

**NORTH DAKOTA DEPARTMENT OF TRANSPORTATION**  
**Local Government – Transit Section**  
**Transit Meeting Minutes**  
**October 29-30, 2019**

**Transit Representatives:**

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**Legislative Study Kickoff – October 28, 2019**

**Introductions:** The meeting started with everyone introducing themselves.

**Legislative Study:** A kickoff meeting for the upcoming transit legislative study was held on October 28, 2019. An overview of the study and the requirements were given by Steve Salwei, Director, Office of Program Management, North Dakota Department of Transportation (NDDOT).

The Small Urban and Rural Transit Center (SURTC) of NDSU, has been contracted to perform the study. Jill Hough and Jeremy Mattson from SURTC presented the scope of work to be completed, draft of survey questions and data collection procedures.

There will be multiple conversations to gather the information leading to a meeting with the findings before the report becomes final.

**Transit Meeting – October 29-30, 2019**

**Introductions:** The meeting started with everyone introducing themselves.

**Highlight Your Agency:** Colleen Rodakowski, Dickinson Public Transit, Darrell Francis, Souris Basin Transportation, Karrie Mikkelsen, Cavalier County Senior Meals & Services, and Lisa Bartlett, Kenmare Wheels & Meals gave a brief overview of their agencies.

**Dakota Transit Association (DTA) Conference:** Brian Horinka, DTA Board President, gave an overview of the 2019 DTA Conference that was held in Dickinson. The surveys have been reviewed and changes are being made for the next conference. Any suggestions are welcome and will be considered by the DTA board. Recently there has been declining attendance and agencies are encouraged to attend the conference where there are many training opportunities. The DTA Conference for 2020 will be held in Watertown, South Dakota.

**NDDOT Audit:** Terra Miller-Bowley and Emily Ulmen from the NDDOT Audit Services Division, provided a breakdown of the audits all transit agencies will receive and the risk assessment that will be given once the audit is complete. Discussion was also held on 2 CFR 200 that pertains to federal grant money.

Agencies will be contacted well in advance of an upcoming audit and will be provided a list of required documents supporting all costs charged to the projects by the agency. The audit team will work with agencies to make the audit process convenient as to not disrupt transit operations.

Federal money must be spent correctly, and agencies must be able to provide proof to the Federal Government that this is the case. This is critical. If the Federal Transit Administration (FTA) would audit NDDOT, all funding is at risk of being returned to the Federal Government if improprieties were found.

Audit Services has created two Excel spreadsheets for transit agencies enabling them to show detailed descriptions of operating/admin expenses, salaries, employee benefits, and invoice numbers. This spreadsheet allows for quick retrieval of documented proof of an expense that is requested for reimbursement. The spreadsheets will be emailed to all the transit agencies and can be used when submitting reimbursements. The NDDOT is not requiring the use of these spreadsheets but, encourages any transit agency that does not have a current tracking system to use them.

Written policies and procedures, along with segregation of duties, are a very important part of the internal security of an agency. These provide clarity for employees and creates checks and balances within the agency. Policies and procedures should be updated as needed and should be followed. There are two websites to serve as a guide for internal control: [www.coso.org](http://www.coso.org) and [www.gao.gov/greenbook/overview](http://www.gao.gov/greenbook/overview).

Three tests for reimbursement of federal money are: Is it allowable (necessary and reasonable), reasonable (ordinary and necessary), and allocable (incurred specifically for a grant, contract, project, etc). For allowable and unallowable costs, you can review 2 CFR 200 or contact the Transit Section.

Travel costs for transportation, lodging, subsistence, and related items are allowed if on official business, consistent with the documented travel policy, and do not exceed GSA rates. Business travel must be sufficiently documented and include who, what, when, where, and why for each trip. Least expensive unrestricted accommodations are to be used. If a more expensive choice is used, documentation of the need must be submitted.

**RTAP:** Authorization forms are required for out-of-state travel. If adding vacation time to the authorized training, be specific on the separation of business and pleasure. Per diem for meals is calculated by the state where a person is staying overnight. Conference costs that are extra and meant for entertainment are not allowed for reimbursement. Guest costs are also not allowed for reimbursement.

RTAP expense vouchers will need backup documentation for the hotel, travel, conference, and any other business-related allowable expenses. RTAP authorization and expense voucher forms can be emailed, as originals are not required.

**Disadvantage Business Enterprise (DBE):** Christy Campoll, an associate with RLS Associates, Inc., provided information on DBE requirements and completing the form. Information on the regulations can be found at 49 CFR Part 26. FTA requires NDDOT to have a DBE goal and report progress towards that goal. These goals need to be updated every three (3) years and FTA focuses on DBE at state reviews. DBE businesses must be registered with the state and have an active status. The DBE directory for North Dakota is located at [dot.nd.diversitycompliance.com](http://dot.nd.diversitycompliance.com) and can be downloaded.

The goal percentage is calculated with a specific methodology. The amount of DBE money spent is the total of all agencies that had DBE companies supply goods or services for the agency. Currently NDDOT's goal is 1.12% or \$3,372 (total for all transit agencies). Each agency is required to submit their DBE report to NDDOT biannually. The reporting section in BlackCat is set up that agencies can input their ongoing purchases and save to continue later. This eliminates the need to input it all at the end of the reporting period.

Contracting opportunities can be purchase orders, micro-purchases, capital projects, professional services, etc. Each purchase could qualify as a DBE contracting opportunity. Only the federal portion of the funds are reported. For reporting DBE qualifying purchases, the exact date of the purchase is to be used. For non-DBE purchases, it can be grouped by vendors with an end of the quarter date.

**Introduction to FTA Grant Programs:** Christy Campoll, an associate with RLS Associates, Inc., also provided an Introduction to FTA Grant Programs.

Section 5311 is for capital, planning, and operating assistance given to states to support public transportation in rural areas with populations of less than 50,000 and provides funding for state and national training and technical assistance through the Rural Transportation Assistance Program (RTAP). Subrecipients consist of state or local government authorities, nonprofit organizations, operators of public transportation, or intercity bus service receiving funds indirectly through a recipient. Funds are based on a formula of 83.15% apportioned based on land area and population in rural areas and 16.85% apportioned based on land area, revenue vehicle miles, and low-income individuals in rural areas.

Compliance elements consist of how strong your agency is with compliance with numerous regulations. Compliance reviews are conducted periodically for all federally funded subrecipients.

There are critical needs in the governance of 5311 funding. By-laws that address public transportation, board review of monthly transit financials, board meeting minutes should be recorded, signed and kept on file. The governing board should also approve key transit policies including, but not limited to, procurement, drug/alcohol, ADA, 3-5-year plan, Title VI, and if required a coordinated plan. Policies are training tools for staff to know what is and is not acceptable.

Financial management is a large part of a review. Checks and balances and documented financial procedures enforce accountability. Separation of duties can help eliminate fraud. Employees who write the checks should not be the one who signs the checks, same as with timecards. Accounting for fares collected from the vehicle to deposit in the bank should be verified by more than one person. Accounts payable should include multiple steps with more than one person. All steps in these procedures should be documented.

Preventive maintenance needs to be on time 80% of the time with a 10% variance allowed. Tracking maintenance and keeping it on time is very important. FTA requires this and reviews maintenance records.

Mandatory training should be current and records up to date. Knowing when staff are due to receive training is critical, so certification does not lapse.

School bus and charter rides cannot be exclusive. Rides funded by federal funds need to be open to the public.

Reasonable modification was introduced in 2015 and provides for the passenger's right to request slight changes to the pickup and drop-off locations. All passengers should be informed of this option and employees must be training on how to perform reasonable modifications. Reasonable modification requests can be by phone, email, or on the bus when assistance is required beyond the curb. NDDOT needs to be notified of any complaint that is filed. Complaints can go as high as the FTA for a final decision. Document everything of a complaint.

Title VI – Civil Rights signage is required to be posted in each vehicle, the website, brochures, and in the transit building. Agencies can use the NDDOT language link contract for translation if they choose to. They must sign up for the service and will only be charged when used. Title VI complaint tracking, documentation, and follow-up is critical.

Public participation for transportation changes is required. Public notices need to be advertised before changes can be put in place. Documentation of the process of notifying the public of upcoming changes need to be retained by the agency.

Public awareness gives the public knowledge of the transportation system. Notice of change can be accomplished by ads, signage in public places, open house, website, FaceBook, etc. Any changes of the transportation schedule, hours, fares, schedules, etc., should be updated as soon as possible.

Section 5310 is funding for Enhanced Mobility of Seniors and Individuals with Disabilities. The primary purpose is for improving mobility for seniors and the disabled to carry out and meet special transportation needs. A Coordination Plan needs to be approved by the agency board and NDDOT to receive these funds.

Program guidelines require 20% match for capital and mobility management source and assets must be included in the Transit Asset Management (TAM) Plan. FTA requires that 55% must be used on capital or traditional projects including buses, vans, wheelchair lifts, ramps, and securement devices. Also included are transit related information technology, mobility management programs, and acquisition of contracted transportation services. The remaining 45% of funding is for nontraditional projects including travel training, volunteer driver programs for mileage reimbursement, bus stop improvements, improving signage, purchasing vehicles to support accessibility, and mobility management.

For more information on mobility management you can visit National Center for Mobility Management at <https://nationalcenterformobilitymanagement.org/> and [http://onlinepubs.trb.org/onlinepubs/ndhrp/docs/NCHRP20-65\(68\)\\_FR.pdf](http://onlinepubs.trb.org/onlinepubs/ndhrp/docs/NCHRP20-65(68)_FR.pdf).

A Coordinated Plan needs to be in place for 5310 funded projects. This plan must include participation of specific groups of people including seniors, individuals with disabilities, representatives of public, private, and nonprofit transportation and human services providers, and other members of the public. Coordinated plans identify unmet transportation needs in the community, adopt goals and strategies to address unmet needs, and maximize the programs' collective coverage by minimizing duplication of services.

Required elements assess the available services that identify current transportation providers (public, private, and nonprofit) and transportation needs for individuals with disabilities and seniors, and any gaps in service and strategies to address the identified gaps.

In the planning process, a variety of opportunities for information can come from community planning sessions, focus groups (among riders), surveys and include not just transportation providers, but also human service organizations and members of the public with insight into the transportation needs and to involve them in decision-making with strategies and plan adoption. Outreach to the public regarding the Coordinated Plan can be accomplished through fliers, ads, posters, invitation letters, social media, etc. Completed plans with an adoption date need approval by the agency board and NDDOT.

Section 5339 is funding for vehicles and bus facilities. The program's purpose is to replace, rehabilitate and purchase buses and related equipment, construct bus-related facilities, including technological

changes or innovations to modify low or no emission vehicles or facilities. Eligible subrecipients are public agencies or private nonprofit organizations engaged in public transportation. A 20% local match is required and farebox revenue cannot be used as match. All assets purchased with 5339 funds must be included in the TAM Plan. Any replacement vehicles must have met the FTA/NDDOT useful life guidelines.

The list of eligible expenses include vehicles for fleet and service expansion or replacement, vehicle rebuilds and overhauls, maintenance and administrative facilities, bus shelters and bus stop signs, transfer facilities, bus malls, transportation centers, terminals, intercity facilities, park and ride stations, mobile radio units, supervisory vehicles, fare boxes, computers, shop and garage equipment, and innovative transit technology. Contact the Transit Section with any questions on what items may be eligible.

**Operating vs Capital Maintenance Expenses:** For 5311 grants, ordinary repairs to maintain day-to-day operations are considered operating expenses and are reimbursed at a 50/50 match. These include oil changes, fluid changes or additional fluid to maintain proper levels, tires, tire rotations, fuel, and small tool purchases to assist daily maintenance activities. Matching money can come from other federal non-DOT funds, state funds, local funds, contributions, etc.

Capital maintenance expenses are reimbursed at an 80/20 match and are for major and extraordinary repairs that will last more than one year, occur once or rarely, increase the life of the vehicle, or require larger expense to repair. Generally, costs should exceed \$500 but a single project cost must not exceed \$5,000 for 5311 capital maintenance reimbursement.

The reimbursement form has been updated to allow multiple capital expenses for submission. Example, a major, higher cost (\$5,000+) engine overhaul could be claimed under 5339. If an agency has a major repair with high costs, contact the Transit Section with any questions and how to proceed.

**Requesting Vehicle Reimbursement:** The Transit Section updated the Checklist for Vehicle Reimbursement. The checklist outlines the documents and procedures required for vehicle reimbursement of state or federal funds. All forms are in BlackCat under Global Resources. Once all required documents are completed, upload into BlackCat.

**Single Audit Certification and Required Audits:** SFN 60639, Single Audit Certification, is a form that must be completed by all subrecipients of federal funds. The audit and corresponding form must be submitted no later than nine (9) months after the close of the agency's fiscal year. The single audit must be submitted to the Federal Clearing House if one is required.

<b>Fiscal Year End Date</b>	<b>Required Submission Date (no later than)</b>
June 30	March 30th
December 31	September 30
September 30	June 30

The Single Audit Certification form must be completed if the subrecipient receives as little as \$1.00 in federal money. The agencies that receive \$750,000 or more in federal money must have a single audit. If the subrecipient is considered high risk and receives under \$750,000, they may still need to have an

independent audit. NDDOT will notify all subrecipients if an audit is required or if additional documentation is required. The form can be found at <https://www.dot.nd.gov/forms/sfn60639.pdf>.

**Title VI:** Subrecipients receiving federal and/or state funds are required to submit a Title VI Plan to NDDOT and it needs to be updated every three (3) years. Title VI plans are due March 1, 2020. Title VI templates will be updated and available in BlackCat Resources or on the Transit Operator Portal. Census data will also be updated and available in BlackCat Resources for assistance.

**BlackCat and RouteMatch TAM Vehicle Additions:** When adding vehicles to BlackCat and RouteMatch, required fields need to be completed before reimbursement can be considered. Detailed instructions were handed out for adding vehicles in RouteMatch and the required fields to be completed. Additional required fields are added to Inventories in BlackCat. A listing of all required fields with their definition were given to each agency present.

Upon submission of a reimbursement request, BlackCat and RouteMatch will be checked for complete and accurate completion of the fields. Missing information could cause a delay in reimbursement.

**Transit Topics:** The nonprofit tax exemption is now listed on the Title and Registration form and is the #10 exemption.

Agencies will be notified when the state bid is ready and posted. Email Becky with any new vehicles or options you would like to see on State Bid.

Agencies will be notified on expiring contracts enabling them to request an extension. Smaller vehicles purchased under a contract will now have shorter expiration dates.

At the conclusion of the meeting, a survey was distributed to the attendees to rate the meeting's training and provide an opportunity for suggested future topics.

The next meeting is tentatively scheduled for January 22, 2020.