

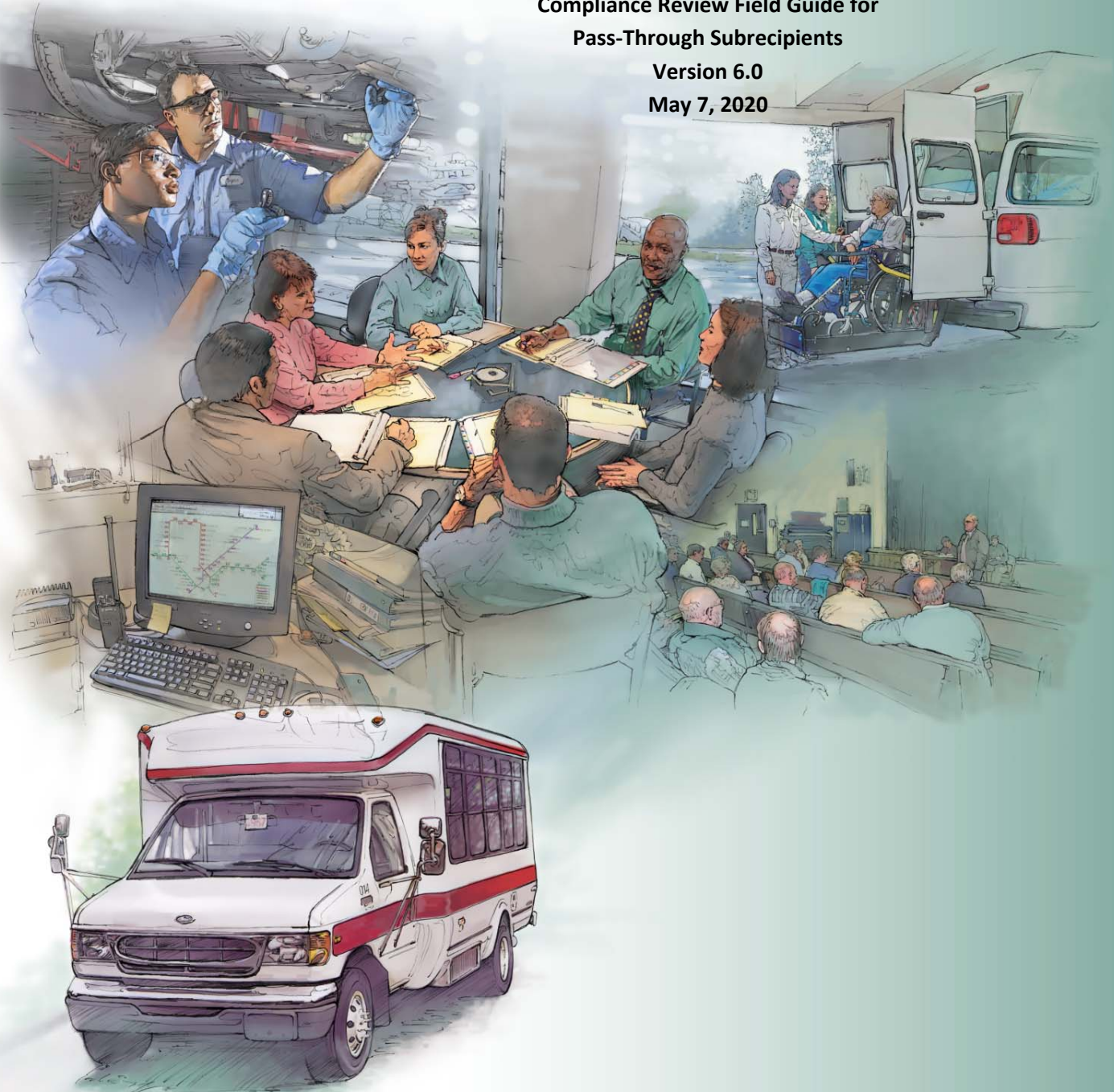


Oregon Department of Transportation
Rail and Public Transit Division

Compliance Review Field Guide for
Pass-Through Subrecipients

Version 6.0

May 7, 2020



**Oregon Department of Transportation
Rail and Public Transit Division
Compliance Review Field Guide**

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Introduction

RPTD Compliance Review Program

Scope of the Review

The Oregon Department of Transportation (ODOT) Rail and Public Transit Division's (RPTD) compliance review program is designed to assist the division assess how Oregon transit agencies meet the varied compliance requirements imposed by the Federal Transit Administration (FTA), ODOT, and RPTD. This assessment is done using an on-site review process.

This Field Guide provides guidance to RPTD subrecipients who are subject to on-site review and helps to ensure reviewers provide consistent and thorough review. The purpose of review is to assess how well each subrecipient's management practices comply with federal and state laws, rules, requirements, and regulations. The overall goal of the program is to improve each subrecipient's compliance with applicable regulations while at the same time strengthening managerial abilities in the following areas.

Each review is organized into seven major areas:

1. Program Management
2. Financial Management
3. Civil Rights
4. Americans with Disabilities Act
5. Statewide Transportation Improvement Funds (STIF)
6. Special Transportation Fund (STF)
7. Monitoring of Lower Tier Subrecipients

These topics represent grant obligations and/or statutory requirements that are imposed on any subrecipient of federal funds, even if that subrecipient passes through funds to another entity to operate transit services.

Data collection to support each review is conducted in two stages: (a) a desk review, conducted by a review consultant based on the submittal of requested data by the subrecipient; and (b) information gathered during a one- to two-day on-site visit.

The review process begins with a notification letter from RPTD to the subrecipient stating that a compliance review has been scheduled. The letter outlines the scope and parameters of the review, includes a request for data, and recommends which officials should participate.

Desk Review

Subrecipients are given 30 days to provide information requested for the desk review. All information is to be submitted electronically to a secure cloud server. Requested data is documented in the attached “Requested Document Upload Checklist”. The reviewer will examine the submitted documents prior to the on-site review.

On-Site Review

RPTD and the subrecipient will mutually determine the dates for the on-site review. While on site, the review team will interview personnel at the transit agency, including, but not necessarily limited to, individuals who hold the following positions:

- Transit manager
- Governing body chair
- Advisory body chair
- Fiscal director
- Human resources director
- Civil rights manager

The on-site visit will begin with an entrance interview. During this session, the review consultant and RPTD staff will review the scope of the review and provide an opportunity for the subrecipient to ask questions.

Depending upon the complexity of the subrecipient’s transit system, the site review will take between four and six hours.

At the conclusion of the review, an exit conference will be held. The review consultant will discuss preliminary findings and potential remediation strategies.

Compliance Report

Following the desk review, on-site visit, document analysis, subrecipient staff interviews, and inspection of records, equipment, or procedures, the review consultant may render a finding. Findings may include:

- Compliance Observations – These are issues of regulatory compliance and must be remedied within a mutually-agreed-upon timeframe determined by the RPTD regional transit coordinator (RTC) and the subrecipient under review.
- Advisory Recommendations – These represent best practices in nonurbanized area management and operations. The subrecipient is not obligated to implement advisory recommendations.

Forty-five days after the on-site review, the review consultant will release a draft report to RPTD. Following RPTD review and within 60 days of the review date, the final report will be released to the subrecipient.

Compliance observations will be assigned a period of remedy, ranging from 30 to 180 days. Deficiencies with less impact, or that have a required public hearing and/or approval process, will have a longer remedy period.

Advisory recommendations do not require implementation, but instead are suggestions provided by the review consultant which represent industry best practices and may assist in achieving greater subrecipient efficiency.

The report will be organized by topic, corresponding to the outline of this Review Guide. Each section will provide a summary of the compliance requirements, the observations and findings of the review consultant, and the actions necessary to remedy the findings.

Resolution of Compliance Findings

During the remediation period, RPTD expects the subrecipient to satisfactorily resolve all compliance observations within the agreed-upon timeline. Advisory recommendations may be accepted or rejected, as appropriate – these are only recommendations, not requirements.

To assist the RTC monitor the subrecipient's progress in closing findings, a monitoring form will be issued in conjunction with each report.

After issuance of the report, the RTC will be available to assist the agency remedy and close findings; provide examples of policies, procedures, and best practices; and review system proposals for remedy. It will be the primary responsibility of the RTC to close findings.

The review consultant will also be available, as needed, for consultation via email and/or by telephone, to provide further assistance.

Requested Document Upload Checklist

Yes	No	Document to be Uploaded in Advance of Site Visit
Program Management		
<input type="checkbox"/>	<input type="checkbox"/>	Copies of any subcontracts with lower tier operators
Financial Management		
<input type="checkbox"/>	<input type="checkbox"/>	Subrecipient's chart of accounts
<input type="checkbox"/>	<input type="checkbox"/>	Indirect cost allocation plans and cognizant agency approval letter
<input type="checkbox"/>	<input type="checkbox"/>	Written financial management policies and procedures
Civil Rights		
<input type="checkbox"/>	<input type="checkbox"/>	Copy of most recent Title VI program
<input type="checkbox"/>	<input type="checkbox"/>	Description(s) of any lawsuits or complaints alleging discrimination on the basis of race, color, or national origin in service delivery filed within last year along with statement of resolution/outcome
<input type="checkbox"/>	<input type="checkbox"/>	Summary listing of all civil rights complaints since the last review
<input type="checkbox"/>	<input type="checkbox"/>	Copy of EEO program (If the subrecipient requests or receives capital or 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 AND employs more than 50 employees)
Americans with Disabilities Act (ADA)		
<input type="checkbox"/>	<input type="checkbox"/>	Copies of any complaints filed against the subrecipient alleging discrimination on the basis of disability in service delivery (filed within last year) along with statement of resolution/outcome
<input type="checkbox"/>	<input type="checkbox"/>	Reasonable modification policy
<input type="checkbox"/>	<input type="checkbox"/>	ADA related complaint policy
Statewide Transportation Improvement Fund (STIF)		
<input type="checkbox"/>	<input type="checkbox"/>	List of STIF advisory committee members
<input type="checkbox"/>	<input type="checkbox"/>	STIF advisory committee by-laws
<input type="checkbox"/>	<input type="checkbox"/>	Most recent STIF Plan
<input type="checkbox"/>	<input type="checkbox"/>	STIF-financed capital inventory
<input type="checkbox"/>	<input type="checkbox"/>	Chart of account for STIF funds, including evidence that the entity manages STIF moneys in separate governmental accounts

Yes	No	Document to be Uploaded in Advance of Site Visit
-----	----	--

Special Transportation Fund (STF)

- | | | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | List of STF advisory committee members |
| <input type="checkbox"/> | <input type="checkbox"/> | STF advisory committee by-laws |
| <input type="checkbox"/> | <input type="checkbox"/> | Copy of most recent public transit/human services coordinated plan |

Monitoring of Lower Tier Subrecipients

- | | | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | Copy of lower tier subrecipient monitoring review checklist (if used) |
|--------------------------|--------------------------|---|

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Section 1. Program Management

In this section, a subrecipient's eligibility and authority to receive FTA funds is established.

Program Identification

Eligibility for federal and state program funds is determined by RPTD as part of the planning and grants management process. In this stage of the review, the reviewer documents the funding sources used by the subrecipient since the last review. The reviewer does not verify eligibility or eligible services. If, upon review of the scope of services, the reviewer determines that the described services vary from that outlined in the project application and/or as described in a statement of work or subrecipient agreement, this will be reported as a finding.

1. What are the sources of federal funds received by this subrecipient since the last review? (Check all that apply)

- | | | | | | | | |
|--------------------------|----------------|--------------------------|-----------------|--------------------------|--------------|--------------------------|-------|
| <input type="checkbox"/> | Section 5311 | <input type="checkbox"/> | Section 5311(f) | <input type="checkbox"/> | Section 5310 | <input type="checkbox"/> | SGR |
| <input type="checkbox"/> | Section 5339 | <input type="checkbox"/> | STF | <input type="checkbox"/> | STIF | <input type="checkbox"/> | Other |
| <input type="checkbox"/> | Tribal Transit | | | | | | |

Governance

All RPTD subrecipients must be legally constituted and have a governing body structured according to the organizational status of the agency. Governing bodies, in addition to providing the legal authority to enter into an agreement with RPTD, must provide appropriate oversight of financial affairs and approve all key policies of the agency (*e.g.*, procurement policies). If the governing body delegates any of these responsibilities, the reviewer will examine such delegation authority.

FTA requirements include approval actions by the governing body. These policies, plans, or programs include those covering Disadvantaged Business Enterprises (DBE), Title VI, Affirmative Action, and drug and alcohol regulations.

2. What is the governing body of the subrecipient that is duly authorized to operate the public transit project?

3. How often does the body meet?

4. Is there documented evidence that this body deliberates on key management issues facing the subrecipient?

Yes No

If Yes, how often are transit-related topics included on the agenda of this body?

5. What type of control, if any, does the governing body exercise over the subrecipient?

Yes	No	Governing Body Oversight Action
<input type="checkbox"/>	<input type="checkbox"/>	Conducts annual appraisal and performance review of transit program executive
<input type="checkbox"/>	<input type="checkbox"/>	Reviews periodic financial and service reports
<input type="checkbox"/>	<input type="checkbox"/>	Approves annual budget
<input type="checkbox"/>	<input type="checkbox"/>	Approves purchases over a governing body specified threshold
<input type="checkbox"/>	<input type="checkbox"/>	Other (describe):

6. Does subrecipient management provide the governing body with routine financial and/or progress reports?

Yes No

If Yes, please provide a copy of a sample, recent report (*to be collected or reviewed on-site*).

7. If Yes to Question 6, select the topical content provided in the report:

Yes	No	Topical Content of Governing Body Reports
<input type="checkbox"/>	<input type="checkbox"/>	Ridership and performance data summarizing the period
<input type="checkbox"/>	<input type="checkbox"/>	Comparative data regarding performance as compared to a prior period
<input type="checkbox"/>	<input type="checkbox"/>	Management's narrative summary of activities during the report period
<input type="checkbox"/>	<input type="checkbox"/>	Financial reports

Yes	No	Type of Financial Report
<input type="checkbox"/>	<input type="checkbox"/>	Profit and loss statement
<input type="checkbox"/>	<input type="checkbox"/>	Variance report (income/revenues)
<input type="checkbox"/>	<input type="checkbox"/>	General ledger/register transactions
<input type="checkbox"/>	<input type="checkbox"/>	Other (describe):
<input type="checkbox"/>	<input type="checkbox"/>	Accident/incident reports
<input type="checkbox"/>	<input type="checkbox"/>	Customer service commendations/complaints report
<input type="checkbox"/>	<input type="checkbox"/>	Title Equal Employment Opportunity (EEO) complaints report
<input type="checkbox"/>	<input type="checkbox"/>	Reasonable modification requests/complaints reports

8. Has the governing body delegated grants management or decision-making responsibilities to other parties, such as key employees of the organization?

Yes No

If Yes, is there a governing body resolution or other appropriate action that approves this delegation of authority?

Yes No

Control Environment

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

9. Are the subrecipient's employees skilled and trained to perform the duties associated with their particular job functions (e.g., daily staff management, accounting functions, delivery of services)?

Yes No

If Yes, describe how the subrecipient ensures that individuals with the proper training and credentials are assigned job duties.

10. How does management remain well-informed of the requirements of laws and regulations pertinent to transit programs?

11. How does management communicate the message to employees that integrity cannot be compromised?

Section 2. Financial Management

Overview

As the primary recipient of grant funds and as the state agency designated to administer such funds for public transit activities, RPTD manages the financial elements of transit programs in accordance with its existing procedures, FTA guidelines, and other applicable state and federal regulations.

All subrecipients are required to establish and maintain an accounting system to which all transportation-related costs, revenues, and operating costs are recorded so that they may be clearly identified, easily traced, and substantially documented. The fully-allocated cost of the public transit program must be clearly identified regardless of the operational nature of the subrecipient.

Accounting Practices

Receipt of grant funding from RPTD obligates the subrecipient to use the funds it receives as specified in the project application and subrecipient agreements. Execution of these agreements establishes a partnership between RPTD and the subrecipient wherein RPTD assumes an oversight role in the use of grant funds and retains a vested interest in any unused grant balances, improperly applied funds, and property and facilities acquired under the subrecipient agreement. Subrecipients and third party contractors are responsible for establishing and maintaining adequate internal controls over all functions that relate to project administration and execution. These control systems must adhere to the applicable requirements outlined in the RPTD State Management Plan and other requirements as may be established by RPTD.

Financial records, supporting documentation, and all other records pertinent to a subrecipient agreement must be retained by the subrecipient and must be made readily available to authorized representatives including RPTD, for a period of three years from the date of project completion and/or until final payment under the agreement has been rendered (whichever is later).

If any litigation, claim, or audit is started before the expiration of the three-year period, the records must be retained beyond three years, until all litigation, claims, or audit findings involving the records have been resolved.

1. Is the subrecipient's chart of accounts sufficiently detailed to accumulate project revenues and expenses in detail?

Yes No

2. Is the chart of accounts sufficiently detailed to distinguish between capital and operating expenses?

Yes No

3. Is the subrecipient's accounting system capable of generating reports to ensure the timely collection of revenues and grant receipts?

Yes No

4. Are subrecipient personnel who are responsible for recording financial transactions, generating reports, and ensuring the accuracy of financial data suitably trained to perform these functions?

Yes No

5. Does the subrecipient adhere to the requirement that all financial records pertaining to an RPTD subrecipient agreement be retained for three years following the final payment?

Yes No

6. Does subrecipient maintain written financial management procedures?

Yes No

7. Federal cost principles require that all costs incurred must be "reasonable and necessary." Does the subrecipient have a process in place to determine reasonable and necessary costs prior to making expenditures?

Yes No

If Yes, what is this process?

8. How does the subrecipient ensure that costs claimed under a federal grant award are not included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period?

9. Financial capacity is measured by a subrecipient's ability to handle a number of functions, including the following management elements. Determine if the subrecipient demonstrates sufficient managerial ability to:

Yes	No	Requirement
<input type="checkbox"/>	<input type="checkbox"/>	Match and manage FTA grant funds.
<input type="checkbox"/>	<input type="checkbox"/>	Cover grant cost overruns.
<input type="checkbox"/>	<input type="checkbox"/>	Cover operating deficits through long-term, stable, revenue sources.
<input type="checkbox"/>	<input type="checkbox"/>	Maintain and operate grant-funded equipment.
<input type="checkbox"/>	<input type="checkbox"/>	Conduct annual A-133 audits (if applicable).

Indirect Costs

Indirect costs are those: (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved. The term "indirect costs" applies to costs of this type originating in the subrecipient's department which receives the grant, as well as those incurred by other departments in supplying goods, services, and facilities.

There is no universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the federal award or other final cost objective. Therefore, it is essential that each cost item be treated consistently in like circumstances either as a direct or an indirect cost. Where an accumulation of

indirect costs will ultimately result in charges to a federal award, either a cost allocation plan or a de minimis indirect rate election is required.

Amounts not recoverable as indirect costs or administrative costs under one federal award may not be shifted to another federal award, unless specifically authorized by federal legislation or regulation.

For organizations that seek reimbursement of indirect costs under their federal grant awards, an indirect cost rate proposal must be prepared annually and submitted to the cognizant federal agency for indirect costs, an agency designated by the Office of Management and Budget (OMB) for reviewing, negotiating, and approving indirect cost rates. In the absence of a designated cognizant agency for indirect costs, the federal funding agency providing the most significant amount of funding will typically serve as the cognizant agency. In cases where funds first flow to a primary recipient and then to a subrecipient, the primary recipient may review, negotiate, and approve indirect cost rate proposals (this scenario describes the relationship between RPTD and its subrecipients).

10. Does the subrecipient seek reimbursement of indirect costs in its claims under its various federal grant awards?

Yes No

If Yes, has subrecipient submitted the plan for approval to a cognizant federal agency or RPTD?

Yes No

If Yes, which agency approved the Cost Allocation Plan (CAP)?

Does the subrecipient claim the *de minimis* indirect cost rate?

Yes No

11. Is the CAP updated annually or on a multi-year period as required by the cognizant agency for indirect cost?

Yes No

What is the date on the latest approved CAP?

12. Are claims for reimbursement of indirect costs made in accordance with the latest approved indirect cost rate?

Yes No

Internal Controls

Subrecipients are responsible for establishing and maintaining adequate internal controls over functions that affect implementation of a grant award. For proper management of awards, these controls must be used by the subrecipient in all of its operating, accounting, financial, and administrative systems. To ensure proper accountability for grant funds, internal controls must be integrated with the management systems used by the subrecipient to regulate and guide its operations.

13. Subrecipients must demonstrate that they have policies, procedures, and protocols in place to demonstrate sufficient internal controls over financial management. Does the subrecipient address the following internal controls?

Yes	No	Requirement
<input type="checkbox"/>	<input type="checkbox"/>	Does the subrecipient have written grant administration policies that govern organizational control of its activities?
<input type="checkbox"/>	<input type="checkbox"/>	Does the subrecipient's formal organizational structure clearly define, assign, and delegate appropriate authority for all duties?
<input type="checkbox"/>	<input type="checkbox"/>	Given the size of the organization, is there sufficient segregation of duties in financial management functions to ensure that adequate internal checks and balances exist?
<input type="checkbox"/>	<input type="checkbox"/>	Does the subrecipient have a system of organizational planning to determine financial, property, and personnel resource needs?
<input type="checkbox"/>	<input type="checkbox"/>	Are there sufficient checks and balances in place to prevent illegal or unauthorized transactions or acts?
<input type="checkbox"/>	<input type="checkbox"/>	Do the subrecipient's information systems reliably provide needed operating and financial data for decision-making and performance review?
<input type="checkbox"/>	<input type="checkbox"/>	Does the subrecipient have any type of internal audit functions to ensure that grant funds are expended properly?
<input type="checkbox"/>	<input type="checkbox"/>	Are the subrecipient's personnel properly qualified for their assigned responsibilities, duties, and functions? Are education, training, experience, competence, and integrity considered in assigning work?

Yes	No	Requirement
<input type="checkbox"/>	<input type="checkbox"/>	Are the subrecipient's expenditures controlled so that construction, equipment, goods, and services are acquired and received as contracted for (as to quality, quantity, price, and time of delivery)?
<input type="checkbox"/>	<input type="checkbox"/>	Does the subrecipient exercise sufficient control over real property, equipment, expendables, and funds to prevent misuse, misappropriation, waste, or unwarranted deterioration or destruction?
<input type="checkbox"/>	<input type="checkbox"/>	Does the subrecipient require pre-authorization for all reimbursable expenses to employees?

14. How is the security of financial data maintained? Who has access to records? How often is the financial system backed up?

Budget

Subrecipients are responsible for monitoring expenditures and must compare these expenditures to budgeted amounts for each subrecipient agreement or subagreement. Financial information must be related to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the subrecipient agreement or subagreement. If unit cost data are required, estimates based on available documentation will be accepted whenever possible.

Applicable cost principles, as stated in 2 CFR part 200.401 - 475, agency program regulations, and the terms of subrecipient agreements and subagreements will be followed in determining the allowability and allocability of costs.

Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contracts, and subgrant award documents.

15. How is the budget developed? Who is responsible for developing the budget?

16. Who is responsible for approving the budget?

17. Who is responsible for ensuring that costs are consistent with the project budget and the limitations set forth in the subrecipient agreement?

18. How is the budget managed throughout the fiscal year? Does the accounting system generate periodic reports regarding revenues, expenses, budget variances, etc.? Who receives these reports? How are the reports used by subrecipient management?

19. What role does the governing body play in review and/or approval of necessary changes and/or modifications to the budget during the fiscal year?

20. Does the governing board have a threshold for budget revisions and/or amendments that would require a board action for approval?

Yes No

If Yes, what are the threshold amounts where the governing body's action is necessary?

21. Is the governing body informed of all major changes in financial condition in a timely manner?

22. Who is responsible for determining cost allowability? Are budget officials knowledgeable about federal cost principles governing cost allowability?

23. What role does the governing body play in monitoring the subrecipient's budget?

24. What is the subrecipient's fiscal year?

Start date (current year) _____ End date (current year) _____

25. What is the subrecipient's basis of accounting?

Cash

Modified Cash

Accrual

Other (Describe) _____

26. If the subrecipient provides service under contract to human service agencies, what is the frequency for issuing invoices to the contracting organizations? What is the typical aging cycle on such receivables?

27. What procedures does the subrecipient have in place to track and collect aged receivables?

Documentation of Costs

Normally, supporting documentation consists of receipts, invoices, vouchers, contracts, leases, etc. There are special requirements for the documentation of personnel expenses, particularly for those employees whose time is split between (a) more than one federal award; (b) a federal award and a non-federal award; (c) an indirect cost activity and a direct cost activity; (d) two or more indirect activities which are allocated using different allocation bases; or (e) an unallowable activity and a direct or indirect cost activity.

28. Does the subrecipient maintain proper supporting documentation for routine purchases?

Yes No

29. Are personnel charges based on actual, after-the-fact work activity (i.e., not based on estimates)?

Yes No

30. What supporting documentation does the subrecipient maintain to document that personnel charges made to federal grants are based on actual, after-the-fact work activity?

For any employee who meets the conditions described (a) through (d) in the introduction of this section, does the non-federal entity maintain records that meet the following requirements?

Yes	No	Personnel Activity Report or Equivalent Document Must:
-----	----	--

<input type="checkbox"/>	<input type="checkbox"/>	Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated
--------------------------	--------------------------	---

Yes	No	Personnel Activity Report or Equivalent Document Must:
<input type="checkbox"/>	<input type="checkbox"/>	Be incorporated into the official records of the non-federal entity
<input type="checkbox"/>	<input type="checkbox"/>	Reasonably reflect the total activity for which the employee is compensated by the non-federal entity, not exceeding 100 percent of compensated activities
<input type="checkbox"/>	<input type="checkbox"/>	Encompass both federally-assisted and all other activities compensated by the non-federal entity
<input type="checkbox"/>	<input type="checkbox"/>	Comply with the established accounting policies and practices of the non-federal entity
<input type="checkbox"/>	<input type="checkbox"/>	Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one federal award; a federal award and non-federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.

Cash Management

Subrecipients must periodically reconcile grant accounts and bank records with financial system records, ensure the timely deposit of cash receipts to prevent fraud or loss, and ensure sufficient separation of functions to provide adequate checks and balances in the cash handling process.

31. Describe the process in which the subrecipient receives cash and checks from RPTD and or other entities that purchase service. Include cash donations in this description.

Is there sufficient segregation of functions in processing activities such as: mail opening, recording, general ledger entry, deposit preparation, and bank deposits?

Yes No

Describe roles and responsibilities:

Financial Task	Performer Job Title	Approver Job Title	Frequency
----------------	------------------------	-----------------------	-----------

Mail processing
Documentation/record-keeping

G/L entry
Deposit preparation
Deposit
Bank statement reconciliation

32. Does a person other than the individual who conducts the accounting function verify the cash receipts listing against the deposit slips?

Yes No

33. Document the following elements associated with fare collection. Are there written procedures governing turn-in, counting, reconciliation, recording, and storage?

Yes No

Are vehicles equipped with fareboxes?

Yes No

If No, describe the procedures in place to protect fare collections from theft or loss.

How often are revenues pulled from system vehicles/fareboxes?

Where are farebox revenue counts conducted?

Is this location secure? Who has access?

How are the counts posted to the agency's general ledger?

Are farebox counts for demand response services reconciled against driver logs?

Yes No

34. What steps has the subrecipient taken to protect itself from theft, fraud, or loss? Are employees who handle cash bonded? Is there insurance to cover loss or theft?

35. Does the subrecipient sell passes, pass books, or paper tickets?

Yes No

If Yes, what controls are in-place to prevent theft, fraud or misuse of the passes?

If Yes, what steps are taken to secure storage or unsold media?

36. Is there a petty cash fund?

Yes No

If Yes, are there written policies and procedures in place for petty cash expenditures which include how it may be used and who is eligible to withdraw funds?

Yes No

37. Is there sufficient segregation of job duties related to expenditures?

Describe roles and responsibilities:

Financial Task	Performer Job Title	Approver Job Title	Frequency
Initiate expenditures			
Writes checks			
Receive cash/issue receipts			
G/L entry			
Reconcile bank statements			

38. Are two original signatures required on all checks?

Yes No Other

If Other, please explain:

39. Are check signers authorized by the governing body?

Yes No

40. Does the subrecipient maintain all issued checks and other information necessary to permit audit of grant-related transactions?

Yes No

41. Does the subrecipient provide credit cards to its employees?

Yes No

If Yes, are there written policies in place governing the use of such cards?

Yes No

If Yes, are the policies sufficient to protect the organization from employee fraud and abuse?

Is there sufficient segregation of functions in review of credit card statements (e.g., an individual other than an authorized user reviews and reconciles the statements)?

Yes No

42. Does the subrecipient have written policies regarding the payment of travel expenses incurred by employees who travel away from their duty station on agency business?

Yes No

Financial and Program Reporting

RPTD requires that requests for reimbursement be supported by a statement of revenues and expenditures for each quarter, including documentation of local match contributions.

43. What is the frequency of report submission to RPTD?

Does the RPTD RTC indicate that reports are submitted on a timely basis?

Yes No

44. Does the subrecipient utilize monthly financial reports and/or variance reports to monitor budget adherence?

Yes No

45. In reporting service data, what methods are used to collect and validate the accuracy of reported data?

Local Match

Federal and state grants awarded by RPTD may require match or local participation in the share of project costs. The amount of local match is specified in the subrecipient agreement.

Examples of local sources that may be used for the local share include state or local funds; dedicated tax revenues; private donations; and net income generated from advertising and concessions. Additionally, revenues derived from a service agreement with a state or local social service agency or a private social service organization may be used to meet the local matching share, even if the source of those funds was another federal program.

Subrecipients may count non-cash shares such as donations, volunteered services, or in-kind contributions toward the local match only if the recipient formally documents the value of each non-cash share, and if this value represents a cost that would otherwise be eligible under the project. The net project cost must include the value of any in-kind contributions included in net project cost to the extent it is used as local match.

46. What are the sources of funds being used to generate the local match? Are these sources non-federal as defined above? Do these sources meet FTA requirements for local match as defined below?

Yes	No	Check all that apply:
-----	----	-----------------------

Statutorily defined sources:

- | | | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | State or local appropriations |
| <input type="checkbox"/> | <input type="checkbox"/> | Dedicated tax revenue |
| <input type="checkbox"/> | <input type="checkbox"/> | Other cash |
| <input type="checkbox"/> | <input type="checkbox"/> | Private donations |
| <input type="checkbox"/> | <input type="checkbox"/> | Net income derived from advertising and/or concessions |

Other federal funds that are unrestricted for use as match:

- Funds received from a service agreement with a state or local social service agency or a private social service organization
- Federal Lands Highway Program
- Other¹

Donated or contributed services:

- Donated²
- Volunteer²

¹ Verify there are no restrictions on use as match.

² See next section to verify allowability as in-kind or volunteer service.

47. Are the funds cited above verified as not being 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, except as specifically provided by federal law or regulation?

- Yes No

48. Is the subrecipient generating sufficient local match to meet the applicable percentage as defined in the subrecipient agreement?

- Yes No

In-Kind or Contributed Services

Non-cash shares such as donations, volunteered services, or in-kind contributions are eligible to be counted toward the local match only if the value of each is formally documented and supported at the time of donation. Additionally, any donation or volunteer service must represent a cost which would otherwise be eligible under the project.

RPTD allows donated or volunteer services to be furnished to a nonprofit organization by professional and technical personnel, consultants, and other skilled and unskilled labor. The value of the donations may be used to meet the local match requirements but may not be claimed for reimbursement.

There are conditions governing the use of donations and/or volunteer services. Such items and services: (a) must be verifiable from the recipient's records; (b) must not be included as contributions for any other federally-assisted project or program; (c) must be necessary and reasonable for proper and efficient accomplishment of project or program objectives; (d) must be allowable under the applicable cost principles; (e) must not be paid by the federal government under another award, except where authorized by federal statute to be used for cost sharing or matching; and (f) must be provided for in the approved budget when required by the federal awarding agency; and (g) must conform to other provisions of 2 CFR part 200, as applicable.

Fair market value of contributed or volunteer labor must be computed based on the regular rates paid for similar work in other activities of the organization or, in cases where the kinds of skills involved are not found in other activities of the organization, the rates used must be consistent with those paid for similar work in the labor market in which the organization competes for such skills.

Under any circumstance, the value of these services is not reimbursable either as a direct or indirect cost under federal grant awards; rather this value may only be used as local match.

49. Does the subrecipient utilize contributions or donations to meet part of the match share of RPTD grant awards?

Yes No

50. How did the subrecipient assign fair market value to the donated or contributed service?

51. Are the services or items donated necessary and reasonable for proper and efficient accomplishment of project or program objectives?

Yes No

52. Did the subrecipient use the value of the donation only as local match (i.e., the subrecipient did not seek reimbursement from grant funds for the donation)?

Yes No

Program Income

Program Income is gross income received by a subrecipient that is directly generated by an g activity, or earned only as a result of the grant funded project during the grant period (the time between the effective date of the grant and the ending date of the grant reflected in the final financial report).

Program income includes: (a) income from fees for services performed; (b) income from the use or rental of real or personal property acquired with grant funds; (c) income from payments of principal and interest on loans made with grant funds; and (d) tax credits. Program income may not be used to reduce the local share of the grant in the year in which it was earned but may be used in future grants. Net income from advertising and revenues from a contract with a state or local social service agency or a private social service agency represent a special case and may be used in the year in which it was earned. The income from contract services may not be used as match if the original source of payment for the contract is another subrecipient agreement.

Fares are not considered program income and must be deducted from total operating costs to determine the net cost of service.

53. Does the subrecipient generate program income?

Yes No

If Yes, what is the source of this program income?

If Yes, has the subrecipient retained the revenues for use in the transit program?

Yes No

If other than advertising and contract income, has the subrecipient used the program income for the local share in a year other than the year in which the income was earned?

Yes No

54. Did the subrecipient report program income and its use to RPTD as appropriate?

Yes No

Single Audit

Subrecipients expending \$750,000 or more in federal financial assistance from all sources in the subrecipient's fiscal year must prepare a single audit pursuant to 2 CFR part 200.500. (Note: this threshold is applicable to fiscal years beginning after December 26, 2014; fiscal years with an earlier ending date must be audited in accordance with the previous threshold of \$500,000). RPTD will conduct the required oversight of the single audits of their subrecipients. Therefore, this topic is not covered in the compliance report.

Additionally, RPTD stipulates that subrecipients entering into lower tier subcontracts require those lower tier contractors to also adhere to the requirements of a single audit. Subrecipients are obligated to ensure that these terms are contractually stipulated in the lower tier agreement and that the lower tier contractor provides RPTD a copy of the single audit.

The review team will download the three most recent audit reports from the Secretary of State's office: <https://secure.sos.state.or.us/muni/public.do>.

55. Did the subrecipient receive more than \$750,000 in federal funds (from all sources) during any one of the last three fiscal years?

Yes No

If Yes, did the subrecipient prepare a single audit?

Yes No

56. Does the audit contain any findings relative to the subrecipient's use of RPTD/FTA funds?

Yes No

If Yes, has the subrecipient submitted a remedial action plan to RPTD and/or resolved the findings?

Yes No

57. Does the subrecipient pass through funds to lower tier recipients?

Yes No

If Yes, does the subrecipient provide all required grant information to facilitate the lower-tier subrecipient's preparation of the audit?

Yes No

If Yes, does the subrecipient review and assist in the resolution of audit findings?

Yes No

Section 3. Civil Rights

Overview

Federal civil rights requirements are encompassed in laws, regulations, and Executive Orders. The objective of FTA's oversight in this area is to:

- Ensure that the level and quality of transportation service is provided without regard to race, color, or national origin;
- Identify and address, as appropriate, disproportionately high and adverse human health and environmental effects, including social and economic effects of programs and activities on minority populations and low-income populations;
- Promote the full and fair participation of all affected populations in transportation decision making;
- Prevent the denial, reduction, or delay in benefits related to programs and activities that benefit minority populations or low-income populations; and
- Ensure meaningful access to programs and activities by persons with limited English proficiency.

Title VI Requirements Applicable to all Recipients/Subrecipients

Some Title VI elements are the responsibility of RPTD and are addressed in the project application and/or subrecipient agreement process.

1. Has the subrecipient developed a Title VI Program?

Yes No

If Yes, has it been adopted by the subrecipient's governing body?

Yes No

2. Has the program been submitted to ODOT Office of Civil Rights (OCR)?

Yes No

If Yes, does the list include the following items?

Yes	No	Required List Elements
<input type="checkbox"/>	<input type="checkbox"/>	A notice to the public that indicates the subrecipient complies with Title VI and informs members of the public of the protections against discrimination afforded to them by Title VI.
<input type="checkbox"/>	<input type="checkbox"/>	A copy of the subrecipient’s instructions to the public regarding how to file a Title VI discrimination complaint, including a copy of the complaint form.
<input type="checkbox"/>	<input type="checkbox"/>	A list of any public transportation-related Title VI investigations, complaints, or lawsuits filed with the recipient since the time of the last submission to RPTD.
<input type="checkbox"/>	<input type="checkbox"/>	A public participation plan that includes an outreach plan to engage minority and limited English proficient populations, as well as a summary of outreach efforts made since the last Title VI Program submission.
<input type="checkbox"/>	<input type="checkbox"/>	A copy of the subrecipient’s plan for providing language assistance to persons with limited English proficiency, based on the DOT LEP Guidance.
<input type="checkbox"/>	<input type="checkbox"/>	A table depicting the racial breakdown of the membership of advisory bodies or non-elected planning boards and a description of efforts made to encourage the participation of minorities on such committees or councils.
<input type="checkbox"/>	<input type="checkbox"/>	A narrative or description of efforts the primary recipient uses to ensure subrecipients are complying with Title VI, as well as a schedule of subrecipient Title VI program submissions.

3. Does the notice include the following items?

Yes	No	Requirement
<input type="checkbox"/>	<input type="checkbox"/>	A statement that the subrecipient operates programs without regard to race, color, and national origin.
<input type="checkbox"/>	<input type="checkbox"/>	A description of the procedures that members of the public should follow in order to request additional information on the subrecipient’s nondiscrimination obligations.
<input type="checkbox"/>	<input type="checkbox"/>	A description of the procedures that members of the public should follow in order to file a discrimination complaint against the subrecipient.

4. How has the subrecipient disseminated this notice?

5. Has the subrecipient translated this notice into languages other than English consistent with the subrecipient’s LEP program?

Yes No

6. Does the subrecipient have procedures for investigating and tracking Title VI complaints and for making such complaints available to the public?

Yes No

If Yes, does the subrecipient have a specific complaint form?

Yes No

7. Has the subrecipient integrated into its established public participation and outreach processes procedures that ensure involvement and participation by minority and LEP populations?

Yes No

If Yes, describe these activities.

8. Are these efforts effective?

Yes No

Do these effective practices include the following elements that FTA considers “best practice”?

Yes	No	Best Practices
<input type="checkbox"/>	<input type="checkbox"/>	Scheduling meetings at times and locations that are convenient and accessible for minority and LEP communities.
<input type="checkbox"/>	<input type="checkbox"/>	Employing different meeting sizes and formats.

Yes	No	Best Practices
<input type="checkbox"/>	<input type="checkbox"/>	Coordinating with community- and faith-based organizations, educational institutions, and other organizations to implement public engagement strategies that reach out specifically to members of affected minority and/or LEP communities.
<input type="checkbox"/>	<input type="checkbox"/>	Considering radio, television, or newspaper advertisements on stations and in publications that serve LEP populations. Outreach to LEP populations could also include audio programming available on podcasts.
<input type="checkbox"/>	<input type="checkbox"/>	Providing opportunities for public participation through means other than written communication, such as personal interviews or use of audio or video recording devices to capture oral comments.

Title VI Requirements Applicable to Small Fixed Route Providers

There are significant additional elements that must be included in a Title VI program if the subrecipient operates fixed route services. However, if the subrecipient operates fewer than 50 vehicles in fixed route peak service and is located in a small urbanized area (less than 200,000 in population), the requirements in Chapter IV of the FTA Circular 4702.1B are considerably less in scope, limited to development of system-wide standards and policies apply to all providers of fixed route service.

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, and commuter bus.

9. Do the subrecipient's service standards include:

Yes	No	Best Practices Service Standards
<input type="checkbox"/>	<input type="checkbox"/>	Vehicle load, by fixed mode, by peak and off-peak periods
<input type="checkbox"/>	<input type="checkbox"/>	Vehicle headway
<input type="checkbox"/>	<input type="checkbox"/>	On-time performance
<input type="checkbox"/>	<input type="checkbox"/>	Service availability for each mode

10. Do the subrecipient's policies include:

Yes	No	Best Practices Policies
<input type="checkbox"/>	<input type="checkbox"/>	Distribution of transit amenities, by mode
<input type="checkbox"/>	<input type="checkbox"/>	Vehicle assignment, by mode

Limited English Proficiency (LEP)/Language Assistance Programs

Individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English can be considered to be limited English proficient, or "LEP." These individuals may be entitled to language assistance with respect to a particular type of service, benefit, or encounter. RPTD subrecipients are required to take reasonable steps to ensure meaningful access to their programs and activities by LEP persons.

Subrecipients should apply the following four factors to the various kinds of contacts they have with the public to assess language needs and decide what reasonable steps they should take to ensure meaningful access for LEP persons:

- The number or proportion of LEP persons eligible to be served or likely to be encountered by a program, activity, or service.
- The frequency with which LEP individuals come in contact with the program.
- The nature and importance to people's lives of the program, activity, or service provided by the subrecipient.
- The resources available to the recipient and costs.

After completing the above four-factor analysis, subrecipients can determine the appropriate "mix" of LEP services required. Subrecipients have two main ways to provide language services: oral interpretation, either in person or via telephone interpretation service, and written translation. The correct mix should be based on what is both necessary and reasonable in light of the four-factor analysis.

11. Has the subrecipient assessed and addressed the ability of LEP persons to use transit services?

Yes No

12. Describe the subrecipient's efforts to provide access to information and services by LEP persons.

Equal Employment Opportunity

FTA requires all applicants, recipients, subrecipients, and contractors receiving FTA funding to comply with applicable federal civil rights laws and regulations and to follow applicable federal guidance. Any FTA applicant, recipient, subrecipient, lower-tier subrecipient, and contractor who meet both of the following threshold requirements must implement all of the EEO Program elements:

- Employs 100 or more transit-related employees; and
- Requests or receives capital or 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.

Agencies between 50–99 transit-related employees are required to prepare and maintain an EEO program that includes a statement of policy, a dissemination plan, a designation of personnel, an assessment of employment practices, and a monitoring and reporting system. These smaller agencies are not required to conduct a utilization analysis with goals and timetables or to submit the EEO Program to FTA every four years. Instead, these agencies are required to provide the EEO program to FTA if requested by the Office of Civil Rights or for any State Management Review or Triennial Review.

FTA requires each applicant, recipient, subrecipient, or contractor that meets the EEO Program threshold requirements outlined above to submit an updated EEO Program every four years or as major changes occur in the workforce or employment conditions, whichever comes first.

13. What is the category threshold for this subrecipient?

Yes	No	Best Practices Service Standards
		Does not need to prepare an EEO program:
<input type="checkbox"/>	<input type="checkbox"/>	Employs fewer than 50 transit related employees AND requests or receives capital or operating assistance less than \$1 million
		Must prepare a limited EEO program:
<input type="checkbox"/>	<input type="checkbox"/>	Employs between 50 and 99 transit related employees AND requests or receives capital or operating assistance more than \$1 million

Yes	No	Best Practices Service Standards
Must prepare a full EEO program:		

Employs 100 or more transit related employees AND requests or receives capital or operating assistance more than \$1 million

14. Does the subrecipient have any contractors who meet the requirements specified in Question 13?

Yes No

Has the subrecipient obtained the EEO program from the contractor?

Yes No

EEO Questions for All Subrecipients

15. Who is responsible for ensuring that EEO obligations are fulfilled on behalf of the subrecipient?

16. Has the subrecipient posted an EEO statement in a conspicuous and accessible place in the workplace?

Yes No

17. Is the subrecipient's EEO policy included in personnel policies and/or employee handbook?

Yes No

18. Are EEO statements included on the subrecipient's job applications and employment notices/job postings?

Yes No

19. How does the subrecipient ensure non-discrimination for ADA-eligible persons in terms of employment?

Were reasonable accommodations made for hiring a person with disabilities in accordance with Title I of the ADA?

Yes No

If Yes, describe the accommodation.

20. Were any EEO complaints or lawsuits received since the last review?

Yes No

If Yes, describe the nature of the complaint or lawsuit.

Did the subrecipient report the complaint or lawsuit to RPTD?

Yes No

EEO Questions for Subrecipients That Must Submit EEO Programs

These questions are designed for subrecipients and contractors that meet the thresholds in Question 13.

21. Has the EEO program been submitted to RPTD?

Yes No

22. Does the EEO program contain the required elements?

Yes	No	Required List Elements
Required for all submitters:		
<input type="checkbox"/>	<input type="checkbox"/>	Statement of policy
<input type="checkbox"/>	<input type="checkbox"/>	Plan for internal and external dissemination of the program
<input type="checkbox"/>	<input type="checkbox"/>	Designation of appropriate personnel responsible for carrying out the EEO program, including the designation of an EEO Officer
<input type="checkbox"/>	<input type="checkbox"/>	Assessment of the subrecipient's employment practices
<input type="checkbox"/>	<input type="checkbox"/>	Plan for monitoring and reporting on the EEO program
Required for fixed route entities		
<input type="checkbox"/>	<input type="checkbox"/>	Utilization analysis
<input type="checkbox"/>	<input type="checkbox"/>	Goals and timetables to correct identified areas of underutilization or concentration

Disadvantaged Business Enterprises (DBE)

ODOT is committed to a civil rights program that includes participation of Disadvantaged Business Enterprises (DBEs) in ODOT contracting opportunities. ODOT's Office of Civil Rights has established a DBE program in accordance with U.S. DOT regulations 49 CFR part 26.

Recipients receiving planning, capital, and/or operating assistance who will award prime contracts (excluding transit vehicle purchases) exceeding \$250,000 in FTA funds in a federal fiscal year must submit a DBE program.

Subrecipients do not need their own, independent DBE programs or overall goals, since the primary recipient's DBE program and overall goals cover the FTA-assisted contracting activities of the subrecipients. ODOT has assumed responsibility for subrecipient procurement activity in establishing its own DBE goals; therefore, subrecipients need not submit their own DBE program to ODOT.

If the subrecipient does not meet the DBE threshold, other requirements still apply, such as the submission of periodic reports to ODOT.

23. Did the subrecipient 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?

Yes No

24. If the subrecipient utilizes a DBE, has the subrecipient properly counted and reported the expenditure to ODOT?

Yes No

25. How does the subrecipient ensure that the DBE hired is certified to do the work?

26. What type of monitoring of DBE work is done?

27. Does the subrecipient submit DBE reports to ODOT in a timely manner?

Yes No

28. Does the subrecipient include the requisite contract language defined in 49 CFR part 26.13(b) as directed by RPTD in all subcontracts?

Yes No

29. Has the subrecipient purchased any vehicles using local procurement procedures (i.e., not through a state contract)?

Yes No

If Yes, did the subrecipient verify that the vehicle manufacturer has made the requisite certification to FTA regarding DBE commitment?

Yes No

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Section 4. Americans with Disabilities Act (ADA)

Overview

Under U.S. Department of Transportation (USDOT) Americans with Disabilities Act of 1990 (ADA) regulations, public and private transportation providers are required to operate services in a way that does not discriminate against persons with disabilities. The regulations include general nondiscrimination provisions that apply to all types of agencies and services. There are also provisions that apply to only certain types of agencies and services. For example, public fixed route operators are required to make on-board stop announcements to keep riders oriented to their location. They are also required to have a system in place at stops served by multiple routes that allows riders to identify the bus they need to catch, or drivers to identify which riders are waiting to catch their bus. Public fixed route operators also must provide ADA complementary paratransit service to individuals who cannot use the fixed route due to a disability.

Commuter bus service is exempted from this requirement. As defined in 49 CFR part 37.3, commuter bus service is “characterized by service predominantly in one direction during peak periods, limited stops, use of multi-ride tickets, and routes of extended length, usually between the central business district and outlying suburbs. Commuter bus service may also include other service, characterized by a limited route structure, limited stops, and a coordinated relationship to another mode of transportation.” Similarly, intercity bus service may resemble commuter bus service in that there is no attempt to comprehensively cover a service area, it has a limited route structure, limited origins and destinations, and limited purposes of travel, and therefore, the obligation to provide ADA complementary paratransit may not apply. However, other relevant requirements of 49 CFR parts 27, 37, and 38 do apply to intercity bus service.

When a public entity enters into a contract or other arrangement or relationship (including grants or subgrants) with a private entity to operate fixed route or demand-responsive service, the public entity shall ensure that the ADA obligations are met, including any ADA complementary paratransit requirements (49 CFR part 37.23). The nature of the arrangement between the public entity and the private intercity operator would determine whether 49 CFR part 37.37 or 49 CFR part 37.23 applies.

Service Classification

Compliance responsibilities will vary depending upon the type of entity providing the service. The regulations recognize three types of entities:

Public entities which include cities, towns, counties, state governments, or special authorities created under public law such as transit districts.

Private, primarily engaged entities which include private companies whose primary business is transportation. This includes private taxi companies, van or bus companies, or private intercity bus companies. This category includes private, nonprofit agencies whose main business is transportation.

Private, not primarily engaged entities which are private companies or organizations, including non-profit organizations, whose primary business is something other than transportation, but who provide transportation as a secondary or support service. This includes human service agencies that operate transportation services as a secondary or support service.

Compliance responsibilities will also vary depending on the type of transportation service provided by the subrecipient. Several types of service that are particularly relevant to these reviews are:

Fixed route service which means a system of transporting individuals (other than by aircraft), 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, where a vehicle is operated along a prescribed route according to a fixed schedule.

Commuter bus service which means fixed route bus service, characterized by service predominantly in one direction during peak periods, limited stops, use of multi-ride tickets, and routes of extended length, usually between the central business district and outlying suburbs. Commuter bus service may also include other service, characterized by a limited route structure, limited stops, and a coordinated relationship to another mode of transportation.

Demand responsive service means any 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, which is not a fixed route system.

Route deviation, point deviation, or flex-bus service, which does not have prescribed route, or which allows for on-request deviations off of prescribed routes. This service type is considered a type of demand responsive service if the on-request, off-route deviations are available to all riders. If off-route deviations are made only for certain individuals, such as persons with disabilities, the service is considered fixed route.

ADA complementary paratransit which is a specific type of demand responsive service that is required of public entities that provide non-commuter fixed route service.

Entity Classification and Service Mode

To determine compliance responsibilities, the review will determine the type of entity and service modes delivered.

1. Based on the articles of incorporation or enabling legislation, identify the type of subrecipient under review:

- Public entity
- Private entity, primarily engaged in transportation
- Private entity, not primarily engaged in transportation

2. Evaluate the scope of services and determine all modes of service operated by the subrecipient. For each subrecipient, check all the primary and sub-modes that apply:

- Fixed route
 - Non-commuter bus
 - Commuter bus
 - Inter-city bus
 - Route/point deviation with deviations limited to certain riders
- Demand Response
 - ADA complementary paratransit
 - Route/point deviation with deviations for the general public
 - Other demand responsive service

Reasonable Modification

Amendments to the ADA regulations at 49 CFR part 37.169(a)(1) require transit agencies to respond to requests for reasonable modification of policies and practices, and 49 CFR part 37.169(a)(2) requires agencies to make information about the process for requesting reasonable modifications readily available to the public. When making this information available to the public, a transit agency must use the same means it uses to inform the general public about its policies and procedures. For example, if an agency uses printed media and a website to inform customers about bus and complementary paratransit services, then it must use these means to inform people about the reasonable modification process. As stated in the preamble, “like all communications, this information must be provided by means accessible to individuals with disabilities.”

Further, 49 CFR part 37.169(b) requires transit agencies to provide an accessible means by which individuals with disabilities can request a reasonable modification. This element of the rule explains that individuals requesting modifications only need to describe what they need in order to use the service and do not need to use the term “reasonable modification” to request such a modification.

Additionally, a new section (49 CFR § 37.17) was added requiring covered entities to implement a formal complaint procedure, similar to those required for Title VI. This section stipulates that:

“A covered entity must adopt procedures that incorporate appropriate due process standards and provide for the prompt and equitable resolution of complaints alleging any action prohibited by this part and 49 CFR parts 27, 38 and 39. The procedures shall meet the following requirements:

- The process for filing a complaint, including the name, address, telephone number, and email address of the employee designated under paragraph (a) of this section, must be sufficiently advertised to the public, such as on the entity’s Web site;
- The procedures must be accessible to and usable by individuals with disabilities;
- The entity must promptly communicate its response to the complaint allegations, including its reasons for the response, to the complainant and must ensure that it has documented its response.”

3. Is the entity’s process for making reasonable accommodation requests readily available to the public and in an accessible format?

Yes No

If Yes, how is this information communicated to the public?

4. Does the request process for reasonable accommodation require advanced notice?

Yes No

If Yes, is there adequate flexibility to accommodate requests that would reasonably occur spontaneously?

Yes No

5. Does the request process require the use of the term “reasonable modification” by the requestor?

Yes No

6. Does the entity sufficiently advertise the process for filing an FTA complaint?

Yes No

Describe these advertisement methods.

7. Does the entity have a process in place to ensure a prompt response to ADA-related complaints?

Yes No

Describe this process, including any timeframes imposed on filing and complaint requests.

8. Does the entity have a process in place to ensure all responses to ADA complaints are documented internally?

Yes No

If Yes, did the entity notify ODOT of these actions?

Yes No

9. Does the entity retain a file copy of all ADA related complaints for at least 1 year and a summary of all ADA-related complaints for at least five years?

Yes No

Transportation Facilities

Under the ADA, the U.S. Architectural and Transportation Barriers Compliance Board (Access Board) is responsible for creating design guidelines for the accessibility of facilities and vehicles subject to ADA requirements. These guidelines form the basis for enforceable standards incorporated by other federal agencies, including U.S. DOT, into their ADA regulations.

The Access Board issued its original ADA Accessibility Guidelines (ADAAG) in 1991 and, on the same day, U.S. DOT met its obligation to implement the ADA regulations through verbatim incorporation of ADAAG in Appendix A to 49 CFR part 37. In 2004, the Access Board issued a major revision to ADAAG after an extensive notice and comment period. In addition, the Access Board issued technical amendments to the revised guidelines.

10. Has the entity constructed any new facility to be used in providing designated public transportation services so that the facility is readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs?

Yes No

11. Has the entity undertaken any alterations of an existing facility or a part of an existing facility used in providing designated public transportation services in a way that affects or could affect the usability of the facility or part of the facility?

Yes No

If Yes, did the entity make the alterations (or ensure that the alterations are made) in such a manner, to the maximum extent feasible, that the altered portions of the facility are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, upon the completion of such alterations?

Yes No

Section 5. Statewide Transportation Improvement Fund (STIF)

Overview

The Statewide Transportation Improvement Fund (STIF) provides financial support to eligible Public Transportation Service Providers (PTSPs), defined as a “Qualified Entity” (QE) or a city, county, Special District, Intergovernmental Entity or any other political subdivision or municipal or Public Corporation that provides Public Transportation Services. A QE is a county in which no part of a Mass Transit District or Transportation District exists, a Mass Transit District, a Transportation District, or an Indian Tribe. STIF funds may be used for public transportation purposes that support the effective planning, deployment, operation, and administration of STIF-funded public transportation programs, including, but not limited to:

- Creation of new systems and services with origins, destinations or stops in Oregon;
- Maintenance or continuation of systems and services; and
- Planning for and development of a Local Plan or future STIF Plan to improve Public Transportation Service.

STIF funds may be used for light rail operations expenses. Additionally, STIF funds may be used as the local match for state- and federally-funded projects that also provide Public Transportation Services, as defined in OAR 732-040-0005.

The majority of STIF funds (90 percent) are allocated based on a formula; the formula is structured to ensure that no QE receives less than \$100,000 per year. The remaining funds are distributed as follows:

- Five percent distributed under the Discretionary Fund via a competitive statewide process;
- Four percent distributed to be used to improve public transportation between two or more communities based on a competitive grant program; and
- One percent used to support a statewide technical resource center to: (a) assist PTSPs in rural areas with training, planning, and information technology; and (b) to fund RPTD administration of STIF.

RPTD shall conduct activities necessary to manage the STIF funds and recipient agreements, including, but not limited to, developing policies; distributing funds; developing and implementing application and review processes and agreement and protest procedures; conducting program oversight, statewide planning, research, training, and technical assistance; and reporting to the legislature.

Qualified Entity Identification

1. List the name of the entity that is the QE receiving STIF funds,

2. List the name(s) of the entities of any lower-tier (pass-through) Sub-Recipients that have entered into an agreement with a Recipient in order to complete one or more tasks specified in the STIF Plan or agreement between RPTD and the STIF PTSP/QE.

3. Has the QE voluntarily withdrawn from eligibility?

Yes No

If Yes, did the QE notify RPTD of its decision and the time period during which it wishes to withdraw?

Yes No

Budget and Accounting Requirements

Receipt of STIF funds requires the QE to institute adequate internal controls and accounting practices sufficient to meet generally accepted accounting principles. The QE must account for the use of funds, report revenues and expenses to RPTD, and retain records for a period (six years following final disbursement/three years after capital asset disposition) that exceeds retention requirements imposed by FTA (three years following grant close-out).

4. Has the QE's adopted annual budget for the upcoming Fiscal Year been submitted to RPTD no later than 30 days after adoption?

Yes No

If Yes, what is the date of submission?

5. Has the QE, in its accounting records, established separate accounts for STIF Formula Funds, Discretionary Funds, and Intercommunity Discretionary Funds?

Yes No

If No, why not?

6. Has the QE deposited STIF funds into an interest-bearing account?

Yes No

If Yes, has the QE identified the interest revenue in its accounting records and reported such revenues at the end of the fiscal year to RPTD?

Yes No

7. Has the QE established a record retention policy concerning records associated with its use and expenditure of STIF funds?

Yes No

If Yes, do these records meet minimum RPTD requirements such as maintaining financial records for at least six years after final disbursement under the STIF Plan or grant agreement and maintaining all records relating to Capital Assets for three years following disposition?

Yes No

Document the QE’s retention requirements.

Element	ODOT Requirement	QE Policy
All Financial Records	At least six years following RPTD’s final disbursement	
Capital	Three years following asset disposition	

STIF Advisory Committee

The Governing Body of each QE shall appoint an Advisory Committee for the purpose of advising and assisting the QE in carrying out the purposes of the STIF and prioritizing Projects to be funded by STIF monies received by the QE.

Two or more Governing Bodies may appoint a joint Advisory Committee for the purpose of advising and assisting their respective Qualified Entities in carrying out the purposes of the STIF for the QEs’ areas of responsibility.

8. Has the Governing Body of the QE established a STIF Advisory Committee?

Yes No

If “Yes,” is the Advisory Committee governed by bylaws that address the following requirements:

Yes	No	STIF Advisory Committee By-Law Requirements:
<input type="checkbox"/>	<input type="checkbox"/>	Name and purpose
<input type="checkbox"/>	<input type="checkbox"/>	Number of members
<input type="checkbox"/>	<input type="checkbox"/>	Membership criteria
<input type="checkbox"/>	<input type="checkbox"/>	Description of the appointment process
<input type="checkbox"/>	<input type="checkbox"/>	Terms of office
<input type="checkbox"/>	<input type="checkbox"/>	Frequency of meetings
<input type="checkbox"/>	<input type="checkbox"/>	Public notice procedures for all meetings
<input type="checkbox"/>	<input type="checkbox"/>	Process for evaluating PTSP proposals
<input type="checkbox"/>	<input type="checkbox"/>	Decision-making criteria for evaluating proposals
<input type="checkbox"/>	<input type="checkbox"/>	Definition of “high percentage of low-income households”

9. Does the QE and/or Advisory Committee make all records associated with the committee available for public review?

Yes No

10. Complete the table below on Advisory Committee composition:

QE Organization Type	ODOT Requirement	No. of Committee Members
Tribal Organizations	Three members	
Transportation District or County	Five members	
Mass Transit District	Seven members	
Joint Committee of two or more QEs	Based on type of entity (must be equal to the highest minimum that would be required for each type)	

Is the composition and number of STIF Advisory Committee members consistent with minimum STIF requirements?

Yes No

11. Does the QE maintain a breakdown of committee membership that demonstrates individuals on the committee are a member of, or represents one or more of the communities of interest designations (see 732-040-0035, § (5)). (Note: this requirement does not apply to tribal organizations)?

Yes No

12. Does the QE ensure that at least one member of the STIF Advisory Committee represents one of the following demographic or organizational categories? (Note: this requirement does not apply to tribal organizations)?

Yes	No	STIF Advisory Committee Representation
<input type="checkbox"/>	<input type="checkbox"/>	Low income individuals
<input type="checkbox"/>	<input type="checkbox"/>	Individuals age 65 or older/individuals with disabilities
<input type="checkbox"/>	<input type="checkbox"/>	PTSP/nonprofit organizations that provide Public Transportation Services

Yes	No	STIF Advisory Committee Representation
<input type="checkbox"/>	<input type="checkbox"/>	If the QE is a Mass Transit District or Transportation District (or a Mass Transit District that is a party to a joint Advisory Committee), is at least one member from outside the district boundaries?

STIF Formula Funds Allocation

The STIF Formula Fund is distributed to QEs on a biennial basis. No later than December 31 of each year, RPTD shall provide written notice to each QE of the estimated allocation of STIF Formula Funds for which it is eligible in the coming year.

QEs must submit to RPTD a STIF Plan; plans may address one or two biennia. Plans must be approved by the Oregon Transportation Commission (OTC). RPTD shall be responsible for notifying a QE if OTC has rejected a STIF Plan. The QE has the right to appeal a rejection decision made by OTC pursuant to OAR 732-040-0050.

13. Describe the process the QE uses to work collaboratively with PTSPs to develop a method for sub-allocating STIF Formula Funds in the service area.

14. To the extent possible, using best available data, is the sub-allocation process proportionate to the amount of employee payroll tax revenue generated within the geographic territory of each PTSP?

Yes No

If No, what is the sub-allocation method?

If No, why was a different method used and how does the alternative method incorporate best available data to make the allocation?

STIF Plan

A QE must adopt a written STIF Plan as a prerequisite to the use of STIF funds for transportation projects. The plan must meet certain requirements, detailed in this section.

QEs eligible for no more than the minimum STIF Formula Fund allocation under OAR 732-042-0010(2) or rural PTSPs that are unable to meet the Local Plan requirements during the first STIF Formula Fund solicitation cycle may use a portion of their first STIF Formula Fund allocation or sub-allocation to improve Public Transportation Services if they have a current approved Coordinated Human Services Public Transportation Plan and if they also use a portion of the first allocation or sub-allocation to develop a Local Plan that is consistent with STIF Local Plan requirements.

PTSPs seeking STIF funding from a QE through the QE's STIF Plan must submit a Project proposal to the QE's STIF Advisory Committee for review and approval. The Project proposal must include the contents described in OAR 732-042-0015(3).

15. Each Project proposed for funding must be described in the STIF Plan. The description must include the following elements to constitute a complete description. Does the STIF Plan include, for each Project, the following descriptive items?

Yes	No	STIF Plan Project Description Elements
<input type="checkbox"/>	<input type="checkbox"/>	Proposed funding level and specific expenditures for each individual Project
<input type="checkbox"/>	<input type="checkbox"/>	A determination as to whether the Project will improve/expand or maintain existing Public Transportation Services
<input type="checkbox"/>	<input type="checkbox"/>	Documentation of the rationale for selection for all Projects designated as maintenance of an existing service
<input type="checkbox"/>	<input type="checkbox"/>	Anticipated benefits and measurable outcomes for each Project
<input type="checkbox"/>	<input type="checkbox"/>	If part of a multi-phased Project, the phasing plan, including schedule and budget with both known and potential funding sources identified

Yes	No	STIF Plan Project Description Elements
-----	----	--

- Amounts allocated to each of the benefits identified above
- Identification of the extent the Project is consistent with Oregon Public Transportation Plan goals, policies, and plans.

16. Does the plan include at least one Project that implements a program(s) to provide transportation services for students in grades 9 through 12?

Yes No

If Yes, is at least one percent of the QE's estimated STIF Formula funds programmed for each Fiscal Year?

Yes No

17. Is there evidence that the Governing Body of the QE consulted the Advisory Committee regarding proposed projects in the STIF Plan and sought the committee's recommendation on the prioritization of projects for Formula Funds?

Yes No

If No, is there an explanation in the STIF Plan as to why the Advisory Committee's recommendation(s) was not adopted?

Yes No

If a Governing Body has not accepted a recommendation of the STIF Advisory Committee, has the body informed any affected PTSP of all modifications and the explanation for such changes?

Yes No

Does the documentation support the fact that the Committee's determination was made consistent with the bylaws?

Yes No

18. Has the STIF Advisory Committee held public meetings, as applicable, in the review of all project applications?

Yes No

STIF Reporting

The QE must prepare quarterly progress reports and submit these reports to RPTD no later than 45 days following the end of each quarter.

STIF requires the QE to submit an annual report to RPTD within sixty (60) days following the end of each Fiscal Year in which the QE receives STIF funds. The report must document any actions taken by any PTSP located within the area of the QE to mitigate the impact of the STIF tax on passengers who reside in low-income communities. The report must explain how it defines and identifies passengers in low-income communities.

Additionally, the QE must report:

- Adopted annual budget for the upcoming Fiscal Year;
- Results of any relevant financial audits of the QE or any PTSP located within the area of the QE.

RPTD reserves the right to withhold future distributions of STIF funds to entities that fail to meet the annual reporting requirement.

19. Does the QE's required annual report to RPTD include all required elements?

Yes	No	Elements of the STIF Annual Report:
<input type="checkbox"/>	<input type="checkbox"/>	A description of how the QE or STIF Advisory Committee defines and quantifies low-income passengers
<input type="checkbox"/>	<input type="checkbox"/>	A narrative description of any action taken by the QE or PTSP to mitigate the impact of the STIF tax on passengers who reside in low-income communities

20. Have report(s) been submitted within the required reporting deadlines?

Yes	No	N/A	Days	Reporting Element Due
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	30 days after receipt	Financial audits
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	30 days after adoption	QE's adopted budget
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	30 days after execution	Written agreement when two or more QEs appoint a joint STIF Advisory Committee
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	30 days after execution	Written agreement with Sub-Recipients
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	30 days after notice of rejection	Provision of additional information to RPTD in the event the PTAC rejects all or part of a STIF Plan
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	30 days after end of Fiscal Year	Capital Asset reports
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	45 days after end of each quarter	Quarterly reports for the first and third quarters of each Fiscal Year
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	60 days after end of Fiscal Year	Fourth quarter annual report

If No, determine the reasons why the QE has been late (e.g., lack of human resources, lack of technical capacity).

21. If the QE has used STIF funds to acquire, purchase, or lease Capital Assets, has a Capital Asset inventory report been submitted to RPTD at least annually within 30 days of the end of each Fiscal Year?

Yes No

If Yes, what is the date of submission?

Discretionary STIF Funds

The STIF discretionary fund is intended to provide a flexible funding source to improve public transportation in Oregon. It is not a source of ongoing operations funding.

Projects eligible to receive grants under the discretionary fund and intercommunity discretionary fund include but are not limited to: capital projects such as vehicles, facilities, equipment, and technology, as well as projects that involve planning and research or implement mobility management strategies. Projects for operations are eligible for intercommunity discretionary funds. Pilot operations projects for both the discretionary fund and intercommunity fund may be considered for funding if the application includes a feasible financial plan for ongoing operations beyond the initial pilot period.

The intercommunity discretionary fund is for improving connections between communities and other key destinations crucial for establishing a connected statewide transit network. As a competitive funding source, ongoing operations projects are at risk of not receiving continuous funding.

Only PTSPs are eligible to be recipients of discretionary funds and intercommunity discretionary funds. These entities must meet, or demonstrate the capacity to meet, a requirement to provide a match of at either 10 or 20 percent of the total project's cost, depending on the project characteristics.

22. Was discretionary or intercommunity discretionary Project undertaken at the ten percent reduced match rate?

Yes No

If Yes, did the Project meet one of the conditions for reduced match?

Yes	No	Requirements of Use of Reduced Match Rate
<input type="checkbox"/>	<input type="checkbox"/>	The Project predominantly serves or provides access to and from rural communities (communities outside of urbanized areas with populations of 50,000 people or less)
<input type="checkbox"/>	<input type="checkbox"/>	The Project serves an area located outside of a PTSP's geographic jurisdiction
<input type="checkbox"/>	<input type="checkbox"/>	The Project will fill a significant gap in the Statewide Transit Network
<input type="checkbox"/>	<input type="checkbox"/>	The Project provides statewide benefits to multiple PTSPs

23. Was the match for Discretionary Funds provided from an eligible source?

Yes No

If Yes, identify the source used to match discretionary or intercommunity discretionary Project funds.

Yes	No	Eligible Sources of STIF Discretionary Match
<input type="checkbox"/>	<input type="checkbox"/>	Federal funds
<input type="checkbox"/>	<input type="checkbox"/>	STIF Formula or STF funds
<input type="checkbox"/>	<input type="checkbox"/>	Local funds
<input type="checkbox"/>	<input type="checkbox"/>	Private contributions
<input type="checkbox"/>	<input type="checkbox"/>	In-kind labor or contributions

24. Does the entity receiving discretionary or intercommunity discretionary Project funds meet or demonstrate the capacity to meet, RPTD recipient qualifications?

Yes No

If Yes, document these qualifications:

Yes	No	Recipient Qualifications
<input type="checkbox"/>	<input type="checkbox"/>	Is a PTSP
<input type="checkbox"/>	<input type="checkbox"/>	Is an entity eligible to enter into agreements
<input type="checkbox"/>	<input type="checkbox"/>	Has the legal, managerial and operational capacity to perform the Project within the agreed-upon schedule
<input type="checkbox"/>	<input type="checkbox"/>	Is not debarred or otherwise suspended from receiving federal grants
<input type="checkbox"/>	<input type="checkbox"/>	Maintains compliance with federal, state and local laws and regulations including, and not limited to, those pertaining to passenger transportation, civil rights, labor, insurance, safety, and health, as applicable
<input type="checkbox"/>	<input type="checkbox"/>	Complies with applicable laws, these rules, and the policies of the applicable fund
<input type="checkbox"/>	<input type="checkbox"/>	Properly use STIF funds

Yes No Recipient Qualifications

 Performs the Project in a safe, prudent, and timely manner

25. Is there evidence that the STIF Advisory Committee evaluated each Project application?

 Yes No

If Yes, is there evidence that the Advisory Committee evaluated the application in compliance with its written bylaws?

 Yes No

26. Has the QE entered into written agreement(s) with subrecipients of Discretionary Funds or Intercommunity Discretionary Funds?

 Yes No

If Yes, has the QE submitted a copy of the agreement(s) to RPTD within 30 days following execution?

 Yes No

27. Describe steps and procedures used by the QE to confirm STIF eligibility of a Sub-Recipient prior to entering into an agreement and distributing STIF funds, e.g., has it reviewed any open audit or compliance findings or completed a risk assessment process?

28. Describe the steps and procedures used by the QE to monitor the performance of Sub-Recipients and/or contractors and monitor compliance with the legal and regulatory requirement stipulated in the grant agreement. Some examples include a compliance review process including schedule and scope of review and reporting requirements of Sub-Recipients.

29. Has the QE determined that any of its Sub-Recipients who received STIF funds were ineligible during any period while receiving STIF funds?

Yes No

If Yes, has RPTD been notified?

Yes No

Discretionary STIF Reporting Requirements

Recipient shall prepare a quarterly report to RPTD which details Project progress, outcomes achieved, and expenditures of discretionary STIF funds by itself and its Sub-Recipients

30. Has the PTSP submitted its quarterly reports to RPTD no later than 45 days following the end of each quarter?

Yes No

31. Have the PTSP or any Sub-Recipients acquired Capital Assets, either through lease or purchase, with Discretionary Funds?

Yes No

If Yes, has the PTSP submitted the required asset management report to RPTD consistent with STIF requirements?

Yes No

Capital Asset Requirements

QEs and PTSPs that acquire, purchase, or lease Capital Assets with STIF funds must ensure Satisfactory Continuing Control of a Capital Asset purchased in whole or part with STIF funding during the period of the asset's useful life.

QEs and PTSPs must inventory Capital Assets purchased in whole or part with STIF funds. The inventory will include a description of the Capital Asset, date of purchase, purchase price, amount of STIF funds contributed to the purchase, the source of other funds, the authorized use, the entity using the Capital Asset, and the condition of the Capital Asset.

Inventory requirements vary depending upon the nature of the asset. RPTD has additional requirements for vehicles assets and real property assets.

The requirements apply to assets acquired with STIF Formula Funds, Discretionary Funds, and Intercommunity Discretionary Funds.

32. Does the QE or the PTSP maintain asset inventories consistent with RPTD requirements?

Yes No

If Yes, does the inventory contain the following elements?

Yes	No	STIF Asset Inventory Elements
-----	----	-------------------------------

All Capital Assets

- | | | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | Description |
| <input type="checkbox"/> | <input type="checkbox"/> | Date of purchase |
| <input type="checkbox"/> | <input type="checkbox"/> | Purchase price |
| <input type="checkbox"/> | <input type="checkbox"/> | Amount of STIF funds used in the purchase |
| <input type="checkbox"/> | <input type="checkbox"/> | Source of other funds |
| <input type="checkbox"/> | <input type="checkbox"/> | Authorized use of the asset |

Yes	No	STIF Asset Inventory Elements
-----	----	-------------------------------

- Name of PTSP using the asset
- Condition of the asset

Additional Items for Rolling Stock

- Size of vehicle (length, in feet)
- Total number of passenger seats
- Total number of ADA stations
- Total number of seats when all ADA stations are deployed
- Current mileage

Additional Items for Real Property

- Current location of the asset
- Current condition of the asset

33. Has the PTSP demonstrated that it, or its Sub-Recipient who will acquire the Capital Asset, has committed to continual use of the vehicle for the approved purpose for the useful life of the vehicle?

- Yes No

34. Does the QE or the PTSP have policies on the useful life for vehicles?

- Yes No

35. Has the QE or the Public Transportation Service Provider replaced any vehicle using STIF funds?

- Yes No

If Yes, did the QE or the PTSP meet the following prerequisites on the use of STIF funds for vehicle replacement?

Yes	No	STIF Vehicle Replacement Prerequisites
-----	----	--

- QE or the Public Transportation Service Provider held clear title to the vehicle.
- The vehicle has met or exceeded the useful life.
- The vehicle has not previously been replaced by other funding sources.

36. Has the QE or the PTSP disposed of any capital asset acquired, in whole or in part, with STIF funds?

- Yes No

If Yes, did the QE or the PTSP retain the net proceeds from a sale or other disposition of a Capital Asset to reinvest in a future STIF Plan capital Project or return the net proceeds to RPTD?

- Yes No

37. Does the QE or the PTSP have written vehicle or asset maintenance policies that, at a minimum, meet the minimum inspection schedules and preventive maintenance procedures recommended by the original equipment manufacturer to keep assets and components in good condition?

- Yes No

38. What procedures does the QE or the PTSP use to track all maintenance activities?

39. Are vehicle preventive maintenance inspections completed on time (e.g., at least 80 percent of the inspections are performed on time)?

- Yes No

40. How are STIF -funded facilities and equipment insured?

41. Is RPTD listed as an additional insured on the policies for all assets acquired with STIF funds?

Yes No

42. If someone other than the QE or the PTSP is the registered title holder for STIF-funded equipment, is either the QE or the PTSP listed on the vehicle title as the primary security interest holder?

Yes No

Section 6. Special Transportation Fund

Overview

The state's Special Transportation Fund Program provides financial support to designated counties, transit districts, and Indian tribal governments for special transportation services benefiting seniors and people with disabilities. The majority of the STF money (75 percent) is allocated on a population-based formula. The remaining funds are distributed by a discretionary grant program.

STF Administration

1. Is the STF Agency up-to-date in applications for current formula funding allocation?

Yes No

If No, why not?

2. Is the STF Agency up-to-date in quarterly reports from all agencies receiving funds?

Yes No

If No, why not?

3. Does the STF Agency have written agreements with pass-through entities?

Yes No

If Yes, does the contract contain all necessary clauses?

4. Does the STF Agency have procedures in place that specify the level of monitoring that will be conducted of lower tier subrecipients?

Yes No

5. Does the STF Agency separately account for STF funds in its accounts?

Yes No

6. Does the STF Agency retain all financial records for at least three years after the RPTD's final disbursement for the fiscal year?

Yes No

7. Does the STF Agency delegate authority for program management to another organization?

Yes No

If Yes, list the duties of the administrative entity:

8. Does the STF Agency, individual providers, or the administrative entity maintain an inventory of capital items purchased in whole or part with STF funds?

Yes No

9. Does the STF Agency utilize any of its allotment of \$2,000 for project management?

Yes No

STF Committee

10. Has the STF Agency appointed an advisory committee of at least five members, and does the membership have a minority of individuals representing agencies receiving STF funds? (For tribes, the committee is composed of three individuals.)

Yes No

11. Has the STF Agency adopted bylaws for the committee?

Yes No

12. Does the STF Advisory Committee meet at least two times per year?

Yes No

13. Does the STF Agency adhere to open meeting laws: publishes meeting notices and keeps records of all meetings?

Yes No

Coordinated Plan

14. Does the STF Agency use the adopted Coordinated Plan to assist in making funding decisions?

Yes No

15. Is the Coordinated Plan up-to-date?

Yes No

Section 7. Monitoring of Lower-Tier Subrecipients

Overview

This section should be completed if the entity under review both operates and passes federal funds through to a lower tier subrecipient. If the entity under review does not pass funds through to a lower tier entity, **skip this section**.

Federal rules require that pass-through entities monitor a lower-tier subrecipient’s compliance with federal grant administrative requirements stipulated in 2 CFR § 200.300 through § 200.513. These requirements span:

- Administrative requirements
- Compliance and programmatic requirements
- Cost eligibility controls
- Indirect costs

This section provides both a guide and a compliance checklist of items any entity is required to perform when passing federal funds through to a lower-tier entity.

Identification of Pass-Through Subrecipients

In this section, the reviewer will determine if the entity under review passes funds through to a lower-tier subrecipient. The reviewer must first determine the nature of the lower-tier relationship: subrecipient or subcontractor.

1. Does the entity under review pass through funds to a lower-tier subrecipient?

Yes No

If Yes, list these entities and identify if the entity conducts on-site reviews of these entities:

Name of Subrecipient	Site Visit Conducted?		Date of Site Visit
	Yes	No	
_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
_____	<input type="checkbox"/>	<input type="checkbox"/>	_____

Administrative Requirements – Internal Controls

The lower-tier subrecipient must establish and maintain effective internal controls over its federal awards that provide reasonable assurance that awards are being managed in compliance with federal statutes, regulations, terms, and conditions of the grant agreement.

2. Does the pass-through entity conduct any evaluation of the lower tier subrecipient’s internal controls? (Actions could include review of audits, collection of written policies of the subrecipient, participation in the compliance monitoring reviews conducted by RPTD of the lower-tier entity, etc.)

Yes No

If Yes, describe what steps the pass-through entity uses to meet this requirement.

3. Are members of the lower-tier subrecipient’s governing body actively involved in the acceptance of the grant award and oversight of its personnel in the execution of grant activities?

Yes No

4. Does the pass-through entity demonstrate compliance with federal requirements with respect to the following activities?

Yes	No	Required List Elements
<input type="checkbox"/>	<input type="checkbox"/>	Procurements using grant funds undertaken consistent with FTA requirements
<input type="checkbox"/>	<input type="checkbox"/>	Claims for reimbursement based on documented payrolls and other verifiable source documentation
<input type="checkbox"/>	<input type="checkbox"/>	Prompt payments to its vendors
<input type="checkbox"/>	<input type="checkbox"/>	Adequate cash management procedures
<input type="checkbox"/>	<input type="checkbox"/>	Written record retention requirements consistent with RPTD requirements

Administrative Requirements – Accounting

The lower-tier subrecipient must have the technical and financial capacity to prepare reports necessary to seek reimbursement of eligible project costs and trace funds to a level of expenditures adequate to establish funds have been used in accordance with federal requirements.

5. Does the staff of the lower-tier entity demonstrate understanding of federal grant administration requirements and FTA grant procedures (e.g., knowledge and understanding of FTA Circular 5010.1E or FTA Circular 9040.1G)?

Yes No

If Yes, what gives the pass-through entity confidence to make this determination?

6. Does the lower-tier entity demonstrate competence in accurately identifying the following?

Yes	No	Required List Elements
<input type="checkbox"/>	<input type="checkbox"/>	Obligations
<input type="checkbox"/>	<input type="checkbox"/>	Funds received
<input type="checkbox"/>	<input type="checkbox"/>	Fares
<input type="checkbox"/>	<input type="checkbox"/>	Program income
<input type="checkbox"/>	<input type="checkbox"/>	Unobligated balances

7. Are the lower-tier entity's bank statements reviewed and reconciled by someone other than the individual who disburses funds from the transit account?

Yes No

Administrative Requirements – Audit

Lower-tier subrecipient that expend more than \$750,000 or more in federal grant awards from all sources (not just FTA) during the entity’s fiscal years must have a single or program specific audit conducted for that fiscal year.

8. Is the lower-tier subrecipient required to obtain a single audit?

Yes No

If Yes, did the lower-tier subrecipient obtain the required audit?

Yes No

If Yes, did the pass-through entity obtain a copy of the lower-tier subrecipient’s audit?

Yes No

9. Was the lower-tier subrecipient free of any audit findings?

Yes No

If No, has the lower-tier subrecipient assign responsibility to individuals or appropriate office to resolve the audit finding?

Yes No

If Yes, has the lower-tier subrecipient informed the pass-through entity of its plans for correcting any conditions reported in the audit findings?

Yes No

Program Compliance – Matching Funds

Either the pass-through entity or the lower-tier subrecipient may provide the local match necessary for the RPTD award.

10. Which entity is responsible for providing the local match to RPTD awards?

Yes	Required List Elements
-----	------------------------

- | | |
|--------------------------|--|
| <input type="checkbox"/> | Pass-through entity |
| <input type="checkbox"/> | Lower-tier subrecipient |
| <input type="checkbox"/> | Combination of pass-through entity and lower-tier subrecipient |

11. If the lower-tier subrecipient is responsible for providing the program match, has the pass-through entity verified the availability?

- Yes No

Program Compliance – Cost Principles

Regardless of the tier, any recipient or subrecipient must adhere to the cost principles detailed in 2 CFR § 200.400 through 200.475. Importantly, all costs claimed under federal grant awards must be properly documented.

12. Does the pass-through entity review costs claimed by the lower-tier subrecipient in terms of eligibility or whether appropriate documentation is maintained?

- Yes No

Program Compliance – Property Management

If the lower-tier subrecipient owns or operates equipment or facilities acquired with federal funds, the entity is responsible for ensuring that property or equipment is used for project purposes, is appropriately reflected in an asset inventory, is properly maintained in a state of good repair, and follows appropriate disposition procedures.

13. Does the lower-tier subrecipient operate or use real property or equipment owned by the pass-through entity?

- Yes No

If Yes, are there arrangements in place to ensure that the pass-through entity demonstrates satisfactory continuing control over project assets?

Yes No

14. If Yes to Question 13, does the pass-through entity review or approve the lower-tier subrecipient's equipment or facility maintenance plans?

Yes No

15. If Yes to Question 13, do asset inventories reflect all equipment and real property acquired with federal funds?

Yes No

Section 8. Other Elements of the Review

Overview

This section describes the physical inspection of vehicles and facilities, examination of records, and verification of required posting that will be conducted during the compliance review.

Civil Rights Postings

Various civil rights components require that certain postings be placed in the workplace where affected employees may view them. The review will verify the following postings:

- Title VI public notice
- Equal Employment Opportunity notice and/or federal labor law posters

Labor Protection Postings

The terms and conditions of the Special Warranty (Section 5333(b)) require that the Warranty be posted in the workplace where affected employees may view the Warranty. The reviewer will verify this posting.