicants for funds are required to obtain a Unique Entity Identifier (UEI) number by registering the agency through SAM.gov. After initial registration, subrecipients must maintain their SAM.gov registration throughout the course of the biennial agreement and any agreement thereafter awarded by ODOT containing federal funds.

A detailed listing of all subrecipient responsibilities is included under each topical area throughout the rest of the Plan and is consolidated in Appendix B: Subrecipient Responsibilities.

2.3 Coordination

At the state level, PTD coordinates program policy and funding objectives through the Public Transportation Advisory Committee, Oregon Transportation Commission, the Oregon Department of Human Services, and other state agencies.

Federal transit law requires that projects selected for funding under the Section 5310 program be included in a locally developed, coordinated public transit-human services transportation plan (also known as the Coordination Plan) and that the plan be developed and approved through a process that includes participation by seniors, individuals with disabilities, representatives of public, private, and nonprofit transportation and human services providers, and other members of the public.

PTD must certify to FTA that projects selected for funding in Section 5310 are identified in Coordinated Plans. As such, PTD requires that applicants to these programs certify to PTD that their projects are derived from an adopted plan, and they are required to state the page number in the plan that best reflects the need or priority for the project. Section 5311 subrecipients are expected to participate in the local planning process but projects are not required to be derived from the plan. Intercity bus providers are also encouraged to participate.

PTD has designated Lead Agencies throughout the State to develop and adopt the Coordinated Plan for its area. Lead Agencies are responsible for ensuring that the plan is completed. The planning area will be (at a minimum) the county or counties governed by Lead Agencies, and the areas served by Tribal Governments.

Lead Agencies are required to coordinate their planning with MPOs and transit agencies in the MPO areas, as appropriate. MPOs in urban areas are consulted and collaborate with the Lead Agency. Compliance with MPO Planning requirements is required. MPO and urban transit agencies have signed agreements to develop cooperative planning procedures; these agreements include the Coordinated Plans.

The plan must include the following:

- (1) Stakeholder Involvement: Transportation planning agencies, transit providers, private for-profit transportation providers, private nonprofit providers, past subrecipients for Section 5310 and Section 5311 funds, social service agencies that fund or provide transportation services, passengers, potential passengers, and various advocacy organizations. Stakeholders also include human service agencies such as area agencies on aging, medical assistance, jobs, temporary assistance for needy families, employment services, vocational rehabilitation,

disabilities programs, housing, health care, and mental health. The business community, schools, and faith-based organizations are also included.

- (2) List of Agencies Invited to Participate: Document the meetings with brief notes and identify stakeholder comments and concerns regarding transportation needs and the plan.
- (3) Data and Analysis: Collect and analyze data, including sociodemographic and economic data to determine trends and future needs. Analyze existing conditions, including human services, public transportation, and potential riders in the planning area. Use the data to identify unmet and under-met needs.
- (4) Unmet Transportation Needs: Identify the various types of transportation challenges and gaps in existing transportation services. Compare the origins and destinations of people with special needs with existing transportation services. Identify the unmet needs as well as possible wasteful duplication of efforts in certain areas. Ask human service organizations and consumers about their perceptions of service gaps and needs.
- (5) Transportation Alternatives: Prioritize needs and identify potential solutions in this plan. It is not intended for the plan to design projects and list specific solutions, although specific projects may be identified and prioritized. Transportation solutions will vary in each area depending on the resources available, the size of the market for each alternative, and the extent of existing services.

2.4 Eligible Subrecipients

Section 5310 Eligibility

The three categories of eligible subrecipients and applicants of ODOT's Section 5310 administered program include:

1. Private nonprofit organizations, if the services they provide are coordinated with other public transportation services and human service agencies.
2. A state or local governmental authority that is approved by ODOT to coordinate services for seniors and individuals with disabilities.
3. A state or local governmental authority that certifies that there are no nonprofit organizations readily available in the area to provide the service.

Private nonprofit agencies must not duplicate transportation services already available, and the agency must demonstrate that the investment of grant funds benefits the community's overall transportation program, including meeting needs otherwise not met. PTD requires potential applicants to submit documentation of nonprofit status when applying for funding. The Oregon Secretary of State maintains a website listing all nonprofit agencies with current business registrations. PTD checks the status of nonprofit applicants prior to completing agreements and amendments. Agencies providing transportation services that are limited to specific clients (i.e., service is not open to the general public) must allow federally-funded vehicles to be used by other public transportation providers when the vehicles are not scheduled for client services, or provide rides to non-clients itself in a coordinated system when vehicles are not scheduled for client services.

PTD designates the public agencies listed below as coordinators of services for public transportation, including transportation for seniors and individuals with disabilities. These agencies represent the interests of other public and private entities in the regional area, and are the recipients of multiple sources of local, state, and federal funds for public and human service transportation:

- Organizations formed under ORS 190, including those established for public transportation and councils of government
- Counties, mass transit districts, transportation districts, and Tribal Governments designated as Lead Agencies, and any agency that the county, district, or Tribal Government may designate to act on its behalf
- County governments, mass transit districts, transportation districts, and Tribal Governments acting as Lead Agencies for the delivery of public transportation services within a regional area

Section 5311 Eligibility

Eligible subrecipients include states and local governmental authorities, tribal governments, nonprofit organizations, and operators of public transportation or intercity bus service. For 5311 formula funds, PTD has a preference to contract with public agencies and will contract with nonprofit agencies only when a willing and able public agency is not available. In the case of Section 5311(f) intercity bus projects, private for-profit operators of intercity bus services may also participate in the program as third-party contractors or apply directly as subrecipients.

Direct recipients of Section 5307 in urbanized areas may also be eligible recipients of Section 5311 funds. Because of the wide range of circumstances under which an entity may provide services in both urbanized and rural areas, ODOT requires the subrecipient to develop a reasonable basis related to the service provided for allocating operating costs between the two FTA funding sources. The cost allocation process must also be applied to “joint” capital projects. When there is a question as to the reasonableness of the subrecipient’s cost allocation methodology, FTA looks to ODOT to determine the reasonableness of the allocation process.

Section 5339 Eligibility

Eligible subrecipients are state and local governmental authorities and private nonprofit organizations engaged in public transportation. Subrecipients must demonstrate compliance with state and federal rules and regulations and have local match available. PTD prefers to contract with local governmental authorities, including tribal governments, and will contract with nonprofit agencies only when a willing and able public agency is not available.

2.5 Eligible Service Areas and Services

Section 5311 Service Areas

ODOT uses Section 5311 funds for public transportation projects, including job access and reverse commute projects, and intercity bus transportation projects in rural areas, defined as an area encompassing a population of less than 50,000 that has not been designated in the most recent decennial census as an “urbanized area” by the Bureau of the Census. Applicants define their geographic service area during the grant application process.

Service designs may include, but are not limited to:

- Fixed route and demand response services provided in rural areas that are not part of a designated urbanized area;
- Service that transports people from rural areas to and from an urbanized area(s);
- Regional providers with a geographic service area that includes both urban and rural areas. In such cases, the share of the service that is “rural” would be eligible for Section 5311. (The subrecipient, in concurrence with PTD staff, determines a reasonable method of cost allocation between urbanized and rural programs);
- Commuter services to urbanized areas that begin and/or end their service in a rural area; and
- Regional services that cross state lines, so long as the agency has the approval of the Federal Motor Carrier Safety Administration, as appropriate, and the services are compatible with the policies of the agency.

PTD requires that all Section 5311-funded projects must provide services open to the general public. PTD defines “general public” as the entire population of communities. Service defined as general public and funded under Section 5311 must reasonably accommodate anyone who needs a ride and must not have policies or patterns of practice that exclude, discourage, or discriminate against a particular group within the community. PTD allows services to be designed to maximize use by members of the general public who are transportation disadvantaged (e.g., seniors, low-income individuals) but the service must be open to all members of the general public. The following considerations will be used when evaluating whether a service is for the general public:

- Services must be marketed as open to the public, including to people with limited English proficiency and low-income communities.
- Vehicles must be marked with a symbol or a name that identifies the service as public transit for general public use.
 - If the name of an agency is so prominent on a vehicle that a reasonable person would

conclude that the service is for the agency's clients and not the general public, or if the advertising on the bus obscures the general public information, the service may be disqualified from the program.

- Policies must not limit services to a particular type of passenger.
- The entire capacity of the system must be available to the general public. Assessment of service capacity and ridership is done during the application and monitoring processes.

Section 5311 and 5339 Additional Services

Subrecipients are encouraged to establish service contracts, especially with human service agencies, as part of local coordination of transportation services, and to prevent unnecessary duplication of transportation services. However, passengers who are guaranteed rides because of a contract between the transit program and an agency representing the passengers are not considered to be general public riders if, during service delivery, other passengers are not able to ride.

Limited use of equipment supported by Section 5311 may be used to support meal delivery services and package delivery as long as these uses are incidental to the primary purpose of the service. Incidental is defined as a service that does not result in decreased service quality, a significant decrease of useful life of the capital equipment, or a decrease in the availability of public transportation services. For instance, package delivery performed in conjunction with passenger transportation rather than making separate trips to deliver items, or meals delivered during times the vehicle is not being used would be considered incidental.

Expenses associated with meal delivery are not eligible for funding assistance; costs must be borne by the program which provides the meals. Agencies offering package delivery services must do so in compliance with Oregon Motor Carrier regulations.

2.6 Eligible Assistance Categories

Section 5310

FTA requires that at least 55 percent of program funds be spent on the types of capital projects previously eligible under the Section 5310 program in previous legislative authorizations (also known as traditional projects). These include public transportation projects planned, designed, and carried out to meet the needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or unavailable. The remaining 45 percent may be used for public transportation projects that exceed the requirements of the ADA; public transportation projects that improve access to fixed route service and decrease reliance by individuals with disabilities on complementary paratransit service; or alternatives to public transportation that assist seniors and individuals with disabilities (also known as non-traditional projects).

Capital Projects (Traditional)

PTD funds Section 5310 projects in a variety of categories. Any project proposed for Section 5310 funding must demonstrate how it benefits seniors and individuals with disabilities. PTD may identify different priorities in a particular grant cycle but generally the categories are:

- Vehicle preservation (replacements and preventive maintenance)
- Purchase of vehicles to expand service or to increase capacity
- Purchase of transportation service under a contract, lease, or other arrangement
- Other capital projects such as, but not limited to, facilities; computers; radios and communication equipment; transit-related intelligent transportation systems (ITS); and signage.
- Mobility management projects such as coordination, development, and the administrative costs associated with the development and operation of improved coordinated access to transportation services

All vehicle requests must meet the requirements of the ADA. Subrecipients wishing to purchase non-accessible vehicles must provide equivalent service as measured by the evaluation criteria in 49 CFR § 37. See Section 5.4 ADA for more information.

Other Projects (Non-Traditional)

After programming funds for traditional Section 5310 projects, PTD may award funds for other types of projects. Up to 45 percent of a rural, small urbanized, or large urbanized area's annual apportionment may be utilized for direct operations when offered in the discretionary call for projects solicitation or as

approved by PTD.

Section 5311

The Section 5311 program will reimburse eligible administration, operating, capital, and mobility management expenses directly attributed to system operations.

Administration

Reimbursable administration expenses include salaries and fringe benefits; office expenses associated with administration; contract services (accounting, bookkeeping, attorney fees); and educational expenses associated with administrative staff training. Examples of ineligible expenses include gifts, lobbying, unrecoverable receivables, and budget deficits associated with the agency. Refer to [2 CFR Part 200](#) for more information about eligible and ineligible expenses.

Operations

Operating expenses are those costs directly related to system operations. Reimbursable operating expenses include:

- Fuel
- Oil
- Replacement tires
- Replacement parts
- Driver, dispatcher and mechanic salaries and fringe benefits
- Driver educational expenses
- Vehicle leases
- Vehicle licensing
- Vehicle maintenance
- Maintenance and operating contracts
- Insurance
- Other costs directly associated with operating the system. Capital-type (durable goods) expenses less than \$10,000, in the aggregate, are considered part of operating expenses.

Only **net** operating expenses are eligible for assistance. Net operating expenses are those expenses that remain after the subrecipient subtracts operating revenues from eligible operating expenses. ODOT requires that in tabulating operating revenues, the following to be deducted from total operating costs:

- Farebox revenues
- Pre-paid passes (whether purchased by an individual or by an organization on behalf of an

- individual
- Charter bus service expenses and revenue

Capital – Section 5311 and 5339

Eligible capital expenses include the acquisition, construction, and improvement of public transit facilities and equipment needed for a safe, efficient, and coordinated public transportation system as well as certain other expenses classified as capital. Capital expenses (costing \$10,000 or more and with a life expectancy of at least one year) include:

- Buses
- Vans or other paratransit vehicles
- Vehicle rehabilitation, remanufacture, or overhaul
- Maintenance and operations buildings
- Passenger shelters, bus stop signs, park and ride lots, and similar passenger amenities
- Bus charging and fueling equipment
- Radios and communications equipment
- Wheelchair lifts and restraints
- Extended warranties that do not exceed industry standards
- Operational support, such as computer hardware or software
- Installation costs, vehicle procurement, testing, inspection, and acceptance costs
- Construction or rehabilitation of transit facilities, including design and engineering (which under Section 5339(a), only when costs are incidental to the overall cost of the facility), and land acquisition
- Lease of equipment (including finance charges, including interest, and ancillary costs such as delivery and installation charges) or facilities
- Capital portion of costs for service provided under contract, including depreciation and interest on facilities and equipment, as well as allowable capital costs that, for Section 5339(a), limited to the amounts attributable to leasing and/or depreciation of vehicles, equipment, and facilities
- Joint development projects

In addition, the following project types are only eligible for Section 5311 and Section 5339(b) and 5339(c) funding:

- Mobility management consisting of short-range planning, management activities, and projects for improving coordination among public transportation and other transportation providers (excludes operating expenses)
- Associated capital maintenance, including equipment, tires, tubes, and material (each costing at least 0.5 percent of the current fair market value of comparable rolling stock equipment, tires, tubes, and material); and reconstruction of equipment and material, each of which, after

reconstruction, will have a fair market value of at least 0.5 percent of the current fair market value of comparable rolling stock equipment and material

- Facilities to provide access for bicycles to transit facilities or equipment for transporting bicycles on transit vehicles
- Preventive maintenance
- Ferryboats and terminals used for public transportation

Section 5339 – Capital Projects

Eligible capital projects include replacing, rebuilding, or purchasing buses and related equipment; and construction of bus-related facilities. These include the eligible projects detailed above in the combined Section 5311 and 5339(a) capital project listing.

All Projects using federal funding must follow all NEPA requirements, outlined in section 6.5

2.7 Federal/Local Share and Funding Requirements

Section 5310 – Capital

The federal share of eligible capital costs is 80 percent of the net cost of the activity. When federal funds are transferred from FHWA sources, such as STBG and CMAQ, to Section 5310 for capital, purchased service, and mobility management projects, the federal share is 89.73 percent and local match is 10.27 percent using the sliding scale permitted for higher federal share rates in rural areas (see Section 2.8 Fund Transfers for more information). The federal sliding scale is used throughout this section, as applicable.

As is the case with other FTA programs, similar exceptions exist in the Section 5310 program on the federal participation ratio, as follows:

- I. **Vehicles.** The federal share is 85 percent for the acquisition of vehicles for purposes of complying with or maintaining compliance with ADA (42 U.S.C. 12101 et seq.) or the Clean Air Act (CAA).
- II. **Vehicle-Related Equipment and Facilities.** The federal share for project costs for acquiring vehicle-related equipment or facilities (including clean fuel or alternative fuel vehicle-related equipment or facilities) for purposes of complying or maintaining compliance with the CAA (42 U.S.C. 7401 et seq.), or required by the ADA, is 90 percent. FTA considers vehicle-related equipment to be equipment on and attached to the vehicle.

Section 5310 – Operating

Operating projects have a federal share of 50 percent and local match of 50 percent. When federal funds are transferred from FHWA sources, such as STBG and CMAQ, to Section 5310 for operating projects, the federal share is 56.08 percent and local match is 43.92 percent (see Section 2.8 Fund Transfers for more information).

Farebox revenue must be deducted from operating expenses to determine the net operating deficit, which is used as the basis for grant reimbursement. PTD defines farebox revenue as money paid directly by the passenger to the service provider and includes fares that may be reimbursed by another agency or through a taxi-ticket program, and sales of tickets and passes.

Section 5310 – Local Share

The local share may be provided from an undistributed cash surplus, a replacement or depreciation cash fund or reserve, a service agreement with a state or local service agency or private social service organization, or new capital. Some examples of these sources of local match include state or local appropriations, such as STIF funds granted through the designated STIF Lead Agency; dedicated tax revenues; private donations; revenue from service contracts; transportation development credits; and net income generated from advertising and concessions.

Non-cash share – such as donations, volunteered services, or in-kind contributions – is eligible to be counted toward the local match as long as the value of each is documented and supported and represents a cost that would otherwise be eligible under the program.

Income from contracts to provide human service transportation may be used either to reduce the net operating deficit (treated as revenue) or to provide the local match for Section 5310 operating assistance. In either case, the cost of providing the contract service is included in the total project cost. No FTA program funds can be used as a source of local match for other FTA programs, even when used to contract for service. All sources of the local match must be identified and described in the grant application at the time of grant award.

The actual amount of reimbursement for any 5310 project is limited to the awarded amount, even if project costs exceed estimates. It is the responsibility of the subrecipient to make up any shortfalls in project funding.

Section 5311 – Capital

The Section 5311 program uses the sliding scale match rate for Oregon. For capital projects, including eligible administration and mobility management projects, the federal share is 89.73 percent with a local match requirement of 10.27 percent.

Section 5311 – Operating

Similar to the capital program, operating projects are able to use the sliding scale match rate for Oregon as well. For operating projects, the federal share is 56.08 percent with a local match requirement of 43.92 percent of the net operating cost of the project.

Fares are to be used to offset the operating cost of service. Farebox revenue must be deducted from operating expenses to determine the net operating cost which is used as the basis for grant reimbursement. PTD defines farebox revenue as money paid directly by the passenger to the service

provider, sales of tickets and passes, and includes fares that may be paid by another agency or through a taxi-ticket program. If an agency buys books of tickets to sell or to distribute to its clients, or reimburses the cost of the fares after the trip is completed, the amounts would be considered farebox revenue.

Section 5311 – Local Share

Under 49 U.S.C. § 5311(g)(3), the local share may be met by any of the following sources:

- (1) Cash from non-federal government sources
- (2) Revenues from the sale of advertising and concessions
- (3) Undistributed cash surplus, a replacement or depreciation cash fund or reserve, a service agreement with a State or local social service agency or a private social service organization, or new capital
- (4) Amounts appropriated or otherwise made available to a department or agency of the Federal Government (other than the Department of Transportation) that are eligible to be expended for transportation, referring to non-USDOT funds; or
- (5) Notwithstanding subparagraph (4), may be derived from amounts made available to carry out the Federal Lands Highway Program established by 23 U.S.C. 203.
- (6) State STIF formula funds granted to agencies through the designated STIF Qualifying Entity are considered “local funds” and may be used as match for Section 5311 funds, along with other local resources.

Under Subsection 5311(g)(3)(A), funds received pursuant to a service agreement with a state or local social service agency, or a private social service organization may be used as local match. Income from contracts to provide human service transportation may be used either to reduce the net operating deficit (treated as revenue) or to provide the local match for Section 5311 operating assistance (treated as program income). In either case, the cost of providing the contract service is included in the total project cost. Unlike other forms of program income, income from contracts to provide human service transportation may be used as the local match for the grant in which the income is generated.

In-kind local match is allowed if the contribution is integral to the project and included in the budget. The share of in-kind contributions used as local match is limited to no more than one-half of the local match. In-kind contributions must be documented and valued fair market value, and PTD must concur with the valuation methodology.

Section 5311(f) Intercity Bus

Applicants seeking FTA Section 5311(f) Intercity funds must meet the following match requirements:

- 50 percent match of the net cost for operations projects
- 20 percent match of the net cost for capital projects and project administration

As defined by ODOT, the net operating deficit to be used as the basis for grant reimbursement is the applicant's operating expenses minus farebox revenue. ODOT defines farebox revenue as money paid by the passenger to the transit provider. Farebox includes fares reimbursed by another provider or through a subsidized ticket program, and sales of tickets and passes. Farebox revenue does not include ticket revenue collected from passengers to be remitted to other public transportation providers for travel on other public transportation services.

49 U.S.C. 5311(g)(3)(F) provides that in the case of an intercity bus project that includes both feeder service and an unsubsidized segment of intercity bus service to which the feeder service connects, the local match "may be derived from the costs of a private operator for the unsubsidized segment of intercity bus service as an in-kind match for the operating costs of connecting rural intercity bus feeder service funded under 5311(f)".

To use the net operating deficit provided by a private operator as an in-kind match, the FTA-assisted project must be defined by the applicant and PTD as including both the feeder service and an unsubsidized segment of the intercity bus network to which it connects. Importantly, this matching method may only be used if the private operator agrees in writing to the use of the costs of the private operator for the unsubsidized segment of intercity bus service as an in-kind match.

Section 5339 – Federal Share

ODOT uses the federal requirement for matching participation and subrecipients must contribute local match. The federal share for capital projects that receive funding under the Section 5339 program may not exceed 80 percent of the net operating deficit. There are two exceptions to this rate of federal participation:

- Vehicles:** The federal share is 85 percent and the local match is 15 percent for the acquisition of vehicles for purposes of complying with or maintaining compliance with the Americans with Disabilities Act (ADA), 42 U.S.C. 12101 *et seq*; or the Clean Air Act (CAA), 42 U.S.C. 7401 *et seq*.
- Vehicle-related equipment and facilities:** The federal share is 90 percent, and the local match is 10 percent for project costs for acquiring vehicle-related equipment or facilities (including clean-fuel or alternative-fuel vehicle-related equipment or facilities) for purposes of complying or maintaining compliance with the CAA, or for meeting the requirements of the ADA. FTA considers vehicle-related equipment to be equipment on and attached to the vehicle.

Section 5339 – Local Share

The local match for Section 5339 may include:

- (1) Cash from non-governmental sources other than revenues from providing public transportation services. State STIF formula funds granted to agencies through the designated STIF Lead Agency are considered local funds
- (2) Non-farebox revenues from the operation of public transportation services, such as the sale of advertising and concession revenues. A voluntary or mandatory fee that a college, university, or similar institution imposes on all its students for free or discounted transit service is not farebox revenue
- (3) Undistributed cash surpluses, replacement or depreciation cash funds, reserves available in cash, or new capital
- (4) Amounts received under a service agreement with a state or local social service agency or private social service organization
- (5) Revenues generated from value capture financing mechanisms.

Program Income as a Source of Local Share of Project Costs

Subrecipients may use program income generated by an earlier grant as the local share for a subsequent eligible public transportation project. FTA does not permit subrecipients to use program income as the local share for the grant that generated the income. Program income means gross income earned by the recipient or subrecipient that is directly generated by a supported activity or earned as a result of the FTA/ODOT Grant or Cooperative Agreement during the period of performance, with the exception of farebox revenue.

The subrecipient's accounting system must be capable of identifying program income and the purpose for which the subrecipient used it. The subrecipient must account for program income in its accounting system, which is subject to audit.

There are many sources of program income. Subrecipients must maintain records of program income earned and spent. Examples include:

- (1) Fees for services performed;
- (2) The use or rental of real or personal property acquired under its award
- (3) The sale of commodities or items fabricated under its award
- (4) License fees and royalties on patents and copyrights
- (5) Advertising/concessions specifically required by the federal award, and pertaining to activities or accomplishments which result from the performance of the federal award or
- (6) Payments of principal and interest on loans made with federal assistance.

Interest earned on advances of federal assistance is NOT program income. Except as otherwise provided in federal statutes, regulations, or the terms and conditions of the federal award, program income does not include rebates, credits, discounts, taxes, special assessments, levies, and fines raised by a recipient and subrecipient, and interest earned on any of them.

Subrecipients may use program income as local match, with the following exception. The income from contract services may not be used as local match if the original source of payment for the contract is another FTA grant. For example, Agency A buys service from Agency B; Agency A uses a Section 5310 grant to pay for the services Agency B. Agency B may not claim the money earned from the service contract for local match. The use of other non-FTA federal funds for match is allowed, if the other federal source allows the use.

Fares are to be used to offset the operating cost of service. Farebox revenue derived from program income must be deducted from operating expenses to determine the net operating deficit which is used as the basis for grant reimbursement. PTD defines farebox revenue as money paid directly by the passenger to the service provider, sales of tickets and passes, and includes fares that may be paid by another agency or through a taxi-ticket program. If an agency buys books of tickets to sell or to distribute to its clients, or the cost of the fares after the trip is completed, the revenue would be considered farebox reimburses.

Transit-pass programs, such as an arrangement with a local community college where the college pays the transit agency for access to transit services and any student or employee is allowed to travel using their identification card, is considered a type of allowable contract revenue. However, if the original source of the funds used to pay the contract is from an FTA source, such as Section 5310, then the contract revenue is not allowed as match.

2.8 Fund Transfers

Section 5310

ODOT may use funds apportioned for small urbanized and rural areas for projects serving another area, including large urbanized areas, if the Governor certifies that all of the objectives of the Section 5310 program are being met in the specified areas. ODOT will consult with responsible local officials, publicly owned operators of public transportation, and nonprofit providers in the area from which the funds to be transferred were originally apportioned.

ODOT is not permitted to transfer Section 5310 funds out of large Urbanized Areas (UZAs).

Section 5311

When permitted, ODOT may transfer funds to the Section 5311 program.

The Governor may transfer any amount of the state's apportionment under 49 U.S.C § 5307 for small UZAs under 200,000 in population to supplement the state's Section 5311 program. The Governor may make such transfers only after consultation with responsible local officials and publicly owned operators of public transportation services in each area to which the funding was originally apportioned. The Governor may transfer funds without consultation within the last ninety days in which the funds are available for obligation, for use anywhere in the state.

Section 5339

Consistent with 49 U.S.C. 5339(e)(1), the Governor may transfer any part of the state's apportionment, specifically the National Distribution allocation, to supplement amounts apportioned to the state under Section 5311(c) or amounts apportioned to the state for areas under 200,000 in population under Section 5307. Transferred funds must be used for eligible Bus Program activities, even if combined in a grant with other Section 5307 or 5311 funding. This transfer is for administrative purposes only and allows 5307 direct recipients to apply directly to FTA for their allocation.

Section 5339 funds are not available to be transferred between FHWA and FTA for transit or highway projects.

Federal Highway Administration Flex Funds

ODOT may transfer Surface Transportation Block Grant (STBG) funds, Congestion Mitigation and Air Quality (CMAQ) funds, and certain other flexible funds, from FHWA to FTA to use for transit projects in PTD's formula and discretionary grant programs. Generally, this is conducted at the direction of the OTC.

Flex funds transferred to either the Section 5307, 5310, or Section 5311 programs are subject to the requirements applicable to the respective program.

III. PLANNING AND PROGRAMMING

At the state level, PTD coordinates the program policy and funding objectives through the Public Transportation Advisory Committee, Oregon Transportation Commission, and other state agencies.

PTD's [Funding Opportunities website](#) contains all information for the active funding application solicitations, instructions, and guidance available to Oregon's public transportation partners.

Statewide Transportation Improvement Program (STIP)

The STIP is a four-year document that identifies highway, bridge, transit, and other projects committed for federal funding by ODOT. The STIP identifies projects financed by FTA Sections 5303, 5304, 5309, 5310, 5311, 5339, and Surface Transportation Block Grant (STBG) funds transferred to Section 5307, 5310, and 5311; and STBG funds for innovation and transportation options projects. The STIF state funding is also identified in the STIP.

The Financial Services Division determines STIP timelines and processes, and PTD manages its federal grant programs in conjunction with ODOT's biennial update of the STIP. PTD maintains a list of specific transit projects that are funded through the STIP and vice versa.

MPO-area projects financed with Section 5310 and STBG are listed in the MTIP. PTD works with MPO staff to ensure that projects identified in the local MTIPs are consistent with the STIP and vice versa. Once developed by the MPO, each MTIP is incorporated into ODOT's STIP for final publication.

Coordinated Public-Transit Human Services Transportation Plan

Federal transit law, as amended by the IIJA, requires that projects selected for funding under the Section 5310 program be "included in a locally developed, coordinated public transit-human services transportation plan" (also known as the Coordination Plan) and that the plan be "developed and approved through a process that included participation by seniors, individuals with disabilities, representatives of public, private, and nonprofit transportation and human services providers and other members of the public." PTD plans its subrecipient-funded projects in line with coordination requirements; see Section 2.3 Coordination for more information.

3.1 Method of Distribution of Funds

ODOT generally distributes its federal and state funding through regular program application solicitations based on two-year (biennial) cycles. These programs provide funding on both a formula and discretionary basis.

Section 5304

The Statewide Transportation Planning Discretionary Program awards funding on a competitive basis. PTD conducts a biennial call for projects solicitation process for eligible projects that results in biennial funding agreements.

Section 5307 – Governor’s Apportionment

Each fiscal year, FTA apportions urbanized area funds to states and designated recipients according to a statutory formula using the latest available U.S. decennial census data and other information reported by the U.S. Census Bureau and the National Transit Database. FTA publishes Section 5307 apportionments in the *Federal Register*.

PTD is responsible for annually preparing the allocation of these funds, based on each fiscal year’s apportionment from FTA, in a split letter and allocation table for the ODOT Director which is then communicated to all small urban transit agencies in the state for review and comment. Once comments are received, PTD makes final adjustments to the allocation and the split letter is signed by the ODOT Director.

Section 5310

PTD administers two distinct funding programs under its Section 5310 program. First, the Section 5310 formula funding program provides funding for eligible subrecipients in small urban areas of the state using amounts apportioned to each small urban area. This program also receives funding transferred from the STBG program that is made available to both small urban and rural area eligible subrecipients. Funding is allocated to each small urban area based on their FTA apportionment in addition to the STBG funding allocated to small urban and rural areas based on general population, senior and disabled population.¹ PTD conducts a biennial call for projects that results in biennial funding agreements.

¹ “Elderly person” means a person who is served by a type A area agency or type B area agency or by the department and who is 60 years of age or older. “Person with a disability” means a person with a physical or mental impairment that substantially limits one or more major life activities.

Second, the Section 5310 discretionary funding program provides funding for eligible subrecipients in rural areas of the state using the FTA 5310 rural apportionment. Depending on the availability of funding, PTD conducts a competitive call for projects solicitation process for eligible projects that results in biennial funding agreements for most projects with exceptions for vehicle and facility projects that utilize four-year agreements.

PTD uses public meetings and posts the grant program information on the PTD website to ensure that all potentially eligible applicants, including those who are minority organizations or who provide services to minorities, are informed of the opportunity to apply through subrecipients. PTD staff provides technical assistance to contractors, as needed, to help them develop grant applications.

Section 5311

PTD uses a biennial call for projects solicitation process to solicit eligible projects under its Section 5311 program. General public transportation services operated rural areas and are operated, or contracted for by public agencies, Tribal Governments, and private nonprofit agencies are eligible to receive Section 5311 funding. The Program of Projects ODOT submits to FTA for approval must provide for fair and equitable distribution of the apportionment in the state, including Tribal Governments, as well as maximum feasible coordination with other public transportation services assisted by other federal sources.

The majority of funds are distributed every two years to existing subrecipients through a three-part formula which includes a base amount, annual passenger trips, and annual service miles. However, the Section 5311 program is not operated as a permanent entitlement program as a portion of program funding is also made available to new subrecipient applicants as well. All subrecipient applicants must complete a grant application that demonstrates their continued eligibility to receive program funding. As Section 5311 funds are used primarily for operations, and the funds are critical to maintain continuous services, PTD generally considers Section 5311 agencies eligible for funding from year to year, unless the application or other circumstances demonstrate that a subrecipient is no longer eligible.

Section 5339

The Section 5339(a) Bus and Bus Facilities Discretionary Program awards funding on a competitive basis. PTD uses a biennial call for projects solicitation process to solicit eligible projects under its Section 5339 program.

Additionally, PTD solicits Letters of Intent from eligible applicants to apply for funding under Section 5339(b) Grants for Buses and Bus Facilities Program and 5339(c), the Low or No Emission Program. These are competitive programs administered by the FTA, and PTD submits a statewide application on

behalf of its eligible applicants for funding.

Statewide Transportation Improvement Fund

See the most recent version of the [STIF and STN Guidebook](#) for the most current information.

Statewide Transit Network Program

The Statewide Transit Network (STN) Program includes Section 5311(f) Intercity Bus Program funding and STIF Intercommunity funding. Grant funding is offered through a discretionary biennial call for projects, direct subgrants, or contracts.

See the [STIF and STN Guidebook](#) for the most current information.

3.2 Project Selection Criteria

Formula Funding Programs

Section 5310

For the Section 5310 formula funding, designated subrecipients are responsible for conducting a local public process to solicit, review, and prioritize projects for funding. The subrecipient review includes an evaluation of applicant eligibility; project type and justification; merit; coordination efforts; public involvement; environmental justice; and assurance that projects are derived from the local Coordinated Plan. Subrecipients may establish other review criteria as well, such as local priorities, project planning, efficiency, and effectiveness. A subrecipient may require additional eligibility qualifications of subrecipients, contractors, or vendors. A subrecipient is required to confirm the eligibility of a lower-tier subrecipient prior to entering into a contract with them and distributing Section 5310 funds to them. Subrecipients are also required to ensure that contractors maintain eligibility throughout the project period of activities funded with Section 5310 funds. Any time a subrecipient enters into such contracts or agreements with lower-tier subrecipients or third-party contractors for purchased transportation service, the primary subrecipient must provide PTD with copies of the current contracts/agreements and submit new versions of these contracts/agreements when they are amended or renewed.

Section 5311

Criteria for Section 5311 project selection include adequate financial management, available local match, and adherence to federal and state requirements. PTD staff verifies through its application process that each subrecipient application provides for service that meets the definition of open to the general public and meets other program expectations and requirements.

The formula used for allocating Section 5311 funds is reviewed periodically to ensure a fair and equitable fund distribution. A public involvement process solicited feedback from the program recipients and the general public. The formula was last reviewed and modified in 2022. ODOT uses a three-part formula that includes a base amount, annual passenger trips, and annual service miles. The formula also places limits on subrecipients' increases and decreases from the previous year's allocations. Additional changes may be made periodically, therefore, see the most recent call for projects solicitation guidance for the most recent formula description.

PTD may provide funding for capital or planning projects from Section 5311 funds. PTD may use the biennial discretionary grant process to select additional projects in these categories.

Discretionary Funding Programs

PTD performs a technical review of all program applications to ensure applicants and projects are eligible. PTD staff and members of the PTAC, representing both transit providers and transit riders, comprise the application evaluation committee for all programs. The OTC provides final approval for individual projects greater than \$5 million before subrecipient awards are announced. All PTD-administered discretionary funding programs use the project selection criteria below with varying weighting factors listed under each program. The criteria weights and values are determined with the help of the PTAC and local advisory committees, depending upon the process for the solicitations. PTD updates its program evaluation criteria periodically which is published in the biennial call for projects for each program described below.

- Equity – Project planning and implementation incorporates meaningful involvement of disadvantaged communities in decision-making. Project sustains or improves access to transportation for disadvantaged communities.
- Safety – Project enhances safety of vulnerable road users and transit riders.
- Climate mitigation – Project advances state goals for reducing greenhouse gas emissions by maintaining or increasing transit ridership, deploying low- or no-emission vehicles, or using low carbon materials or carbon-efficient design.
- Community benefits – Project achieves the purpose of the fund source, addresses important community needs, and delivers a significant benefit to the community.
- Readiness to proceed – Applicant demonstrates that project will be successfully completed by end of grant agreement period.
- Exceeds useful life standard – Capital assets and rolling stock meet or exceed the useful life standard for the asset category at the time of procurement.
- Infrastructure and multimodal connectivity – Project improves the condition of transit-related infrastructure and/or multimodal connectivity of the public transportation system.

PTD also conducts a financial risk assessment of potential applicants for the biennial call for projects. Agencies that are currently undergoing a forensic audit or have repeat audit findings of significant deficiency regarding internal control over financial reporting will be considered high risk. After completing a financial risk review, PTD will communicate financial risk concerns with relevant agencies. Such agencies are eligible to apply for funding; however, if PTD determines that they are unable to mitigate financial risk concerns, they will be deemed ineligible for funding.

Section 5304

The Statewide Transportation Planning Discretionary Program awards funding on a competitive basis. Availability of funds and applications are posted on PTD's website, along with the information for each program regarding eligibility, selection, and conditions of award for each fund source. The timing of grant awards depends on federal and state legislation. If necessary, PTD may adjust the timing of the grant programs.

Section 5310

For the Section 5310 biennial call for projects, a grant evaluation committee, composed of PTD staff and PTAC representatives, scores the applications based on the evaluation criteria listed in the beginning of this section. The criteria and weighting factors are subject to change and are advertised in the call for projects solicitation.

Section 5339

All subrecipient applicants complete a grant application as part of the biennial call for projects and must demonstrate that they are eligible to receive funding. Criteria for selection include a defined need for capital projects; high state and local priority; and availability of match. Criteria for bus or facility expansion are established to meet statewide and local goals. The criteria and weighting factors are subject to change.

Vehicles proposed for replacement are evaluated based on the total vehicle condition using three criteria—age, mileage, and the physical condition of the vehicle. PTD assesses all three factors to evaluate the application. PTD reviews the point scale periodically.

Facility projects are evaluated for project feasibility including timeline, funding, area needs, safety, climate, and equity. All Projects using federal funding must follow all NEPA requirements, outlined in section 6.5

Projects within metropolitan boundaries must be included in the local MTIP. Projects not within metropolitan planning boundaries are required only to be in the STIP. Each project in the MTIP/STIP must include sufficient descriptive material to identify the project or phase of the project.

Statewide Transportation Improvement Fund

See the [STIF and STN Guidebook](#) for the most current information.

Statewide Transit Network Program – Intercity Bus

If a project meets threshold criteria (i.e., applicant eligibility, project type), it is evaluated and ranked according to value-based selection criteria. The criteria include project justification and need; project planning; local coordination efforts; project efficiency and effectiveness; and how the project fits into overall statewide network priorities.

Project selection is based on the ranking of each project proposal and staff input. Project year and any limitation of funds available are used to determine the number of projects that can be funded in a given cycle, and not all proposals may be funded or if funded may not be fully funded.

PTD may fund intercity projects of statewide significance outside the discretionary grant process. Such funding may take the form of grants or contracts.

See the [STIF and STN Guidebook](#) for the most current information.

3.3 Intercity Bus Projects

ODOT recognizes the importance of supporting intercity bus routes to connect communities across Oregon. ODOT established the Statewide Transit Network (STN) Program to support services that fill and prevent gaps in Oregon's intercity public transportation system.

The STN Program currently utilizes two fund sources: STIF Intercommunity Discretionary (STIF Intercommunity) and Federal Transit Administration Section 5311(f) Intercity funds (FTA 5311(f)). While each funding source has different project eligibility requirements, there is significant overlap between the two. The purpose of the STN Program is to support projects that enhance Oregon's statewide fixed route bus network by investing in key transit hubs, closing gaps between two or more communities, improving collaboration and coordination between agencies that results in functional benefits, or other activities that improve the function of the overall intercity bus network and serve the interests of more than one transportation service provider.

Goals of the STN Program are to:

- Increase strategic intercity connections
- Improve coordination between public transportation services
- Enhance ease of use of the Statewide Transit Network
- Improve infrastructure at inter-regional transit hub

Federal funding is provided to intercity bus providers through the STN Program to operate routes that serve communities by providing regional transportation. Section 5311(f) regulations require each state to expend at least 15 percent of its annual Section 5311 apportionment "to carry out a program to develop and support intercity bus transportation," unless the governor certifies that "the intercity bus service needs of the state are being met adequately." Additionally, Section 5311(f) requires a state to consult with intercity bus providers before the governor makes this certification.

The requirement to spend at least 15 percent applies only to the amount of FTA's annual apportionment of Section 5311 funds to the state; it does not apply to any funds the state subsequently transfers to its Section 5311 program from another program.

ODOT periodically conducts studies examining the intercity bus connection and mobility needs of Oregon. These studies are conducted with representation from public providers and both non-profit and for-profit private providers of intercity bus service in Oregon.

3.4 Program of Projects

PTD prepares and submits Oregon's applications for Section 5304, Section 5310, Section 5311 (including Section 5311(f)), and Section 5339 funds to the FTA. The Program of Projects (POP) is a statement of intent to award project funding to subrecipients through grants and Intergovernmental Agreements. Projects are included in the STIP and, as needed, the various MTIPs, as required by the FTA.

After PTD and/or the program evaluation committee completes its review of all the applications under the formula and discretionary grant programs, a draft POP detailing project recommendations is prepared. Under authority granted by the OTC, the PTD Administrator has the authority to approve projects in the POP with a total funding amount of less than \$1 million. The ODOT Director has the authority to approve projects with a total funding amount ranging from \$1 million to \$5 million. The OTC retains the authority to approve a project that exceeds \$5 million.

Following any required approval from the PTD Administrator, ODOT Director, or OTC, PTD staff will develop and submit the final POP application to FTA for approval.

PTD will draw up the financial assistance contract once all approvals of the POP have been obtained. The grant agreement must be executed by the subrecipient and then will be executed by ODOT. Except as approved by the Division Administrator, subrecipients may only request reimbursement for projects expenses pertaining to said contracts after the PTD and FTA execute the application and award.

3.5 State Administrative Set-Aside

PTD is responsible for the administration of FTA and state programs. Up to ten percent (10%) of the annual appropriation of Section 5311 (including STBG transfers) and Section 5310 appropriations are allowed for state administration, planning, and technical assistance. The OMB regulations codified at 2 CFR § 200 identify the allowable state administrative costs for these programs. A portion of the Section 5311 administrative allocation may be granted to local providers for eligible planning projects. Funding applied to planning projects may not exceed the 10 percent federal limitation for program administration. RTAP is not included in the state administrative set-aside; it has its own allocation of funding, determined annually by Congress. Administration of the state-funded programs is determined by the cost of administration; not by a percentage.

Allowable administrative costs include salaries, overhead expenses, supplies, and office equipment used to administer the program. Allowable technical assistance costs may include program planning, program development, development of vehicle and equipment specifications, management development, coordination of public transportation programs (public and private for-profit and nonprofit), and such research as the state may deem appropriate to promote effective means of delivering public transportation service in rural areas. No local share is required for these expenses. The state may pass any portion of these funds on to subrecipients for the same purposes and, at its discretion, may impose a local share requirement.

3.6 Rural Transit Assistance Program

PTD operates a technical assistance and training program financed with state funds and the Rural Transit Assistance Program (RTAP) funds allocated to the state by FTA. The Training and Technical Assistance Program (TAP) is designed to assist all of Oregon's transit agencies by making available training opportunities for transit personnel in rural, intercity, and Section 5310 transportation programs. Public transit providers in urbanized areas, including in the Section 5310 program, are permitted to participate in TAP activities and training opportunities as well so long as their participation is incidental, and the activities are primarily designed to benefit rural transit providers. Additionally, scholarships are also offered for transit personnel. TAP and scholarship information is available on PTD's [training website](#).

Training

Training is provided by PTD and by subject matter experts, sometimes in conjunction with FTA regarding specific FTA grant requirements. PTD provides workshops to address grant application requirements, quarterly reporting, and other grant-related topics. PTD currently gathers input from the Oregon Transit Association (OTA), the PTAC, and subrecipients to identify training topics and analyze the results of recent compliance review findings to determine the need for targeted training in compliance areas. Examples of training topics include:

- (1) Annual Oregon Public Transportation Conference (OPTC), which offers in-depth and concurrent sessions to meet a variety of informational and training needs;
- (2) Grant-related training to provide information about grant programs prior to application;
- (3) Post-award training to inform subrecipients of grant requirements and to offer technical assistance and best practices;
- (4) Transit manager and grant management topics;
- (5) Compliance topics including drug and alcohol testing program management, financial management, the Americans with Disabilities Act, and procurement practices; and,
- (6) Training provided by other state agencies or other sources that apply to transit.

Scholarships

Each year, PTD provides training opportunities to Oregon's transit providers through available scholarships to attend state, regional, or national workshops or conferences. These opportunities are to attend courses or conferences providing training in the public transportation field. This program supports expenses such as tuition, travel (train, air or automobile), and per diem lodging expenses, excluding meals and incidentals, of persons traveling to training.

Other Uses of TAP Funds

Funds may be used to support research activities. PTD distributes training and technical assistance resources, such as National RTAP's online training resources, and provides on-site technical assistance as requested.

TAP Management

The technical assistance and training program is managed to benefit subrecipients of both federal and state rural transportation funds. PTD expects subrecipients to take advantage of training to improve the management of projects financed with federal and state funds, to learn about new methods and opportunities, and to network with peers. Evaluation of subrecipient participation in training programs is included in PTD's site reviews. At PTD's discretion, subrecipients may be required to attend transit-related training.

Large urban agencies are encouraged to participate in training programs sponsored by PTD. However, the use of RTAP funds is limited to participants who have a relationship to a rural, small urban, or special needs transportation program and whose participation will benefit the program. If a provider cannot demonstrate a direct relationship, state funds may be used to support participation.

3.7 Public Involvement & Private Sector Participation

Federal law requires the public to be involved in the transportation planning process and specifically requires that private providers be provided an opportunity to be consulted in developing transportation plans and programs in both urbanized and rural areas.

ODOT has adopted a Public Involvement Plan in conformance with federal requirements. The STIP is managed by the Financial Services Division. PTD submits program and funding information to Financial Services for inclusion in the STIP.

PTD Responsibilities

The public involvement program will:

- Provide early and continuing public involvement opportunities throughout the planning and programming process, and in the identification of social, economic, and environmental impacts of proposed transportation decisions
- Provide timely information about transportation issues and processes to citizens; affected public agencies; representatives of transportation agency employees; private providers of transportation; other interested parties; and segments of the community affected by transportation plans, programs, and projects
- Provide reasonable public access to technical and policy information
- Provide adequate public notice of public involvement activities and time for public review and comment at key decision points
- Establish a process for demonstrating explicit consideration and response to public input during the planning and program development process
- Establish a process for seeking out and considering the needs of those who may be underserved by existing transportation systems, including persons with low-income, minority populations, and those with limited English proficiency (LEP)
- Perform periodic reviews of the effectiveness of the public involvement process to ensure that the process provides full and open access to all and revision of the process as necessary

Please see the [Public Involvement Plan](#) for more information on ODOT's public outreach goals and strategies.

Subrecipient Responsibilities

- Subrecipients will develop a public participation strategy that offers early and continuous opportunities for the public to be involved in the identification of social, economic, and environmental impacts of proposed transportation decisions.
- Subrecipients should seek out and consider the viewpoints of minority, low-income, and limited English proficiency populations in the course of conducting public outreach and involvement activities.
- Subrecipients are required to provide private sector providers with a reasonable opportunity to comment on plans, programs, and to be included in the Coordinated Plans.
- Subrecipients will comply with grant-related public involvement requirements as defined by grant application documents.

3.8 Grant Protest Procedures

As part of the grant-making process, PTD has made an appeals process available to subrecipients and applicants to resolve protests of funding, grant awards, or other decisions.

Affected Party Responsibilities

- The affected party will address the appeal, in writing, to the PTD Administrator.
- The appeal will be made within the established period allowed or within 30 days of the action appealed.
- The appeal will identify the project or proposal affected by a funding decision or the action taken by PTD that is being appealed.
- The appeal will include the subrecipient or proposed subrecipient affected by the decision, any arguments pertaining to the appeal, and the requested remedy.
- Within 30 days of receipt of PTD's written statement of finding, the affected agency may file a second appeal, in writing.

PTD Responsibilities

- PTD will investigate any written appeal and will make a written statement of finding to the protesting agency within 30 days.
- If a second letter of appeal is submitted that provides substantive additional information, the Administrator will convene with the Assistant Director and respond within 15 working days with a final action regarding the appeal.

Subrecipient Responsibilities

- Subrecipients must maintain written grievance procedures for resolving local disputes, including contract awards, funding decisions, and service delivery.
- Subrecipients should notify PTD of any protests which involve FTA compliance issues.

IV. POST AWARD MANAGEMENT & REQUIREMENTS

PTD is responsible for administration of FTA programs Section 5304, 5307, 5310, 5311, 5339, and state programs. This includes managing the FTA award and subrecipient grants in compliance with federal regulations, the grant agreement, and applicable FTA circulars. This section describes the administrative responsibilities of PTD and its subrecipients once funding has been awarded.

Federal funds managed by PTD originate with the FTA. Since these awards pass through PTD to its subrecipients, PTD is responsible for ensuring the continued compliance of its subrecipients with the applicable federal regulations of the programs source. While this section primarily addresses the administration and management of funds post award, management requirements will, by necessity, extend before fund disbursement and after award closeout.

The primary administrative duties of PTD for FTA programs include:

- Prepare and maintain the State Management Plan for the ODOT-administered FTA programs.
- Provide an opportunity for public comment when making significant revisions to the plan.
- Manage federal grants through FTA's grant management system, including submittal of the program of projects and reporting as required by FTA.
- Announce program availability, grant selection, and eligibility requirements.
- Coordinate the transit element of the STIP and coordinate MTIPs with the STIP.
- Process subrecipient reimbursement requests and make payments in a timely manner.
- Monitor subrecipients, including private providers under contract to PTD, for compliance with federal and state regulations; report findings to FTA and ODOT director as necessary.
- Develop and monitor vehicle, facility, and equipment specifications. Monitor subrecipient management of equipment and facilities purchased with grant funds.
- Review and approve subrecipient reports, including but not limited to: Charter Bus, Drug and Alcohol Testing, quarterly performance, and financial reports.

Administration of Federal Funds

PTD manages federal and state funds allocated to it as required by laws, rules, and ODOT policies governing the expending and accounting of federal and state funds. ODOT's financial management system has an internal control structure that permits the tracking of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions applicable to all federal funds, including Section 5304, Section 5310, Section 5311, and Section 5339. PTD submits Milestone Progress Reports (MPRs) and Federal Financial Reports (FFRs) on all open FTA awards as required by FTA on a quarterly or annual basis. These reports are reconciled prior

to submission. PTD's financial management system is used to collect the data for progress reports; the staff reviews data to validate prior to submission. All associated reports including, but not limited to, National Transit Database (NTD), Section 5310, and Section 5311 are submitted as required. ODOT Financial Services requests federal funds payment through the Electronic Clearing House Operation (ECHO) system. Financial Services follows U.S. Department of Treasury regulations 31 CFR Part 205 and FTA Guidelines for Disbursements. ECHO drawdowns are completed regularly when PTD initiates payment requests with Financial Services.

It is the goal of PTD to close all subrecipient grants within three years of availability whenever possible, with four years being given for capital grants. PTD's procedures for grant administration include methods for expending older money first through the payment process for appropriate reimbursements and through reallocation of funds to projects with longer terms. PTD's goal is to close a federal grant within 120 days after work activities for the projects are completed or all federal funds are expended.

PTD's financial records are supported by appropriate documentation. Records pertinent to grants are retained by PTD for three years following the closure of the grant. Records for capital purchases are retained for three years after the disposal of the asset. The retention period starts on the date of the final FFR. If any litigation, claim, or audit starts before the expiration of the three-year period, PTD extends the retention period until all litigation, claims or audit findings have been resolved. All records are readily available to authorized representatives of the State of Oregon, the U.S. Department of Transportation, the FTA, and the Comptroller General of the United States.

Authority

FTA Circular 9040.1H, Rural Areas Formula Grant Programs Guidance

FTA Circular 9070.1H, Enhanced Mobility of Seniors and Individuals with Disabilities Program Guidance

FTA Circular 5010.1F, Award Management Requirements

FTA Circular 4220.1G, Third Party Contracting Guidance

2 CFR Part 200

49 CFR Part 663

2 CFR Part 180

2 CFR Part 1200

4.1 Project and Financial Management

For the purpose of compliance with state and federal regulations and requirements, the term “project” includes all activities and funding defined by a subrecipient agreement. The subrecipient agreements will describe both the federal share and the required local match for the grant. The federal share combined with the local match represents the project cost within each subrecipient agreement.

PTD reviews subrecipients’ quarterly revenues (containing awards, authorizations, obligations, assets, expenditures, income, and interest) to verify funds used for match, and makes payments to subrecipients on a reimbursement basis. It reviews subrecipients’ financial procedures (including but not limited to federal award identification, the financial results of each award or program, record maintenance, internal controls, procedures and policies to implement federal payments, and procedures and policies to determine cost allowability) during compliance visits and recommends corrective action, if necessary.

PTD provides technical assistance to potential applicants and subrecipients receiving Section 5304, Section 5310, Section 5311, and Section 5339 funds, such as assistance with project planning and preparation of applications, project management, and compliance with federal requirements. Technical assistance to subrecipients is provided by PTD staff and consultants.

PTD provides assistance to enable subrecipients to apply for other federal funds. In cases where PTD is the recipient of the other federal awards, PTD I oversees the grant-funded projects in a manner consistent with other federally-funded projects, and in conformance with FTA Circular 5010.1, as amended.

The goal of project monitoring is to ensure that the subrecipient and, as applicable, any additional lower tier subrecipients or vendors, have adequate internal controls and management procedures to ensure that the subrecipient is meeting the terms and conditions of the grant award(s).

When a monitoring activity identifies an issue related to capacity, eligibility, or compliance, PTD staff works with the subrecipient to determine whether the issue exists and, if so, determines a plan of corrective action and technical assistance.

PTD conducts proactive activities to maintain good program compliance. For example, PTD staff provides training prior to grant application opportunities to inform potential applicants of the program requirements. Staff also provide training after grants are awarded to inform subrecipients of their responsibilities. PTD staff provides one-on-one training as required to keep subrecipient staff informed and on track. PTD makes additional guidance available on PTD’s website and is continually adding

information for best practices.

PTD Responsibilities

- Identify and provide information to subrecipients about awards
- Inform subrecipients of compliance requirements through scheduled trainings, compliance reviews, feedback on single audit results, conferences, and other communications as needed.
- Provide technical assistance and training as necessary and feasible.
- Ensure that subrecipient agreements are awarded to eligible entities.
- Monitor subrecipient financial activities.
- Ensure that reimbursement requests are accurate and reflect eligible expenses.
- Ensure that subrecipients subject to Single Audit requirements complete them as required.
- Issue management decisions on any subrecipient audit findings and ensure that the subrecipient takes corrective action.
- Maintain PTD records and correct records as a result of subrecipient reviews and financial audits.
- Reimburse expenditures for a planning or capital project beginning with the execution date defined by the grant agreement. (Any expenditures prior to the execution date are the responsibility of the agency and are not be reimbursed by PTD.)
- Address project close-out and audit.
- Conduct NTD reporting.

Subrecipients receiving funds from PTD must manage their projects to conform to the applicable state or federal laws, rules, and other requirements for all funding sources and conform to Office of Management and Budget regulations.

Subrecipient Responsibilities

- Administer the grant from award to closeout.
- Develop internal policies and systems to ensure effective management of awards and compliance with all grant requirements.
- Establish strong internal controls for accounting and compliance with grant terms and conditions.
- Track receipts, disbursements, assets, liabilities, and grant balances.
- Track and report program income.
- Follow requirements for allowability of costs charged to FTA grants in order to be reimbursed by state and federal grants. The costs must:
 - Be necessary and reasonable for proper and efficient performance and administration of the project,
 - Be an eligible expense, and expenses must be consistent with executed subgrant agreement,

- Not be duplicative: a cost may not be assigned to the grant as a direct cost if any other cost incurred for the same purpose has been allocated to a grant as an indirect cost,
 - Be determined in accordance with generally accepted accounting principles,
 - Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period,
 - Be the net of all applicable credits, and
 - Be adequately documented per federal and state guidelines.
- Ensure that organization has a financial management system and any other systems that are appropriate to implement the project.
- Establish a budget of the costs required to perform the program/project and a method for monitoring actual costs against the budget. These include:
 - A method of tracking and accounting for local match
 - A method to amend the budget as necessary
 - A method of cost allocation when multiple grants may be charged for agency expenses
- Keep up to date of changes in policies, procedures, or requirements and advise agency staff of any changes.

4.2 Grants Management

Basic Grant Management Policies for Capital and Planning Projects

Capital grant agreements that include vehicle and facility projects are generally awarded on a four-year period with all other capital and planning grant agreements generally awarded for a two-year period. Exceptions to this policy may be made for projects that take several years to complete, such as larger facilities involving several stages of development and construction. PTD may choose to phase the project into more than one grant agreement.

If a project is not, or cannot be, completed within the designated time frame, PTD may renegotiate a revised completion date with the subrecipient. Decisions to cancel a project for non-performance by a subrecipient will be made on a case-by-case basis. For facility projects, progress reports may be required. PTD staff will visit the completed facility, require the subrecipient to submit pictures of the facility, or both, prior to final reimbursement on the grant. The agency may be asked to submit final inspection reports and other documentation to verify completion of the project. This is to ensure that the facility was completed as described in the grant agreement, and that ADA requirements have been met.

Basic Grant Management Policies for Operating Projects

If operation funds are an eligible category for the biennial discretionary grant solicitation, then operating funds are awarded for two years. No extensions for time are allowed in this category. Any unused grant funds at the end of the agreement or contract period will be de-obligated from the project and will be used by PTD for other eligible projects.

All agencies must submit a quarterly report in order to receive reimbursement. The actual amount of reimbursement is limited to the amount in the grant agreement, provided agencies demonstrate ability to provide local match.

Basic Grant Management Policies for Mobility Management Projects

Funds for mobility management projects are awarded in the biennial grant application process and are awarded for two years. Any unused grant funds at the end of the agreement or contract period will be de-obligated from the project and will be used by PTD for other eligible projects. All agencies must submit a quarterly report in order to receive reimbursement. The actual amount of reimbursement is limited to the amount in the grant agreement, provided agencies demonstrate their local match.

4.3 Audit

Audit Requirement

Subrecipients are required to have an annual financial audit conducted by independent auditors. If a non-federal entity expends more than \$1,000,000 in federal funds from all sources, they must have a Single Audit conducted for that year in accordance with 2 CFR 200 Subpart F – Audit Requirements.

For a Single Audit, the non-federal entity must:

- (1) Procure or otherwise arrange for the audit required by this part (§200.509 Auditor selection), and ensure it is properly performed and submitted when due (§200.512 Report submission).
- (2) Prepare appropriate financial statements, including the Schedule of Expenditures of Federal Awards (SEFA) (§200.510 Financial statements).
- (3) Promptly follow up and take corrective action on audit findings, including preparation of a summary schedule of prior audit findings and a corrective action plan (§200.511 Audit findings follow-up).
- (4) Provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by this part.

Restrictions

An auditor who prepares the subrecipient's indirect cost proposal or cost allocation plan may not also be selected to perform the audit required by 2 CFR § 200 when the indirect costs recovered by the auditee during the prior year exceeded \$1 million. This restriction applies to the base year used in the preparation of the indirect cost proposal or cost allocation plan and any subsequent years in which the resulting indirect cost agreement or cost allocation plan is used to recover costs.

Auditor Independence

OMB regulations place full responsibility for the preparation of financial statements with the subrecipient. Generally accepted government auditing standards (GAGAS) (the "[Yellow Book](#)") were amended in 2024 to clarify that an audit firm that also prepares financial statements for an audit client may threaten the independence of the audit firm. These amendments require the audit firm to apply safeguards to eliminate or reduce the threat to independence to an acceptable level.

The Yellow Book amendments are effective for audits for fiscal years ending on or after December 15, 2025.

In the review of subrecipient audits where the independence of the audit firm is in question, ODOT will reserve the right to:

- Re-evaluate the financial capacity of the subrecipient to receive and administer FTA grants.
- Evaluate if the audit firm has sufficiently instituted the required safeguards to assure independence in the conduct of the audit.

Audit Findings Corrective Action

The subrecipient is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the subrecipient must prepare a summary schedule of prior audit findings. The subrecipient must also prepare a corrective action plan for current year audit findings. The summary schedule of prior audit findings and the corrective action plan must include the reference numbers the auditor assigns to audit findings, corrective action, and date of completion to remedy findings. Since the summary schedule may include audit findings from multiple years, it must include the fiscal year in which the finding initially occurred. When audit findings involve the use of ODOT-administered FTA funding, the subrecipient must keep PTD apprised of the progress to correct and close out the finding.

Audit Report Submission

Annual financial statement audits and/or Single Audits must be submitted to ODOT for review within 180 days after the close of the subrecipient's fiscal year or 30 days after the completion of the audit, whichever date comes first.

Federal Audit Clearinghouse (FAC) Report Schedule

The Single Audit must be completed and the data collection form and report package required by the FAC must be submitted within 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period, whichever is sooner. If the due date falls on a Saturday, Sunday, or federal holiday, the reporting package is due the next business day.

4.4 Award Close Out

Final Reimbursement Request

Subrecipients must initiate and show reasonable progress throughout the grant agreement period of performance and close their grants in a timely manner per their agreement. The subrecipient must submit the following within 60 days after the sub agreement end date:

- A reimbursement request and documentation for the remaining eligible project expenses
- Copies of reports or documents produced because of the contract

Recordkeeping

Subrecipients must keep grant records, including procurement records and other associated records for each grant, for five years after a project is completed or after a vehicle is taken out of service. Subrecipient requirements, such as drug and alcohol testing, may have unique recordkeeping requirements. Subrecipients are responsible for knowing and adhering to the recordkeeping requirements. Site reviews will include an assessment of the recordkeeping capacity of subrecipients by reviewing source documents and inspecting records. Reports are due on or before 45 days after the end of the quarter.

4.5 Procurement

PTD and all subrecipients of FTA funds must comply with all federal, state and local laws, ordinances, regulations and policies regarding procurement and contracting. Circular 4220.1G, as amended, documents the FTA's procurement requirements. Subrecipients also must follow the requirements found in 2 CFR Part 200, referred to as the Uniform Administrative Requirements or Super Circular. All agencies must also comply with the requirements outlined in this section.

PTD Responsibilities

- Comply with state and federal procurement requirements.
- Include in subrecipient agreements all federally-required certifications, assurances, and clauses for procurements as appropriate to the type of purchase and price.
- Review subrecipient procurement procedures and spot-check procurement records, documents, policies, procedures, and processes during site reviews and upon request.
- Review subrecipient requests for vehicle leases within 30 days of submittal, and prior to executing a grant agreement. (In some instances, FTA approval may be required.)
- Provide technical assistance in the review of subrecipient requests for proposals, vehicle and construction specifications, bid documents, and subcontracts, and respond within 30 days of request.
- Comply with ODOT Financial Administration policy 3.1.1, in compliance with 2 CFR 200.500 regarding subrecipient determination.

Subrecipient Responsibilities

- Follow the appropriate procurement requirements under 2 CFR 200 and FTA Circular 4220.1G
- Develop and adhere to written procurement policies and procedures, including standards of conduct and a process for handling protests regarding procurements.
- Determine whether a contractor is a vendor or a subrecipient, per 2 CFR 200.331. If the second party is defined as a "subrecipient," the subrecipient must provide to the second party funding information at the time of award, including the Assistance Listing title, number, and federal award dollar amount. It is the obligation of the subrecipient to ensure that an audit, if required of the second party, properly includes the federal award in the Schedule of Expenditures of Federal Award (SEFA). See 2 CFR 200.331 for more information regarding subrecipient and vendor determinations and requirements.
- Submit vehicle price comparison and analysis documents with vehicle orders using the state price agreement contracts.
- Submit vehicle lease cost comparison to PTD for review and approval prior to signing a lease agreement.
- Provide all purchase of services contracts to PTD no later than 30 days after execution and

provide PTD with updated purchased service contracts each time they are updated.

- Follow State of Oregon laws, regulations, and procedures regarding procurement thresholds (i.e., dollar amounts) unless federal requirements are more restrictive in which case federal requirements apply.
- Request technical assistance, as needed, including review of Requests for Proposals (RFP) or Invitations to Bid (ITB), prior to advertising if using the state price agreement. (PTD's [published guidance](#) provides additional information on what to do when purchasing a vehicle or other asset.)

Competition

All procurement transactions must be conducted in a manner providing full and open competition consistent with FTA standards.

To ensure objective contractor performance and eliminate an unfair competitive advantage, subrecipients must ensure that no organizational conflicts of interest arise in their procurement activities. This means that any subrecipient use of a contractor to develop or draft specifications, requirements, statements of work, and/or invitations for bids or requests for proposals, must be excluded from competing for such procurements.

In limited circumstances, a subrecipient may conduct a procurement without full and open competition. A subrecipient may make a noncompetitive award under the following circumstances:

- If the award requirements are defined as a micro-purchase (under \$10,000),
- If the requirement can only be fulfilled from a single source (e.g., due to patent or data rights),
- If an exigency or emergency develops,
- If there is inadequate competition, or
- If authorized by the FTA under 2 CFR 200.320(c)(4).

Methods of Procurement

Procurement methods can be split into three categories: informal (with micro-purchases and small purchases), formal purchases such as competitive proposals (RFPs) and sealed bids (ITBs), and non-competitive (single and sole source) procurements. Current federal procurement thresholds enable purchases under \$10,000 as micro-purchases, and procurements under \$250,000 as small purchases.

Cost/Price Analysis

The subrecipient must perform a cost or price analysis in connection with every procurement action above the federal Simplified Acquisition Threshold including contract modifications. The method and degree of analysis are dependent on the facts surrounding the particular procurement situation, but as a

starting point, the subrecipient must develop independent cost estimates (ICE) before receiving bids or proposals.

Pre-Award and Post-Delivery Requirements

Procurements for vehicles must be in accordance with “Pre-Award and Post-Delivery Audits of Rolling Stock Purchases” (49 CFR Part 663). Any subrecipient who purchases rolling stock must certify to PTD that it has conducted a pre-award and post-delivery audit to ensure compliance with its bid specifications, Buy America requirements, and Federal Motor Vehicle Safety Standards. Visual inspection and road testing are required when purchasing unmodified vans, cars, or 20 or fewer buses. Resident inspection is required when purchasing more than 20 buses or modified vans from a single manufacturer.²

PTD Responsibilities

- Include Buy America, pre-award and post-delivery certifications, and New Model Testing requirements in applicable grant agreements.
- Forward Buy America waiver requests from subrecipients to the FTA.
- Review subrecipient’s procedures regarding Buy America, pre-and post-delivery certifications, and bus testing requirements during on-site compliance reviews.
- Review and approve all documentation and certifications provided by the subrecipient prior to making reimbursements on grant agreements.
- Review a sample of procurement files at the time of compliance reviews for completeness.

Subrecipient Responsibilities

- Review the manufacturer’s Buy America certification and supporting documentation before a contract is awarded to purchase vehicles (pre-award audit). The documentation review should include vehicle sub-components (place of origin, cost, and place of final assembly). Subrecipients must determine to their own satisfaction that the manufacturer can meet the Buy America requirements.
- Perform a post-delivery audit after vehicles have been delivered. This post-delivery audit ensures that the manufacturer complied with Buy America, the Federal Motor Vehicle Safety Standards, and the subrecipient’s purchase order specifications. The subrecipient must complete the post-delivery audits before it accepts the vehicles and pays the vendor.
- Submit all documentation and certifications to PTD. Documentation must be received by PTD prior to final payment to the subrecipient.

² Information is available in the publication [Conducting Pre-award and Post-Delivery Audits for Rolling Stock Procurements](#) published by FTA. More information is also available through PTD in the [Vehicle Purchase Guidance](#) or in the [Vehicle Purchase Reimbursement Instructions](#).

- Contact PTD for technical assistance if needed.

Vehicle Procurement

PTD does not usually purchase vehicles directly with state or federal funds. Subrecipients are responsible for purchasing equipment and services financed by grant agreements. Transit agencies can purchase most vehicle categories from the DAS State Purchasing price agreements. The online Oregon Buys system operated by DAS contains a list of qualified vendors for each vehicle type. The state price agreements were developed by DAS, ODOT procurement, and PTD staff with input from transit agencies.

Category A vehicles, or specialty vehicles not available on the state contracts, are procured by transit agencies using an open competitive bid process that follows both federal and state procurement laws and rules. Any RFP must be reviewed by PTD prior to sending it to a vendor. Other purchasing arrangements for larger vehicles are available through the cooperative agreements process where agencies allow other transit agencies to access bid contracts.

Subrecipients may be allowed to lease vehicles when it is proven to be cost-effective. For instance, it may be appropriate to lease a vehicle to start new or expanded service before procurement of a new vehicle can be accomplished. Subrecipients must complete a cost/benefit analysis and it must be approved before beginning procurement of a leased vehicle if federal or state PTD grant funds will be used to fund the lease.

Subrecipients are required to order ADA-accessible transit vehicles through the state price agreements administered by the Oregon Department of Administrative Services (DAS). DAS helps the PTD contract for appropriate vehicles to meet the needs of public transportation providers.

Subrecipients must receive approval from the Capital Program Coordinator prior to purchase or lease of vehicles not on the state price agreement. All lease agreements must be submitted to PTD for approval before execution.

PTD offers technical assistance concerning the purchase or lease of equipment. PTD is responsible for protecting the state and federal interest in all equipment and facilities purchased.

New Model Buses

New bus models must be tested at the FTA-sponsored test facility in Altoona, PA before FTA funds can be expended to purchase them. The FTA rule exempts certain vehicles from testing (usually sedans and

vans). The primary purpose of the testing program is to determine the strengths and weaknesses inherent in the particular model for typical operating conditions. Ideally, subrecipients use the bus-testing report as one of the criteria used to select the vehicle for purchase.

Subrecipients purchasing equipment with federal funds are currently required to receive the Altoona bus test report for each vehicle model purchased and include it in procurement files when the test is required. The report should be provided by the vendor before the subrecipient signs off on post-delivery certification forms and acceptance of the vehicle(s) from the vendor.

PTD Responsibilities

- Review all subrecipient procurement documents and vehicle orders prior to contract execution or purchase.
- Include vehicle purchasing and insurance requirements in grant agreements.
- Verify with subrecipient that vehicle registration and licensing is correct.
- Hold vehicle titles in secured location as the first lienholder in vehicles.
- Review and approve requests to transfer vehicles to another party.
- Release vehicle titles to subrecipient once requirements are met.
- Review vehicle lease agreements prior to execution to help ensure all state and federal requirements are met.
- Provide technical assistance and review documentation for meeting requirements of the procurement laws and regulations.
- Return sale proceeds funds from disposed equipment and/or facilities to the FTA, as appropriate.

Subrecipient Responsibilities

- Submit all procurement selection documentation to PTD prior to ordering vehicle.
- Show the transportation provider as owner and PTD as the first lienholder on all vehicles purchased with PTD grant funds. If the subrecipient is not the owner/operator, the subrecipient must be included as the second lienholder on the title.
- If STIF monies are used as local match for a purchase, the STIF QE must be the vehicle owner on the title or be listed on the title as secondary interest holder.
- Request vehicle transfer approval from PTD before initiating transfer to another party.
- Submit any lease agreements for vehicles to PTD for approval. Subrecipients must receive approval in writing from PTD before entering into the agreement.
- Receive all federally-required certifications from vehicle manufacturers on Federal Motor Vehicle Safety Standards and Buy America for each vehicle type purchased unless changed by federal reauthorization. The subrecipient must also receive a copy of Altoona bus test report on each vehicle type as part of the post-delivery acceptance of the vehicle and keep this report with procurement files. These requirements are also required when piggybacking on any bids or

using the state price agreement.

- Pay any title and registration fees, as well as DEQ certification fees, if required. The subrecipient is required to license the equipment per Oregon Driver and Motor Vehicle Services regulations.
- Do not operate vehicles with license plates identifying the vehicle as government owned, commonly referred to as “E-plates”, if a private agency. Grant subrecipients with any questions regarding whether or not a vehicle qualifies for an E-plate, should contact DMV.
- Obtain insurance coverage to protect PTD, the operators, assistants, occupants, and the equipment during the life of the project. These requirements are outlined in the grant agreement.
- Refer to the [most current circular](#) for guidance on refunding sale proceeds for equipment or vehicle disposition.
- Do not sell any vehicle until the seller has the title in possession. This includes disposal to a junk yard.

Debarment and Suspension

To prevent fraud, waste, and abuse in federal transactions, persons or entities that, by defined events or behavior, potentially threaten the integrity of federally-administered programs are excluded from participation in FTA-assisted programs. PTD will not enter into any third-party contract or grant agreement with any party included in the “Governmentwide System for Award Management, Excluded Parties Listing System.” This pertains to all FTA-funded programs. Reference: 2 CFR Part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension”; 2 CFR Part 1200, Non-procurement Debarment and Suspension; and 49 U.S.C. § 5325(j), FTA Annual Certifications and Assurances

Subrecipients conducting an FTA-funded procurement exceeding \$25,000 through a grant from PTD must certify that the vendor is not debarred or suspended from any federal agency. This can be completed through three different mechanisms: (1) Adding debarment/suspension clause language to the resulting contract/purchase order, (2) obtaining a certification from the vendor certifying that they are not debarred or suspended from participation in a federally-assisted contract, or (3) checking the federal website, SAM.gov, to proactively confirm that the potential vendor is not debarred or suspended. The subrecipient is advised to obtain a print screen of the vendor’s SAM.gov entry to document that they are not actively debarred or suspended.

PTD Responsibilities

- Ensure that no subrecipients are excluded from participation in FTA-assisted programs.
- Ensure that subrecipients verify that their third-party contracts are not disqualified.
- Obtain certifications of compliance from subrecipients prior to execution of grant agreements.
- Require the contractor to submit a completed integrity certification prior to awarding the final

contract for a third-party contract exceeding \$25,000 that uses any amount of FTA funding. In the case of vendor identification through the DAS purchase program, a signed integrity certification will be obtained prior to final vendor selection, although an actual purchase has not taken place.

Subrecipient Responsibilities

- Sign a certification of compliance pertaining to debarment and suspension.
- Verify that a third-party contractor is not disqualified by a federal agency. Obtain a signed certification or add a clause or condition to the contract or subcontract regarding debarment and suspension

4.6 Asset Management

Transit Asset Management Plan

Every subrecipient must either develop a Transit Asset Management (TAM) plan if it owns, operates, or manages capital assets used to provide public transportation and receive federal assistance under 49 U.S.C Chapter 53 or be a participating member of a group TAM plan established by another FTA recipient. Each subrecipient must designate an Accountable Executive to ensure appropriate resources for implementing the subrecipient TAM plan responsibilities.

Every TAM plan must include:

- An inventory of the number and type of capital assets
- A condition assessment of those inventoried assets for which a provider has direct capital responsibility.
- A description of analytical processes/support tools that a provider uses to estimate capital investment needs over time and develop its investment prioritization.
- A State of Good Repair (SGR) policy
- Describes TAM activities that the subrecipient intends to engage in
- A list or summary of the resources, including personnel, that the TAM plan requires
- An outline of how the subrecipient will monitor, evaluate, and update its TAM plan as needed.

Real Property

Title

Title to tangible personal property or real property shall rest in the name of the subrecipient. PTD reserves the right to hold the first lien on the asset to ensure that asset management requirements are met by the subrecipient.

Real Property Maintenance Requirements

This section covers land purchased for a facility project; structures purchased and placed for transit use, such as pre-fabricated passenger shelters; buildings constructed for transit use such as bus barns, administrative offices, and other facilities such as transfer stations; infrastructure construction such as improvements to sidewalks; and paving park and ride facilities. Properties purchased or construction-funded with federal or state awards should be maintained free of defects and graffiti to ensure the structure and surrounding area are in usable, safe condition. The properties must be used for the purposes described in the grant agreement.

Subrecipients are required to develop and submit maintenance plans to PTD for buildings and other facilities funded with PTD grants. These maintenance plans should describe, at minimum: regular use, incidental use, and preventative maintenance procedures and schedules to ensure the useful life standards of the facility are met.

Facility Useful Life

Oregon's standards were created using industry standards (PTD experience, consultation with ODOT pavement engineers, and a request from all state counterparts for input). These standards will be reviewed for potential updates each biennium as projects are solicited for funding.

Subrecipients must apply the following useful life standards to facilities funded through PTD:

- Passenger Shelters such as pre-fabricated metal, glass, Plexiglas, and stick-frame structures – 10 years
- Bus barns such as site-built “pole barns” or other stick-frame barns – 40 years
- Administration buildings and maintenance buildings (includes additions) – 40 years
- Concrete pavement infrastructure – 20 years
- Fencing – 15 years
- Office furniture – 10 years
- Land – Useful life does not expire on land purchases

Restrictive Covenants and Other Property Agreements

PTD requires that land and permanent buildings purchased or improved with federal or state funds have a restrictive covenant filed with the property deed. The covenant is to protect the federal or state investment in the property. (Because passenger shelters are not permanent buildings, they are exempt from the restrictive covenant requirement.)

In certain cases, such as when another government entity owns the property, a restrictive covenant may not be required; a subrecipient should work with its Regional Transit Coordinator to determine these exceptions. In some instances, other property agreements, such as a joint ownership deed, local land use agreement, easement, or right-of-way may be in place and a copy must be submitted prior to breaking ground. (This can apply to passenger shelters.)

Disposition of Property

Land, buildings, or facilities that are purchased, constructed, or improved using federal or state funds may only be used for the originally authorized purpose. Such property shall not be transferred to another party, disposed of, its title encumbered, or have other liens or claims imposed, without prior

PTD approval outlined below.

When property funded with federal or state funds is no longer needed for the originally authorized purpose, the subrecipient is required to contact PTD for disposition instructions. ODOT uses federal guidelines for the disposition of properties funded with state funds. The options are as follows:

- Retain title of the property after compensating the awarding agency (PTD).
- Sell the property and compensate the awarding agency (PTD).
- Transfer title to the awarding agency (PTD) or to a third-party designated or approved by PTD to continue in its originally funded purpose for the provision of public transportation services.

The fair market value of the property at the time of the transaction shall be used when a property is sold, transferred to another party, or voluntarily converted to a non-transit use by the transit agency. Subrecipients must have a commercial appraisal or other fair market valuation to determine current fair market value. PTD must review and approve the fair market valuation if a commercial appraisal is not used.

When compensating PTD under the procedures identified above, PTD receives an amount equal to the fair market value times the percentage of federal or state reimbursement as identified in the original grant agreement. The subrecipient retains an amount equal to the fair market value times the percentage of local match provided as identified in the original grant agreement. The disposition of property that is involuntarily converted (e.g., acts of God, other) will be negotiated on a case-by-case basis between PTD and the subrecipient.

Subrecipients must reinvest any funds received from the sale of property or insurance proceeds into the transit program. Funds received by PTD shall be reinvested into the discretionary grant process.

PTD Responsibilities

- Provide technical assistance to subrecipients regarding the restrictions on use and disposal of land, buildings, or facilities purchased with federal or state funds.
- Approve the determination of fair market value if a subrecipient is disposing of property.
- Approve the transfer of property to a third party.
- Keep an inventory of land, buildings, or facilities purchased with federal funds.
- Review subrecipients' procedures through document reviews or site visits to ensure maintenance plans are being followed.

Subrecipient Responsibilities

- Contact PTD for technical assistance regarding any applications for discretionary grant funding for land acquisition or development of structures. Ensure grant funding is compliant with the National Environmental Policy Act (NEPA) and uniform act

- All Projects using federal funding must follow all NEPA requirements, outlined in section 6.5
- Determine if a restrictive covenant or other property agreement is applicable and receive a copy of the restrictive covenant or other property agreement on land or permanent buildings and maintenance plan prior to project conclusion and final payment.
 - Obtain Restrictive Covenant or other property agreement on land or permanent buildings prior to project conclusion and submit a copy to PTD.
- Keeps an inventory of land, buildings, and facilities purchased with federal funds.
- Develop and submit maintenance plans for land, buildings, and facilities to PTD when requesting reimbursement for the project.
- Require reports on condition of assets, or any damages to assets in the yearly asset inventory report.
- Name PTD as additional insured for premise insurance.
- Contact PTD for assistance regarding disposal of land, buildings, or facilities acquired with federal or state funds.
- Obtain a commercial appraisal or other fair market valuation, and submit the documentation to PTD for approval when disposing of property.
- Compensate PTD if disposing of property.
- Reinvest any proceeds from the sale of property into the transit program for the same purpose or reimburse FTA for the remaining federal interest in the property.

Vehicles and Equipment

Use & Maintenance

PTD and subrecipients are responsible for vehicles and other equipment financed by state or federal grants. Vehicles must be maintained in acceptable condition maximizing safety and useful life and must be used for the purposes described in the grant agreement. More detailed information is available on the PTD website home page, <https://www.oregon.gov/odot/rptd/pages/index.aspx>. Click on the link for Transit Provider Handbook.

Vehicle equipment condition is assessed as new, excellent, good, fair, poor, or out of service. Indicators of vehicle condition can include, but are not limited to: age; mileage; vehicle condition (visible body damage or deterioration); interior condition (torn seats, broken fixtures); condition of lights, mirrors and windows; presence of fluid leaks; and performance. PTD expects subrecipients to make necessary repairs to vehicles in a timely manner.

PTD's goal is for vehicles and equipment to be used as long as the equipment remains in good, safe condition. PTD has the option to take a security interest in tangible assets and, if necessary, foreclose on

the assets if they are not properly maintained.

Vehicle and Equipment Management Requirements

Procedures for managing equipment, whether acquired in whole or in part under a federal award, until disposition takes place will, as a minimum, meet the following requirements:

- Procurement and property records must be fully maintained with all requisite information
- A physical inventory of the equipment or vehicle must be taken and the results reconciled with the property records at least once every two years.
- A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated and reported.

Warranty

PTD and subrecipients are responsible for maintaining vehicles and other equipment in acceptable condition maximizing safety and useful life. This includes accessing warranties when applicable. If a subrecipient has equipment under warranty it is required to have a system for identifying warranty claims, recording claims, and enforcing claims against the manufacturer.

Vehicle Insurance

Subrecipients purchasing vehicles must obtain insurance to protect the subrecipient, vehicle drivers and assistants, vehicle occupants, and equipment through the period of use. The insurance must meet state minimums as required by ORS Chapter 806. The subrecipient is responsible for all costs, deductibles, or self-insured retainer. The subrecipient must include the “Oregon Department of Transportation, Public Transportation Division” as an additional insured.

Leasing

Subrecipients may be allowed to lease vehicles when it is proven to be cost-effective. For instance, it may be appropriate to lease a vehicle in order to start new or expanded service before procurement of a new vehicle can be accomplished. Subrecipients must complete a cost/benefit analysis and it must be approved prior to beginning procurement of a leased vehicle if federal or state PTD grant funds will be used to fund the lease. Subrecipients must use normal procurement procedures for leases of vehicles not on the state price agreement. All lease agreements must be submitted to PTD for approval prior to execution.

PTD offers technical assistance concerning the purchase or lease of equipment. PTD is responsible for protecting the state and federal interest in all equipment and facilities purchased.

Equipment Useful Life Standards

Subrecipients must apply the following useful life standards to equipment funded through PTD:

- Non-revenue rolling stock vehicles such as maintenance vans, supervisor vans, and light-duty trucks – 4 years; 100,000 miles
- Computer equipment, computer software, office equipment, and communications equipment – 5 years
- Surveillance equipment such as cameras for vehicles or facilities – 5 years
- Mechanical shop equipment such as vehicle lifts, bus washers, and tire changers – 15 years
- Fare boxes – 10 years

PTD Responsibilities

- Develop and maintain guidance and technical assistance to inform subrecipients on proper maintenance of assets.
- Maintain an inventory listing of all vehicles purchased with state or federal funds administered by PTD.
- Periodically conduct reviews of maintenance practices and annual maintenance reports, either during compliance reviews or as separate reviews.
- Suspend vehicles from service if a visual inspection indicates that the equipment is being maintained poorly or is being operated in an unsafe manner. Maintenance or safety issues must be resolved before a vehicle is put back in use.
- Ensure maintenance practices are adequate for other types of capital equipment purchased with federal grants. This is performed during on-site program reviews.
- Remove from a subrecipient's possession any vehicle that PTD determines the subrecipient has failed to adequately maintain.
- Include insurance requirements in all subrecipient grant agreements.
- Contact the agency involved when PTD received notice of insurance cancellations. Require proof of reinstatement or new insurance coverage.
- Withdraw or transfer the vehicle to another agency if insurance is not obtained within a 90-day period.

Subrecipient Responsibilities

- Develop written vehicle maintenance policies and plans that maintain the asset in an acceptable condition maximizing safety and useful life.
- Maintain complete service records for each vehicle, including warranty repair information. This includes all vehicles, whether operated directly by the subrecipient(s) or contractor(s).
- At a minimum, meet the Original Equipment Manufacturer (OEM) recommended preventive

maintenance schedules as necessary to keep vehicles in acceptable condition maximizing safety and useful life. This includes all vehicles, whether operated directly by the subrecipient or contractor(s).

- Ensure maintenance plans include regular pre-trip and post-trip inspections of equipment, including inspection of the lift as required by ADA.
- Maintain a policy for all warranty issues. Policies must include clear procedures to identify warranty repairs, record the warranty claim, submit the claim to the manufacturer, and follow up on unpaid claims. It is suggested, but not required, to look more closely at major components during the last few weeks or miles before the warranty is ready to expire. By doing so the agency sometimes identifies a bearing noise, oil leaks, etc., that may not otherwise be caught until after the warranty has expired.
- Maintain documentation of warranty information in each vehicle or asset file, including receipts and proof of warranty service.
- Ensure all drivers operating grant-funded vehicles receive a standard defensive driving course, Passenger Assistance, Safety and Sensitivity (PASS) training, and D&A training.
- Perform annual vehicle safety inspections for each vehicle, which must be completed by a certified mechanic. Cost is reimbursable through preventive maintenance grant agreements or operations grants if no preventive maintenance grant is in place. "Certified" means that mechanic has documentation to meet or exceed industry standard by certificate or proof of training proficiency for that component as specified by warranty requirement.
- Obey all applicable state and federal laws pertaining to the operation of passenger carrying vehicles.
- Notify PTD if a vehicle is out of service for more than 90 days.
- Obtain insurance as required by PTD and Oregon law for all vehicles.
- Include ODOT PTD as "Additional Insured" and request the insurance company to provide a copy of the insurance certificate to PTD.
- Do not drive uninsured vehicles.

Disposition

When a subrecipient requests to dispose a vehicle or piece of equipment, PTD considers the useful life information. The asset's condition, reliability, and maintenance costs are based on service records. Subrecipients are expected to use equipment for its useful life or for the duration of the transportation project. Subrecipients are required to notify PTD if the equipment has not been used for a period longer than 90 days. If the project is at an end and vehicle useful life remains, PTD will transfer the vehicle to another eligible agency.

Subrecipients are required to contact PTD when assets have reached the end of their useful life and the subrecipient can no longer use them, the original purpose for the asset changes, the service is

terminated, or the project ends. Titles are released to the owner when requested once useful life standards have been met for disposal, or when the vehicle is being transferred to another agency for similar service.

When disposing of a vehicle or other asset that has met useful life standards, the agency may sell the asset. If an asset purchased with federal assistance is no longer needed for a public transportation purpose and is sold for \$10,000 or less, the recipient may retain the full proceeds from the disposition. If the proceeds are greater than \$10,000 the recipient may retain \$5,000 and the percentage of the local share in the original award of the remaining proceeds, with the remaining federal share returned to ODOT, and then the FTA.

When transferring a vehicle or rolling stock to another provider for use in public transit, the transferring agency will email PTD to request approval and the title released for changes. The receiving agency will title the vehicle in their name with PTD as the first lienholder. The receiving agency will continue quarterly reports on the vehicle, for as long as the vehicle is used in public transit. The Federal interest in the vehicle will be transferred with the property, and therefore, the transferor of the vehicle does not retain an obligation to reimburse FTA.

Local public agencies may adopt their own rules and procedures for disposing of federally-funded surplus property as long as the disposal or sale is conducted in an open, public process. Local agencies' rules may be more restrictive than federal and state rules, but not more permissive.

PTD Responsibilities

- Provide technical assistance on all aspects of asset disposition.
- Review vehicle information provided on quarterly reports.

Subrecipient Responsibilities

- Contact PTD for technical assistance regarding all aspects of asset disposition.
- Notify PTD if equipment has not been used for 90 days. This should be reported on the quarterly report. PTD has the option to transfer the asset to another agency that can use the asset.
- Invest any proceeds from the sale of vehicle at the end of its useful life into the transit program that funded the vehicle being sold.
- Obtain the title from PTD and finalize transfer process through completion of disposal forms.

4.7 Reporting Requirements

Subrecipients are required to report on federally-funded activities. There are a number of required reports, including fiscal, performance, Disadvantaged Business Enterprises (DBE), Civil Rights/ADA complaints, accident reports, vehicle procurement, and vehicle status. The majority of these reports are submitted using the [Oregon Public Transit Information System \(OPTIS\)](#). There are also special purpose reports associated with specific types of funds, such as for the National Transit Database (NTD), Drug and Alcohol Testing, and Charter Bus.

PTD requires performance and fiscal reports (and vehicle reports as applicable) from subrecipients for each of its funding programs. Grant payment is based on receipt and approval of these reports along with reimbursement requests. Performance reports document the number of rides, hours, miles, senior rides, and disabled passenger rides. Fiscal reports authenticate quarterly revenues and expenditures, local contributions, sources of contribution, and other data as required by the specific funding source. Capital reimbursements are made based on vendor receipts or maintenance descriptions which are used to verify eligible expenses. Depending upon the type of grant, PTD may require other types of documentation in order to process reimbursement requests.

Subrecipients of Section 5310 are required to submit quarterly reports. In addition to the quarterly reporting requirements, all Section 5310 projects are required to report on additional program measures including gaps in service filled and ridership. Subrecipients of non-traditional Section 5310 projects are required to report on additional program measures including service improvements and physical improvements.

NTD Reporting

PTD, as a direct reporter, must submit its National Transit Database (NTD) report to FTA by October 31 each year. Subrecipients of Section 5311 and 5339, and some Section 5310 subrecipients, must submit reports to PTD by mid-October so PTD can submit its report by October 31. Subrecipients submitting an NTD report through PTD work with their RTC to prepare their report. Each year, RTCs reach out to subrecipients to provide reporting information and links to current resources. Specific reporting requirements are included in the NTD reporting instructions manual issued each year.

Agency Periodic Reports

Any subrecipient (also referred to as an agency) with an open, active grant agreement or in possession of a PTD-funded capital item currently in use (even if the grant agreement is closed) is required to submit an Agency Periodic Report (APR) on a quarterly basis. The report is completed in OPTIS and

tracks agency revenues, expenses, performance, assets, accidents, and civil rights complaints. This information helps to demonstrate that the subrecipient is meeting contractual obligations and delivering public benefits.

STIF Agencies are also required to submit a STIF Plan Report quarterly, as defined by Oregon law and PTD procedures, found in the [STIF Guidebook](#).

Subrecipients must submit a quarterly program activities report.

PTD Responsibilities

- Maintain records sufficient to manage the programs and report to FTA, including the annual program of projects status reports and financial status reports. Milestone Progress Reports (MPRs) and Federal Financial Reports (FFRs) on all open FTA awards as required by FTA on a quarterly or annual basis
- Maintain grant reports a minimum of five years after project completion.
- Periodically validate records for accuracy and appropriate documentation during compliance reviews.
- Provide appropriate technical assistance when indicated or requested.

Subrecipient Responsibilities

- Submit reports as required by executed grant agreement(s) for all FTA fund programs, including but not limited to NTD, drug and alcohol testing, and program performance measures. Reports must be true, accurate, current, complete, and supported by adequate documentation.
- Maintain grant reports and documentation for a minimum of five years after project completion.
- Submit periodic performance and vehicle reports as defined in agreement or program guidance documents in the format stipulated by PTD.
- Submit reimbursement requests with appropriate financial documentation, as determined by PTD. If the reimbursement request is later found to be incorrect or that PTD over-funded the grant, the subrecipient is obligated to notify PTD about the change and reimburse overpayment. The subrecipient may submit documentation for additional reimbursement.

4.8 Oversight

PTD is required to ensure that subrecipients comply with federal and state requirements. This is accomplished through a project monitoring performed by PTD staff or its delegates. The goal of project monitoring is to ensure that the subrecipient, and all lower-tier subrecipients or vendors, have appropriate, adequate internal controls and management procedures to ensure that all subrecipients are meeting the terms and conditions of the grant agreement(s).

When a monitoring activity identifies an issue related to capacity, eligibility, or compliance, PTD staff work with the subrecipient to determine the specific nature of the issue and associated risks and, if so needed, determine a plan of corrective action and technical assistance.

Methods of assuring subrecipient compliance include, but are not limited to:

- Review the annual audits of subrecipients to ensure that federal and state transit funds are reported in the audits and adherence to the approved budget is maintained. Maintain copies of the audits for at least three years.
- Review the management letter accompanying an audit to determine if there are material findings in these documents that need to be addressed before grant agreements are executed with the subrecipient.
- If material findings exist, notify the subrecipient of the need for corrective action; monitor and provide technical assistance to facilitate closure of these findings.
- Issue management decisions within six months on subrecipient audit findings and ensure that subrecipients have taken corrective action to resolve all material findings.
- Regularly perform compliance reviews using procedures detailed below.
- Perform ongoing monitoring of site review findings, technical assistance to remedy findings, and reporting of performance.
- Review subrecipient reports and other documentation (desk review). These include, but are not limited to, review of subrecipient applications, financial and performance reports, and certifications and assurances.
- Third-party compliance evaluation including review a sample of procurement files at the time of compliance reviews.
- Provision of technical assistance and training.
- Maintain regular contact with subrecipients via telephone, email, training, other
- Staying informed of subrecipient coverage in the news.
- Assessment of training needs based on analysis and assessment of findings and follow-up.
- Conducting subrecipient compliance reviews in accordance with the procedures stated in the section below.

- Conducting separate compliance review processes for drug and alcohol program compliance and general program compliance.

Compliance Review Procedures

PTD's compliance review process assesses subrecipient compliance with federal and state regulations regarding the transit programs financed by PTD-administered state and federal funds. Subrecipients will receive a review at least every five years. Subrecipients that are determined to be at high risk for managerial or financial weaknesses may be reviewed more frequently. The schedule and level of detail of reviews are based on an assessment of risk, including the following factors:

- High awarded dollar amounts
- High percentage of award(s) in relation to subrecipient's total budget
- Understanding of requirements, meaning the level of knowledge and implementation requirements
- Single Audit findings and corrective action plans
- History of poor performance (e.g., untimely reporting, low quality reports)
- Questionable financial stability
- Prior negative monitoring findings
- Lack of subrecipient staff or board experience or lack of sufficient administrative staff
- Negative press coverage regarding an operational or fiscal issue
- High profile programs (e.g., with significant public interest, or interest of congressional delegation or Oregon legislature)
- Date of last compliance review
- Complexity of subrecipient operations

Based on the assessment, PTD will prepare a review schedule. Once the schedule is established, the subrecipients to be reviewed will be notified. Compliance review materials are sent to the agencies at least 30 days prior to the review date.

Reviewers will use a standard compliance review questionnaire that includes major compliance areas, and areas of interest to PTD. The Compliance Field Guide is posted on the PTD website, and may be updated from time to time. Subrecipients are encouraged to use the Compliance Field Guide to perform a self-assessment prior to the compliance review visit.

PTD may choose to use the results of triennial or other review by FTA in lieu of part or all of a site review performed by or on behalf of PTD. The agency is asked to submit the FTA review findings and subsequent compliance plans and reports. PTD evaluates the triennial reviews for any substantive findings that may affect the Section 5304, Section 5310, Section 5311, and Section 5339 programs, and

will follow up with the agency as required.

Responses to Noncompliance

PTD is required to evaluate its subrecipients for compliance, as cooperation with federal requirements is required for continued federal funding. As such, each subrecipient must comply with specific conditions that are contingent with each grant or award. Subrecipients will initially be given the opportunity to dispute findings of noncompliance before a timeline of correction is implemented. If a subrecipient fails or refuses to take action, PTD may take one or more of the following actions:

- Temporarily withhold payments until the recipient or subrecipient takes corrective action.
- Disallow costs for all or part of the activity associated with the noncompliance of the recipient or subrecipient.
- Suspend or terminate the Federal award in part or in its entirety.
- Initiate suspension or debarment proceedings as authorized in 2 CFR part 180 and the Federal agency's regulations, or for pass-through entities, recommend suspension or debarment proceedings be initiated by the Federal agency.
- Withhold further Federal funds (new awards or continuation funding) for the project or program.
- Pursue other legally available remedies.

Subrecipient Responsibilities

Subrecipients are required to:

- When expending federal funds in excess of \$1,000,000 in the previous fiscal year, submit a Single Audit conducted in accordance with OMB 2 CFR 200 Subpart F – Audit Requirement. Submit the management letter and any other reports that accompany the annual audit. If a subrecipient has a subcontractor responsible for the financial management of federal funds, and the subrecipient itself is subject to this requirement, the subrecipient shall arrange for PTD to be sent a copy of the subcontractor's annual audit.
- When expending federal funds less than \$1,000,000 in the previous fiscal year, an annual audit is not required. However, if an audit is conducted, the subrecipient or subcontractor will submit a copy to PTD.
- Private for-profit organizations that are subrecipients shall be subject to the audit requirements of PTD.
- Subrecipients receiving funds directly from PTD and who pass-through federal grant funds to a second entity are required to ensure that the funds are subject to an annual audit.
- Allow inspections of records and facilities.

- Provide all requested records and reports in a timely manner.
- Prepare and submit a plan of corrective action to the PTD if the result of the site review requires such a plan.
- Resolve all compliance issues within the timeframe specific in the final report.
- Use the site review questionnaire as a self-assessment tool, if necessary.
- For subrecipients who pass-through federal grant funds to a second entity, ensure that the funds are subject to an annual audit.
- Ensure that lower-tier subrecipients and vendors comply with federal and state requirements, as appropriate. This is accomplished through a project monitoring process performed by the subrecipient or its delegates.
- Attend required trainings.

Subrecipient Program Closure

In the event a provider is unable to continue meeting federal and state requirements, PTD will work with the provider to cease operating, providing written notice of intent for the grant funded assets and remaining balances of any grants. PTD will:

- Remove the vehicles from the provider's property, storing in a secure location.
- Have the vehicles inspected for maintenance requirements, prior to placing them into transit service, including vehicles' preventive maintenance records.
- Work with the other providers in the region for a continuation of service until a permanent provider can be selected.
- Request all vehicle records be transferred to the new provider.
- Transfer the remaining balance of the preventive maintenance grants to the new provider.

V. CIVIL RIGHTS REQUIREMENTS

ODOT complies with Title VI of the Civil Rights Act, the Americans with Disabilities Act (ADA), and other federal nondiscrimination authorities which prohibit discrimination based on race, color, national origin, age, disability, sex (including pregnancy, sexual orientation, gender, and gender identity), income level, and Limited English Proficiency. The ODOT Office of Equity and Civil Rights (OECR) was created to assist the department in meeting its civil rights obligations under federal and state law. OECR employs staff to assist PTD in the administration of its civil rights compliance both for the state and PTD's subrecipients. ODOT policies are found at: <https://www.oregon.gov/ODOT/Business/OCR/Pages/index.aspx>.

Civil Rights assurances extend to all ODOT subrecipient facilities and services. All subrecipients must agree to comply, as a condition of a grant award, with all applicable civil rights statutes and implementing regulations. Failure to comply with Civil Rights rules and regulations may result in loss of federal funding. These statutes and regulations include:

- Title VI of the Civil Rights Act of 1964, including Limited English Proficiency (LEP)
- Equal Employment Opportunity
- Disadvantaged Business Enterprise
- Americans with Disabilities Act of 1990
- Section 504 of the Rehabilitation Act of 1973

OECR Responsibilities

- Review and advise, as requested or required, subrecipients' civil rights policies.
- Resolve civil rights-related findings from PTD subrecipient compliance reviews.
- Provide technical assistance and training for PTD staff and subrecipients, as requested or required.
- Post a process and form for filing civil rights-related complaints on the [ODOT website](#).

PTD Responsibilities

- Conduct compliance reviews of subrecipients examining compliance with Civil Rights laws and executive orders compliance. Civil rights-related observations are referred to OECR for resolution. See Section 4.8 Oversight for more information on PTD's subrecipient oversight process.
- Include non-discrimination clauses in all subaward agreements and third-party contracts.

- Refer information on active lawsuits or complaints to OECR.
- Collect, review, and report any discrimination-related complaints received from subrecipients in the Agency Periodic Reports (APRs) or compliance reviews to OECR for resolution, if required.

PTD Subrecipient Programs Application Process

To afford equitable access to the funding provided through PTD's programs, PTD conducts several activities to assist minority applicants and to include subrecipients serving significant minority populations in its programs. Training sessions and general Question and Answer (Q&A) sessions going over the call for projects application process and its requirements are held prior to the application deadlines and are made available to all potential subrecipients. PTD staff are available to answer subrecipient applicant questions during these sessions and provide technical assistance. Notices of these sessions are sent to those agencies registered on ODOT's GovDelivery listserv. The RTCs also conduct outreach to their respective regional contacts to ensure the call for projects solicitations, training sessions, Q&A sessions, and any other pertinent information is disseminated to current and potential subrecipients. RTCs also work closely with the Tribal Governments in their regions, specifically those that are federally recognized, to ensure their awareness of and inclusion in PTD's programs. Additionally, PTAC members are encouraged to reach out to the diverse range of groups that they represent when the call for projects solicitations is published.

Flow-Down Requirements

Provisions in this section of the SMP typically flow down to any lower-tier relationships entered into by the subrecipient, including lower-tier subrecipients and subcontractors.

Authority

FTA Circular 4702.1B

FTA Circular 4703.1

FTA Circular 4704.1A

FTA Circular 4710.1

Americans with Disabilities Act of 1990

Section 504 of the Rehabilitation Act of 1973, as amended

49 CFR § 27, 37, 38, and 39

49 CFR Part 26

5.1 Title VI and Limited English Proficiency

Title VI prohibits discrimination on the basis of race, color, or national origin in any program or activity that receives federal funds or other federal financial assistance. Programs that receive federal funds, through PTD or FTA directly, cannot distinguish among individuals on the basis of race, color, or national origin, either directly or indirectly, in the types, quantity, quality or timeliness of program services, aids, or benefits that they provide or the manner in which they provide them. This prohibition applies to intentional discrimination as well as to procedures, criteria, or methods of administration that appear neutral but have a discriminatory effect on individuals because of their race, color, or national origin.

OECR Responsibilities

- Document that subrecipients are complying with the general requirements of Title VI and with any other specific requirements that apply to that subrecipient.
- Receive, review, and store subrecipients' Title VI Program documents on a schedule set by PTD. Maintain all subrecipient Title VI Program statuses in an internal tracking tool.
- Submit complaints and other Title VI information to the FTA, as requested.
- Review all informal complaints received by PTD that may constitute civil rights issues and provide technical assistance to agencies or individuals. Inform the public how to find more information and file a discrimination complaint.
- Prepare and submit ODOT's Title VI Program to FTA every three years.
- Provide technical assistance and training for PTD staff and subrecipients, as requested.
- Work with PTD and its subrecipients to resolve all Title VI-related findings resulting from PTD compliance reviews.
- Resolve any LEP findings resulting from PTD compliance reviews.

PTD Responsibilities

- Conduct compliance reviews for compliance. As subject matter experts, OECR staff are consulted as needed to assist in the closeout of civil rights-related observations. See Section 4.8 Oversight for more information on PTD's subrecipient oversight process.
- Ensure reasonable steps are taken to provide LEP individuals with meaningful access to its own programs, activities, and services.
- Refer information on active lawsuits or complaints to OECR.

Subrecipient Responsibilities

- Ensure that the level and quality of public transportation service is provided in a nondiscriminatory manner.

- Promote full and fair participation in public transportation decision-making without regard to race, color, or national origin.
- Ensure meaningful access to transit-related programs and activities by persons with limited English proficiency.
- Consider the reasonableness of a program's efforts by evaluating the number or proportion of people who will be excluded from the program or activity without efforts to remove language barriers.
- Prepare and submit a complete Title VI Program to OECR every three (3) years. See below for the Title VI Program requirements.
- Report any Title VI-related discrimination complaints received in the quarterly Agency Periodic Reports (APR) to PTD.

Title VI Program Requirements

Every Title VI Program shall include the following information:

- Notice to the public stating compliance with Title VI and informs the public regarding protections afforded against discrimination
- Instructions for how to file a Title VI complaint and the complaint form
- A list of any public transit-related Title VI investigations, complaints, or lawsuits
- A public participation plan that includes an outreach plan to engage minority and limited English proficient populations
- A copy of the subrecipient's plan for providing language assistance to persons with limited English proficiency
- Subrecipients that have transit-related, non-elected planning boards, advisory councils or committees, or similar bodies, the membership of which is selected by the recipient, must provide a table depicting the racial breakdown of the membership of those committees, and a description of efforts made to encourage the participation of minorities on such committees or council.
- If the subrecipient has constructed a facility, such as a vehicle storage facility, maintenance facility, operation center, etc., the subrecipient shall include a copy of the Title VI equity analysis conducted during the planning stage with regard to the location of the facility.
- Evidence of approval by the subrecipient's board of directors or appropriate governing entity or official(s) responsible for policy decisions prior to submission to OECR.

All fixed route transit providers shall set service standards and policies for each specific fixed route mode of service they provide. Fixed route modes of service include but are not limited to local bus, express bus, commuter bus, and bus rapid transit. These standards and policies must address how

service is distributed across the transit system and must ensure that the manner of the distribution affords users access to these assets.

Service standards must include for each fixed mode operated:

- (1) Vehicle load
- (2) Vehicle headway
- (3) On-time performance
- (4) Service availability

Service policies must include for each fixed mode operated:

- (1) Distribution of transit amenities
- (2) Vehicle assignment

5.2 Equal Employment Opportunity

Title VII of the Civil Rights Act of 1964 (Title VII), as amended by the Equal Employment Opportunity Act of 1972 and the Civil Rights Act of 1991, prohibits discrimination on the basis of race, color, religion, national origin, or sex in all institutions with 15 or more employees—including state and local governments and labor organizations. (42 U.S.C. §§ 2000e et seq.) Title II of the Genetic Information Nondiscrimination Act of 2008 (GINA) applies to private employers and state and local government employers with at least 15 employees, regardless of whether they receive federal financial assistance. It prohibits covered employers from discriminating on the basis of an applicant's or employee's genetic information (such as the results of genetic tests or family medical history), generally prohibits employers from acquiring genetic information of applicants and employees, and requires employers to keep genetic information confidential, with very limited exceptions. The U.S. Equal Employment Opportunity Commission (EEOC) is the enforcement authority for Title VII and provides the official interpretation of employment laws that prohibit discrimination as outlined in 29 CFR Part 1600. EEOC enforces not only Title VII and the Genetic Information Nondiscrimination Act (GINA), but also the Equal Pay Act of 1963, the Age Discrimination in Employment Act of 1967, Title I of the Americans with Disabilities Act of 1990, Sections 501 and 505 of the Rehabilitation Act of 1973. FTA defers to the most current regulations and guidance issued by EEOC when making complaints and compliance determinations. EEOC regulations and guidance are incorporated by reference. PTD and OECR are responsible both for their own compliance and for ensuring that local subrecipients are in compliance with all Equal Employment Opportunity (EEO) laws, regulations, statutes, and executive orders.

ODOT's EEO Program, also referred to as the Affirmative Action Plan, covering state employees can be found on the [ODOT Equity & Inclusion website](#).

OECR Responsibilities

- Collect and review EEO Programs from subrecipients that meet the EEO Program threshold every four years.
- Check for any documentation that OECR may require from any subrecipient it deems necessary to ensure that there is no discrimination on the basis of race, color, creed, national origin, sex, age, or disability.
- Provide technical assistance and training for PTD staff and subrecipients.

PTD Responsibilities

- Post EEO information in a place readily accessible by employees, including an EEO statement in all job advertisements.
- Conduct subrecipient EEO reviews for compliance and resolve EEO-related observations in

consultation with OECR as needed. See Section 4.8 Oversight for more information on PTD's subrecipient oversight process.

Subrecipient Responsibilities

- Develop and submit to OECR an EEO Program every four years if the subrecipient meets the EEO abbreviated or full program threshold. See below for EEO Program thresholds and requirements.
- Post EEO information in a place readily accessible by employees. Include an EEO statement in all job advertisements.

EEO Program Requirements

Entities that meet the following conditions below must prepare an EEO program. Entities that employ between 50-99 transit-related employees may prepare an abbreviated program while entities that employ 100 or more transit-related employees must prepare a full program.

- (1) Employs 50 or more transit-related employees; and
- (2) Requests or receives capital and operating assistance in excess of \$1 million in the previous federal fiscal year or requests or receives planning assistance in excess of \$250,000 in the previous federal fiscal year must prepare an EEO program.

FTA applicants, recipients, subrecipients, and contractors who do not meet the EEO Program threshold above are not required to develop and submit an EEO Program to PTD but are still required to comply with all Equal Employment Opportunity statutes and regulations.

Every EEO Program shall include the following information:

- (1) Statement of Policy
- (2) Plan for dissemination both internally and externally
- (3) Designation of appropriate personnel responsible for carrying out the EEO Program, including the designation of an EEO Officer
- (4) Assessment of an agency's employment practices
- (5) Plan for monitoring and reporting on the EEO Program

If an applicant, recipient, subrecipient, or contractor is required to prepare a full Program, items #6 and #7 below must also be included in the entity's EEO Program.

- (6) Utilization analysis
- (7) Goals and timetables to correct identified areas of underutilization or concentration

5.3 Disadvantaged Business Enterprise

As a recipient of FTA funds, ODOT is required to implement a program that provides the maximum opportunity for Disadvantaged Business Enterprises (DBEs) to compete for contracts financed by federal funds. It is the policy and intent of ODOT to practice nondiscrimination and to create a level playing field on which DBEs can compete fairly for U.S. DOT-assisted contracts. ODOT and its subrecipients must never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by this part on the basis of race, color, sex, or national origin. ODOT's OECR manages this requirement on behalf of ODOT. The DBE program affects all of ODOT's federally funded projects. Regulations are found at 49 CFR Part 26. ODOT policy is found at:

<https://www.oregon.gov/odot/Business/OCR/Pages/Disadvantaged-Business-Enterprise.aspx>.

OECR Responsibilities

- Initiate and maintain efforts to increase DBE Program participation by disadvantaged businesses.
- Collect assurances that all FTA subrecipients receiving planning, capital, or operating assistance who will award prime contracts (excluding transit vehicle purchases) with a cumulative value exceeding \$670,000 in FTA funds in a federal fiscal year have adopted ODOT's DBE Program or developed their own, and continue to carry out the adopted program until the funds are expended. Collect and review DBE programs from all subrecipients.
- Develop ODOT's overall three-year DBE goals, submit the goal timely to FTA that include a description of the methodology used to establish the goal and other items detailed in 49 CFR 26.45, and track the results.
- Require subrecipients, regardless of threshold, to submit quarterly DBE reports on capital, materials, supplies, and professional services expenses.
- Collect and maintain subrecipient DBE reports.
- Provide technical assistance and training for PTD staff and subrecipients.
- Conduct Commercially Useful Function (CUF) monitoring assessments of contracts that include DBE participation when needed and appropriate.
- Assist subrecipients to obtain information on DBE businesses in their geographic areas.

PTD Responsibilities

- Include DBE requirements in all subaward agreements and third-party contracts.
- Conduct subrecipient DBE program reviews for compliance and resolve DBE-related observations in consultation with OECR as needed. See Section 4.8 Oversight for more information on PTD's subrecipient oversight process.

- Conduct Transit Vehicle Manufacturer (TVM) reporting

Subrecipient Responsibilities

- Subrecipients determined to reach the Tier I threshold must adopt ODOT's DBE Program or develop their own, and must continue to carry out the adopted program until the funds are expended.
- Subrecipients determined to reach the Tier II threshold must develop a DBE Program that outlines the five core requirements included below.
- Subrecipients, regardless of threshold, must submit quarterly DBE reports on capital (excluding vehicles); materials and supplies; and professional services expenses.

Requirements of a DBE Program

FTA implemented a two-tiered system for Disadvantaged Business Enterprise program compliance for recipients that receive planning, capital, or operating assistance. Details on the tiered approach are outlined in the U.S. DOT's updated [DBE Final Rule](#) at 49 CFR § 26.21(a), which went into effect May 9, 2024.

ODOT subrecipients are responsible for assessing their anticipated contracting opportunities and identifying their appropriate Tier designation:

- Tier I recipients are those subrecipients that will award prime contracts exceeding a cumulative total value of \$670,000 in FTA funds in a federal fiscal year, excluding transit vehicle purchases. Tier I recipients must have a DBE program that meets all the requirements outlined in 49 CFR Part 26, or adopt ODOT's DBE Program.
- Tier II recipients are those subrecipients that will award prime contracts with a cumulative total value of \$670,000 or less in FTA funds in a federal fiscal year, excluding transit vehicle purchases. Tier II recipients must comply with abbreviated requirements, including the five specific provisions outlined in 49 CFR § 26.21(a).

Required elements of a Tier I DBE Program include:

- (1) Policy statement
- (2) Designation of a DBE Liaison Officer (DBELO)
- (3) Reasonable efforts to use financial institutions owned and controlled by socially and economically disadvantaged individuals
- (4) Prompt payment mechanisms
- (5) DBE directory

- (6) Measures to address overconcentration of DBEs
- (7) Mentor-protégé program
- (8) Monitoring performance
- (9) Fostering small business participation

Tier II DBE Programs must comply with five specific provisions of Part 26:

- (1) Keep and report information on FTA-funded contract activities as required by § 26.11
- (2) Utilize the contract assurances in § 26.13
- (3) Develop and distribute a policy statement as required by § 26.23
- (4) Develop and implement a small business element as prescribed by § 26.39, and
- (5) Follow all requirements related to FTA-assisted transit vehicle procurements in § 26.49

DBE Reporting

In preparing its DBE program and in establishing goals, ODOT takes into account the third-party contracting activity of its subrecipients. Subrecipients are required to report to PTD, on a quarterly basis, expenditures with certified DBE firms and non-DBE firms.

5.4 Americans with Disabilities Act

Titles II and III of the Americans with Disabilities Act (ADA) of 1990 provide that no entity shall discriminate against an individual with a disability in connection with the provision of transportation service. The law sets forth specific requirements for vehicle and facility accessibility and the provision of service, including complementary paratransit service. Regulations implementing the ADA are found at 49 CFR parts 27, 37, 38, and 39.

The regulation is divided into compliance areas primarily associated with the following terms: public, private, fixed route, and demand response.

- a. *Public* means any state or local government and any department, agency, special purpose district, or other instrumentality of one or more state or local governments.
- b. *Private* means any entity other than a public entity. 49 CFR Part 37 further defines the application of the ADA regulations for private entities that are primarily engaged and not primarily engaged in the business of transporting people. See the 49 CFR Part 37 for more details.
- c. *Fixed route* system means a system of transporting individuals, including the provision of designated public transportation service by public entities and the provision of transportation service by private entities, including, but not limited to, specified public transportation service, on which a vehicle is operated along a prescribed route according to a fixed schedule.
- d. *Demand response* system means a system of transporting individuals, including the provision of designated public transportation service by public entities and the provision of transportation service by private entities, including but not limited to specified public transportation service, that is not a fixed route. Dial-a-ride type services and route deviation are included in the demand response category of service.

Compliance with the ADA requires that entities comply with “stand-in-the-shoes” relationships. Generally, stand-in-the-shoes means that the entity must follow the same regulations as the funding agency. For example, if a private entity is operating under contract to a public entity, then a stand-in-the-shoes relationship exists, and the contracted service must conform to those required of a public entity. There are instances where a public entity receives funds on behalf of a private nonprofit entity. When the public entity on its own would not operate the transit service, and the service design, implementation, and management are entirely the responsibility of the other entity, the relationship between the two is defined as “pass-through” and the stand-in-the shoes definition does not apply. PTD staff must be knowledgeable of and in agreement with how roles and responsibilities are defined.

ADA regulations generally address four primary compliance areas:

- Transportation facilities
- Acquisition of accessible vehicles
- Paratransit as a complement to fixed route service
- Provision of service

Transportation Facilities

New facilities, or alterations to existing facilities, must be constructed to meet the requirements of 49 CFR § 37 and the requirements set forth by the Architectural and Transportation Barriers Compliance Board (Access Board). Compliance with these standards is not required where an entity can demonstrate that it is structurally impracticable to meet the requirements. Facilities that are altered using federal funds must meet ADA regulations for accessibility unless the cost of making the facility accessible is disproportionate to the overall cost of the project. Disproportionate is defined as the cost to make the facility accessible exceeds 20 percent of the total cost of alteration. Failure to make the facility accessible will cause PTD to require the subrecipient to make modifications to bring the facility into compliance. Failure to make the required modifications will result in repayment of grant funds.

- Passenger facilities include, but are not limited to: passenger waiting areas, shelters, and transfer stations.
- Bus Stops: Where new bus stop pads are constructed in areas where a lift or ramp is to be deployed, they will have a firm, stable surface. The stop shall comply with ADA Accessibility Guidelines (ADAAG) and [ADA Accessibility Standards](#) developed by the Access Board.
- Shelters: Where bus shelters are provided, the shelter will be installed or positioned to permit a wheelchair or mobility aid user to enter from the public way and to reach a location, having a minimum clear floor area of 30 inches by 48 inches, entirely within the perimeter of the shelter. An accessible route will connect the shelter to the boarding area.
- Accessible route: At least one accessible route will be provided from public transportation stops, accessible parking, accessible passenger loading zones, and public streets or sidewalks to the accessible building entrance they serve. The accessible route will, to the maximum extent feasible, coincide with the route for the general public. The accessible route shall comply with [Public Right-Of-Way Accessibility Guidelines \(PROWAG\)](#) and ADA Accessibility Standards developed by the Access Board.

Acquisition of Accessible Vehicles

All new bus or rail vehicles purchased or leased for use in fixed-route service by public entities must be accessible. Used bus or rail vehicles purchased or leased for use in fixed-route service by public entities

must be accessible, with a good faith efforts exception. Remanufactured vehicles must be accessible to the maximum extent feasible, with an engineering exception. Vehicles used in demand-response service must be accessible unless equivalent service is provided. Equivalency is evaluated based on the following factors:

- (1) Response time
- (2) Fares
- (3) Geographic area of service
- (4) Hours and days of service
- (5) Restrictions or priorities based on trip purpose
- (6) Availability of information and reservations capability
- (7) Any constraints on capacity or service availability

These requirements extend to vehicles used in fixed-route service operated under contract or other arrangement or relationship.

Complementary Paratransit

Each subrecipient operating a fixed route system shall provide paratransit or other special services to individuals with disabilities that are comparable to the level of service provided to individuals without disabilities who use the fixed route system. Complementary paratransit service for ADA paratransit eligible persons shall be origin-to-destination service.

In providing complementary paratransit, the subrecipient must comply with the standards and criteria found in 49 CFR § 37.121 through § 37.133.

ADA Provision of Service

Public and private subrecipients providing either fixed route or demand response services must comply with the following service provisions:

- (1) Maintain accessibility features
- (2) Procedures outlining the use of lift/ramp and securement systems for mobility devices
- (3) Make stop announcements for fixed-route service at transfer points, major intersections, destination points, intervals along the route to orient passengers, and any stop upon request
- (4) Provide an effective means of route identification when more than one route serves a stop
- (5) Permit service animals to accompany individuals with disabilities
- (6) Ensure that when an individual with a disability needs to sit in a seat or occupy a wheelchair

securement location, the public or private entity must ask the following persons to move in order to allow the individual with a disability to occupy the seat or securement location:

- a. Individuals, except other individuals with a disability or seniors, sitting in a location designated as priority seating for elderly and handicapped persons (or another seat as necessary);
 - b. Individuals sitting in or a fold-down or other movable seat in a wheelchair securement location.
- (7) Ensure it transports all wheelchairs within the capacities of lifts on system vehicles
 - (8) Allow a passenger who uses a lift or ramp to board or disembark from a vehicle at any designated stop, unless the lift or ramp cannot be deployed, and allow a passenger adequate time for boarding and disembarking
 - (9) Allow service to individuals using respirators, concentrators, or portable oxygen
 - (10) Provide public information in accessible formats (this obligation extends to accessible telecommunications access)
 - (11) Make reasonable modifications in policies, practices, or procedures when the modifications are necessary to avoid discrimination on the basis of disability or to provide program accessibility to their services
 - (12) Ensure personnel are trained to proficiency.

PTD Responsibilities

PTD staff will routinely evaluate each subrecipient's service for compliance with the ADA. PTD will also provide technical assistance, upon request. PTD's responsibilities include:

- Include ADA requirements in all grant agreements.
- Request and review documentation of subrecipient ADA policies and procedures on an as-needed basis and for routine compliance reviews and follow up with the subrecipient regarding compliance issues, if needed.
- Award vehicle purchases for accessible vehicles. Obtain Certificates of Equivalent Service, if applicable, for subrecipients who do not have 100% accessible fleets.
- Review appropriate plans, policies, and procedures to implement complementary paratransit and other associated ADA service requirements prior to initiation of a new fixed route service.
- Review, document, and act upon ADA complaints received by PTD or its subrecipients and forward information to OECR for investigation or FTA, if warranted.
- Provide technical assistance and guidance on ADA requirements.
- Schedule and conduct subrecipient compliance reviews periodically and resolve findings related to ADA requirements in consultation with OECR, as needed. See Section 4.8 Oversight for more information on PTD's subrecipient oversight process.
- Review additional documentation from subrecipients in order to complete desk reviews.

- Periodically review findings resulting from the desk and compliance reviews to identify annual training needs.

Subrecipient Responsibilities

- Establish service policies and procedures in accordance with the ADA and submit the policies upon request to PTD.
- Comply with ADA service provisions for fixed route and demand response as appropriate to the service.
- Report any ADA-related discrimination complaints received in the quarterly APR to PTD. Report regularly until the complaint is resolved.
- Prepare appropriate plans, policies, and procedures to implement complementary paratransit and other associated ADA service requirements prior to initiation of a fixed route service.
- Purchase vehicles in compliance with ADA requirements or sign and submit a Certification of Equivalent Service to PTD prior to purchase of the vehicle and annually thereafter.
- Include appropriate ADA information in all public information brochures and route schedules.
- Ensure that new and remodeled facilities are ADA accessible. If the facility is built or remodeled with a grant award, the subrecipient will submit documentation to PTD to ensure that the required ADA accessible features are included.
- Include ADA requirements in all third-party service agreements.

VI. OTHER REQUIREMENTS

In addition to the requirements outlined previously in this State Management Plan, PTD requires that subrecipients comply with other compliance topics.

As a subrecipient of FTA funds, PTD enforces compliance with additional federal requirements, including:

- (1) Charter Service
- (2) School Bus Service
- (3) Drug-Free Workplace Act and Drug and Alcohol Program Requirements
- (4) Labor Protections
- (5) Environmental Review
- (6) Lobbying

Authority

49 CFR § 604
49 CFR § 605
49 CFR § 655
49 CFR § 40
49 CFR § 20
49 U.S.C. § 5333(b)

6.1 Charter Service

FTA's Charter Bus Service Rule, which implements 49 U.S.C. 5323(d), protects private charter operators from unfair competition from FTA grant recipients/subrecipients.

Charter service is defined as:

- (1) Transportation provided by a recipient at the request of a third party for the exclusive use of a bus or van for a negotiated price. The following features may be characteristic of charter service:
 - a. A third party pays the transit provider a negotiated price for the group;
 - b. Any fares charged to individual members of the group are collected by a third party;
 - c. The service is not part of the transit provider's regularly scheduled service, or is offered for a limited period of time; or
 - d. A third party determines the origin and destination of the trip as well as scheduling; or
- (2) Transportation provided by a recipient to the public for events or functions that occur on an irregular basis or for a limited duration and:
 - a. A premium fare is charged that is greater than the usual or customary fixed route fare; or
 - b. The service is paid for in whole or in part by a third party.

The Charter Bus Service Rule provides for certain **exemptions** where the requirements do not apply. These exemptions include:

- (1) Subrecipients transporting its employees for transit purposes.
- (2) Private charter operators that receive Federal assistance (but does apply if the private charter operator is "standing in the shoes" of a public transit agency).
- (3) Subrecipients performing emergency preparedness planning and operations.
- (4) Subrecipients responding to immediate emergencies.
- (5) Subrecipients of Section 5310 and/or Section 5311 funds providing service that supports intended program goals
- (6) Subrecipients in non-urbanized areas transporting its employees for training purposes.

Subrecipients are prohibited from using FTA-funded equipment and facilities to provide charter service unless the service meets an **exception** to the regulation. These exceptions to the regulations include:

- (1) Government officials on official government business
- (2) Qualified human service organizations
- (3) Leasing FTA funded equipment and drivers

- (4) When no registered charter provider responds to notice from a recipient
- (5) Agreement with registered charter providers
- (6) Petitions to the Administrator

Recordkeeping and Reporting Requirements

If a subrecipient is offering service under one of the exemptions, there is no reporting requirement. A best practice is for the provider to keep records in case there is a complaint later. This can help the provider prove service was exempt.

If a subrecipient is offering a service under one of the exceptions, there are administrative, recordkeeping, and reporting requirements. Review the regulations for recordkeeping detail. PTD reports to the FTA for all subrecipients covered by the rule. Subrecipients providing charter service under the exceptions are required to report quarterly to PTD using the Charter Service Report Form. Reports are due 15 days after the end of each quarter.

PTD Responsibilities

- Evaluate compliance during subrecipient compliance reviews.
- Evaluate quarterly charter service reports and follow up as needed.
- Provide technical assistance to subrecipients as needed on the regulations.
- Request subrecipient information regarding charter activities on a quarterly basis; review any complaints received by the PTD regarding charter service; and follow up with the appropriate subrecipient to ensure compliance with the requirements.
- Report to the FTA within 30 days after the end of each quarter.

Subrecipient Responsibilities

- Read, understand, and follow the requirements of the [49 CFR Part 604](#).
- Keep required charter service records as required by the Charter Service regulations.
- Report quarterly to PTD using the [Charter Service Report Form](#).

6.2 School Bus Service

Subrecipients are prohibited from providing exclusive school bus service in competition with private school bus operators unless the service qualifies and is approved by the FTA Administrator under an allowable exemption. Federally-funded equipment or facilities may not be used to provide exclusive school bus service. Head Start transportation is considered human service transportation and not school bus service. Regulations are found in 49 CFR Part 605.

Subrecipients are encouraged to identify ways to coordinate with schools. Subrecipients may carry children to school as part of a public transportation program, including services provided before and after school, if provided as part of regularly scheduled service open to the general public, and when the service is identified in the published schedule. Such services are commonly called “Tripper Service”. PTD does not allow subscription programs for carrying school children on general public systems if by doing so the general public is excluded.

PTD Responsibilities

- Review service descriptions in applications for funding.
- Review service delivery during on-site reviews to assess compliance.
- Provide technical assistance as needed to subrecipients.

Subrecipient Responsibilities

- Report on tripper services as requested by PTD staff.
- Redesign service if required to meet the definition of “tripper service”.
- Read and understand the School Bus regulations if exploring opportunities to share vehicles and resources in local communities.

6.3 Drug-Free Workplace Act and Drug and Alcohol Program Requirements

The Drug-Free Workplace Act is part of the federal government's effort to eliminate illegal drugs from the workplace. The Drug-Free Workplace Policy is a "first-tier" requirement applying only to ODOT and does not apply to subrecipients through PTD's grant programs. Local transit operators may have a drug-free workplace requirement established under the agency's own authority or as a condition of another federal grant.

FTA Drug and Alcohol Testing

FTA's drug and alcohol (D&A) testing regulations found at 49 CFR Part 655, "Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations," implements the omnibus U.S. DOT drug and alcohol testing regulations. This part and 49 CFR Part 40, "Procedures for Transportation Workplace Drug and Alcohol Testing Programs" describe policy development and testing procedures required of any subrecipient receiving 49 U.S.C. § 5309, 49 U.S.C. § 5311, or 49 U.S.C. § 5339 funds that have employees who perform safety-sensitive functions, as well as contractors who stand in the shoes of subrecipients.

PTD Responsibilities

- Conduct reviews of subrecipient program policies and procedures periodically, including during compliance reviews.
- Provide regular drug and alcohol program training for subrecipients of FTA Section 5311 and Section 5339 funds and others who have a role in implementing the program.
- Provide Drug and Alcohol Management Information System (DAMIS) reporting information to subrecipients of FTA funds as necessary.
- Ensure subrecipients submit annual DAMIS reporting data as required and review DAMIS reports for data accuracy prior to approving all DAMIS reports for submission to FTA.

Subrecipient Responsibilities

- Develop an anti-drug use and alcohol misuse policy statement (must include an effective date and formal adoption by the appropriate authority of governing body of the agency) and program in accordance with DOT and FTA regulations found in 49 CFR parts 40 and 655 respectively, and require contractors and/or lower-tier subrecipients to develop a program.
- Ensure that subcontracts include the D&A testing requirement, as appropriate, to the purpose of the work and have a procedure to monitor compliance.
- Send D&A policy to PTD upon request.
- Annually prepare, maintain, and electronically complete and submit to PTD a DAMIS Report that

reflects the results of their testing program.

- Maintain copies of the completed DAMIS form in agency files for at least five years, in accordance with records retention requirements, and make the report available upon request.

FMCSA Drug and Alcohol Testing

Some Section 5310 subrecipients may be affected by Federal Motor Carrier Safety Administration (FMCSA) regulations, 49 CFR Part 382. These requirements include and are not limited to drug and alcohol prevention policy development and testing and Commercial Driver License (CDL) requirements.

PTD Responsibilities

- Review applicability and compliance during subrecipient compliance reviews.
- Provide technical assistance to subrecipients and, when necessary, PTD will provide assistance to subrecipients to identify appropriate sources of technical assistance.

Subrecipient Responsibilities

- Ensure that operators of vehicles designed to transport 16 or more passengers (including the driver) have the required CDL. The requirement for CDL is not limited to the operator; any individual who drives the vehicle for any reason must hold a CDL.
- Adopt and implement a compliant drug and alcohol testing program.
- Ensure that individuals with CDLs are subject to Drug and Alcohol testing under FMCSA regulations, if not tested under FTA regulations.

6.4 Labor Protections

Section 5333(b) of the Federal Transit Act, codified under 49 U.S.C. § 5333(b), requires that as a condition of funding, fair and equitable arrangements must be made to protect the interests of employees affected by grant assistance. The Department of Labor (DOL) and FTA agreed upon a [Special Warranty](#) that only applies to Section 5311-funded projects.

The terms of the Special Warranty are incorporated by reference in the FTA Master Agreement that is signed by ODOT, and in the grant agreements between ODOT and Section 5311 subrecipients.

The Special Warranty specifies that employers must post in a prominent place a notice that they have agreed to comply with the requirements of the special warranty with the notice.

PTD Responsibilities

- Incorporate the requirement to abide by the terms of Section 5333(b) Special Warranty from FTA Master Agreement into grant agreements with all Section 5311 subrecipients.
- Ensure compliance with Section 5333(b) when completing the FTA application process and provide FTA the required information on its subrecipients as required by the Special Warranty and Department of Labor regulations.
- Conduct periodic site visits to ensure Special Warranty information is posted in a prominent place visible to all employees.

Subrecipient Responsibilities

- Read and understand the Section 5333 (b) Special Warranty.
- Post the applicable portion of the Special Warranty in a location where employees can readily access it.
- Comply with the requirements of 49 U.S.C. § 5333(b) of the Federal Transit Act.

6.5 Environmental Review Process

The requirements of the National Environmental Policy Act (NEPA) apply to all projects that receive federal funds (directly or through the State). NEPA regulations identify three classifications, or “classes of action”, for proposed federal actions: Categorical Exclusion (CE); Environmental Assessment (EA); or Environmental Impact Statement (EIS). The class of action reflects the level of potential environmental impact and/or controversy of a project and determines the review process and documentation that will be used to meet NEPA requirements. As the federal funding agency for public transportation projects, FTA determines the appropriate NEPA class of action for projects and what documentation is needed to complete the environmental review process.

Most projects will meet the criteria to be classified as a CE. For some projects, FTA will be able to document a CE classification using only the information in the grant application. For others, completion of FTA and ODOT forms/worksheets and additional environmental studies will be required to support the environmental review process. Subrecipients are responsible for coordinating with the State and FTA prior to incurring any costs or conducting any project-related activities to confirm requirements for complying with the environmental review process.

Until the FTA concurs in writing that the environmental review process is complete per 23 CFR 771.113(a)(1), the following activities cannot proceed:

- **Final design activities** – includes design beyond 30%
- **Property acquisition** - includes purchase discussions with property owners that imply or are explicitly binding
- **Purchase of construction materials** – includes, but is not limited to, purchase of any materials used for the activities listed under the definition of project construction below
- **Purchase of rolling stock**
- **Project construction** – FTA definition includes construction, alteration, or repair (including dredging, excavating, and painting) of buildings, structures, or other real property; excludes the assembly, alteration, or repair of vessels or other kinds of personal property.

PTD Responsibilities

- Comply and facilitate compliance with federal environmental laws, regulations, and requirements. See the most recent FTA Master Agreement for further description of the state and federal responsibilities regarding NEPA and environmental review.
- Provide technical assistance as needed to support subrecipients during the environmental review process.

- Coordinate with FTA during the environmental review process, including submitting all documentation required to comply with the environmental review process to FTA for approval.

Subrecipient Responsibilities

For projects receiving FTA funds, subrecipients are responsible for:

- Complying with federal environmental laws, regulations, and requirements.
- Coordinating with the State and FTA prior to incurring any costs or conducting any project-related activities to confirm requirements for complying with the environmental review process.
- Preparing and submitting all documentation required to comply with the environmental review process to the State for approval by the FTA.

6.6 Lobbying

Recipients and subrecipients of federal funding in awards, subawards, and contracts exceeding \$100,000 must certify that they have not and will not use federally-appropriated funds for lobbying purposes. State agencies administering federal programs certify to FTA; subrecipients certify to the state. State agencies and subrecipients must impose lobbying restrictions on their third-party contractors and must obtain certifications. The regulations are found in 31 U.S.C. 1352 and 49 CFR Part 20.

Lobbying is defined as influencing or attempting to influence an officer or employee of any federal department or agency, a member of Congress, an officer or employee of Congress, an employee of a member of Congress, or a state legislature in connection with obtaining a federal grant, cooperative agreement, or any other federal award.

PTD Responsibilities

- For each quarter that PTD conducts a lobbying activity, complete [Standard Form LLL \(SF-LLL\)](#). (Oregon state law prohibits the use of state funds for lobbying. PTD does not participate in lobby activity. PTD would submit form LLL if for some reason this activity became part of approved work.)
- Obtain the SF-LLL from any subrecipient, contractor, and/or subcontractor(s) who used non-federal funds to support lobbying.
- Submit SF-LLL forms within 30 days of the end of the quarter in which the activities were conducted to the ODOT Government Relations office, which prepares and submits the quarterly reports to FTA.

Subrecipient Responsibilities

- Obtain a signed certification of compliance from contractors where third-party contractors are involved, as appropriate.
- Complete SF-LLL for each quarter that non-federal funds have been used to support lobbying activities in connection with a grant from PTD, if the subrecipient receives federal grants exceeding \$100,000, and submit the form within 30 days of the end of the quarter to PTD.
- Obtain completed SF-LLL from the contractor(s) and submit it to PTD within 30 days of the quarter in which the lobbying activity was conducted if contractor(s) received more than \$100,000 in federal funds and used non-federal funds to support lobbying.

APPENDIX A: ABBREVIATIONS & ACRONYMS

Section 5304	Statewide Transportation Planning
Section 5307	Urbanized Area Formula Grants Program
Section 5310	Enhanced Mobility of Seniors and Individuals with Disabilities Program
Section 5311	Formula Grants for Rural Areas Program
Section 5311(b)(3) <i>aka</i> RTAP	Rural Transit Assistance Program
Section 5311(f)	Intercity Bus Program
Section 5339	Bus and Bus Facilities Formula Program
ACT	Area Commissions on Transportation
ADA	Americans with Disabilities Act
ADAAG	Americans with Disabilities Act Accessibility Guidelines
APR	Agency Periodic Reports
BIL	Bipartisan Infrastructure Law
CAA	Clean Air Act
CDL	Commercial Driver License
CE	Categorical Exclusion
CUF	Commercially Useful Function
D&A	Drug and Alcohol
DAMIS	Drug & Alcohol Management Information System
DBE	Disadvantaged Business Enterprise
DBELO	Disadvantaged Business Enterprise Liaison Officer
DOL	Department of Labor
EEOC	Equal Employment Opportunity Commission
FFR	Federal Financial Report
FHWA	Federal Highway Administration
FMCSA	Federal Motor Carrier Safety Administration
FTA	Federal Transit Administration
GINA	Genetic Information Nondiscrimination Act
IIJA	Infrastructure Investment and Jobs Act
LEP	Limited English Proficiency
MPO	Metropolitan Planning Organizations
MPR	Milestone Progress Report
MTIP	Metropolitan Transportation Improvement Program
NEPA	National Environmental Policy Act

NHS	National Highway System
ODOT	Oregon Department of Transportation
OECR	Office of Equity and Civil Rights
OPTP	Oregon Public Transportation Plan
OTA	Oregon Transit Association
OTC	Oregon Transportation Commission
OPTC	Oregon Public Transportation Conference
OPTIS	Oregon Public Transit Information System
OTP	Oregon Transportation Plan
PAC	Policy Advisory Committee
POP	Program of Projects
PROWAG	Public Right-Of-Way Accessibility Guidelines
PTAC	Public Transportation Advisory Committee
PTD	Public Transportation Division
RTAP	Regional Transportation Assistance Program
RTC	Regional Transit Coordinator
SMP	State Management Plan
STBG	Surface Transportation Block Grant
STIF	Statewide Transportation Improvement Fund
STIP	Statewide Transportation Improvement Program
STN	Statewide Transit Network
TAC	Technical Advisory Committee
TAP	Technical Assistance Program
ToGo	Transportation Option Group of Oregon
TVM	Transit Vehicle manufacturer
UPWP	Unified Planning Work Program
UZA	Urbanized Area

APPENDIX B: SUBRECIPIENT RESPONSIBILITIES

This appendix aggregates all identified responsibilities of PTD subrecipients from all sections of the SMP with the intention of collecting them for quick ease of dissemination and reference for PTD staff and subrecipients alike. The information contained in this appendix only copies the Subrecipient Responsibilities sections from the SMP with no new information added.

Public Involvement Requirements:

- Subrecipients will develop a public participation strategy that offers early and continuous opportunities for the public to be involved in the identification of social, economic, and environmental impacts of proposed transportation decisions.
- Subrecipients should seek out and consider the viewpoints of minority, low-income, and LEP populations in the course of conducting public outreach and involvement activities.
- Subrecipients are required to provide private sector providers with a reasonable opportunity to comment on plans, programs, and to be included in the Coordinated Plans.
- Subrecipients will comply with grant-related public involvement requirements as defined by grant application documents.

Grant Protest Procedures:

- Subrecipients must maintain written grievance procedures for resolving local disputes, including for contracts, funding decisions, and service delivery.
- Subrecipients should notify PTD of any protests which involve FTA compliance issues.

Project and Financial Management:

- Administer the grant from application submission to closeout.
- Develop internal policies and systems to ensure effective management of awards and compliance with all grant requirements.
- Establish strong internal controls for accounting and compliance with grant terms and conditions.
- Track receipts, disbursements, assets, liabilities, and grant balances.
- Track and report program income.
- Follow and implement the factors affecting the allowability of costs charged to FTA grants in order to be reimbursed by state and federal grants. The costs must:
 - Be necessary and reasonable for proper and efficient performance and administration of the project,

- Be an eligible expense,
- Be treated consistently: a cost may not be assigned to the grant as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to a grant as an indirect cost,
- Be determined in accordance with generally accepted accounting principles,
- Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period,
- Be the net of all applicable credits, and
- Be adequately documented per federal and state guidelines
- Ensure that organization has a financial management system and any other systems that are appropriate to implement the project.
- Establish a budget of the costs required to perform the program/project and a method for monitoring actual costs against the budget. These include:
 - A method of tracking and accounting for local match
 - A method to amend the budget as necessary
 - A method of cost allocation when multiple grants may be charged for agency expenses
- Keep abreast of changes in policies, procedures, or requirements and advise agency staff of any changes.

Procurement:

- Follow the appropriate procurement requirements under 2 CFR 200 and FTA Circular 4220.1G
- Develop and adhere to written procurement policies and procedures, including standards of conduct and a process for handling protests regarding procurements.
- Determine whether a contractor is a vendor or a subrecipient, per 2 CFR 200.331. If the second party is defined as a “subrecipient,” the subrecipient must provide to the second party funding information at the time of award, including the Assistance Listing title, number, and federal award dollar amount. It is the obligation of the subrecipient to ensure that the audit, if required of the second party, properly includes the federal award in the Schedule of Expenditures of Federal Award (SEFA). See 2 CFR 200.331 for more information regarding subrecipient and vendor determinations and requirements.
- Submit vehicle price comparison and analysis documents with vehicle orders using the state price agreement contracts.
- Submit vehicle lease cost comparison to PTD for review and approval prior to signing a lease agreement.
- Provide all purchase of services contracts to PTD no later than 30 days after execution and provide PTD with updated purchased service contracts each time they are updated.

- Follow State of Oregon laws, regulations, and procedures regarding procurement thresholds (dollar amounts) unless federal requirements are more restrictive, then federal requirements apply.
- Request technical assistance, as needed, including review of Requests for Proposals (RFP) or Invitations to Bid (ITB), prior to advertising when using the state price agreement. Please review PTD's [published guidance](#) on what to do when purchasing a vehicle or other asset.

Pre-Award and Post-Delivery Requirements:

- Review the manufacturer's Buy America certification and supporting documentation before a contract is awarded to purchase vehicles (pre-award audit). The documentation review should include vehicle sub-components (place of origin, cost, and place of final assembly). Subrecipients must determine to their own satisfaction that the manufacturer can meet the Buy America requirements.
- Perform a post-delivery audit after vehicles have been delivered. This post-delivery audit ensures that the manufacturer complied with Buy America, the Federal Motor Vehicle Safety Standards, and the subrecipient's purchase order specifications. The subrecipient must complete the post-delivery audits before it accepts the vehicles and pays the vendor.
- Submit all documentation and certifications to PTD. Documentation must be received by PTD prior to final payment to the subrecipient.
- Contact PTD for technical assistance if needed.

Vehicle Procurement:

- Submit all procurement selection documentation to PTD prior to ordering vehicle.
- Show the transportation provider as owner and PTD as the primary security interest holder on all vehicles purchased with PTD grant funds. If the subrecipient is not the owner/operator, the subrecipient must be included as the second security interest holder on the title.
- If STIF monies are used as local match for a purchase, the STIF QE must be the vehicle owner on the title or be listed on the title as secondary interest holder.
- Request vehicle transfer approval from PTD before initiating transfer to another party.
- Submit any lease agreements for vehicles to PTD for approval. Subrecipients must receive approval in writing from PTD before entering into the agreement.
- Receive all federally-required certifications from vehicle manufacturers on Federal Motor Vehicle Safety Standards and Buy America for each vehicle type purchased unless changed by federal reauthorization. The subrecipient must also receive a copy of Altoona bus test report on each vehicle type as part of the post-delivery acceptance of the vehicle and keep this report with procurement files. These requirements are also required when piggybacking on any bids or using the state price agreement.

- Pay any title and registration fees, as well as DEQ certification fees, if required. The subrecipient is required to license the equipment per Oregon Driver and Motor Vehicle Services regulations.
- Do not operate vehicles with license plates identifying the vehicle as government owned, commonly referred to as “E-plates”, if a private agency. Grant subrecipients with any questions regarding whether or not a vehicle qualifies for an E-plate, should contact DMV.
- Obtain insurance coverage to protect PTD, the operators, assistants, occupants, and the equipment during the life of the project. These requirements are outlined in the grant agreement. Refer to the [most current circular](#) for guidance on refunding sale proceeds for equipment or vehicle disposition.
- Do not sell any vehicle until the seller has the title in possession. This includes disposal to a junk yard.

Debarment and Suspension:

- Sign a certification of compliance pertaining to debarment and suspension.
- Verify that a third-party contractor is not disqualified by a federal agency. Obtain a signed certification or add a clause or condition to the contract or subcontract regarding debarment and suspension.

Real Property Requirements:

- Contact PTD for technical assistance regarding any applications for discretionary grant funding for land acquisition or development of structures. Ensure grant funding and grant-funded activities are compliant with the National Environmental Policy Act (NEPA) and uniform act
- Determine if a restrictive covenant or other property agreement is applicable and receive a copy of the restrictive covenant or other property agreement on land or permanent buildings and maintenance plan prior to project conclusion and final payment.
 - Obtain Restrictive Covenant or other property agreement on land or permanent buildings prior to project conclusion and submit a copy to PTD.
- Keep an inventory of land, buildings, and facilities purchased with federal funds.
- Develop and submit maintenance plans for land, buildings, and facilities to PTD when requesting reimbursement for the project.
- Require reports on condition of assets, or any damages to assets in the yearly asset inventory report.
- Name PTD as additional insured for premise insurance.
- Contact PTD for assistance regarding disposal of land, buildings, or facilities acquired with federal or state funds.
- Obtain a commercial appraisal or other fair market valuation, and submit the documentation to PTD for approval when disposing of property.

- Compensate PTD if disposing of property.
- Reinvest any proceeds from the sale of property into the transit program for the same purpose or reimburse FTA for the remaining federal interest in the property.

Vehicles and Equipment Requirements:

- Develop written vehicle maintenance policies and plans that maintain the asset in an acceptable condition maximizing safety and useful life.
- Maintain complete service records for each vehicle, including warranty repair information. This includes all vehicles, whether operated directly by the subrecipient(s) or contractor(s).
- At a minimum, meet the Original Equipment Manufacturer (OEM) recommended preventive maintenance schedules as necessary to keep vehicles in acceptable condition maximizing safety and useful life. This includes all vehicles, whether operated directly by the subrecipient or contractor(s).
- Ensure maintenance plans include regular pre-trip and post-trip inspections of equipment, including inspection of the lift as required by ADA.
- Maintain a policy for all warranty issues. Policies must include clear procedures to identify warranty repairs, record the warranty claim, submit the claim to the manufacturer, and follow up on unpaid claims. It is suggested, but not required, to look more closely at major components during the last few weeks or miles before the warranty is ready to expire. By doing so the agency sometimes identifies a bearing noise, oil leaks, etc., that may not otherwise be caught until after the warranty has expired.
- Maintain documentation of warranty information in each vehicle or asset file, including receipts and proof of warranty service.
- Ensure all drivers operating grant-funded vehicles receive a standard defensive driving course, Passenger Assistance, Safety and Sensitivity (PASS) training, and D&A training.
- Perform annual vehicle safety inspections for each vehicle, which must be completed by a certified mechanic. Cost is reimbursable through preventive maintenance grant agreements or operations grants if no preventive maintenance grant is in place. “Certified” means that mechanic has documentation to meet or exceed industry standard by certificate or proof of training proficiency for that component as specified by warranty requirement.
- Obey all applicable state and federal laws pertaining to the operation of passenger carrying vehicles.
- Notify PTD if a vehicle is out of service for more than 90 days.
- Obtain insurance as required by PTD and Oregon law for all vehicles.
- Include ODOT PTD as “Additional Insured” and request the insurance company to provide a copy of the insurance certificate to PTD.
- Do not drive uninsured vehicles.

- Contact PTD for technical assistance regarding all aspects of vehicle disposition.
- Notify PTD if equipment has not been used for 90 days. This should be reported on the quarterly report. PTD has the option to transfer the vehicle to another agency that can use the vehicle.
- Invest any proceeds from the sale of vehicle at the end of its useful life into the transit program that funded the vehicle being sold.
- Obtain the title from PTD and finalize transfer process through completion of disposal forms.

Reporting Requirements:

- Submit reports as required by executed grant agreement(s) for Section 5310, Section 5311, and Section 5339 programs, including but not limited to NTD, drug and alcohol testing, and program performance measures. Reports must be true, accurate, current, complete, and supported by adequate documentation.
- Maintain grant reports and documentation for a minimum of five years after project completion.
- Submit periodic performance and vehicle reports as defined in agreement or program guidance documents in the format stipulated by PTD.
- Submit reimbursement requests with appropriate financial documentation, as determined by PTD. If the reimbursement request is later found to be incorrect or that PTD over-funded the grant, the subrecipient is obligated to notify PTD about the change and reimburse overpayment. The subrecipient may submit documentation for additional reimbursement.

Oversight:

Subrecipients are required to:

- When expending federal funds in excess of \$1,000,000 in the previous fiscal year, submit a Single Audit conducted in accordance with OMB 2 CFR 200 Subpart F – Audit Requirement. Submit the management letter and any other reports that accompany the annual audit. If a subrecipient has a subcontractor responsible for the financial management of federal funds, and the subrecipient itself is subject to this requirement, the subrecipient shall arrange for PTD to be sent a copy of the subcontractor's annual audit.
- When expending federal funds less than \$1,000,000 in the previous fiscal year, an annual audit is not required. However, if an audit is conducted, the subrecipient or subcontractor will submit a copy to PTD.
- Private for-profit organizations that are subrecipients shall be subject to the audit requirements of PTD.
- Subrecipients receiving funds directly from PTD and who pass-through federal grant funds to a second entity are required to ensure that the funds are subject to an annual audit.

- Allow inspections of records and facilities.
- Provide all requested records and reports in a timely manner.
- Prepare and submit a plan of corrective action to the PTD if the result of the site review requires such a plan.
- Resolve all compliance issues within the timeframe specific in the final report.
- Use the site review questionnaire as a self-assessment tool, if necessary.
- For subrecipients who pass-through federal grant funds to a second entity, ensure that the funds are subject to an annual audit.
- Ensure that lower-tier subrecipients and vendors comply with federal and state requirements, as appropriate. This is accomplished through a project monitoring process performed by the subrecipient or its delegates.
- Attend required trainings.

Title VI and Limited English Proficiency:

- Ensure that the level and quality of public transportation service is provided in a nondiscriminatory manner.
- Promote full and fair participation in public transportation decision-making without regard to race, color, or national origin.
- Ensure meaningful access to transit-related programs and activities by persons with limited English proficiency.
- Consider the reasonableness of a program's efforts by evaluating the number or proportion of people who will be excluded from the program or activity without efforts to remove language barriers.
- Prepare and submit a complete Title VI Program to OECR every three (3) years. See below for the Title VI Program requirements.
- Report any Title VI-related discrimination complaints received in the quarterly Agency Periodic Reports to PTD.

Equal Employment Opportunity:

- Develop and submit to OECR an EEO Program every three four years, if the subrecipient meets the EEO abbreviated or full program threshold. See below for EEO Program thresholds and requirements.
- Post EEO information in a place readily accessible by employees. Include an EEO statement in all job advertisements.

Disadvantaged Business Enterprise:

- Subrecipients determined to reach the Tier I threshold must adopt ODOT's DBE Program or develop their own, and must continue to carry out the adopted program until the funds are expended.
- Subrecipients determined to reach the Tier II threshold must develop a DBE Program that outlines the five core requirements included below.
- Subrecipients, regardless of threshold, must submit quarterly DBE reports on capital (excluding vehicles); materials and supplies; and professional services expenses.

Americans with Disabilities Act:

- Establish service policies and procedures in accordance with the ADA, and submit the policies upon request to PTD.
- Comply with ADA service provisions for fixed route and demand response as appropriate to the service.
- Report any ADA-related discrimination complaints received in the quarterly APR to PTD. Report regularly until the complaint is resolved.
- Prepare appropriate plans, policies, and procedures to implement complementary paratransit and other associated ADA service requirements prior to initiation of a fixed route service.
- Purchase vehicles in compliance with ADA requirements or sign and submit a Certification of Equivalent Service to PTD prior to purchase of the vehicle and annually thereafter.
- Include appropriate ADA information in all public information brochures and route schedules.
- Ensure that new and remodeled facilities are ADA accessible. If the facility is built or remodeled with a grant award, the subrecipient will submit documentation to PTD to ensure that the required ADA accessible features are included.
- Include ADA requirements in all third-party service agreements.

Charter Service:

- Read, understand, and follow the requirements of the [49 CFR Part 604](#).
- Keep required charter service records as required by the Charter Service regulations.
- Report quarterly to PTD using the [Charter Service Report Form](#).

School Bus Service:

- Report on tripper services as requested by PTD staff.
- Redesign service if required to meet the definition of "tripper service".
- Read and understand the School Bus regulations if exploring opportunities to share vehicles and resources in local communities.

FTA Drug and Alcohol Testing:

- Develop an anti-drug use and alcohol misuse policy statement (must include an effective date and formal adoption by the appropriate authority of governing body of the agency) and program in accordance with DOT and FTA regulations found in 49 CFR parts 40 and 655 respectively, and require contractors and/or lower-tier subrecipients to develop a program.
- Ensure that subcontracts include the D&A testing requirement, as appropriate, to the purpose of the work and have a procedure to monitor compliance.
- Send D&A policy to PTD upon request.
- Annually prepare, maintain, and electronically complete and submit to PTD a DAMIS Report that reflects the results of their testing program.
- Maintain copies of the completed DAMIS form in agency files for at least five years, in accordance with records retention requirements, and make the report available upon request.

FMCSA Drug and Alcohol Testing:

- Ensure that operators of vehicles designed to transport 16 or more passengers (including the driver) have the required CDL. The requirement for CDL is not limited to the operator; any individual who drives the vehicle for any reason must hold a CDL.
- Adopt and implement a compliant drug and alcohol testing program.
- Ensure that individuals with CDLs are subject to Drug and Alcohol testing under FMCSA regulations, if not tested under FTA regulations.

Labor Protections:

- Read and understand the Section 5333 (b) Special Warranty.
- Post the applicable portion of the Special Warranty in a location where employees can readily access it.
- Comply with the requirements of 49 U.S.C. § 5333(b) of the Federal Transit Act.

Environmental Review Process:

For projects receiving FTA funds, subrecipients are responsible for:

- Complying with federal environmental laws, regulations, and requirements.
- Coordinating with the State and FTA prior to incurring any costs or conducting any project-related activities to confirm requirements for complying with the environmental review process.
- Preparing and submitting all documentation required to comply with the environmental review process to the State for approval by the FTA.

Lobbying:

- Obtain a signed certification of compliance from contractors where third-party contractors are involved, as appropriate.
- Complete SF-LLL for each quarter that non-federal funds have been used to support lobbying activities in connection with a grant from PTD, if the subrecipient receives federal grants exceeding \$100,000, and submit the form within 30 days of the end of the quarter to PTD.
- Obtain completed SF-LLL from the contractor(s) and submit it to PTD within 30 days of the quarter in which the lobbying activity was conducted if contractor(s) received more than \$100,000 in federal funds and used non-federal funds to support lobbying.