



Metropolitan Council

Program Evaluation and Audit

Suburban Transit Providers (Subrecipients of Federal Funding)

Federal Program Compliance Review

05 July 2011

INTRODUCTION

Background

As the designated Metropolitan Planning Organization, the Metropolitan Council (Council) receives financial assistance from the Federal Transit Administration (FTA) for both transit operation and capital projects. The Council “passes through” the funding to six suburban transit providers, SouthWest Transit (SWT), Minnesota Valley Transit Authority (MVTA), Plymouth Metrolink (Plymouth), Prior Lake Transit (Prior Lake), Shakopee Transit (Shakopee) and Maple Grove Transit (Maple Grove). Suburban transit providers use federally funded buses and most of them obtain federal funding for major capital projects. FTA requires that each recipient of federal assistance, along with any suburban transit provider or subcontractor, is required to comply with all federal regulations to continue receiving federal assistance.

In its 2009 Triennial Review, the FTA found the Council’s level of oversight and monitoring of contractors and suburban transit providers to be inadequate. In response to this finding, Metropolitan Transportation Services (MTS) requested that Program Evaluation and Audit hire and supervise teams of graduate school interns to assess the compliance of the suburban transit providers and contractors.

Purpose

The purpose of this review is to ensure the compliance of the suburban transit providers with U.S. Department of Transportation (DOT) and FTA requirements with regards to policies, documented processes, and procurement contracts content.

Scope

This review included the six suburban transit providers: SWT, MVTA, Plymouth, Prior Lake, Shakopee, and Maple Grove.

The review included an assessment of each provider’s compliance with FTA regulations associated with operations and documented policy requirements in the following areas:

- Americans With Disabilities Act (four sub-areas)
- Buy America (four sub-areas)
- Drug and Alcohol (18 sub-areas)
- Financial (four sub-areas)
- Lobbying (two sub-areas)
- Maintenance (five sub-areas)

- Procurement (three sub-areas)
- Safety and Security (two sub-areas)
- Satisfactory Continuing Control (six sub-areas)
- Suspension and Debarment (two sub-areas)
- Technical (two sub-areas)
- Title VI (seven sub-areas)

Due to the time constraint, only MVTA, which had construction projects and vehicle procurements recently, was reviewed for compliance with federal provisions on Procurement, Contract, Buy America, and Suspension and Debarment.

Methodology

Each review was conducted in three parts:

- A desk review of all written plans, policies, training materials, and other required documentation
- A questionnaire covering standard practices and procedures
- An onsite review consisting of questions of various staff as well as physical verification of documents and condition of property

Assurances

This audit was conducted in accordance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing* and the U. S. Government Accountability Office's *Government Auditing Standards*.

OBSERVATIONS

The six suburban transit providers complied with most FTA regulations. There are three areas of FTA regulations in which some or all of the suburban transit providers require improvement. The areas in common requiring improvement are: Drug & Alcohol regulations, Maintenance regulations, and Title VI regulations. A misunderstanding on the part of suburban transit providers of some federal requirements contributed to the deficiencies identified during the review.

Policies

- 1. Suburban transit providers do not have certain policy items, or have the policy items incomplete.*

All suburban transit providers were found to have deficiencies within their policies. All suburban transit providers were found deficient with regards to major policies that include: Lobbying, Title VI, Satisfactory Continuing Control, and Maintenance. In addition, Suspension and Debarment, Buy America, Procurement, Drug and Alcohol, and ADA are policies that call for further attention.

No specific list of policy items is provided by the Met Council to the suburban transit providers, although it is the sub-recipients' responsibility to be aware of the requirements of federal regulations.

- 2. For suburban transit providers that contract out transit services operations, four do not have references of Federal regulations in their major operational contracts, and four do not have an ongoing system to monitor the compliance status of their operational contractors.*

Most of the suburban transit providers' relationships to their contractors are limited to financial and reimbursement issues. Insufficient operational monitoring has been conducted, such as regular garage inspections, on-time maintenance rate compliance, drug and alcohol test practice, and other compliance areas.

MTS and other units within the Council (Audit and Evaluation, Metro Transit, et cetera) have been directly contacting contractors of suburban transit providers to fulfill terms of federal compliance monitoring. Random checks of subcontractors and technical assistance to subcontractors are good practice for the Council as the direct grantee of federal funding; but the suburban transit providers should take up the responsibility of regular, ongoing monitoring.

Drug and Alcohol

- 1. A substantial number of suburban transit providers do not have policies sufficiently accurate regarding dilute specimen test results and test cancellations.*

FTA requires that transit providers must have a Drug and Alcohol Policy that states the various consequences associated with different test results. The policy must specify consequences for a dilute specimen and invalid cancellation as well as the Designated Employer Representative's (DER) required actions.

Three transit providers and their sub-recipient contractors do not have a clear policy about dilute test results and test cancellations, nor do their designated employee representatives have a good understanding of how to handle these test results. This may potentially cause failure to retest some safety-sensitive position applicants/employees when a negative result is strictly required, and thus is not in compliance of Federal regulation.

Subject experts from the Council provided Drug and Alcohol related training to suburban transit providers during the summer of 2010, during which the dilute test results and test cancellations were covered.

- 2. Suburban transit providers or their contractors do not have continuous training for employees on Drug-Free Workplace related issues.*

Four transit providers and their contractors do not have continuous training for employees on Drug-Free Workplace related issues, nor have they established an ongoing Drug-Free Workplace awareness program as required by FTA.

Subject experts from the Council provided Drug and Alcohol related training to suburban transit providers during the summer of 2010, where the ongoing Drug-Free Workplace awareness program was a major emphasis.

- 3. Suburban transit providers do not have written contracts or agreements with, or sufficient monitoring (regular mock collection, etc.) of, their service agents (collection site, etc.).*

A service agent is any person or entity, other than an employee of the employer, who provides services specified to employers and/or employees in connection with DOT drug and alcohol testing requirements. As an employer of safety-sensitive employees, the provider is responsible for the actions of all its service agents in carrying out the requirements of DOT regulations. All agreements and arrangements between employers and service agents concerning DOT drug and alcohol testing should include DOT regulations as material terms within the agreements.

None of the six suburban transit providers are in full compliance in terms of their relationship with their Drug and Alcohol test service agents. None have written contracts with collection sites, thus no clear definition of legal responsibility or service standard is specified for the collection site. Four of the transit providers do not conduct regular monitoring of their collection

sites through onsite inspection to see if the equipment and settings of drug and alcohol testing is federally compliant and if the sample collectors correctly follow the FTA procedure.

The Council conducted an audit of drug and alcohol test-related contractors of suburban transit providers in terms of Federal compliance in 2008. Many issues were identified in that audit including a lack of awareness of major test procedures of the test technician, and inappropriate test settings. Random reviews of drug and alcohol test-related subcontractors are good practice for the Council as the direct grantee of Federal funding, but the responsibility of regular, ongoing monitoring should be taken up by the suburban transit providers or their contractors with safety-sensitive employees.

Maintenance

- 1. Suburban transit providers or their operational contractors do not document in routine reports the on-time preventive maintenance rate.*

The FTA requires that each provider have a sound PM program to reduce the incidence of unscheduled repairs and extend the vehicles' useful life. The maintenance program should define the interval between PM inspections. Inspections happening no later than 110 percent of the scheduled interval are considered on time. The FTA considers a sub-recipient compliant if 80 percent or more of the inspections for any vehicle is performed on time (FTA C 5010.1D, Ch. II, Section 3 (a); Ch. IV, Sections 3 (k), (m); and FTA C 9030.1C, Ch. V, Section 5 (e)).

Four transit providers use a mile-based tolerance level for all vehicles to determine the on-time maintenance performance and/or do not track the on-time PM rate. Most of the suburban transit providers use 500 miles beyond the scheduled PM as the tolerance level for all vehicles. This is not in compliance with FTA's best practice recommendation when the scheduled PM interval is below 5,000 miles, which would exceed 110 percent of the schedule interval. Also, some suburban transit providers do not track the on-time PM rate or report it to the Council. The auditors noticed during onsite reviews that some of the overdue maintenance orders were not being attended to. Although all suburban transit providers are confident they attain the 80 percent on-time PM standard and all electronic maintenance records are obtainable from the software, some of them do not have the built-in capacity to generate the on-time rate number automatically. This lack of tracking systems within the software makes it hard to identify any pattern in late PM. Though each suburban transit provider has a PM program in place, they do not have documentation to show sufficiency of such system.

The Council's Fleet Management Plan states that "the Council and Lessees of Council-owned vehicles agree to comply with the manufacturer's preventive maintenance plan (or better) and will provide a written statement to the Council attesting to this agreement. Any deviation that reduces the level of maintenance from that prescribed by the manufacturer must be approved in advance and in writing by the Council." In addition the Plan states "The Council will conduct quality assurance inspections to ensure compliance with prescribed preventative maintenance schedules." No tolerance level or on-time PM rate tracking is specified.

- 2. Suburban transit providers do not have a written plan of equipment and facility maintenance.*

Federal regulations require that the sub-recipients have a written facility/equipment maintenance plan which include a) a system of periodic inspections and preventive maintenance to be performed at certain defined intervals; b) specific items to check during the inspection and preventive maintenance; c) remediation plan for late preventive maintenance; d) maintenance policy for all facility accessibility and steps to take when the equipment is not working to accommodate persons with disabilities; and e) permanent record keeping system.

Four suburban transit providers that own federally funded facilities do not have a written facility maintenance plan which specifies the items to inspect regularly in the facility and the interval of such inspection. Some only contract certain work (such as snow plowing) out to external contractors and address issues as they arise. As to Council-provided equipment, the suburban transit providers either lack a written maintenance plan or fail to document that they conduct regular preventive maintenance. For some, it is a matter of keeping proper written records, and for others it is the lack of the awareness of such requirements.

Title VI

1. Suburban transit providers have not developed procedures for investigating and tracking Title VI complaints filed against themselves.

None of the suburban transit providers have sufficiently developed procedures for investigating and tracking Title VI complaints, although some of them have a Title VI plan/policy in place. Most of the suburban transit providers are not aware that Title VI complaints require different handling methods than other service complaints, such as a written response in 60 days, appeal mechanism, and legal representation. For those who keep a complaint log, Title VI complaints are not separated and tracked separately from other complaint items.

The Council's Office of Diversity and Equal Opportunity (ODEO) has provided training and assistance to suburban transit providers on Title VI related issues, and helped suburban transit providers who have requested assistance in developing Title VI plans. The ODEO also has sample policies that suburban transit providers can adopt directly.

2. Suburban transit providers do not have sufficient documentation that there is sufficient effort to seek out the viewpoints of minority, low-income, or Limited English Proficiency (LEP) populations in the course of conducting public outreach and involvement activities.

Most suburban transit providers have participated in local governments' general outreach events but have not proactively organized public outreach and involvement activities to seek out viewpoints of minority, low-income, and LEP populations in their respective service areas. Five suburban transit providers do not maintain a written record of their outreach efforts.

CONCLUSIONS

The suburban transit providers reviewed were largely in compliance with FTA regulations. The suburban transit providers commonly had deficiencies in the areas of Drug & Alcohol regulations, Maintenance, and Title VI requirements. These deficiencies will require corrective action. Continuous monitoring and assistance from Metropolitan Transportation Services will help identify and correct deficiencies in the future.

Suburban transit providers' policies generally lacked certain FTA requirements in the areas of Lobbying, Suspension and Debarment, Title VI, Satisfactory Continuing Control, and Maintenance. Smaller suburban transit providers generally lacked requirements within the Drug and Alcohol and ADA policies. The larger suburban transit providers, which had procurements during the period of review, lacked certain requirements within the Buy America and Procurement policies.

Smaller suburban transit providers' contracts with the transit operations contractors lacked certain subcontractor monitoring provisions. The smaller suburban transit providers, furthermore, did not have a continuous program of subcontractor monitoring.

The suburban transit providers responded to the deficiencies identified with their individual services. Audit staff reviewed the submitted responses and the suburban transit providers reported to have already implemented or plan to implement corrective actions.

RECOMMENDATIONS

Program Evaluation and Audit recommendations are categorized according to the level of risk of the findings (conditions) they are designed to resolve.

- **Essential** – Steps must be taken to avoid the emergence of critical risks to the Council, or to add great value to the Council and its programs. Essential recommendations are tracked through the Audit database and status is reported annually to the Council’s Audit Committee and the Regional Administrator.
- **Significant** – Adds value to programs or initiatives of the Council, but is not necessary to avoid major control risks or other critical risk exposures. Significant recommendations are also tracked with status reports to the Audit Committee and Regional Administrator.
- **Considerations** – The recommendation would be beneficial, but may be subject to being set aside in favor of higher priority activities for the Council, or it may require collaboration with another program area or division. Considerations are not tracked. Their implementation is solely at the hands of the management.

The recommendations in this report cover two areas: follow-up for the review conducted by Program Evaluation and Audit, and ongoing oversight and review with regards to FTA compliance of contracted paratransit providers.

1. (Essential) MTS personnel should follow-up with each suburban transit provider to ensure that they have addressed cited deficiencies and are in compliance with regulations.

Compliance with FTA regulations is essential for all of the Council’s suburban transit providers. Enforcement of those regulations in policies and procedures is among the highest priorities for the Council in order to ensure ongoing financial support from the FTA. Therefore, based on the reviews conducted by Audit, MTS should oversee that corrective actions are promptly enacted by its contracted paratransit providers.

Suburban transit providers have been given a list of all deficiencies identified, and have responded to each finding. A summary of those deficiencies is in Appendix A. Suburban transit provider responses included a timeline for expected corrective actions. MTS should review the status of such corrective actions at the agreed upon date reflected in the timeline. If corrective action has not occurred or is deemed inadequate, MTS personnel should work with suburban transit providers to address the non-compliant item on a new agreed upon timeline.

Management Response: *MTS staff will review the status of corrective actions as proposed by each suburban provider and follow-up as appropriate on any unresolved deficiencies in a timely manner. On-going reviews will be conducted, on a rotating triennial cycle, with the assistance of the Council’s Program Evaluation and Audit department.*

Assigned Staff: Gerri Sutton
Deadline: January, 2012

2. (Essential) MTS personnel should provide ongoing support and guidance on FTA regulations and expectations for compliance.

Because FTA regulations can be extremely detailed and unclear to those who are not familiar with these federal requirements, MTS should continue to monitor and assist suburban transit providers in complying with all federal requirements. Most areas of non-compliance were due to a misunderstanding of regulations and expectations for documenting compliance of such regulations. Ongoing communication about operations and documentation associated with the FTA regulations will assist suburban transit providers in maintaining compliance.

Management Response: Annually, the Council conducts Federal Compliance training that all grant subrecipients are required to attend. Designated Council staff is available to answer questions regarding federal compliance. Contact information for Council staff has been provided to suburban provider management.

Assigned Staff: Gerri Sutton
Deadline: Annual Training and ongoing support

3. (Essential) MTS should conduct a review of a selection of suburban transit providers annually to ensure their continued compliance with FTA regulations.

The number of suburban transit providers that receive FTA funding through the Met Council would strain available resources if the Council were to conduct an audit/review of their systems on an annual basis. To create a more manageable cycle of reviews, Audit recommends that each year, MTS conduct federal compliance reviews for a selection of their suburban transit providers. The process would be similar to the process described above in *Methodology*. MTS would request documents and written policies deemed necessary by the FTA as well as a formal Questionnaire for each suburban transit provider. A designated reviewer would then visit the suburban transit provider's facilities to verify documentation required to be available onsite, verify compliance with the suburban transit providers documented policies, as well as review the condition of the facilities.

Management Response: MTS concurs with this recommendation and intends to employ interns, under the direction of Program Evaluation and Audit, to conduct these reviews on an ongoing basis.

Assigned Staff: Gerri Sutton
Deadline: ongoing

APPENDIX A

Deficiencies Identified

Sub-recipients Federal Regulation Deficiencies									
Topic	Citation	Finding	SWT	MVTA	Plymouth	Prior Lake	Shakopee	Maple Grove	Prevalence (# with deficiency/ # applicable)
Policy on Lobbying	General	Lacks policy item or has this policy item incomplete	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	6/6
Policy on Suspension And Debarment	General	Lacks policy item or has this policy item incomplete	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	NA	NA	NA	<input checked="" type="checkbox"/> Deficiency	3/3
Policy on Title VI	General	Lacks policy item or has this policy item incomplete	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	6/6
Policy on Satisfactory Continuing Control	General	Lacks policy item or has this policy item incomplete	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	6/6
Policy on Maintenance	General	Lacks policy item or has this policy item incomplete	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	6/6
Policy on Buy America	General	Lacks policy item or has this policy item incomplete	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	NA	NA	NA	NA	2/2
Policy on Procurement	General	Lacks policy item or has this policy item incomplete	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	NA	NA	NA	NA	2/2
Policy on Drug and Alcohol	General	Lacks policy item or has this policy item incomplete	<input type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	5/6
Policy on ADA	General	Lacks policy item or has this policy item incomplete	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	4/6
Subcontractor Monitoring - Reference of Federal regulations in contract	General	Lacks references to Federal regulations in major operation contract	NA	<input type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	4/5
Subcontractor Monitoring - Ongoing Monitoring System	General	Lacks ongoing system to monitor operational contractor compliance status	NA	<input type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	4/5
ADA	49 CFR 37.163	Lacks specific log of lift, ramp, or other accessibility equipment failures occurring while a vehicle is in-service	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	1/6

Topic	Citation	Finding	SWT	MVTA	Plymouth	Prior Lake	Shakopee	Maple Grove	Prevalence
Drug and Alcohol	Drug-Free Workplace Act of 1988	Lacks continuous Drug-Free Workplace training for employees	<input checked="" type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	4/6
Drug and Alcohol	49 CFR 655.45	Insufficient effort to ensure equal testing for all safety sensitive employees including special service drivers	<input checked="" type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	1/6
Drug and Alcohol	49 CFR 655.46	Policy is inconsistent with practice regarding second chance for those who tested positive previously	<input checked="" type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	1/6
Drug and Alcohol	49 CFR 40.197 40 CFR 655.15	Lacks policy about dilute test results or test cancellations	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	3/6
Drug and Alcohol	49 CFR 40.25	Insufficient in background checking in terms of previous non-negative test results, or policy regarding written consent to obtain or transfer such confidential information	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	1/6
Drug and Alcohol	49 CFR 40.11	Lacks written contracts or agreements with, or sufficient monitoring (regular mock collection, etc.) of its service agents (collection site, etc.)	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	6/6
Drug and Alcohol	49 CFR 655.43 49 CFR 655.71	Lacks appropriate reasonable suspicion decision making forms to keep documentation on reasonable suspicion tests	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	2/6
Drug and Alcohol	40 CFR 655. 14	Supervisors do not receive at least 60 minutes of training on indicators of probable alcohol misuse and at least 60 minutes on alcohol misuse	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	1/6
Drug and Alcohol	40 CFR 655.41	Lacks pre-employment drug tests for employees who have not performed a safety-sensitive function for 90 consecutive days and have not been in the random pool during that time	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	1/6

Topic	Citation	Finding	SWT	MVTA	Plymouth	Prior Lake	Shakopee	Maple Grove	Prevalence
Maintenance	FTA C 5010.1D, Ch. II, Section 3 (a); Ch. IV, Sections 3 (k), (m); and FTA C 9030.1C, Ch. V, Section 5 (e)).	Lacks a written plan of equipment and facility maintenance	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	6/6
Maintenance	FTA Triennial Review Workbook	Do not use 110% of the PM interval as the tolerance level or ensure at least 80% of inspections for any vehicle are performed on time	<input checked="" type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	4/6
Maintenance	49 CFR 37. 161-163	Not all vehicle and facility accessibility features are maintained regularly for proper operation	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	1/6
Title IV	49 CFR Section 21.9(b)	Lack procedures for investigating and tracking Title VI complaints	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	6/6
Title IV	FTA C 4702.1A Ch. IV 9	Insufficient effort to seek out opinions of minority, low-income, and LEP populations in public outreach activities	<input checked="" type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	5/6
Title IV	49 CFR Section 21.9(d), FTA C 4702.1A Ch. IV 5	Insufficient effort to inform the public of Title VI rights and disseminate this information through measures that can include but not be limited to a posting on the agency's website	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input checked="" type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	2/6
Title IV	49 CFR Section 21.9(d), FTA C 4702.1A Ch.V 1	Does not collect and analyze racial and ethnic data to show the extent to which members of minority groups are beneficiaries of programs receiving Federal financial assistance	<input checked="" type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	<input type="checkbox"/> Deficiency	1/6

APPENDIX B

Summary of Topics Reviewed

No.	Section	Description	Federal Regulation
1	Financial	Contractors must demonstrate ability to manage FTA grant funds and conduct an organization-wide audit. Four types of documents and the following sub-topics are covered in this review: <ul style="list-style-type: none"> • Sources of non-FTA funding for operating and capital expenses • General financial status • Annual single audit or other audit results • Unfunded deficits or liabilities 	FTA Circular 5010.1D, "Grant Management Requirements"
2	Technical	Subrecipients must have the ability to implement and manage grants properly. Two types of documents and the following sub-topics are covered in this review: <ul style="list-style-type: none"> • Procedures for grant administration and management • Subcontractor monitoring 	FTA Circular 5010.1D, "Grant Management Requirements"
3	Satisfactory Continuing Control	Contractors must maintain control over FTA funded facilities and equipment. 27 types of documents and the following sub-topics are covered in this review: <ul style="list-style-type: none"> • Property general requirements • Equipment inventory and control measure • Rolling stock tracking, replacement and disposal • Record keeping • Post-accident policy and procedure • Subcontractor monitoring 	FTA Circular 5010.1D, "Grant Management Requirements" FTA Circular 9300.1B, "Capital Investment Program Guidance and Application Instructions"
4	Maintenance	Contractors must keep federally funded vehicles, equipment and facilities in good operating order. 7 types of documents and the following sub-topics are covered in this review: <ul style="list-style-type: none"> • Maintenance policy • Vehicle maintenance • Facility/equipment maintenance • Warranty claims • Subcontractor monitoring 	FTA Circular 5010.1D, "Grant Management Requirements" 49 CFR 37, "Transportation Services for Individuals With Disabilities (ADA)"

5	Procurement	<p>Subrecipients will have procurement procedures that reflect applicable state and local law that ensures competitive procurements and will maintain a contract administration system to ensure contractor performance. Seven types of documents and the following sub-topics are covered in this review:</p> <ul style="list-style-type: none"> • Written procurement policies and procedures • Procurement history of full and fair competition • Cost estimate 	FTA Circular 4220.IF, "Third Party Contracting Guidance"
6	Buy America	<p>Subrecipients must meet Buy America requirements for procurements of steel, iron or manufactured goods. Special requirements apply to procurements of rolling stock. Three types of documents and the following sub-topics are covered in this review:</p> <ul style="list-style-type: none"> • Buy America policy • Buy America provision in the contract • Buy America certificates • Pre- and Post- Delivery audit for rolling stock 	49 CFR Part 661, "Buy America Requirements"
7	Suspension and Debarment	<p>Subrecipients are required to ensure that none of their principals and third-party contractors and subcontractors are debarred, suspended, ineligible, or voluntarily excluded from participation in federally assisted transactions. Two types of documents and the following sub-topics are covered in this review:</p> <ul style="list-style-type: none"> • Suspension and Debarment policy • Suspension and Debarment provision in the contract 	2 CFR Part 180, "OMB Guidelines To Agencies on Government wide Debarment And Suspension"
8	Lobbying	<p>Subrecipients and certain contractors/subcontractors must certify compliance with the Restrictions on Lobbying before receiving federal funds. Three types of documents and the following sub-topics are covered in this review:</p> <ul style="list-style-type: none"> • Disclosure form and Lobbying Certificates • Lobbying provision in the contract 	49 CFR Part 20, "New Restrictions on Lobbying"

9	Title VI	<p>Transit services and related benefits must be distributed in an equitable manner with no discrimination on the grounds of race, color or national origin. Seven types of documents and the following sub-topics are covered in this review:</p> <ul style="list-style-type: none"> • Employee Awareness • Customer Awareness • Recruitment • Complaint and hearing procedures • LEP plan • Public involvement activities • Subcontractor monitoring 	FTA Circular 4720.1A, "Title VI and Title Vi-Dependent Guidelines for Federal Transit Administration Recipients"
10	ADA	<p>Contractors must not discriminate against persons with disabilities in the provision of transit service. Six types of documents and the following sub-topics are covered in this review:</p> <ul style="list-style-type: none"> • Fixed route provision of service • Vehicle accessibility and facility accessibility • Maintenance of accessibility features and lift availability • Complaints/ Lawsuits 	<p>49 CFR Part 37, "Transportation Services for Individuals with Disabilities" 49 CFR Part 38, "ADA Accessibility Specifications for Transportation Vehicles"</p>
11	Safety and Security	<p>Contractors should have safety and security plans and document related expenditures. 16 types of documents and the following sub-topics are covered in this review:</p> <ul style="list-style-type: none"> • Safety • Security and emergency management 	TSA/FTA 17 Security and Emergency Management Action Items for Transit

12	Drug and Alcohol	<p>Contractors should have drug and alcohol testing program for safety sensitive employees, maintain a drug-free workplace and establish an ongoing drug-free awareness program. 31 types of documents and the following sub-topics are covered in this review:</p> <ul style="list-style-type: none"> • D&A Program General Requirements • Employee communication and awareness • Policy Statement and Drug Free Work Place • Drug and Alcohol Training • Pre-employment testing • Reasonable suspicion testing • Post-accident testing • Random testing • Return to duty/follow-up testing • Employer responsibilities upon receiving testing results • Background Check • Testing notifications • Record Keeping • Collection Site Monitoring • Drug testing labs monitoring • Medical review officer (MRO) monitoring • Substance Abuse Professionals (SAP) monitoring • C/TPA monitoring 	<p>Title 49 Part 40, "Procedures for transportation workplace drug and alcohol testing programs" 49 CFR Parts 655, "Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations"</p>
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