

CIRCULAR

U.S. Department of Transportation
Urban Mass Transportation Administration
Washington, D.C. 20590

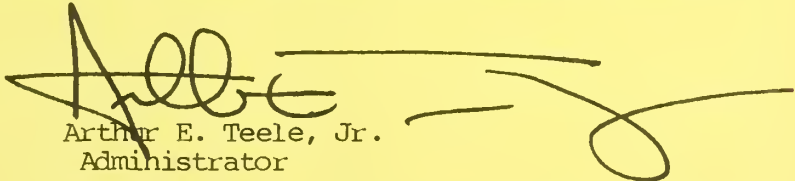
UMTA C 9050.1A

December 21, 1981

*Formula
Programme .
Operating
Systems*

SUBJECT: SECTION 5 OPERATING ASSISTANCE APPLICATION INSTRUCTIONS

1. PURPOSE. This Circular provides guidelines for the preparation of streamlined applications for operating assistance, and provides related program guidance pursuant to Section 5 of the Urban Mass Transportation Act of 1964, as amended. This guidance supersedes the "Application Instructions for Section 5 Operating Assistance Projects" in UMTA Circular 9050.1.
2. CANCELLATION. UMTA C 9050.1, "Application Instructions for Section 5 Operating Assistance Projects", dated June 10, 1977; 45 FR 56742, "Section 5 Operating Assistance Regulations" (NPRM), dated August 25, 1980; and 44 FR 50067, "Maintenance of Effort Requirements" (NPRM), dated August 27, 1979.
3. EFFECTIVE DATE. These procedures are effective immediately and should be followed when applying for operating assistance grants during FY 1982 and subsequent fiscal years. Applications for funds prepared according to the procedures described in UMTA C 9050.1, "Application Instructions for Section 5 Operating Assistance Projects", dated June 10, 1977, will be accepted, however, if received within 180 days after the publication date of this Circular, UMTA C 9050.1A.
4. REFERENCES. Section 5 of the Urban Mass Transportation Act of 1964, as amended.
5. BACKGROUND. Application instructions for Section 5 operating assistance were published June 10, 1977 and a notice of proposed rulemaking for operating assistance was published August 25, 1980.
6. POLICY. The application procedures established by this Circular have been developed in support of UMTA policy that UMTA will accord the expeditious review and approval of Section 5 operating assistance projects the highest level of priority. UMTA will award the grants for operating assistance projects as soon as possible after the date of (a) receipt of a completed project application, (b) receipt of authorizing legislation and an appropriation from the Congress, or (c) publication in the Federal Register of annual apportionments to urbanized areas, whichever is latest.


Arthur E. Teele, Jr.
Administrator

DISTRIBUTION: U-W-1
U-X-1

OPI: Office of Transit
Assistance

TABLE OF CONTENTS

<u>Chapter No.</u>		<u>Page</u>
Introduction		iv
Chapter I	Definitions	I-1
Chapter II	One-Time Submissions	II-1
	- Opinion of Counsel	
	- Authorizing Resolution	
	- Designation of Recipients	
	- Standard Assurances	
	- Private Enterprise Description	
	- Union Information for 13(c) Certification	
Chapter III	Annual Submissions	III-1
	- Section 15	
	- Governor's Report	
	- Planning	
	- Nondiscrimination	
Chapter IV	Application Procedures	IV-1
Chapter V	Project Financing	V-1
	- Definitions and Budget Preparation Guidelines	
	- Disbursement of Funds	
Chapter VI	Grant Agreement	VI-1
Chapter VII	Grant Amendments	VII-1
Chapter VIII	Waiver	VIII-1

<u>Attachments</u>		<u>Page</u>
Attachment A	One - Time Submissions	A-1
A-1	Opinion of Counsel	A-1
A-2	Authorizing Resolution	A-3
A-3	Standard Assurances	A-5
Attachment B	Project Application Submissions	B-1
B-1	MOE Certification and List of Revenue Categories Subject to MOE	B-1
B-2	Standard Form 424, Application for Federal Assistance	B-2
B-3	UMTA Project Budget Form	B-3
B-4	Statement of Continued Validity of One - Time Submissions	B-4
B-5	Supplemental Agreement	B-5
Attachment C	Level of Effort Schedule Format	C-1

INTRODUCTION

This Circular provides instructions for preparing Section 5 operating assistance applications and supersedes information contained in UMTA Circular 9050.1, "Application Instructions for Section 5 Operating Assistance Projects", dated June 10, 1977, the Notice of Proposed Rule-making (NPRM) for Section 5 Operating Assistance, published August 25, 1980 (45 FR 56742), and the NPRM titled "Maintenance of Effort Requirements", published August 27, 1980 (44 FR 50067).

UMTA has reevaluated the need for a regulation and has determined that guidance in the form of a Circular would achieve program objectives as effectively, we have, therefore, withdrawn the proposed regulations. Comments received on the NPRMs were taken into consideration while developing this Circular 9050.1A.

The Circular eliminates several submissions, requires only one-time or annual submission of certain documents that previously were provided with each project application, and, wherever possible, relies on applicant assurances of compliance with statutory requirements rather than requiring extensive documentation of compliance. UMTA is also encouraging the programming of more than one year of operating assistance projects in the Annual Element of the Transportation Improvement Program in order to accelerate the approval of operating assistance grants in subsequent years. In addition, the Circular provides a mechanism for requesting 13(c) certification by the Department of Labor of general purpose operating assistance projects based on project information included in the TIP/AE. These changes are intended to streamline both the preparation of operating assistance applications and also the UMTA review of these applications.

Among the specific provisions and changes incorporated into this Circular are the following:

1. The Opinion of Counsel, the Authorizing Resolution, the Designation of Recipients, the Standard Assurances, the Private Enterprise description, and information on transit labor unions for 13(c) certification will be one-time submissions, to be updated as necessary.
2. The signed Standard Assurances document will certify continuing compliance with specific statutory requirements and regulations including pertinent nondiscrimination requirements, Charter Bus and School Bus regulations, public hearing requirements, protection of private mass transportation company requirements, and half-fare requirements for the elderly and handicapped.

3. Section 15 Reports, the Governor's report on the allocation of funds to urbanized areas under 200,000 population when the allocation differs from published apportionments, the TIP/AE, and any required updates regarding nondiscrimination will be annual submissions.
4. Standard Form 424, an UMTA Project Budget Form, a 13(c) certification, a statement that specific one-time submissions submitted previously remain valid, and, under certain circumstances, a certification of compliance with Maintenance of Effort (MOE) requirements will be required for each project; a Supplemental Agreement, when required, will be executed with each grant agreement.
5. Requirements for the submission of MOE calculations, LOE schedules, OMB Form 80-RO-186, Part III, audited financial statements for the two preceding fiscal years, the Transit System Overview, the Description of Half-Fare Procedures, certified copies of public hearing notices, and public hearing transcripts have been eliminated.

While the text of the new Circular contains the detailed description of each requirement under UMTA 9050.1A, a side-by-side comparison of the requirements under UMTA 9050.1 and under 9050.1A follows on the next pages.

Comparison of Grant Application Procedures:
UMTA 9050.1 vs. UMTA 9050.1A

The new operating assistance Circular, UMTA 9050.1A, divides required submissions into three categories according to the frequency with which the information must be submitted. Differences between the old and new Circulars will be found in the actual requirements, the necessary supporting documentation or method for indicating compliance, and the frequency with which the required materials are submitted.

One-Time Submissions: Each applicant need submit the information listed on the right side of the page only once, with updates as necessary, at the time of the filing of the initial grant application using the new procedures.

UMTA 9050.1

UMTA 9050.1A

- | | |
|---|--|
| <ol style="list-style-type: none">1. Opinion of Counsel - this document establishes the applicant's legal eligibility to apply for a grant and carry out the project. A <u>one-time submission</u> with updates as necessary.2. Counsel's Certification - the applicant's attorney must certify that there is no pending or threatened litigation or other action which might adversely effect the execution of the proposed project and that there is no legal impediment to the responsible official or grantee making the application. <u>Submitted with each application.</u>3. Distribution of Transportation Benefits - <u>one-time submission</u>, updated as necessary, providing socio-economic profile of service area, maps of service area, discussion of distribution of benefits, etc. This submission was subsequently replaced by submission requirements under UMTA 1160.1 | <ol style="list-style-type: none">1. No change.2. Counsel's Certification has been incorporated into the Opinion of Counsel and becomes a <u>one-time submission</u>, with updates as necessary.3. Replaced by Title VI Circular, UMTA 1160.1. |
|---|--|

UMTA 9050.1

UMTA 9050.1A

4. Authorizing Resolution - specifies the language of a resolution to be passed by the applicant's governing body which authorizes a specific individual or individuals to file an application with UMTA and may grant (a) designated official(s) the authority to execute grant agreements with DOT. If this latter authority is not granted, a second resolution is necessary. The resolution must specify the applications for which authority is being granted. The frequency of submission is dependent upon the period of time covered by the applications cited in the resolution. A separate action on the part of the governing body is necessary to meet this requirement.

5. Designation of Recipients - requirement for documentation from designated bodies or officials of the selected designees. For areas of greater than 200,000 population, concurrence in the designation by UMTA is necessary; for areas of less than 200,000 population, acknowledgement of receipt of information is all that is necessary. This is a one-time submission at the time of designation, with updates if necessary.

6. Standard Assurances - this document is a one-time submission, with updates as necessary. The signature of the authorized official, attested to by the applicant's attorney, on this document indicates an assurance of ongoing compliance with the following statutes, regulations, and other requirements:

4. Authorizing Resolution - the requirement that the necessary authority to file an application and execute a contract agreement be conferred by the governing body is continued; however, this requirement can now be met by submission of copies of existing laws, statutes, etc. which grant the necessary authority in lieu of the authorizing document. This is a one-time submission.

5. No change.

6. Standard Assurances - the basic concept is continued, but the document is expanded to include assurances of compliance with statutory requirements previously required separate documentation or which were not previously mentioned. It remains a one-time submission.

UMTA 9050.1

UMTA 9050.1A

- | | |
|--|---|
| a. The applicant has the legal authority to apply for and finance a grant. | a.-c. These assurances are contained in both the old and new Circulars. |
| b. The applicant will: expend project funds according to UMTA requirements on eligible operating assistance projects; comply with OMB Circulars A-95 and A-102; charge no more than one-half fares to the elderly and handicapped during specified times; guard against or avoid employees using their positions for private gain; provide UMTA, the Comptroller General or their agents access to all grant-related records; operate and maintain any facility coinstructed using Federal funds in accordance with minimum applicable Federal, State, or local standards; and comply with applicable provisions of the Hatch Act. | |
| c. The applicant, or any operator of mass transportation operating on its behalf, will operate in compliance with UMTA's School and Charter Bus regulations, and will comply with UMTA's uniform system of accounts and records regulations. | |
| d. Not discussed. | d. The applicant has the required local match. |
| e. Not discussed. | e. The applicant recognizes UMTA's authority to audit compliance with the program requirements. |

UMTA 9050.1

UMTA 9050.1A

- f. Nondiscrimination - no assurance for MBE or EEO. Separate assurance of compliance with Title VI required by 49 CFR Part 21.
- g. Not an assurance provision. Requirement contained in the Standard Certification effects required with each application.
- h. No assurance.
- i. Not an assurance provision. Applicants must hold a public hearing on the operating assistance project prior to submission of each application. A notice of the hearing must be published at least twice before the hearing. Certified copies of hearing notices and transcripts must be sent to UMTA with each application.
- f. Nondiscrimination - the applicant will comply with: UMTA 1155.1 (EEO) and 49 CFR Part 23 (MBE) including pre-award reviews and annual updates, when required; UMTA 1160.1 (Interim Guidelines for Title VI) and 49 CFR Part 21 (Nondiscrimination), including the pre-award review and annual update (separate assurance required by 49 CFR 21.7(a)(1)); 49 CFR Part 27 (Nondiscrimination on the Basis of Handicap); Title VI, Civil Rights Act of 1964; and Section 19 of the UMT Act, Nondiscrimination.
- g. Consideration will be given to the social, economic, environmental and other effects of the project(s) during the planning process.
- h. The applicant will comply with 49 CFR Part 622 (Environmental Impacts).
- i. Public hearing process - the applicant will hold public hearing or afford the opportunity for a hearing. Circular provides guidance for complying with this requirement.

UMTA 9050.1

UMTA 9050.1A

- | | |
|---|---|
| 7. Labor Unions - applicant must identify the union(s) representing employees of the transit system to be assisted and any other affected systems as a <u>one-time submission</u> with updates as necessary. | 7. No change. |
| 8. Private Enterprise Description - data on other mass transportation carriers serving the applicant's urbanized area describing the types of service provided, hours of operation, service areas, and any arrangements for coordinating services is required as one part of the Transit System Overview which is a <u>one-time submission</u> , with updates as necessary. | 8. Private Enterprise Description - a description of existing private mass transportation companies in the applicant's service area is required as a <u>one-time submission</u> , with updates as warranted (formerly #6 of the Transit System Overview). |
| 9. Supplemental Agreement - document executed as part of <u>each</u> Section 5 grant contract by the designated recipient, grantee and UMTA if the designated recipient will not be the grantee. | 9. No change. |

Annual Submissions: The following section describes submissions which are required on an annual basis under UMTA 9050.1A. The timing for submission of the first requirement discussed, the Section 15 reports, is dependent upon the local fiscal year and is not required prior to the submission of an application. The three remaining annual submissions, where required, must have already been submitted to UMTA or must be submitted at the time of application for funds.

- | | |
|--|---------------|
| 1. Section 15 - Operator(s) will comply with the annual reporting system and uniform system of accounts requirements prescribed in 49 CFR Part 630, "Uniform System of Accounts and Reporting System". | 1. No change. |
|--|---------------|

UMTA 9050.1

2. Governor's Report - no discussion.
3. Planning - before an application for assistance can be approved, it must be included in an approval Annual Element (AE) of the Transportation Improvement Program (TIP).
4. Competition with Private Mass Transportation Companies - no application requirement.

UMTA 9050.1A

2. Governor's Report - whenever the Governor's proposed allocation of Section 5 funds among urbanized areas under 200,000 population within his/her State differs from the formula-based allocation, the Governor must submit a report to UMTA stating the desired allocation. Until this report is received by UMTA, no Section 5 assistance can be granted to an area in excess of its formula allocation plus any carryover funds available to it.
3. Planning - while the requirement that a proposed project be contained in an approved AE is continued, UMTA encourages the programming of more than one year of operating assistance in the AE which UMTA will submit to DOL for 13(c) certification if received in advance of the project application.
4. Competition with Private Mass Transportation Companies - if the project(s) for which assistance is sought will provide service in competition with, or supplementary to, service currently provided by private mass transportation companies, the applicant must describe how the proposed project(s) is/are essential to the program of projects and how this program of projects provides for the participation of these private mass transportation companies to the maximum extent feasible. This description may be provided, if required, either on an annual basis or with the individual project application(s).

12/21/81

UMTA 9050.1

5. Nondiscrimination Updates - not discussed.

UMTA 9050.1A

5. Nondiscrimination Updates - annual updates, when required by UMTA 1155.1 (EEO) and 49 CFR Part 21 (MBE), and required by UMTA 1160.1 (Interim Guidelines for Title VI), must be submitted to UMTA for review and approval.

Application Submissions: The documents indicated below on the right must be submitted with each application for operating assistance. In addition, the applicant must submit any of the one-time or annual submissions discussed previously if they have not already been submitted or if they require revisions or updating.

- | | |
|--|---|
| 1. Standard Form 424. | 1. No change. |
| 2. UMTA Project Budget Form. | 2. No change. |
| 3. OMB Form 80-RO-186. | 3. No longer required. |
| 4. Certified Level of Effort schedules for the two preceding local fiscal years. | 4. No longer required. |
| 5. Certified Level of Effort schedule for the project year. | 5. No longer required. |
| 6. Audited financial statements for the two preceding local fiscal year. | 6. No longer required to be submitted with application. |
| 7. MOE calculations. | 7. No longer required to be submitted with application. |
| 8. MOE Certification - not required. | 8. MOE Certification - required only with applications for pre-FY'82 funds. |
| 9. Standard Certification. | 9. No longer required. |
| 10. Transcript of public hearing. | 10. No longer required to be submitted. |

12/21/81

UMTA 9050.1

11. Certified copies of public hearing.
12. Individual statements of the continuing validity of each previously submitted one-time submissions.
13. Standard language submitted with application when the user of the funds does not engage in charter and/or school bus operations.

UMTA 9050.1A

11. No longer required.
12. Consolidated statement of continuing validity of previously submitted one-time submissions.
13. No longer required.

CHAPTER I
DEFINITIONS

1. General.

- a. "Administrator" means the administrator of the Urban Mass Transportation Administration (UMTA).
- b. "Annual Element (AE)" means a list of transportation improvement projects proposed for implementation during a particular program year of the Transportation Improvement Program, and may include more than one year of operating assistance projects.
- c. "Department" means the U.S. Department of Transportation (DOT).
- d. "Governor" means any Governor of the fifty States and Puerto Rico, and the Mayor of the District of Columbia.
- e. "Level of Effort (LOE)" means the amount contributed from State and local government funds and non-farebox transit revenues, and expended on the operation of mass transportation service in an urbanized area for a given local fiscal year. Pursuant to the UMT Act, LOE includes advertising concessions and property leases for transit purposes and excludes reimbursement payments for the transportation of school children.
- f. * "Maintenance of Effort (MOE)" means the average of the LOE for the two local fiscal years preceding the project year. *Ever in the first grant.*
- g. "Mass Transportation" means transportation by bus, rail, or other conveyance, either publicly or privately owned, which provides service to the general public or special service (but not including school buses or charter or sightseeing service) on a regular and continuing basis.
- h. "Public Transportation" means mass transportation.
- i. "Urbanized Area" means an area so designated by the Bureau of the Census, within the boundaries which shall be fixed by responsible State and local officials in cooperation with each other, subject to approval by the Secretary, and which, at a minimum, encompasses the entire urbanized area within a State as designated by the Bureau of the Census.
- j. "Transportation Improvement Program (TIP)" means a staged multi-year program of transportation improvement projects, including an annual element.

Local Share

Local share must be at least MOE

* *Prior to F482 funds must meet MOE
After F482 funds not required anymore*

- k. "UMT Act" means the Urban Mass Transportation Act of 1964, as amended, (49 U.S.C. 1601 et seq.).
- l. "Project Year" means the 12 month period for which operating assistance is requested.

2. Designated Recipients.

- a. The Governor, responsible local officials and publicly-owned operators of mass transportation services will jointly designate a recipient or recipients to apply for, receive and dispense funds for urbanized areas of 200,000 or more population, pursuant to Section 5(b)(1) of the UMT Act as follows:
 - (1) To the extent possible, a single recipient should be designated for each urbanized area or for contiguous urbanized areas.
 - (2) Any statewide or regional agency or instrumentality responsible under State laws for financing, construction, or operating directly, by lease, contract or otherwise of public transportation services will be named a designated recipient by the Governor, responsible local officials and publicly-owned operators of mass transportation services.
- b. The Governor or the Governor's designee(s) is (are) the designated recipient(s) for urbanized areas under 200,000 persons in population.
- c. Designations remain in effect until amended or rescinded. Designations submitted to UMTA prior to the issuance of this Circular which remain valid need not be resubmitted.

3. Other Recipients.

- a. Public agencies may receive and dispense funds with the concurrence of the designated recipient. In such cases, the designated recipient applies for funds on behalf of the public agency, and the public agency receives and dispenses the UMTA funds pursuant to a supplemental agreement executed by the designated recipient, the public agency, and UMTA.
- b. When the designated recipient will not also act as applicant/grantee, the applicant/grantee must execute and submit the applicant eligibility documentation and assurances.

c. The supplemental agreement should -

- (1) confer on the public agency the right to receive and dispense grant funds;
- (2) transfer to the public agency all rights, obligations and responsibilities under the grant agreement; and
- (3) release the designated recipient from any liability under the grant agreement.

4. Grantees.

- a. A grantee is the eligible recipient of operating assistance funds which has the legal responsibility for carrying out the operating assistance project, directly, by lease or contract, or otherwise.
- b. A grantee may be either a designated recipient or public agency with a supplemental agreement with a designated recipient.
- c. All grantees must have the legal capacity to -
 - (1) apply for, receive and dispense Federal funds for transit purposes;
 - (2) submit project applications to UMTA; and
 - (3) enter into formal project agreements with UMTA.

CHAPTER II
ONE-TIME SUBMISSIONS

Each applicant shall submit the information indicated below once and need only provide a statement in subsequent project applications that the previous submissions remain valid. If the applicant has submitted an authorizing resolution, designation of recipients, and/or private enterprise description (formerly #6 of the Transit System Overview in UMTA 9050.1) to UMTA prior to the issuance of this Circular, and they remain valid, they do not need to be resubmitted. The Opinion of Counsel (Attachment A-1), the supplemental agreement (if necessary), the standard assurances submission (Attachment A-3) and a list of the names and addresses of the unions representing employees of the transit system(s) affected by the project(s) must be included in the initial project application submitted under the procedures in this Circular. The grantee will be responsible for revising and updating the information as circumstances warrant. (See Attachments A-1, 2, and 3 and B-4)

1. Opinion of Counsel. An Opinion of Counsel establishes the legal eligibility of the grantee to apply for and receive a Federal grant, to execute the project(s), and contains a certification by the attorney of the grantee that there is no pending or threatened litigation or other action which might adversely affect the execution of the proposed project(s) and that there is no legal impediment to the responsible official or grantee making applications for operating assistance. (Attachment A-1)
2. Authorizing Resolution. A single resolution may be used to authorize the filing of all subsequent applications for operating assistance or the governing body may choose to require a separate resolution for each application. (Attachment A-2)
 - a. The resolution from the governing body of the grantee formally authorizes the grantee to -
 - (1) execute and file an application on its own behalf with UMTA (through the designated recipient if the grantee is not the designated recipient) to aid in the financing of public transportation projects;
 - (2) execute and file any assurances or other documents required by the Department;
 - (3) furnish such additional information as the Department may require in connection with the application or the project; and

12/21/81

- (4) execute other such functions as are necessary to carry out the operating assistance project.
 - b. Only officers designated by the authorizing resolution may sign the application form and other documents relating to the application and its resulting grant agreement.
 - c. The resolution may also authorize officers to execute grant agreements with UMTA. If this authorization is not in the original resolution, a second resolution authorizing the grantee to execute the grant agreement must be submitted to UMTA concurrent with execution of the grant agreement.
 - d. If the authority described above is conferred on the applicant by legal tools currently in force such as State or local statutes or official actions taken by a policy body, copies of the authorizing document or transcripts of the official actions, with a brief description of their current applicability, may be submitted in place of the resolution described above.
3. Designation of Recipients. See Chapter I, Paragraphs 2 and 3.
- a. In those cases in which designated recipient documentation has not been submitted previously or in which an amendment or rescission requires that new documents be submitted, this documentation must include the following:
 - (1) For areas over 200,000 population, a letter expressing the concurrence of the Governor or other State agency to which the Governor's authority to concur in delegations of recipients has been delegated.
 - (2) For areas under 200,000 population, if the Governor chooses to retain designated recipient status himself/herself, no documentation need be submitted to support this action. Alternatively, the Governor may choose to (a) designate one or more local recipients for each of these areas, (b) designate another State agency to act for the Governor as the designated recipient for these areas, or (c) delegate authority to act for the Governor to another State agency, and that agency may, in turn, either retain designated recipient status or redesignate individual local recipients for each area. In each instance, such designations must be documented by a letter from the Governor to UMTA.

- (3) For each designated recipient, an Opinion of Counsel certifying to the entity's legal capacity to perform the functions of a designated recipient.
 - (4) For areas over 200,000 population, concurrence in the designated recipient(s) by the publicly-owned operators of mass transportation servicing the urbanized area.
 - (5) For areas over 200,000 population, an appropriately certified resolution of the policy making body of the Metropolitan Planning Organization (MPO) concurring in the designated recipients.
- b. Designations of recipients for urbanized areas over 200,000 population are effective upon concurrence by UMTA. Notification of concurrence will be made to the individual recipients involved. Designations of recipients for urbanized areas under 200,000 population, other than the Governor, are effective upon acknowledgement by UMTA. Acknowledgement of such designations will be made by UMTA upon receipt of required documentation.
4. Standard Assurances. The signed Standard Assurances document serves as the applicant's statement that its activities during the project period(s) will be, or will continue to be, in conformance with applicable regulatory and statutory requirements. It is not a substitute for individual submissions which may be required in conjunction with the statutes and regulations referenced. For example, whereas the one-time Title VI submissions (and updates) required prior to the granting of operating assistance indicates compliance with the relevant laws, regulations and circulars at the time an application is filed, a signed Standard Assurances document is the applicant's certification that these practices will continue during the project period(s). Another example would be the case of an operator that did not provide charter service at the time the application for operating assistance was submitted but began this service during the project year. Initially, the signed Standard Assurance document indicating compliance with 49 CFR Part 604 is all that is required. This assurance, however, obligates the applicant to submit the necessary documentation once the charter service is begun.

Those items in the Standard Assurance document which may have data submission requirements are indicated by an asterisk (*) in the following summary of items included in the Standard Assurances, and applicants should review these regulations and circulars carefully to determine what additional information, if any, they must or may have to submit.

The authorized official of the recipient organization must assure that the grantee will comply with, and submit any documents required by, pertinent regulations, circulars and other requirements, including the following:

- *a. UMTA Circular 1155.1 - UMTA Equal Employment Opportunity Policy and Requirements for Grant Recipients.
- *b. UMTA Circular 1160.1 - Interim Guidelines for Title VI-Information Specific to UMTA Programs and 49 CFR Part 21-Nondiscrimination in Federally Assisted Programs of the Department of Transportation--Effectuation of Title VI of the Civil Rights Act of 1964.
- *c. 49 CFR Part 27 - Nondiscrimination on Basis of Handicapped in Federally-Assisted Programs and Activities Receiving or Benefiting from Federal Financial Assistance.
- *d. 49 CFR Part 23 - Participation by Minority Business Enterprise in Department of Transportation Programs.
- e. Title VI, Civil Rights Act of 1964.
- f. Section 19, Nondiscrimination, UMT Act.
- *g. 49 CFR Part 604 - Charter Bus Operations.
- *h. 49 CFR Part 605 - School Bus Operators.
- i. 49 CFR Part 622 - Environmental Impact and Related Procedures.
- j. Public hearings - Prior to submitting an application for operating assistance, the applicant will conduct public hearings or afford the opportunity for such hearings on each proposed operating assistance project in the following manner:
 - (1) It will provide initial notice of such hearings which will either -
 - (a) state that a hearing will be held (unless no persons are present on the scheduled date), and specify the date, time and location of the hearing; or

- (b) provide a reasonable method for interested persons to inform the applicant within 15 days after the notice appears that they seek a hearing. If the applicant does not receive any such requests for a hearing within this period, it will publish a second notice stating that no hearing will be held because no requests were received. If the applicant does receive a request for a hearing within the 15 day period, it will publish a second notice stating the date, time and location of the hearing no later than 10 days before the scheduled hearing.
- (2) The initial notice will -
 - (a) be published at least 30 days before the scheduled/ proposed hearing date in local newspaper of general circulation including local minority publications; and
 - (b) indicate the proposed hearing will include consideration of the economic and social effects of the project, its impact on the environment, including requirements under the Clean Air Act, the Federal Water Pollution Control Act, and other applicable Federal environmental statutes, and its consistency with the goals of local urban planning. Operators who provide or propose to provide charter bus or school bus service should so indicate in their public hearing notice in accordance with the requirements of 49 CFR Part 604 and 49 CFR Part 605, respectively.
 - (3) It will satisfy any State and local hearing requirements which exceed these requirements.
 - (4) It will prepare a transcript of any hearings held on an operating assistance project by the applicant and will retain the transcript until the project is closed out by UMTA.
 - (5) Requests for exceptions to any of these requirements may be granted by the appropriate UMTA Regional Administrator on a case-by-case basis upon showing good cause such as a statement signed by the applicant's legal counsel that public hearings on the proposed operating assistance project(s) which meet or exceed these requirements have been held as part of the TIP/AE preparation and local approval process.

12/21/81

- k. Half-fare - During non-peak hours, fares on transportation utilizing or involving the facilities and equipment of the project financed under Section 5 for elderly and handicapped persons will be no more than one-half the normal peak hour fare.
- *l. 49 CFR Part 635 Subpart A - Requirement for a public hearing prior to any fare change and prior to any substantial change in service.
- *m. 49 CFR Part 630 - Uniform System of Accounts and Reporting System.

If the pre-award reviews, when mandated by UMTA Circular 1155.1 and 49 CFR Part 23, and mandated by UMTA Circular 1160.1, have not taken place prior to submission of an application for Section 5 funds, the required materials must be submitted for UMTA review and approval.

(See Attachment A-3 for precise language of Standard Assurances.)

- 5. Private Enterprise Description. In order for UMTA to make the finding required by Section 3(e) of the UMT Act, a description must be submitted of existing private mass transportation companies in the service area to be covered by the project(s). If the project(s) to be funded by UMTA provided service in competition with, or supplementary to, the service provided by an existing private mass transportation company, a separate description must be submitted with the application outlining how the project(s) applied for is essential to the program of projects and, to the maximum extent feasible, provides for the participation of the private mass transportation companies.
- 6. Labor Union Information. A list of the names and addresses of the local chapters of those labor unions representing employees of the transit system(s) affected by the project(s) should be provided in the first application submitted under these procedures and be updated as necessary.

CHAPTER III
ANNUAL SUBMISSIONS

The following requirements must be met and appropriate documents submitted on an annual basis:

1. Section 15. The operator(s) will comply with the reporting system and uniform system of accounts requirements prescribed in 49 CFR Part 630, "Uniform System of Accounts and Reporting System".
2. Governor's Report. The Governor or his/her designee must submit to the appropriate UMTA Regional Office at the beginning of each local fiscal year or prior to/concurrent with the submittal of a project application, a report stating the desired allocation of the Governor's apportionment of funds among urbanized areas under 200,000 population. This report is required only if the allocation differs from what it would have been had the funds been apportioned directly. The Governor or his/her designee shall also provide the name and address of the person to contact for additional information concerning the allocation of funds.
 - a. The Governor or his/her designee will inform the appropriate UMTA Regional Office in writing of his or her intent to change the allocation in the report.
 - b. The Governor or his/her designee should consider the following in making the allocation:
 - (1) The allocation if funds were apportioned to urbanized areas directly; and
 - (2) The financial needs of each urbanized area for planned mass transportation projects.
 - c. The Governor's allocation can not exceed the total of the most recent apportionment to the State plus carryover funds available from previous apportionments to the State.
 - d. The Governor or his/her designee may choose to have the balance of any allocation to urbanized areas of less than 200,000 population which remains unobligated at the end of each year returned to the Governor or his/her designee for reallocation. These funds must be reallocated in the same tier as the funds were originally apportioned. Any such reallocation of unobligated funds should be made according to the financial needs for planned mass transportation projects of the urbanized areas, giving priority to the financial needs of the urbanized areas yielding the unobligated funds.

3. Planning. Each project for which operating assistance funds are requested must be part of the program of projects in an approved annual element of the Transportation Improvement Program (TIP).
- a. UMTA encourages the programming of more than one year of operating projects in the TIP/AE. In accordance with 23 CFR Part 450, "Urban Transportation Planning", paragraph 450.312(e), in the event that the total Federal share for Section 5 projects listed in the TIP/AE for any one program year exceeds the apportioned amounts, plus carryover amounts, of Section 5 funds which actually become available to the urbanized area for that program year, UMTA will adjust downward the amounts indicated in the TIP/AE, in consultation with the MPO, to reflect amounts available for the year.
 - b. If an urbanized area's TIP/AE which includes one or more years of general purpose, routine operating assistance projects is received in the UMTA Regional Office prior to receiving the actual project application for the project year, UMTA will review the TIP/AE to permit UMTA to make a declaration of "willingness to fund" the projects. Declaration of "willingness to fund" will imply that the proposed general purpose operating assistance project is justified and that it will be approved provided sufficient funds are available and program requirements are met.

If UMTA makes this declaration, the Regional Office will assign the routine operating assistance project in the TIP/AE for the project year a project number and submit it to the Department of Labor. UMTA will request DOL to perform its 13(c) certification of the project based on information included for the specific project(s) in the TIP/AE. The TIP/AE must contain sufficient project and budget information to permit DOL to perform its review and processing according to normal case handling procedures. The TIP/AE must, at a minimum, identify the designated recipient(s) and operator(s), the project duration, and the estimated amount of operating assistance to be requested from UMTA for each project. DOL will retain exclusive jurisdiction in determining whether a particular project submitted as part of an AE is appropriate for certification.

If DOL certifies a project based on the information in the TIP/AE, but, based on project information submitted in the actual project application, UMTA subsequently finds that the scope of the project has changed, that is, a change of designated recipient, operators or project duration, the project application itself will be submitted to DOL for certification. The application will not have to be submitted to DOL solely because there has been a change in project cost.

UMTA will provide DOL with an information copy of all applications for projects which received 13(c) certification based on the TIP/AE.

4. Nondiscrimination. The annual updates, when required by UMTA Circular 1155.1, UMTA Equal Employment Opportunity Policy and Requirements for Grant Recipients, and 49 CFR Part 21, Participation by Minority Business Enterprise in Department of Transportation Programs, and required by UMTA Circular 1160.1, Interim Guidelines for Title VI - Information Specific to UMTA Programs, must continue to be submitted to UMTA for review and approval.

CHAPTER IV
APPLICATION PROCEDURES

UMTA must have received the documents listed below prior to approving a grant for operating assistance. Items 1 through 6 are one-time submissions and do not need to be resubmitted with every project application unless this is required locally or unless they have been revised or updated. Once these one-time documents have been submitted, only a statement as to the continuing validity and accuracy of the specific submissions need be included in each project application (see item 14). Items 7 through 9 must be submitted to UMTA on an annual basis at the beginning of each local fiscal year or prior to/concurrent with the submittal of a project application. Item 10 (Supplemental Agreement) is required with each application when the designated recipient is not also the grantee. A 13(c) certification (item 11) from the Department of Labor is required for each operating assistance project. UMTA will request this certification from DOL based either on the project application or, when appropriate, on the information included in an approved TIP/AE which has been submitted to DOL in advance of the project application (see Chapter III, Paragraph 3b). Item 12 must be submitted with each project application for projects for which MOE applies (see discussion below), and items 13 (a) and (b) must be submitted with each application for operating assistance.

- ONE-TIME SUBMISSION -

1. Opinion of counsel and certification of no pending or threatened litigation or other action which might adversely affect the ability of the grantee to carry out the project. (Attachment A-1)
2. Authorizing resolution from the applicant's governing body. (Attachment A-2)
3. Designation of recipients.
4. Signed standard assurances. (Attachment A-3)
5. Private enterprise description.
6. Labor union information for 13(c) certification.

- ANNUAL SUBMISSION -

7. Governor's report (pertains only to urbanized areas under 200,000 population).
8. TIP/AE.
9. Nondiscrimination submissions.

- APPLICATION SUBMISSION -

10. A supplemental agreement signed by the designated recipient, the grantee and UMTA if the designated recipient will not be the grantee.
11. Department of Labor 13(c) certification.
12. MOE Certification - Pursuant to Section 5(f) of the UMT Act, applicants for operating assistance grants for projects which will be funded in whole or in part with Section 5 funds apportioned prior to October 1, 1981 (Federal FY 1982) must certify compliance with maintenance of effort (MOE) requirements. Conversely, MOE compliance will not be required of applicants for grants for operating assistance projects which will be funded entirely with funds apportioned in FY 1982 or subsequent fiscal years. It is important to point out that funds retain their fiscal year apportionment designation for four years. For example, funds apportioned in FY 1981 remain FY 1981 apportioned funds regardless of the year in which they are actually obligated for an operating assistance project. UMTA will notify the applicant of the need for certifying compliance with MOE requirements. (Attachment B-1)

With respect to those projects for which MOE does apply, operating assistance funds must be supplementary to and not in substitution for the average amount of State and local government funds and other non-farebox transit revenues which were spent during the two preceding years for mass transportation service in the area. A Level of Effort Schedule format is provided in Attachment C to assist applicants in calculating LOE for each of the two preceding fiscal years and thereby determining the required MOE level. In general, income to be applied to meeting MOE requirements is that income derived from non-Federal, governmental sources and non-farebox transit revenues which is actually applied to eligible transit operating expenses during the particular period. Section 5(f) specifically states that transit revenues subject to MOE include such items as advertising concessions and property leases, but exclude reimbursement payments for the transportation of school children.

This section of the Act also provides that if the level of effort is reduced, there will be no reduction in the amount of operating assistance due the grantee if the reduction is offset by an increase in operating revenues through changes in the fare structure. Where a recipient has reduced operating costs without reducing service levels, the recipient can make a proportionate reduction in the amount of transit revenues contributed towards the level of effort. If the recipient reduces the level of effort without either an offsetting increase in revenues or proportionate decrease in operating costs, there will be a commensurate reduction in the amount of Section 5 assistance.

Applicants for funds apportioned prior to FY 1982 must certify that MOE has been met (or appropriate adjustments made) or will be met (or adjustments made) as part of the application process. In the case of estimated MOE data, applicants should be aware that any excess funds received (i.e. unsupported by MOE compliance) as determined by the audit must be refunded to UMTA. Applicants should keep on file their LOE and MOE calculations in support of their certification of compliance.

13. Standard form 424, Application for Federal Assistance, signed by the applicant. (Attachment B-2)
14. UMTA Project Budget Form, signed by the applicant's chief financial officer. (Attachment B-3)
15. A statement that specific one-time submissions (items 1-7 above) submitted previously remain valid and accurate. (Attachment B-4)

NOTE: Applicants for Section 5 Operating Assistance should use the attached forms even though all of them have not yet received the necessary OMB clearance. UMTA is in the process of obtaining clearance and will report the forms when cleared to display the OMB clearance numbers.

CHAPTER V
PROJECT FINANCING

This section presents budget information to be used by the applicant to determine the amount of UMTA funds which the applicant is eligible to receive for an operating assistance project. In general, the cost principles and standards discussed in OMB Circular A-87 should be followed by applicants in making this determination. The discussion which follows below, however, provides additional information on certain revenue and expense items of particular relevance to the Section 5 operating assistance program and also indicates items which are treated differently under this program than is stated in OMB Circular A-87.

A completed UMTA Project Budget Form will be required with each project application, but UMTA will no longer perform a thorough examination during the application review period of the financial data submitted by the applicant. This review will occur during the audit required by Office of Management and Budget (OMB) Circular A-102, Attachment P which requires that a system-wide audit be conducted no less frequently than every two years. UMTA requires the preparation of annual audited financial statements or other appropriate independent certifications, but these documents should be kept on file by the grantee and not be submitted to UMTA with project applications. In some cases UMTA may include a requirement in the grant agreement that the annual audited financial statements be submitted to the Office of Inspector General.

For those applicants who must comply with MOE requirements (see Chapter IV, Paragraph 12), a Level of Effort Schedule format is provided in Attachment C as a suggested outline for presenting the information for each year in order to assist applicants in calculating LOE and ensuring compliance with MOE requirements and to assist auditors in verifying such compliance. Applicants should keep on file their LOE and MOE calculations in support of their certification of compliance.

UMTA reserves the authority to request any applicant to provide documentation in support of expense and other financial information indicated in an operating assistance application on a case by case basis. In the event that an audit reveals an overpayment or an inappropriate payment of operating assistance funds, the grantee will be required to reimburse UMTA fully and promptly.

This section also describes the process for the disbursement of funds.

1. Definitions and Budget Development Guidelines.

- a. Net project cost - Net project cost is the difference between eligible operating expenses (see subparagraph d.) and farebox and other revenues, including contra-expense items, which are not eligible for inclusion in the local match.

b. Revenue: Federal share/ local match.

- (1) The amount contributed to meeting net project cost from non-Federal sources constitutes the local match. All local and State revenues generally are eligible for inclusion in the local match with the exception of farebox and farebox-related revenues, e.g. cash collected at the farebox, multi-ride tickets, transfers, zone changes, and parking fees at park-and-ride lots. (NOTE: Farebox revenues cannot be used to match non-mass transportation operating expenses which are ineligible for reimbursement under Section 5. The entire amount of farebox revenues must be matched against eligible expenses thus reducing the net project cost subject to UMTA participation.) In a limited number of situations, Federal funds may be eligible for inclusion in the local match. Eligibility of such Federal funds for inclusion in the local match must be documented by the grantor Federal agency. (Federal General Revenue Sharing funds expended after January 1, 1977 are unconditionally eligible a local share and do not require further documentation of eligibility.)

*Fed. Share cannot be more than the lesser of:
LOCAL MATCH
50% of net Project costs
currently av. apportion
to the UTA plus 0%*

- (2) The Federal share of any operating assistance project shall not exceed the lesser of the local match, the currently available apportionment to the urbanized area plus any carryover funds available from past years or 50 percent of the net project cost incurred on an accrual basis in the provision of public transportation services during the project period.
- (3) Profit from non-transit operations may be included in the local match to the extent that such revenues are actually applied to cover eligible operating expenses.
- (4) Federal and local matching funds may only be applied to eligible operating expenses incurred on an accrual basis in providing mass transportation services during the project period.

c. Ineligible Expenses - Actual or estimated expenses during the project year for activities not related to the provision of mass transportation to or within the grantee's urbanized area are ineligible for operating assistance and may not be included in the computation of net project cost, pursuant to OMB Circular A-87 and 5(d)(1) of the UMT Act. Such activities include, but are not limited to the following:

- (1) Charter bus operations.

- (2) School bus operations (i.e., operations for the exclusive transportation of school students, not the carrying of students in regularly scheduled mass transportation services).
- (3) Sightseeing services.
- (4) Freight haulage.
- (5) Maintenance of non-transit vehicles.
- (6) *Between Cities* Intercity transportation *<outside defined service area>*
- (7) Mass transportation services wholly outside of the urbanized area.
- (8) Expenses for contingencies or capital acquisitions, including contributions to a capital reserve account or fund.
- (9) Capitalized costs or expenses recognized as part of and reimbursable under another UMTA project. This includes both the value of cash contributions and in-kind services provided as the local share of projects such as the following:
 - (a) UMTA capital grants (e.g., administrative expenses reimbursed under the capital grant).
 - (b) UMTA technical studies projects.
 - (c) UMTA research, development and demonstration projects.
 - (d) Demonstration projects funded fully or in part by non-Federal public or private entities. However, under certain circumstances, demonstration project expenses (other than UMTA-funded) may be eligible, and the non-Federal payments to cover such expenses may be used as local share to match Section 5 operating assistance. At an applicant's request, UMTA will consider the eligibility of demonstration project expenses on a case-by-case basis.
- (10) Expenses incurred by a Governor, a designated recipient, or other agency in its capacity as an intermediary for providing Section 5 funds between UMTA and the transit operating entity.
- (11) Costs of advisory councils unless prior UMTA approval has been granted.
- (12) For private mass transportation operators, provision for Federal, State, or local income taxes.

- (13) Indirect transit-related functions or activities of State, regional, or local entities performed as a normal or direct aspect of general public administration.
 - (14) Depreciation accrued by public operators, depreciation on facilities or equipment purchased with public (i.e. Federal, State or local) capital assistance, depreciation of an intangible asset and/or depreciation in excess of the rate otherwise used for income tax purposes.
 - (15) Interest expense on long-term borrowing and debt retirement.
 - (16) Contra-expenses, i.e., revenue items which directly offset transit expenses:
 - (a) Interest income earned on working capital.
 - (b) Proceeds from the sale of equipment in excess of the depreciated value (Private Operators Only).
 - (c) Cash discounts and refunds which directly offset accrued expenses.
 - (d) Insurance claims and reimbursements which directly offset accrued liabilities.
 - (e) State fuel tax rebates to public operators.
- d. **Eligible expenses** - Eligible operating expenses are limited to direct labor, material and overhead expenses incurred on an accrual basis by an operator to provide mass transportation services in the urbanized area during one local fiscal year. Expenses for contractual services directly incident to the management and operation of transportation services and which are not otherwise reimbursed are included. While the cost principles established in OMB Circular A-87 should be used as guidelines for determining the eligibility of specific types of expenses, operating expenses eligible for operating assistance include, but are not limited to, the following:
- (1) Fuel, wages and other expenses incurred in the operation of mass transportation services to or within the urbanized area.
 - (2) Pension benefits and contributions to a pension plan, only if actually paid and only up to a maximum of the current year accrual.
 - (3) Self-insurance costs are limited to the extent of actual contribution to a reserve for a self-insurance program which has been approved by UMTA.

12/21/81

- (4) Purchase of service contracts for mass transportation services within or to the urbanized area.
- (5) Interest and other financial costs associated with borrowing to provide working capital for the payment of current operating expenses. The loan agreement must be properly documented and amenable to audit, and interest rates charged must not exceed the prevailing rates charged by private lenders at the time.
- (6) Expenses associated with special mass transportation services for the elderly and handicapped.
- (7) Amortization of leasehold improvements are eligible on a case-by-case basis after review by UMTA.
- (8) For private operators, a reasonable return on investment ("profit") is an eligible expense. Grantees shall submit information to assist the Regional Administrator in determining the reasonableness of the return on investment for private operators, including the return authorized the operator by the appropriate regulatory agency and including interest and related financing costs.

2. Disbursement of Funds.

- a. If the mass transportation operator is also the grantee, UMTA funds provided under the grant will flow directly to the operator.
- b. If the mass transportation operator is a public entity but different from the grantee, the grantee may direct that UMTA funds provided under the grant -
 - (1) flow directly to the operator; or
 - (2) be made jointly payable to the grantee and the operator.
- c. If the mass transportation operator is a private entity, funds will flow directly to the grantee.
- d. If the operating assistance project provides funds to more than one mass transportation operator, payments will be made directly to the grantee.
- e. In all cases of joint payments, both parties must jointly submit requests for payment.
- f. Letter of Credit and requisition procedures are discussed in UMTA Circulars 5200.1 and 5100.1A.
- g. Disbursements of Federal funds must comply with Department of Treasury regulations

TOTAL PROJECT Costs

less: Ineligible costs

Transit Revenue (FARE Box)
Contra Expenses

Eligible Net Project Cost (*)

less: Local Share

Federal Participation Rate $\left\langle \begin{array}{l} \text{Up to } 50\% \\ \text{of } *, \text{ above} \end{array} \right\rangle$

CHAPTER VI
GRANT AGREEMENTS

Grant agreements must be signed by the grantee and the grantee's attorney within 90 days of grant approval.

CHAPTER VII
GRANT AMENDMENTS

An approved Section 5 operating assistance project may be amended at any time prior to project closeout at the grantee's request.

1. Technical Amendments. Typically, the purpose of an amendment would be to adjust financial data previously provided on an estimated basis to conform with actual figures and would either increase or decrease the amount of UMTA funds in the approved grant. This type of amendment is called a technical amendment and is used only to change financial information. Grantees are discouraged from requesting technical amendments before final audited financial data are available. To request a technical amendment, the grantee must submit the following information:
 - a. An amendment to the current year TIP/AE if there is more than one operator in the urbanized area. In a multi-operator urbanized area, an amendment to the AE is not required if each operator has a discrete apportionment in the Federal Register;
 - b. New SF-424 and UMTA Project Budget reflecting the revised financial information (Attachments B-2 and B-3);
 - c. Either a statement of continuing validity of one-time submissions (Attachment B-4) or, if these submissions require revising or updating, a certified resolution of the grantee authorizing the filing of the amendment (or other appropriate documents conferring the necessary authority--See Chapter II, Paragraph 2 d.), a signed standard assurances document, and an opinion of counsel and statement of no pending or threatened litigation or other action which might adversely affect the grant (Attachments A-1, A-2, and A-3);

Technical amendments do not require that a new public hearing be held.

2. Change in Scope Amendments. A second type of amendment is a change in scope amendment which should be requested if it is necessary to adjust one or more of the basic conditions of the approved project. A change in scope would occur, for example, with the addition or deletion of a transit operator in an aggregated grant application or when the type of transit service provided changes substantially during the project period, such as a change from route service to dial-a-ride, such that new or revised certifications or submissions are necessary.

The same documents as required for a technical amendment must be submitted for a change in scope amendment plus any submissions which change or are required as a result of this amendment. A change in scope amendment will require an amendment to the original approved TIP/AF and will frequently require that a new public hearing be held and a new 13(c) certification be obtained from DOL. The grantee should contact the appropriate UMTA regional office if there are any questions as to when a change in scope amendment is necessary and what documentation must be submitted.

CHAPTER VIII
WAIVER

The Administrator may grant a waiver concerning any administrative requirement of this Circular, on a case by case basis, if he determines that it is in the public interest to grant the waiver.

ATTACHMENT A-1
(SAMPLE) OPINION OF COUNSEL

NOTE: This opinion of counsel is applicable where the designated recipient will either carry out project(s) or will enter into third-party contracts for the completion of project(s).

Name of Designated Recipient
Address of Designated Recipient

Dear (Responsible Official for Designated Recipient):

This communication will serve as the requisite opinion of counsel to be filed with the Urban Mass Transportation Administration, United States Department of Transportation, in connection with applications of (Designated Recipient) for financial assistance pursuant to the provisions of Section 5 of the Urban Mass Transportation Act of 1964, as amended, (the "Act"), for operating assistance project(s). I understand that (Designated Recipient) has been duly designated as a recipient in accordance with the provisions of Section 5 of the Act, and that the Urban Mass Transportation Administration has concurred in/acknowledged that designation. The legal authority for (Designated Recipient's) ability to carry out operating assistance projects directly, by lease, contract, or otherwise is set forth below:

1. (Designated Recipient) is authorized under (city and quote from legal authority) to provide and assist public transportation by acquisition, construction and operation of existing or additional transit facilities. This assistance may be provided directly by (Designated Recipient) or by lease arrangements with other parties.
2. The authority of (Designated Recipient) to provide for its share of project funds is set forth in (cite source and provide a copy of, for example, local ordinance passed by City Council making local funds available for operating assistance projects).

NOTE: If the designated recipient is not providing local share, a description of the anticipated source(s) of local funding should be provided.

3. I have reviewed the pertinent Federal, State and local laws, and I am of the opinion that there is no legal impediment to your making applications for Section 5 operating assistance. Furthermore, as a

result of my examinations, I find that there is no pending or threatened litigation or other action which might in any way adversely affect the proposed project(s), or the ability of (Designated Recipient) to carry out such project(s).

Sincerely,

Legal Counsel

ATTACHMENT A-2
(SAMPLE) AUTHORIZING RESOLUTION

Resolution No. _____

Resolution authorizing the filing of (an) application (s) with the Department of Transportation, United States of America, for (a) grant(s) under the Urban Mass Transportation Act of 1964, as amended.

WHEREAS, the Secretary of Transportation is authorized to make grants for mass transportation projects;

WHEREAS, the contract for financial assistance will impose certain obligations upon the applicant, including the provision by it of the local share of project costs;

WHEREAS, it is required by U.S. Department of Transportation in accord with the provisions of Title VI of the Civil Rights Act of 1964, that in connection with the filing of an application for assistance under the Urban Mass Transportation Act of 1964, as amended, the applicant give an assurance that it will comply with Title VI of the Civil Rights Act of 1964 and the U.S. Department of Transportation requirements thereunder; and

WHEREAS, it is the goal of the Applicant that minority business enterprise be utilized to the fullest extent possible in connection with this/these project(s), and that definitive procedures shall be established and administered to ensure that minority businesses shall have the maximum feasible opportunity to compete for contracts when procuring construction contracts, supplies, equipment contracts, or consultant and other services:

NOW, THEREFORE, BE IT RESOLVED by _____
(Governing Body of Applicant)

1. That (Title of Designated Official) is authorized to execute and file (an) application(s) on behalf of (Legal Name of Applicant) with the U.S. Department of Transportation, to aid in the financing of operating assistance projects pursuant to Section 5 of the Urban Mass Transportation Act of 1964, as amended.
2. That (Title of Designated Official) is authorized to execute and file with such applications an assurance or any other document required by the U.S. Department of Transportation effectuating the purposes of Title VI of the Civil Rights Act of 1964.

3. That (Title of Authorized Representative), is authorized to furnish such additional information as the U.S. Department of transportation may require in connection with the application for the project.
4. That (Title of Designated Official) is authorized to set forth and execute affirmative minority business policies in connection with the project's procurement needs.
5. That (Title of Designated Official) is authorized to execute grant agreements on behalf of (Legal Name of Applicant) with the U.S. Department of Transportation for aid in the financing of the operating assistance projects.

CERTIFICATE

The undersigned duly qualified and acting (Title of Designated Official) of the (Legal Name of Applicant) certifies that the foregoing is a true and correct copy of a resolution, adopted at a legally convened meeting of the (Governing Body of Applicant) held on _____, 19__ .

If applicant has an official seal, impress here.

Signature of Recording Officer

(Title of Recording Officer)

Date

(NOTE: See also Chapter II, Paragraph 2 d. for alternative method of granting necessary authority.)

ATTACHMENT A-3
STANDARD ASSURANCES FOR SECTION 5 OPERATING ASSISTANCE

_____ hereby assures and certifies with
(Legal Name of Applicant)
respect to any application which it might submit for operating assistance
from the Urban Mass Transportation Administration that:

1. It has the legal authority to apply for and finance a grant.
2. It shall use Federal operating assistance to improve or continue mass transportation services.
3. It has sufficient non-Federal funds to provide required local matching funds.
4. It will apply Federal funds and local matching funds to eligible transit operating expenses incurred on an accrual basis in providing mass transportation services during the project period.
5. It will comply with all requirements of UMTA Circular 1155.1, UMTA Equal Employment Opportunity Policy and Requirements for Grant Recipients, including the pre-award review and annual update, when mandated.
6. It will comply with all requirements of Title VI, Civil Rights Act of 1966, with UMTA Circular 1160.1, Interim Guidelines for Title VI - Information Specific to UMTA Programs, and with 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, including the pre-award review and the annual update.
7. Its programs will be conducted or its facilities operated in compliance with all requirements imposed by or pursuant to 49 CFR Part 27, Nondiscrimination on the Basis of Handicap in Federally-Assisted Programs and Activities Receiving or Benefitting from Federal Financial Assistance (in satisfaction of the assurance requirement of 49 CFR § 27.9(a)(3)); special efforts are being made in its service area to provide transportation that handicapped persons, including wheelchair and semi-ambulatory persons, can use (in satisfaction of the certification requirement of 49 CFR § 27.77).
8. It will comply with all requirements of 49 CFR Part 23, Participation by Minority Business Enterprise in Department of Transportation Programs, including the pre-award review and annual update, when required.

9. It will comply with all requirements of Section 19, Nondiscrimination, of the UMT Act.
10. It, or any mass transportation operator acting on its behalf, will comply with the regulations governing charter bus operations by recipients of UMTA funds in 49 CFR Part 604.
11. It, or any mass transportation operator acting on its behalf, will comply with the regulations governing school bus operations by recipients of UMTA funds in 49 CFR Part 605.
12. Pursuant to the requirements of 49 USC Part 613, Subpart A, Urban Transportation Planning, and in accordance with Section 5(i)(1) of the UMT Act, consideration will be given to the economic, social, environmental and other effects of operating assistance projects during the urban transportation planning process and in the development of the Transportation Improvement Program and Annual Element.
13. It will comply with all requirements of 49 CFR Part 622, Environmental Impact and Related Procedures.
14. Prior to submitting an application for operating assistance, it will conduct public hearings or afford the opportunity for such hearings in accordance with the procedures established in Chapter II, Paragraph 4(j) of UMTA Circular 9050.1A.
15. The rates charged elderly and handicapped persons during non-peak hours for transportation utilizing or involving the facilities and equipment assisted under the projects will not exceed one-half of the rates generally applicable to other persons during peak hours.
16. It will comply with all requirements of 49 CFR Part 635, Subpart A, Service Changes and Hearing Requirements.
17. It, and any mass transportation operator for which it applies, will conform to the reporting system and the uniform system of accounts and records prescribed under Section 15 of the Urban Mass Transportation Act, effective for each local fiscal year ending on or after July 1, 1978.
18. It will comply with the regulations and requirements included in OMB Circular A-95 (for TIP/AE only) and OMB Circular A-102 and their attachments.

19. It will establish safeguards to prohibit employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly, those with whom they have family, business, or other ties.
20. It will give the grantor agency and the Comptroller General, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the grants.
21. It will comply with the applicable provisions of the Hatch Act.
22. It will operate and maintain any facility constructed as part of a Federal grant in accordance with the minimum standards as may be required or prescribed by the applicable Federal, State, and local agencies for the maintenance and operation of such facilities.
23. It recognizes UMTA's authority to conduct audits for the purpose of verifying compliance with the requirements and stipulations stated above.
24. It will promptly remit to UMTA any interest earned on UMTA grant funds, except interest earned on advances by a State or instrumentality of a State, in accordance with the Intergovernmental Cooperation Act of 1968 (P.L. 90-577). (NOTE: Department of Treasury regulations prohibit recipients of Federal funds from retaining such funds in large amounts for long periods of time.)

ATTENTION:

Whoever, in any manner within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies or conceals a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than \$10,000 or imprisoned not more than 5 years, or both. 18 U.S.C. 10001.

The above stated penalty may be extended to include the disbarment, suspension or termination of an organization receiving UMTA funds from participating in any federally-assisted programs administered by the Department of Transportation for up two years.

Date _____

by

Signature of Authorized Official

(Title of Authorized Official)

Attest

(Name of Applicant) has the requisite authority under State and local law to comply with the above assurances, and the foregoing assurances have been legally and duly given and made by (Name of Applicant).

Date: _____

Attorney's Signature

ATTACHMENT B-1
CERTIFICATION OF COMPLIANCE WITH
MAINTENANCE OF EFFORT (MOE) PROVISIONS

Section 5(f) of the UMTA Act of 1964, as amended, requires that expenditure of Section 5 funds apportioned for fiscal years ending prior to October 1, 1981 be supplementary to and not in substitution for the average amount of State and local government funds and other transit revenues, such as advertising, concessions, and property leases, excluding reimbursement payments for the transportation of school children, expended on the operation of mass transportation in the area during the two fiscal years preceding the project year of this application. However, if the Level of Effort (LOE) for the project year falls short of the MOE level, there will be no reduction in the Federal assistance for which the applicant is eligible if:

1. The MOE shortfall is offset (dollar for dollar) by an increase in operating revenues through changes in the fare structure;
2. The reduction in the transit revenue component of the LOE is proportional (same percentage) to a reduction in operating costs achieved with no reduction in service levels.

Any shortfall from the MOE level during (project period) not covered under items (1) or (2) above is reflected in this application for (legal name of recipient) by a commensurate (dollar for dollar or percentage) reduction in the amount of Section 5 assistance for which this project is eligible.

Executed this _____ day of _____, 19__.

Signature of Chief Financial Officer

LIST OF REVENUE CATEGORIES SUBJECT TO MOE*

Category**		Description	Subject to MOE	Not Subject to MOE
General	Specific			
401.		Passenger Fares for Transit Service.		X
	01	Full Adult Fares.		X
	02	Senior Citizen Fares.		X
	03	Student Fares.		X
	04	Child Fares.		X
	05	Handicapped Rider Fares.		X
	06	Parking Lot Revenue.		X
	99	Other Primary.		X
402.		Special Transit Fares.		
	01	Contract Fares for Postmen.		X
	02	Contract Fares for Policemen.	X	
	03	Special Route Guarantees.		X
	04	Other Special Contract Transit Fares - State and Local Governments. <u>1/</u> <u>1/</u> Subject to MOE if the contractual arrangements involved constitute a mass transportation service.		
	05	Other Special Contract Transit Fares - This includes the revenue earned by providing rides for school children with periodic contractual payments being made directly by the local or State government to the transit system.		X
	06	Non-Contract Special Service Fares.		X

*Maintenance of Effort requirement applies to revenues of public transportation systems only and not to internal profits or losses of private transportation companies.

**Category list from "Urban Mass Transportation Industry Uniform System of Accounts and Records and Reporting System - Volume II", January 10, 1977.

Category**		Description	Subject to MOE	Not Subject to MOE
General	Specific			
403.		School Bus Service Revenues.		X
	01	Passenger Fares from School Bus Service.		X
404.		Freight Tariffs.		X
	01	Hauling Freight.		X
405.		Charter Service Revenues.		X
406.		Auxiliary Transportation Revenues.	X	
	01	Station Concessions.	X	
	02	Vehicle Concessions.	X	
	03	Advertising Services.	X	
	04	Automotive Vehicle Ferriage.	X	
	99	Other.	X	
407.		Nontransportation Revenues.		X
	01	Sales of Maintenance Services.		X
	02	Rental of Revenue Vehicles.		X
	03	Rental of Buildings and Other Property.		X
	04	Investment Income.		X
	05	Parking Lot Revenue.		X
	99	Other.		X
408.		Taxes Levied Directly by Transit System.	X	
	01	Property Tax Revenue.	X	
	02	Sales Tax Revenue.	X	
	03	Income Tax Revenue.	X	
	04	Payroll Tax Revenue.	X	
	05	Utility Tax Revenue.	X	
	99	Other Tax Revenue.	X	
409.		Local Cash Grants and Reimbursements.		
	01	General Operating Assistance.	X	

Category**			Subject	Not
General	Specific	Description	to MOE	Subject to MOE
	02	Special Demonstration Project Assistance - Local Projects. <u>2/</u>		
	03	Special Demonstration Projects Assistance - Local Share for State Projects. <u>2/</u>		
	04	Special Demonstration Project Assistance - Local Share for UMTA Projects.		X
	05	Reimbursement of Taxes Paid.		X
	06	Reimbursement of Interest Paid. <u>3/</u>		
	07	Reimbursement of Transit System Maintenance Cost.	X	
	08	Reimbursement of Snow Removal Cost.		X
	09	Reimbursement of Security Costs.		X
	99	Other Financial Assistance.		X
410.		Local Special Fare Assistance.		
	01	Handicapped Citizen Fare Assistance.	X	
	02	Senior Citizen Fare Assistance.	X	
	03	Student Fare Assistance.		X
	99	Other Special Fare Assistance.		
		<u>2/</u> Local cash grants and reimbursement for special demonstration services that are provided on an experimental basis for a limited duration will be considered subject to MOE on a case-by-case basis. Otherwise, such funds are not subject to MOE.		
		<u>3/</u> Not subject to MOE, except the reimbursement of interest paid on borrowing for working capital which is subject to MOE.		

Category**		Description	Subject to MOE	Not Subject to MOE
General	Specific			
411.		State Cash Grants and Reimbursements.		
	01	General Operating Assistance.	X	
	03	Special Demonstration Project Assistance - State Projects. <u>4/</u>		
	04	Special Demonstration Project Assistance - State Share and UMTA Projects.		X
	05	Reimbursement of Taxes Paid. <u>5/</u>		
	06	Reimbursement of Interest Paid. <u>6/</u>		
	07	Reimbursement of Transit System Maintenance Cost.	X	
	09	Reimbursement of Security Costs.	X	
	99	Other Financial Assistance.	X	
412.		State Special Fare Assistance.		
	01	Handicapped Citizen Fare Assistance.	X	
	02	Senior Citizen Fare Assistance.	X	
	03	Student Fare Assistance.	X	
	99	Other Special Fare Assistance.	X	
413.		Federal Cash Grants and Reimbursements.		X
	01	General Operating Assistance.		X
	04	Special Demonstration Project Assistance.		X
	99	Other Financial Assistance.		X

4/State cash grants and reimbursements for special demonstration service that are provided on an experimental basis for a limited duration will be considered eligible for MOE on a case-by-case basis. Otherwise, such funds are not subject to MOE.

5/Except for the reimbursement of State fuel taxes (or related taxes) as determined by UMTA on a case-by-case basis, paid by a privately owned mass transportation operator.

6/Except for the reimbursement of interest paid on borrowing for working capital which is subject to MOE.

Category**		Description	Subject to MOE	Not Subject to MOE
General	Specific			
430.		Contributed Services.		
	01	State and Local Governments.	X	
	02	Contra Account for Expense (non-govt.).		X
440.		Subsidy from Other Sectors of Operations.		
	01	Subsidy from Utility Rates.		X
	02	Subsidy from Bridge or Tunnel Tolls.	X	
	99	Other Subsidies. <u>7/</u>		
		<u>7/</u> Eligibility for MOE will be determined by UMTA on a case-by-case basis. In general, such funds will be subject to MOE if the entity is public and not subject to MOE if the entity is private.		

NOTE: Other Sources of Funds Currently Applied.

- Prior year cash surpluses, contributions from a depreciation reserve account, or other prior year retained funds which are applied by a public mass transportation operator to cover eligible transit operating expenses during the project year. Such funds are considered subject to MOE unless it can be demonstrated that the original source of the funds was one not subject to MOE. For private operators, such funds are considered not subject to MOE unless it can be demonstrated that the original source of the funds was one which is subject to MOE.

- Funds donated by private entities or individuals to assist in paying transit operating expenses, where not included in any category above. Not subject to MOE.

- Federal Revenue Sharing Funds included in the local share may, at the applicant's option, be credited towards the level of effort during a particular project year. The decision to credit Federal Revenue Sharing towards MOE in any given year does not preclude the applicant from treating these funds differently in subsequent years. However, since the MOE requirement is applied to funds according to the funding source, whatever MOE treatment is selected for Federal Revenue Sharing Funds in a particular project period, must be used for all funds from the same source applied to public transportation operating expenses during that same project period.

ATTACHMENT B-2
STANDARD FORM 424: APPLICATION FOR FEDERAL ASSISTANCE

Standard Form 424 is required with each application for Federal assistance in accordance with OMB Circular A-102. A sample copy of this form and a blank copy which can be reproduced by applicants are provided in this appendix. Instructions for completing Form 424 are also included, and most are self explanatory. Additional guidance for completing certain items on this form for Section 5 operating assistance applications is provided below.

Item:

1. The box labeled "application" should always be checked. Section 5 does not utilize a preapplication procedure.
2. a) The project application number will usually be assigned by UMTA upon receipt of the application. Therefore, this box may be left blank. If a project number has been assigned by UMTA at the time of program (i.e., TIP/AE) approval, enter this number.

b) Enter the date on which the application is submitted to UMTA.
3. Requirements for State A-95 Clearinghouse review no longer apply to Section 5 operating assistance projects. Leave this item blank unless the applicant is required by the State to submit the application to the Clearinghouse.
4. The "legal applicant" should always be the applicant/grantee. (See Chapter I of 9050.1A for the distinction made between designated recipients and applicant/grantees.)
5. Self-explanatory.
6. a) The "program number" for all Section 5 projects is 20.507.

b) The "program title" for all Section 5 projects is "Formula Grants".
7. The project description should identify the specific transit operator(s) to be assisted and the project period. For example: Operating assistance for the _____ Transit Authority for the period July 1, 1980 through June 30, 1981.
8. Self-explanatory.
9. All new applications for Section 5 operating assistance should be represented as "Basic Grants". Amendments to approved grants should be represented as "Supplemental Grants".

12. Self-explanatory.
13. a) Enter the amount of Section 5 operating assistance requested.
14. b) Enter the portion of the local share which is contributed by the applicant.
 - c) Enter the portion of the local share which is contributed by State government agencies.
 - d) Enter the portion of the local share which is contributed by local government agencies, other than the applicant.
 - e) Enter amount of the other revenues applied against eligible operating expenses (e.g., farebox revenues).
 - f) The total of the above items should equal the amount of eligible operating expenses for the project year.
14. Self-explanatory.
15. Self-explanatory (use only if requesting an amendment to an approved project).
16. The "project start date" should be the first day of the local fiscal year for which assistance is sought.
17. The "project duration" should usually be 12 months.
18. Self-explanatory.
19. Self-explanatory.
20. Enter: UMTA, Washington, D.C. 20590
21. Page 2 of Form 424 provides space for additional remarks. Typically, additional remarks are not expected; however, where a project is to be funded with Section 5 funds apportioned to more than one urbanized area, use this space to indicate the breakdown of UMTA funds requested among the urbanized areas" apportionments.
22. b) For Section 5 operating assistance projects, leave blank.
23. The official who signs this item must be the same official authorized by resolution to execute and file an application for operating assistance.

GENERAL INSTRUCTIONS

This is a multi-purpose standard form. First, it will be used by applicants as a required facesheet for pre-applications and applications submitted in accordance with Federal Management Circular 74-7. Second, it will be used by Federal agencies to report to Clearinghouses on major actions taken on applications reviewed by clearinghouses in accordance with OMB Circular A-95. Third, it will be used by Federal agencies to notify States of grants-in-aid awarded in accordance with Treasury Circular 1082. Fourth, it may be used, on an optional basis, as a notification of intent from applicants to clearinghouses, as an early initial notice that Federal assistance is to be applied for (clearinghouse procedures will govern).

APPLICANT PROCEDURES FOR SECTION I

Applicant will complete all items in Section I. If an item is not applicable, write "NA". If additional space is needed, insert an asterisk "*", and use the remarks section on the back of the form. An explanation follows for each item:

- | Item | Item |
|--|---|
| 1. Mark appropriate box. Pre-application and application guidance is in FMC 74-7 and Federal agency program instructions. Notification of intent guidance is in Circular A-95 and procedures from clearinghouse. Applicant will not use "Report of Federal Action" box. | D. Insurance. Self explanatory.
E. Other. Explain on remarks page. |
| 2a. Applicant's own control number, if desired. | 10. Governmental unit where significant and meaningful impact could be observed. List only largest unit or units affected, such as State, county, or city. If entire unit affected, list it rather than subunits. |
| 2b. Date Section I is prepared. | 11. Estimated number of persons directly benefiting from project. |
| 3a. Number assigned by State clearinghouse, or if delegated by State, by areawide clearinghouse. All requests to Federal agencies must contain this identifier if the program is covered by Circular A-95 and required by applicable State/areawide clearinghouse procedures. If in doubt, consult your clearinghouse. | 12. Use appropriate code letter. Definitions are:
A. New. A submittal for the first time for a new project.
B. Renewal. An extension for an additional funding/budget period for a project having no projected completion date, but for which Federal support must be renewed each year.
C. Revision. A modification to project nature or scope which may result in funding change (increase or decrease).
D. Continuation. An extension for an additional funding/budget period for a project the agency initially agreed to fund for a definite number of years.
E. Augmentation. A requirement for additional funds for a project previously awarded funds in the same funding/budget period. Project nature and scope unchanged. |
| 3b. Date applicant notified of clearinghouse identifier. | 13. Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions will be included. If the action is a change in dollar amount of an existing grant (a revision or augmentation), indicate only the amount of the change. For decreases enclose the amount in parentheses. If both basic and supplemental amounts are included, breakout in remarks. For multiple program funding, use totals and show program breakouts in remarks. Item definitions: 13a, amount requested from Federal Government; 13b, amount applicant will contribute; 13c, amount from State, if applicant is not a State; 13d, amount from local government, if applicant is not a local government; 13e, amount from any other sources, explain in remarks. |
| 4a-4h. Legal name of applicant/recipient, name of primary organizational unit which will undertake the assistance activity, complete address of applicant, and name and telephone number of person who can provide further information about this request. | 14a. Self explanatory. |
| 5. Employer identification number of applicant as assigned by Internal Revenue Service. | 14b. The district(s) where most of actual work will be accomplished. If city-wide or State-wide, covering several districts, write "city-wide" or "State-wide." |
| 6a. Use Catalog of Federal Domestic Assistance number assigned to program under which assistance is requested. If more than one program (e.g., joint-funding) write "multiple" and explain in remarks. If unknown, cite Public Law or U.S. Code. | 15. Complete only for revisions (Item 12c), or augmentations (Item 12e). |
| 6b. Program title from Federal Catalog. Abbreviate if necessary. | |
| 7. Brief title and appropriate description of project. For notification of intent, continue in remarks section if necessary to convey proper description. | |
| 8. Mostly self-explanatory. "City" includes town, township or other municipality. | |
| 9. Check the type(s) of assistance requested. The definitions of the terms are:
A. Basic Grant. An original request for Federal funds. This would not include any contribution provided under a supplemental grant.
B. Supplemental Grant. A request to increase a basic grant in certain cases where the eligible applicant cannot supply the required matching share of the basic Federal program (e.g., grants awarded by the Appalachian Regional Commission to provide the applicant a matching share).
C. Loan. Self explanatory. | |

- | | |
|---|--|
| <p>Item</p> <p>16. Approximate date project expected to begin (usually associated with estimated date of availability of funding).</p> <p>17. Estimated number of months to complete project after Federal funds are available.</p> <p>18. Estimated date preapplication/application will be submitted to Federal agency if this project requires clearinghouse review. If review not required, this date would usually be same as date in Item 2b.</p> | <p>Item</p> <p>19. Existing Federal identification number if this is not a new request and directly relates to a previous Federal action. Otherwise write "NA".</p> <p>20. Indicate Federal agency to which this request is addressed. Street address not required, but do use ZIP.</p> <p>21. Check appropriate box as to whether Section IV of form contains remarks and/or additional remarks are attached.</p> |
|---|--|

APPLICANT PROCEDURES FOR SECTION III

Applicants will always complete Items 23a, 23b, and 23c. If clearinghouse review is required, Item 22b must be fully completed. An explanation follows for each item:

- | | |
|--|--|
| <p>Item</p> <p>22b. List clearinghouses to which submitted and show in appropriate blocks the status of their responses. For more than three clearinghouses, continue in remarks section. All written comments submitted by or through clearinghouses must be attached.</p> <p>23a. Name and title of authorized representative of legal applicant.</p> | <p>Item</p> <p>23b. Self explanatory.</p> <p>23c. Self explanatory.</p> <p>Note: Applicant completes only Sections I and II. Section III is completed by Federal agencies.</p> |
|--|--|

FEDERAL AGENCY PROCEDURES FOR SECTION III

If applicant-supplied information in Sections I and II needs no updating or adjustment to fit the final Federal action, the Federal agency will complete Section III only. An explanation for each item follows:

- | | |
|---|--|
| <p>Item</p> <p>24. Executive department or independent agency having program administration responsibility.</p> <p>25. Self explanatory.</p> <p>26. Primary organizational unit below department level having direct program management responsibility.</p> <p>27. Office directly monitoring the program.</p> <p>28. Use to identify non-award actions where Federal grant identifier in Item 30 is not applicable or will not suffice.</p> <p>29. Complete address of administering office shown in Item 26.</p> <p>30. Use to identify award actions where different from Federal application identifier in Item 28.</p> <p>31. Self explanatory. Use remarks section to amplify where appropriate.</p> <p>32. Amount to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions will be included. If the action is a change in dollar amount of an existing grant (a revision or augmentation), indicate only the amount of change. For decreases, enclose the amount in parentheses. If both basic and supplemental amounts are included, breakout in remarks. For multiple program funding, use totals and show program breakouts in remarks. Item definitions: 32a, amount awarded by Federal Government; 32b, amount applicant will contribute; 32c, amount from State, if applicant is not a State; 32d, amount from local government if applicant is not a local government; 32e, amount from any other sources, explain in remarks.</p> <p>33. Date action was taken on this request.</p> <p>34. Date funds will become available.</p> | <p>Item</p> <p>35. Name and telephone no. of agency person who can provide more information regarding this assistance.</p> <p>36. Date after which funds will no longer be available.</p> <p>37. Check appropriate box as to whether Section IV of form contains Federal remarks and/or attachment of additional remarks.</p> <p>38. For use with A-95 action notices only. Name and telephone of person who can assure that appropriate A-95 action has been taken—if same as person shown in Item 35, write "same". If not applicable, write "NA".</p> <p>Federal Agency Procedures—special considerations</p> <p>A. Treasury Circular 1082 compliance. Federal agency will assure proper completion of Sections I and III. If Section I is being completed by Federal agency, all applicable items must be filled in. Addresses of State Information Reception Agencies (SCIRA's) are provided by Treasury Department to each agency. This form replaces SF 240, which will no longer be used.</p> <p>B. OMB Circular A-95 compliance. Federal agency will assure proper completion of Sections I, II, and III. This form is required for notifying all reviewing clearinghouses of major actions on all programs reviewed under A-95. Addresses of State and areawide clearinghouses are provided by OMB to each agency. Substantive differences between applicant's request and/or clearinghouse recommendations, and the project as finally awarded will be explained in A-95 notifications to clearinghouses.</p> <p>C. Special note. In most, but not all States, the A-95 State clearinghouse and the (TC 1082) SCIRA are the same office. In such cases, the A-95 award notice to the State clearinghouse will fulfill the TC 1082 award notice requirement to the State SCIRA. Duplicate notification should be avoided.</p> |
|---|--|

FEDERAL ASSISTANCE		2. APPLICANT'S APPLICATION	3. NUMBER	4. STATE APPLICATION IDENTIFIER	5. NUMBER
1. TYPE OF ACTION <input type="checkbox"/> PREAPPLICATION <input type="checkbox"/> APPLICATION <input type="checkbox"/> NOTIFICATION OF INTENT (NOL) <input type="checkbox"/> REPORT OF FEDERAL ACTION <i>(Mark appropriate box)</i>		a. DATE Year month day 20	a. NUMBER b. TITLE	a. DATE Year month day RECEIVED 20	a. NUMBER b. TITLE
6. LEGAL APPLICANT/RECIPIENT a. Applicant Name : b. Organization Title : c. Street/P.O. Box : d. City : e. State : f. Contact Person (Name & telephone No.) :			7. FEDERAL EMPLOYER IDENTIFICATION NO. a. COUNTY : b. ZIP Code:		8. TYPE OF APPLICANT/RECIPIENT A-State B-Community Action Agency C-Interstate D-Niger Educational Institution E-Suburban F-Indian Tribe G-School District H-Other (Specify): I-City J-Special Purpose District Enter appropriate letter <input type="checkbox"/>
7. TITLE AND DESCRIPTION OF APPLICANT'S PROJECT			9. TYPE OF ASSISTANCE A-State Grant B-Insurance C-Complemental Grant D-Loan E-Other Enter appropriate letter(s) <input type="checkbox"/>		10. AREA OF PROJECT IMPACT (Names of cities, counties, States, etc.)
11. ESTIMATED NUMBER OF PERSONS BENEFITING		12. TYPE OF APPLICATION A-New B-Renewal C-Continuation D-Expansion E-Augmentation Enter appropriate letter <input type="checkbox"/>		13. TYPE OF CHANGE (For 12a or 12b) A-Increase Dollars B-Decrease Dollars C-Increase Dollars D-Decrease Dollars E-Continuation F-Other (Specify): Enter appropriate letter(s) <input type="checkbox"/>	
14. AREA OF PROJECT IMPACT (Names of cities, counties, States, etc.)		15. ESTIMATED DATE TO BE SUBMITTED TO FEDERAL AGENCY > 20		16. EXISTING FEDERAL IDENTIFICATION NUMBER	
17. PROPOSED FUNDING a. FEDERAL \$.00 b. APPLICANT .00 c. STATE .00 d. LOCAL .00 e. OTHER .00 f. TOTAL \$.00		18. CONGRESSIONAL DISTRICTS OF: a. APPLICANT b. PROJECT 19. PROJECT START DATE Year month day 20 20. PROJECT DURATION Months 21. ESTIMATED DATE TO BE SUBMITTED TO FEDERAL AGENCY > 20		22. REMARKS ADDED <input type="checkbox"/> Yes <input type="checkbox"/> No	
23. FEDERAL AGENCY TO RECEIVE REQUEST (Name, City, State, ZIP code)			24. REMARKS ADDED <input type="checkbox"/> Yes <input type="checkbox"/> No		
25. THE APPLICANT CERTIFIES THAT >		a. To the best of my knowledge and belief, data in this preapplication/application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the ethical requirements if the application is approved.		b. If required by OMB Circular A-95 this application was submitted pursuant to b. No restrictions therein, to appropriate clearinghouses and all responses are attached: <input type="checkbox"/> approved <input type="checkbox"/> responses attached	
26. CERTIFYING REPRESENTATIVE		a. TYPED NAME AND TITLE		b. SIGNATURE	
27. AGENCY NAME		28. ORGANIZATIONAL UNIT		29. ADMINISTRATIVE OFFICE	
30. ADDRESS		31. ACTION TAKEN <input type="checkbox"/> a. AWARDED <input type="checkbox"/> b. REJECTED <input type="checkbox"/> c. RETURNED FOR AMENDMENT <input type="checkbox"/> d. DEFERRED <input type="checkbox"/> e. WITHDRAWN		32. FUNDING a. FEDERAL \$.00 b. APPLICANT .00 c. STATE .00 d. LOCAL .00 e. OTHER .00 f. TOTAL \$.00	
33. FEDERAL AGENCY A-95 ACTION		34. ACTION DATE > 20		35. CONTACT FOR ADDITIONAL INFORMATION (Name and telephone number)	
36. FEDERAL AGENCY A-95 OFFICIAL (Name and telephone no.)		37. STARTING DATE Year month day 20		38. ENDING DATE Year month day 20	
39. REMARKS ADDED <input type="checkbox"/> Yes <input type="checkbox"/> No		40. FEDERAL AGENCY A-95 OFFICIAL (Name and telephone no.)			

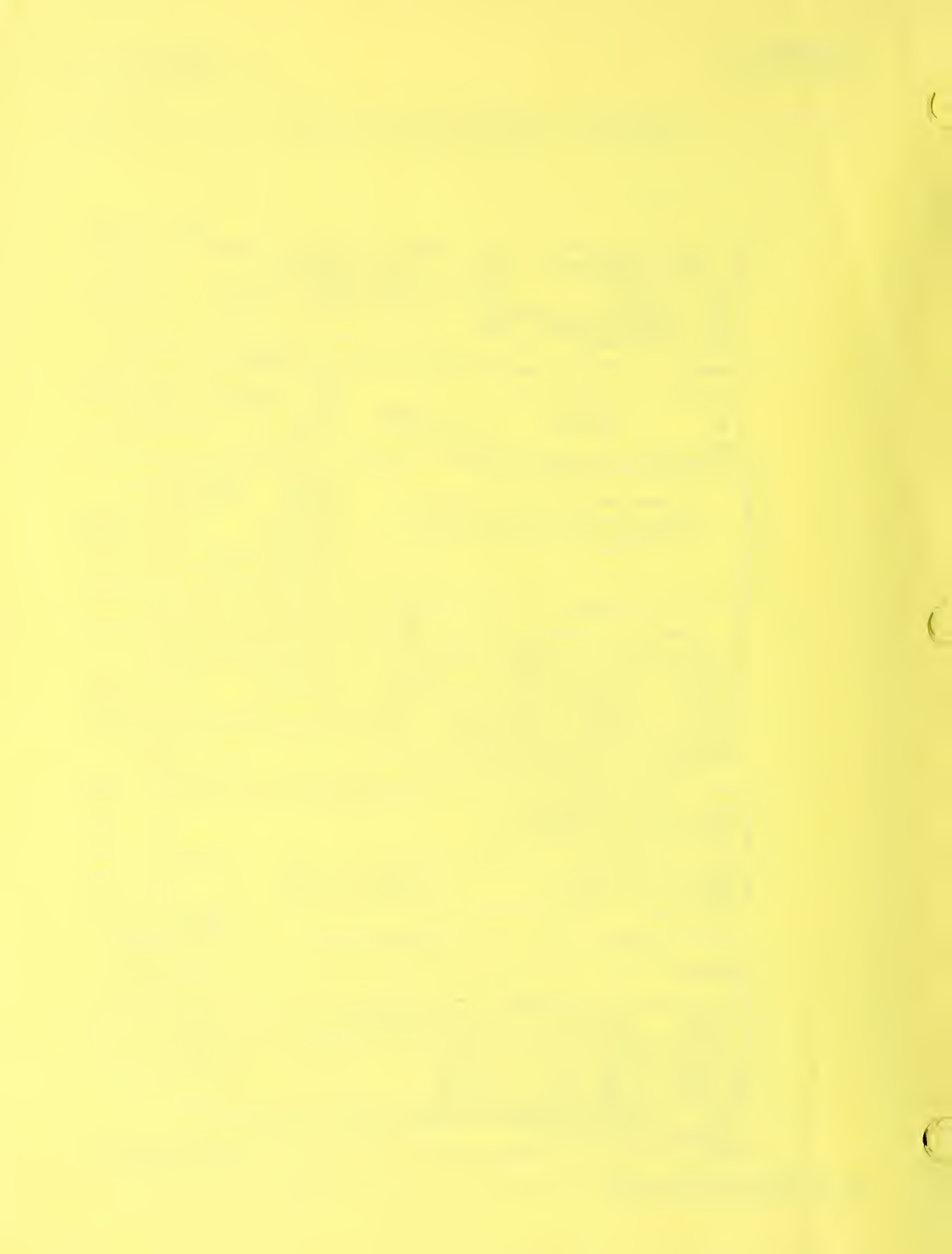
UMTA C 9050.1A
12/21/81

Attachment B-2
Page 6 of 7

SECTION IV-REMARKS *(Please reference the proper item number from Sections I, II or III, if applicable)*

OMB Approval No. 20-00070

FEDERAL ASSISTANCE		1. APPLICANT'S APPLICATION DATE	2. STATE APPLICATION IDENTIFICATION NUMBER	3. SERIES
1. TYPE OF ACTION <input type="checkbox"/> PREAPPLICATION <input checked="" type="checkbox"/> APPLICATION <input type="checkbox"/> NOTIFICATION OF INTENT (FOIA) <input type="checkbox"/> REPORT OF FEDERAL ACTION <small>(Mark appropriate box)</small>		a. NUMBER IL-05-4037 b. DATE 76 7 26	Year month day 76 7 26	Year month day 76 7 26
4. LOCAL APPLICANT/RECIPIENT		5. FEDERAL EMPLOYER IDENTIFICATION NO.		6. SERIES
a. Applicant Name : Midville Regional Transit Authority b. Department Code : c. Street/P.O. Box : P.O. Box 337 d. City : Midville e. County : Midland f. State : Illinois g. ZIP Code : 60000 h. Contact Person (Name and telephone No.) : L.R. Davis, 312/555-1000, ext. 99		337-999-14		a. SERIES b. DATE 12/01/81 Formula Grants
7. TITLE AND DESCRIPTION OF APPLICANT'S PROJECT		8. TYPE OF APPLICANT/RECIPIENT		9. TYPE OF ASSISTANCE
Operating assistance for the Midville Regional Transit Authority and the XYZ Bus Company, Inc. for the period July 1, 1976 through June 30, 1977.		a. State b. Community Action Agency c. Higher Educational Institution d. Indian Tribe e. Other (Specify): Transit Authority		a. State Grant b. Loan c. Supplemental Grant d. Loan e. Other (Specify appropriate letter)
10. AREA OF PROJECT IMPACT (Name of cities, counties, States, etc.)		11. ESTIMATED NUMBER OF PERSONS BENEFITING	12. TYPE OF APPLICATION	
Midville, IL, urbanized area		257,860	a. New b. Extension c. Continuation d. Other (Specify)	
13. PROPOSED FUNDING		14. CONGRESSIONAL DISTRICTS OF:		15. TYPE OF CHANGE (For 12b or 12c)
a. FEDERAL \$ 300,000.00	b. APPLICANT \$ 10,000.00	a. APPLICANT IL 7,8	b. FEDERAL IL 7,8	a. Extension b. New c. Extension d. Other (Specify)
c. STATE \$ 250,000.00	d. LOCAL \$ 50,000.00	e. OTHER \$ 400,000.00	f. TOTAL \$ 1,010,000.00	a. Extension b. New c. Extension d. Other (Specify)
16. FEDERAL AGENCY TO RECEIVE REQUEST (Name, City, State, ZIP code)		17. PROJECT START DATE (Year month day)		18. EXISTING FEDERAL IDENTIFICATION NUMBER
UMTA, Washington, D.C. 20590		1976 7 1		n/a
19. FEDERAL AGENCY TO RECEIVE REQUEST (Name, City, State, ZIP code)		20. ESTIMATED DATE TO BE COMPLETED BY FEDERAL AGENCY		21. REMARKS ADDED
UMTA, Washington, D.C. 20590		76 7 26		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
22. THE APPLICANT CERTIFIES THAT:	a. To the best of my knowledge and belief, data in this preapplication/application are true and correct, this document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached conditions if the application is approved. <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		b. If required by OMB Circular A-88 this application was submitted pursuant to a. No requirements herein, in appropriate circumstances and all responses are attached: <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
23. CERTIFYING REPRESENTATIVE	a. TITLE NAME AND TITLE	b. SIGNATURE	c. DATE SIGNED	
	John A. Doe General Manager	<i>John A. Doe</i>	76 7 25	
24. AGENCY NAME		25. ADMINISTRATIVE OFFICE		26. APPLICATION RECEIVED
				Year month day 76 7 25
27. ORGANIZATIONAL UNIT		28. FEDERAL APPLICATION IDENTIFICATION		29. FEDERAL GRANT IDENTIFICATION
30. ACTION TAKEN		31. ACTION DATE		32. STARTING DATE
<input type="checkbox"/> a. DENIED <input type="checkbox"/> b. RECALLED <input type="checkbox"/> c. RETURNED FOR AMENDMENT <input type="checkbox"/> d. SCHEDULED <input type="checkbox"/> e. WITHDRAWN		Year month day 76 7 25		Year month day 76 7 25
33. PURPOSES		34. CONTACT FOR ADDITIONAL INFORMATION (Name and telephone number)		35. ENDING DATE
a. FEDERAL \$.00 b. APPLICANT \$.00 c. STATE \$.00 d. LOCAL \$.00 e. OTHER \$.00 f. TOTAL \$.00				Year month day 76 7 25
36. FEDERAL AGENCY A-88 ACTION		37. REMARKS ADDED		38. REMARKS ADDED
a. In taking these actions, any requests or orders from clearingshouse were considered if requests appear in the clearingshouse of Part 1, Title Circular A-88. If not listed or if being made.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No



ATTACHMENT B-3
UMTA PROJECT BUDGET

See Chapter V of this circular for additional guidance in preparing project budgets. The project budget submitted with each application contains several basic line items, as follows:

1. Eligible Operating Expenses

Eligible operating expenses are limited to direct labor, material and overhead expenses incurred on an accrual basis by an operator to provide mass transportation service in the urbanized area during one local fiscal year. Expenses for contractual services directly incident to the management and operation of transportation services and which are not otherwise reimbursed are also included.

In practice, eligible operating expenses are derived as the remainder when various categories of non-eligible expenses are subtracted from total expenses.

2. Farebox Revenues and Revenues Applied to Eligible Expenses Not Includable as Local Share

As indicated above, all funds used to cover eligible operating expenses must be represented in the project budget. This line represents those revenues used to cover eligible expenses which cannot be included in "local share"--in other words, "non-matchable" revenue. This category includes transit farebox and farebox-related revenue.

3. Net Project Cost

This line represents the difference between lines (1) and (2), i.e., the amount of eligible expenses to be covered by the local and UMTA shares.

4. Local Share

Local share (i.e., non-Federal share) includes all local and State funds contributed to meeting net project cost. Only those funds actually applied to eligible operating expenses incurred on an accrual basis in providing mass transportation services during the project period may be considered local match. (Local share includes all funds provided to meet the Maintenance of Effort requirement and, in addition, certain other transit revenues not subject to maintenance of effort which can be matched by UMTA funds.)

5. Net Expenses Before Applying UMTA Funds

This amount represents the difference between "net project cost" and "local share", and it should represent the amount of eligible operating expenses not otherwise covered by transit revenues (#2 above) or local share funds (#4 above).

6. UMTA Funds

This is the amount determined to be the maximum UMTA share, based upon the project budget lines itemized in the preceding page. The UMTA share can be up to 50% of net project cost. If local share is less than or equal to 50% of net project cost, it can be matched dollar-for-dollar with UMTA operating assistance, subject to the availability of formula funds and the local programming of projects. If the local share is greater than 50% of net project cost, UMTA operating assistance can only cover the net expenses before applying UMTA funds.

The project budget format described in this attachment must describe as fully and as accurately as possible the actual or projected accrual of transit operating expenses, the identification of expenses eligible for UMTA assistance, the application of transit revenues to cover such expenses, the application of State and local government funds and other sources of local share, and the resulting eligibility for UMTA operating assistance.

Where an applicant applies on behalf of two or more individual transit operators under one operating assistance project, the budget should represent aggregated statements of Project Year revenues and expenses.

Appropriate documentation in support of the project budget should be retained by the applicant and may be provided to UMTA to demonstrate the proper allocation of revenues to non-operating expenses, the availability to local share funds, and such other reconciliations as may be necessary to clarify estimates or projections of financial conditions during the Project Year. Certifications of project budgets based on estimates or projections are not required. The applicant's chief financial officer, however, must sign the project budget statement and, by so doing, attest to the reasonableness and accuracy of the information. Further, the applicant's certification on Form 424 that information provided in the application is true and correct, to the best of his/her knowledge, is applicable to the project budget schedule and related documents.

In preparing Section 5 project budgets, applicants should itemize entries under each revenue and expense category. The number of lines provided in the attached format should be expanded by applicants whenever necessary to accommodate additional entries. Some lines (e.g. "other exclusions") may not be needed by individual applicants. It is particularly important that the itemization of revenues and expenses be sufficient to permit verification of calculations of eligible operating expenses, net project cost, local share and eligible UMTA assistance during any subsequent audit pursuant to OMB Circular A-102.

UMTA will not usually require submission of any additional documentation or narrative material. Applicants whose project budget exhibit is based upon estimates, however, should take care to notify UMTA whenever significant deviations from such estimates are experienced--whether they occur before or after project approval. Deviations which affect the eligibility for operating assistance in the amount requested should be reported promptly to maintain the accuracy of data on file for each project.

PROJECT BUDGET

For the Period: _____

Transit Operator(s): _____

Designated Recipient: _____
(Applicant)

(1) Total Operating Expenses (Itemize)

_____ \$

TOTAL OPERATING EXPENSES: \$ _____ \$ _____ (1)

(2) Less Eliminations

(a) Less Ineligible Expenses (Itemize)

_____ \$

(b) Less Non-Mass Transportation Expenses (Itemize)

(c) Less Contra-Expenses (Itemize)

_____ \$

(d) Less Other Exclusions (Itemize)

_____ \$

TOTAL ELIMINATIONS: \$ _____ \$ _____ (2)

(3) ELIGIBLE OPERATING EXPENSES (Line 1 - Line 2) \$ _____ (3)

(4) Less Farebox and Other Revenue Not
Includable as Local Share (Itemize)

_____ \$

TOTAL FAREBOX AND OTHER
REVENUE APPLIED AGAINST
ELIGIBLE EXPENSES NOT
INCLUDABLE AS LOCAL SHARE: \$

\$ _____ (4)

(5) NET PROJECT COST (Line 3 - Line 4) \$ _____ (5)

(6) Local Share (Itemize)

LOCAL SHARE: \$ _____

\$ _____ (6)

(7) NET EXPENSES BEFORE APPLYING UMTA FUNDS
(Line 5 - Line 6) \$ _____ (7)

(8) UMTA FUNDS REQUESTED

Tier I \$ _____

Tier II \$ _____

Tier III \$ _____

\$ _____ (8)

Prepared By: _____

Title: _____

Date: _____



ATTACHMENT B-4
STATEMENT OF CONTINUED VALIDITY OF ONE-TIME SUBMISSIONS

The following documents have been submitted to UMTA previously, continue to remain valid and accurate, and do not require revisions or updating: _____

The applicant understands and agrees that the use of UMTA funds approved for this project shall be consistent with the Section 5 procedures established in UMTA 9050.1A, pertinent Federal laws, and pertinent Federal rules, regulations and circulars, and that the use of UMTA funds is subject to audit and review. Such funds shall be returned to UMTA if, after audit, it is found that they have been used improperly.

ATTENTION: Whoever, in any manner within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies or conceals a material fact, or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than \$10,000 or imprisoned not more than 5 years, or both. 18 U.S.C. 10001.

Signature of Designated Official

Attorney's Signature

Title of Designated Official

DATE: _____

INSTRUCTIONS:

The applicant should enter the name of the applicable documents from the list below:

- Opinion of Counsel and certification of no pending or threatened litigation or other action which might adversely affect the ability of the grantee to carry out the project.
- Authorizing Resolution.
- Designation of Recipients.

- Standard Assurances.
- Private Enterprise Description.
- Labor Union Information for 13(c) Certification.

NOTE: Any of the documents not mentioned in this statement by the applicant must be submitted as part of each application for operating assistance.

ATTACHMENT B-5
SAMPLE
SUPPLEMENTAL AGREEMENT*

Section 5 of the Act requires a designated recipient to enter into formal Section 5 project agreements. The Grantee under this Grant Contract has not been designated a recipient. Accordingly, the (Name of Designated Recipient), a recipient designated in accordance with the Act, hereby agrees to permit the Grantee under this Grant Contract to receive and dispense the Federal funds described in this Grant Contract. (Name of Designated Recipient) further agrees that the Grantee shall assume all responsibilities set forth in this Grant Contract.

The Government and the Grantee under this Grant Contract hereby agree that (Name of Designated Recipient) is not in any manner subject to or responsible for the terms and conditions of this Grant, and is a party to this Grant Contract only to assign to the Grantee the right to receive and dispense Federal funds as described above.

Executed this _____ day of _____, 19__.

Urban Mass Transportation Administration

Designated Recipient

Grantee

*This Supplemental Agreement is to be executed as part of Section 5 grant contracts where a public entity other than the designated recipient will act as grantee. This copy of the Supplemental Agreement is provided for information only.



00399360

UMTA C 9050.1A
12/21/81

ATTACHMENT C
LEVEL OF EFFORT SCHEDULE

REVENUE CATEGORY	TOTAL REVENUE	APPLIED TO ELIGIBLE EXPENSES		APPLIED TO OTHER THAN ELIGIBLE EXPENSES	ITEMIZE OTHER THAN ELIGIBLE EXPENSES:
		Source Subject to MOE	Source NOT Subject to MOE		
401 Passenger Fares _____	\$		\$	\$	
402 Special Transit Fares _____	\$	\$	\$	\$	
403 School Bus Revenues	\$		\$	\$	
404 Freight Tariffs	\$		\$	\$	
405 Charter Service Revenue	\$		\$	\$	
406 Auxiliary Transportation Revenue _____	\$	\$	\$	\$	
407 Nontransportation Revenue _____	\$		\$	\$	
408 Taxes Levied by Transit System _____	\$	\$		\$	
Local Cash Grants/Reimbursements _____	\$	\$	\$	\$	
410 Local Special Fare Assistance _____	\$	\$	\$	\$	
411 State Cash Grants/Reimbursements _____	\$	\$	\$	\$	
412 State Special Fare Assistance _____	\$	\$	\$	\$	
413 Federal Grants/Reimbursements _____	\$		\$	\$	
430 Contributed Services	\$	\$			
440 Other Sector Subsidy	\$	\$	\$	\$	
Other Sources Currently Applied	\$	\$	\$	\$	
TOTAL EACH COLUMN	\$	\$	\$	\$	
		Net LOE			