

SECTION 5310 STATE MANAGEMENT PLAN

FEDERAL CAPITAL ASSISTANCE FOR THE ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS PERSONS WITH DISABILITIES

**State of Indiana
Michael R. Pence, Governor**

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INTRODUCTION

Title 49 U.S.C. 5310 authorizes the formula assistance program for the Enhanced Mobility of Seniors and Individuals with Disabilities Program and provides formula funding to states and designated recipients to improve mobility for seniors and individuals with disabilities.

This program provides grant funds for capital and operating expenses to recipients for:

- Public transportation projects planned, designed, and carried out to meet the special needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or unavailable;
- Public transportation projects that exceed the requirements of the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. 12101 et seq.);
- Public transportation projects that improve access to fixed-route service and decrease reliance on complementary paratransit; and
- Alternatives to public transportation projects that assist seniors and individuals with disabilities with transportation.

Eligible applicants include private non-profit organizations and public bodies that coordinate specialized transportation services.

Other public transportation-related federal programs may provide support for Section 5310 projects, and Section 5310 projects may in turn enhance the effectiveness of these programs.

Indiana annually receives about \$3.0 million in federal funds to distribute on an 80% federal and 20% local matching basis for capital projects or 50% federal/50% local for operating projects. Approximately 50% of these funds are allocated by the Federal Transit Administration to small urbanized areas between 50,000 to 199,999 population. The other 50% is allocated to nonurbanized area under 50,000 population. The Governor of Indiana has designated the Indiana Department of Transportation (INDOT) as the agency responsible for administering Indiana's Section 5310 allocation for nonurbanized and small urban and areas.

The Indiana Department of Transportation, Office of Transit solicits Section 5310 applications, selects projects, executes grant awards, buys equipment (traditional Section 5310 capital projects) and monitors grants projects.

The **Section 5310 State Management Plan** explains the policies and procedures used by INDOT to implement the Section 5310 program.

A. PROGRAM GOALS AND OBJECTIVES

1. Goals and Objectives

The Indiana Department of Transportation (INDOT) Office of Transit's mission is to improve personal mobility and quality of life through the preservation and enhancement of passenger transportation systems. This mission is carried out through the following goals:

- Improve access to employment, services, education, and recreation for all Indiana citizens.
- Increase modal choices through high occupancy, shared-ride travel options to provide every community with a broad range of transportation options.
- Support affordable modal choices for all Indiana citizens.
- Encourage energy conservation.

INDOT has identified the following objectives to provide direction in the implementation of the Section 5310 program.

- To improve the access of seniors and individuals with disabilities to shopping, education, employment, health care, recreation and all other community services;
- To promote safe, effective and efficient delivery of transportation services for seniors and individuals with disabilities;
- To assist in the maintenance, development and improvement of transportation services for seniors and individuals with disabilities;
- To promote the maximum feasible coordination of Section 5310 funded services with other federal/state funding programs and local transportation providers.

2. Transit in INDOT's Long Range Planning Process

INDOT conducts a consultation process with local officials through the Annual Program Development Process (APDP).

The APDP process provides the mechanism for identifying transportation needs and programming of major capacity projects considered for inclusion in the INDOT Future Year Transportation Need Report (Serves as the agency's Long Range Transportation Planning Document), INDOT 5-year Asset Management Construction Program, and the INDOT State Transportation Improvement Program (STIP).

The APDP transportation decision-making approach provides a seamless process from planning through construction and encourages open communication for making informed decisions during all stages of project development. By involving all disciplines at the earliest stages of the process, issues affecting project type, scope, preliminary engineering, design, and cost are identified in advance. Resolving these issues in the early stages minimizes project development delays, while allowing the development and review of more context appropriate alternative improvements.

In the transportation decision-making process, public and stakeholder involvement is a key federally required component in the ADPD process, especially for major projects (new corridors, added travel lanes, new interchanges, and projects with costs reaching over \$5 million). Public and stakeholder involvement needs to be an early and continuing part of the transportation and project development process. Stakeholders are defined as individuals and groups who are, or may be impacted by, or have an interest in a project. In some cases, federal regulations define who stakeholders are. Typically stakeholders include: elected and appointed officials; the general public; businesses; environmental justice populations; and professional and technical staff from both INDOT and affected local governments agencies impacted by transportation decisions.

INDOT has prepared the INDOT Public Involvement Process (PIP) Manual to provide guidance to those who are engaged in providing public involvement opportunities related to INDOT decisions and actions and to let the public know what they can expect in terms of INDOT public involvement policies and practices. This manual is primarily addressed to INDOT staff and their consultants who will carry out INDOT's public involvement activities. The manual and additional details on INDOT's public involvement process and related procedures can be found on INDOT's website:
<http://www.in.gov/indot/2366.htm>

B. ROLES AND RESPONSIBILITIES

1. Federal Transit Administration (FTA)

The Federal Transit Administration is the federal agency responsible for oversight of the Section 5310 program. FTA reviews the statewide application before releasing the State's allocation of funding. The FTA Regional office requires annual program and financial reports to ensure that each state is meeting program objectives. FTA has issued guidelines (Circular FTA 9070.1G) which INDOT uses for administering the Section 5310 program.

2. Indiana Department of Transportation (INDOT)

As the Section 5310 administrative agency, the INDOT is responsible for:

- Developing program criteria;
- Soliciting, reviewing and approving applications;
- Procurement (traditional program) and monitoring of equipment throughout its useful life;
- Improving the coordination of specialized transportation services at the state and local levels;

3. Metropolitan Planning Organization (MPO)

The Metropolitan Planning Organization exists in small urbanized areas as a function of a local governmental unit or separate non-profit planning corporation. INDOT requires applicants from a small urbanized area to submit their Section 5310 application to the MPO for inclusion in the Transportation Improvement Program (TIP). The purpose of a TIP is to describe and prioritize all publicly funded highway and transit projects into a single, comprehensive document.

The MPO reviews the application in relation to the goals and objectives of the TIP. The MPO (or local TAC) must prioritize any two or more Section 5310 applications from the small urbanized area. MPOs are also responsible for development of their small urban area Public Transit – Human Services Coordination Plan.

4. Local Transportation Advisory Committee (TAC)

INDOT requires all subrecipients to participate in any existing Transportation Advisory Committee (TAC), or establish a TAC should none exist. Many areas already have groups that perform the functions of a TAC. These groups are acceptable as long as they have the proper representation and perform the activities required of a TAC. Subrecipients from small urbanized areas may use their local MPO planning process as their TAC.

The local TAC should consist of representatives from all sectors interested in the delivery of transportation services to seniors and individuals with disabilities. Suggested representation includes:

- Private for-profit and private non-profit transportation operators
- Public non-profit transportation operators
- Public transit providers
- Social service agencies
- Local elected officials
- Consumers of elderly/disabled transportation services
- Local and/or regional planners

5. FTA Section 5311 Program

The Section 5311 program makes federal operating and capital assistance available to rural areas for the development, improvement and use of public transportation systems. INDOT administers this program on behalf of the Federal Transit Administration.

Many Section 5311 recipients or operators in Indiana are non-profit organizations or public bodies. These agencies are eligible to receive assistance through the Section 5310 program. INDOT encourages Section 5310 applicants to participate in coordinating transportation with Section 5311 grantees as long as coordinated services will continue to meet the purposes of both programs.

6. Surface Transportation Program

The federal Surface Transportation Program (STP) is a source of flexible funds for both highways and transit projects. At a state's discretion, it may use STP funds for transit capital projects that meet the needs of seniors and individuals with disabilities. In addition, INDOT may use local STP funds for similar transit capital projects.

C. COORDINATION

INDOT considers coordination the heart of the Section 5310 grant program. Because demand for Section 5310 funds exceeds the annual allocation, INDOT uses the following state and local mechanisms to affect coordination:

1. Coordinated Public Transit-Human Services Transportation Plans

All Section 5310 projects are selected for funding from a locally developed coordination plan, developed as a result of participation by a wide range of stakeholders, including but not limited to, representatives of public, private, and non-profit and human services transportation providers, potential New Freedom applicants, potential New Freedom customers, advocacy organizations, medical professionals, local businesses, the general public. These local plans, county and/or regional, representing nonurbanized and urbanized areas, have been developed and adopted locally and comprise the Indiana statewide coordinated plan.

To be considered, each local coordination plan must contain:

1. An assessment of available services that identifies current transportation providers (public, private, and non-profit);
2. An assessment of transportation needs for individuals with disabilities, older adults, and people with low incomes.
3. Strategies, activities and/or projects to address the identified gaps between current services and needs, as well as opportunities to improve efficiencies in service delivery; and
4. Priorities for implementation based on resources (from multiple program sources), time, and feasibility for implementing specific strategies and/or activities identified.

The coordinated plan serves as the foundation for the program of projects and will be integrated into the metropolitan and statewide transportation planning processes and documents to demonstrate local policy support and Federal fund eligibility. INDOT provided assistance through its technical assistance contract for the development of these plans. These plans can be found at <http://www.in.gov/indot/2825.htm>

2. Coordination at the State Level

Interagency Cooperation Group - INDOT has established an Interagency Cooperation Group (ICG) to facilitate cooperation and coordination between INDOT administered transportation programs and the Section 5310 program. The purpose of establishing this group is twofold: (1) to assist and advise INDOT in the review and selection of Section

5310 grant applications, and (2) to provide a forum for discussing strategies and policies that may assist INDOT in achieving its program goals.

The ICG is comprised of the following members:

- Indiana Department of Transportation/Transit Office – 5310 Program Manager (Chair Person)
- Indiana Department of Transportation/Transit Office – 5311 Program/Project Managers (3)
- Indiana Department of Transportation/Transit Office – Transit Planner
- Rural Transit Assistance Program (RTAP) – Coordinator

3. Local Transportation Advisory Committee and/or Metropolitan Planning Organization

The foundation for maximizing transportation resources is the local Transportation Advisory Committee (TAC) and/or a Metropolitan Planning Organization (MPO). INDOT requires all applicants to participate in any existing TAC, to establish a TAC or to participate in the metropolitan planning process, typically through the MPO “Technical Committee”. These local organizations serve as an advisory and information resource to the applicants. INDOT charges each TAC/MPO with the following activities and responsibilities:

- To serve as a forum for the ongoing dialogue with community representatives on key issues, strategies, and plans for implementation as identified in the local Coordination Plan;
- Engaging in outreach efforts that enhance the coordinated process and identifying the opportunities that are available in building a coordinated system.
- Reviewing, commenting and prioritizing on the proposed Section 5310 grant application(s) ability to address any identified elderly/disabled transportation service gaps/needs in your service area, or to achieve efficiencies in service delivery, as identified in the local Coordination Plan.
- Conducting meetings - at a minimum - on a quarterly basis.
- Serving as a coordinator/host for technical assistance efforts, including training, workshops and seminar.

All these activities are part of an on-going process designed to assist the applicant in effectively using and coordinating local transportation resources. As part of the evaluation criteria, INDOT reviews the minutes of the local TAC/MPO meetings.

In addition to regularly scheduled TAC/MPO meetings, applicants pursue a variety of coordination activities with other public, not-for-profit and private transportation providers in their service area. Examples of these activities include:

- Joint training efforts (first aid, driver, passenger assistance techniques, etc.);
- Sharing or leasing vehicles with other agencies during normal down time;
- Joint marketing and outreach efforts;
- “Trading” passengers among agencies in cases where services overlap in a particular service area;
- Working together to obtain better prices on vehicle repairs, parts, fuel, insurance, etc.;
- Referring individuals to other agencies in your service area;
- Providing transportation services under contract to other non-profit organizations in your service area.

INDOT encourages all applicants to explore these and other methods for coordinating transportation services. Successful coordination may result in the commitment of other local agencies to purchase service, share resources and fully utilize the transportation services available in your area.

4. Leasing Vehicles

As part of the coordination process, applicants may request that INDOT allow their agency to lease the proposed vehicle(s) to another public or private transportation provider. INDOT will allow this as long as the applicant will maintain **control and responsibility** for the operation of the vehicle. INDOT must agree, in writing, to the lease between the Section 5310 applicant and the transportation provider.

Such an agreement should specify that the leased vehicle shall be used to provide transportation service to seniors and individuals with disabilities, that the vehicle may be used for incidental purposes only after the needs of these individuals have been met, and that the subrecipient or State must retain title to the vehicle.

5. Private Sector Participation

INDOT encourages all applicants to maximize opportunities for participation by private public transportation providers. This includes:

- Soliciting participation in local transportation advisory committees;
- Notifying private providers of pending grant applications; and
- Leasing of vehicles

D. ELIGIBLE SUBRECIPIENTS/ACTIVITIES

Traditional Section 5310 Projects

Section 5310(b) provides that of the amounts apportioned to states and designated recipients, not less than 55 percent shall be available for traditional Section 5310 projects—those public transportation capital projects planned, designed, and carried out to meet the special needs of seniors and individuals with disabilities when public transportation is insufficient, unavailable, or inappropriate.

This 55 percent is a floor, not a ceiling—INDOT may use more than 55 percent of its apportionment for this type of projects.

This means that at least 55 percent of any rural or small urbanized area's annual apportionment must be utilized for public transportation capital projects that are planned, designed, and carried out to meet the specific needs of seniors and individuals with disabilities. It is not sufficient that seniors and individuals with disabilities are merely included (or assumed to be included) among the people who will benefit from the project.

Further, the law provides that, for these projects, a recipient may allocate the funds apportioned to it to a:

1. Private non-profit corporation

A private non-profit corporation that provides or desires to provide transportation services to elderly persons and/or persons with disabilities. This is defined as an organization incorporated as a private non-profit corporation with the Indiana Secretary of State and receiving tax exempt status, from the Secretary of the Treasury, under 26 U.S.C. Section 501(c)3. Non-profit corporations must certify their non-profit status by providing INDOT a copy of their Certificate of Incorporation filed with the Secretary of State, at the time of application for grant funds.

2. Local Public Body

- ***A Local Public Body that certifies to INDOT that no non-profit corporations or associations are readily available in an area to provide the service.*** These public bodies must provide INDOT with letters from local private non-profit organizations stating that they do not provide transportation services in the proposed service area. For further information, see Appendix C.
- ***A Local Public Body approved by the state to coordinate services for seniors and individuals with disabilities.*** An example of an eligible public body would be a city/county department on aging or a public transit provider. The Local Public Body must provide a copy of documentation stating that 1) a county or multi-county not-for profit agency involved in providing services to elderly persons and/or persons with disabilities; or 2) a Metropolitan Planning Organization approved the Local Public Body as the coordinator of transportation services for elderly and disabled persons in

the proposed service area. A Local Public Body may not designate itself as the coordinator of these services. For further information, see Appendix C.

ELIGIBLE ACTIVITIES

Traditional Section 5310 Projects

1. Acquisition of expansion or replacement buses or vans;
2. Vehicle wheelchair lifts, ramps, and securement devices.

Other Section 5310 Projects – Eligible Subrecipients

For purposes of the INDOT's Other Section 5310 projects, eligible subrecipients must be an existing Section 5311 grantee or Section 5307 designated recipient in good standing and have met all requirements for those programs as stipulated in the INDOT Section 5311 State Management Plan and FTA Circulars 9040.1F and 9030.1E.

Section 5307 designated recipients must have previously received their designated status. For the Section 5311 Program, eligible subrecipients must be a unit of government authorized under state law to provide and carry out a local public transportation project. Eligible Applicants include counties, cities, or towns; Public Transportation Corporations (PTC) as established under Indiana Code 36-9-4-11; Regional Transportation Authorities (RTA) as established under I.C. 36-9-3-2; Regional Planning Commissions as established under I.C. 36-7-7, or non-profit organizations with formal resolution of the local governing board of an eligible public recipient.

This does not prohibit, however, projects where an eligible subrecipient would pass through the funding to another entity (see Pass-Thru Recipients paragraph below). Eligible subrecipients must document their participation in a locally developed coordination plan and how their proposed New Freedom project will serve the employment transportation needs of individuals with disabilities.

In areas where there are no Section 5311 grantees, INDOT will accept New Applicants, eligible subrecipients that are units of local government authorized under state law to provide and carry out a local public transportation project. Eligible Applicants include counties, cities, or towns; Public Transportation Corporations (PTC) as established under Indiana Code 36-9-4-11; Regional Transportation Authorities (RTA) as established under I.C. 36-9-3-2; Regional Planning Commissions as established under I.C. 36-7-7, or non-profit organizations with formal resolution of the local governing board of an eligible public recipient. In these cases, INDOT will work with these subrecipients to ensure that all applicable State and Federal requirements can be met.

Eligible Section 5310 “Other” Activities

Up to 45% of a nonurbanized or small urban area annual apportionments may be utilized for:

Public Transportation Projects that Exceed the Requirements of ADA.

The following activities are examples of eligible projects meeting the definition of public transportation services that is beyond ADA:

1. Enhancing paratransit beyond minimum requirements of the ADA.
2. Feeder services. New “feeder” service (transit service that provides access) to commuter rail, commuter bus, intercity rail, and intercity bus stations.

Public Transportation Projects that Improve Accessibility.

1. Making accessibility improvements to transit and intermodal stations not designated as key stations.
2. Travel training. New training programs for individual users on awareness, knowledge, and skills of public and alternative transportation options available in their communities.

Public Transportation Alternatives that Assist Seniors and Individuals with Disabilities. The following activities are examples of projects that are eligible as new public transportation alternatives:

1. Purchasing vehicles to support new accessible taxi, ride sharing, and/or vanpooling programs.
2. Supporting the administration and expenses related to new voucher programs for transportation services offered by human service providers.
3. Supporting new volunteer driver and aide programs.

E. LOCAL SHARE AND LOCAL FUNDING REQUIREMENTS

All local share must be provided from sources other than Federal DOT funds. Some examples of sources of local match which may be used for any or all of the local share include State or local appropriations; other non DOT Federal funds; dedicated tax revenues; private donations; revenue from human service contracts; toll revenue credits; and net income generated from advertising and concessions. Non-cash share such as donations, volunteered services or in-kind contributions is eligible to be counted toward the local match as long as the value of each is documented and supported, and represents a cost which would otherwise be eligible under the program.

Income from contracts to provide human service transportation may be used either to reduce the net project cost (treated as revenue) or to provide local match for New Freedom operating assistance. In either case, the cost of providing the contract service is included in the total project cost.

Local match may be derived from other Federal funds derived from Federal programs that are eligible to be expended for transportation, other than from the Department of Transportation programs. Examples include Temporary Assistance for Needy Families (TANF), Medicaid, Employment training programs, Rehabilitation Services, and Administration on Aging. To be eligible for local match for FTA funds, the other Federal funds must be used for activities included in the total net project costs of the FTA grant. Expenditure of other Federal funds for transportation outside of the scope of the project cannot be applied as a credit for local match in the FTA grant.

Traditional Section 5310 Projects

INDOT requires the applicant to provide 20% of the total cost of the equipment described in the application package. To help the applicant in determining the amount of local share, INDOT provides cost estimates in the application package. INDOT bases these estimates on the expected cost of the equipment at the time of purchase.

The applicant must provide the local cash match prior to vehicle delivery. The following are examples of eligible sources for match funding:

- grant or appropriation from a unit of government;
- income from purchase of service contracts;
- grants from service groups, foundations, individuals, United Way, etc.;
- Other state funds eligible to match federal funds;
- local fund raising efforts

In addition, the local share may be derived from Federal programs that are eligible to be expended for transportation (*other than DOT/FTA programs*). Examples of types of programs that are potential sources of local match include: employment, training, aging, medical, community services, and rehabilitation services.

Applicants must certify the availability of their share with a resolution passed by their Board of Directors or Governing Board. All applicants must list the funding source(s) dedicated to the project.

Section 5310 applicants must submit an annual operating budget, as well as their most recent audit, with their application to demonstrate they have the fiscal resources to operate the vehicle. The ability to provide for the local match and to operate the vehicle are included in the evaluation criteria for approval of the grant application. INDOT requires Section 5310 subrecipients provide the local cash match prior to vehicle delivery. INDOT reviews the annual audits for financial capability prior to grant award.

Other Section 5310 Projects

Other Section 5310 funds may be used to finance capital and operating expenses. The Federal share of eligible capital costs may not exceed 80% of the net cost of the activity. The Federal share of the eligible operating costs may not exceed 50% of the net operating costs of the activity. The local share of eligible capital costs shall be no less than 20% of the net cost of the activity, and the local share for eligible operating costs shall be no less than 50% of the net operating costs.

F. PROJECT SELECTION CRITERIA AND METHOD OF DISTRIBUTING FUNDS

All Section 5310 Projects

INDOT conducts a preliminary review to ensure each application has all the necessary information.

INDOT expects applicants to submit a complete application. Failure to address every requirement will exclude the application from consideration. Applicants not approved for funding may appeal the decision to the Manager of INDOT's Transit Office. For further information on the grant appeal process, see "Notification" later in this section.

INDOT will use the following criteria for the evaluation and selection of applications for Section 5310 assistance.

Evaluation Criteria

Coordination: Application is derived from a local or statewide Coordinated Public Transit – Human Services Transportation Plan. Participation in local Transportation Advisory Committee, notification of providers, and prioritization of applications. Identification and description of all existing public transit and human service transportation providers in proposed service area. Identification and description of elderly/disabled transportation service gaps/needs in proposed service area.

Project Need: Extent and urgency of need for requested capital equipment: Overview of agency programs and service area. Description of proposed service. Age/miles/condition of vehicle(s) to be replaced, fleet condition, accessibility needs & availability of alternative vehicle funding sources. Documentation of need for expansion vehicles (waiting lists, trip denials, estimated trips, ability to pay for expanded services). Demonstration of how the proposed equipment helps address identified elderly/disabled transportation service gaps/needs in proposed service area, along with strategies to address gaps for target populations.

Fiscal and managerial capability: Capability to provide responsive transportation to elderly & disabled public within service area. Ability to comply with contract provisions, provide local capital match (20%), vehicle operation and maintenance funding. Ability to develop and implement a preventative maintenance plan, provide driver training, advertise service, provide administrative oversight and organizational stability.

INDOT will use the above criteria to evaluate each vehicle requested from applicants. INDOT may grant partial awards to applicants requesting two or more vehicles.

INDOT will base evaluations on the information included in the application.

Because of limited program funds, INDOT has designed the application review process to identify projects of merit.

1. Assuring Equity of Distribution of Section 5310 Funds (Title VI)

Before distributing applications, INDOT puts public notices in newspapers throughout Indiana that serve minorities informing them of the availability of grant application packages from INDOT. INDOT conducts at least one application assistance workshop for interested applicants.

INDOT records each applicant's "ridership percentage by race" to insure an equitable distribution of grant awards among eligible groups within Indiana. INDOT also notes if it funded the application.

2. Assuring Locally Coordinated Plan

INDOT reviews each grant application to:

- assure that projects were selected from a locally developed coordinated plan; and
- assure that the local coordinated plan was developed in cooperation with stakeholders, including individuals with disabilities and older adults utilizing transportation services.

G. ANNUAL PROGRAM OF PROJECTS DEVELOPMENT AND APPROVAL PROCESS

1. Application (Traditional & Other)

Section 5310 funds are available to potential applicants on an annual basis. INDOT maintains a mailing list of potential applicants. Interested organizations may be put on this mailing list by phone call, e-mail, or mail to INDOT.

INDOT makes an application available to interested applicants – via e-mail and the INDOT Office of Transit website <http://www.in.gov/indot/2817.htm>, or hard copy - in early January. Applicants then have until the following March to complete the application.

Eligible equipment requests include passenger vehicles and accessibility equipment. INDOT includes a brief description for these items in the application package. Applicants may choose only from the vehicle options offered in the application package. By standardizing equipment, INDOT can take advantage of cost savings associated with volume purchasing. INDOT encourages applicants to provide input into the development of vehicle specifications. The best time to offer suggestions is in July or August, prior to solicitation of bids for vehicles awarded during the previous grant cycle.

Under the Americans with Disabilities Act, applicants may request **non lift-equipped** vehicles if they can certify the transportation service provided to persons with disabilities is equivalent to service provided to ambulatory persons. This certification is included with the grant application package and is in effect for the useful life of the vehicle.

2. Application content (Traditional)

The applicant must demonstrate service coordination, a need for requested equipment, and the fiscal and managerial capability to provide the service proposed in the application.

Applicants serving the same geographical area are encouraged to file jointly. Items such as Project Justification, Project Description, Provider Notification Letter and Public Notice should reflect the joint nature of the application.

All Applications must contain the following items:

Coordination

- Application Information Form
- Inclusion in local Transportation Improvement Plan (small urban areas only)
- Inclusion in local or statewide Public Transit – Human Services Coordination Plan
- Local Transportation Advisory Committee membership, minutes and recent activities
- Local Transportation Advisory Committee prioritization of applications (if needed)
- Local Public Body Certification (if needed)

Project Justification

- Need
- Project Description
- Additional support materials (pictures, maintenance records, etc.)
- Vehicle Inventory

Fiscal/Managerial Capability

- Fiscal/Managerial documentation
- Estimated capital budget
- Estimated Annual operating costs (this is not a request for operating assistance)

Certification

- Certificate of Incorporation
- Authorizing Resolution
- Standard Federal Assurances/Certifications
- Certification of Equivalent Service (if requesting a non lift-equipped vehicle)
- Lobbying Certification (if requesting over \$100,000 in federal funds)
- Section 13(c) Labor Protection Certification (if the applicant receives other FTA funding)

The annual INDOT Section 5310 Application package (available from INDOT) further discusses the individual items required in an application.

3. Application content (Other)

The applicant must describe existing transportation services, service area, number of passengers served, existing vehicle inventory, type of service provided, capital needs, proposed operating and capital budgets, procurement system, and system operation and performance.

4. Notification (Traditional and Other)

Applicants will receive written notification of INDOT's decision 3 to 4 months after the application deadline. INDOT incorporates approved applications into a statewide application (Program of Projects), which it then submits to the Federal Transit Administration. Receipt of FTA approval takes up to three months.

Any applicant not receiving approval of their application may appeal the selection decision to the Manager of INDOT's Transit Office. The Manager of INDOT's Transit Office will review all appeals. The process for filing an appeal is as follows:

- a. The affected applicant must send, by certified mail, an appeal within 15 calendar days after receiving notification of INDOT's decision. The appeal should be mailed to:

Indiana Department of Transportation
Transit Office Manager
100 North Senate, Room N955
Indianapolis, IN 46204

- b. INDOT will conduct a preliminary review within five working days, and if necessary, request by certified mail additional information from the applicant;
- c. INDOT will allow five working days for receipt of additional materials;
- d. The Manager of INDOT's Transit Office will make a final decision within 15 working days from the receipt of the appeal request, or within 15 working days from the receipt of additional materials;
- e. INDOT will notify the applicant in writing within five working days of its final decision;
- f. The applicant may appeal INDOT's final decision in accordance with Indiana Code 4-21.5-3-1, et seq.

5. Contract Execution (Traditional and Other)

Once INDOT receives FTA approval of the statewide application, INDOT will execute a grant contract with approved subrecipients.

The contract describes the responsibilities of each party, the equipment INDOT will purchase on behalf of the grantee, and the project budget. The President of the Grantee's Board of Directors/Governing Board must sign the contract, while the Board Secretary/Treasurer must attest the Board President's signature. INDOT, State Budget Agency, Indiana Department of Administration and the Attorney General's Office then sign the contract. The contract execution process takes approximately three months. INDOT returns a copy of the fully signed contract to the grantee.

**PART G
ANNUAL PROGRAM OF PROJECTS DEVELOPMENT AND APPROVAL PROCESS**

Activity	Actor	Time Frame
Distribute application package/ application assistance workshop	INDOT	January
Meet with local Transportation Advisory Committee	Applicant	Quarterly
Meet with local Metropolitan Planning Organizations for TIP approval and inclusion in Coordination Plan	Applicant (urban)	Jan/Feb
Insure inclusion in Statewide Coordination Plan	Applicant (rural)	Jan/Feb
Mail notification letters to local transportation providers	Applicant	Jan/Feb
Request Public Body Certification	Public Body Applicant	January
Application due to INDOT	Applicant	March
TIP certifications due	Applicant/MPO	March
INDOT review	INDOT	April
Statewide application to FTA	INDOT	May
Notify applicants of awards	INDOT	May
Inclusion in INSTIP	INDOT	Summer
Execute grantee contracts	INDOT/Grantee	Summer
Develop vehicle specifications	INDOT	Summer
Solicit and award bids for vehicles	INDOT/IDOA	July - Dec
FTA approves statewide grant	FTA	September
Execute purchase orders for vehicles	INDOT	Oct - Dec
Mail Local share to INDOT	Grantee	Jan (following year)
Vendors deliver vehicles (year)	INDOT/Vendors	by Dec (following year)
Perform financial closeout	INDOT	Following year
Submit Annual Vehicle Report (throughout vehicle useful life)	Grantee	January
Section 5310 Program Reviews	INDOT	Ongoing

H. STATE ADMINISTRATION, PLANNING AND TECHNICAL ASSISTANCE

INDOT uses up to 10% of the state's allocation of Section 5310 funds for program administration costs including administration, planning and technical assistance. INDOT uses these funds for general administrative and overhead costs, staff salaries, office supplies, and development of specifications for vehicles and equipment.

INDOT provide direct technical assistance through the following methods:

1. Conducts at least one grant application technical assistance workshop (traditional program);
2. On-site Section 5310 program reviews of the subrecipient's project;
3. Attending local Transportation Advisory Committee/Metropolitan Planning Organization meetings;
4. Development of a "INDOT Preventative Maintenance Manual" to assist traditional applicants/grantees. This manual is periodically updated and e-mailed to all "traditional" Section 5310 applicants/grantees;
5. Development of a "Section 5310 Vehicle Selection Guide" to accompany the traditional Section 5310 grant application;
6. Development of a Title VI Civil Rights Handbook;
7. Development of Human Services Public Transportation Plan for rural areas.
8. On-going telephone/e-mail technical assistance to applicants and grantees.
9. Direct one-on-one technical assistance with applicants and grantees.

INDOT also uses a portion of Section 5310 funds for providing technical assistance through the Indiana Rural Transit Assistance Program (RTAP). RTAP regularly schedules seminars, workshops, and training sessions for rural and specialized transit providers throughout Indiana. The Indiana RTAP website is <http://indianartap.com/>

I. TRANSFER OF FUNDS

1. Transfer to other FTA Programs

INDOT may use funds apportioned for small urbanized and rural areas for projects serving another area of the State if the Governor certifies that all of the objectives of the Section 5310 program are being met in the specified areas. Funds apportioned to small urbanized and rural areas may also be transferred for use anywhere in the State, including large urbanized areas, if the State has established a statewide program for meeting the objectives of the Section 5310 program.

INDOT may transfer apportioned funds only after consulting with responsible local officials, publicly owned operators of public transportation, and nonprofit providers in the area from which the funds to be transferred were originally apportioned.

INDOT will notify the FTA regional administrator of the State's intent to transfer funds. The notification will indicate the fiscal year of the apportionment, the amount of funds transferred, the program to which they are being transferred, and the selected Section 5310 projects for which they will be used.

2. Flexible Funds

Flexible funds from the Federal Highway Administration (FHWA) may be transferred to the Section 5310 program for use by the recipient. The funds will be treated under the Section 5310 program requirements, with the exception of the local match and the minimum requirement for 55 percent to be spent on traditional Section 5310 projects. The FHWA funds will maintain the FHWA eligible match, including the application of the sliding scale for a higher federal share. The funds are available for obligation by the state for two additional years after the year in which they are transferred.

For transfers of flexible funds to Section 5310, the recipient must notify both FHWA and FTA and request FHWA to transfer the funds to the appropriate FTA account. The transfer must be completed prior to grant award.

J. PRIVATE SECTOR PARTICIPATION

By Federal statute, the public is required to be involved in the transportation planning process. Specifically, private providers must be consulted in developing transportation plans and programs in both urbanized and rural areas. To this end, New Freedom applicants are strongly encouraged to establish a local Transportation Advisory Committee (TAC), Metropolitan Planning Organization (MPO) or board with private provider participation that would afford an opportunity to these providers for input into plan and project development. Applicants must encourage every possible transportation provider, including private-for-profit providers, to participate in the project.

Furthermore, vehicles acquired under the Section 5310 program may be leased to other entities such as local governmental authorities or agencies, other private nonprofit agencies, or private for-profit operators. Under such a lease, the lessee operates the vehicles on behalf of the Section 5310 subrecipient and provides transportation to the subrecipient's clientele as described in the grant application.

All subrecipients are required to resolve any complaints from transportation providers resulting from a local decision or interpretation concerning the Section 5310 program. The subrecipient is required to keep record of correspondence related to the issue, information used in making its decision and the process used in resolving the issue. Also, the subrecipient must inform the transportation provider of the local appeal process and the transportation provider's rights under the process. If the complaint is not satisfactorily resolved, the originating party may appeal the subrecipients's decision to INDOT.

All complaints presented to INDOT will be heard by the Section 5310 Program Manager, the Office of Transit Manager and the Local Programs Division Chief with concurrence by the INDOT Deputy Commissioner. The originating party must file with INDOT a written request of complaint within 15 calendar days following the grantee's final decision. The complaint request must be made by certified mail and contain a brief description of the issues and copies of all relevant information. INDOT will conduct preliminary review within five working days and, if necessary, request by certified mail additional information from the originating party or the grantee. INDOT will allow five working days for receipt of additional materials. INDOT will make a final decision within 15 calendar days from the receipt of the complaint request or, if additional material was requested, within 15 calendar days from the receipt of the additional material. INDOT will notify the originating party and the grantee of its decision within five calendar days. INDOT's decision may be appealed in accordance with Indiana Code 4-21.5-3-1, *et seq.*

K. CIVIL RIGHTS

INDOT will collect Title VI/EEO assurances from subrecipients prior to passing through FTA funds. These Title VI/EEO assurances will be submitted as part of a standard list of assurances provided by subrecipients to INDOT.

1. State Monitoring of Subrecipients

All subrecipients are required to complete a Title VI Plan every three years.

Every Title VI Program shall include the following information:

- A copy of the recipient's Title VI notice to the public that indicates the recipient complies with Title VI, and informs members of the public of the protections against discrimination afforded to them by Title VI. Include a list of locations where the notice is posted.
- A copy of the recipient's instructions to the public regarding how to file a Title VI discrimination complaint, including a copy of the complaint form.
- A list of any public transportation-related Title VI investigations, complaints, or lawsuits filed with the recipient since the time of the last submission. See Appendix E for an example of how to report this information. This list should include only those investigations, complaints, or lawsuits that pertain to allegations of discrimination on the basis of race, color, and/or national origin in transit-related activities and programs and that pertain to the recipient submitting the report, not necessarily the larger agency or department of which the recipient is a part.
- A public participation plan that includes an outreach plan to engage minority and limited English proficient populations, as well as a summary of outreach efforts made since the last Title VI Program submission. A recipient's targeted public participation plan for minority populations may be part of efforts that extend more broadly to include other constituencies that are traditionally underserved, such as people with disabilities, low-income populations, and others.
- A copy of the recipient's plan for providing language assistance to persons with limited English proficiency, based on the DOT LEP Guidance.
- Recipients that have transit-related, non-elected planning boards, advisory councils or committees, or similar bodies, the membership of which is selected by the recipient, must provide a table depicting the racial breakdown of the membership of those committees, and a description of efforts made to encourage the participation of minorities on such committees or councils.

- Primary recipients shall include a narrative or description of efforts the primary recipient uses to ensure subrecipients are complying with Title VI, as well as a schedule of subrecipient Title VI program submissions.
- If the recipient has constructed a facility, such as a vehicle storage facility, maintenance facility, operation center, etc., the recipient shall include a copy of the Title VI equity analysis conducted during the planning stage with regard to the location of the facility.

As part of its monitoring efforts, INDOT will conduct an on-site review of the grantee's project at least once every three years. During this review, INDOT will review the subrecipient's Title VI Plan to ensure it meets the above noted requirements.

INDOT will provide each grantee a copy of its "Civil Rights Title VI Handbook" for Section 5310 grantees.

INDOT will also review the following EEO requirements:

- A copy of the agency procedures for tracking and investigating EEO complaints.
- A list of any EEO investigations, complaints, or lawsuits filed with the agency since the time of the last submission.
- A copy of the agency's notice to the public that it complies with EEO and instructions to the public on how to file a discrimination complaint.

INDOT will also review DBE requirements with subrecipients receiving planning, capital and/or operating assistance who will award prime contracts (excluding transit vehicle purchases) exceeding \$250,000 in FTA funds in a Federal fiscal year must submit a DBE program. If the subrecipient does not meet this threshold, other requirements still apply.

2. State Efforts to Assist Minority Applicants/Include Subrecipients Serving Significant Minority Populations

Prior to distributing the grant application, INDOT puts public notices in rural and small urban area newspapers throughout Indiana that serve minorities informing them of the availability of grant application packages from INDOT. On an annual basis, the Section 5310 Program Manager reviews census data and race projections (STATS Indiana) to insure proper coverage.

Other INDOT outreach efforts include conducting at least one application assistance workshop, attendance at local Transportation Advisory Committee/Metropolitan Planning Organization meetings, and one-on-one direct technical assistance with interested applicants.

INDOT records each applicant's "ridership percentage by race" to insure an equitable distribution of grant awards among eligible groups within Indiana. INDOT also notes if it funded the application.

L. SECTION 504 AND ADA REPORTING

INDOT will collect Section 504/ADA assurances from subrecipients prior to passing through FTA funds. These Section 504/ADA assurances will be submitted as part of a standard list of assurances provided by subrecipients to INDOT.

As part of its monitoring efforts, INDOT will conduct an on-site review of the grantee's project at least once every three years. During this review, INDOT will review the following Section 504/ADA requirements:

- Agency's maintenance preventative maintenance schedule for wheelchair lifts/ramps and related equipment
- A list of any Section 504/ADA investigations, complaints, or lawsuits filed with the agency since the time of the last submission.
- Does the agency continue to provide equivalent services to persons with disabilities (Response time, fares, geographic service area, hours and days of service, restrictions on trip purpose, availability of information and reservation capability, and constraints on capacity or service availability)?
- Does the grantee have procedures for investigating and tracking ADA complaints filed against them and making their procedures for filing a complaint available to members of the public upon request?
- Does grantee have written policies regarding transporting of service animals, personal care attendants and portable oxygen?
- Does grantee ensure that personnel are trained to proficiency, as appropriate to their duties, so that they operate vehicles and equipment safely and properly assist and treat individuals with disabilities who use the service in a respectful and courteous way, with appropriate attention to the difference among individuals with disabilities?

M. PROGRAM MEASURES

Traditional Program

INDOT distributes a **Annual Vehicle Report** (Appendix A) to each “traditional” grantee every January. For each vehicle, the grantee must collect ridership, operating and financial information, as well as attest to appropriate vehicle use and management procedures.

INDOT will also use the Section 5310 Annual Vehicle Report for collecting and reporting from “traditional” grantees:

- Gaps In Service Filled: # of older adults and people with disabilities afforded mobility they would not have without Section 5310 vehicles;
- Ridership: Actual/estimated # of one-way trips provided annually for individuals with disabilities and older adults on Section 5310 supported vehicles.

Other Program

Service Improvements: related to geographic coverage, service quality, and/or service times that impact availability of transportation services for seniors and individuals with disabilities as a result of other Section 5310 projects implemented in the current reporting year

Physical Improvements: Additions or changes to environmental infrastructure (e.g., transportation facilities, sidewalks, etc.), technology, and vehicles that impact availability of transportation services for seniors and individuals with disabilities as a result of other section 5310 projects implemented in the current reporting year.

Ridership: Actual or estimated number of rides (as measured by one-way trips) provided annually for seniors or individuals with disabilities on Section 5310 supported vehicles and services as a result of other Section 5310 projects implemented in the current reporting year.

N. STATE PROGRAM MANAGEMENT

1. Procurement

INDOT Section 5310 procurement practices will comply with five specific Federal requirements contained in the current FTA Circular 4220.1F. These include the following:

- For rolling stock, a five year limitation on contract period of performance;
- A requirement for full and open competition;
- A prohibition against geographic preferences;
- The use of Brooks Act procedures for procurement of architectural and engineering services if INDOT has not adopted a statute governing procurement of such services; and,
- Inclusion in contracts of all Federal clauses required by Federal statutes and Executive Orders and their implementing regulations.

Procurement of “Traditional” program vehicles

INDOT purchases all equipment on behalf of the grantee. INDOT purchases equipment through Indiana Department of Administration (IDOA) Quantity Purchase Awards (QPAs). INDOT develops vehicle specifications for all modified vehicles (low floor mini vans, body-on-chassis). Prior to solicitation of bids by IDOA, INDOT submits the applicable standard federal clauses to include in the bid documents. IDOA is responsible for soliciting, reviewing and approving all bids for vehicles. The process of awarding bids to vendors is typically complete by the end of December. **Actual delivery of the vehicles will occur 6 to 12 months after bid award.**

INDOT performs a federal pre-award audit of the vehicle to ensure vendor compliance with vehicle specifications, Buy America requirements, federal motor vehicle safety standards and bus testing.

Buy America Pre-Award Audits

INDOT will:

1. Review the component and subcomponent listings to verify 60 percent domestic product content.
2. Review the total final assembly cost.
3. Check that the manufacturer’s final assembly location is located within the United States.

4. Review the list of final assembly activities, which should include activities such as welding, subassembly activities, component installation, and painting, to ensure that the activities at the final assembly location qualify as final assembly.
5. Complete a pre-award Buy America compliance certification.
6. Keep the Buy America certification on file for future FTA reviews.

Purchaser's Requirements

1. Review the manufacturer's bid specifications are in compliance with the recipient's solicitation specifications and that the proposed manufacturer will be capable of meeting the specifications.
2. Review The solicitation specifications, the bid specifications, and the recipient's approval of any approved equals and that the manufacturer's qualifications (such as quality control measures, previous customer's, and other qualification documents).
3. Complete a pre-award purchaser's requirements certification.
4. File the purchaser's requirements certification for future FTA reviews.

Federal Motor Vehicle Safety Requirements

1. Obtain the manufacturer's FMVSS sticker information from each manufacturer.
2. Complete an FMVSS certification.
3. File the FMVSS certification for future FTA reviews.

After INDOT determines the actual price of the vehicle, INDOT will order the vehicles. After INDOT orders the vehicles, INDOT will mail a Local Share Invoice to the Grantee. The Grantee then has until delivery of the vehicle to submit the local cash share to the vendor.

After the vendor notifies INDOT of vehicle delivery, INDOT calls the grantee to give instructions/directions on how and where to pick up the vehicle. In accordance with federal regulations, INDOT performs a federal post-delivery audit of the vehicle to ensure vendor compliance with vehicle specifications, Buy America requirements, and federal motor vehicle safety standards.

INDOT is responsible for payment and closeout of the vendor purchase agreements. INDOT will reconcile the financial portion of the INDOT/Grantee contract after delivery of equipment, and refund any unused local share. The operating, reporting and disposition requirements of the contract remain valid throughout the useful life of the vehicle.

Buy America Post-Delivery Audits

INDOT will:

1. Review the component and subcomponent listings to verify 60 percent domestic product content.
2. Review the total final assembly cost.
3. Check that the manufacturer's final assembly location is located within the United States.
4. Review the list of final assembly activities, which should include activities such as welding, subassembly activities, component installation, and painting, to ensure that the activities at the final assembly location qualify as final assembly.
5. Complete a post-delivery Buy America compliance certification.
6. Keep the Buy America certification on file for future FTA reviews.

Purchaser's Requirements

1. Visually inspect and road test the buses before delivery.
2. Complete a post-delivery purchaser's requirements certification.
3. File the purchaser's requirements certification for future FTA reviews.

Federal Motor Vehicle Safety Requirements

1. Check that the manufacturer's FMVSS sticker is affixed to each bus.
2. Complete an FMVSS certification.
3. File the FMVSS certification for future FTA reviews.

Procurement of Other Section 5310 Projects

INDOT assists grantees with the procurement of Other grant related equipment. INDOT's guide for developing small vehicle specifications and general guide on procuring equipment and services will be provided to each grantee. In addition, some equipment such as computers and passenger vehicles may be purchased from state quantity purchase awards.

Standards

- Competition: All procurement will be conducted in a manner providing for full and open competition.

- Code of Conduct: Grantees must have a written code of conduct governing the performance of their employees engaged in the award and administration of contracts. Employees of the grantee shall not participate in selection, award, or administration of contract supported by federal and state funds if a conflict of interest, real or apparent, is involved.
- Purchase Review: Grantees must develop a process for reviewing purchases to avoid unnecessary and duplicate items. Consideration must be given to the most economical approach. Where appropriate, an analysis of lease versus purchase shall be made. All grantees are encouraged to use intergovernmental agreements, where possible.
- Price or Cost Analysis: Grantees shall perform a price or cost analysis with every procurement, including contract modifications. As a starting point the grantee must make an independent estimate before receiving bids or proposals. Usually a price analysis will be used to determine the reasonableness of the proposed contract price. This may also be established based on the catalog or market price of products sold in substantial quantities to the public, or based on price set by law. A cost analysis is required when the bidder is required to submit the cost elements of his estimated price (e.g., under professional service contracts such as, consulting or architectural and engineering). Also, a cost analysis is necessary when adequate price competition is lacking.
- Contract Awards: Grantees shall only make contract awards to responsible and responsive bidders. "Responsible" means a bidder who is capable of performing the contract requirements fully and who has the integrity and reliability that will assure good faith performance. "Responsive" means a bidder who has submitted a bid or quote conforming in material respects to the bid terms, conditions, and specifications. Federal regulations prohibit the use of contractors who have been debarred or suspended. INDOT will monitor adherence to this regulation by way of its annual compliance reviews and reviewing procurement documents for the presence of the Debarment and Suspension Certification (49 CFR Part 29).
- Contracts: State and Federal Clauses. All contracts must include all appropriate federal and state clauses. The most current version of these clauses is provided to the grantee at the time of contract.
- Contract Administration: Grantees must maintain a contract administration system, which ensures that contractors perform in accordance with the terms, conditions, and specifications of all purchases.
- Contract Records: Grantees shall maintain records to sufficiently detail the procurement history. At a minimum this should include the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

- Disputes and Protests: Grantees are responsible for resolving all contractual and administrative issues arising out of procurement. Violations of law should be referred to the proper local authority having jurisdiction. If there is no local authority, the matter should be referred to INDOT. Grantees must have protest procedures to handle and resolve disputes relating to their procurement. A protester must exhaust all administrative remedies with the grantee before pursuing protest with INDOT.

Purchasing and Leasing

Most purchases and leases made under the Section 5310 “Other” program will be made through Sealed Bid (formal advertising) method. All procurement must be conducted in accordance with I.C. 5-22-7 Competitive Bidding.

Annual Purchases & Leases Over \$25,000: Purchasing by Sealed Bids is required by state law (I.C. 5-22-7). The formal advertisement (notice) must be published in accordance with Indiana Code 5-3-1 Publication of Notices. Bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the lowest responsible and responsive bidder. In addition to the published notice, INDOT strongly recommends direct solicitation to known vendors.

The grantee is responsible for preparing the bid contract and specification, advertising and soliciting bids, receiving and reviewing bids, and awarding the contract to the lowest responsible and responsive bidder.

An exception to the sealed bid requirement is for the development of specifications. A grantee may request proposals (using competitive procurement methods) for the development of specifications which will lead to a sealed bid procurement. The need to request proposals must be documented by the grantee and approved by the grantee’s executive officer and INDOT. The resulting specification shall be subsequently issued for bid.

Annual Purchases and Leases Under \$25,000: Purchases and leases under \$25,000 are considered small purchases, therefore relatively simple and informal procurement methods may be used. Grantees are allowed two options under this situation:

- If the grantee has small purchase procedures which meet the intent of I.C. 5-22-8, or which are stricter, then the grantee’s procedures may be followed. If the grantee does not have small purchase procedures, they may invite quotes from at least three vendors known to deal in the type of purchase or lease being made. INDOT has developed and provided to its grantees a sample quote form template which reflects all requisite procurement requirements, including all required Federal and State clauses. Copies of these quote forms and all supporting documentation must be submitted with the grantee’s invoice for reimbursement. A copy of the specification should be mailed to the vendor not less than seven days before the time for receiving written quotes.

- The grantee may purchase or lease in the open market without inviting or receiving quotes. However, INDOT does not recommend the use of option 2 except under emergency or severe time constraint situations.

Request for Proposals: Request for Proposals (RFP) is the method generally used when conditions are not appropriate for the use of sealed bids and it is allowed by State law. One situation mentioned earlier is for the development of specifications. Also, a grantee may use the RFP method for the procurement of architectural, engineering, and land surveying services. Services of architects, engineers, and land surveyors must be procured in accordance with Indiana Code 5-16-11.1.

If this method is used, the following requirements apply:

1. The request must identify:
 - (a) All evaluation factors and their relative importance, including cost as a factor. Please note that cost may not be used as an evaluation factor for architectural and engineering services, in accordance with the federal Brooks' Amendment.
 - (b) Any bonding requirements or other evidence of financial responsibility.
2. Solicitation of an adequate number of qualified vendors.
3. Grantee must have a method for conducting technical evaluation for the proposals.
4. Contract award will be made to the responsible vendor whose proposal is most advantageous to the program.

Sole Source Procurement: Grantees may purchase or lease parts for machinery or equipment that can only be purchased from the manufacturer of the machinery or equipment without advertising or bids.

INDOT Review

All bid contracts, invitation for bids, and request for proposals for purchases or leases of \$25,000 or greater must be submitted to INDOT for review. In addition, grantees must make all technical specifications available for review, when INDOT believes such a review is needed to ensure that the purchase or lease specified is consistent with the grant award. Also, grantees must make available all procurement documentation upon request by INDOT.

2. INDOT Financial Management/Accounting Systems/Audit and Closeout

ECHO Requests – The INDOT Accounting and Control Manager develops a billing summary of all costs, based on operating and capital invoices submitted by the individual grantees, to be included in the ECHO request. The billing summary is then reviewed and approved by the ECHO approving official and the Office of Transit Manager; both individuals sign and date the request, which is then submitted by the Accounting and Control Manager.

FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFAT) REQUIREMENT: FTA's recipients must report the information about each first tier subaward over \$25,000 (funds passed through to other public agencies or private nonprofit organizations) by the end of the month following the month the recipient makes any subaward or obligation (not the month after FTA awarded the direct grant). For example, if FTA awarded the grant in November, and the prime recipient did not sign subrecipient agreements until February, the FTA recipient would have until March 31 to report the subaward into the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) at <https://www.fsrs.gov>. Once the recipient submits an initial report, the recipient can revise it later to add additional subawards as they are made, or to change data previously submitted to reflect adjustments in subawards.

Reporting – Federal Financial Reports (FFRs) – INDOT prepares and submits all required Federal Financial Reports (FFRs) in accordance with FTA instructions.

INDOT has annual audits conducted in accordance with OMB Circular A-128.

INDOT will project closeout with subrecipients within 90 days after all funds are expended and all work activities for the project are completed. INDOT will initiate program of project (POP) closeout with FTA within 90 days after all work activities for the POP are completed. INDOT will electronically submit a final Financial Status Report (SF 269A), final budget, and final POP at the time of closeout.

3. Vehicle Title

Subrecipients are responsible for the licensing and title of Section 5310 vehicles. The Indiana Bureau of Motor Vehicles will issue the title in the name of the Grantee.

For vehicles purchased through the Traditional grant program, INDOT places a lien on vehicles to reflect FTA's 80% interest in the vehicle. INDOT holds the original title until the vehicle has reached its useful life, or until other disposition arrangements are enacted.

4. Useful Life/Disposition

INDOT maintains a Section 5310 vehicle database. INDOT uses the database to track Annual Vehicle Reports and to assist with vehicle disposition.

The subrecipient is accountable to INDOT throughout the “useful life” of the Section 5310 funded vehicle. INDOT has developed a policy on vehicle classification and useful life to evaluate requests to terminate the contract (i.e., the 80% federal interest) for a particular vehicle.

For the Traditional grant program, when a vehicle attains the year requirement listed below (four years from date of delivery), INDOT will mail the subrecipient the vehicle title.

<u>Vehicle Type</u>	<u>Useful Life Years</u>
Low floor mini-van	4
Small, Medium or Large Transit Vehicle	4

As evidence of its approval, INDOT will sign off on the lien and send the title to the Subrecipient.

INDOT's release of the lien does not make the vehicle automatically eligible for replacement through the Section 5310 program. As noted previously, INDOT does not guarantee funding to replace any vehicle. All requests for vehicles, whether replacement of a Section 5310 vehicle or a locally purchased vehicle, are evaluated using the criteria mentioned previously in this document.

After receiving the title, subrecipients no longer need to submit a Section 5310 Annual Vehicle Report on the operation of the vehicle.

The subrecipient should continue to use the vehicle to transport the elderly and persons with disabilities until the subrecipient judges the vehicle unfit for further use. At that time, the subrecipient then may dispose of the vehicle without any financial obligation to INDOT. If the subrecipient decides to sell the vehicle, it should (but is not required to) use the proceeds for transportation purposes.

For the Other grant program, when a vehicle attains the year requirement listed below (four years from date of delivery), INDOT will notify the subrecipients that the vehicle has met useful life, and that they no longer need to submit Section 5310 Performance Measures.

<u>Vehicle Type</u>	<u>Useful Life Years</u>
Low floor mini-van	4
Small, Medium or Large Transit Vehicle	4

Merely obtaining sufficient miles years on a vehicle does not guarantee federal capital assistance for its replacement. “Other” applications are evaluated competitively based on project justification, coordination, fiscal capabilities, and capital project priorities.

The subrecipient should continue to use the vehicle to transport the elderly and persons with disabilities until the subrecipient judges the vehicle unfit for further use. At that time, the subrecipient then may dispose of the vehicle without any financial obligation to INDOT. If the subrecipient decides to sell the vehicle, it should (but is not required to) use the proceeds for transportation purposes.

Disposition of Equipment besides Vehicles:

INDOT has established guidelines for establishing useful life and the disposition of equipment, and/or real property when these items are no longer needed for the original project or program for which they were acquired. Disposition of said items must be made in accordance with Indiana Code 36-1-11 Disposal of Real or Personal Property. Subrecipients are required to submit written disposition plans to INDOT for review and approval, and INDOT must be notified of all subsequent disposition actions. Income from dispositions must be retained by the subrecipients for the transit program. INDOT will track equipment transfers in Program of Project (POP) reports that are submitted to the Federal Transit Administration. Documented evidence that the income is being used for the transit program must be provided to INDOT.

Planned Disposition

When equipment, and/or real property are no longer needed for the original project or program, disposition of said items must be made in accordance with Indiana Code 36-1-11 Disposal of Real or Personal Property. Real property is defined as land and buildings, including any accessories added to the land or buildings.

Real property and items of equipment with a current per-unit fair market value of less than \$5,000 must be disposed of in accordance with Indiana Code with no further obligation to INDOT. INDOT no longer has any financial interest in. INDOT must be notified of all disposition actions.

Real property and equipment with a current per-unit fair market value of \$5,000 or greater must also be disposed of in accordance with the Indiana Code. However, a written disposition plan must be submitted to INDOT for review. Income from the disposition must be retained by the grantee for the transit program. INDOT will track equipment transfers in Program of Project (POP) reports that are submitted to the Federal Transit Administration. Documented evidence that the income is being used for the transit program must be provided to INDOT.

5. Disposition Prior to Meeting Useful Life Criteria - Vehicles

Occasionally, a need arises to dispose of or transfer a vehicle before its useful life has ended. In those instances, the subrecipient must notify INDOT of the need to change the contractual agreement.

In order to make this revision, a subrecipient and INDOT must determine the fair market value of the vehicle. A vehicle that does not meet the mileage and/or age criteria on the useful life chart must be disposed of in accordance with instructions from INDOT. Subrecipients must receive written approval from INDOT before any disposition action.

6. Determination of Fair Market Value - Vehicles

To carry out a disposition option before the vehicle meets the end of its useful life, the subrecipient must obtain an estimate of the vehicle's fair market value. The subrecipient can do this use of the straight-line depreciation method, or by averaging two (2) independent appraisals. INDOT bases the straight-line depreciation method on the useful life and the original cost of the vehicle. The subrecipient may obtain the original cost of the vehicle by contacting INDOT.

The subrecipient must provide these appraisals/depreciation estimates to INDOT along with its written request for releasing the contractual obligations for the vehicle. INDOT will provide guidance that will follow the options listed below.

7. Disposition Options - Vehicles

- a. **Title Transfer** - In this instance, the subrecipient transfers the vehicle's title to another non-profit organization or public body that transports the elderly and persons with disabilities. INDOT can assist the subrecipient with finding another organization. The subrecipient must get two assessments of the vehicle's fair market value, or use the straight-line depreciation method. These two assessment/depreciation estimates are then reconciled in cooperation with INDOT and the agency receiving the vehicle.

INDOT then allows the other organization to "buy out" the subrecipient's contract for 20% of the fair market value. This action will buy up the subrecipient's share of the vehicle. INDOT will amend grant contracts to reflect the transfer of the contractual responsibility. If INDOT or the subrecipient cannot find other provider, INDOT may allow sale of the vehicle using a competitive bid as described below.

- b. **Program Transfer** - In this instance, the subrecipient wishes to use the vehicle for a purpose other than originally intended prior to reaching the end of the vehicle's useful life. For example, the subrecipient may wish to convert the vehicle into a cargo van or for exclusive use in a Meals-on-Wheels program. INDOT will allow the subrecipient to "buy out" their contract. The subrecipient needs two assessments of the vehicle's fair market value, or uses the straight-line depreciation method. These estimates are then reconciled and the subrecipient pays INDOT 80% of that amount. INDOT will then distribute these proceeds through the next Section 5310 application cycle.
- c. **Competitive Bid** - In other instances where the subrecipient wants to dispose of their vehicle before the end of useful life, INDOT will allow the subrecipient to offer

the vehicle for sale. The subrecipient will then sell the vehicle using proper sales procedures that provide for honest competition and result in an award to the highest bidder. The subrecipient then keeps 20% of the bid price and uses these funds for transportation services. The subrecipient returns the 80% federal balance to INDOT, where INDOT distributes the funds through the next Section 5310 application cycle.

8. Insurance Settlements - Vehicles

Subrecipients may replace vehicles damaged beyond repair due to an accident, fire, or theft.

After receiving confirmation from their insurance carrier that the vehicle is a total loss, the subrecipient should contact - via telephone, written letter or e-mail - the Section 5310 Program Manager. The subrecipient must inform INDOT of the estimated amount of the insurance settlement from the insurance carrier.

INDOT, with concurrence from the subrecipient, may apply the entire insurance settlement toward the replacement vehicle if it will provide the same service as specified in the project application and contract. INDOT will then amend the contract to reflect this change.

Traditional grant program

INDOT will sign off on the lien and send the title to the subrecipient. INDOT will then purchase the replacement vehicle. The subrecipient may purchase the replacement vehicle with written approval from INDOT. Any replacement vehicle will have INDOT listed as the first lienholder to reflect the federal 80% interest in the vehicle.

Should a subrecipient wish to use the insurance amount for purposes other than replacing their Section 5310 vehicle, the subrecipient will refund 80% of the settlement to INDOT. INDOT will then distribute these proceeds through the next Section 5310 application cycle. The subrecipient applies the remaining 20% balance to the subrecipient's transportation program.

Subrecipients must receive written approval from INDOT before any disposition action regarding insurance settlements.

Other grant program

The subrecipient may use the insurance proceeds to purchase a replacement vehicle with written approval from INDOT.

Should a subrecipient wish to use the insurance amount for purposes other than replacing their Section 5310 vehicle, the subrecipient will refund 80% of the settlement to INDOT. INDOT will then distribute these proceeds through the next Section 5310 application cycle.

The subrecipient applies the remaining 20% balance to the subrecipient's transportation program.

Subrecipients must receive written approval from INDOT before any disposition action regarding insurance settlements.

VEHICLE USE, MAINTENANCE AND DISPOSITION

9. Vehicle Title

Traditional Grant Program

Subrecipients are responsible for the licensing and title of Section 5310 vehicles. The Indiana Bureau of Motor Vehicles (BMV) will issue the title in the name of the Grantee. INDOT places a lien on all vehicles to reflect FTA's 80% interest in the vehicle. INDOT holds the original title until the vehicle has reached its useful life (as defined in Section C "Vehicle Disposition"), or until other disposition arrangements are enacted.

Other Grant Program

Titles for vehicles purchased with Section 5310 "Other" funds will be held by the subrecipient, including titles to vehicles, which are leased to public bodies, private nonprofit, or private for-profit organizations. In cases where it is a financial advantage for the title to be co-held with other State or local governmental entities, e.g., for better insurance rates, to take advantage of bulk purchases of fuel, maintenance and supplies available to those entities, INDOT will permit this practice as long as a written agreement has been executed between the parties assuring the requisite safeguards and control.

Many subrecipients qualify for municipal license plates. These are available free of charge to rehabilitation facilities, Community Action Agencies, Area Agencies on Aging and local Councils on Aging. You can find out further information at the BMV Municipal Plates website <http://www.in.gov/bmv/2823.htm>

10. Vehicle Insurance

INDOT requires all subrecipients to maintain adequate insurance coverage (collision/comprehensive/liability) as required by federal, state and local law and to provide assurance of coverage to protect FTA's 80% interest in the vehicle. The subrecipient is to safeguard against loss, damage or theft of equipment.

11. Vehicle Operation

The grantee must use the equipment to provide service within the service area and to the population groups described in the application. The subrecipient must use, maintain and

dispose of the equipment in accordance with the grant contract and this State Management Plan.

Use of the vehicle is not limited to agency clientele. The intent is to serve the needs of all elderly and persons with disabilities through coordinated efforts. INDOT encourages subrecipients to make vehicles available for shared use with other agencies and programs. The subrecipient can make the equipment available to service the transportation needs of the public or to provide non-passenger services (Meals-on-Wheels). However, such services must not interfere with the provision of transportation services to the elderly and persons with disabilities.

Subrecipients that operate non lift-equipped Section 5310 vehicles must also provide an equivalent level of service to persons with disabilities. Equivalent services is measured using the following seven criteria: 1) response time, 2) fares, 3) geographic service area, 4) hours and days of service, 5) restrictions on trip purpose, 6) availability of information and reservation capability, and 7) constraints on capacity or service availability.

12. Vehicle Use

INDOT encourages maximum use of vehicles funded under the Section 5310 program. Consistent with the requirements of 49 CFR parts 18 and 19, vehicles are to be used first for program related needs and, beyond the purposes for which a Section 5310 grant are made, to meet other transportation needs of seniors and individuals with disabilities, to meet other Federal program or project needs, and finally for other local transportation needs. Vehicles may be used:

- a) For Section 5310 Project and Program Purposes. The subrecipient must provide for maximum feasible coordination with transportation services assisted by other Federal sources. Subrecipients should be encouraged to the extent feasible to also provide service to older adults and people with disabilities not affiliated with their agency, *as well as to the general public on an incidental basis if such service does not interfere with transportation services for older adults and people with disabilities.*

In some situations it may be appropriate to provide Section 5310 assistance to an agency to provide transportation exclusively to its own clients, but even in situations in which it is not feasible for the agency to provide services to those in the community beyond its own clients, *that agency must, when practicable, make the vehicle itself available to provide transportation service to other older adults and people with disabilities at times the agency is not using the vehicle for grant-related purposes.*

The recipient shall use the vehicle in the project or program for which it was acquired as long as needed, even if the project does not continue to receive Federal funding.

- b) For other Federal Programs or Project Purposes. During the period the vehicle is used to serve the project or program needs for which it was acquired, the subrecipient shall

make it available for use on other projects or programs, *as long as such other use does not interfere with the service for which the vehicle was originally acquired.*

First preference for such other use will be given to other projects or programs sponsored by the Federal Transit Administration, and second preference will be given to projects or programs sponsored by other Federal agencies.

Finally, vehicles may be used by non-Federally funded providers, first to meet the needs of older adults and people with disabilities, and then to serve the transportation needs of the general public on an incidental basis.

- c) When No Longer Needed for Original Project or Program Purposes. If the original subrecipient no longer needs the vehicle for the purposes for which it was acquired, INDOT will keep the vehicle in use for Section 5310 program purposes by transferring the vehicle to another subrecipient. Once the vehicle is no longer needed for Section 5310 program purposes, the vehicle may be used first in connection with other FTA-sponsored activities, and then for activities sponsored by other Federal agencies.
- d) For Meal Delivery. Transit service providers receiving assistance under this section may coordinate and assist in providing meal delivery services for homebound people on a regular basis if the meal delivery services do not conflict with the provision of transit services or result in a reduction of service to transit passengers.

The number and size of vehicles applied for under Section 5310 must be determined only by the number of passengers to be transported, not meal delivery capacity. Section 5310 funds may not be used to purchase special vehicles to be used solely for meal delivery or to purchase specialized equipment such as racks or heating or refrigeration units related to meal delivery.

13. Leasing Vehicles

Subrecipients may operate their equipment through a lease agreement with another public or private transportation provider. **However, the subrecipient must maintain control and responsibility for operation of the vehicle.** All training, insurance, control, responsibility, maintenance, record keeping and reporting requirements must be certified and monitored through a lease contract with the transportation provider. Federal regulations permit other uses of the vehicle as long as such uses do not interfere with service to the elderly and persons with disabilities.

INDOT must agree, in writing, to the lease between the Section 5310 subrecipient and the transportation provider.

14. Vehicle Maintenance

INDOT requires subrecipients to perform preventative maintenance at consistent intervals between between 3,000 (minimum) and 5,000 (maximum) miles. The actual interval can vary (between 3,000 – 5,000 miles) depending on vehicle use, accessibility to

maintenance facilities, and environmental conditions. Qualified personnel should perform all necessary maintenance.

Adequate maintenance procedures and programs must be developed to keep vehicles and equipment in good condition. Preventive maintenance programs are required for all New Freedom funded vehicles. INDOT provides a preventative maintenance manual and training through the Rural Transit Assistance Program (RTAP). In addition, as part of INDOT’s compliance review monitoring process, intervals for preventative maintenance are reviewed and calculated to ensure that at minimum 80% are performed on time; see the example in the following table:

Example Vehicle Maintenance Interval Spreadsheet

Vehicle Identifier/ Model Year	No. PM Events Examined	No. Valid Events ¹	Date – First Event Recorded	Date – Last Event Recorded	Total Mileage: Examination Period ²	Average Mileage Between Events ²	No. On-Time ³	No. Early/Late ⁴		
								Early	Late	
LTV-18/2006	20	14	9/22/2009	10/4/2012	36,847	2,766	7	2	3	
LTV-19/2010	11	11	7/2/2010	9/28/2012	38,330	3,833	1	7	2	
Total Events		25					8	9	5	
							Percent	36.4%	40.9%	22.7%
							Percent On-Time	77.3%		22.7%

¹ A “valid” event is one where all basic data (date, mileage, and event description) are recorded accurately.

² The total and average mileage between events for LTV-18 excludes computation of invalid data entries. Total mileage during the examination period was 59,850 miles.

³ “On-time” maintenance events are those that occur within +/- 10 percent of the established interval. For LTV-18, this interval is 3,000 miles (e.g., on-time events are performed at 2,700 to 3,300 mile intervals). For LTV-19, this interval is 5,000 miles (e.g., on-time events are performed at 4,500 to 5,500 mile intervals). For purposes of compliance, early and on-time events are counted towards on-time performance.

⁴ The total number of events measured as on-time, early, or late will be one less than total events documented, as it will take two events to establish the first interval. Because of data issues, the number of valid events for LTV-18 will be two less than the number of valid events.

As a condition for accepting Section 5310 vehicles, the subrecipient must maintain in operative condition those features of vehicles that are required to make the vehicles readily accessible to and usable by individuals with disabilities. These features include, but are not limited to, lifts and other means of access to vehicles, securement devices, signage and systems to facilitate communications with persons with impaired vision or hearing.

Subrecipients shall promptly repair accessibility features if they are damaged or out of order. When an accessibility feature is out of order, the Subrecipient shall take reasonable steps to accommodate individuals with disabilities who would otherwise use the feature. This does not prohibit isolated or temporary interruptions in service or access due to maintenance or repairs.

Subrecipients interested in further information about maintenance should contact the Section 5310 Program Manager and request a copy of the Indiana Preventative Maintenance Manual.

15. Fees, Program Income and Donations

INDOT encourages subrecipients to generate program income to defray operating costs. However, subrecipients may not use Section 5310 equipment to compete unfairly with private for-profit transportation providers. Subrecipients may charge fees or request donations from their riders. A subrecipient may charge a cost per ride or per mile to another social service agency or funding source (such as Medicaid) for providing transportation service.

REPORTING REQUIREMENTS/PROGRAM MONITORING

16. Record Keeping and Reporting

INDOT Reporting

ECHO Requests – The INDOT Accounting and Control Manager develops a billing summary of all costs, based on operating and capital invoices submitted by the individual Grantees, to be included in the ECHO request. The billing summary is then reviewed and approved by the ECHO approving official and the Office of Transit Manager; both individuals sign and date the request, which is then submitted by the Accounting and Control Manager.

Any indirect costs that are included as a result of a Grantee's reimbursement request, will have been approved as part of that Grantee's cost allocation plan by INDOT. To standardize and simplify the approval process, INDOT will provide a cost allocation template to all grantees for their completion and submittal to, and approval by, INDOT. All Grantees are required to use this template unless otherwise authorized by INDOT. See also Section F. Eligible Assistance Categories, 2. Operating Grants, of this State Management Plan.

Federal Financial Reports (FFRs) – INDOT prepares and submits all required Federal Financial Reports (FFRs) in accordance with FTA TEAM instructions.

Subrecipient Required Recordkeeping and Reporting

The subrecipient must maintain proper records, including drivers' daily records, passenger trip records, operating expense information, inventory control and maintenance records.

INDOT and FTA reserve the right to inspect records for completeness and accuracy at any time.

INDOT permits subrecipients to set up capital reserve accounts to replace existing equipment as long as non-federal revenues fund such accounts. It is allowable for the subrecipient to amortize the 20% local share as an agency expense.

INDOT will distribute a **Annual Vehicle Report** form to each subrecipient in January of each year. For each vehicle, the subrecipient must collect ridership, operating and financial information, as well as attest to appropriate vehicle use and management procedures.

Computerized and manual data collection procedures are available from the Rural Transportation Assistance Program at 800/709-9981. Subrecipients must submit a Section 5310 Annual Vehicle Report by the 45th day of the month following the close of the reporting period (January through December).

INDOT will review the Annual Vehicle Report form assurances to ensure the grantee is complying with federal regulations.

Chronic failure to complete Annual Vehicle Reports accurately and promptly may result in termination of the contract, repossession of project equipment and/or a penalty assessed to subsequent grant applications. Subrecipients must submit Annual Vehicle Reports throughout the “useful life” of the vehicle as defined in Section C “Vehicle Disposition”.

INDOT maintains a Section 5310 vehicle database. INDOT uses the database to track annual vehicle report submission and to assist with vehicle disposition.

Section 5310 subrecipients (private not-for-profit) hire independent auditors to conduct audits. The legal authorized auditing body for Section 5310 subrecipients (units of local government – cities, counties, towns, etc.) is the State Board of Accounts. INDOT reviews subrecipients’ audits as part of the Section 5310 application process and compliance reviews.

Section 5310 subrecipients, if applicable, may submit a *Waiver of Audit Requirement* from the State Board of Accounts. The subrecipient should instead submit IRS Form 990, or an Accountant’s Review/Compilation Report.

17. Program Monitoring by INDOT

As part of the grant contract, the Subrecipient shall permit INDOT, FTA or any of their authorized representatives, full access to any books, documents, papers and records relevant to the project. INDOT maintains the right to inspect all project equipment and property. The Subrecipient, INDOT, FTA or any party with a vested interest in the project, may call a meeting to review or discuss project activities.

As part of its monitoring efforts, INDOT will conduct an on-site review of the subrecipient's project at least once every three years. During this review, INDOT will inspect the equipment and related documentation to ensure the subrecipient is compliant in the following areas:

- Vehicle maintenance, including accessibility equipment;
- That the subrecipient is maintaining continuing control and responsibility over the equipment;
- Coordination (the subrecipient has made efforts to coordinate services with other transportation providers);
- Meal Delivery and other incidental services (that this does not conflict with provision of services to the elderly and persons with disabilities);
- ADA service provision (that the subrecipient is providing equivalent service to persons with disabilities);
- School bus service (the subrecipient, if providing exclusive school bus service, is in compliance with all FTA and state regulations);
- Title VI Civil Rights, Section 504, Americans with Disabilities Act and Equal Employment Opportunity requirements;
- Debarment and Suspension (that the subrecipient, its principals, subrecipients or third parties/subcontractors have not been excluded from federally assisted transactions), and whether the agency has any unresolved audit finding(s) related to the Section 5310 program.

The procedure for the Program Review is as follows: 1) desk review of the subrecipient, and 2) site review of the subrecipient. The following is an explanation of each of the individual proceedings:

Desk Review: INDOT officials will conduct a desk review of the subrecipient. The review will include the following materials: grant applications, contracts, annual vehicle reports, vehicle inventory and other materials deemed necessary.

Site Review: INDOT will conduct this part of the review proceedings at the agency. The review will take about one hour. INDOT will mail the questionnaire used by INDOT to the agency one week before the on-site review. INDOT will discuss comments and develop a remediation plan, if applicable. The Subrecipient will follow up in accordance with a remediation plan, if necessary. If long-term remedies are prescribed, the reviewer may schedule follow-up at appropriate intervals

The mission objective of the compliance review is twofold: 1) to evaluate an agency's compliance with state and federal rules, laws and regulations; and 2) improve the INDOT-subrecipient relationship through cooperation and technical assistance.

A copy of the Section 5310 Program Review Questionnaire is contained in Appendix B.

INDOT will also collect Federal Regulation Standard Assurances annually from each Applicant for Section 5310 funding.

O. OTHER PROVISIONS

1. Environmental Protection

Because INDOT primarily uses Section 5310 funds for vehicle purchases, INDOT will assure FTA that all the projects in the application are Categorical Exclusions (CE) under 23 CFR 771.117(c) unless otherwise noted.

If INDOT allows a subrecipient to use Section 5310 funding for purposes other than vehicle purchases (for example, new construction or expansion of transit terminals, storage and maintenance garages, office facilities, and parking facilities), INDOT will screen potential projects when they are first identified to make an initial determination as to which projects clearly meet the FHWA/FTA criteria for CEs and which projects may require additional documentation.

INDOT will coordinate with the FTA regional office early in project development so that any necessary environmental analysis and review will not delay implementation. INDOT will discuss with the FTA regional office any project involving new construction of a facility or substantial rehabilitation of an existing facility to determine the need for information supporting a CE and the applicability of any additional environmental requirements.

2. Buy America Provisions/Pre-Award and Post Delivery Reviews

Traditional Program

INDOT purchases all equipment on behalf of subrecipients. INDOT purchases equipment through Indiana Department of Administration (IDOA) using Quantity Purchase Awards (QPAs).

INDOT is responsible for ensuring bid specifications include all FTA procurement certifications. IDOA is responsible for soliciting, reviewing and approving all bids for vehicles. INDOT is responsible for ensuring vendors meet all Buy America/Pre-Delivery audit provisions (as well as all FTA procurement certifications) prior to approval of vendor contracts.

In accordance with federal regulations, INDOT performs a federal post-delivery audit of vehicles to ensure vendor compliance with vehicle specifications, Buy America requirements, federal motor vehicle safety standards and bus testing.

Other Program

Other subrecipients must certify to INDOT that it will conduct a pre-award and post-delivery audit of vehicles purchased with FTA funds.

3. Restrictions on Lobbying

INDOT Section 5310 subrecipients awarded FTA assistance exceeding \$100,000 will sign a certification so stating (restrictions on lobbying) and must disclose the expenditure of non-Federal funds for such purposes (49 CFR part 20). INDOT will gather signed certification(s) at time of subrecipient grant application to INDOT.

INDOT will also ensure its restrictions on lobbying by signing the annual list of certifications submitted with its annual grant application to the regional FTA office.

4. Prohibition of Exclusive School Transportation

Through its subrecipient compliance reviews, INDOT ensures that subrecipients are not providing exclusive school transportation per Section 5323(f) of the Federal Transit Act.

5. Prohibited Charter Services

Through its subrecipient compliance reviews, INDOT ensures that subrecipients are not engaging in prohibited charter bus services.

5. Drug/Alcohol Testing

INDOT Subrecipients that receive only Section 5310 will comply with the Federal Motor Carrier Safety Administration (FMCSA) rule for employees who hold Commercial Driver's Licenses (49 CFR part 382). INDOT Section 5310 subrecipients that also receive funding under one of the covered FTA programs (Sections 5307, 5309 and 5311) will include any employees funded under Section 5310 projects in their testing program.

INDOT ANNUAL VEHICLE REPORT INSTRUCTIONS

ANNUAL VEHICLE REPORT INSTRUCTIONS

Name of Agency Your agency's full name - as stated on your grant contract

INDOT Grant Number Enter the grant number associated with the particular vehicle

Serial Number Manufacturer's serial number located on a metal plate in the lower left hand corner of the windshield

Operating Characteristics

Total Mileage is the difference between the odometer reading at the end of the last year and this year.

Odometer as of December 31st ... The vehicle's odometer at the end of the calendar year.

Ridership

Ridership figures should reflect the number of one-way passenger trips carried. A passenger trip is one origin-to-destination for each passenger. Thus, the return trip would be a separate passenger trip.

Total One-Way Trips: Elderly and Disabled: One-way trips involving persons who are 60 or over, **or disabled** (regardless of age).

Other: One-way trips - persons neither elderly or disabled

Total Number of trips: Add lines C and D

Meal delivery trips: Any trip that provides meal delivery. A meal delivery trip is one origin-to-origin trip for the vehicle.

For example, the vehicle leaves your agency to deliver meals and returns to your agency - this counts as one trip.

If the vehicle goes out again to deliver more meals and returns, that counts as one trip.

Meal delivery trips do not count as a passenger trip.

Gaps in Service Filled

Number of elderly persons and persons with disabilities (individuals) afforded mobility they would not have without this Section 5310 vehicle

The number of elderly and disabled individuals (**best estimate**) afforded mobility with this Section 5310 vehicle.

Financial Data

Total costs to operate this vehicle: Include fuel, oil, service and repair, driver wages, insurance, tires, etc., during the past year.

Assurances: INDOT requires certification that the grantee is using the vehicle responsibly.

The grantee must full describe any exception to items 1 through 5 and submit it with the annual report form.

Person submitting report: Agency representative submitting report to INDOT.

Date: Please provide the date this report was completed.

ANNUAL SERVICE MEASURES (Other Program)

Describe any service improvements related to geographic coverage, service quality, and/or service times that impact availability of transportation services for seniors and individuals with disabilities as a result of other Section 5310 projects implemented during the most recent reporting year.

Describe any physical improvements such as additions or changes to environmental infrastructure (e.g., transportation facilities, sidewalks, etc.), technology, and vehicles that impact availability of transportation services for seniors and individuals with disabilities as a result of other section 5310 projects implemented during the most recent reporting year.

Provide actual or estimated number of rides (as measured by one-way trips) provided annually for seniors or individuals with disabilities on Section 5310 supported vehicles and services as a result of other Section 5310 projects implemented in the current reporting year.

APPENDIX B – INDOT SECTION 5310 PROGRAM REVIEW

On-site Review Date: _____ Reviewer: _____

Grantee: _____

Active Section 5310 Grants: _____

1. VEHICLE/ACCESSIBILITY EQUIPMENT MAINTENANCE AND REPAIR

Yes No Agency maintenance records reflect compliance with manufacturer's recommended preventative maintenance schedules.

Yes No Agency pre-trip inspection records are available for inspection (pre-trip form)

Yes No Does the agency perform pre-trip inspection of lift/ramp equipment?

Yes No Does the agency have a regular maintenance schedule for lift/ramp equipment?

Purpose: To examine the grantee's vehicle maintenance record and insure that vehicles are being properly maintained.

Explanation: Section N, Part 13, "Maintenance" of the Indiana Section 5310 State Management Plan states "INDOT requires subrecipients to perform preventative maintenance at consistent intervals between between 3,000 (minimum) and 5,000 (maximum) miles. The actual interval can vary (between 3,000 – 5,000 miles) depending on vehicle use, accessibility to maintenance facilities, and environmental conditions. Qualified personnel should perform all necessary maintenance."

2. INSURANCE

Yes No Grantee has valid Certificate of Insurance on file.

Yes No Insurance meets Indiana minimums and protects FTA interest (80%).

Purpose: To determine whether the vehicles used by the grantee are insured, that amounts listed will meet Indiana minimums, and that the insurance will reimburse INDOT/grantee for the market value of the vehicle in case of an accident.

Explanation: Section N, Part 10, "Insurance", of the Indiana Section 5310 State Management Plan INDOT requires all subrecipients to maintain adequate insurance coverage (collision/comprehensive/liability) as required by federal, state and local law and to provide assurance of coverage to protect FTA's 80% interest in the vehicle. The subrecipient is to safeguard against loss, damage or theft of equipment.

3. VEHICLE USE

Yes No Annual Vehicle Reports are on file at INDOT, and are complete & current.

Yes No Significant service gaps identified in annual vehicle reports are justified.

Purpose:	To determine that the grantee is using the vehicle to primarily transport the elderly and disabled, that the grantee is filing annual vehicle reports in a timely manner, and that the grantee has sufficiently explained any significant service gaps in use of the vehicle.
<i>Explanation:</i>	<i>Section N, Part 15, "Record Keeping and Reporting", of the Indiana Section 5310 State Management Plan states "INDOT will distribute a Annual Vehicle Report form to each subrecipient in January of each year. For each vehicle, the subrecipient must collect ridership, operating and financial information, as well as attest to appropriate vehicle use and management procedures."</i>

4. COORDINATION

Yes No Documented participation in four (4) Transportation Advisory Committee meetings in the past year.

Other evidence of coordinated effort: _____

Purpose:	To determine whether the grantee is continuing - after receiving the grant award - to participate in efforts to coordinate transportation services.
<i>Explanation:</i>	<i>Section C, "Coordination" of the Indiana Section 5310 State Management Plan states: INDOT requires all applicants to participate in any existing Transportation Advisory Committee (TAC) or to establish a local TAC.</i>

5. PROPERTY RECORDS

Yes No Grantee vehicle records are consistent with INDOT vehicle inventory records

Yes No Titles are on file with INDOT.

Yes No Grant contract(s) are on file with Grantee.

Purpose:	To determine that the grantee's vehicle records are the same as INDOT's, that the titles are on file with INDOT, and that the grantee has an executed copy of the grant contract.
<i>Explanation:</i>	<i>Section N, Part 15, "Record Keeping and Reporting", of the Indiana Section 5310 State Management Plan states "The subrecipient must maintain proper records, including drivers' daily records, passenger trip records, operating expense information, inventory control and maintenance records. INDOT and FTA reserve the right to inspect records for completeness and accuracy at any time.</i>

6. CONTROL OF EQUIPMENT

Yes No Grantee maintains control of and responsibility for vehicle(s).

Yes No Copy of applicable sub-lease and/or vehicle-sharing agreements are on file with agency and INDOT.

Purpose: To determine whether grantee retains control and responsibility for the vehicle(s) and that INDOT /grantee has a copy of any vehicle lease/sharing agreement.

Explanation: Section N, Part 11, "Operation", of the Indiana Section 5310 State Management Plan states "The grantee must use the equipment to provide service within the service area and to the population groups described in the application. The subrecipient must use, maintain and dispose of the equipment in accordance with the grant contract and this State Management Plan.

Section N, Part 12, "Leasing Vehicles", of the Indiana Section 5310 State Management Plan states "Subrecipients may operate their equipment through a lease agreement with another public or private transportation provider. However, the subrecipient must maintain **control and responsibility** for operation of the vehicle. All training, insurance, control, responsibility, maintenance, record keeping and reporting requirements must be certified and monitored through a lease contract with the transportation provider. Federal regulations permit other uses of the vehicle as long as such uses do not interfere with service to the elderly and persons with disabilities.

INDOT must agree, in writing, to the lease between the Section 5310 subrecipient and the transportation provider.

7. INCIDENTAL USE

Yes No Vehicle(s) is used for non-passenger transportation trips (meals, equipment, supplies, etc.). Percentage of time: _____

Yes No Vehicle(s) is used for exclusive school bus service. Percentage of time: _____

Purpose: To determine whether grantee uses the vehicle for any non-passenger transportation or exclusive school bus service.

Explanation: Section N, Part 11, "Operation", of the Indiana Section 5310 State Management Plan states "The subrecipient can make the equipment available to service the transportation needs of the public or to provide non-passenger services (Meals-on-Wheels). However, such services must not interfere with the provision of transportation services to the elderly and persons with disabilities.

Section 5323(f) of the Federal Transit Act prohibits the use of FTA funds for exclusive school bus transportation for school students and school personnel.

Also referenced in Section 0, Part 4, of the Indiana Section 5310 State Management Plan.

8. ADA COMPLIANCE

- Yes No Does grantee provide equivalent transportation service to persons with disabilities (response time, fares, geographic service area, hours and days of service, restrictions on trip purpose, availability of information and reservation capability, constraints on capacity or service availability)?
- Yes No Any ADA-related complaints or lawsuits filed against the grantee (in the past three years)?
- Yes No Does the grantee have procedures for investigating and tracking ADA complaints filed against them and making their procedures for filing a complaint available to members of the public upon request?
- Yes No Does grantee have written policies regarding transporting of service animals, personal care attendants and portable oxygen?

<p>Purpose: To determine if the grantee is complying with provisions of the American with Disabilities Act.</p> <p><i>Explanation:</i> The Americans with Disabilities Act prohibits discrimination against persons with disabilities. The grantee cannot prohibit an individual with a disability from traveling with a service animal, personal care attendant, or portable oxygen. The grantee cannot charge for transporting a personal care attendant.</p> <p>Also referenced in Part L “Section 504 and ADA Reporting” in the <u>Indiana Section 5310 State Management Plan</u>.</p>

9. CIVIL RIGHTS

- Yes No Does Grantee have any complaints or pending lawsuits (in the past three years) which allege discrimination on the basis of race, color, or national origin with respect to service or other transportation benefit?
- Yes No Does the grantee have procedures for investigating and tracking Civil Rights complaints filed against them and making their procedures for filing a complaint available to members of the public upon request?
- Yes No Has Grantee participated in a civil rights compliance review within the past three years?

<p>Purpose: To determine if the grantee is complying with provisions of Title VI of the Civil Rights Act of 1964.</p> <p><i>Explanation:</i> Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color or national origin.</p> <p>Also referenced in Part K “Civil Rights” in the <u>Indiana Section 5310 State Management Plan</u>.</p>

10. EQUAL EMPLOYMENT OPPORTUNITY(EEO)

- Yes No Does Grantee have any complaints or pending lawsuits (in the past three years) which allege discrimination on the basis of race, color, age, creed, sex or national against any employee or applicant for employment?
- Yes No Does the grantee have procedures for investigating and tracking EEO complaints filed against them and making their procedures for filing a complaint available to members of the public upon request?
- Yes No Has Grantee participated in an EEO review within the past three years?

Purpose: To determine if the grantee is complying with provisions of Title VI of the Civil Rights Act of 1964 and Federal Transit Administration EEO guidelines.

Explanation: The grantee agrees to comply, and assures the compliance of each third party contractor, and each subrecipient at any tier of the Project, with all equal employment opportunity EEO requirements of Title VII of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000e), and 49 U.S.C. 5332 and any implementing requirements FTA may issue.

Also referenced in Part K "Civil Rights" in the Indiana Section 5310 State Management Plan.

11. AGENCY FISCAL AND ADMINISTRATIVE RESPONSIBILITY

- Yes No Does the Grantee continue to be eligible to receive federal assistance (no debarment, suspension, bankruptcy, lawsuits, Section 5307/5309/5311/5316/5317 compliance issues, etc.)
 - Yes No Any unresolved findings in most recent agency audit related to the Section 5310 program?
- Grantee should provide reviewer with most recent copy of agency audit. If grantee provides Waiver of Audit Requirement from State Board of Accounts, then it should instead provide IRS Form 990, or an Auditor's Review/Compilation Statement.*

Purpose: To determine if the grantee continues to be eligible to receive federal assistance.

Explanation: As required by USDOT Regulations on Governmentwide Debarment and Suspension (Nonprocurement) at 49 CFR 29.510.

GENERAL COMMENTS:

RECOMMENDATIONS/REMEDIAL ACTIONS

DATE COMPLETED

Based on the above desk audit, site visit and follow-up activity (if required), I hereby certify that the above grantee complies with applicable requirements of the federal Section 5310 Capital Assistance Program.

Reviewer: _____ Date: _____

ADA TRANSPORTATION SERVICE PROVISIONS:

(To be handed out to grantees at the program review)

- Grantees must carry a wheelchair and occupant if the lift and vehicle can physically accommodate them, unless doing so is inconsistent with legitimate safety requirements.

“Legitimate safety requirements” includes such circumstances as a wheelchair of such size that it would block an aisle, or would be too large to fully enter a vehicle, would block the vestibule, or would interfere with the safe evacuation of passengers in an emergency.

This does not apply to securement; a transit provider cannot impose a limitation on the transportation of wheelchairs and other mobility aids based on the inability of the securement system to secure the device to the satisfaction of the transportation provider.

“Legitimate safety requirements” must be based on actual risks, not on mere speculation, stereotypes, or generalizations about individuals with disabilities or about the devices they use for mobility purposes.

- Wheelchair users must permit chairs to be secured. The Grantee must provide designated securement locations.
- The grantee may recommend to a user of a wheelchair that the individual transfer to a vehicle seat. However, the grantee may not require the individual to transfer.
- Where necessary, or upon request, the grantee’s personnel shall assist individuals with disabilities with the use of the securement systems, ramps and lifts. If it is necessary for the personnel to leave their seats to provide this assistance, they shall do so.
- The grantee shall permit individuals with disabilities who do not use wheelchairs, including standees, to use a vehicle’s lift or ramp to enter the vehicle.
- The grantee shall permit service animals and personal care attendants to accompany individuals with disabilities in vehicles and facilities.
- The grantee shall make available to individuals with disabilities adequate information concerning transportation services and schedules. This obligation includes making communications available in accessible formats “usable to” the individual.
- The grantee shall permit a passenger who uses a lift to exit a vehicle at any designated stop, unless; the lift cannot be deployed, the lift will be damaged if it is deployed, or temporary conditions at the stop (not under control of the grantee) preclude the safe use of the stop by all passengers.
- The grantee shall allow passengers to travel with a respirator or portable oxygen supply, consistent with the applicable Department of Transportation rules on the transportation of hazardous materials (49 CFR subtitle B, Chapter 1, Subchapter C).
- The Grantee shall ensure that adequate time is provided to allow individuals with disabilities to complete boarding or disembarking from the vehicle.
- The grantee shall maintain in operative condition those features of facilities and vehicles that are required to make them readily accessible to, and usable by, individuals with disabilities. These features include, but are not limited to, lifts (and other means of access to vehicles), securement devices, elevators, signage and systems to facilitate communications with individuals with impaired vision or hearing.
- Accessibility features shall be repaired promptly if they are damaged or out-of-order. When an

accessibility feature is out-of-order, the grantee shall take reasonable steps to accommodate individuals with disabilities who would otherwise use the feature. This does not prohibit isolated or temporary interruptions in service or access due to maintenance or repairs.

- Grantees must treat individuals with disabilities with respect and courtesy, with appropriate attention to the differences among people and disabilities.
- All personnel must be "trained to proficiency", appropriate to their duties.
- For further information regarding ADA, please reference <http://www.fta.dot.gov/civilrights/12325.html>

Title VI/LEP Requirements/Review

Some Title VI elements are the responsibility of INDOT and are addressed in the grant application and/or grant agreement process. Question in this section are designed to ensure grantees are compliant with the new FTA regulations that went into effect October 1, 2012.

Yes No Has the Grantee developed a Title VI Program?

Yes No If "Yes", has it been adopted by the grantee's governing board?

Yes No Has the Title VI Program been submitted to INDOT?

If "Yes", does it include the following items?

Yes No A notice to the public that indicates the grantee complies with Title VI, and informs members of the public of the protections against discrimination afforded to them by Title VI.

Yes No A copy of the grantee's instructions to the public regarding how to file a Title VI discrimination complaint, including a copy of the complaint form.

Yes No A list of any public transportation related investigations, complaints, or lawsuits filed with the grantee since the time of last submission to INDOT.

Yes No A public participation plan that includes an outreach plan to engage minority and limited English proficient populations, as well as a summary of outreach efforts made since the last Title VI submission.

Yes No A copy of the grantee's plan for providing language assistance to persons with limited English proficiency, based on the DOT LEP Guidance.

Yes No A table depicting the racial breakdown of the membership of advisory boards or non-elected planning boards and a description of efforts made to encourage the participation of minorities on such committees or councils.

Yes No A narrative or description of efforts the grantee uses to ensure subrecipients are complying with Title VI, as well as a schedule of subrecipient Title VI program submissions.

Disadvantaged Business Enterprise Review

The recipient agrees and assures that it will comply with U.S. DOT regulations, "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs," 49 CFR part 26. Among other provisions, this regulation requires recipients of DOT Federal financial assistance, namely State and local transportation agencies, to establish goals for the participation of disadvantaged entrepreneurs and certify the eligibility of DBE firms to participate in their DOT-assisted contracts.

Subrecipients receiving planning, capital and/or operating assistance who will award prime contracts (excluding transit vehicle purchases) exceeding \$250,000 in FTA funds in a Federal fiscal year must submit a DBE program. If the subrecipient does not meet this threshold, other requirements still apply.

- Did the subrecipient have contracting opportunities totaling greater than \$250,000 (excluding vehicle purchases) in any of the past three years?

Yes No

- If "Yes," did the subrecipient prepare and submit a DBE program to INDOT?

Yes No

- Does the subrecipient include the requisite contract language in 49 CFR part 26.13(b) in all subcontracts?

Yes No

- Does the subrecipient properly count DBE expenditures towards its goals?

Yes No

- Does the subrecipient have mechanisms in place to ensure that prime contractors pay subcontractors for satisfactory performance of their contracts no later than 30 days from receipt of each payment made to the prime contractor?

Yes No

- Has the subrecipient purchased any vehicles using local procurement procedures (e.g., not through INDOT)?

Yes No

- If "Yes," did the subrecipient verify that the vehicle manufacturer has made the requisite certification to FTA regarding DBE commitment?

Yes No

- Even if the subrecipient is not required to have a DBE program, how does the organization make good faith efforts to ensure that DBEs have full opportunity to compete for contracts?

APPENDIX C – INDOT DRUG FREE WORKPLACE

The Indiana Department of Transportation (INDOT) is committed to providing and maintaining a drug free workplace. The unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the workplace. Controlled substances include but are not limited to marijuana, cocaine, heroin, amphetamines and depressants (21 U.S.C. 812). In addition, any employee convicted of violating a criminal drug statute in the workplace must notify INDOT within five days of the conviction.

Adherence to the above is a condition of employment. Employees while acting on behalf of the state, or using State property/equipment, will be subject to disciplinary action, up to and including dismissal.

The Drug Free Workplace Policy is included in the State of Indiana Employee Handbook which is located at <http://www.in.gov/spd/2732.htm> and the INDOT Employee Handbook at <http://intranet.indot.state.in.us/HRweb/pubs/INDOTHandbook.pdf>

The State Personnel Department has designed Onboarding to facilitate the transition into state employment and provide information on preparing for successful integration into a state agency.

Onboarding is a collaborative effort among the entire organization. Each division, department, director, manager, and employee has a responsibility to ensure that an employee's first days, weeks, and months on the job provide a successful launch to his or her career. It is critically important that the state provide the foundation, tools, resources, and organizational perspective that ensure rapid inclusion within INDOT's workforce and culture.

The Onboarding process begins with an accepted job offer and it continues through the first 90 days of employment. This is not to say that Onboarding stops after 90 days. Employees are responsible for continuing to develop and grow their knowledge, skills, and abilities in order to be a productive member of the INDOT team.

Each employee must acknowledge that he or she has reviewed the policies, including a check list (Policy Acknowledgement), which contains Drug and Alcohol Free Workplace and Drug and Alcohol Testing policies.

The State of Indiana has an Employee Assistance Program (EAP) program which includes counseling for drug and alcohol abuse. The EAP is discussed during Onboarding and is included in the annual open enrollment for all state employees.

In addition to the Onboarding process, the INDOT Office of Transit will post the Drug Free Workplace Policy in common areas (breakroom and Office of Transit Conference Room) and will be included on the agenda of each monthly Office of Transit Staff meeting.

Arrests & Convictions

When the state receives notice of an employee's criminal conviction (Arrests & Convictions Policy) for a drug statute violation that occurred in the workplace, INDOT will notify the FTA Regional Counsel. The written notification to the FTA will::

- Identify the employee's position and title;
- Include the identification number(s) of each affected award;
- Be sent within ten calendar days after the conviction; and
- Be sent to every Federal agency on whose award the convicted employee was working.

Within 30 calendar days of learning about an employee's conviction, INDOT must either:

- Take appropriate personnel action against the employee, up to and including dismissal; or
- Require the employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for these purposes.