State Management Plan

For the Management of Federal Transit Administration Funds

Adopted: April 8, 2019
Revised: June 2020
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Foreword

The New York State Department of Transportation (NYSDOT) State Management Plan (SMP) describes the policies regarding administration of the following Federal Transit Administration (FTA) funding programs:

- Enhanced Mobility of Seniors and Individuals with Disabilities Program (Section 5310)
- Formula Grants for Rural Areas (Section 5311)
- Intercity Bus Program (Section 5311(f))
- Emergency Relief Program (Section 5324) under Section 5311
- Grants for Buses and Bus Facilities Formula Program (Section 5339)
- Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 under Section 5311

FTA policy is not restated in instances where NYSDOT has not adopted an additional policy. NYSDOT’s school bus restrictions; federal provisions, such as Buy America provisions, lobbying restrictions, etc.; and National Transit Database reporting policies mirror those of the FTA. Procedures relating to administration of these programs are separately documented.

NYSDOT solicited public comment before adopting this plan.

Revision History

Revision 1: June 2020 – Amended to include the FTA provisions of the CARES Act of 2020 and the Emergency Relief provisions of FTA Section 5324 under the Section 5311 program to address operating needs resulting from COVID-19. Minor edits and corrections were made for clarity. No other changes were made.
Introduction

Program Overview

NYSDOT administers a robust funding program for public transportation using Federal Transit Administration (FTA) and State funds:

- **Enhanced Mobility of Seniors & Individuals with Disabilities Program (Section 5310)** provides funding to improve accessibility and mobility for seniors and persons with disabilities.

- **Formula Grants for Rural Areas (Section 5311)** provides formula funding to states for the purpose of supporting public transportation in areas with populations of less than 50,000 people.

- Intercity Bus Program (Section 5311(f)) provides formula funding to states for the purpose of supporting intercity bus service in rural areas.

- **Rural Technical Assistance Program (RTAP) (Section 5311(b)(3))** provides funding to support transportation research, technical assistance, training, and related support services in rural areas.

- Emergency Relief Program (Section 5324) under Section 5311 makes federal funds available to help states and public transportation systems pay for protecting, repairing, and/or replacing equipment and facilities that may suffer or have suffered serious damage as a result of an emergency, including natural disasters such as floods, hurricanes, and tornadoes.

- **Bus & Bus Facilities Infrastructure Investment Program (Section 5339)** makes federal resources available to states and direct recipients to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities including technological changes or innovations to modify low or no emission vehicles or facilities.

- Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 (CARES Act) under Section 5311 provides supplemental federal funds to states to prevent, prepare for, and respond to COVID-19.

- **Statewide Mass Transportation Operating Assistance Program (STOA)** provides operating assistance funding to transit operators under Section 18-b of the State Transportation Law.

- **State Omnibus and Transit Purpose Appropriation (Omnibus)** provides half the local match for federally funded capital projects (not to exceed 10 percent of project cost) for providers other than the Metropolitan Transportation Authority (MTA).
• **State Dedicated Fund Program (SDF)** provides capital funds for system improvements and innovative projects to providers other than the MTA. The program covers 100 percent of the cost of the projects that exceed federal or local resources.

• **Public Transportation Modernization and Enhancement Program (MEP)** provides capital assistance for upgrades and enhancements to public transportation services. The program of projects must have a minimum service life of no less than ten years. Funds may not be used to supplant or otherwise displace the required local share of a federally aided project but may be used to supplement and enhance a federally aided project.

• **Accelerated Transit Capital Program (ATC)** provides capital funding for upstate public transportation providers to rehabilitate, restore and modernize public transit assets. The program of projects must have a minimum service life of no less than ten years. Funds may be used as match for federally funded projects if the reassigned capital funds are used to enhance operating support of current year services.

State funding provided in support of planning, capital and operating transit projects amounts to over $4 billion annually.

**NYSDOT Organizational Overview**

The Governor of the State of New York designated NYSDOT as the agency responsible for administering the FTA transit programs. NYSDOT’s mission is “to ensure our customers – those who live, work and travel in New York State – have a safe, efficient, balanced and environmentally sound transportation system.”

Within NYSDOT, FTA program administration is assigned within the Policy and Planning Division (PPD) as follows:

• **Sections 5310, 5311, 5324, 5339, and CARES Act programs**: Office of Modal Grants Administration and further delegated to the Public Transportation and Modal Grants Administration Bureaus.

• **Section 5303 Metropolitan Planning Grant program**: Office of Policy, Planning and Performance’s Statewide Planning Bureau.

Other FTA transit programs are administered within NYSDOT as follows:

• **Section 5329(e) Rail System Safety Oversight program**: Assigned to the Operations and Asset Management Division’s Office of Modal Safety and Security and further delegated to the Rail Safety and Intermodal Security Bureau.

• **Section 3028 Positive Train Control (PTC) program**: Assigned to the Engineering Division Design Services Bureau.
PPD, Operations and Asset Management and the Engineering Divisions receive support for the administration and management of FTA programs from other NYSDOT divisions, offices and bureaus and regional offices for activities associated with budgeting, contract management, accounting, purchasing, legal, contract audit and internal audit, vehicle specifications and inspection activities, and civil rights oversight and training as follows:

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**External Agency Support**

NYSDOT partners with other New York State agencies for technical assistance, process and payment approvals, and other subject matter expertise. NYSDOT works closely with the following control agencies:
New York State Division of the Budget (DOB)  
New York State budget

New York State Office of General Services (OGS)  
Procurement/purchasing

New York State Office of the Attorney General (OAG)  
Contract approvals

New York State Office of the State Comptroller (OSC)  
Procurement record, contract, and payment approvals and processing
Program Information

Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities

Goals and Objectives
The program’s goal is to improve mobility for seniors and individuals with disabilities by removing barriers to transportation services and expanding available transportation mobility options. The program provides financial assistance for transportation services including:

- 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);
- 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.

Roles and Responsibilities
NYSDOT is the designated recipient for all Section 5310 funds apportioned to the State’s large urbanized, small urbanized and rural areas. NYSDOT may choose to convene a statewide application review committee (SARC) that includes State agency representatives from programs serving seniors and individuals with disabilities to provide input concerning the Section 5310 program administration and who may participate in the evaluation of grant applications for funding.

Each metropolitan planning organization (MPO) and rural counties must have a coordinated plan. Project types in each area must be part of the plan and, for urbanized areas, a minimum of 55 percent of the projects by cost must be defined as “traditional” in order to be considered for award. For rural areas, the entire program of projects must conform to 55 percent “traditional” in order to be considered for award.

Eligible Subrecipients
Eligible subrecipients include:

- Private not-for-profit corporations (traditional and enhanced projects);
- Public agencies where no private not-for-profits are readily available to provide the proposed service (traditional projects);
- Public agencies approved by NYSDOT to coordinate services (traditional projects);
• All public agencies and operators of public transportation services (enhanced projects);

• Indian tribal governments (traditional and enhanced projects); and

• Private taxi companies providing shared-ride taxi service to the general public on a regular basis (enhanced projects).

Applicants must participate in local public transit/human services transportation coordination efforts.

**Locally Developed Coordinated Plan**
To be considered for a funding award, the proposed projects must be included in the locally developed, coordinated public transit-human service transportation plan.

• Urbanized areas (over 50,000 in population), the MPO develops the locally developed coordinated plan; and

• Rural areas, the county planning office or county public transportation office develops the locally developed coordinated plan.

Members of the public, including seniors, individuals with disabilities, representatives of the public, private, not-for-profit transportation and human service providers must participate in the development and approval of the locally developed coordinated plan.

Applicants are required to commit to coordinate their transportation services as outlined in locally developed coordinated plan covering their area of existing/proposed service.

**Eligible Projects**
Pursuant to federal law, a minimum of 55 percent of each apportionment must be used to support **traditional projects** that are planned and designed to meet the special needs of seniors and individuals with disabilities, and are carried out by eligible entities. Traditional projects include the purchasing of buses, vans, wheelchair lifts, ramps and transit-related technology systems and mobility management.

Up to 45 percent of the remaining program funds may be used to support **enhanced transportation projects**. Enhanced transportation projects are those that exceed the requirements of the ADA, improve access to fixed-route service, decrease reliance by individuals with disabilities on complementary paratransit or provide alternatives to public transportation that assist seniors and individuals with disabilities. Enhanced transportation projects may include operating assistance, travel training, volunteer driver programs, improving signage and improving access to sidewalks and crosswalks.

NYSDOT uses funds to:

• Purchase vehicles and related capital equipment;

• Provide operating assistance; and
• Support mobility management programs.

Local Share Requirements
The federal share for capital projects (facilities, rolling stock and/or related capital equipment) and for mobility management projects is 80 percent and the local match is 20 percent.

The federal share for operating assistance is 50 percent and the local match is 50 percent. Funds are available to cover the net operating deficit after fares are applied to eligible expenses.

The local match must be cash or services provided from sources other than United States Department of Transportation (USDOT) funds, except where permitted to be used as match for other USDOT funds. Other federal funds can be used as match if allowed by that program. Donations are considered local match.

In-kind services that contribute to the mobility management projects can be used as local match if properly documented in the in-kind valuation form provided on the website. For vehicle and related capital equipment purchases, the local match must be cash.

Method of Fund Distribution and Project Selection Criteria
NYSDOT administers a competitive application process. The process does not guarantee funding in subsequent application years as each year is considered separately. NYSDOT receives over 100 applications for funding each solicitation cycle.

As part of the solicitation process, NYSDOT issues a Section 5310 Notice of Funding Availability (NOFA) as well as project selection criteria.

Public Hearing Requirements
NYSDOT requires each applicant to publish a public notice, in a format and manner approved by NYSDOT, to solicit input and to send a copy of the notice to all public and private transportation providers and human service agencies. Each applicant must also ensure that such projects are consistent with local community plans and that the economic social and environmental effects of the projects are considered.

Funds Transfer
NYSDOT allows Surface Transportation Program (STP) and Congestion Mitigation-Air Quality (CMAQ) fund transfers to Section 5310.

NYSDOT adopts FTA’s apportionments to small urbanized areas. If there are not enough projects for a small urbanized area, NYSDOT transfers the funds to another small urbanized area or to a rural area after consulting with local officials.

Direct recipients of Section 5307 funds awarded Section 5310 funds apply directly to FTA for these funds.
Program Measures
The program measures for the Section 5310 program are:

- **Gaps in service filled** – Provision of transportation options for seniors and individuals with disabilities (measured by number of eligible consumers) afforded mobility semi-annually, which they would not have without program support;

- **Ridership** – Estimated and actual number of rides (measured by one-way passenger trips) provided semi-annually for seniors and individuals with disabilities on federal Section 5310 supported vehicles and services; and

- **Physical improvements** – Any changes or additions to transportation facilities, sidewalks, technology and/or vehicles that impact the availability of transportation services as a result of a project implemented in the current reporting year.

NYSDOT obtains initial data at the time of application and on an ongoing basis through semi-annual reports. Failure of subrecipients to submit the reports violates the terms and conditions of the contractual agreement with NYSDOT and can lead to termination of the project for non-compliance. Subrecipients’ failure to regularly submit reports is considered when determining their eligibility for future awards.

Section 5311 Formula Grants for Rural Areas

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*In response to the COVID-19 pandemic, additional funding and flexibilities under the Section 5311 program to assist transit providers include:*

**Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020**

All FTA Section 5311 program requirements/procedures apply unless otherwise noted below and/or in the CARES Act Program Guidance, or as modified, amended or otherwise changed by FTA. Funding provided under this Act supplements the core Section 5311 program funding to reimburse COVID-19 related expenses incurred after January 20, 2020. The federal share for eligible expenses is 100 percent of the net operating deficit and/or of the capital expenditure.

**Emergency Relief Program**

All FTA Section 5311 program requirements/procedures apply unless otherwise noted below and/or in the Emergency Relief Program Guidance, or as modified, amended or otherwise changed by FTA. This program allows for the use of core Section 5311 funds to reimburse expenses directly related to COVID-19 activities incurred after January 20, 2020. The federal share for those eligible expenses is 100 percent of the net operating deficit and/or of the capital expenditure.

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Goals and Objectives
The Section 5311 program enhances access to health care, shopping, education, employment, public services and recreation and serves to foster economic growth for people in rural areas by:

- Assisting in the maintenance, development, improvement and use of public transportation systems in rural and small urban areas;
- Encouraging and facilitating the coordination of programs and services to ensure the most efficient use of funds; and
- Providing for the participation of private transportation providers in rural transportation to the maximum extent feasible.

Eligible Subrecipients
Eligible applicants include those entities that are either eligible for, or are a current recipient of, STOA through NYSDOT. Entities include:

- Counties;
- Cities;
- Regional transportation authorities; and
- Federally recognized Indian tribes.

An eligible county within the jurisdiction of a regional transportation authority may designate that authority to act on its behalf and become the applicant. Third-party for-profit or non-profit operators may participate through subcontracts with municipal corporations.

Eligible Services and Service Area
NYSDOT provides Section 5311 funding for public transit in rural areas of the State. Service within and to and from rural areas is eligible. Service must start and end within the State. Incidental use is allowable with prior approval from NYSDOT and FTA. Transit providers are eligible to participate in the Section 5311 program if they:

- Qualify for funding from STOA;
- Provide service to non-urbanized area residents; and
- Are open to the public on an equal opportunity and regular and continuing basis.

Section 5311 funded transportation services must always be available to the general public on a regular and continuing basis and have publicly advertised and posted service hours. Service provided under contract to a social service agency will generally be considered public transportation, not charter service, if the service is under the
control of the applicant, is open to the public, and the subrecipient can put any rider on the vehicle in addition to the agency’s consumers.

NYSDOT requires that a sponsor qualify for STOA funding for it to be eligible for Section 5311 funding to ensure that the service will be operated as open to the public in accordance with the STOA definitions of "public transportation system" and "mass transportation services eligible for State transportation operating assistance."

STOA rules also address the issue of service outside of the State. Eligibility of such services is limited to circumstances where the primary reason for operating outside of the State is to transport State passengers to and from State origins and destinations.

The U.S. Census boundaries are used to determine the eligible rural areas. Applicants for Section 5311 assistance that are direct Section 5307 recipients are required to document which rural services and expenses are eligible for Section 5311 funding based on a method which may include the percentage of the total service, passengers, or miles. NYSDOT reviews and approves the methodology used by subrecipients to determine eligibility.

Rural versus urban splits are verified against annual financial and operating reports submitted by subrecipients as part of the annual Section 17-a of New York State Transportation Law (TRA Section 17-a) process.

Eligible Assistance Categories
Eligible assistance categories are:

- Operating: those expenses directly related to system operation, including administration;

- Mobility Management: those expenses consistent with short-range planning activities, project improvement among public transportation, and other transportation providers; and

- Capital: those expenses directly related to vehicle acquisitions/replacements and/or for the construction and rehabilitation of facilities, purchase of capital equipment, such as fare collection and communication systems, computer equipment, shelters, and signs.

State or federal Surface Transportation Program or Congestion Mitigation and Air Quality Improvement Program flexed funds may be used to fund facilities.

Local Share and Local Funding Requirements
Operating Assistance: The federal share must not exceed 50 percent of the net operating deficit (NOD). At least 50 percent of the net operating deficit must be matched from local sources. STOA provides most of the local match; agencies must provide the required match to STOA funds as identified in the annual 18-b portion of the New York State (NYS) budget. Funds received from service agreements with State or local public
or private agencies may be used as match even though the original source of funds may have been from another non-USDOT federal program.

Mobility Management and Capital Assistance: The federal share must not exceed 80 percent of the project cost. At least 10 percent of the project cost must come from local sources. NYSDOT provides the other 10 percent. The entire local match amount must be cash or provided from sources other than USDOT funds, except where permitted to be used as match for other USDOT funds.

For bus purchases, the local share must be in cash. For other types of capital projects, such as bus garages, the local share can be in the form of property or services, such as engineering or site preparation, if all relevant FTA rules and regulations are met. Local share is reviewed and approved during project application and again during the reimbursement process for each capital project.

**Project Selection Criteria and Method of Distributing Funds**
NYSDOT administers a biennial application process. The process does not guarantee funding in subsequent application years as each cycle is considered separately. NYSDOT receives over 70 applications for funding each solicitation cycle.

As part of the solicitation process, NYSDOT issues a Section 5311 Notice of Funding Availability (NOFA) as well as project selection criteria.

**Public Hearing Requirements**
NYSDOT requires each applicant for funding to solicit public input in a format and manner approved by NYSDOT and to send a copy of the notice to all public and private transportation providers and human service agencies. Applicants must also ensure that such projects are consistent with local community plans and that the economic social and environmental effects of the projects are considered.

**Transfer of Funds**
NYSDOT allows Surface Transportation Program and Congestion Mitigation and Air Quality Improvement Program fund transfers to Section 5311.

Section 5311 operating assistance allocations, as well as some capital for small urbanized areas, are transferred to the Section 5307 program for use by those providers for service in rural areas. Providers apply directly to FTA for the funds.

NYSDOT relies on the annual Operations and Financial reporting, (TRA Section 17-A), to determine and validate the proportion of rural services to ensure that Section 5311 funds are used to support rural services only.

For the CARES Act funding only:

Using the additional flexibility afforded by the FTA via the Emergency Relief Docket (FTA-2020-0001-0106), NYSDOT transferred CARES Act funds to those Section 5307 recipients in large urbanized areas (over 200,000 population) who also provide rural services as part of the core Section 5311 program. These transferred funds are to be
used only for those rural services provided. Providers will apply directly to FTA for the funds.

**Intercity Bus Transportation**

NYSDOT's support of the intercity bus industry pre-dates the Section 5311(f) program. Since 1974, NYS continues to support the State’s private, for-profit intercity bus service through the provision of STOA, which is administered by NYSDOT. NYSDOT achieved the program’s first priority, to preserve intercity bus service in rural areas, through the provision of operating assistance, and met a secondary goal of expanding rural service in the State. For Section 5311(f) funding only, private intercity bus operators are eligible subrecipients and contract directly with NYSDOT.

Together, the STOA and Section 5311(f) programs support 98 routes annually traveling almost 10 million plus miles and carrying over 2.7 million passengers.

NYSDOT uses Section 5311(f) funds to provide operating assistance to intercity transportation projects. Section 5311(f) operating assistance is allocated based on three factors:

- rural population served;
- rural fleet size; and
- passengers per vehicle mile.

NYSDOT solicits intercity bus projects every two years within the general Section 5311 application process. Only services that operate year-round are eligible.

Intercity bus transportation is eligible for the Emergency Relief Program and CARES Act funds. All requirements for the FTA Section 5311(f) program apply unless otherwise noted in the CARES Act attachment, or as modified, amended or otherwise changed by FTA.

**Section 5339 Grants for Buses and Bus Facilities Formula Program**

**Goals and Objectives**
The program’s goal is to provide capital assistance for buses and bus facilities to support the continuation and expansion of public transportation services in small urbanized areas.

**Roles and Responsibilities**
NYSDOT is the designated recipient for the national distribution allocation and the small urbanized area apportionment. NYSDOT apportions the funds to small urbanized areas.

**Eligible Subrecipients**
Eligible subrecipients of Section 5339 funds are Section 5307 recipients in small urbanized areas.
Local Share and Local Funding Requirements
The federal share of capital assistance must not exceed 80 percent of the project cost. At least 10 percent of the project cost must come from local sources. NYSDOT provides up to 50 percent of the non-federal share not to exceed 10 percent of the total cost.

For bus purchases, the local share must be in cash. For other types of capital projects, such as bus garages, the local share can be in the form of property or services, such as engineering or site preparation, if all relevant FTA rules and regulations are met. Local share is reviewed and approved during project application and again during the reimbursement process for each capital project.

Project Selection Criteria and Method of Distributing Fund/Transfer of Funds
NYSDOT adopts FTA’s published small urban area apportionments and coefficients and uses the same formula to apportion National Distribution funds. Small urban area providers apply directly to FTA for the funds.

Rural Transportation Assistance Program (RTAP)
Since 1996, NYSDOT directly administered RTAP using in-house staff to maximize the amount of federal funds that can be used to assist the State’s rural transportation providers.

RTAP funds scholarship, driver and management training programs, and a reference library containing materials from National RTAP as well as other sources. NYSDOT partners with other states to support training. RTAP-eligible systems may take advantage of additional training opportunities offered periodically in cooperation with FTA, National RTAP, National Transit Institute, NYPTA, American Public Transportation Association (APTA), Transportation Safety Institute (TSI) and Community Transportation Association of America (CTAA).

NYSDOT-sponsored trainings are open to Section 5310 and 5307 providers on an incidental basis. NYSDOT does not require match for RTAP funding.
State Administration and Technical Assistance

Annual Program of Projects (POP) Development and Approval Process

Annually, FTA makes available the fiscal year apportionments. Using these apportionments, and any prior years’ unused funding, NYSDOT determines the total amount of funding available to applicants for each grant program. NYSDOT solicits applications for projects, reviews and scores applications, and determines the amount of funding each applicant is eligible to receive.

Subsequently, NYSDOT prepares a program of projects (POP) and application for submission to FTA via FTA’s Transit Award Management System (TrAMS) as follows:

- NYSDOT enters and submits applications for federal assistance to FTA for its approval;
- FTA approves the POP/grant; then
- NYSDOT executes the grant.

Coordination

NYSDOT is committed to coordinating efforts at the State and local levels. Coordination efforts include, but are not limited to:

- Mandating transportation providers, and those with transportation needs, be made aware of the services proposed for funding and be given the opportunity to coordinate and in the case of capital applications, to request a public hearing;
- Ensuring coordination among Sections 5310 and 5311 subrecipients, providing technical advice and disseminating best practices to transportation providers from all available sources; and
- Incentivizing subrecipients by providing the availability of additional funds to those subrecipients who coordinate services in a financially prudent manner.

Private Sector Participation

Section 5310 applicants must issue a public notice in a format and manner approved by NYSDOT, announcing their intent to provide transportation services through utilization of federal funds. This public notice ensures private for-profit transportation providers have a fair and timely opportunity to participate.

The public notice must invite interested private for-profit operators to respond and submit proposal(s) to provide the proposed services. If there is interest by a private for-profit provider, upon request the applicant must provide to the private for-profit provider information which describes the transportation service needs in detail.
NYSDOT supports and encourages private sector participation in the provision of rural transportation services through both the Section 5311 and STOA programs. The majority of Section 5311 funded systems operating in the State are operated entirely or in part by private firms under contract to a city or county. NYSDOT, as part of all Section 5311 applications for operating and capital assistance, requires assurances by the applicant that it is complying with all provisions for private sector participation.

Public notices must be published in a format and manner approved by NYSDOT and an opportunity for private sector proposals for service provision must be provided. Subrecipients are required to comply with applicable NYS competitive procurement statutes. Additionally, NYSDOT has an extensive intercity bus program run by private operators.

Civil Rights

NYSDOT's Office of Civil Rights (OCR) has primary responsibility for administering the USDOT Disadvantaged Business Enterprise (DBE) and Title VI programs. NYSDOT’s DBE and Title VI plans detail implementation of these programs. OCR responsibilities include, but are not limited to:

- Monitoring subrecipients’ compliance through provider-level Title VI programs;
- Tracking discrimination complaints;
- Ensuring compliance with NYSDOT’s USDOT DBE program; and
- Reviewing Equal Employment Opportunity (EEO) plans of subrecipients meeting the threshold.

NYSDOT’s Office of Modal Grants Administration works closely with OCR to develop and monitor all Civil Rights programs. Although OCR serves as a primary resource for Americans with Disabilities Act (ADA) compliance, the Office has responsibility for ADA compliance with regard to transit vehicles.

NYSDOT ensures compliance with all civil rights programs, including Section 504 of the federal Rehabilitation Act and ADA through technical assistance and oversight reviews. All vehicles purchased with FTA or State funds for use in transit service must be accessible.

Monitoring and Oversight

NYSDOT conducts a risk-based oversight program for all Section 5310 and Section 5311 subrecipients. The oversight review types are:

- **Comprehensive reviews** – conducted every three years, or more frequently based on the identified level of risk and need. Comprehensive reviews identify
transit system’s strengths and weaknesses and ensure compliance with State and federal rules and regulations through:

- Site visits to subrecipients and, as applicable service providers; and
- Detailed reviews of program administration and management; operations and service provision; and service planning and marketing documentation.

Comprehensive review activities inform technical assistance efforts, and identify training opportunities and other support activities for transit systems. They help to document exemplary performance as best practices to share with other transit systems, or as needed, inform a plan of corrective action to improve any deficient area(s) based on review outcomes.

- **Comprehensive safety oversight program**
  
  - NYSDOT Motor Carrier Compliance Bureau conducts safety reviews and audits of the 44 for-hire motor carriers in the STOA program prior to issuance of state and federal operating authority; and enforces applicable federal and state safety regulations. Vehicles must pass a semi-annual NYSDOT inspection and drivers are monitored via NYSDMV Bus Driver Program (all STOA and for-hire carriers).

  - Federal Motor Carrier Safety Administration (FMCSA) and NYSDOT conduct reviews and audits on interstate motor carriers. NYSDOT conducts roadside inspections under the FMCSA’s Motor Carrier Safety Assistance Program.

  - Public Transportation Safety Board (PTSB) has safety oversight over all transit operations in the State receiving STOA. The Board monitors and approves system safety program plans, conducts comprehensive crash and incident investigations, performs site reviews, and delivers the Bus Accident Investigation Training for Identifying Safety Hazards (BAITFISH) Course.

- **Drug and alcohol program reviews** – conducted every three years based on the level of risk and need of every Section 5311 subrecipient to ensure compliance with 49 CFR Parts 40 and 655. Applicable Section 5310 subrecipient programs are reviewed every three years to ensure compliance with 49 CFR Parts 40 and 382.

- **Agreed-upon scope/program-specific reviews** – conducted on a case-by-case basis when a comprehensive review identifies issues, or when issues are identified outside of the review program, e.g., financial audits, operational reviews, or conflict of interest reviews.
Reporting

Section 5310 subrecipients are required to prepare and submit to NYSDOT semi-annual reports using a system that provides consistent and accurate information on the following:

- Vehicle or equipment utilization, including the collection of passenger trips for seniors and individuals with disabilities (including wheelchair trips);
- Vehicle mileage;
- Operating expenses;
- Title VI information;
- Insurance information; and
- Maintenance and repair data.

Specific problems or trends are identifiable through the analysis of these reports.

Section 5311 subrecipients are required to report annually on the following:

- Operations;
- Ridership;
- Performance; and
- Financial status of the projects/program(s).

Reimbursement may be withheld if reports are not submitted in a timely manner.

Annually, NYSDOT prepares and submits a National Transit Database (NTD) report based on subrecipients’ Section 5311 annual report submissions or TRA Section 17-a reporting documents supplied by small urbanized area (SUZA) and transportation management area (TMA) designated recipients.

Procurement

Procurement activities may be the responsibility of NYSDOT or the subrecipient.

For NYSDOT’s procurements, NYSDOT develops procurement specifications for projects and NYSDOT, or the Office of General Services (for the Section 5310 Adult Bus Contracts), is responsible for the procurement process. Procurements are administered or approved by the NYSDOT’s Office of Contract Management, the New York State Office of General Services, the Office of the Attorney General, and the Office of the State Comptroller. All procurements are conducted by certified (State
Procurement Officer Certification or State Construction Contracting Certification) procurement/contracting officers. State procurement/contracting officers are required to follow NYS Finance Law Article 7, 9, and 11, Sections 112, 135-147, 160-168, and Office of the State Comptroller Guidelines established pursuant State Finance Law Section 161(2)(d).

Subrecipients must submit all procurement information - throughout the procurement and reimbursement process - to NYSDOT for review and approval to ensure the procurements comply with State and FTA requirements. The Bureau uses a checklist that documents all methods and thresholds for purchase and the subrecipients provide the appropriate level of documentation based on those parameters.

For bus purchase projects, subrecipients may use either the NYS Office of General Services Adult Bus Contract to purchase from among different bus types or a competitive bid process. NYSDOT reviews both procurement methods to ensure compliance with federal and State regulations. Where available, subrecipients may piggyback off another provider's contract if contracting regulations are followed. Other equipment, such as radios, fare collection systems, passenger shelters, and computer hardware and software, is competitively procured.

Construction Management and Environmental Protection

Construction management is the responsibility of the subrecipient. NYSDOT participates in the project by assisting with, and reviewing, the subrecipient’s application, reviewing requests for proposals and invitations for bid, and reviewing contract language between the subrecipient and its consultant. NYSDOT also receives periodic progress reports from subrecipients and participates in the final inspection of facilities.

The subrecipient agency is responsible for environmental analysis activities. All projects must address environmental requirements in the application to FTA. NYSDOT reviews public involvement processes for each project. FTA reviews all applications.

Facility construction projects involve separate competitive processes for design and construction. NYSDOT’s headquarters and regional engineering staff review plans, specifications and estimates, and the progress of construction. The actual purchase of the equipment under both processes and construction of facilities is conducted by the subrecipients with the concurrence of NYSDOT. Leasing of capital assets is allowed if it can be demonstrated that it is more cost effective than purchasing or constructing the equipment.

NYSDOT’s regional offices provide technical assistance and oversight as necessary or upon request.
Vehicle/Equipment Use, Insurance, Maintenance and Disposition

NYSDOT maintains control over vehicles and/or equipment through inventory, annual reports, annual vehicle use certification, liens, disposition, and insurance requirements.

NYSDOT requires the following insurance coverage for Section 5310 and 5311-funded vehicles:

<table>
<thead>
<tr>
<th>Coverage</th>
<th>Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liability:</strong></td>
<td></td>
</tr>
<tr>
<td>Single limit coverage</td>
<td>$1,000,000 per occurrence OR</td>
</tr>
<tr>
<td>OR</td>
<td></td>
</tr>
<tr>
<td>Split coverage</td>
<td></td>
</tr>
<tr>
<td>Bodily injury liability</td>
<td>$100,000 per person</td>
</tr>
<tr>
<td></td>
<td>$300,000 per occurrence for 1-12 seating capacity</td>
</tr>
<tr>
<td></td>
<td>$500,000 per occurrence for over 12 seating capacity</td>
</tr>
<tr>
<td>Property damage liability</td>
<td>$50,000 per occurrence</td>
</tr>
<tr>
<td><strong>Physical damage (collision) deductible</strong></td>
<td>$1,000 deductible for fleets under 20 vehicles</td>
</tr>
<tr>
<td></td>
<td>$5,000 for fleets 20 vehicles and over</td>
</tr>
<tr>
<td><strong>Physical damage (comprehensive) deductible</strong></td>
<td>$1,000 deductible for fleets under 20 vehicles</td>
</tr>
<tr>
<td></td>
<td>$2,500 for fleets 20 vehicles and over</td>
</tr>
</tbody>
</table>

Section 5310 program subrecipients are required to provide information regarding their insurance coverage for all federally funded vehicles with each semi-annual report.

NYSDOT requires written vehicle maintenance plans, and maintenance of vehicles and/or equipment, which must address cleanliness, safety, and mechanical soundness in accordance with the original manufacturer’s recommended maintenance procedures and schedules; vehicle maintenance plans and actual maintenance may exceed the manufacturer’s recommendations. Subrecipients must document all maintenance completed and maintenance expenditures associated with the FTA-funded vehicles.

NYSDOT’s vehicle useful life policy is based on the following conditions:
### USEFUL LIFE STANDARDS FOR TRANSPORTATION VEHICLES

<table>
<thead>
<tr>
<th>Vehicle Description</th>
<th>Anticipated Years of Service</th>
<th>Anticipated Mileage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heavy-Duty Large Buses (35' - 45')</td>
<td>12</td>
<td>500,000</td>
</tr>
<tr>
<td>Heavy-Duty Mid-Sized Buses (30' - 35') (OGS Type IV, V) (Lot K)</td>
<td>10</td>
<td>350,000</td>
</tr>
<tr>
<td>Medium-Duty Purpose Built Buses (25' - 35') (OGS Type VI) (Lot I)</td>
<td>7</td>
<td>200,000</td>
</tr>
<tr>
<td>Low-floor buses (OGS Type II-LF and III-LF)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Light-Duty Mid-Size Buses (31' - 35')</td>
<td>5</td>
<td>150,000</td>
</tr>
<tr>
<td>Light-Duty Mid-Sized and Small Buses/ Vans (16' - 30') (OGS Type I, II, III) (Lots C, D, E, G, H)</td>
<td>5</td>
<td>150,000</td>
</tr>
</tbody>
</table>

### USEFUL LIFE STANDARDS FOR OTHER PROPERTY

<table>
<thead>
<tr>
<th>Description</th>
<th>Anticipated Years of Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication System</td>
<td>10</td>
</tr>
<tr>
<td>Fare Boxes and Revenue Counting System</td>
<td>10</td>
</tr>
<tr>
<td>Passenger Shelters</td>
<td>15</td>
</tr>
<tr>
<td>Personal Computers and Software</td>
<td>5</td>
</tr>
<tr>
<td>Garage Equipment/Tools</td>
<td>5</td>
</tr>
<tr>
<td>Bus Stop Signs</td>
<td></td>
</tr>
<tr>
<td>Bus Lifts</td>
<td>15</td>
</tr>
<tr>
<td>Bus Stop Shelters</td>
<td></td>
</tr>
<tr>
<td>Light Duty Shelter</td>
<td>10</td>
</tr>
<tr>
<td>Medium Duty Shelter</td>
<td>15</td>
</tr>
<tr>
<td>Heavy Duty Shelter</td>
<td>30</td>
</tr>
<tr>
<td>Facilities/Buildings</td>
<td>*</td>
</tr>
</tbody>
</table>

*FTA and NYSDOT interest does not end until disposition. Please see Facility Use, Insurance, Maintenance, and Disposition.
NYSDOT uses years and miles as an indicator of useful life for vehicles. NYSDOT may exercise its discretion to consider years or miles as necessary when determining if useful life has been met to maximize use of the asset for transit purposes.

Subrecipients must submit transfer and disposition actions to NYSDOT for approval. Once a vehicle is retired from the program, NYSDOT releases the lien recorded on the vehicle to the subrecipient. If, however, the fair market value at the time of retirement is greater than $5,000, then NYSDOT may either transfer the vehicle to another Section 5310 or Section 5311 recipient; or ensure it is sold at fair market value. If the vehicle is sold, 80 percent of the proceeds over $5,000 must be returned to NYSDOT.

When a vehicle funded under the FTA Section 5310 program has not met its useful life and is no longer needed or is not being used for appropriate grant program purposes, NYSDOT will transfer the vehicle to another subrecipient. Priority consideration of vehicle transfer to eligible subrecipients is given to those that:

- Report regularly and are up-to-date with semi-annual reports for current program vehicles;
- Maintain good vehicle utilization with existing program vehicles; and
- Provide similar specialized transportation service within the same community/region of the State.

In the event of loss due to casualty, fire, or theft:

1) Subrecipient must notify NYSDOT immediately; and
2) NYSDOT and the subrecipient will apply the insurance claim proceeds toward the replacement of the lost vehicle/equipment.

Facility Use, Insurance, Maintenance and Disposition

NYSDOT maintains control over FTA- and State-funded facilities through inventory, use, disposition, and insurance requirements. NYSDOT maintains an inventory of FTA-funded and State-funded facilities. Facilities must be used in the delivery of public transportation services.

- If a limited portion of the facilities is used for non-transit purposes, this non-transit usage is considered an “incidental use” of the facility.
- Subrecipients must have prior approval for incidental use of facilities.
- Proceeds from any incidental use must be considered program income and utilized to support the transit program.
NYSDOT requires a level of insurance that provides comprehensive general liability and property coverage known as “All Risks Coverage” under the Special Causes of Loss Form¹. Subrecipients must have a written maintenance plan for facilities.

Subrecipients must obtain prior State approval for the disposition of facilities, including the method of disposition. If the State approves the disposition of a subrecipient’s property, the FTA share of FTA-funded facilities must be returned to FTA or applied to another capital project. The State share of FTA- and State-funded facilities must be returned to NYSDOT or applied to another capital project.

Financial Management

The Office of Finance’s Accounting Bureau maintains a system of accounting and internal controls to assure accurate and timely cash flow to local projects. Funds are obligated and disbursed following procedures that include appropriations, allocations, obligation, requests for payment with documentation, and a well-established system of vouchers and payment procedures.

Uniform reporting is required for all projects, with a separate project code established for each award. Project identification numbers (PINs) are established, per NYSDOT standard accounting and record-keeping procedures, immediately upon notification of award approval. NYSDOT regularly reconciles records by a comparison of expenditures made between the State’s accounting system and NYSDOT accounting records, to assure that all invoices and reimbursement requests are correctly processed. NYSDOT uses the state’s system of record to compile the Electronic Clearinghouse Operation (ECHO) billing submitted monthly.

Each subrecipient is responsible for accurate and complete disclosure of its expenditures and revenues. Reimbursement of eligible expenses is made within 30 days of receipt of satisfactory documentation.

Projects receive reimbursement for no more than the amount of the award total specified in the contract. A credit balance in a project at the end of the award period represents unearned funds. These funds are redistributed in the next award year. NYSDOT may amend the ending date of an award.

Audits

Projects are submitted for potential audit under requirements of the Federal Single Audit Act. For operating assistance projects, localities must submit an annual financial report to NYSDOT, certified by the chief fiscal officer of the locality and attesting to their compliance with audit requirements. The subrecipient forwards the annual financial report to the subrecipient’s local independent auditor completing the Federal Single Audit. Closeout of each year's operating assistance project occurs when NYSDOT (1) approves the financial report, and (2) accepts the Single Audit. Issues raised by the

¹ Please contact your insurance broker for more information.
audit report are forwarded to the subrecipient with a request that the items be addressed.

For any audit report finding that is relevant to transportation funding, including general control findings that could impact transportation funding, NYSDOT evaluates the subrecipient’s corrective action plan, follows up with the subrecipient for additional information as needed, and issues a management determination letter within six months. The management determination letter identifies whether the NYSDOT accepts the subrecipient’s corrective action planned and/or taken, and any follow-up actions NYSDOT will take or expects the subrecipient to take.

Civil Rights Complaints (ADA/EEO/Title VI)

All local transportation providers are required to have written complaint procedures to resolve complaints in the areas of ADA, EEO and Title VI, including local disputes. Complaints that cannot be resolved at the local level may be appealed to NYSDOT. NYSDOT reviews and logs these complaints and contacts all involved parties in order to resolve the complaint.

NYSDOT civil rights complaint procedures are published on the Office of Civil Rights page.

Charter Services

Providers receiving FTA funding through NYSDOT must receive prior written consideration and approval to operate charter service. Absent prior written approval from NYSDOT, such service is not allowed. Under the CARES Act, certain services may be allowed. Refer to the CARES Act Guidance materials, or consult with NYSDOT as necessary.