



# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

This document will give you an overview of the following areas: General Overview, Funding, Annual Application, S/TIP, Project Authorizations. Operating Contract Requirements, Capital Contract Requirements, Transit Vehicles and Equipment, Compliance, Training, and Resources.

3/20/21

# **MDOT 101 TRAINING**

*What All Transit Agencies Need to Know*

## **Table of Contents**

Opening	<b>Acronyms/Definitions</b>	<b>Page 2</b>
Section 1.	<b>Introduction &amp; General Overview</b>	<b>Page 7</b>
Section 2.	<b>Funding Overview</b>	<b>Page 14</b>
Section 3.	<b>Annual Application</b>	<b>Page 24</b>
Section 4.	<b>The S/TIP</b>	<b>Page 32</b>
Section 5.	<b>Creation of Project Authorizations</b>	<b>Page 37</b>
Section 6.	<b>Operating Funding Requirements</b>	<b>Page 45</b>
Section 7.	<b>Capital Funding Requirements</b>	<b>Page 52</b>
Section 8.	<b>Vehicles</b>	<b>Page 59</b>
Section 9.	<b>Compliance/Reporting</b>	<b>Page 64</b>
Section 10.	<b>Training</b>	<b>Page 73</b>
Section 11.	<b>Resources</b>	<b>Page 77</b>

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Acronyms

ACRONYM	TERM
3C	Cooperative, Continuing, Comprehensive
A&E	Architectural & Engineering
AAA	Area Agency on Aging
AASHTO	American Association of State Highway and Transportation Officials
ACT 51	Public Act 51
ADA	Americans with Disabilities Act
AERO	Aeronautics
AM	Asset Management
ANPRM	Advanced Notice of Proposed Rule Making
APTA	American Public Transportation Association
ARRA	American Recovery and Reinvestment Act
AVL	Automatic Vehicle Location
BOC	Board of Commissioners
BRT	Bus Rapid Transit
BPT	Bureau of Passenger Transportation (now Office of Passenger Transportation)
BTP	Bureau of Transportation Planning
CAP	Cost Allocation Plan
CAV	Connected & Autonomous Vehicle
CDL	Commercial Driver's License
CE	Categorical Exclusion
CFDA	Catalog of Federal Domestic Assistance
CFP	Call for Projects
CMAQ	Congestion, Mitigation, and Air Quality
CMH	Community Mental Health
COA	Commission on Aging
CRA	County Road Association of Michigan
CRC	County Road Commission
CTAA	Community Transportation Association of America
CTF	Comprehensive Transportation Fund
D&A	Drug and Alcohol
DAPM	
DBE	Disadvantaged Business Enterprise
DEQ	Department of Environmental Quality
DER	
DHHS	Michigan Department of Health and Human Services (MDHHS)
DIT	Department of Information Technology
DNR	Department of Natural Resources
DTC	Detroit Transportation Corp. (People Mover)
DTMB	Department of Technology, Management and Budget
DUNS	Data Universal Numbering System
ECHO	Electronic Clearing House Operation (FTA's billing system)
EDF	Economic Development Fund
EEO	Equal Employment Opportunity
EFT	Electronic Fund Transfer
EJ	Environmental Justice
FAA	Federal Aviation Administration

# MDOT 101 TRAINING

## *What All Transit Agencies Need to Know*

FAST-Act	Fixing America's Surface Transportation Act
FEMA	Federal Emergency Management Agency
FFR	Federal Financial Report
FHWA	Federal Highway Administration
FMCSA	Federal Motor Carrier Safety Administration
FMU	Financial Management Unit
FOIA	Freedom Of Information Act
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
FTE	Full Time Employee (also Full Time Equivalent)
FY	Fiscal Year
GAAS	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GIS	Geographic Information System
GLI	Greyhound Lines, Inc.
GPA	General Program Account
GPS	Global Positioning System
HOV	High Occupancy Vehicle
HPP	High Priority Project
ICB	Intercity Bus
ICE	Independent Cost Estimate
IFB	Invitation for Bid
ISTEA	Intermodal Surface Transportation Efficiency Act (of 1991)
IT	Information Technology
IT	Indian Trails
ITS	Intelligent Transportation System
JARC	Job Access/Reverse Commute
JV	Journal Voucher
LAC	Local Advisory Council
LAP	Local Agency Program
LBO	Local Bus Operating (aka Formula)
LEP	Limited English Proficiency
LOS	Level of Service
MaaS	Mobility as a Service
MAP-21	Moving Ahead for Progress in the 21st Century
MAR	Michigan Association of Regions
MARP	Michigan Association of Railroad Passengers
MASSTrans	Michigan Association of Transportation Systems
MAUW	Michigan Association of United Way
MDOT	Michigan Department Of Transportation
MDT	Mobile Data Terminal
MiDeal	Michigan's extended purchasing program
MOD	Mobility on Demand
MOU	Memorandum Of Understanding
MPTA	Michigan Public Transit Association
MPO	Metropolitan Planning Organization
MPR	Milestone Progress Report
MRO	Medical Review Officer
MSP	Michigan State Policy
<b>MSU</b>	<b>Michigan State University - GO GREEN!</b>

# MDOT 101 TRAINING

## *What All Transit Agencies Need to Know*

MTF	Michigan Transportation Fund
MTPA	Michigan Transportation Planning Association
NCHRP	National Cooperative Highway Research Program
NDI	National Diagnostics, Incorporated
NEMT	Non-Emergency Medical Transportation
NEPA	National Environmental Policy Act
NF	New Freedom
NITC	New International Trade Crossing
NOFO	Notice of Funding Opportunity
NPRM	Notice of Proposed Rule Making
NTD	National Transit Database
NTI	National Transit Institute
OAR	Operating Assistance Report
OCA	Office of Commission Audits
ODAPC	Office of Drug & Alcohol Policy & Compliance
OEO	Office of Equal Opportunity
OHR	Office of Human Resources
OPT	Office of Passenger Transportation
PAC	Policy Advisory Committee
PAS	Program Administration Section
PASS	Passenger Service and Safety
PDF	Portable Document Format (Adobe, Nuance Power PDF, Foxit)
PI	Phase Initiator
PM	Project Manager
PO	Purchase Order
POP	Program of Projects
PSR	Procurement System Review
PTD	Passenger Transportation Division (now known as OPT)
PTMS	Public Transportation Management System
R&E	Revenue and Expense
RFI	Request for Information
RFP	Request For Proposal
RFQ	Request for Qualifications
RIR	Recipient Information Request
RPA	Regional Planning Agency (also referred to as RPO - Regional Planning Organization)
RTA	Regional Transit Authority
RTAP	Rural Transit Assistance Program
RTCC	Regional Transit Coordination Council
RTF	Rural Task Force
RTMW	Rural Transit Manager Workshop
SAFETEA-LU	Safe, Accountable, Flexible, and Efficient Transportation Equity Act of 2005 - Legacy for Users
SAP	Substance Abuse Professional
SCOPT	Standing Committee on Public Transportation
SDNT	Service Development and New Technology
SHPO	State Historical Preservation Office
SIB	State Infrastructure Bank
SIGMA	Statewide Integrated Governmental Management Applications
SLRTP	State Long Range Transportation Plan
SMR	State Management Review
SOP	Standard Operating Procedure

# MDOT 101 TRAINING

## *What All Transit Agencies Need to Know*

SOS	Secretary of State
SOV	Single Occupant Vehicle
SPOC	Single Point of Contact
SPR	State Planning and Research
STBG	Surface Transportation Block Grant
STC	State Transportation Commission
STIP	State Transportation Improvement Program
STP	Surface Transportation Program
STU	Surface Transportation Urban
TA	Transit Agency
TAC	Technical Advisory Committee
TAM	Transit Asset Management Plan
TAP	Transportation Alternatives Program
TCRP	Transit Cooperative Research Program
TEA	Transportation Enhancement fund Application (now TAP)
TEA-21	Transportation Equity Act for the 21 Century
TEDF	Transportation Economic Development Fund
TIP	Transportation Improvement Plan
TMA	Transportation Management Area
TMS	Transportation Management System
TNC	Transportation Network Company
TrAMS	Transit Award Management System (FTA's grant system)
TRB	Transportation Research Board
TSC	Transportation Service Center
TSS	Transportation Services Section
TVM	Transit Vehicle Manufacturer
TVMS	Transit Vehicle Maintenance Seminar
UARS	User and Application Registration System
UPTRAN	Bureau of Urban and Public Transportation (now known as OPT)
UWP	Unified Work Program
UZA	Urbanized Zone of Analysis
VRF	Vehicle replacement funded
VRR	Vehicle replacement requested

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Definitions

**Budget adjustment-** change to the project authorization that includes adding a line under the same heading or adjusting the funding among the lines

**Extended purchase-** purchasing from a state vehicle contract

**Davis Bacon Act-** The Davis–Bacon Act of 1931 is a United States federal law that establishes the requirement for paying the local prevailing wages on public works projects for laborers and mechanics. It applies to "contractors and subcontractors performing on federally funded or assisted contracts in excess of \$2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works".

**Flex funding-** FHWA funding for transit projects including STBG, CMAQ, and STUL must be transferred from FHWA to FTA. The State Department of Transportation must request that the funds be transferred, with the concurrence of the Metropolitan Planning Organization (MPO) if the project is within a metropolitan planning area, in a letter to the FHWA Division Office.

**Local purchase-** agency creates procurement to go out to bid for vehicle purchase (OPT will assist if using MDOT provided funding)

**Master Agreement-** legal contract between MDOT and agency

**Project authorization-** the awarded contract between MDOT and the transit agency showing the funding source and year, listing of funded items, and expiration date of the contract.

**Revenue vehicle-** vehicle to be fully utilized to transport passengers

**Revision-** change to the project authorization that includes adding a new line under a different heading, or extending the term of the authorization

**Signature Resolution-** Designates approved signers of documents

**Verification forms-** Forms required to create a project authorization. Consists of vehicle, equipment, facility form, independent cost estimate, price analysis for state vehicle purchases, and method of procurement decision matrix.

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 1: Introduction and General Information

### Types of Agencies

There are many types of agencies providing transportation services in Michigan. They range from large urban agencies providing many different types of service, to a small county agency on aging providing rides with volunteer drivers. Some agencies have formed a transportation authority under the many Michigan Public Acts options available, while other agencies are departments of the county, or have a non-profit designation. The funding allocated and federal regulations adhered to will vary based on the type of transit agency. Throughout this manual, the general term agency will be used for all transportation providers. The information below shows the Michigan transportation authorities and their formation Act:



- Act 7 Two or more Public Bodies Forming Authority
- Act 55 City Authority
- Act 94 Revenue Bond Act (county operations)
- Act 196 Public Transportation Authority Act (county, city, village, township or any combination)
- Act 204 Metropolitan Transportation Authorities
- Act 279 Municipality Home Rule Act
- Act 359 Charter Township Act
- Act 387 Regional Transportation Authority Act

Transit Agency Name	Act
Adrian	279
Allegan County	94
Alma	279
Alger Transit Authority	196
Ann Arbor Area Transportation Authority	55
Antrim County	94
Arenac Public Transportation Authority	196
Barry County	94
Battle Creek	279
Bay Area Transportation Authority (Grand Traverse and Leelanau counties)	196
Bay Metropolitan Transportation Authority (Bay County)	196



## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

Transit Agency Name Continued	Act
Beaver Island Transportation Authority	196
Belding	279
Benzie Transportation Authority	196
Berrien County	94
Big Rapids	279
Blue Water Transportation Commission (Port Huron area)	7
Branch Area Transit Authority	196
Buchanan	279
Cadillac/Wexford Transit Authority	7
Capital Area Transportation Authority (Lansing area)	55
Caro Transit Authority	196
Cass County Transportation Authority	196
Central County Transportation Authority	55
Charlevoix County	94
Cheboygan County	94
Clare County	94
Clinton Area Transit System	196
Crawford County Transportation Authority	196
Delta Area Transit Authority	196
Detroit	279
Detroit Transportation Corporation (People Mover)	7
Dowagiac	279
Eaton County Transportation Authority	7
Eastern Upper Peninsula Transportation Authority (Chippewa County)	7
Gladwin County	94
Gogebic County Transit	196
Greater Lapeer Transportation Authority	196
Greenville	279
Harbor Transit Multi-Modal Transportation System (Grand Haven area)	196
Hancock	279
Hillsdale (City of)	279
Houghton	279
Huron County	94
Ionia	279
Iosco County	94
Interurban Transit Authority (Saugatuck area)	196
Interurban Transit Partnership (Grand Rapids area)	196

## MDOT 101 TRAINING

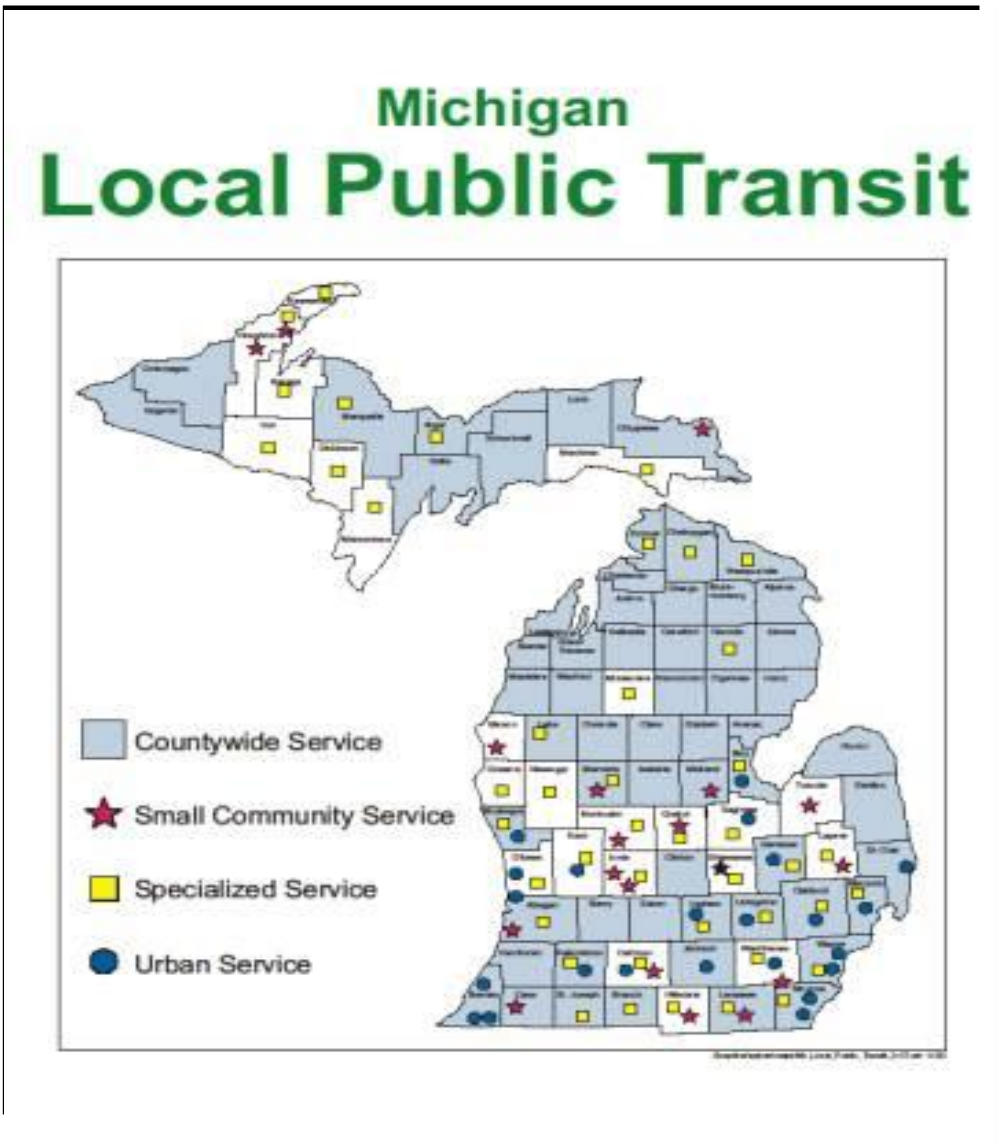
*What All Transit Agencies Need to Know*

Transit Agency Name Continued	Act
Ironton Ferry	7
Isabella County Transportation Commission	7
Jackson Transportation Authority, City of	196
Kalkaska Public Transit Authority	196
Lenawee County	94
Livingston County	94
Ludington Mass Transportation Authority	196
Macatawa Area Express Transportation Authority (Holland Area)	196
Mackinac Island (City of)	279
Mackinac Island Transportation Authority	196
Manistee County	94
Marquette County Transit Authority	7
Marshall	279
Mass Transportation Authority (Flint area)	55
Mecosta Osceola Transit Authority	196
Midland County	94
Midland (City of)	279
Muskegon County	94
Niles	279
Ogemaw County	94
Ontonagon County	94
Otsego County	94
Regional Transit Authority of Southeast Michigan	387
Roscommon County Transportation Authority	196
St. Joseph County Transit Authority	196
Saginaw Transit Authority Regional Services	196
Sanilac County	94
Sault Ste. Marie	279
Schoolcraft County Transit Authority	196
Shiawassee Area Transportation Agency	7
Suburban Mobility Authority for Regional Transportation (Wayne, Oakland, Macomb, Monroe counties)	204
Thunder Bay Transportation Authority (Alcona, Alpena, Montmorency counties)	196
Twin Cities Area Transportation Authority (Benton Harbor area)	55
Van Buren County	94
Yates Township	94

## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

Some form of passenger transportation is currently offered in all 83 counties as shown in the map below taken from MDOT's 2035 State Long Range Plan Transit Technical White Paper or at [https://www.michigan.gov/documents/MDOT-PTD-tranagen\\_78376\\_7.pdf](https://www.michigan.gov/documents/MDOT-PTD-tranagen_78376_7.pdf). Michigan transit agencies benefit from a designated funding source in the Comprehensive Transportation Fund (CTF). The Office of Passenger Transportation (OPT) also strives to match all federal funds when the budget allows. The funding mechanism for the CTF is shown in Section 2- Funding Overview.



OPT staff works directly with transit agencies and the first point of contact for questions and assistance is an agency's assigned project manager. The role of

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

the Project Manager is to provide excellent customer service, assist the agency in contract management, process operating and capital payments, ensure document/report completion, and being a transit resource specialist. Project Managers are assigned transit agencies regionally. The statewide map for the current project manager assignment can be viewed at [Transportation Services Section Project Manager Map](#).

In addition to the project managers, there are many other OPT staff members that ensure the following: obligate funding, process payments,, verify compliance, assist with procurements, manage vehicle contracts, and represent Michigan transit agencies nationally. The current OPT organizational chart can be viewed at [OPT Organizational Chart](#).

## **Master Agreement**

The relationship between MDOT's Office of Passenger Transportation and a transit agency (TA) begins with the master agreement document. This document is in effect for a five-year period until a new master agreement is issued. At the top right corner of the document you will see an agreement number which will be in the format of 20XX-XXXX. The first four digits represent the year the master agreement is issued, and the second four digits are a unique identification number assigned to each agency. A signed master agreement must be on file with OPT before any federal or state grant funds can be made available to the agency. It is recommended that this document be read through completely as it contains all the information that is required for purchasing, billings, payments, audits, budget adjustments, revisions, and amendments that the transit agency will need to adhere to. See the sample below:

	October 30,
Date:	2020
Agreement No.:	2017-0064
Authorization No.:	P5/R2
Job No.:	204983NI
Agenda:	COM

Each agency files a signature resolution with OPT showing the title and/or name of the individuals who are authorized to sign master agreements and project authorizations. This is usually the Director and/or the Board Chair for most organizations. If the designated positions change, then the agency would be required to file a new signature resolution with OPT. We recommend using the personnel's title instead of a name to avoid needing revisions with personnel changes.

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Process Flow

This manual will cover the entire annual cycle of funding from the application for funding through the completion of the funding authorization. A step by step overview of the process can be seen below (dates can be subject to change):

- Step 1: Annual application due from transit agency (February 15)
- Step 2: Project manager approves application eligibility (March/April)
- Step 3: Federal Register published, and funding determinations are drafted by OPT based on requests and funding available (March/April)
- Step 4: -Urban transit agencies must submit a capital match plan  
-All agencies must fill out requested verification forms  
-OPT inputs statewide submission grant in TrAMS once all documentation is received (April/May)
- Step 5: Transit agencies must sign and return project authorizations (July/August)
- Step 6: FTA grants approval of the statewide submission (September)
- Step 7: Project authorizations are awarded and sent to the transit agency for signature (Fall/Early Winter)
- Step 8: The transit agency must begin working with the procurement specialist to complete the procurement process within six months of a capital award. The transit agency must submit OARs (Operating Assistance Reports) quarterly in PTMS with an operating award.
- Step 9: The transit agency submits their capital payment request to their project manager for reimbursement
- Step 10: The transit agency must submit milestone reports (progress reports) in PTMS biannually for capital projects
- Step 11: The transit agency ensures completion of all items on their award authorization and contacts their project manager to close out the authorization.

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 1 Resources

- [Master Agreement sample](#)
- State of Michigan travel rates
- Signature Resolutions-
  - Master agreement only
  - Blanket agreement- master agreement/project authorizations

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 2: Funding Overview

This section's objective is to provide an overview of the types of funding that are administered by MDOT and available for transit agencies annually. To receive operating and capital funding from OPT, agencies are required to submit an annual application in PTMS by February 15<sup>th</sup> each year. While applying for all these programs occurs on February 15<sup>th</sup> of each year, funding is administered at different times of the year based on funding type. Each program goes through many internal steps at MDOT to ensure allocation and delivery to grant recipients. It is very important to understand when each type of program will be available so that agencies can plan and budget effectively.



Types of Funding Available to a Transit Agency & How it is Distributed

It is also important for an agency to understand the federal, state, and local match requirements for each type of funding program. Most federal operating programs provide 50% federal share and require 50% local match while capital funding programs provide 80% federal share and require a 20% local match. OPT typically provides the required match using Act 51 funds as described in the next paragraph. Please note, however, that funding programs do fluctuate from year to year based on a number of factors. During economic hardships, OPT may not be able to provide the entire match to a program so an agency needs to ensure local funds are available to cover the match when necessary.

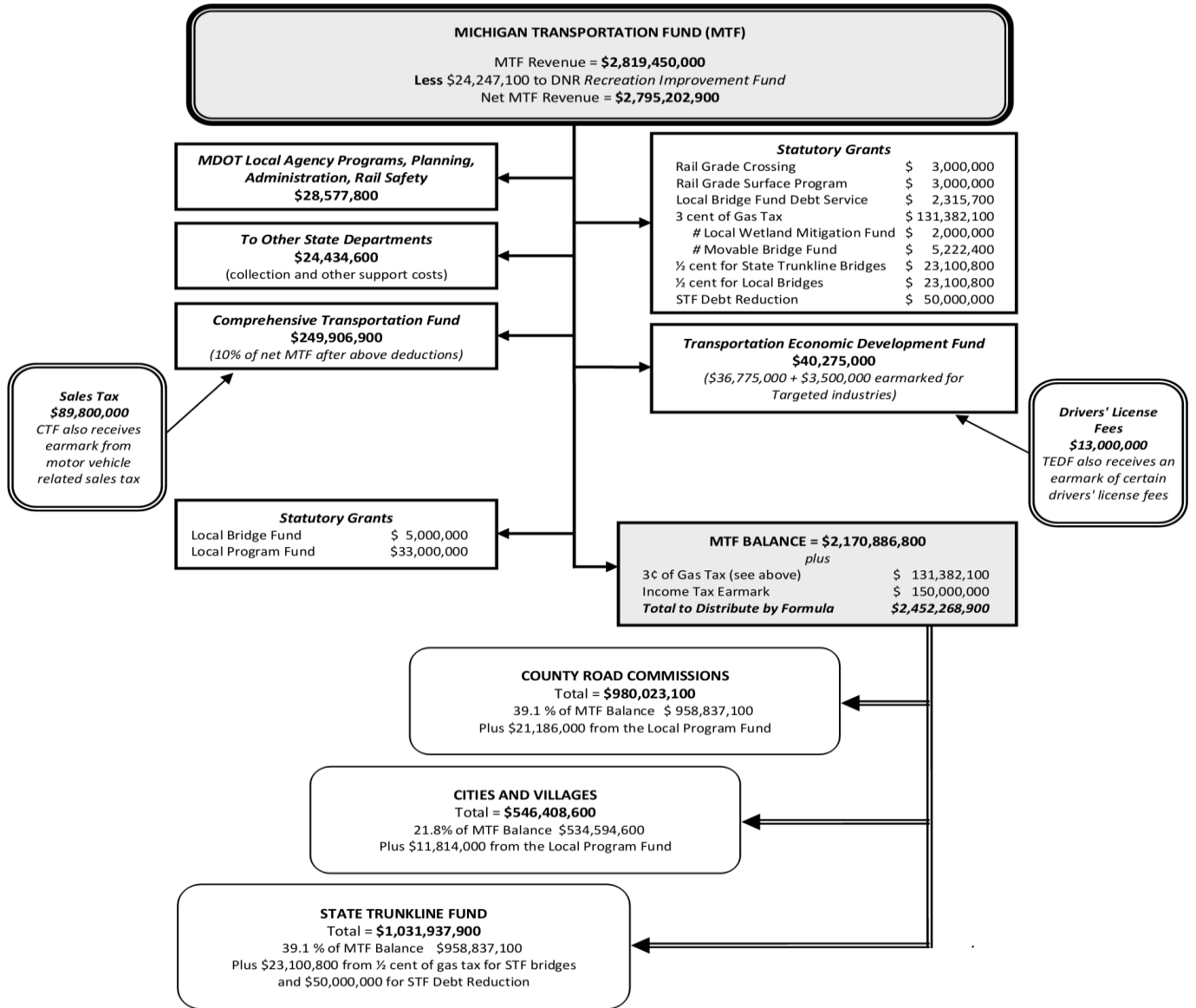
State operating and capital funding is provided through Act 51. The Comprehensive Transportation Fund (CTF) allocation is funded by gasoline taxes, motor vehicle related sales tax, driver license fees, and vehicle registration fees. The CTF receives 10% of the net Michigan Transportation Fund (MTF), after allocations to MDOT Local Agency Programs, Planning, Administration, Rail Safety, Other State Department and Statutory Grants. The figure below shows the allocation of the CTF for Fiscal Year 2018-2019.

# MDOT 101 TRAINING

What All Transit Agencies Need to Know

## FY 2018-19 MICHIGAN TRANSPORTATION FUND REVENUES AND DISTRIBUTIONS PER Sec. 10, 1951 PA 51

February 2018 ORTA Estimate



# Note: This flowchart represents the distribution of MTF revenue derived from constitutionally restricted motor fuel and vehicle registration taxes as guided by Section 10 of Public Act 51 of 1951, as amended by Public Act 246 of 2016. The earmark of \$150.0 million for state and local highway programs, established in Section 51d of the Income Tax Act by Public Act 179 of 2015, is shown as an addition to the MTF balance for distribution to road agencies by formula.



## **MDOT 101 TRAINING**

*What All Transit Agencies Need to Know*

### **State Operating Assistance aka Local Bus Operating (LBO)/Formula**

- **FY2020- \$196,750,000 apportioned**
- Eligible for authorities and governmental agencies.
- Eligible costs include operating and administrative expenses.
- The reimbursement rate is determined by a formula as prescribed in Act 51 – Since 2007 the reimbursement rate has fluctuated between 35% and 42% for rural systems, and 30%-34% for urban systems.
- The initial reimbursement rate is based on the annual budget that is submitted by the agency.
- The reimbursement rate has fluctuated between 35% and 42% since 2007.
- Reallocations occur based on eligible expenses from Reconciled OARs (approximately one year later) and Audited OARs (approximately 2 years later). Agencies that are owed funds by OPT will be paid after OPT withholds funding from agencies that owes funds.

### **Federal Section 5311 Rural Formula (includes Job Access Reverse Commute (JARC) operating/capital activities)**

- **FY2020-\$28,027,900 apportioned**
- Eligible to agencies receiving state operating assistance for service in rural areas of the state.
- Eligible costs include operating, administrative expenses, and JARC expenses.
- The reimbursement rate is set based on anticipated funds and budgeted expenses and has fluctuated between 16% and 18.5% since 2007.
- Prior to FY2022, agencies received the reimbursement rate based on audited eligible expenses even if they went over budget. Beginning in FY 2022, an agency's reimbursement will be capped at the lower of the reimbursement rate times their eligible budgeted expenses or the reimbursement rate times their eligible audited expenses.
- Quarterly payments are based on reported eligible expenses, but are capped at one quarter of their contract amount.
- Since FY2019, agencies have the option to designate a percentage of their operating assistance to be used for capital items. Once the decision has been made, the funds cannot be moved back to operating funding.

## **MDOT 101 TRAINING**

### *What All Transit Agencies Need to Know*

- In years where there is a delay in federal operating payments, due to the timing of the availability of the federal register and approval of grants by FTA the following items will occur.
  - You may notice that a quarterly payment may be smaller than anticipated as OPT can only pay the current amount awarded on the project authorization.
  - Once more federal funding becomes available, your agency will receive a revised project authorization with additional funding.
  - There could be multiple revisions to a project authorization during that year.

### **Specialized Services Operating Assistance Program**

- **FY2020- \$4,353,900 budgeted**
- Eligible for authorities, governmental agencies, private non-profits, and associations serving the needs of seniors and individuals with disabilities.
- 100% state funds
- Reimbursed at a rate of \$1.20 per mile or \$4.07 per one-way passenger trip, up to the contract amount. An agency may contact their project manager to change between miles and trips.
- Agencies receive funding quarterly based on miles or passengers reported on the OAR.

### **Federal Section 5310- Enhanced Mobility of Senior and Disabled Individuals (Includes New Freedom operating/capital activities)**

- **FY2020 \$1,955,558 apportioned**
- Eligible for private non-profits, public transit authorities or governmental agencies where no non-profit organizations are available to provide service, or for public transit authorities applying for New Freedom activities.
- A Coordinated Public Transit-Human Services Transportation Plan and all updates must be on file with OPT or submitted with the annual application.
- Capital funds can be used for vehicles, equipment, facility, or mobility management.
- Also includes Rural Task Force flex funds for 5310 transit agencies.
- Agencies receive funding annually based on projects awarded.

## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

### **Federal Section 5310/5311 Capital/ or 5310/5311 Flex**

- **FY 2020 \$3,472,030 apportioned**
- Eligible for public transit authorities, governmental agencies, or private non-profits.
- Includes Surface Transportation Block Grant (STBG) funds distributed through a regional Rural Task Force that the agency will participate in.
  - Eligible projects include vehicles, equipment, and facility projects.

**See more information below in the Rural Task Force funding section.**

- Includes Small Urban Program funds distributed through a local project selection process.
  - **FY2020- \$663,835 apportioned to transit agencies**
  - Eligible for public transit authorities, governmental agencies and private non-profits serving elderly and disabled that operate within a federal urban area boundary of cities with populations of 5,000 to 50,000
  - Applications are submitted to the local, small urban program committee and projects are chosen by MDOT's Bureau of Transportation Planning.

**See MDOT Form 2606 Small Urban Program Project Application at [MDOT Small Urban website](#)**

- Includes Congestion Mitigation and Air Quality (CMAQ) funds distributed to agencies that are identified as residing in a Clean Air Act non-attainment and/or maintenance area for air quality.
  - **FY2020- \$29,954,931 apportioned**
  - Eligible transit projects include transit vehicles and facilities, up to three years of operating and maintenance expenses for new or expanded service routes, alternative fueling facilities, rideshare administration and marketing, ozone action, and transit fare subsidies.
  - Funds are distributed by county based on a federal formula. Agencies will complete the bus replacement at [CMAQ Emissions Calculator](#).
  - Results are then entered into [MDOT Form 2608](#) to obtain cost information.

## MDOT 101 TRAINING

### *What All Transit Agencies Need to Know*

- Applications for funding include both the emission calculations and Form 2608. Transit agencies submit their applications either with their Metropolitan Planning Agency (MPO) or Regional Planning Agency (RPA). That agency will program the projects into MDOT's JobNet system.

All CMAQ program information can be found at [MDOT CMAQ website](#)

### **Section 5307 Flex**

- Eligible to urban transit agencies.
- Flex projects could include CMAQ, STBG, Small Urban, and/or Transportation Alternatives funding.
- The flex process shown in Section 2 Resources documents what an agency must do to flex the funds from FHWA to FTA and eventually to the transit agency.

### **Urban Capital Match Plan - Due beginning of March**

Transit agencies in urban areas will receive an email through the distribution lists in February requesting a listing of all capital projects that your agency will receive from funding sources outside of OPT for the fiscal year.

Urban agencies could receive federal funding from the following programs that need to be matched with either state or local funds. OPT typically provides the 20% match for the following programs:

- Section 5307
- Section 5310
- Section 5339
- Rural Task Force
- Small Cities
- CMAQ (Congestion Mitigation/Air Quality)
- Transportation Alternatives Program (TAP)

It is important that all your projects are listed to ensure that the capital match is apportioned to your projects. **Please note that OPT has limited funds and match may not be available for all types of capital each fiscal year so it the agency's responsibility to ensure local funds are available if needed.**

# **MDOT 101 TRAINING**

*What All Transit Agencies Need to Know*

## **Federal Section 5339 Bus and Bus Facilities Program**

- **FY2020- \$3,500,000 for rural agencies and \$1,707,536 for small urban agencies apportioned**
- Eligible for public transit authorities and governmental agencies
- MDOT is awarded Section 5339 formula funds each year. Under most circumstances, the funds are used to replace buses in rural areas. MDOT allocates Section 5339 formula funds to small urban agencies based on the percentage of their Section 5307 formula funds
- MDOT analyzes vehicles statewide by age and miles to determine the agencies with the highest percentage of vehicles that have met their useful life.
  - Funds are allocated to agencies with highest percentage first and then until funds are spent
- Agencies receive funding annually based on projects awarded
- FTA periodically sends out a Notice of Funding Opportunity for 5339 Discretionary funds. OPT applies on behalf of rural and interested small urban agencies.

## **Other Federal Notice of Funding Opportunity (NOFO)**

Notice of Funding Opportunities are released annually by FTA and nationally competitive. OPT typically applies for the funds on behalf of the interested rural and small urban agencies while the larger urban agencies apply directly on the grants.gov website. It is very important for an agency to read through the national release of this opportunity to ensure the agency meets the eligibility requirements of the grant. Below are a historic listing of opportunities that have been released over the last few years:

- Accelerating Innovative Mobility (AIM) Challenge Grants
- Integrated Mobility Innovation (IMI) Demonstration Program
- Better Utilizing Investments to Leverage Development (BUILD)
- Helping Obtain Prosperity for Everyone (HOPE) Program
- Mobility for All Pilot Program
- 5339 Competitive

OPT will send out a call for applicants through applicable email distribution lists anytime throughout the year. The deadline is usually a quick turnaround so be sure to provide information timely to the Program or Project Manager.

## **MDOT 101 TRAINING**

*What All Transit Agencies Need to Know*

### **Federal Section 5304 Service Development New Technology (SDNT)**

- **FY2020 \$570,864 distributed**
- Eligible for public transit authorities and governmental agencies.
- Provides funds for research, training/education, planning and coordination, and operational and technical projects that preserve or enhance public transportation.
- Projects should demonstrate statewide benefits.
- Funds are distributed through a competitive project selection process- state match funds are available when budget sufficient.
- Agencies receive funding annually based on projects awarded.

### **Transportation Alternatives Program (TAP)**

- Eligible for public transit authorities, governmental agencies, and private non-profits providing services to senior or disabled individuals.
- Capital funds for enhancement of new or existing transit facilities, landscaping, improvement of pedestrian access, preservation, rehabilitation, operation of historic transit facilities, acquisition of scenic easements and historic sites, and bike racks for buses.
- Agencies apply for this funding at [MDOT TAP website](#).
- Agencies receive funding annually based on projects awarded. The agency must contact the TAP project manager before filling out an application.

### **Local Funding**

Agencies will need to use local funds to make up the difference between state and federal operating funds.

- Millage, county government allocations, passenger fares, service contracts, donations, advertising, sale of capital assets, interest income, and other non-transportation income may be used.
- Maintenance services for other entities and building rental- require cost allocation plans approved by OPT.

Note: If local funding is used for the purchase of assets over \$5,000, the depreciation expense would be an eligible expense on the OAR. If the asset purchased does not have an existing useful life designation on Appendix C of the

## **MDOT 101 TRAINING**

*What All Transit Agencies Need to Know*

annual application. instructions, then you should send a letter requesting a useful life determination to your project manager.

### **Rural Task Force Funding (RTF)**

- There are 22 different Rural Task Force groups throughout the state.
- Each year FHWA (Federal Highway Administration) STBG and State-D funds are allocated to a Rural Task Force. These funds are made eligible to county road commissions, cities, villages, and transit providers. However, transit agencies are **ONLY** eligible to receive STBG funds, not State-D funds. Each entity in a county has one vote at the meeting
- Each transit agency would participate in the meetings that are held in their region. Transit projects are brought to the group using the [1797 Transit Project Data form](#)
  - A transit agency must supply the RTF oversight agency and their project manager a copy of all 1797 data sheets submitted
  - Agencies should also add projects to be funded on the illustrative list as excess funding may become available from other RTF members
- The approved transit projects are flexed from FHWA to FTA/OPT usually in July. The approved funds are received by the transit agency in the fall of the fiscal year that the funds are designated via an OPT project authorization.
- They will flex over as 5310 or 5311 flex funds based on the agency type

For more information on the Rural Task Force, including guidelines, boundary maps, and data forms, please see the link provided in the Resources Section below.

### **MI State Infrastructure Bank (SIB)**

The SIB loan program is available to any Act 51 public entity (county road commissions, cities, villages, or MDOT) for eligible transportation projects. The SIB complements traditional funding techniques and serves as a tool to meet urgent project financing demands. Below are some of the criteria for the program:

- Capital purchases only
- Low rate loans

For more information please visit the website at [MI State Infrastructure Bank \(SIB\)](#).

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 2 Resources

- [State Operating Formula Rates 2006-2020](#)
- [MDOT Small Urban website](#)
- [CMAQ Program Guidance](#)
- [FHWA Emissions Calculator](#)
- [MDOT CMAQ Form 2608](#)
- [Urban Flex Process](#)
- [MDOT Rural Task Force website](#)

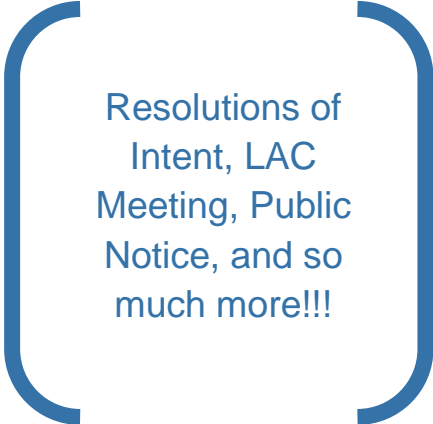


## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

# Section 3: Annual Application

Almost all agencies will apply for funding through the annual application module in PTMS which is due by February 15<sup>th</sup> of each year. The application submitted will be for the following fiscal year. Each November, OPT will send an email with the [OPT Annual Application Instructions](#). These instructions will also include any new changes that are pertinent, along with the funding percentages and tips. There are six different parts of the annual application that may have to be completed before final submission. The following will provide an explanation of each part encountered in the submission along with helpful hints.



Resolutions of Intent, LAC Meeting, Public Notice, and so much more!!!

It is imperative that planning begin several months before the submission deadline and that required documentation that requires meetings, including board meetings, and are completed well before the due date so that the application is complete upon submission. If your agency is in an Urbanized Area (UZA), you must have all operating and capital projects approved and included in the Transportation Improvement Plan (TIP) before June 1<sup>st</sup> to ensure timely obligation of the funds.

### **Checklist (optional)**

This is a tool found on the first page of the application module. It shows the transit agency all items that are necessary to be completed based on the type of funding requested. When utilized, the checklist is especially helpful when different staff members are working to complete the application to help keep track where an agency stands in the completion process. For further reference, there is also a link to the most current annual application instructions on this page.

### **Part 1 - Profile and Inventories**

It is important to review and make any necessary changes to the profile, vehicle, facility, and equipment modules so that they are up to date before beginning the application. All vehicle mileages in the vehicle module should be recorded by January 15<sup>th</sup> and entered into PTMS. A review of the equipment module should be done to see if there are any items that have met their useful life and are no

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

longer of use to the agency. An equipment disposal form must be sent to your project manager before disposal.

## **Part 2 - Capital Request**

**All capital items eligible for replacement in the next four years need to be entered as a capital request. Revenue vehicles should be requested in the year that they are eligible and continue to be requested in future years if not funded.**

Some quick helpful hints (also see the Annual Application PTMS Help Guide in the Section 6 Document section) are found below:

- For similar items such as three of the same type of bus, use the requested quantity field instead of entering three separate capital requests.
- For requesting vehicles that will be purchased from a state contract, be sure that the extended purchase radio button is chosen. **For vehicles that will be procured locally be sure that the local radio button is chosen.**
- To request replacement of vehicles, the agency's spare ratio needs to be 20% or below. If the spare ratio is over that amount and the peak number is correct, the agency will have to dispose of vehicle(s) to get the spare ratio in the acceptable range if replacement vehicles are desired.
- Any vehicles that have been in local sale status for **more than 90 days** should be disposed of before the annual application is submitted. All vehicles are to be disposed within 90 days of receiving the signed title or from the time the vehicle is put in local sale status. **Once a title has been sent to OPT for disposal, that vehicle should no longer be used for passenger transportation.**
- A vehicle utilization analysis will be done on agency revenue vehicles to ensure that all vehicles have traveled at least 10,000 miles in the last year. Vehicles not meeting this requirement will lower the number of vehicles available for replacement. Make sure that all vehicles have the in-service date filled out on the characteristics screen of the vehicle module as this is how vehicles are determined that they have met their useful life.
- VRR field- ensure that the current vehicle request has the application year populated in the VRR field on the financials tab. **Do not change previous VRR field years that are already populated.**

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## **Part 3- Annual Budgeted OAR (Operating Assistance Report)**

A separate Annual Budgeted OAR must be completed for each type of operating assistance being requested – Regular Service, JARC (Job Access Reverse Commute), New Freedom and/or Specialized Services.

Some quick helpful hints are found below:

- There is now an option of using any or all of the agency's 5311 Federal operating funds for capital funding. If any agency chooses this option, they will reduce the amount of federal operating revenue on the Regular OAR and create a capital request for the chosen amount. **Use 5311 Capital funding source for this request.**
- The annual application letter from OPT will show the budgeted federal and state operating percentages that should be multiplied by eligible expenses and entered into the revenue schedule of the annual budgeted OAR.
- Budgets should be reasonable and reflect expected revenues and expenses. It is good practice to review last year's audit, reconciled and budgeted OARs to ensure that the current year's budget is realistic. If an agency over budgets and doesn't adjust their payment schedule, they will be required to reimburse overpayments to MDOT.
- After the **annual budgeted OAR is submitted**, it can be revised until August when OPT will send out an email with the deadline date that budgets can be revised. If agencies need to revise their budget, they can notify their project manager to have the budget put in resubmit mode.
- **If an agency chooses to revise their annual budgeted OAR, a new resolution of intent will need to be attached to the application there is a significant change.**
- If the annual budgeted OAR is 15% or more than the previous reconciled OAR, an explanation must be put in the comments box of the Summary screen of the annual budgeted OAR.
- Vehicle allocation- if a transit agency uses vehicles over many different programs (Regular, JARC, New Freedom, Specialized Services) then the vehicles need to be allocated to each pertinent OAR. If a vehicle is not used entirely for a particular program, then the number of vehicles should be allocated based on the OPT approved cost allocation plan for that funding source. **The total number of vehicles shown on the OAR(s) should equal the total fleet of the agency.**

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

The annual budgeted OAR(s) should be put in submit mode **BEFORE** the entire annual application is submitted.

## **Part 4- TA (Transit Agency) Forms**

On this screen, the agency will choose the radio button one at a time for each type of application that is being submitted. Each radio button will display the TA Forms that need to be completed for that application. If a TA form is needed for more than one section, it will only need to be filled out once and then it will be populated in the other sections.

Some quick helpful hints are found below:

- The TA forms are web-based and interactive. If additional information is needed a separate question will open. You will choose your agency name from the dropdown list. **If the default agency name is not showing your legal name, then use the blank field in the drop-down list to type in your legal name.**
  - The forms will allow you to work on them and save them before submitting
  - If a form is put in submit mode and there is an error, the errors will be listed at the top of the form. The TA form will not be able to be submitted with an error.
- There are two TA forms that must be printed and signed, and attached to the annual application
  - Contract Clauses- one form for each legal organization name associated with your agency applying for funding
  - Resolution of Intent
- Three other forms that need to be attached are: a copy of the **published** public notice, FTA Certifications, and the signed LAC minutes.

### ***Tips for Specific Forms:***

**5333(b) Labor Warranty** - Do not include any school transportation agencies or unions under other surface transportation providers in your area

**Resolution of Intent**- The board meeting to approve the agency budget and resolution of intent should be held early enough to be able to submit the application on time. Ensure that the correct Act that the agency was established under is chosen from the dropdown list.

## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

**Vehicle Accessibility TA Form-** Ensure that your Local Advisory Council (LAC) meeting is held well before the application due date to allow time for signed minutes to be received. Specific tips related to the LAC include:

- The LAC needs to meet the membership requirements shown at the top of the vehicle accessibility TA form
- The member who is jointly appointed by an area agency on aging needs to have that designation box checked on the membership form
- In a rare instance, if the jointly appointed person or the required number of members are not present at the LAC meeting, then the vehicle accessibility form needs to be sent to the members and their written responses have to be received by the agency
- Signed minutes **MUST** state that the vehicle accessibility plan update was discussed at the LAC meeting and show all members in attendance.
- Per Act 51, comments from the LAC must be included in the minutes.

**Public Notice** - A fillable sample is included in the TA forms section. The sample may have more items than you require and must be revised to meet your agency needs. Remember to include all operating and capital requests for the **fiscal year of the application** on this notice. All four years of capital requests do NOT need to be listed. It is **highly recommended** that you send your public notice to your project manager for review before publishing. This may save the agency the time and expense of having to re-publish.

**Section 5310 Coordinated Public Transit-** Human Services Transportation Plan Information TA form.

- The field for the Title of Coordinated Plan from which the project is included should either show the title of your local county's OPT approved coordinated plan OR the [MDOT Regional Coordinated Plans](#) that encompasses the transit agency's county.
- The field of Page number and Section where the project, strategy, activity, or specific action is identified should come directly from one of the above Coordinated Plans listed on your TA form
- Each individual project should be requested individually by using the Add an Additional Project Type button.

## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

**Project Summary TA forms** – These are required when requesting JARC and/or New Freedom funding.

- A separate form must be completed for each capital or operating project.
- Each project needs to be marked as either expansion (have not received funding for this project before) OR continuation (have received funding for this operating request).
- New Freedom operating funding must have a 50% local match.

**Certification of Local Match (New Freedom)**- This form is only needed with **operating requests**, unless OPT has informed agencies that they do not have enough capital match for capital requests. In-kind match is eligible to be counted toward the local match as long as the value of each is documented, supported, represents a cost which would otherwise be eligible under the program, is included in the net project costs in the project budget, and is approved by OPT.

**SDNT Application** This form provides detail about a proposed project. If a project is within a transit agency's geographical area, letters of support and coordination from the local transit agency must be attached to the application. If the agency is in an Urbanized Zone Area (UZA), the project must be listed in the Metropolitan Planning Organization's (MPO) Unified Work Plan (UWP) of the year that the funding be awarded. **Awards will be the given in the fiscal year prior to the year of the application that is being submitted.**

### **Part 5 - Attachments**

There are **up to five potential items** that need to be attached to your application in PTMS:

- Signed resolution of intent
- Signed contract clauses
- Signed LAC minutes
- **Published** public notice or affidavit of publication from the newspaper. (**Do NOT** attach the word document that you created from the sample in the TA forms section)
- **NEW!!** FTA Certifications

When you attach documents to the application, they need to be saved individually and **only as a PDF** with the following naming method - "Agency Name-Application Year-Document Name." Each document attached should be easily understandable by the title.

## **MDOT 101 TRAINING**

*What All Transit Agencies Need to Know*

### **Part 6- Submission**

Agencies should have a unique PIN # that was mailed in a letter from OPT dated November 5, 2012. If this cannot be located, please contact your project manager for more information. Before the application is submitted, be sure to submit all budgeted OARs. An agency's respective project manager will receive an email when an agency submits both the budgeted OAR(s) and the application. Once a complete application is submitted, the project manager will review it for completeness and errors. If any changes need to be made, the agency will be contacted by the project manager to make corrections with a deadline date. Failure to respond will result in funds being withheld by OPT.

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 3 Resources

[MDOT Annual Application Instructions](#)




# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 4: The S/TIP

It is a federal requirement to ensure public participation that all transit projects in a rural area must be reported in a Statewide Transportation Improvement Program (STIP) managed by MDOT. All agency transit projects in an urbanized area must be reported in the region's Transportation Improvement Program (TIP) managed by the designated Metropolitan Planning Organization (MPO).



Federal requirement to ensure public participation with transportation projects

### **State Transportation Improvement Program (STIP)**

The STIP is a 4-year living document that lists projects that the state proposes to fund with federal aid. It is created using transportation planning processes and includes a public involvement process and administered under MDOT's Office of Statewide Planning. Projects include individual road, bridge, bicycle, pedestrian, and transit projects located exclusively in rural areas. OPT works with the Office of Statewide Planning to report all the individual rural transit projects for inclusion in the STIP. The exception to this is when listing out Rural Task Force and Small Urban program projects which are grouped as a single line item in the STIP rather than being listed individually.

The current STIP is on a Fiscal Year cycle from 2020-2023. The next cycle years will be from 2023-2026. Notice that the last year of one TIP is the first year of the next TIP and is considered a roll over year. The STIP is amended on a set schedule as transit projects change, and it requires federal approval from FTA. See the current STIP amendment schedule in Section 4 documents for more information. To view the complete STIP for cycle 2020-2023, please visit [2020-2023 STIP](#).

For more information on how the STIP meets federal public participation regulations, please visit: [2020-2023 STIP Public Participation Plan](#).

### **Transportation Improvement Plan (TIP)**

A TIP is a listing of projects in an urbanized region (populations over 50,000) that have been allocated with federal funds. Similar to the STIP, projects listed also include individual road, bridge, bicycle, pedestrian, and transit projects from a

## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

transportation management area (TMA), metropolitan planning organization (MPO), or long term vision identified in a region specific long range planning document. The TIP addresses and meets Federal planning and public participation requirements. The administration and oversight of a region's TIP is done through the TMA or MPO. A region is designated either a MPO or TMA dependent upon population size; over 200,000 and 50,000 to 199,999, respectively.

**Small urban transit agencies must work directly with their planning organization to ensure their projects are listed on their respective region's TIP AND are complete and accurate.** This includes, but is not limited to, 5307 and 5339 funded projects whose funding amounts are designated by the Governor. Among other funds, these agencies receive Federal Section 5310 funding directly from FTA and may choose to allocate the funds between non-profit organizations in their jurisdiction. In the event the MPO/TMA decides to not disseminate the funds, OPT will allocate the funding. Lastly, each planning organization has their own unique amendment calendar and number of amendments that are done through the calendar year and should be monitored by the transit agency to ensure their projects are listed.

Each urbanized area of Michigan has a TMA/MPO. This link lists the [Michigan MPO Members](#).

### **Transit Projects in the TIP**

It is the transit agency's responsibility to report all transit projects to the MPO in their area and attend Technical Committee meetings scheduled by the MPO. All transit agencies within an Urbanized Area, **including agencies receiving 5310 and 5311 funding**, must work closely with their MPO to ensure that their projects are identified correctly.

Each MPO requires a Transit Project Data Sheet, known as [TIP Form 1481](#), to be filled out by the transit agency for their anticipated funded projects. It should be filled out by the transit agency and given to the MPO **by April 1<sup>st</sup> of each year**. This will ensure that your project goes through the **TIP approval process by June 1<sup>st</sup>** to ensure receipt of MDOT funds. One form should be filled out for **each funding source per year based on operating or capital**. For example: 2020 Section 5339 capital would be one form, while 2020 Section 5310 New Freedom could need two forms if both operating and capital are requested

## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

It is **imperative that the correct SP/scope code be chosen** for transit projects as it also affects MDOT's Statewide Integrated Governmental Management Application (SIGMA) financial system that is used to reimburse funds to transit agencies.

- **SP codes- used for urban agency projects that are funded directly from FTA**
- **Scope codes- used for any agency that receives their federal funding directly from MDOT**

The Funds Flexed to FTA box should be checked if the project is funded by Surface Transportation Block Grant through the Rural Task Force or Small Urban Program. CMAQ and TAP funds are also flex funds, and emission forms need to be delivered to the MPO if CMAQ funds are used.

**If a transit agency's project has not been federally approved through the TIP amendment cycle by the time that OPT submits the grant to FTA, the funding for the project may be delayed or lost.**

### **JobNet- Creating and Managing MDOT Jobs**

JobNet is a relatively new and interactive statewide project database that road, bridge, bicycle, pedestrian, and transit projects are entered to create the STIP or TIP. It replaced an outdated MDOT system and Excel spreadsheets that were used for TIP documents. Another change includes OPT now being directly involved in the planning process for transit projects. Transit agencies should now send their **1481 TIP Project forms** to their OPT project manager for review before sending them to the MPO. If an agency is making a change to an existing project in JobNet, the 1481 TIP Project form should reflect the current job number so that job can be revised if possible and not create a new job number. OPT will also be responsible for approving the projects in JobNet before the project can be reviewed by the MPO Technical Committee.

### **Programming Jobs Responsibilities**

There are many offices, agencies, and organizations involved with the TIP process. Below is a listing of the organization and its role in the process of a job being listed and programmed on the S/TIP.

- MPO - programs jobs in their UAs for all transit projects, except for transit agencies in the Southeastern Michigan Council of Governments MPO area where the transit agencies will program their jobs in JobNet.

## **MDOT 101 TRAINING**

*What All Transit Agencies Need to Know*

- MDOT OPT - programs jobs with funding directly allocated from MDOT- including Section 5311 Operating and Capital (non-flex), Section 5310 (non-flex)/New Freedom operating and capital activities for rural and small urban agencies, Section 5339 Bus and Bus Facility capital, Section 5304 SDNT, Specialized Services, and Marine Passenger including Federal Ferryboat Formula.
- MDOT Statewide Planning- programs jobs for Small Urban and CMAQ
- Office of Economic Development - programs TAP projects
- Regional Planning Agency (RPA) - programs Rural Task Force jobs for both 5310 and 5311 funded agencies

### **TIP Reports**

The MPO/TMA will disseminate the TIP through a JobNet report to all agencies in their jurisdiction. Any changes that need to be made to existing jobs on the TIP may require a federal amendment which will take time to go through the public participation process, MDOT review, and federal approval by FTA.

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 4 Resources

- [FY2021 MDOT STIP Amendment Calendar](#)
- [2020-2023 STIP](#)
- [2020-2023 STIP Public Participation Plan](#)
- [Michigan MPO Members](#)
- [TIP Form 1481](#)

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 5: Life Cycle of Project Authorizations

### Verification Forms

When your agency is allocated capital funding, OPT will send an email similar to the sample below that states verification forms are due to your project manager by a certain date. After the verification forms are received and reviewed, OPT will create project authorizations based on these forms. **It is very important that you return the requested forms by the due date and in the correct format to avoid any delay or loss of funding. There is sometimes a very short deadline to return the forms.**

The mystery  
behind the P  
numbers  
solved

### Email Example

---

Date: March 27, 2020

To: Agencies Receiving FY 2020 5310 Funding

From: Marcele Edington, Program Manager

Transportation Services Section

Subject: Verification Forms required by **Monday, April 6, 2020**

Please see the attached list of capital items being funded under the statewide 5310 program. The 5310 Flex and FY 2021 New Freedom activities will be sent out later once projects and funding have been approved.

The purpose of this memo is to obtain project information needed to complete the application and create project authorizations. If you are not the person to provide this information, please forward this email and attachment to the appropriate person.

You will need to complete and email all applicable forms to your **project manager** by **Monday, April 6, 2020 on or before 5:00 p.m. eastern standard time.** Forms required based on type of project or purchase are below.

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## State Vehicle Contract purchase:

- [Order forms](#) for state contract purchase
- [Vehicle Replacement and Milestone](#) form for extended purchase vehicles
- [Independent Cost Estimate](#)
- [Method of Procurement Decision Matrix](#)
- [Price Analysis for State Vehicle Purchasing](#)

## Local Vehicle purchase:

- [Vehicle Verification form](#) for local purchase vehicles
- [Independent Cost Estimate](#)
- [Method of Procurement Decision Matrix](#)

## Equipment:

- [Equipment Project Information](#)
- [Independent Cost Estimate](#)

## Facility:

- [Facility Project Information](#)
- [Independent Cost Estimate](#)

We will use the vehicle identification number you supply to obtain additional required information from your agency's Public Transportation Management System (PTMS) Vehicle Inventory. Please make sure your PTMS Vehicle Inventory is complete and accurate. If you have any questions, please contact your project manager.

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Projects funded with Rural Task Force or Small Urban funding originate from either a 1797 Rural Task Force Project form or 2606 Small Urban Project form that is submitted to the chair of either committee. Before funding is flexed to FTA FHWA, **OPT will request that verification forms also are filled out for these projects.**

There is usually an 18-month lapse between the time that the annual applications are submitted to OPT and the funding for that fiscal year becomes available. The costs of the vehicles, type of vehicles needed, or vehicle contracts available may have changed during that time so verification forms and vehicle order forms are needed. Any facility or equipment items will also require verification forms to create project authorizations.

**Suggestion for record keeping:** Keep the master agreement in a file readily accessible. Each project authorization should have its own file and include all completed verification forms, 1481 TIP Project Data forms, 1797 Rural Task

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

Force transit project data sheets, 2606 Small Urban project forms, budget adjustments, revisions, milestone reports, 3<sup>rd</sup> party contracts and payment requests.

## Best practices for filling out verification forms

- Always fill out the most recent [OPT Verification Forms](#) by following the links in the email sent to agencies
- Fill out the forms and save them in their original form (PDF or Excel) when emailing them to your project manager. **Send each form as individual attachments in the email to your project manager.**
- There are two vehicle replacement and milestone forms. One is state vehicle extended purchase (buying off state contract), and the other is local purchase (procurement by the agency). Fill out the appropriate form(s) based on the type of purchase.
- The funding program field at the top of the form(s) should be filled in based on the type of funding that you have been awarded (5310, 5311 Capital, 5311 STP/CMAQ, 5339, etc.)
- **The milestone dates at the bottom of the forms should reflect when the funding will be received.** The out for bid date, bus ordered date, or RFP issued/quotes received date should be after the date the funding will be received by your agency. The project complete date should reflect the date that you will receive reimbursement from OPT.
- The equipment and facility project information form's budget section should be filled out as 80% federal and 20% state, **unless OPT has instructed that a local match will be required.**
- The useful life for equipment and facility projects if over \$5,000 can be found in Appendix C of the [annual application instructions](#)
- Independent Cost Estimate - the field for project authorization **should be left blank**, as there currently is no authorization number. OPT will create an authorization after receiving the verification forms from your agency. The total cost should be shown in the box and not a per item cost.
- Additional procurement forms required:
  - Price Analysis for State Vehicle Purchases form
  - Method of Procurement Decision Matrix

All [OPT Verification Forms](#) can be found on this link.



# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Best practices for filling out the spreadsheet vehicle order forms

Always fill out the most recent forms by following the links in the email from OPT, or access the forms on the [OPT State Vehicle website](#). Below are some helpful tips for filling out each section:

- **Section I** - should be filled in completely. Ford Motor Company requires government entities to obtain a Fleet Identification Number (FIN) code to qualify for a special government rate when purchasing a Ford fleet vehicle (car, van, bus, truck, etc.). This FIN code is good for the life of the transit agency or government entity. To apply for a FIN code or verify if your agency has one, please contact Ford Fleet at 1-800-34-FLEET.
- **Section II** - fill in the program name as the type of funding (5310, 5311, 5339, etc.). The Agency Contract number should be your 20XX-XXXX/PX number. You will want to contact the vehicle vendor to go over the options in **Sections III and IV**. There are many different contract options for seating, fuel types, lifts, securement options, etc. The vendor will be able to walk you through the options that will best fit your needs and ensure that you receive the options that you desire. **Spare tires: OPT will only reimburse one of each type of spare tire per vehicle.**
- **Section V** - should be filled in if there are other options that you have arranged with the vendor that were not originally bid out by OPT. These options are paid for with local funds. Administrative fees are based on the total cost of the vehicle. Vehicles purchased from the state contract are eligible for a 1% administrative fee and locally purchased vehicles are eligible for a 2% administrative fee. For reimbursement of the administrative fee, you will need to send your project manager a list of the expenses associated with the vehicle purchase such as vehicle pickup and vehicle inspection. Documented hours, wages and type of work that was done for the vehicle purchase is required. Ensure charges are per vehicle. If you are not requesting the administrative fee, leave the field blank
- **Section VI** - comments section- list the cost of the vehicle decals, radio, bike racks and camera system if applicable. If this vehicle is replacing a totaled vehicle include the insurance proceeds and agency deductible amount
- **Section VII** - type in your name in the authorized signature field and enter the date.

## MDOT 101 TRAINING

### *What All Transit Agencies Need to Know*

The spreadsheet has formulas imbedded in it and will populate the dollar figures based on your entry in the quantity fields. The spreadsheet has a Federal/State share column and a Local Share column. When you are entering numbers in the quantity field it will populate both columns. **The cost in the Local Share column, is the amount the transit agency must pay.** OPT will reimburse only the Federal/State Share column of the vehicle plus vehicle decals, radio, bike racks and a camera system. **Cameras are only reimbursable if the brand of camera system that the agency uses is not included in the state contract. The bike rack and camera system must be purchased following procurement guidelines.**

### **Project Authorizations**

Once all verification forms have been approved and the amounts submitted into the statewide application for funding, FTA will review and approve the compiled total of requests for federal money and MDOT will approve applicable state matches. Project Authorizations for both capital and operating requests are then able to be created that will list an agency's award by funding type. It will also specify any contractual obligations an agency must follow. Please note an agency will not receive an authorization for State operating assistance/Local Bus Operating/Formula.

Project authorization numbers are formatted as 20XX-XXXX/PX. The numbers before the forward slash are your current master agreement number. The number after the P is specific to each authorization. The P numbers begin at one with each new master agreement and continue sequentially until the master agreement expires (e.g. P1, P2, P3). When a new master agreement is issued, the P numbers will start back at one.

As stated above, OPT creates both capital and operating project authorizations. The dollar amounts for capital project authorizations are based on the verification forms that are completed by your agency. Most capital project authorizations are active for three years and all projects must be ordered, or the procurement process started within six months of the issue date.

Operating project authorizations are based upon the amount of funding that your agency was awarded from the annual application. Operating authorizations are active for one year from the issue date, and usually align with the fiscal year beginning October 1<sup>st</sup> and ending September 30<sup>th</sup>.

**See examples of project authorizations for both capital and operating projects in Section 5 Resources.**

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Making Changes to Authorizations

On some occasions, an agency may need to adjust or move funds to an existing authorization to ensure all funds are able to be spent. This may be a result of cost savings from an item that came in at a lower than anticipated bid. Other reasons may include difficulty in obtaining an awarded capital item or the needs of the agency may have unexpectedly changed. Whatever the reason, the transit agency **MUST** consult with their Project Manager to discuss these issues and whether a budget adjustment or budget revision would be possible.

A budget adjustment is used to move funds within the existing lines of an authorization or to add a project within an existing project category heading (e.g. revenue vehicles). For example, an agency needs a 30 to 35 foot bus instead of the up to 30 foot bus that is currently showing on the authorization. This change would only be a budget adjustment since the category of revenue vehicles already exists on the authorization and a new category is not being added.

A revision is needed if a new project category is being added to the authorization, or if a project is being extended past the current authorization expiration. See below for a listing of category headings and their associated projects under that heading:

### List of Authorization Category Headings

**Revenue Vehicles:** <30 ft bus, 30 to <35 ft bus, 35 to <40 ft bus, 40 ft or more bus, Van, passenger car, trolley

**Facilities:** Facility construction, facility renovation, land acquisition, architecture, and engineering, NEPA consulting

**Maintenance equipment:** (examples) Hoists, lathes, tools, diagnostic computers

**Terminal/office equipment:** (examples) Computers, security equipment (building), communication equipment, administrative vehicle

**Vehicle equipment:** (examples) Miscellaneous bus equipment, fare collection equipment, lifts and ramps, security equipment (buses)

**Making changes to authorizations could take up to six months so it is imperative that verification forms correctly reflect planned projects.**

Accurate planning by the agency should be done to avoid multiple changes to project authorizations. OPT Program Managers have limited availability to revise/amend a grant with FTA. **The delay could affect the project by the**

## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

**authorization expiring or S/TIP approval not received by the set deadlines of MDOT/MPO. It is also imperative that budget adjustments and revisions are not submitted after August 15<sup>th</sup> as there will be a significant delay during the year end process.** Goods and services must match the description on the authorization before money is spent. Funding will not be increased if the project costs exceed the original authorization amount unless there is a price increase on a state bid vehicle contract.

Based on the funding amount, the revision may have to go before the MDOT Director or the State Transportation Commission. This would be indicated on the project authorization with the abbreviation “DIR” or “COM” in the upper right-hand corner. Depending on when items are approved, it could significantly add time to the process and an agency should let their project manager know in advance if you anticipate requesting any changes to authorizations. New verification forms are required to be submitted for any new projects so that milestone reports can be created in PTMS. For vehicle awards, [State Vehicle Current Contracts](#) link must be viewed to ensure that contracts will not expire before ordering. There could be significant price increases when contracts are renewed.

Changes to projects that were awarded during a Rural Task Force (RTF) or Small Urban (SU) meeting will need to be approved by their respective committees. Depending on the type of change requested, an agency may have to wait until the next meeting to request the change. Generally, if a project is on the illustrative list, it can be approved for funding via email. Otherwise, it will require approval at the next regional meeting. An agency’s project manager will need minutes of the meeting showing approval to process the change.

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 5 Resources


- Capital Project Authorization sample- [capital sample-see page 34](#)
- Operating Project Authorization sample-[operating sample- see page 36](#)
- [OPT Verification Forms](#)
  - Vehicle Replacement and Milestone (Extended Purchase)
  - Vehicle Replacement and Milestone (Local Purchase)
  - Equipment Project Information
  - Facility Project Information
  - Independent Cost Estimate

## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

# Section 6: Operating Funding and Reporting Requirements

Throughout the course of the year there are many different reports that are due to OPT to meet federal and state guidelines and/or funding requirements. For each type of operating funding your agency receives, a separate Operating Assistance Report (OAR) will need to be submitted. An OAR is used to report revenues, expenses and nonfinancial data that is required to be submitted in PTMS for the following operating programs:



Quarterly,  
Reconciled,  
and Audited  
OARs

- State Operating Assistance (e.g., Regular Service, LBOA, and Specialized Service)
- Job Access and Reverse Commute Program (JARC)
- New Freedom (NF) Program

### Quarterly OAR

The Quarterly OAR is due 40 days after quarter end and completed in PTMS in the Other Operating Reports module.

- The [Revenue & Expense Manual](#) is updated annually and should be used in preparation of OARs. Completion of the revenue, expense, and non-financial schedules are required for Regular Services, JARC, and New Freedom OARs.
  - JARC and New Freedom OARs- the fares collected must be backed out as ineligible. It is advised that agencies also refer to the Revenue and Expense manual for options in recording contract fares
- The [Specialized Services Manual](#) provides additional information pertinent to that program. Only non-financial schedule information is required for Specialized Services OARs.

Some helpful tips for completion of these include:

- All fields that show **Explain in Comment Field** must be filled in for the report to be approved

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

- Appendix G of the Revenue and Expense Manual offers an **At-A- Glance format of the revenue, expense, and non-financial schedules** showing each code. It also shows if there are any **ineligible amounts or cost allocation plans** needed.
- Section 5311 agencies that have a Central Service cost allocation plan with their governing body must submit an electronic copy annually to the OPT Accountant.

## **Revenue Tab:**

- Passenger fares- Remember to back out as ineligible on JARC/NF OAR
- Gain on sale of assets- must list the asset number and selling price
- State operating- revenue equals eligible expenses multiplied by current reimbursement percentage
- Section 5311- revenue equals eligible expenses multiplied by current reimbursement percentage
- Section 5307- urban agencies only
- Contracts (multiple codes)- **enter the contract agency name and contract number if an OPT authorization**
- Common codes requiring ineligible backout:
  - Package/Meal delivery
  - Sale of maintenance services
  - Rental of building
  - Non-transportation revenue (if applicable)
  - Preventive maintenance (urban systems)- both federal/state portions
  - Capital contract reimbursement for operating expenses- (mobility management, vehicle purchase admin fees) both federal/state portions
  - RTAP-training reimbursement
  - Pass through revenue
  - Contributed services
  - Refunds & credits- DO NOT record any previous year LBO/5311 reconciled/audited amounts in this field as OPT will adjust the amounts on the OARs.

## **Expense Tab:**

- Pensions/OPEB- consult manual for ineligible portion
- Advertising- expenses to create revenue are ineligible

## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

- Audit cost- Eligible for LBO. OPT will subtract out ineligible for 5311 if applicable
- Major purchase- item(s) must be less than \$5,000 to be expenses on OAR. Depreciate all capital items above threshold. Comment required.
- Association Dues- for MPTA/MASSTrans the % shown on the year-end reconciled letter will be ineligible for lobbying costs
- Other Misc. Expenses- should only be used for smaller amounts that cannot be categorized under other expense codes
- Depreciation- ensure that the ineligible portion of depreciation is also recorded and that the ineligible portion does not exceed the depreciation expense.
- Deviated (flex) route expenses- Report total operating expenses for deviated routes on the summary page of the OAR

### **Non-Financial Tab:**

Fill out all applicable codes for your agency.

After the OAR report is approved by an agency's project manager, they will facilitate a payment request on behalf of their agency. Typically, an agency could expect to receive a payment within 4 weeks from the time that a payment is processed.

### **Quarterly 5311 Federal operating payments**

As stated above and after each quarterly OAR is put in PM Approval status, a payment for 5311 operating funding will be generated by an agency's project manager. The payment will be based on the eligible expenses multiplied by the reimbursement percentage. The quarterly payment will not exceed  $\frac{1}{4}$  of the total authorization.  $\frac{1}{12}$  of the total authorization amount will be withheld from the 4<sup>th</sup> quarter OAR, until the reconciled OAR has been PM approved, and is in the final approval status of PAS approved by the OPT Accountant. The final 5311 operating payment will be processed based on the reconciled eligible expenses less any previous year 5311 withholding amount.

### **Reconciled OAR**

The Reconciled OAR allows an agency to show an accurate year end accounting of items that may have been missed or adjusted in the previous four quarterly OARs. It is due 40 days after the year end and completed in the PTMS Operating Reports module. OPT will send out an email in September with pertinent information regarding completing the Reconciled OAR including reimbursement percentages to be used.



## **MDOT 101 TRAINING**

### *What All Transit Agencies Need to Know*

Please note that previous quarter OARs are not able to be adjusted after the payment process has been completed. The Reconciled OAR is not necessarily a total of the four quarters. Based on the percentage changes at the reconciled and audited calculations, an agency could owe OPT or OPT could owe an agency. If an agency owes OPT, there will be an approved payback schedule and funds will be withheld from future year(s) state operating assistance payments. If OPT owes an agency, they will be paid back after OPT is able to collect all the funds from the agencies that owe OPT.

### **Annual Audited OAR**

Due six months after the agency's year end, a reminder email with an attached letter will be sent from OPT in October of each year with information that is very important and necessary for completion of the audit. Further, up to three different letters are sent per year so an agency needs to ensure their CPA receives all of them before completing the audit. These letters can be found on OPT's website on the audit/accounting page. A link can be found below in the Resources Section.

Electronic copies of the completed audits are required to be submitted to Michigan Department of Treasury's website. OPT will review the CPA completed audits. The agency will receive a letter for concurrence for each closed authorization after Commission Audit has also completed their review.

After all agency audits are reviewed by OPT, the OPT Auditing Specialist will compile all Audited OARs statewide to calculate a new state operating assistance percentage. The previous percentage that OPT had calculated was based on reconciled OARs. The redistribution happens two years after the year close. Based on the percentage changes from the reconciled and audited calculations, an agency could owe OPT, or OPT could owe an agency. If an agency owes OPT, an agency's project manager will send the proposed repayment plan for concurrence. An agency's current year LBO monthly payments will be reduced during this repayment period.

### **Historical budgeted, reconciled, and audited LBO percentages**

Below shows how over time how the reimbursement percentages for LBO change from the start of the budgeted amount and changes after reconciled and audited OARs are reviewed. Urban represents transit agencies in areas in over 100,000 and nonurban represents nonurbanized areas and urbanized areas under 100,000 population.

# MDOT 101 TRAINING

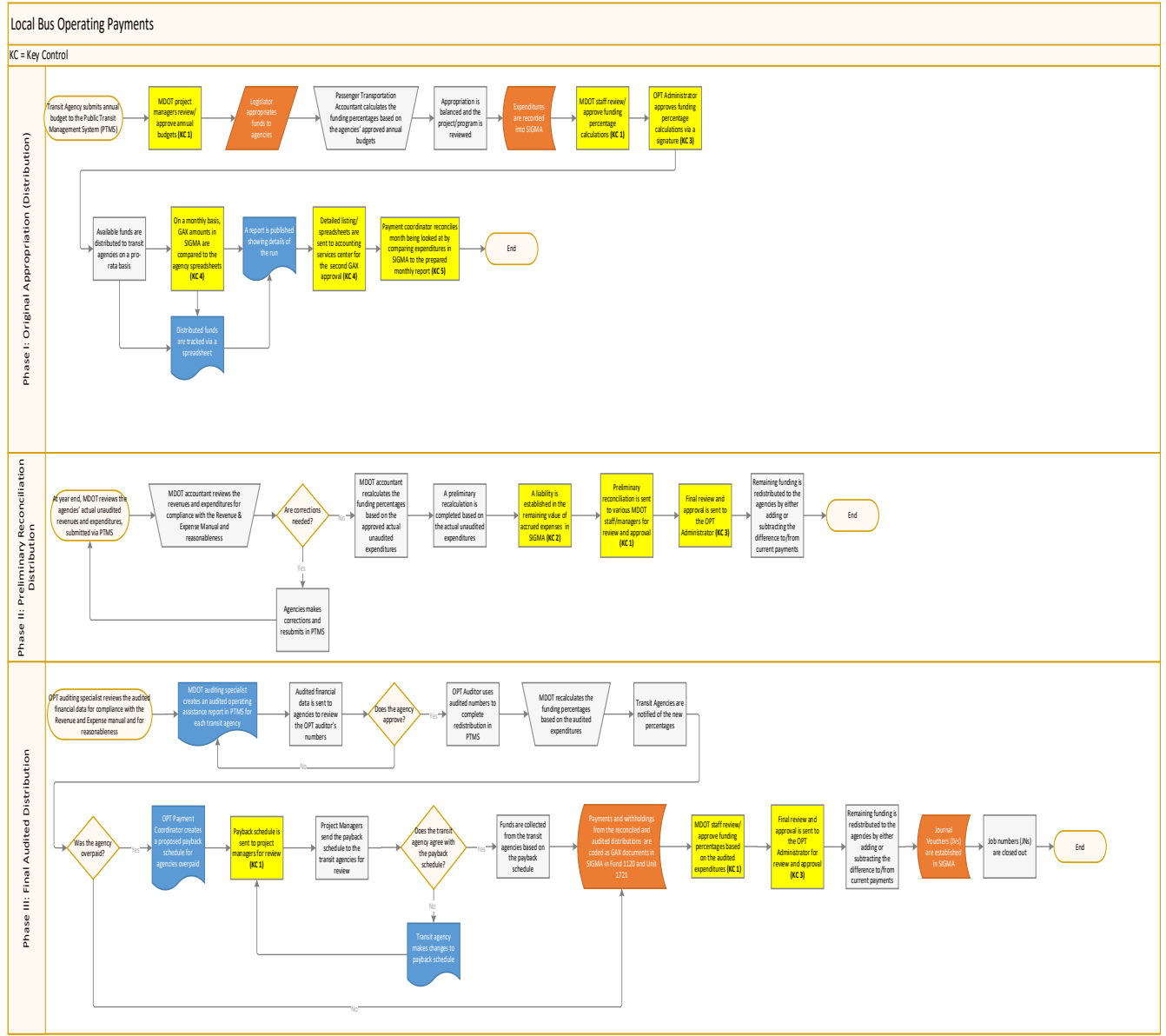
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Fiscal Year	Appropriation	Group	Budget (%)	Recon (%)	Audit (%)
2021	\$196,750,000	Urban	31.6001	Not available	Not available
		Nonurban	37.535	Not available	Not available
2020	\$196,750,000	Urban	30.9848	Not available	Not available
		Nonurban	36.7916	Not available	Not available
2019	\$190,750,000	Urban	32.0376	32.115	Not available
		Nonurban	38.0667	38.1712	Not available
2018	\$188,250,000	Urban	32.9303	33.8151	Not available
		Nonurban	39.1981	40.2653	Not available
2017	\$186,250,000	Urban	32.7790	34.0015	34.5104
		Nonurban	38.9955	40.5267	41.1482
2016	\$167,400,000	Urban	29.0011	31.2168	31.6251
		Nonurban	35.7560	37.0102	37.5229
2015	\$167,400,000	Urban	29.7299	32.1081	31.1487
		Nonurban	36.3426	39.3228	39.1576
2014	\$169,248,358	Urban	31.0150	30.6500	30.6500
		Nonurban	39.3000	39.3000	39.3000
2013	\$167,774,632	Urban	30.6500	30.6500	31.4100
		Nonurban	38.4887	39.5268	40.9700
2012	\$167,142,733	Urban	30.6499	30.6500	30.6499
		Nonurban	36.2351	39.3000	40.0111
2011	\$166,624,000	Urban	31.4086	30.7700	31.1650
		Nonurban	37.1244	36.3073	36.8015
2010	\$166,624,000	Urban	29.7425	30.4213	31.4528
		Nonurban	35.0932	35.7162	37.0223

## Local Bus Operating Cycle:

# MDOT 101 TRAINING

## What All Transit Agencies Need to Know



## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

### **Section 5311 Federal Operating Audited Redistribution**

OPT will compile all Audited OARs statewide to determine if an agency has been overpaid or owes MDOT based on amounts paid on quarterly OARs. If an agency owes MDOT they will be invoiced, and if it is a large amount the agency has the option of being billed in two separate installments. If MDOT owes an agency, the payments will be processed for those agencies. Unlike the State LBO, Section 5311 operating is only redistributed on the Audited OARs and not the Reconciled OARs. **Starting in FY2022 Section 5311 Operating will no longer be redistributed. Agencies will only be paid on the amount earned, based on eligible expenses up to the amount on the awarded authorization.**

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 6 Resources

- [Revenue & Expense Manual](#)
- [Specialized Services Manual](#)
- [OPT audit/accounting information](#)

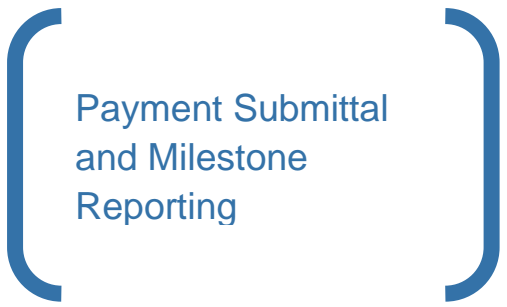
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*What All Transit Agencies Need to Know*

# Section 7: Capital Funding Requirements

## ProjectWise

ProjectWise is a suite of engineering project collaboration software from Bentley Systems designed for the architecture, engineering, construction industries. MDOT has a contract with Bentley Systems and is used by OPT, MPOs/RPAs, and transit agencies to manage payments. All transit agencies are required to submit all capital requests through ProjectWise. It requires software installation and username/password login credentials. In addition to ProjectWise, a separate PDF software program with a version that includes stamping capabilities must be used to package the payment request together prior to submittal into ProjectWise. Please note that read only PDF versions will NOT work.



Payment Submittal  
and Milestone  
Reporting

## **ProjectWise Procedures**

- All payment requests must be submitted using the current PW payment form. All backup documents must be saved and exported into the software
- The project manager receives an email when the payment has been submitted
- After review, the project manager can approve the payment, or return it within ProjectWise with comments
- When approved, the unit supervisor will receive an email to review. The supervisor may return the request for further information, or approve it and forward to the payment area
- The payment is processed and usually to the transit agency within 2 weeks if agency is registered through SIGMA for electronic deposit

## **Training**

- Transit agencies will be trained by ProjectWise programmers on how to use the program and form
- Project Wise Reference folder- 3194 Payment Request Form along with directions and videos
- Transit agencies can see the audit trail of the payment as it progresses through the process by highlighting the payment in Project Wise and

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

hitting the space bar. Click on the audit tab to check on the status of the payment.

## ***Project Wise Payment Request Form***

- **Always use the most recent form in the Reference Documents folder**
- Common errors to avoid:
  - Not identifying replacement vehicle- be sure to reference the verification forms that were filled out at time of the notification of award
  - **NEW ITEM** - Local Match box should only be marked yes if your **project authorization shows local match** in the funding area on the last page of the project authorization. Include the total amount including the local match in the payment request line.
  - Creating multiple entries for the same line number- example - if you are requesting a bus, radio, and decals on the payment request, group all items from the same line together
  - Project Manager spreadsheets can be requested as needed to ensure that line items and budgets match the payment request
  - Project Authorization Line - reference the most recent project authorization for the line numbers and confirm description matches payment request. OPT will not be able to reimburse if the authorization line description does not match the item being requested for payment.
  - Job Number - refer to the upper right-hand corner of your project authorization. If there is more than one number listed, look at the authorization line number
  - Payable Field - only mark yes if the invoice is dated before the current fiscal year

## **Procurement Forms- (Submit with capital payments)**

- See the OPT Procurement website for all required forms by type/amount of procurement
- **Micro-purchase** - less than \$10,000
  - Requires Fair & Reasonable form- dated before date of invoice
- **Small Purchase** - \$10,000 to up to \$250,000
  - Procurement must be coordinated with OPT Procurement Analyst and approval of written specifications required
  - Procurement method options:

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

- RFQ (Request for Quotes) AKA “3 quotes”
- RFP (Request for Proposals)
- IFB (Invitation for Bids)
- **Procurements over \$250,000**
  - Must be advertised and solicited following FTA regulations

## **Vehicle Payment Forms - Submitting a Perfect Request**

Listed below is a bulleted list of all documentation needed for submitting a revenue vehicle payment:

- Vendor invoice- Project Manager will compare to order form to ensure the prices/options match
- RD108 or bus title- payment can be processed with RD108, but State of Michigan must be shown as secured party if OPT administers the funds
- New unit delivery form- must be signed and dated by both the delivery driver and the agency
- Inspection write-up- must be signed and dated by technician. **This must be sent to the OPT Vehicle Analyst within two days of delivery.**
- Buy America pre-delivery/post-delivery forms-
  - Pre-award forms A-1-A-6
  - State Contract- print forms populated by OPT vehicle analyst during vehicle bid process
  - Local Purchase- **all forms must be signed and dated at time of procurement**
    - A-1- Check all boxes in procurement type
    - A-2- ensure all fields are complete and initialed
    - A-3- ensure all fields are complete
    - A-4- (components)-write “See Attached Form”, sign and date. Place the manufacturer’s pre-award audit form showing the detailed vehicle parts and percentage meeting Buy America
    - A-5-(sub-components)- write “See Attached Form”, sign and date. Place the manufacturer’s pre-award audit form showing the detailed vehicle parts and percentage meeting Buy America
    - A-6- ensure all fields are complete
    - A-7- ensure all fields are complete
    - A-8-
      - **Box1- fill in dollar amount of vehicles purchased at one time, even if they are not delivered at the same time**



# MDOT 101 TRAINING

## *What All Transit Agencies Need to Know*

- Box 2.3- if the yes box is marked, an inspector's report is required. **See below for information on the requirements for an inspector's report.**
- A-9- check one of the boxes, complete the form and attach the FMVSS form supplied by the vendor
- A-10- ensure all fields are complete
- A-11- (components)-write "See Attached Form", sign and date. Place the manufacturer's post-award audit form showing the detailed vehicle parts and percentage meeting Buy America
- A-12- (sub-components)- write "See Attached Form", sign and date. Place the manufacturer's post-award audit form showing the detailed vehicle parts and percentage meeting Buy America
- A-13- check one of the boxes and complete form
- Inspectors Report-
  - Required if 11 or more (urban over 200,000 population) or 21 or more (urban or rural under 200,000 population) vehicles are on one order
  - The manufacturer will be able to provide a list of bus inspectors for the agency to contact
  - The resident inspector's report must include, at a minimum
  - Accurate records of all bus construction activities (such as component manufacturing processes, final assembly activities, and quality control data collected)
  - A description of how the construction and operation of the bus(es) fulfills the contract specifications (the report should reference the above cited manufacturing processes, final assembly activities, and quality control data)
  - The 1% (state contract) or 2% (local purchase) OPT administrative fee can be used to hire inspector
- Form 3187- Pre-Award Certification
  - State vehicles- print forms populated by OPT vehicle analyst during vehicle bid process on vehicle website
  - Local purchase- fill out form before purchasing vehicle
- Form 3188- Post-Award Certification - fill out completely
- Form 3189- Post-Delivery FMVSS Certification - verify label is on vehicle and fill out completely. Attach the vendor's FMVSS form provided at delivery

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

- Vehicle Purchase Specification Certification
  - Ensure checkboxes and top portion is complete
  - Middle section- only one box should be checked
  - Must be signed and dated by both vendor and agency
- Procurement Forms
  - Written Record of Procurement History- check applicable boxes and sign
  - Method of Procurement Decision Matrix- check **all** boxes in procurement area type- **Must be dated before the date the vehicle was purchased**
  - Price Analysis for State Vehicle Purchasing Program Purchases-
  - Note- if choosing previous purchase, the vehicle should have been ordered in the last 12 months
  - **Must be dated before the date the vehicle was purchased**

**See State Vehicle Contract Bus Payment Sample in Section 7 Resources.**

## **Vehicle and Equipment Advisory Team (VEAT)**

A Vehicle and Equipment Advisory Team is designed to provide input on state vehicle contracts, consider becoming part of this team. They meet on an as needed basis to review, update, and/or develop state of Michigan transit vehicle specifications. Vehicles include accessible/modified vans, small buses, and medium buses. VEAT meetings are open to Michigan public transit agency staff members and transit users.

## **Milestone Reporting- Due April 1<sup>st</sup> and September 1<sup>st</sup>**

When your agency receives a project authorization showing funding awarded, the procurement/purchase progress for the item(s) included are reported quarterly. This information is collected in PTMS in the Milestone Reporting module. There will be a milestone report for each separate line on each awarded authorization that has not been completed.

### **IMPORTANT NOTES-**

- **DO NOT** enter your milestone report until the 1<sup>st</sup> day after the quarter ends as the system will not register the correct quarter until then, and your information will not be saved. You will receive an email notification from Lansing when it is available to enter your milestone reports.
- When completing the milestone report be sure to **only enter information on the Milestone Report tab** and **NOT** the Project Description tab. The information on the Project Description tab is entered by OPT Program

## MDOT 101 TRAINING

### *What All Transit Agencies Need to Know*

- Managers based on the information that transit agencies provided on their verification forms.
- Ensure that the **Total Cost to Date** amount is filled in after your agency **receives reimbursement** for the capital item.
  - Ensure that **each milestone item** has dates filled out **each quarter** in either the **Revised Estimated Completion Dates** area, **OR** the **Actual Completion Dates**. The Actual Completion Dates should only show items that have already been completed.
  - If the asset has already been procured, be sure to fill in the vendor name in the Selected Vendor field.

### **Payables Report**

#### **Due mid-September**

- An email will come from OPT in August of each year with information on submitting a payable report to your project manager
- The payables report should include any goods or services that the **agency anticipates receiving before September 30<sup>th</sup> year end**. As part of the year end process, all payables must be set up with the finance department.
- **Any expenses not included in the payables report may not be able to be paid when the funding cycle resumes after year end.**
- An estimate of all 4<sup>th</sup> quarter operating expenses (specialized services, JARC, and New Freedom) is required to set up a payable, except for 5311 operating which will be done by OPT automatically.

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 7 Resources

- [Vehicle Payment Checklist- State Vehicle Purchase](#)
- [Vehicle Payment Checklist- Local Purchase](#)
- [State Vehicle Contract Bus Payment Example](#)

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 8: Vehicles

### Revenue Vehicle vs Non-Revenue Vehicles

- All revenue vehicles should be shown in the vehicle module of PTMS
- An agency could have administrative vehicles or vehicles that are being used for spare parts shown in the Equipment module of PTMS. These vehicles are non-revenue vehicles and will not carry passengers at any time



Replacement  
and Disposal

### Replacement Criteria

- Each vehicle that is purchased has a designated number of years and miles to reach its [useful life](#). If you are ordering from a state contract it will be shown at the top of the order form.
- A revenue vehicle could meet the criteria by age, miles, or both age and miles. Vehicles that have met both age and miles will be considered a higher priority for replacement than vehicles that have met only one of the criteria
- If your agency purchases a used vehicle with local funds- the vehicle will have to be in service for two years before it would be eligible for replacement.
- OPT's [current state vehicle contracts](#) link can also be used to verify the useful life and contract expiration dates for vehicles

### Funding

- OPT receives Section 5339 formula funding each year to replace vehicles in rural areas. This amount may vary from year to year. Our current priority for these funds is bus replacement.
- FTA may request applications for 5339 Bus Discretionary funds and OPT responds to the request for rural and small urban agencies
- Each year with the annual application, there is an analysis done on revenue vehicles to compute annual miles driven and whether the vehicle has met the age, miles, or both age and miles criteria
- Each agency's fleet is computed to obtain the percent of fleet past useful life

# MDOT 101 TRAINING

## *What All Transit Agencies Need to Know*

- The percentages state-wide are ranked from highest to lowest and the funding starts with the agency with the highest percent past useful life
- Any vehicle that has not met the annual mileage of at least 10,000 miles will reduce the percentage of vehicles eligible for replacement
- If a vehicle is chosen for replacement, your agency will be notified by OPT and you will be emailed a request to submit verification forms which will be used to create authorizations for funding

## Purchasing Vehicles

### State Vehicle Purchasing Program

- [State vehicle contracts website](#) can be accessed at this link
  - These are the available contracts you may use to order vehicles unless you want to do a local purchase and write vehicles specs and manage the procurement. There are a designated number of units available on each contract.
  - Part of the verification form process for bus purchases includes filling out the order form. **You must get the order form from the website at the time of completing the verification form process.** The order forms are updated on the website for each new extended purchase contract. If you save the order form and use it again in the future, you may be using an order form from an expired contract or one that does not reflect a price increase. This may result in your agency not having enough funds in your authorization to purchase the desired bus, and the balance would be paid with local funds.
  - **Be sure to include the cost of radio, decals, and bike racks and security camera if not on the order form.**
  - The order forms do not need to be signed at this point and the file should be saved as the original Excel file and sent to your OPT project manager.
    - Before purchasing a vehicle refer to the [Guidelines for State Vehicle Contract purchases](#)

### Local Purchase- (purchasing done by the transit agency)

- OPT will provide oversight on vehicles that are procured locally that have federal or state funding administered by OPT

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

- The specifications and bid documents will be reviewed by the vehicle analyst and third-party contracts will be required. All state and federal procurement guidelines must be followed
- Before starting a local vehicle purchase refer to the [Guidelines for a Local Vehicle Purchase](#)

## Receiving Vehicles

- When vehicles are received, they need to be inspected by a licensed technician and inspection sheets completed and **returned to the OPT vehicle analyst within 2 days of delivery.**
- The payment request must be prepared for OPT as soon as possible. Vendors expect payment for vehicles within **45 days of delivery.** Agencies are usually reimbursed by OPT within 30 days of the date that all correct paperwork is received
- When you receive a new vehicle, that **DOES NOT** mean the agency must immediately dispose of the vehicle that the new vehicle is replacing. You will need to dispose of vehicles when the agency's **spare ratio exceeds 20%.** Vehicles can be kept in the fleet as spares until the ratio is exceeded. **The spare ratio is computed by dividing the spare vehicles by the number of peak vehicles.**
- Your agency spare ratio can be found at the top of the screen of the vehicle module of PTMS. Your agency will be responsible for ensuring that the peak and spare numbers are accurate. Even if a bus is kept in the fleet as an expansion vehicle, it cannot be replaced again.

PTMS Spare Ratio Computation Example:					
Total Fleet	7	Total Lift	7	Spare Ratio	16%
				(20% and below meets guidelines)	
Total Spare Vehicles	<input type="text" value="1"/> (###)	Total at Peak Hour	<input type="text" value="6"/> (###)		

## Disposing of Vehicles

- When a vehicle has met its useful life an agency **must request disposal** of by filling out the [Vehicle Disposal Form](#)
- A cover letter and the original vehicle title, (if MDOT /State of Michigan is first secured party on the title), must be sent to your project manager with the [Vehicle Disposal Form](#). If the title does not have MDOT/State of Michigan as first secured party, then you can just send in a copy of the

## MDOT 101 TRAINING

### *What All Transit Agencies Need to Know*

- title. The title will need to be signed off by an authorized signer in MDOT's Lansing office for all vehicles that list MDOT as first secured party.
- MDOT assigns a 71 number to designate vehicles that have been purchased with federal and state funds.
  - When your agency has requested disposal of a vehicle, the vehicle **SHOULD NOT** be used again as a revenue vehicle and have passengers aboard. It may be reserved as an administrative vehicle or for spare parts. If it is reserved as an administrative vehicle, it cannot be used to transport passengers. **The vehicle will also need to be identified in the equipment module in PTMS after the disposal process.**
  - Your project manager will receive the signed title and draft a disposal letter to be sent to your agency. The letter will detail the acceptable methods of disposal that are available to your agency. All vehicle disposals **MUST BE DONE WITHIN 90 DAYS** of the date of the receipt of the approval letter. **Vehicles not disposed of in 90 days by the annual application review will cause a finding on the funding application.**

### **Accidents**

- **When a vehicle is involved in an accident, inform your project manager of the accident.** Be sure to conduct any required drug and alcohol testing per your approved Drug and Alcohol Policy.
- After the insurance company has done their appraisal, let your project manager know if the vehicle is going to be repaired or has been rendered a total loss
- If a vehicle is a total loss the insurance company will give you an amount that they will pay out for the vehicle if it still has depreciable value. **Once you receive the check it needs to be forwarded to OPT so that they can hold the funds towards a replacement vehicle.**
- Once OPT has the insurance check and funding becomes available, the insurance proceeds will be shown on a project authorization. **The amount of funding from OPT will be reduced by the portion of your insurance deductible, based on verification forms filled out by the transit agency.** It could be over a year before funding becomes available for vehicles that are a total loss.



# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 8 Resources

- [Guidelines for Local Purchase Vehicles](#)
- [Guidelines for State Vehicle Purchases](#)
- [Vehicle Payment Checklist- State Vehicle Purchase](#)
- [MDOT Current Vehicle Contracts Listing](#)
- [Vehicle Disposal Request form](#)

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 9: Compliance/Reviews

Each agency receiving state and federal funding administered by MDOT will be subject to an OPT Triennial Review. This process is facilitated by the Compliance Analyst who will work directly with the transit agency to ensure federal compliance. **When an agency is due for a Triennial Review, they will be contacted by the compliance analyst**

Knowing the Federal Regulations an Agency Must Follow and Ensuring an Agency is in Compliance

**to complete drug and alcohol and vehicle maintenance information before the actual in-person visit.** The visit will consist of three parts: policy and procedure review, vehicle maintenance records review, and observing wheelchair loading and unloading while riding on a revenue vehicle. The areas that will be reviewed are below:

### **Drug and Alcohol Testing (5311 recipients only)**

- Ensure that there is an OPT approved drug and alcohol policy and that it is on file at the agency. The compliance officer will verify a current approved policy is on file at MDOT.
- Confirm pre-employment testing is conducted, and that the results were obtained before employee performed any safety sensitive work
- Confirm that agencies check on drug and alcohol testing records of new hires and transfers with previous DOT employers; including the release form that was sent to the previous employer. Evidence of due diligence is to be provided showing effort to obtain the information
- Ensure that the agency is testing at the minimum percentages of 50% for drugs and 10% for alcohol
- Ensure that the most recent Custody Control Form (CCF) has been used. The CCF was updated and implemented in the second quarter of calendar year 2018 for use beginning July 1, 2018.
- Ensure that random tests are scheduled at random times including all days and all hours of service, including notice of testing to employee containing all pertinent employee notice of testing and time information (time of notice, time of arrival at testing site, time of testing, etc.);
- Verification that alcohol tests were conducted before drug tests, if applicable

## MDOT 101 TRAINING

### *What All Transit Agencies Need to Know*

- Ensure that employees are arriving at testing site within allowable time frame
- Inquire of any post-accident testing. Any post-accident tests required under federal authority used the federal form or their own agency authority with a non-federal form
- Inquire of any reasonable suspicion testing **Full written documentation** of any reasonable suspicion tests. Inquire of any return to duty tests. **(NOTE: employees returning from long term absence that were removed from the random testing pool should NOT be tested as an observed collection return-to duty test but rather as a pre-employment test).**
- Ensure that drug and alcohol records are kept in a separate, secured location with controlled access. The records should only be accessible to authorized personnel including the agency Designated Employer Representative (DER) or Drug and Alcohol Program Manager (DAPM)
- Signed annual employee acknowledgement of receipt/review of the agency's drug and alcohol policy
- **Current** certification for any agency employees certified in reasonable suspicion testing. Although federal rules do not specify that more than one person be trained in reasonable suspicion, best practices would provide for at least two and ideally, enough to have someone trained in the building during all hours of operation. The person certified does not have to be management and is encouraged to be someone that has contact with the employees throughout the day.
- Assessment of drug and alcohol training program required for safety-sensitive employees of at least 60 minutes for covered employees and 120 minutes for supervisors in reasonable suspicion, (60 minutes for drug behaviors, 60 minutes for alcohol behaviors).
- Ensure that the agency checks that testing is being done on all substances in the agency plan
- Ensure that the agency is monitoring the collection site for compliance with FTA regulations
- Verification that agency is ensuring that subrecipients, contractors, and subcontractors are administering a drug and alcohol program in accordance with 49 CFR 40 and 49 CFR 655.
- Verification that there are postings for employees to educate them about the effects of drug and alcohol misuse, signs of a drug and alcohol problem, intervention methods, and a resource number for employee assistance for them to call
- Verification that all Medical Review Officer (MRO), Substance Abuse Professional (SAP), and collection site technicians are signed up to

## **MDOT 101 TRAINING**

*What All Transit Agencies Need to Know*

- receive Office of Drug & Alcohol & Compliance (ODAPC) updates via e-mail.
- Verify Medical Review Officer (MRO) and Breath Alcohol Tester (BAT) and DOT Urine Tester collection site personnel certifications are on site at the agency
- Ensure that the agency has a policy to avoid Commercial Driver's License (CDL) certifications lapsing
- Verify that all MIS (Management Information System) reports are filed on time:

### **Annual Drug and Alcohol MIS (Management Information System) Report**

5311 recipients only- Due online by February 26

- An email will be sent from OPT by the end of January that directs the agency to the reporting system. A username and password is included in the email. The report is broken down by safety sensitive positions for testing numbers.
- To submit, the report must be in the status of signed, pending grantee review
- You may be directed to enter zeros in any field that has no testing completed in the year

### **ADA (American Disability Act)**

- Ensure that any lift failures are repaired in the federally required time frame
- Ensure that the agency has written procedures regarding the use of lifts and securement systems, and the procedures are being followed
- Ride the bus to observe the use of lifts and securement system, including ensuring that lifts can be deployed at any safe stop. Ensure that adequate time for vehicle boarding and disembarking is given to the passengers
- Ensure that the agency has OPT approved service animal and portable oxygen policies
- Review documents of accessibility training given to employees
- Review any ADA complaints that have been filed against the agency
- Fixed Routes only:
  - Review paratransit plan for eligibility determinations, service criteria, service capacity, origin to destination service, visitor's service, and no-show policies
  - Ensure that announcements of stops are being done by drivers

## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

- Ensure that there are vehicle identification mechanisms in place when more than one vehicle uses the same stop

### **Cost Allocation Plans**

- Required for the following activities (not all inclusive):
  - Package delivery/meal delivery
  - Incidental charter services
  - Providing maintenance service to outside agencies
  - Rental/other income including concessions by a 3<sup>rd</sup> party contractor
  - Transit employees who work for other agencies
  - Purchasing services from another unit of government
  - Transit agency receives state or federal funding for more than one grant program (JARC, NF, Specialized Services)
- Cost allocation plan methodology needs to be approved by OPT. The plan needs to be resubmitted to OPT for approval if the methodology of the cost allocation plan changes.
- If your agency is part of a larger governmental agency and there is a central service cost allocation plan between the agency and county/city. **This type of cost allocation plan requires annual submission of the plan to OPT along with approval from your federal cognizant agency.**

### **Commercial Driver's License (CDL)- 5310 agencies only**

Ensure that the agency requires all drivers of vehicles transporting sixteen or more passengers including the driver, or over 26,000 pounds have a current CDL. **These employees are subject to drug testing under Federal Motor Carrier Safety Administration (FMCSA). Evidence of participation in a drug testing program must be provided.**

### **Charter Service**

- Must be incidental and not interfere with regular transportation services
- Verify if the agency is operating any allowed exemption or exception service. The exception requires MDOT reporting, while the exemption does not.
- Verify if the agency is providing charter service with locally owned vehicles
- Ensure that all applicable quarterly reports were filed with MDOT in a timely manner

## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

- Verify if any advisory opinions or cease and desist orders were filed against the agency

### **Quarterly Charter Reporting-** Due 10 days after quarter end

- An email from OPT will be sent quarterly to each agency with the Excel spreadsheet to use for the report along with reporting instructions and a charter fact sheet
- There are four instances when service falls under charter regulations and has to be reported quarterly:
  - Government officials on official government business (no more than 80 hours) within the geographic service area and doesn't generate revenue
  - Qualified human service organizations for the purpose of servicing 1) persons with mobility limitations due to advanced age; 2) with disabilities; or 3) with low income
  - Leasing FTA funded equipment and drivers to registered service providers
  - When no registered charter provider responds to a notice from a recipient through the FTA [registered provider website](#)
- The [FTA Charter Regulations](#) can be viewed at this link

### **Facility/Equipment Review**

- Note the general condition of facility
- Ensure that any new facilities are accessible or received a finding of equivalent facilitation from FTA
- Note any facility improvements since the last review and ensuring ADA guidelines were followed
- Ensure that all construction or improvements over \$2,000 followed the Davis Bacon Act by reviewing certified payroll records
- Ensure that all accessible features are operative
- Identify any incomplete construction or unused space
- Verify any rental agreements with other agencies
- Review the approved Facility/Equipment Maintenance Plan and the coordinating inspection sheets completed since the last review
- Verify that equipment listed in PTMS can be found at the agency
- Ensure that agencies have conducted a physical inventory within the last two years

## **MDOT 101 TRAINING**

### *What All Transit Agencies Need to Know*

- Ensure that the agency has a control system to prevent loss, damage, or theft of property
- Verify any disposed equipment since the last review
- Verify any incidental use with other agencies with real property or equipment

### **Procurement Procedures**

- Review of procedures and procurement files to ensure full and open competition
- Ensure that the agency is aware of procurement actions for micro and small purchases
- Ensure that prompt payment was made to the vendor within 10 days of receiving payment from OPT
- Verify that the agency has an MDOT and board approved procurement policy in place
- Ensuring that the Written Record of Procurement History procurement form is included with each procurement file

### **School Bus Transportation**

- Verify that the agency is not operating exclusive school bus service
- Verify whether the agency is operating school bus service with locally funded vehicles
- Review the qualifications of tripper service and that the agency is meeting the federal requirements. This pertains only to agencies that operate fixed route service.

### **Title VI**

- Ensure that the agency has an OPT and board approved policy. This policy is required to be updated at a minimum of every three years. The policy should also be updated in the interim if there are changes to the Title VI coordinator or contact information.
- Verify if the agency's service area having any Limited English Proficiency (LEP) language group that exceeds 5% or 1,000 persons, and reviewing any documents that have been translated if required based on the LEP results
- Ensure that the Title VI Notice to the Public includes all federally required information

# MDOT 101 TRAINING

## *What All Transit Agencies Need to Know*

- Ensure that the Title VI information is displayed in facilities and agency website. It is also best practice to also post in transit vehicles, transit shelters/stations, and brochures,
- Ensure that the agency is requiring subrecipients to comply with Title VI
- Verify if whether any of the four factors have changed and an updated analysis and Language Assistance Plan (LAP) is required
- Ensure that the agency has participated in outreach and involvement activities considering the viewpoints of minority and LEP populations
- Ensure that the agency includes minority representation on its non-elected boards and continues to encourage representation
- Ensure that a Title VI equity analysis was conducted for any facility construction project
- If an agency provides fixed route service, ensure that the agency has system-wide service standards and policies that are monitored
- Inquire as to when the last passenger survey was conducted to collect demographic ridership and travel patterns. **A passenger survey is required to be completed at least every five years if they operate 50 or more fixed route vehicles in an urbanized area with a population over 200,000.**
- If an agency is found to be deficient, the OPT Compliance Analyst recommends improvements or requires a corrective action plan from the agencies, depending on the level of findings.
- In addition to the Title VI Compliance on-site review, sub-recipients are required to submit their [Title VI Information Form](#) during the annual application process in which they apply for federal financial assistance.
- OPT project managers review the form for completeness and save the complaints to be reviewed by FTA during MDOT's State Management Review.

## **Additional OPT Reports**

**Performance Measures Report-** Section 5310 agencies only- Due end of October

- An email will be sent by OPT in October which will contain the reporting form and a letter of explanation
- A link to the most recent census information is given to find population statistics
- There will also be a note in the letter showing the deadline to enter the mileage for each vehicle in your fleet. This is to ensure that all 5310



## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

vehicles have updated mileage in PTMS, as not all 5310 agencies will submit an annual application.

### DBE (Disadvantaged Business Enterprise) Reports

- Semi-Annual Uniform Report- Due June 1st and December 1st
- DBE Goals Report- due every three years.
- An email will be sent from MDOT's Office of Business Development with the due date of the report
- The report will be completed and filed electronically on the MI Login website. This is the same website where you access PTMS. The MDOT DBE Commitments Awards and Payments application will need to be requested on the MiLogin website if it does not already appear in your applications.
- Always ensure that the **FTA and MDOT report buttons** are selected at the top of the report
- The dollar amount for the federal dollars should be calculated by adding the federal operating and federal capital dollars received. **Funds spent on revenue vehicles, payroll related items, and utilities are not included in the dollar amount reported.**
- The vendor amount should be calculated by counting the number of individual vendors that were paid during the report timeframe. **Vendors for revenue vehicles, payroll related items, and utilities should be subtracted from the vendor number that is reported.**
- The payments-made section should reflect all payments that have been made to the vendors from your agency
- The race neutral and race conscious goals for MDOT will already be populated on the report for you. The Race Conscious projections are based on measures that focus on and provide benefits only for DBEs. The Race Neutral projection is based on measures that, while benefiting DBEs, are not solely focused on DBE firms.
- [MDOT/FTA Annual Required Reports Due Dates](#)

The above link should be followed to ensure that all items due to MDOT are submitted by due date. Current OPT compliance checklists and Federal guidelines with samples are included in Section 9 Resources section.

## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

### **Section 9 Resources link (to all non-hyperlinked documents below)**

- OPT Triennial Review Compliance Checklists
- DOT's 10 Steps to Collection Site Security and Integrity
- Mock Collection Checklist
- Service Animal Policy sample
- Portable Oxygen Policy sample
- Cost Allocation Plan Procedures and samples
- Demand Response vs Charter Service
- Federal Charter Guidance
- [FTA Charter Registration Website](#)
- Appendix A to Part 604—Listing of Human Service Federal Financial Assistance Programs
- [Qualified Human Service Organizations Registration Process](#)
- Vehicle Maintenance Plan sample
- [MDOT Procurement Guidelines](#)
- [MDOT Third Party Contract template](#)
- FTA Public Transportation and School Buses Q&A
- [MDOT/FTA Required Documents Due Dates](#)

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 10: Training

Throughout the course of the year many trainings are offered from OPT, the Michigan Public Transit Association (MPTA), and the Michigan Association of Transportation Systems (MASSTrans). These trainings are tailored to a wide variety of transit employees: executives, administration, drivers, dispatchers, and vehicle technicians. Several key trainings are as follows. **A full listing of training opportunities can be found in Chapter 10 Resources.** Below are some regularly scheduled trainings typically held annually:

Ensure an Agency is Fully Trained and Understand the Reimbursement Process

**MPTA Legislative Conference-** Held in February

A one-day conference for **MPTA members** to be able to meet with legislators and hear the latest information on transit related topics

**Rural Transit Managers Workshop-** Held in March or April. A two-day conference for all rural transits to get the latest information from OPT, have panel discussions, and network with other transit professionals

**Transit Vehicle Maintenance Seminar-** Held in June. A three-day conference which includes a vendor show and hands-on training classes for vehicle technicians.

**Statewide Rodeo-** Varies from year to year. A one-day driving and testing event for transit drivers to compete against other drivers from around the state. The driving portion includes multiple timed stations to maneuver. The testing portion includes a written knowledge test, pre-trip inspection, and passenger wheelchair securement. The top three drivers will advance to the National Rodeo to compete with expenses paid by RTAP.

**Frontline Training-** Varies by year (usually following the Statewide Rodeo). A three-day training for dispatchers, drivers, technicians and administrative staff which offers intensive certification classes, in addition to hands-on training

## **MDOT 101 TRAINING**

*What All Transit Agencies Need to Know*

classes to increase the knowledge of transit employees and to benefit the agency.

**Statewide Annual Meeting and Trade Show-** Held in August. A two-day conference for all transit systems statewide with keynote speakers and panel discussions. Focus is on national, state, and local transit issues.

**OPT Accounting Training-** Held in September. A one-day training for accounting or administrative staff of 5307 and 5311 agencies focusing on updates and new information found within OPT's Revenue and Expense Manual. This training is highly recommended for new staff.

**Periodic Additional Trainings-** Dates to be determined

- Drug and Alcohol Training- every other year as scheduled
- Fundamentals of Transit Management- as scheduled by MPTA
- Passenger Assistance Safety and Sensitivity (PASS) Training- as scheduled by MPTA
- ProjectWise- as needed. Video training available in ProjectWise.
- Procurement Training- yearly as scheduled
- MDOT 101- yearly as scheduled

### **Training Reimbursement for Transit Agencies**

The Rural Transit Assistance Program (RTAP) is administered for OPT by the MPTA and is available to all rural transit agencies. Any 5310 or 5311 transit agency is eligible for up to \$5,500 annually. RTAP Resources including guidelines and forms can be found on the [MPTA website](#) at the top of the webpage.

### **Transit Agency Board Training**

While OPT does not get involved with the day to day operations of your agency, there are many things that a Board of Directors needs to know that may differ from other boards that they have served on previously.

The National Rural Transit Assistance Program (RTAP) has created an effective training tool titled Boards That Perform: Roles and Responsibilities of Transit Board Members. The sections include:

- The big picture

## **MDOT 101 TRAINING**

*What All Transit Agencies Need to Know*

- The role of board members
- Board responsibilities
- Advisory versus governing boards
- Board committee structure
- Holding effective board meetings
- Code of ethics
- The board, the staff, and the executive director

An electronic version can be obtained free at [RTAP's Boards that Perform](#)

## MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

# Section 10 Resources

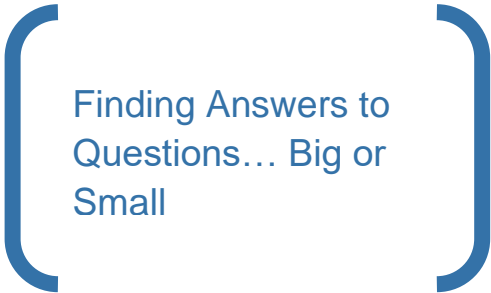
- Michigan Public Transit Association [Training Opportunities Calendar](#)
- Rural Transit Assistance Program (RTAP)- [Guidelines](#)
- RTAP Grant [Request for Expenditures](#)
- Michigan Rural Transit Assistance Program [Expense Voucher](#)
- RTAP [Travel Rates](#)
- National Rural Transit Assistance Program-[Boards That Perform](#): Roles and Responsibilities of Transit Board Members-

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Section 11: Additional Resources

This last section will provide additional resources for an agency that includes the role of an OPT Project Manager, a detailed description of the OPT website, and a further detailed description of the PTMS module.



Finding Answers to  
Questions... Big or  
Small

### Project Manager

As stated in Section 1, the Project Manager is an agency's first point of contact and is available to answer questions for an agency. It is important for an agency to have contact with their project manager in the following areas:

- authorization funding changes needed
- vehicle/equipment disposals
- questions regarding federal compliance: procurement, charter, drug and alcohol testing, ADA issues, etc.
- bus accidents, incidents

To find a map indicating Project Manager's assigned by County, please visit: Statewide [Project Manager map](#)

### Office of Passenger Transportation OPT website

The OPT website contains valuable information and resources to assist an agency in day-to-day operations, from finding necessary documentation to instructions on how to perform a task. It also provides statewide information and reports to help agencies gain a broader perspective of transit in Michigan.

Below is a listing of the tabs on the home page of the website and what information is available under each tab:

#### Resources Drop Down List

- Applications & Forms - annual application instructions and forms for both applicants in PTMS and those who do not have a PTMS profile
- Audit & Accounting Information
  - Revenue and Expense Manual
  - Specialized Services Manual
  - list of cost allocation plans approved by MDOT

# MDOT 101 TRAINING

## *What All Transit Agencies Need to Know*

- list of asset useful life plans approved by MDOT
  - annual audit letter for CPA's
  - audit guide for transportation authorities
  - audit guide checklist
- Contracting Opportunities for Transit Projects - contact your project manager to have your Request for Proposal (RFP) or Invitation for Bid (IFB) listed on this site for vendors to view
- Michigan Public Transit Conferences and Trainings
  - yearly training calendar
  - information for annual Frontline Conference can be found at [MASSTrans website](#)
- Miscellaneous Forms
  - Vehicle/equipment disposal or transfer request form
  - excess real property inventory and utilization form
  - rural task force transit project data sheet
- Project Verification Forms
  - equipment project information form
  - facility project information form
  - vehicle replacement and milestone (extended)
  - vehicle replacement and milestone (local purchase)
  - independent cost estimate
- Public Transit Providers
  - 5307 & 5311 agency profile pages with system info
- Reference Manual for Transit Agencies
  - MDOT reporting dates
  - MDOT reporting matrix
  - Local bus operating assistance advance information
  - Payment processing procedures
  - Submitting quarterly OARs/withholdings procedures
  - Urban area funding/flex process document
  - Local disposal of vehicles or equipment
  - Local disposal of transit real property
  - Accessibility plan process

## **Publications Drop Down List**

- Cost reduction tool kit
- MDOT/OPT reports
- MDOT Presentations- from previous conferences
- MDOT Resource Guide to Develop Training Plans



# **MDOT 101 TRAINING**

*What All Transit Agencies Need to Know*

- State Management Plan

## **Procurement Drop Down List**

- Procurement Guidelines
  - Procurement Guidelines document
  - MDOT Review of Procurements master grid for all procurements and forms needed
  - Davis Bacon information for all construction projects over \$2,000
  - All procurement forms
  - Contract Clauses for all types of procurements - third party contracting forms needed for any procurement over \$25,000

## **Compliance Drop Down List**

- About Us
- Americans with Disabilities Act (ADA)
- Charter Service
- Cost Allocation Plans
- Drug and Alcohol Program – 5310 Only
- Drug and Alcohol Program – Common Regulatory Questions
- Drug and Alcohol Program – Regulations
- Drug and Alcohol Program – Resources
- Drug and Alcohol Program – Training and Publications
- Facility and Equipment
- School Bus Transportation
- Title VI Program
- Vehicle Maintenance

## **Program Data Drop Down List**

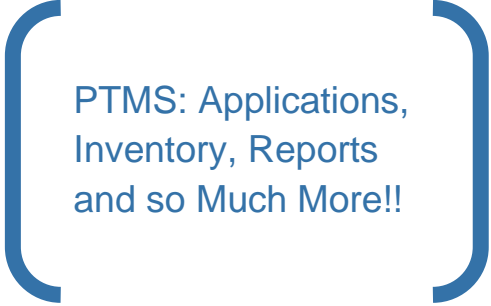
- Universal Reduced Fare program
- Program Data
- State of Michigan programs
- Federal programs

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## **PTMS (Public Transportation Management System)**

PTMS is a software application that an agency will use to create and submit their annual applications, OARs, and milestones along with updating their vehicle, equipment, and facility inventories. PTMS also has the capability to run reports for specific agency needs or for statewide purposes. Below is a listing of the modules along with helpful hints on recording information:



PTMS: Applications,  
Inventory, Reports  
and so Much More!!

**Help Icon**-at the top of the screen has all the help guides for all activities required in PTMS and can be found at [PTMS Help Guides](#)

**Profile Module**- always be sure that the information on this screen is correct. The email addresses shown on both the email field and transit agency additional contacts are used to send important emails from MDOT

**Application Module**- this area is where you will create a new application each year and submit your application. A more detailed explanation of the annual application is found in Section 3. When you click on the year of the application it will open the following areas:

- Checklist- this is a tool for you to use to ensure that you have completed all items needed for each type of funding application
- Capital Request- four years of capital requests are required in this area. This includes all capital funding received by the Rural Task Force -Surface Transportation Funds (STP), Congestion Mitigation and Air Quality (CMAQ), and Small Urban (**STUL**)
- Annual Budgeted OAR (Operating Assistance Report) you will create your yearly budget in this module following guidance from OPT's Revenue and Expense Manual
- TA (Transit Agency) Forms- by clicking on the radio button for the funding type that is being requested, a list of forms will populate on the screen that needs to be completed. If a form is needed for multiple applications, it only needs to be completed once, as the system will populate the form for all funding sources in the application.
- Attachments- all items required to be attached to the application will be done in this module.

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

**Vehicles Module-** this area will list all revenue vehicles in an agency's fleet. **All administrative vehicles are listed in the Equipment Module as they will not be transporting passengers.**

- Fleet Information Area:
  - Total Fleet- the system will calculate the number of vehicles showing on the screen including any in local sale status
  - Total at Peak Hour- this number is populated by the transit agency and should reflect the total number of vehicles to run all routes on the busiest hour of the busiest day of the year
  - Total Spare Vehicles- this number is populated by the transit agency and should be the amount of the Total Fleet minus the Total at Peak Hour
  - Spare Ratio- the system will calculate the number based on Total Spare Vehicles divided by the Total at Peak Hour.
    - This field is critical as it is used to determine which agencies will receive funding for vehicles with any statewide funding available.
    - The number of spare vehicles in the fleet should not exceed 20 percent of the number of vehicles operated in peak hours
  
- Characteristics and Financials tabs – these fields **need to be populated when a new vehicle is received**
  - Vehicle ID field- the VIN number should be entered very carefully as only OPT has the rights to change the number once it is saved.
  - **Note:** State 71 field- OPT will assign a 71 number to all vehicles that have been purchased with federal funds administered by MDOT after the payment request has been processed.
  - Local ID field- the agency will enter a number/name in this field with their own numbering/naming sequence preference
  - Type field- be sure to choose the correct type of vehicle based on the type of vehicle shown on the order form
  - Model Year- shows the actual model year of the vehicle. When replacement is computed it will be based on the fiscal year when the vehicle was delivered.
    - Vehicles that are delivered in the months of October, November, and December will be considered as the fiscal year they were received in, when looking at replacement years.

# MDOT 101 TRAINING

## *What All Transit Agencies Need to Know*

- Status- a vehicle typically will either show as Assigned or Local Sale. An assigned vehicle is a vehicle that is currently in your fleet providing service.
  - If a vehicle has been requested for disposal, OPT will change the status to Local Sale until the vehicle is sold. Once a vehicle is disposed, it will no longer show up on the vehicle listing and can be found in the Statewide Vehicle module. Details on purchasing and disposing of vehicles can be found in Section 8.
  - **Vehicles disposals should not be submitted until the vehicle has been taken out of service and will no longer transport passengers.**
- Current Miles- each year the transit agency will enter the mileage by January 15<sup>th</sup> for each revenue vehicle based on the mileage that is taken from the vehicle after December 31<sup>st</sup> in the Miles as of field on the Characteristics tab.
- VRR- (Vehicle Replacement Requested)- this field is filled out on the Financial tab during the annual application process to designate which year the vehicle met its useful life and vehicle replacement was requested. Only the current year application year is populated.
  - Future application years should not be populated.
- VRF (Vehicle Replacement Funded) this field is filled out on the Financial tab by an OPT program manager when the vehicle has been funded for replacement. An OPT project manager will populate the field for urban agencies during the vehicle payment process.
  - Will show what year funding was used to replace the vehicle.
  - May show a year previous than the year it was replaced based on the funding used.
  - A vehicle can remain in the fleet when the spare ratio remains at 20% or lower.
- Search/Sort button- this feature allows you to search for a vehicle, including ones that have been disposed
- View Report button- this will allow you to view/print a Vehicle Listing Report in PDF format

## **Equipment Module**

- Serial No.- the unique identifying number for the asset
- Model No.- this is generally the manufacturer name.

# MDOT 101 TRAINING

## *What All Transit Agencies Need to Know*

- **DO NOT** enter any spaces or unique characters such as hyphens in the model number field as this will cause an error
- Type- there is a dropdown field to choose the type of equipment that best fits the asset
- Description- enter a good description that will be identifiable throughout the life of the asset
- Status- will show as either Owned, Local Sale, or Disposed. When an asset has met its useful life, a transit agency can request disposal by filling out the equipment disposal form and sending it to their project manager.
  - The project manager will put the asset in Local Sale status and then the transit agency will enter any proceeds, the disposal date and put the asset in Disposed status.
  - The equipment will stay on the Equipment Listing and will not leave the screen as revenue vehicles do, when they are put in Disposed status.
- Purch. Date- enter the date that the asset was purchased
- RSL- (Remaining Service Life)- this number shows the number of years that an asset has left to meet its useful life.
  - If the number showing is a zero or a negative number and it is no longer serving the needs of the transit agency, the asset can be disposed after OPT approval.
- Condition Rating- this field will be used to show the rating for the statewide TAM (Transit Asset Management) plan.
- Program- use the dropdown to select the funding type for the asset
- 100% Local- required to select yes or no radio button
- Print Button- allows the agency to print a PDF of the Equipment Listing Report

## **Facilities Module**

- New Button- an agency can enter a new facility in this area
- Facility Name- a unique facility name should be entered for each type of facility
- Address- the complete street address should be entered for each facility
- Status- the options for this field are Owned, Rented, Leased, Disposed, or Local Sale
- Condition Rating- this field will be used to show the rating for the statewide TAM (Transit Asset Management) plan

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## All Operating Reports Module

- New Button- **use this button to create a new OAR.**
- Report Year- choose the fiscal year of the report that you are creating
- Report Type- choose the type of report (annual budgeted, quarterly, reconciled)
- Agency Type- the type of agency is chosen when setting up a new report from the drop-down menu
- Service Type- Complete an OAR for each service type provided (e.g. specialized services, JARC, regular service, etc.)
  - Complete all applicable tabs including Revenue Schedule, Expense Schedule, and Non-Financial Schedule.
- Status- When a report is completed, a transit agency will put the report in submit status and then choose Save.
  - Your project manager will receive an email upon submission.
  - When the project manager reviews and approves the report, they will put in it PM Approval status. If the project manager does not approve and needs additional information, he/she will put the report in Re-Submit status and communicate any changes needed
  - For Annual Budgeted, Reconciled, and Annual Audited Reports, OPT will put the reports in PAS Approved status after their final review and approval.

## Milestone Reporting Module

- OPT Program Managers create milestone reports for the project authorizations in the Project Description tab which includes:
- Auth. #- There may be multiple milestone reports with the same authorization number.
  - This is because there will be a separate milestone report for each capital project on the authorization if the federal activity line is different.
  - The transit agency will click on each bolded authorization number to get to the milestone report.
- Federal Program- shows the funding for each capital project
- Fed Grant #- this is the actual federal grant number from the approved grant

# MDOT 101 TRAINING

## *What All Transit Agencies Need to Know*

- Fed ALI (Activity Line Item) #- this is the federal numbering sequence based on the type of capital project. This number is entered by OPT's program managers
- State Activity Code- this is the state numbering sequence based on the type of capital project.
- Project Description- this should match a line item on the authorization
- An agency is required to provide updates quarterly in the Milestone Report Tab which includes:
  - **Revised Estimated Completion Dates: These dates CANNOT be left blank if the dates in the Actual Completion Dates section are not completed.** Even though the dates in the Original Estimated Completion Dates section and Previous Estimated Completion Dates section are completed.
  - **Milestone reports should not be completed until an email from OPT is received.** Completing these reports earlier will cause of a loss of data entered.
- Milestone Status- when a transit agency completes a milestone report they will put it in submit status and select Save.
  - When the OPT Project Manager reviews and approves the report, they will put in it PM Approval status.
  - If the project manager does not approve and needs additional information, they will put the report in Re-Submit status and communicate with the agency on needed items. When an OPT Supervisor reviews and approves the milestone report, it will be put in TSS Approved status.
  - When a project has been completed, it will be put in Project Complete status. The projects in Project Complete status will continue to remain on the Milestone Report page until it is removed by OPT.
  - It is removed when all statewide projects in the federal grant are closed.

## Statewide Module

- Milestone Report List, Statewide Vehicle, Statewide Equipment, Statewide Facilities, and Statewide Capital Requests will generate a list of all items from every transit agency.
- These can be used as a tool to find different reports in history.

# MDOT 101 TRAINING

*What All Transit Agencies Need to Know*

## Reports Module

This function allows a transit agency to produce individualized reports based on Financial, Capital Request, Vehicle, or Agency information for their agency, and also any other agency statewide.

- This tool allows you to gather statistics for your agency and benchmark your agency in comparison to others in the state.

## **Additional Industry Resource Websites:**

Federal Transit Administration- [FTA Website](#)

Community Transportation Association of America- [CTAA website](#)

American Public Transportation Association- [APTA website](#)

National Rural Transit Assistance Program- [National RTAP website](#)

Easter Seals Project Action-(ADA resource) [Easter Seals website](#)