



SPECIALIZED SERVICES MANUAL

OFFICE OF PASSENGER TRANSPORTATION

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EFFECTIVE as of 10/01/11

ACRONYMS/Definitions

Act 51	Act 51 of Public Acts of 1951, as amended. Also referred to as the CTF.
Annual Application	Section 10(e)6-10 of Act 51 requires the department to annually approve transportation services provided to elderly persons and persons with disabilities under Section 10(e)(4)(c)(i) of Act 51.
CTF	Comprehensive Transportation Fund. Also referred to as Act 51.
FTA	Federal Transit Administration.
OAR	Operating Assistance Report submitted on the PTMS.
MDOT/OPT	Michigan Department of Transportation/Office of Passenger Transportation.
PTMS	Public Transportation Management System.
R&E Manual	Local Public Transit Revenue and Expense Manual, promulgated annually. This manual can be located at: http://www.michigan.gov/mdotptd . Find the "Resources" box and click on "Audit/Accounting Information."
Specialized Services Recipient	Has a project authorization with MDOT/OPT for Specialized Services funds.
Specialized Services Subrecipient	Has a third party contract with a Specialized Services Recipient for Specialized Services funds.
Unlinked Passenger Trip	Passengers are counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination.

SPECIALIZED SERVICES PROGRAM

The Specialized Services Program provides operating assistance for transportation services primarily for elderly persons and persons with disabilities. The service to be provided is based on an annual application approved by OPT. The Specialized Services Recipients and Subrecipients are reimbursed per mile or per one-way unlinked passenger trip up to the contract maximum. The Specialized Services Program is funded with state and local funds, no federal funds.

This Manual identifies Specialized Services data that must be reported quarterly on the PTMS. Quarterly OARs are due 40 days after the end of each quarter. Payment of Specialized Services

funds is made upon the receipt and approval of the OAR.

ELIGIBILITY REQUIREMENT

Only the service provided in accordance with the annual application approved by OPT is eligible for reimbursement under this program:

- Service that is targeted to *all* elderly persons and persons with disabilities in the service area.
- Service supported by the local coordinating committee and transit agency in a coordination plan.
- Service that **does not** duplicate or replace existing services funded from other sources.
- Service within the legal service area with proper authority.

The following are ineligible for reimbursement under this program:

- Funds for capital equipment.
- Service or method of providing service is unidentified.
- Service primarily for delivering “Meals-on-Wheels”.
- Service using personal cars (except for volunteer drivers).

DIFFERENT TYPES OF SERVICE

Services can generally be classified as being: (1) agency personnel providing service with agency vehicles, (2) volunteer drivers providing service with agency vehicles, and/or (3) volunteer drivers providing service with personal vehicles.

Services utilizing volunteer drivers are eligible for reimbursement if the volunteer driver has:

- A valid driver’s license.
- Been licensed for the past five years with no moving violations within the last two years.
- Provided a ride that is not for emergency medical reasons.

If the volunteer driver uses his/her own personal vehicle, the additional volunteer driver requirements are:

- The private car must be in a safe operating condition and owned by the volunteer driver.
- The driver has notified their insurance company that vehicle will be used for this service.

REPORTING "AGENCY" VERSUS "VOLUNTEER"

The PTMS has two columns in which to report Specialized Services data. One column is labeled "Agency" and the other column is labeled "Volunteer." Service provided with agency vehicles should be reported in the "Agency" column, whether or not the driver is paid or a volunteer. Only service provided using personal vehicles should be reported in the "Volunteer" column.

NONFINANCIAL PTMS CODES

610 Vehicle Hours, but not volunteer driver hours for service provided using the driver's personal vehicle. Total hours used to operate the Specialized Services Program (e.g., drivers' time behind the wheel, drivers' time doing pre-trip inspection, drivers' time driving deadhead miles). "Deadhead" is the travel time and mileage before the passenger is picked up and after the passenger is dropped off.

<p>This code is only used by Transit Agencies that: (1) are required to report revenues and expenses in accordance with the R&E Manual, and (2) use Vehicle Hours to allocate its costs.</p>
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611 Vehicle Miles. Total miles traveled by vehicles for the Specialized Services Program including deadhead miles and miles associated with purchased transportation service.

615 Unlinked Passenger Trips - Regular (formerly Passengers – Regular). The number of passengers who board public transportation vehicles. Passengers are counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination. Include all passengers except those described in 616 - Elderly, 617 - Persons with Disabilities, and 618 - Elderly Persons with Disabilities.

616 Unlinked Passenger Trips - Elderly (formerly Passengers – Elderly). Number of passengers 65 years of age or older who board public transportation vehicles. Passengers are counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination. The age limit defining "elderly" may be lower under local option.

617 Unlinked Passenger Trips - Persons with Disabilities (formerly Passengers - Persons with Disabilities). Number of passengers not defined as 616 - Elderly and who have a physical or

mental impairment that substantially limits one or more of the major life activities of the individual who board public transportation vehicles. Passengers are counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination.

618 Unlinked Passenger Trips - Elderly Persons with Disabilities (formerly Passengers - Elderly Persons with Disabilities). Number of passengers who meet the definition of both 616 - Elderly and 617 - Persons with Disabilities who board public transportation vehicles. Passengers are counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination. Passengers counted here should not be counted under 616 and 617.

655 Total Demand-Response Vehicles. The number of agency owned vehicles purchased with MDOT and/or FTA funds used for the Specialized Services Program. Vehicles operated by other agencies through a purchase-of-service agreement or vehicles funded through other sources should not be included in this count.

Note: The number of vehicles in the PTMS vehicle inventory will not necessarily match the number of vehicles reported in 655 Total Demand-Response Vehicles.

656 Demand-Response Vehicles with Lifts. The number of vehicles included in 655 that are equipped with a lift or a ramp.

COST ALLOCATION REQUIREMENTS

A cost allocation plan (CAP) methodology may have to be submitted to MDOT/OPT-for approval for: (A) agency personnel providing service with agency vehicles, and (B) volunteer drivers providing service with agency vehicles. No CAP methodology needs to be submitted for volunteer drivers providing service with personal vehicles.

For (A) and (B) listed above, you need a CAP methodology if:

- You are a Recipient or Subrecipient of Specialized Services funds and also of other CTF operating funds (e.g. State Operating Assistance, Job Access/Reverse Commute) and provide service under the Specialized Services program.
 - If the CAP methodology is based on hours, then hours must be reported in 610 Vehicle Hours.
 - If you receive State Operating Assistance, your annual audit should include the revenue and expenses allocated to the Specialized Services Program (this is required in the Audit Guide for Transportation Authorities (effective July 1, 2007)).
- You are a Recipient of Specialized Services funds and State Operating Assistance funds and don't provide the Specialized transit services – you provide all Specialized Services funds to Subrecipients. The CAP methodology must state: (1) whether or not the

Specialized Services funds are expensed on your books, and (2) that none of the program funds are used to pay any of your administrative costs.

For (A) and (B) listed above, you do not need a CAP if:

- You are a Recipient or Subrecipient of Specialized Services funds and do not receive any other CTF operating funds (e.g. State Operating Assistance, Job Access/Reverse Commute).
- You are a recipient of State Operating Assistance and you provide service for a Subrecipient of Specialized Services funds.
 - Instead of allocating costs, you must subtract out the revenue received from the Specialized Services Subrecipient as an ineligible expense in code 55004 Other Ineligible State Contracts on your Regular Service OAR (please refer to the R&E Manual).

If you are not sure whether or not you need a OPT approved cost allocation plan, please contact your OPT Project Manager.

Assistance in developing a cost allocation plan can be obtained by consulting the following federal guidelines/regulation:

- Cost Allocation Plan requirements per FTA Circular 5010.1C

Web Address*: http://www.fta.dot.gov/laws/circulars/leg_reg_4114.html

- PART 225 – Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87)

Web Address*: http://www.whitehouse.gov/omb/circulars/a087/a87_2004.html

- Implementation Guide for Office of Management and Budget Circular A-87

Web Address*: <http://rates.psc.gov/fms/dca/asmb%20c-10.pdf>

*Working address as of 8/1/11.

SEEK ASSISTANCE FROM OPT WHENEVER NECESSARY

If you have any questions please contact your OPT Project Manager or visit our website at <http://michigan.gov/mdotptd>.

If you have any problems connecting to the PTMS, please contact Kathy Urda at (517) 335-2575 or at urdak@michigan.gov.