

Transit Provider Board of Directors Fact Sheet

Purpose

The purpose of this fact sheet is to give new Transit Board of Director members a high-level understanding of the transit program administered by the South Dakota Department of Transportation, Office of Air, Rail and Transit (SDDOT). All the information contained below derives from Federal Circulars and SDDOT State Management Plan (SMP). Subrecipient must have the legal, financial, managerial, and technical capacity to receive federal and state grants and a designated body legally responsible for the overall organization, management, and operation of the transportation system.

Planning

Active involvement of the Transit Board of Directors in charting the future of their transit agency is crucial. Regular discussions on the Board's expectations and updates from the transit agencies play a pivotal role in the ongoing progress of public transportation. Transit directors can assist Board members in utilizing the following information:

- Capital Improvement Plan (CIP): Your transit director should involve all board members in the CIP process and seek board approval before submitting it to SDDOT.
- Architecture and Engineering planning for construction projects.
- Regular budget planning: Staff and board members must engage in consistent budget planning to ensure the operational aspects of public transportation, including staffing, funding, and services, are adequately addressed.

Technical Capacity

Providers are mandated by the Federal Transit Administration to adhere to specified capacities outlined in the SMP and federal transit circulars. Your transit director is a valuable resource for navigating the rules and regulations related to these capacities. The following are some of the requirements for a comprehensive understanding, consult your director for details associated with the SMP:

Planning	Audits (Single and 5311)	Asset Inspections
Grant Administration	Project Monitoring\Tracking	Transit Program Review
Commercial Driver's License	Drug and Alcohol Program	Drug Free Workplace
Policy and Procedures	Plans	Reporting
Required Training	Quality Service	Customer Service
Grant Applications	Fund Generating	Asset Maintenance
Civil Rights	Federal Certifications and Clauses	Asset Inspection

Procurement

The acquisition of goods and services by transit agencies is governed by federal, state, and local regulations. Procurement, being a complex process, places the responsibility for ensuring compliance with procurement procedures on the director. It is important for board members to ask questions about procurement and ask for updates from the director about any open procurements and how they are being managed.

- SD procurement thresholds:
 - <\$4,000 – Price Comparison
 - Between \$4,000-\$49,999 – Micro Purchase
 - Over \$50,000 – Simplified Acquisition
- All levels of procurement require documentation and retention. SDDOT has provided resources including a policy development template, processes, documents, and references.

Funding

Federal funds are expected to be spent within their initial period of performance. Agreements are for two-year periods except operating\administration agreements which are for one year. As a board member, staying abreast of funding agreements, project status, funding timelines, and application period is imperative.

Funding Entity	Funding Source	Local Match Rate	Activity	Examples (Not all inclusive.)
Federal	5311	48.24%	Operating	fuel, driver\dispatcher wages, utilities
Federal	5311	17.18%	Administration	director\bookkeeper wages, insurance, office supplies
Federal	5311	20%	Capital/Preventive Maintenance	vehicle and facility non-5310 funded assets.
Federal	5339	20%	Capital	rolling stock; facility acquisition, new construction, renovations; equipment such as, hardware, communication, surveillance, & software
Federal	5339	15%	Capital ADA	assisted vehicles
Federal	5305 (5303/5304)	20%	Planning	A&E services, plans, studies, fellowships
Federal	5310	20% - 50%	Enhanced Mobility of Seniors & Individuals with Disabilities	capital costs; vehicle preventive maintenance & operating
Federal	Discretionary Competitive	20% (normally)	Primarily Capital	rolling stock, facilities, equipment, and special transit related projects
State	\$1,281,000	NA	Match for 5307 & 5311	rural funding based on performance, such as costs, rides, grant administration, etc. urban funding based on census data.
State	Title III-B	25%	Match for 5311 for elderly services.	fares for elderly cannot be required, they are donation based
Local	Revenue	NA	Fares	fares (report 100% on 5311 reimbursement request)
Local	Revenue	NA	Money earned on vehicle	advertising, contracts, & other income generated on the vehicle
Local	Match	NA	Source other than state or federal.	contracts, donations, fund raising, memorials

Roles of Board

The board responsibility is to ensure the agency has legal, managerial, financial, and technology.

Required actions:

- Participate, review, and approve in developing and implementing Capital Improvement Plan (CIP) starting with the FY25 plan.
- Disclose conflict of interest
- Approve application submittals
- Approve budgets
- Approve board minutes
- Approve Passenger Handbook, Procurement Policy, Fare Policy and changes, Personnel Policy, Title VI compliant procedure
- Operating expenses approved prior to request for reimbursement, based on determined board approval amount.
- Review and acknowledge the asset inspection, program review, drug and alcohol review reports, and single audit management review letters.
- Provide annual performance review of transit leadership.
- Community support and education

Suggested actions:

- Project oversight (contracts and timeframe requirements)
- Accountability of agency's service, financials, processes, grants, training, etc.
- Asset status and maintenance reviews
- Should receive board handbook\materials for reference from Director.
- Representative of community
- Review financial reports
- Review transit measurements. (Listed items in Transit Program Review.)
- Approve complaint/comment resolution procedure.