

June 30, 2001

TO: TRANSIT AGENCIES AND CERTIFIED PUBLIC ACCOUNTANTS PERFORMING PUBLIC TRANSPORTATION AUDITS

SUBJECT: FY 2001 AND 2000 AUDIT INFORMATION FOR JUNE 30TH YEAR-ENDS

For October 1, 2001 through September 30, 2002, please use the Local Public Transit Revenue and Expense Manual dated October 1, 2001 through September 30, 2002.

The Revenue and Expense Manual, as well as this letter, can be found at our website, www.mdot.state.mi.us/uptran/ptd. **This is the last year that this letter will be mass mailed. Starting June 30, 2002, this letter will be posted on our website and will be mailed only to individuals upon request.**

Two copies of the annual CPA audit *must* be submitted to the Michigan Department of Transportation's Passenger Transportation Division. When mailing us the CPA audit, please mail to the following address:

Trish D'Itri, Auditing Specialist
MDOT - UPTRAN
P.O. Box 30050
Lansing, MI 48909

INFORMATION NECESSARY TO CALCULATE STATE OPERATING ASSISTANCE

A. Reimbursement Amount:

Based on the budgeted distribution, nonurbanized areas and urbanized areas under 100,000 population received the following percentage of their eligible operating expenses.

FY 2001: 44.182578105 percent
FY 2000: 47.548175037 percent

Urbanized areas over 100,000 population received the following percentage of their eligible operating expenses.

FY 2001: 37.059201583 percent
FY 2000: 39.764332466 percent

There is a fixed amount of state funds available statewide and the percentages change based on the statewide eligible expenses. The FY 2001 & FY 2000 percentages are calculated based on budgeted eligible operating expenses. FY 2001 & FY 2000 percentages will be recalculated after total eligible operating expenses are determined based on the preliminary reconciliation and the audited close out.

- B. Statutory Cap:
Nonurbanized areas and urbanized areas under 100,000 population can receive up to 60 percent of eligible operating expenses. Urbanized areas over 100,000 population can receive up to 50 percent of eligible operating expenses.
- C. Mandatory Floor:
An agency must receive, as a minimum, the amount received for eligible operating expenses in FY 1997, contingent upon the local share requirements set forth in Act 51, as amended.

INFORMATION RELATING TO FEDERAL FUNDING AND REIMBURSEMENT

- A. Each funding source (Section 5307 and Section 5311) needs to be shown separately in the audit.
- B. Nonurban eligible expense percentage for Section 5311 operating assistance is 10.95 percent for both fiscal years ending September 30, 2000 and September 30, 2001.

PERCENTAGE OF ASSOCIATIONS DUES ELIGIBLE FOR REIMBURSEMENT under State Operating Assistance and Section 5311 Operating Assistance for fiscal year ending September 30, 2000 and September 30, 2001 are:

	<u>FY 2000</u>	<u>FY 2001</u>
MASSTrans	92.8 Percent	90.4 Percent
MPTA	92.2 Percent	92.1 Percent
APTA	86.0 Percent	86.0 Percent

If you have any questions or if you need this information in an alternative format, please contact Trish D'Itri at (517) 335-2535.

Sincerely,

Kip Grimes, Administrator
Passenger Transportation Division
Urban and Public Transportation