



MDOT 101 TRAINING

What All Transit Agencies Need to Know

This document will give 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.

6/16/25

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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	Drug and Alcohol Program Manager
DBE	Disadvantaged Business Enterprise
DEQ	Department of Environmental Quality
DER	Designated Employee Representative
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

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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

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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

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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

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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, Carbon Reduction, TAP STL, and STUL must be transferred from FHWA to FTA. MDOT 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 documents to go out to bid for vehicle purchase (OPT will assist if using MDOT administered 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 forms, independent cost estimate, and price analysis for state vehicle purchases of a certain threshold.

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 commission 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:

The beginning
of an agency's
journey with
MDOT

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
Allegan County	94
Alger Transit Authority	196
Alma Transit Center (City of Alma)	279
Ann Arbor Area Transportation Authority	55
Antrim County Transportation (Antrim County Board of Commissioners)	94
Arenac Public Transportation Authority	196
Barry County Transit (Barry County Board of Commissioners)	94
Battle Creek Transit (City of Battle Creek)	279
Bay Area Transportation Authority	196
Bay Metropolitan Transportation Authority	196

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Transit Agency Name Continued	Act
Beaver Island Transportation Authority	196
Belding Dial-A-Ride (City of Belding)	279
Benzie Transportation Authority	196
Berrien County (Berrien County Board of Commissioners)	94
Big Rapids Dial-A-Ride (City of Big Rapids)	279
Blue Water Area Transportation Commission	7
Branch Area Transit Authority	196
Buchanan Dial-A-Ride (City of Buchanan)	279
Cadillac/Wexford Transit Authority	7
Capital Area Transportation Authority	55
Caro Transit Authority	196
Cass County Transportation Authority	196
Central County Transportation Authority	55
Charlevoix County Public Transportation (Charlevoix County Board of Commissioners)	94
Charlevoix County Transportation Authority (Iron-ton Ferry)	7
Clare County Transit Corporation (Clare County Board of Commissioners)	94
Clinton Area Transit System	196
Crawford County Transportation Authority	196
Delta Area Transit Authority	196
Detroit Department of Transportation (City of Detroit)	279
Detroit Transportation Corporation (City of Detroit)	7
Dowagiac Dial-A-Ride (City of Dowagiac)	279
Eaton County Transportation Authority	7
Eastern Upper Peninsula Transportation Authority	7
Gladwin City/County Transit (Gladwin County Board of Commissioners)	94
Gogebic County Transit	196
Greater Lapeer Transportation Authority	196
Greenville Transit (City of Greenville)	279
Harbor Transit Multi-Modal Transportation System	196
Hancock Public Transit (City of Hancock)	279
Hillsdale Dial-A-Ride (City of Hillsdale)	279
Houghton Motor Transit Line (City of Houghton)	279
Huron Transit Corporation (Huron County Board of Commissioners)	94
Ionia Dial-A-Ride (City of Ionia)	279
Iosco Transit Corporation (Iosco County Board of Commissioners)	94
Interurban Transit Authority	196
Interurban Transit Partnership	196

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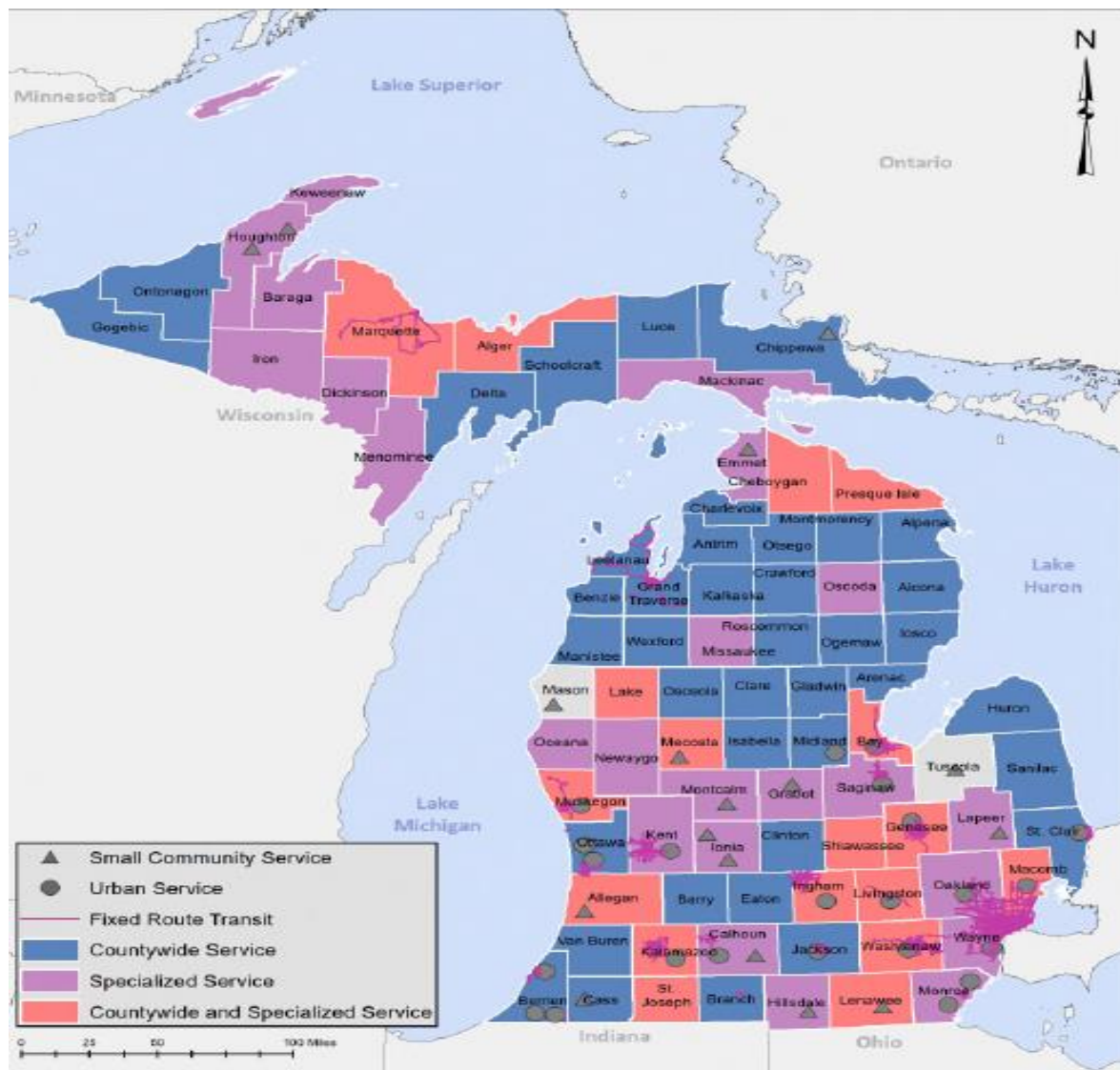
Transit Agency Name Continued	Act
Isabella County Transportation Commission	7
Jackson Area Transportation Authority	196
Kalkaska Public Transit Authority	196
Lenawee Public Transportation Authority	196
Livingston Essential Transportation (Livingston County Board of Commissioners)	94
Ludington Mass Transportation Authority	196
Macatawa Area Express Transportation Authority	196
Mackinac Island Transportation Authority	196
Manistee County Transportation, Inc. (Manistee County Board of Commissioners)	94
Marquette County Transit Authority	7
Marshall (City of)	279
Mass Transportation Authority	55
Mecosta Osceola Transit Authority	196
Midland County Connections (Midland County Board of Commissioners)	94
Midland Dial-A-Ride (City of Midland)	279
Muskegon Area Transit System (Muskegon County Board of Commissioners)	94
Niles Dial-A-Ride (City of Niles)	279
Ogemaw County Public Transportation (Ogemaw County Board of Commissioners)	94
Ontonagon County Public Transit (Ontonagon County Board of Commissioners)	94
Otsego County Bus System (Otsego County Board of Commissioners)	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 Transportation Corporation (Sanilac County Board of Commissioners)	94
Sault Ste. Marie (City of)	279
Schoolcraft County Transit Authority	196
Shiawassee Area Transportation Agency	7
Straits Regional Ride (Cheboygan County Board of Commissioners)	94
Suburban Mobility Authority for Regional Transportation	204
Thunder Bay Transportation Authority	196
Transportation Authority of Calhoun County	196
Twin Cities Area Transportation Authority	55

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Van Buren Public Transit (Van Buren County Board of Commissioners)	94
Yates Township Transportation Authority	196

Some form of passenger transportation is currently offered in all 83 counties as shown in the map below taken from MDOT's [Michigan Mobility 2045 Plan](#). 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.



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OPT staff works directly with transit agencies and the first point of contact for questions and assistance is an agency's assigned Regional Project Manager. Their role 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. Regional Project Managers are assigned transit agencies regionally. The statewide map for the current project manager assignment can be viewed at [Transportation Services Sections Map](#).

In addition to the Regional 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.

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 when a new master agreement is issued. At the top right corner of the document, an agreement number is shown 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:

Date:	October 30, 2024
Agreement No.:	2017-0064
Authorization No.:	P5/R2
Job No.:	204983NI

Each agency files a signature resolution with OPT showing the title and/or name of the individual(s) 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.

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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 1) |
| Step 2: | Project manager approves application eligibility (March/April). Supervisor reviews application for final approval letter. (June 30) |
| Step 3: | Federal Register published, and funding determinations are made by OPT based on requests and funding available |
| 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 |
| Step 6: | FTA grants approval of statewide submission |
| 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 to complete the procurement process within six months of a capital award. The transit agency must submit OARs (Operating Assistance Reports) quarterly to 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. |

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Section 1 Resources

- Master Agreement Sample- Click on master agreement file name for signed copy.
- [DTMB Travel Rates](#)
- Signature Resolutions- for a current copy on file with OPT, please contact MDOT-OOR-OPT-Contracts@michigan.gov

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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 1 each year.

While applying for all these programs occurs on February 1 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 several 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 match 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. 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 2024-2025.

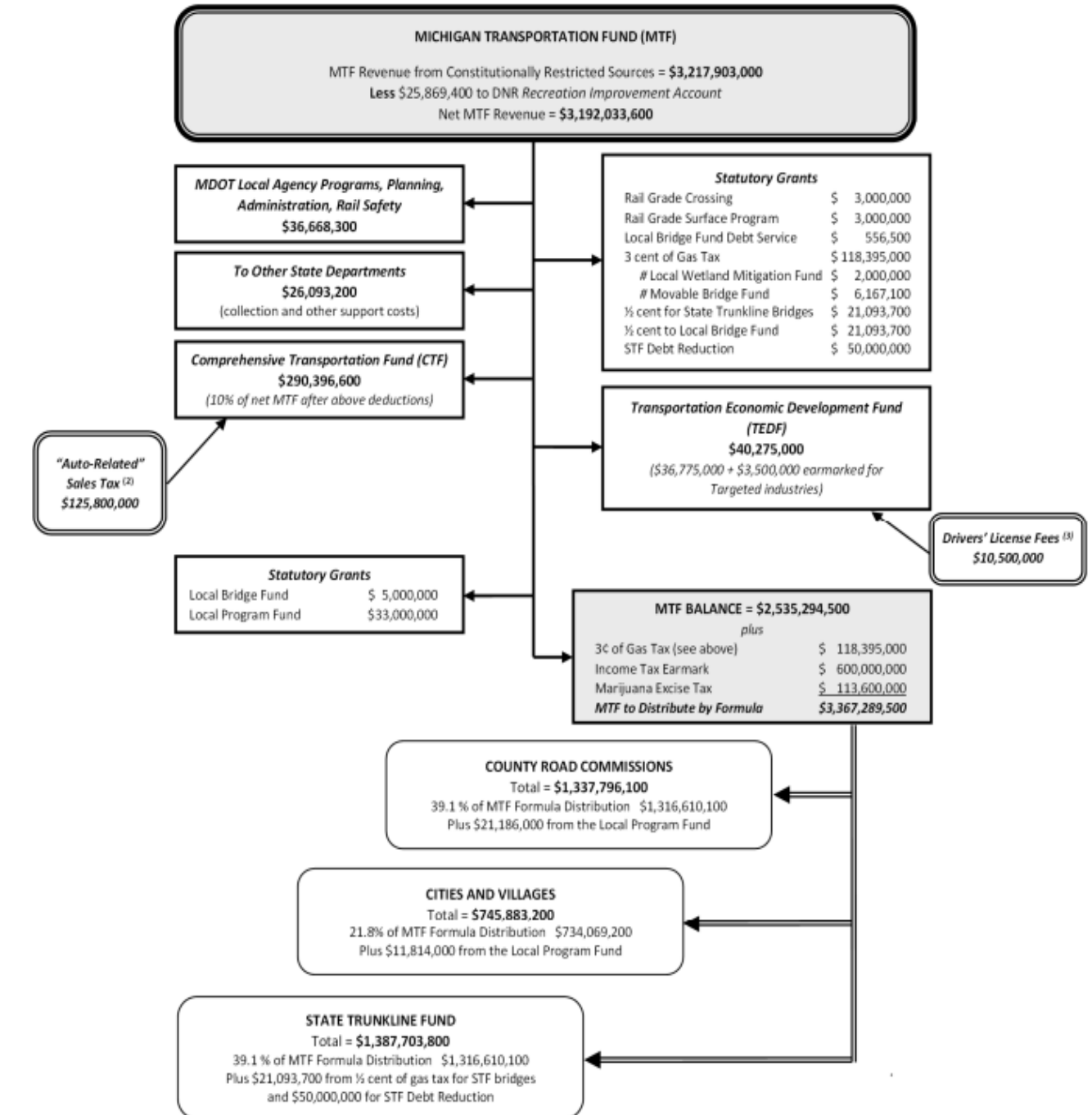
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ATTACHMENT

FY 2024-25 MICHIGAN TRANSPORTATION FUND REVENUES AND DISTRIBUTIONS PER Sec. 10, 1951 PA 51⁽¹⁾

February 2024 ORTA Estimate



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State Operating Assistance Aka Local Bus Operating (LBO)/Formula

- **FY2025- \$246,750,000 distributed**
- Eligible to authorities and governmental agencies.
- Eligible costs include operating and administrative expenses.
- The reimbursement rate is determined by a formula as prescribed in Act 51.
- The initial reimbursement rate is based on the annual budgeted OARs that are submitted by all agencies statewide eligible for LBO.
- Since 2018 the reimbursement rate has fluctuated between 34.5% and 40.3% for rural agencies and between 29.1% and 33.8% for urban agencies.
- 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 the agencies that owe the funds back have paid the funds back.

Federal Section 5311 Rural Formula (includes Job Access Reverse Commute (JARC) operating/mobility management activities)

- **FY2025-\$25,987,000 distributed**
- 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 authorization amount.
- Section 5311 quarterly payments are based on reported eligible expenses but are capped at one quarter of the authorization amount. JARC quarterly payments are not capped at one quarter of the authorization amount and will be reimbursed based on reported eligible expenses up to the authorization amount.

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- There could be times when 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. If so, the following items will occur.
 - The project authorization may be awarded with an amount smaller than anticipated based on eligible expenses.
 - The 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, the 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

- **FY2025- \$5,429,000 distributed**
- 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 \$1.76 per mile, \$5.08 per one-way passenger trip, or \$.43 per volunteer mile up to the authorization amount. An agency may contact their project manager to change their reimbursement method between miles and trips before August of each year.
- Agencies receive funding quarterly based on miles or passengers reported on their quarterly OARs up to the funding amount on the authorization.

Federal Section 5310- Enhanced Mobility of Senior and Disabled Individuals (Includes New Freedom operating/mobility management activities)

- **FY2025 \$2,474,000 distributed**
- 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.
- To receive funding an agency must be included in a Coordinated Public Transit-Human Services Transportation Plan and all updates must be on file with OPT or submitted with the annual application.
- Agencies receive funding annually based on projects awarded.
- New Freedom operating quarterly payments are based on reported eligible expenses but are capped at one quarter of the authorization amount.

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Federal Section 5310/5311 Capital/Flex

- Surface Transportation Block Grant (STBG)
 - **FY 2025 \$2,116,000 distributed**
 - Distributed through a regional Rural Task Force that the agency participates in each year.
 - Eligible for public transit authorities, governmental agencies, or private non-profits.
 - Capital funds can be used for vehicles, equipment, or facilities

See more information below in the Rural Task Force funding section and [Rural Task Force Program](#) website.

- Small Urban Program
 - **FY2025- \$239,000 distributed**
 - Distributed through a local project selection process every three years.
 - 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
 - Projects are submitted to the local small urban program committee on [MDOT SMALL URBAN PROGRAM TRANSIT PROJECT APPLICATION](#) (Form 2638) during a call for projects. Projects are ranked during the committee meeting and submitted to the MDOT Small Urban Program Manager. Projects are chosen by MDOT's Bureau of Transportation Planning.

See more information including the MDOT Form 2638 Small Urban Transit Application at [Small Urban Program](#)

- Congestion Mitigation and Air Quality (CMAQ)
 - **FY2025- \$746,000 distributed**
 - Distributed to agencies in counties that are identified as Clean Air Act non-attainment and/or maintenance area for air quality.
 - 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.

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- Funds are distributed to the county annually based on a federal formula.
- Agencies will complete the Transit Bus Upgrades & System Improvements module in the [CMAQ Emissions Calculator](#).
- Results are then entered into MDOT Form 2608 to obtain cost information.
- Applications for funding include both the CMAQ Emissions Calculator and MDOT Form 2608.
- Transit agencies submit their applications either to their Metropolitan Planning Agency (MPO) if they operate in an urbanized area or to the MDOT CMAQ Program Manager if they operate in a rural area so the project can be programmed in Job Net.

All CMAQ program information can be found at [Congestion Mitigation and Air Quality](#).

Section 5307 Flex

- **FY2025- \$11,816,000 distributed**
- Eligible to urban transit agencies.
- Flex projects could include CMAQ, Carbon Reduction, RTF, Small Urban (STU/STUL), and Transportation Alternatives Program (TAP) funding.
- The flex process shown in Section 2 Resources documents demonstrates the steps for urban agencies to flex the funds from FHWA to FTA and eventually to a grant in TrAMS.

Urban Capital Match Plan - Due Feb/March

Transit agencies in urban areas will receive an email from OPT in February requesting a listing of all capital projects that their agency will receive from funding sources outside of OPT for the fiscal year. This will help OPT determine if there is enough state capital match to match all urban federal capital projects.

Urban agencies could receive federal funding from the following programs that need to be matched with either state or local funds. OPT typically provides a 20% match for the projects for: Section 5307, Section 5310, Section 5337, Section 5339, and FHWA flex funding.

It is important that all urban projects are listed on the capital match plan to ensure that the capital match is apportioned to those projects. **Please note that OPT has limited funds and capital match may not be available for all types**

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of capital each fiscal year, so it is the agency's responsibility to ensure local funds are available if needed.

Federal Section 5339(a) Bus and Bus Facilities Program

- **FY2025- \$4,000,000 for rural agencies and \$1,729,336 for small urban agencies distributed**
- 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 the 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(b) Bus & Bus Facility and 5339(c) Low No Bus and Bus Facility funds. OPT applies on behalf of rural and interested 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 funding opportunity documents for these opportunities to ensure the agency meets the eligibility requirements of the grant. Below is a historic list of opportunities that have been released over the last few years:

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

OPT will send out a call for applicants through the OPT Weekly Express when NOFOs are released from FTA throughout the year. The deadline is usually a quick turnaround so be sure to provide information timely to the Program or

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Project Manager. It is important for agencies to have descriptions of large projects waiting for when the applications are available due to the short submittal time for NOFOs.

Federal Section 5304 Statewide Planning and Research Program

- **FY2025 \$1,411,068 distributed**
- Eligible for public transit authorities and governmental agencies.
- Provides funds for research, training/education, planning and coordination, and operational 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.

Service Initiatives (State CTF funding)

- Eligible for public transit authorities and governmental agencies.
- Provides funding for capital/technical projects that enhance public transportation and address mobility gaps.
- Requires a sustainability plan to show evidence that agency can continue the project after service initiative funding.
- Requires an independent evaluation and metrics to define project success.

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.

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What All Transit Agencies Need to Know

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 annual application. instructions, then the agency should send a letter requesting useful life determination to the OPT Auditor.

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 participates in the meetings that are held in their region. Transit projects are brought to the group using the [1797 Transit Data Project Form](#).
 - A transit agency must supply the Regional Planning Agency (RPA) that moderates the meeting and their project manager with 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 members.
- The approved transit projects are flexed from FHWA to FTA/OPT by the first part of June. 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 either 5310 or 5311 flex funds based on the agency.

For more information on the Rural Task Force, including guidelines, boundary maps, and data forms, please see [Rural Task Force Program](#).

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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 \(SIB\)](#).

Section 2 Resources

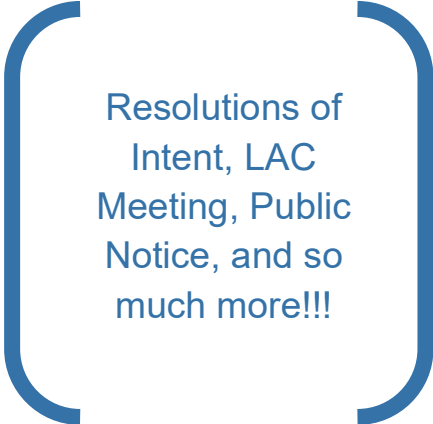
- [Formula Distribution Percentage](#) 2018-2025
- [MDOT Small Urban website](#)
- [Congestion Mitigation and Air Quality](#)
- [FHWA CMAQ Emissions Calculator](#)
- [MDOT Form 2608](#)
- [Urban Flex Process](#)
- [MDOT Rural Task Force website](#)

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Section 3: Annual Application

Almost all agencies will apply for funding through the annual application module in PTIMS which is due by February 1 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 different parts of the annual application that will 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 annual application planning begin several months before the submission deadline and that required documentation that will require meetings, including board meetings, and are completed well before the due date so that the application is complete upon submission. If the transit agency is in an Urbanized Area (UZA), the agency must have all operating and capital projects that can reasonably be funded included in an approved Transportation Improvement Plan (TIP) before June 1st to ensure timely obligation of the funds.

Checklists by Funding Program

The OPT Regional Project Managers have created a checklist for agencies to use for each funding program to ensure that all documents are submitted accurately. Checklists can be found at the following link [Annual Application for Funding](#). The agency will be required to submit the checklist when submitting the application.

****NOTE-** New User Guides will be created for the annual application module for PTIMS and training for all agencies will be done by Black Cat in the fall. The sections below will provide a high-level overview as the application module is still being built for OPT.

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What All Transit Agencies Need to Know

Part 1 – Update PTIMS Organization Fields

It is important to review and make any necessary changes to the General Information, Financial Information, Service Information, and inventory fields for Vehicle, Equipment, and Facility. Agencies must ensure that these areas are up to date before beginning the application.

Vehicles:

All updated vehicle mileage and date fields must be recorded in the vehicle inventory module by October 15 each year. PTIMS allows users to update mileage on multiple vehicles at once in an efficient manner using a bulk/mass update feature for all assets.

Equipment:

A review of the equipment module must be done to see if there are any items over \$5,000 that have not been added to the equipment module. Also review the listing to identify if there is equipment that has met their useful life and is no longer of use to the agency. An equipment disposal form must be sent to the Regional Project Manager before disposal.

Facility:

A review of the equipment module must be done to see if there are any facility improvements with over \$5,000 that must be added to PTIMS. Please notify the Regional Project Manager if there are any facilities that are no longer needed for public transportation purposes as an Excess Utilization Plan must be submitted to OPT.

Part 2 - Capital Requests (Create Projects and Budgets in PTIMS)

All capital items eligible for replacement must be entered into PTIMS as separate projects. 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:

- 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.

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- 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 field filled out on the vehicle inventory screen of the vehicle module as this is how vehicles are determined that they have met their useful life.

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, Job Access Reverse Commute (JARC), New Freedom, and/or Specialized Services.

Some quick helpful hints are found below:

- The annual application letter in the OPT Weekly Express will show the budgeted federal and state operating percentages that should be multiplied by eligible expenses and entered in 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 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 the date in August that will be communicated in the OPT Weekly Express. If agencies need to revise their budget, they can notify the OPT Accountant to have the budget put in resubmit mode.
- **If an agency chooses to revise their annual budgeted OAR, a new resolution of intent and public notice will need to be attached to the application if there is a 15% or more increase from the original submitted budget.**
- If the original annual budgeted OAR is 15% or more than the previous reconciled OAR, an explanation must be put in the comments box of the

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- Summary screen of the annual budgeted OAR explaining the reason for the increase.
- 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.**

Part 4- TA (Transit Agency) Forms

In PTIMS all forms that must be populated and submitted will already be attached to each application opportunity. The forms will need to be downloaded, populated and uploaded to each application opportunity.

Tips for Specific Forms:

Contract Clauses- one form for each master agreement associated with the agency applying for funding is required to be signed by the designated person on the signature resolution.

5333(b) Labor Warranty - Do not include any school transportation agencies or unions under other surface transportation providers in the transit agency service area. Only public transportation agencies must be included (those that received federal or state funding).

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 populated. The total expenses should match the budgeted OAR and must be signed by the governing body. If the total expenses exceed the OAR, a new resolution of intent must be done with the governing body.

Public Notice - A fillable sample is included in the documents section of PTIMS. The sample may have more items than the agency requires and must be revised to meet the transit agency's needs. Remember to include all operating and capital requests for the **fiscal year of application** in this notice. It is **highly recommended** that the agency send public notice to the Regional Project Manager for review before publishing. This may save the agency the time and expense of having to re-publish.

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Vehicle Accessibility TA Form- Ensure that the 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
- The members listed on the Vehicle Accessibility form must match the members listed on the minutes.
- 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 absent members, and their written responses must be attached to the application.

LAC Minutes-

- The minutes must be signed by the chair or member of the LAC. A transit agency representative may only sign the minutes if they are also signed by a member of the LAC.
- Signed minutes **MUST** state that the vehicle accessibility plan update was discussed at the LAC meeting and show all members in attendance otherwise the LAC will need to meet again to revise the minutes.
- Per Act 51, any comments received from the LAC must be included in the minutes.

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 show the title of the [MDOT Regional Coordinated Plans](#) that was created by stakeholders in the transit agency's county.
- The field for Page number and Section where the project, strategy, activity, or specific action is entered is identified from the Coordinated Plan listed on the TA form
- Each individual project should be requested individually by using the Add an Additional Project Type button.

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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 if 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.

Section 5304 Application- This form provides details 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 of the application funding. **Awards will be given in the fiscal year prior to the year of the application that is being submitted.**

Services Initiative Application- This form provides details 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. This funding can be applied for during the annual application process or anytime during the fiscal year. Applications submitted outside of the annual application timeframe will use the [FY 20 SERVICE INITIATIVES APPLICATION](#) link and these applications will be reviewed quarterly. Agencies that apply outside of the annual application time frame should send the application and supporting documents to their OPT Regional Project Manager for review.

Part 5 - Attachments

There are **up to five potential items** that need to be attached to the application in PTIMS:

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- 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 was created from the sample in the TA forms section)
- Signed and dated equipment listing confirming that an equipment inventory has been completed.
- Proof of facility insurance (including flood insurance) if the facility contains federal/state funding or federal/state funded equipment is stored in the facility.

When documents are uploaded 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.

Part 6- Submission

Before the application is submitted, be sure to submit all budgeted OARs. Select Submit for Review/Scoring. 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.

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Section 3 Resources


[Annual Application Instructions](#)

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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 roads, bridges, bicycles, pedestrians, 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 transit projects which are grouped as a single line item in the STIP rather than being listed individually. Agencies should review the [MDOT STIP Amendment Schedule](#) to ensure that projects submitted for STBG and CMAQ funding are approved by FTA's deadlines to ensure funding is not lost.

The current STIP is on a Fiscal Year cycle from 2023-2026. The next cycle years will be from 2026-2029. 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. To view the complete STIP for cycle 2026-2029, please visit [2026-2029 STIP Public Participation Plan](#).

For more information on how the STIP meets federal public participation regulations, please visit [2023-2026 STIP - Approved](#)

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What All Transit Agencies Need to Know

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. Like the STIP, projects listed also include individual road, bridge, bicycle, pedestrian, and transit projects from a 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 metropolitan 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, large urban agencies receive Federal Section 5310 funding directly from FTA and may choose to allocate the funds between non-profit organizations in their jurisdiction. Lastly, each planning organization has their own unique amendment calendar and number of amendments that are made throughout the calendar year and should be monitored by the transit agency to ensure their projects are listed. Urban transit agencies should always review the [MPO TIP Amendment Schedule](#) to ensure that their projects are submitted to the MPO in time for their projects to get TIP approved by FTA's deadlines.

Each urbanized area of Michigan has a TMA or MPO and the listing of agencies can be seen at [Michigan MPO Members](#)

Transit Projects in the S/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 [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 1st of each year** for either

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new projects or changes to existing projects. This will ensure that projects go through the **TIP approval process by June 1st** to ensure receipt of MDOT funds. One form should be filled out for **each funding source per fiscal year based on operating or capital**. For example: 2025 Section 5339 capital would be one form, while 2025 Section 5310 New Freedom could need two forms if both operating and capital are requested

It is **imperative that the correct SP or 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**

On the 1481 form 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 must be delivered to the MPO if CMAQ funds are used.

If a transit agency's project with federal funding that MDOT administers 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 an interactive statewide project database and road, bridge, bicycle, pedestrian, and transit projects are entered to create the S/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 send their **1481 TIP Project forms** to their OPT project manager for review before sending them to the MPO to ensure that the forms are populated correctly. If the job is not programmed correctly, it could take a few months to process a change request to correct the job. 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 the job can be revised if possible and a new job number should not be created. OPT will also be responsible for approving the projects in JobNet before the project can be reviewed by the MPO Technical Committee.

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What All Transit Agencies Need to Know

Programming Jobs Responsibilities

There are many offices, agencies, and organizations involved with the TIP process. Below is a list 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 UZAs for all transit projects, except for transit agencies in the Southeastern Michigan Council of Governments (SEMCOG) MPO area where the transit agencies will program their jobs in JobNet.
- 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 Planning, Specialized Services, federal funding awarded through NOFOs, 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 and FHWA.

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Section 4 Resources

- [MPO/MDOT S/TIP Amendment Schedule](#)
- [2023-2026 STIP - Approved](#)
- [2026-2029 STIP Public Participation Plan](#)
- [Michigan MPO Members](#)
- [TIP Form 1481](#)

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Section 5: Life Cycle of Project Authorizations

Verification Forms

When a transit agency is allocated capital funding, OPT will send an email like the sample below that verification forms are due to the Regional 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 the agency 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, 2025

To: Agencies Receiving FY 2025 5310 Funding

From: Marcele Edington, Program Manager

Transportation Services Section

Subject: Verification Forms required by **Monday, April 7, 2025**

Please see the attached list of capital items being funded under the statewide 5310 program. The 5310 Flex and FY 2026 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.

The agency will need to complete and save in the Agency Submittals folder in Project Wise by **Monday, April 7, 2025, on or before 5:00 p.m. eastern standard time.** The forms required are based on the type of project or purchase are below.

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State Vehicle Contract purchase:

- [Vehicle 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 that is supplied to obtain additional required information from the agency's Public Transportation Information Management System (PTIMS) Vehicle Inventory. Please make sure the PTIMS Vehicle Inventory is complete and accurate. If you have any questions, please contact the Regional Project Manager.

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 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 will also require verification forms to create project authorizations.

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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 Force Transit Project Data sheets, and 2606 Small Urban Project Forms. Copies of awarded authorizations, budget adjustments, revisions, 3rd party contracts and payment requests are stored in Project Wise folders currently but will be stored in PTIMS along with milestone reports when the system is fully operational for transit agencies.

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 saving them in the Agency Submittals folder in Project Wise.
- There are two vehicle replacement and milestone forms. One is the state vehicle extended purchase form (when 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 the agency has 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 the agency. The project complete date should reflect the date that the transit agency 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 the transit 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 Purchasing](#)
 - [Method of Procurement Decision Matrix](#)
- **Use this link to access all [OPT Verification Forms](#).**

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What All Transit Agencies Need to Know

Best practices for filling out the Excel 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 Contracts](#). 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 the transit 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 will be the 20XX-XXXX/PX authorization number. A transit agency 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 through the agency's options that will best fit the transit agency's needs and ensure that they receive the options that are desired. **Spare tires: OPT will only reimburse one steer axle and one drive axle spare tire per vehicle.**
- **Section V** - should be filled in if there are other options that the agency has arranged with the vendor that were not originally bid out by OPT. These options are paid for with local funds. Administrative fees must be requested during this process and 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. After vehicle delivery, to receive reimbursement of the administrative fee, the agency will need include a list of the expenses associated with the vehicle purchase such as vehicle pickup and vehicle inspection with the payment request. Documented hours, wages and the type of work that was done for the vehicle purchase is required. Ensure charges are per vehicle. If this agency is not requesting the administrative fee, leave the field blank
- **Section VI** - comments section- list the cost of the vehicle decals (maximum reimbursement \$3,000), radio, and bike racks and camera system (if requesting a different brand name than is on the contract) if

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applicable. If this vehicle is replacing a vehicle that was totaled in an accident, the form must include the insurance proceeds and agency deductible amount

- **Section VII** - type in the name of the person completing the form in the authorized signature field and enter the date.

The spreadsheet has formulas imbedded in it and will populate the dollar figures based on the entry in the quantity fields. The spreadsheet has a Federal/State share column and a Local Share column. When numbers are entered 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 (up to \$3,000 per vehicle), radio, bike racks and a camera system. **Local options, bike racks and 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 OPT 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 funding 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 the 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.

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 the transit agency. Most capital project authorizations are active for three years and all projects must be ordered, or the procurement process started within twelve months of the issue date.

Operating project authorizations are based upon the amount of funding that the transit agency was awarded from the annual application. Operating

MDOT 101 TRAINING

What All Transit Agencies Need to Know

authorizations are active for one year from the issue date and usually align with the fiscal year beginning October 1st and ending September 30th.

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 their Regional 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 be considered 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, bus shelters

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)

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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 Grant Managers have limited availability to revise/amend a grant with FTA. **The delay could affect the project by the 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 July 15 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 and the vehicle was ordered within six months of award.

Depending on when grants revisions are approved by FTA, it could significantly add time to the process and an agency should let their Regional Project Manager know in advance if they 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 PTIMS. For vehicle awards, the Current Contracts spreadsheet can be viewed at [State revenue vehicle contracts and vehicle procurement](#) to ensure that contracts will not expire before ordering. There could be significant price increases when contracts are renewed.

Changes to projects that were allocated by a Rural Task Force (RTF), or Small Urban meetings, 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 Regional Project Manager will need minutes of the meeting showing approval to process the change.

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Section 5 Resources

- [OPT Verification Forms](#)
 - Vehicle Replacement and Milestone (Extended Purchase)
 - Vehicle Replacement and Milestone (Local Purchase)
 - Equipment Project Information
 - Facility Project Information
 - Independent Cost Estimate

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 the transit agency receives, a separate Operating Assistance Report (OAR) will need to be submitted. An OAR is used to report revenues, expenses and non-financial data that is required to be submitted in PTIMS for the following operating programs:

Quarterly,
Reconciled,
and Audited
OARs

- State Operating Assistance (e.g., Regular Service, LBO, Specialized Service and New 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, New Freedom, New Service 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.
- Any operating funding reported on an OAR that requires a cost allocation plan (CAP) as the expenses are also recorded on the Regular OAR, **the expenses must be backed out of the Regular OAR to ensure that the same expenses are not reimbursed twice.**

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What All Transit Agencies Need to Know

Some helpful tips for completion of these include:

- All fields that show **Explain in Comment Field** must contain comments for the report to be approved
- 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**
- Common codes requiring ineligible expenses backout:
 - Package/Meal delivery
 - Sales of maintenance services
 - Rental of building
 - Non-transportation revenue (if applicable)
 - Preventive maintenance (urban systems)- both federal/state financial codes
 - Capital contract reimbursement for operating expenses- (mobility management, vehicle purchase admin fees, etc.) both federal/state financial codes
 - 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.

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What All Transit Agencies Need to Know

Expense Tab:

- Pensions/OPEB- consult manual for ineligible portion
- Advertising- expenses to create revenue are ineligible
- Audit cost- Eligible for LBO. OPT will subtract out ineligible for 5311 if single audit requirements are not met.
- Major purchase- item(s) must be less than \$5,000 to be expensed 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 the codes that are applicable to the transit agency.

Quarterly 5311 Federal operating payments

After each quarterly OAR is in approval status, a payment for 5311 operating funding will be generated by an agency's Regional Project Manager. Typically, an agency could expect to receive payment within 2 weeks from the time that a payment is processed. The payment amount 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 4th quarter OAR until the reconciled OAR has been PM approved and approved by the OPT Accountant.

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 fiscal year end. OPT will send information in the OPT Weekly Express in September with pertinent information regarding completing the Reconciled OAR including reimbursement percentages to be used and the lobbying percentage of association dues to be backed out as ineligible.

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What All Transit Agencies Need to Know

Please note previously submitted quarterly OARs cannot be adjusted after the payment process has been completed. The Reconciled OAR is not necessarily a total of the four quarters.

After all Reconciled OARs are reviewed by OPT, the OPT Accountant will compile all Reconciled OARs statewide to calculate a new state operating assistance percentage. Based on the percentage changes an agency could owe OPT or OPT could owe an agency. If an agency owes OPT, there will be an approved payback schedule, and invoices will be sent to the agency. If OPT owes an agency, the funds will be paid back after OPT is able to collect all the funds from the agencies that owe OPT.

Annual Audited OAR

The annual audited OAR is due six months after the agency's year end. An audit letter will be sent in the OPT Weekly Express in October of each year with information that is very important and necessary for completion of the audit. The agency must ensure their Certified Public Accountant receives the letter before completing the audit. The letter can be found on OPT's website at the following link [Audit and accounting information](#).

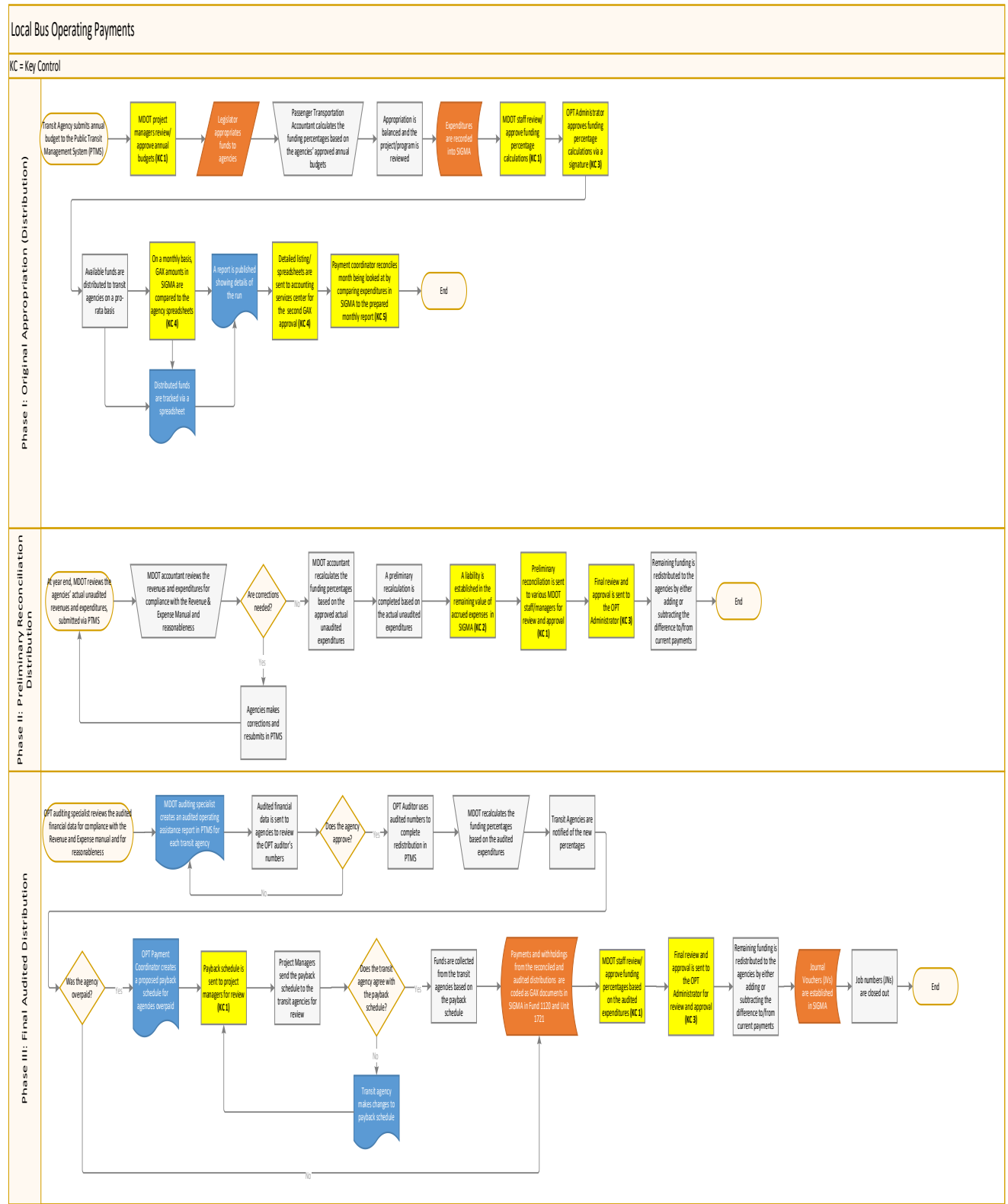
Electronic copies of the completed audits are required to be submitted to Michigan Department of Treasury's website. OPT will review the completed CPA audits. The agency will receive a letter for concurrence from OPT for each closed authorization after Commission Audit has also completed their review.

After all agency CPA audits are reviewed by OPT, the OPT Auditing Specialist will compile all Audited OARs statewide to calculate a new state operating assistance percentage. Based on the percentage changes from the audited calculation, an agency could owe OPT or OPT could owe an agency. If an agency owes OPT, an agency's Regional Project Manager will send the proposed repayment plan for concurrence and invoices will be sent to the agency. If OPT owes an agency, the funds will be paid back after OPT is able to collect all the funds from the agencies that owe funds to OPT. The audited redistribution happens within two years after the fiscal year end.

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What All Transit Agencies Need to Know

Local Bus Operating Cycle:



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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 funding, Section 5311 operating is only redistributed based on the Audited OARs and not the Reconciled OARs. **Since FY2022 agencies are only reimbursed on the amount earned, based on eligible expenses up to the amount on the awarded authorization. If the eligible expenses on the CPA audit are less than the Reconciled OAR, the agency will be invoiced for the amount that was overpaid.**

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What All Transit Agencies Need to Know

Section 6 Resources

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

Section 7: Capital Funding Requirements

ProjectWise

ProjectWise is project software from Bentley Systems and is used by OPT, MPOs/RPAs, and transit agencies to manage authorization, subcontracts, and 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 to compile payment requests.

Payment Submittal
and Milestone
Reporting

ProjectWise Procedures

- All payment requests must be submitted using the current [3194 ProjectWise payment form.pdf](#) . All backup documents must be attached to the payment request form.
- The Regional Project Manager receives an email when the payment has been submitted
- After reviewing, the Regional Project Manager can approve the payment or return it to the agency within ProjectWise with comments on items needed.
- 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.

Training

- Transit agencies can contact MDOT-ProjectWiseConsultant@michigan.gov if they are having any issues with the program.
- There are many Project Wise training documents including [Instructions](#) and [Videos](#).

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What All Transit Agencies Need to Know

- Transit agencies can see the audit trail of the payment as it progresses through the process by highlighting the payment in Project Wise and hitting the space bar. Clicking on the audit tab will show where the payment is in the approval process.

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 by the agency at the time of the notification of award
 - **NEW ITEM** - Local Match box should only be marked yes if the **project authorization shows local funding (L)** 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 requesting a bus, radio, and decals on the payment request, group all items from the same line authorization line together on one line.
 - Regional 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 the project authorization. If there is more than one number listed, look at the authorization line number to determine the job number for the line being requested for reimbursement.
 - Payable Field - only mark yes if the invoice is dated before the current fiscal year.

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What All Transit Agencies Need to Know

Procurement Forms - (Must submit with capital payments)

- See the [MDOT REVIEW OF PAYMENT/COMPLIANCE](#) document for all required forms by type/amount of procurement
- **Micro-purchase** - less than \$10,000
 - Requires Fair & Reasonable form- dated before date of invoice
 - Davis Bacon documentation for facility construction projects more than \$2,000.
 - Agencies should always consult with the OPT Procurement Analyst for facility improvement projects over \$2,000 to determine if the project requires Davis Bacon wages and documents.
- **Small Purchase** - \$10,000 up to \$250,000
 - Procurement must be coordinated with OPT Procurement Analyst and approval of written specifications required before they can be shared with potential vendors.
 - Procurement method options:
 - 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 Bus Payment

To ensure that vehicle payments can be processed within 14 days of submittal OPT recommends that agencies include all the required documents based on the type of vehicle purchase. The checklists include links to the forms and detailed instructions on how all the forms must be completed to be approved.

[State Contract Vehicle Payment Checklist](#)- vehicle purchased from state contract procured by OPT.

[Local Purchase Vehicle Payment Checklist](#)- agency worked with OPT Vehicle Analyst to get specifications and award approved for vehicle purchase.

When vehicles are delivered agencies have 45 days to pay the vendor before interest charges are incurred. Agencies should submit vehicle payment requests to OPT within 10 days of delivery to ensure that the payment can be processed in a timely manner. Agencies can submit additional payment requests for decals, radio, etc. to ensure that the bus payment is not delayed.

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What All Transit Agencies Need to Know

Vehicle and Equipment Advisory Team (VEAT)

OPT has a Vehicle and Equipment Advisory Team that provides input on state vehicle contracts, and we encourage interested agencies to 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 and October 1

When agencies are awarded a capital or planning project authorization the procurement/purchase progress for the item(s) included must be reported twice a year. This information is collected in PTMS in the Milestone Reporting module. There will be a milestone report for each capital item on the awarded authorization.

If there is not sufficient progress on the completion of the project the agency will receive a Milestone Warning letter from OPT which will affect any requests for extending the expiration date of the authorization.

IMPORTANT NOTES-

- **DO NOT** enter the milestone report until the 1st day after the quarter ends as the system will not register the correct quarter until then, and the information will not be saved. The agency will receive the notification in the OPT Weekly Express when the system is available to enter 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 Grant 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 the transit agency **receives reimbursement** for the capital item.
- Ensure that **each milestone field** has dates filled out on each milestone report 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, the vendor's name must be populated in the Selected Vendor field.

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What All Transit Agencies Need to Know

Payables

- A year-end training course is conducted each year with OPT and MDOT Finance in September for all transit agencies and it is highly recommended that each agency have someone in attendance.
- OPT will provide payable information in the OPT Weekly Express in August of each year including information on submitting a payable report to the assigned Regional Project Manager.
- The payables report should include any goods or services that the **agency anticipates receiving before September 30th 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 4th quarter operating expenses (specialized services, JARC, and New Freedom) is required to set up a payable, except for Section 5311 operating which will be done by OPT automatically.
- Agencies that do not set up payables correctly will be required to send a payable justification form explaining why the correct information was not submitted.
- **Payable payments must be submitted by December 31. Payments submitted after this date may not be reimbursed.**

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What All Transit Agencies Need to Know

Section 7 Resources

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

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 PTIMS
- An agency can have administrative vehicles or vehicles that are being used for spare parts shown in the Equipment module of PTIMS. These vehicles are non-revenue vehicles and will not carry passengers at any time, unless an incidental use form has been submitted to MDOT. This form states that the agency will ensure adequate insurance is on the vehicle to cover a passenger in case of an accident, and that the driver of the vehicle is included in the drug and alcohol testing pool of the agency.

Replacement
and Disposal

Replacement Criteria

- Each vehicle that is purchased has a designated number of years and miles to reach its useful life. If an agency is ordering from a state contract the age and miles to meet the useful life 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 an agency purchases a used vehicle with local funds the vehicle must meet its useful life and be in service for two years before it would be eligible for replacement.
- OPT's current contracts document found in this [State revenue vehicle contracts and vehicle procurement](#) link can be used to verify the useful life and contract expiration dates for vehicles.

Funding

- OPT receives Section 5339(a) 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.

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- FTA may request applications for 5339(b) Bus and Bus Facilities and 5339 (c) Low No Bus and Bus Facilities discretionary funding and OPT will respond to the request for rural agencies and interested urban agencies.
- Each year during the annual application review, 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
 - The percentages state-wide are ranked from highest to lowest and the funding starts with the agency with the highest percentage 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 unless an agency submits justification that is approved by OPT.
 - If a vehicle is chosen for replacement, agencies will be notified by email from OPT with a due date to submit verification forms which will be used to create authorizations for funding

Purchasing Vehicles

State Vehicle Purchasing Program

- [State revenue vehicle contracts and vehicle procurement](#) can be accessed from this link
 - These are the available contracts agencies may use to order vehicles unless the agency wants 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. **An agency must get the order form from the link above at the time of completing the verification form process.** The order forms are updated on the website for each new extended purchase contract. If an agency saves the order form and use it again in the future, they may be using an order form from an expired contract or one that does not reflect a price increase. This may result in agencies not being provided with enough funds in their authorization to purchase the desired bus, and the balance would be required to be paid with local funds.

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What All Transit Agencies Need to Know

- **Be sure to include the cost of radio, decals, and bike racks and security camera in the local options area on the order form if not chosen as a bid option.**
- Verification forms must be submitted in the Agency Submittals folder of Project Wise by the due date to ensure funding.
- Before purchasing a vehicle from a state contract refer to the [Guidelines for State Vehicle Contract purchases](#)

Local Purchase- (purchasing done by the transit agency but reviewed and approved by OPT)

- OPT will provide oversight for vehicles that are procured locally that have federal or state funding administered by OPT
 - 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 [MDOT Local Vehicle Purchase Guidelines](#)

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 2 weeks of the date that all correct paperwork is received
- When an agency receives a new vehicle, that **DOES NOT** mean the agency must immediately dispose of the vehicle that the new vehicle is replacing. Agencies will only 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.**
- The spare ratio can be found at the top of the screen of the vehicle module of PTMS. The transit agency will be responsible for ensuring that the peak and spare numbers are accurate.

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What All Transit Agencies Need to Know

PTMS Spare Ratio Computation Example:

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

Disposing of Vehicles

- Please review the [External Procedure #10 Transit Vehicle/Equipment Disposal](#) to ensure all items are followed.
- When a vehicle has met its useful life an agency **must request disposal** by filling out the [Vehicle Disposal/Transfer Request Form](#).
- The disposal request form and a copy of the vehicle title, (if MDOT /State of Michigan is the first secured party on the title), must be sent to the Regional Project Manager. A lien release for the title will be electronically signed by the OPT Administrator and sent to the agency with the disposal approval letter.
- The letter will detail the acceptable methods of disposal that are available for agencies. All vehicle disposals **MUST BE COMPLETED WITHIN 90 DAYS** after the date of receipt of the letter of approval. **Vehicles not disposed of in 90 days by the annual application review will cause a finding on the funding application.**
- When agencies request 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 entered into the equipment module in PTMS after the disposal process.**

Rural Agency- Vehicle Accidents

- **When a vehicle is involved in an accident, inform the Regional Project Manager of the accident as soon as possible.** Be sure to conduct any required drug and alcohol testing from the transit agency's approved Drug and Alcohol Policy.
- After the insurance company has done their appraisal, inform the Regional Project Manager 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 provide agencies with an amount that will be paid out for the vehicle if it still has depreciable

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What All Transit Agencies Need to Know

- value. **Once an agency receives the insurance check it needs to be deposited into the agency's account. A check made out to MDOT for the insurance check amount must be mailed to MDOT at the address listed on External Procedure #10. Send the Regional Project Manager an email informing them that the check has been sent.**
- Once OPT has received 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 the insurance deductible if the amount of deductible is not withheld from the insurance check.** It could be over a year before funding becomes available for vehicles that are a total loss.

Vehicle Proceeds as of 10/15/21

- Please review the [External Procedure #10 Transit Vehicle/Equipment Disposal](#) as the amount of funding that could be owed to FTA/MDOT will be shown depending on the amount of the sale proceeds received from the disposal.
- Rural agencies that owe funding back to FTA and MDOT:
 - An invoice will be emailed by MDOT Finance for the state funding portion that is owed, and it can be paid using the methods detailed on the invoice.
 - An invoice will be emailed by the OPT TSS Manager for the federal funding portion that is owed, and it must be paid using the pay.gov website with the instructions on the invoice.
- Urban agencies that owe funding back to FTA and MDOT:
 - An invoice will be emailed by MDOT Finance for the state funding portion that is owed, and it can be paid using the methods detailed on the invoice.
 - The federal funding portion that is owed must be paid using the pay.gov website after receiving the disposal approval from FTA. No invoice will be received by the agency.

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What All Transit Agencies Need to Know

Section 8 Resources

- [Guidelines for Local Purchase Vehicles](#)
- [Guidelines for State Vehicle Purchases](#)
- [State Contract Vehicle Payment Checklist](#)
- [Local Purchase Vehicle Payment Checklist](#)
- [OPT Current Contracts](#)
- [Vehicle Disposal/Transfer Request Form](#)

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 OPT 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 sent information and must complete**

Knowing the Federal Regulations an Agency Must Follow and Ensuring an Agency is Complying

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 a revenue vehicle is moving. 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 OPT Compliance Analyst will verify the current approved policy is on file at MDOT.
- Confirm pre-employment testing is conducted, and that the results were obtained before employees performed any safety sensitive work.
- Confirm that agencies check 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.
- Ensure that random tests are scheduled at random times including all days and all hours of service, including notice of testing to employees containing all pertinent employee notice of testing and time information (time of arrival at testing site, time of testing, etc.).
- Verification that alcohol tests were conducted before drug tests, if applicable
- Ensure that employees arrive at the testing site within the allowable time frame

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What All Transit Agencies Need to Know

- Inquire about 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 about any reasonable suspicion testing and **full written documentation** of any reasonable suspicion tests. Inquire about any return-to-duty tests. (**NOTE: employees returning from long-term absences 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) and/or Drug and Alcohol Program Manager (DAPM)
- Signed 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, the best practices would provide for at least two employees trained in reasonable suspicion 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 the drug and alcohol training program that is 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 are included in the email. The report is broken down by safety sensitive positions for testing numbers.
- To submit, the report must be in the signed status, pending the grantee review
- An agency 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 wheelchair 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 on file.
- Review documents of accessibility training given to employees
- Review of 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

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What All Transit Agencies Need to Know

- Ensure that the announcements of stops are being made by drivers
 - Ensure that there are vehicle identification mechanisms in place when more than one vehicle uses the same stop
- In addition to the ADA Compliance on-site review, sub-recipients are required to submit their [ADA INFORMATION FORM](#) during the annual application process in which they apply for federal financial assistance.
 - OPT Regional Project Managers review the form for completeness and save the complaints for review by FTA during MDOT's State Management Review

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 3rd 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 an 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 the federal cognizant agency (the agency from whom it receives most federal funding).**

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 the Federal Motor Carrier Safety Administration (FMCSA). Evidence of participation in a drug testing program must be provided.**

MDOT 101 TRAINING

What All Transit Agencies Need to Know

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 provides a charter service with locally owned vehicles
- Ensure that all applicable quarterly reports were filed with MDOT in a timely manner
- Verify if any advisory opinions or cease and desist orders were filed against the agency

Quarterly Charter Reporting- Due 10 days after quarter end

- A notice from OPT will be sent in the OPT Weekly Express quarterly to each agency with the Excel spreadsheet to report along with reporting instructions and a charter fact sheet
- There are four instances when service falls under charter regulations and must 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) people 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 the facility
- Ensure that any new facilities are accessible or receive equivalent facilitation approval documentation from FTA
- Note any facility improvements since the last review and ensure ADA guidelines were followed
- Ensure that all construction or improvements over \$2,000 followed the Davis Bacon Act by reviewing certified payroll records

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What All Transit Agencies Need to Know

- Ensure that all accessible features are operative
- Identify any incomplete construction or unused space
- Verify any rental agreements with other agencies
- Review of the approved Facility/Equipment Maintenance Plan and the coordinating inspection sheets completed since the last review
- Verify that the equipment listed in the equipment module of PTIMS can be found at the agency
- Ensure that agencies have conducted a physical inventory within the last two years
- Ensure that the agency has a control system to prevent loss, damage, or theft of property
- Verify any 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 is 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 an exclusive school bus service
- Verify whether the agency is operating a school bus service with locally funded vehicles
- Review the qualifications of tripper service and that the agency meets the federal requirements. **This pertains only to agencies that operate fixed route service.**

MDOT 101 TRAINING

What All Transit Agencies Need to Know

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 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 review 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
- Ensure that the Title VI information is displayed in facilities and the 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 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 a 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 the agency operates 50 or more fixed route vehicles in an urbanized area with a population over 200,000.**
- 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 Regional Project Managers review the form for completeness and save the complaints for review by FTA during MDOT's State Management Review.

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What All Transit Agencies Need to Know

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.

Additional OPT Reports

Performance Measures Report- Section 5310 agencies only- Due in October

- A notice will be sent by OPT in the OPT Weekly Express in September 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 the fleet. This is to ensure that all Section 5310 vehicles have updated mileage in PTIMS, as not all Section 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 PTMS is accessed. The MDOT DBE Commitments Awards and Payments application will need to be requested on the MiLogin website if it does not appear in the applications.
- Always ensure that the **FTA and MDOT report buttons** are selected at the top of the report
- **All agencies receiving Section 5311 operating funding must report all federal funding received during the time frame.**
 - The only agency that could have a zero report with no federal funding being received during the timeframe would be a Section 5310 agency that was not reimbursed for any equipment during that time.
- 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**

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What All Transit Agencies Need to Know

- 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 the transit agency.
 - The race neutral and race conscious goals for MDOT will already be populated on the report. 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 Reports Due Dates](#)

The above link should be followed to ensure that all items due to MDOT are submitted by the due date. The link is also included in the OPT Weekly Express.

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What All Transit Agencies Need to Know

Section 9 Resources


- [MDOT OPT Section 5310 Compliance Review Preparation Guide](#)
- [MDOT OPT Section 5311 Compliance Review Preparation Guide](#)
- [FTA Drug & Alcohol Resources](#)
- [MDOT OPT Service Animal Policy Template](#)
- [MDOT OPT Oxygen and Respirator Policy Template](#)
- [MDOT OPT Cost Allocation Plan Guidance Document](#)
- [FTA Charter Bus Service Regulations](#)
- [FTA Charter Registration Website](#)
- [MDOT Charter Fact Sheet](#)
- [Qualified Human Service Organizations Registration Process](#)
- [MDOT OPT Sample Vehicle Maintenance Plan Template](#)
- [MDOT REVIEW OF PROCUREMENTS](#)
- [Procurement Guidelines for Grantees Receiving Federal Transit Funds via MDOT](#)
- [MDOT THIRD PARTY CONTRACT TEMPLATE](#)
- [MDOT OPT School Bus Service Guidance](#)
- [MDOT/FTA Annual Reports 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 training courses are tailored to a wide variety of transit employees: executives, administration, drivers, dispatchers, and vehicle technicians. **A full listing of training opportunities can be found in Chapter 10 Resources.** Below are some regularly scheduled training courses 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 Bus Roadeo- In August. 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 Roadeo to compete with their expenses paid by RTAP.

Frontline Training- In August (following the Statewide Roadeo). A three-day training course for dispatchers, drivers, technicians and administrative staff which offers intensive certification classes, in addition to hands-on training classes to increase the knowledge of transit employees and to benefit the agency.

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What All Transit Agencies Need to Know

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

OPT Accounting Training- Held in September. A one-day training course for accounting or administrative staff of Section 5307 and Section 5311 funding recipients focusing on updates and new information found within OPT's Revenue and Expense Manual.

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 is available in the ProjectWise application.
- Procurement Training- yearly as scheduled
- Compliance Training- yearly as scheduled
- MDOT 101- yearly as scheduled
- Annual Application Training- 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 Section 5310 or Section 5311 funding recipient is eligible for up to \$5,500 annually. RTAP Resources including guidelines and forms can be found on the [MPTA website](#).

Transit Agency Board Training

While OPT does not get involved with the day-to-day operations of a transit agency, there are many things that a Board of Directors needs to know that may differ from other boards that they have served 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
- The role of board members
- Board responsibilities

MDOT 101 TRAINING

What All Transit Agencies Need to Know

- 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 PowerPoint](#)

[National Rural Transit Assistance Program Training Resources](#)

- Includes
 - Training materials that are shipped free to transit agencies.
 - E-Learning courses- many courses including ADA Driver Training, dispatching and scheduling training, customer service training, reasonable suspicion training, and drug and alcohol training.
 - Webinars
 - Resource Center
 - Peer Networking

MDOT 101 TRAINING

What All Transit Agencies Need to Know

Section 10 Resources

- Michigan Public Transit Association [Training Calendar](#)
- [Michigan Association of Transportation Systems \(MASSTrans\)](#)
- [Rural Transit Assistance Program \(RTAP\)](#)
- [RTAP-Grant-Request-Form-FY2025.pdf](#)
- [Expense-Voucher-2025.xlsx](#)
- [RTAP-Travel-Rates-FY2025.pdf](#)
- [National Rural Transit Assistance Program Training Resources](#)

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 Regional 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

Regional Project Manager

OPT's Regional Project Managers are the agency's first point of contact and are available to answer questions from an agency. It is important for an agency to have contact with their Regional Project Manager in the following areas:

- Changes in contact personnel at the agency
- Authorization funding changes needed
- Vehicle/equipment disposals
- Bus accidents, incidents
- Any newsworthy events related to the transit agency

To find a map indicating Regional Project Manager's assigned by county, please see the [Transportation Services Sections Map](#)

Office of Passenger Transportation's [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 list of the areas on the home page of the website.

Procurement

- Procurement Guidelines document
- State Vehicle Contracts and Vehicle Procurement documents
- 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

MDOT 101 TRAINING

What All Transit Agencies Need to Know

Section 5304 Reports

- Final reports on OPT funded transit agency studies

Annual Application

- Annual Application instructions
- Annual Application training videos
- Annual Application FAQs
- Annual Application checklists for each funding program
- Annual Application Resources
 - RPA/RTF contacts
 - FTA Certifications & Assurances document
 - Sample public notice
 - Sample completed annual application forms
 - FTA Contract Clauses (FTA Master Agreement)
- Annual Application documents for applicants without PTIMS access

Transit Highlights

- Contains articles or news events for transit agencies that have shared the information with OPT. Please share any items that your agency would like included.

Mobility Initiatives

- Wireless charging roadway
- I-94 connected & automated vehicle corridor
- Smart border crossings
- Connected vehicles program
- National electric vehicle infrastructure formula program
- Road usage charges
- Michigan \$15 million Equitable Mobility Challenge
- Mobility Wallet Challenge
- \$8 million Michigan Mobility Challenge

MDOT 101 TRAINING

What All Transit Agencies Need to Know

Resources

- Audit & Accounting Information
 - Revenue & Expense manuals
 - LBO Reconciliation reports
 - Specialized Services Manual
 - Cost Allocation Listing
 - Useful Life Listing
 - Formula Distribution Percentages
 - Audit Year End Letters
 - Audit Guide for Transportation Authorities
- Transit Project Contracting Opportunities
 - To be used for transit agencies to post procurement solicitation documents for the public to view
- Laws and Regulations
 - Federal laws and regulations
 - Michigan laws and regulations
- MDOT Review of Payment/Compliance
 - Document showing all required procurement forms to be submitted with payment requests
- MDOT Training Manual
 - MDOT 101 Manual
- MiBid, Michigan's Internet Auction
 - MiBid Auctions
- Project Wise Instructions
 - Instructions for creating and submitting payment requests
- Project Wise Video Playlist
 - Module 1- Intro and Access
 - Module 2- Submitting a Payment
 - Module 3- Where's my Payment & Audit Trail
- Reference Manual for Transit Agencies
 - Cost allocation plans
 - Reporting matrix for transit agencies
 - MDOT/FTA required plans and policies
 - Audit deadlines and submitting a deficit elimination plan
 - Identification, review and follow up of audit findings
 - Local bus operating assistance advance
 - Payment processing

MDOT 101 TRAINING

What All Transit Agencies Need to Know

- Submitting quarterly and reconciled OAR
 - Urban area funding process including FHWA transfer of flex funds
 - Local disposal of vehicles or equipment
 - Local disposal of transit real property
 - Transit vehicle and equipment transfer
 - Title VI requirements
 - Public transportation accessibility plan processing
 - School bus service
- Related Links
 - MDOT Digital Signature Program
 - Departments and Agencies
 - Michigan Legislature
 - House Fiscal Agency
 - Senate Fiscal Agency
 - MPTA
 - MASSTrans
 - MPOs
 - Federal Government Links
- Rural Transit Facilities Assessments
 - See map, pictures and rating of Section 5311 recipient's facilities and equipment from the 2022 assessment from Baker & Associates.
- Vehicle Payment Checklist- Local Purchase
- Vehicle Payment Checklist- State Vehicle Purchasing
- State Vehicle Purchasing Program Bus Payment Example
- Tech Talk
 - Power Point presentations of all Tech Talks from 2020-current
- Michigan Transit Facts
- Michigan Public Transit Conferences and Training Calendar

Forms

- Passenger Transportation Forms
- Project Verification Forms
- Vehicle Order Forms (state purchase)

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What All Transit Agencies Need to Know

Publications

- [Public Statewide Technology Plan for Rural Public Transit Agencies](#)
- [Narrative for NTD Reporting](#)
- [Customer Satisfaction and Trip Purpose Report \(2018\)](#)
- [Transit Agency Training Plan Template](#)
- [2025 SGR Targets](#)
- [State Management Plan](#)
- [Transit Asset Management Plan](#)
- [Transit Asset Management Plan Certification](#)

Compliance

- [Compliance information](#)
 - [ADA](#)
 - [Charter Service](#)
 - [Cost Allocation Plans](#)
 - [Facility & Equipment](#)
 - [School Bus Transportation](#)
 - [Title VI Program](#)
 - [Vehicle Maintenance](#)
 - [Section 5310 and Section 5311 Compliance Review](#)
- [Drug and Alcohol Program Information](#)
 - [Regulatory Questions](#)
 - [Regulations](#)
 - [Resources](#)
 - [Training and Publications](#)

PTMS

- [PTMS login link](#)
- [PTMS Help Guides](#)
- [PTMS Contact Information](#)

Programs and Data

- [Universal Reduced Fare Program](#)
- [Program Data](#)
- [Rideshare Program](#)
- [State of Michigan Programs](#)

MDOT 101 TRAINING

What All Transit Agencies Need to Know

- Federal Programs

PTMS (Public Transportation Management System)- SOON TO BE REPLACED WITH PTIMS

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 new applications will be created each year and submit the application. A more detailed explanation of the annual application is found in Section 3. When the agency clicks on the year of the application it will open the following areas:

- Checklist- this is a tool for the agency to use to ensure that they 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) an agency will create the 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 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.

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What All Transit Agencies Need to Know

- Attachments- all items required to be attached to the application will be done in this module.

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 right 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 the 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

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What All Transit Agencies Need to Know

- year they were received in, when looking at replacement years.
- Status- a vehicle typically will either show as Assigned or Local Sale. An assigned vehicle is a vehicle that is currently in the 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 mileage by October 15 for each revenue vehicle based on the mileage that is taken from the vehicle after October 1 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 searching for a vehicle, including ones that have been disposed
- View Report button- this will allow a Vehicle Listing Report in PDF format to be viewed or printed.

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What All Transit Agencies Need to Know

Equipment Module

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

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What All Transit Agencies Need to Know

- 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

All Operating Reports Module

- New Button- **use this button to create a new OAR.**
- Report Year- choose the fiscal year of the report that is being created
- 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 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.
 - The Regional Project Manager will receive an email upon submission.
 - When the project manager reviews and approves the report, they will put it in 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.

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- 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 bold 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
- 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 by April 1 and October 1 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 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 it in 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 the 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.

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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.

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 any other agency statewide.

- This tool allows the agency to gather statistics for a transit agency and benchmark an 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](#)