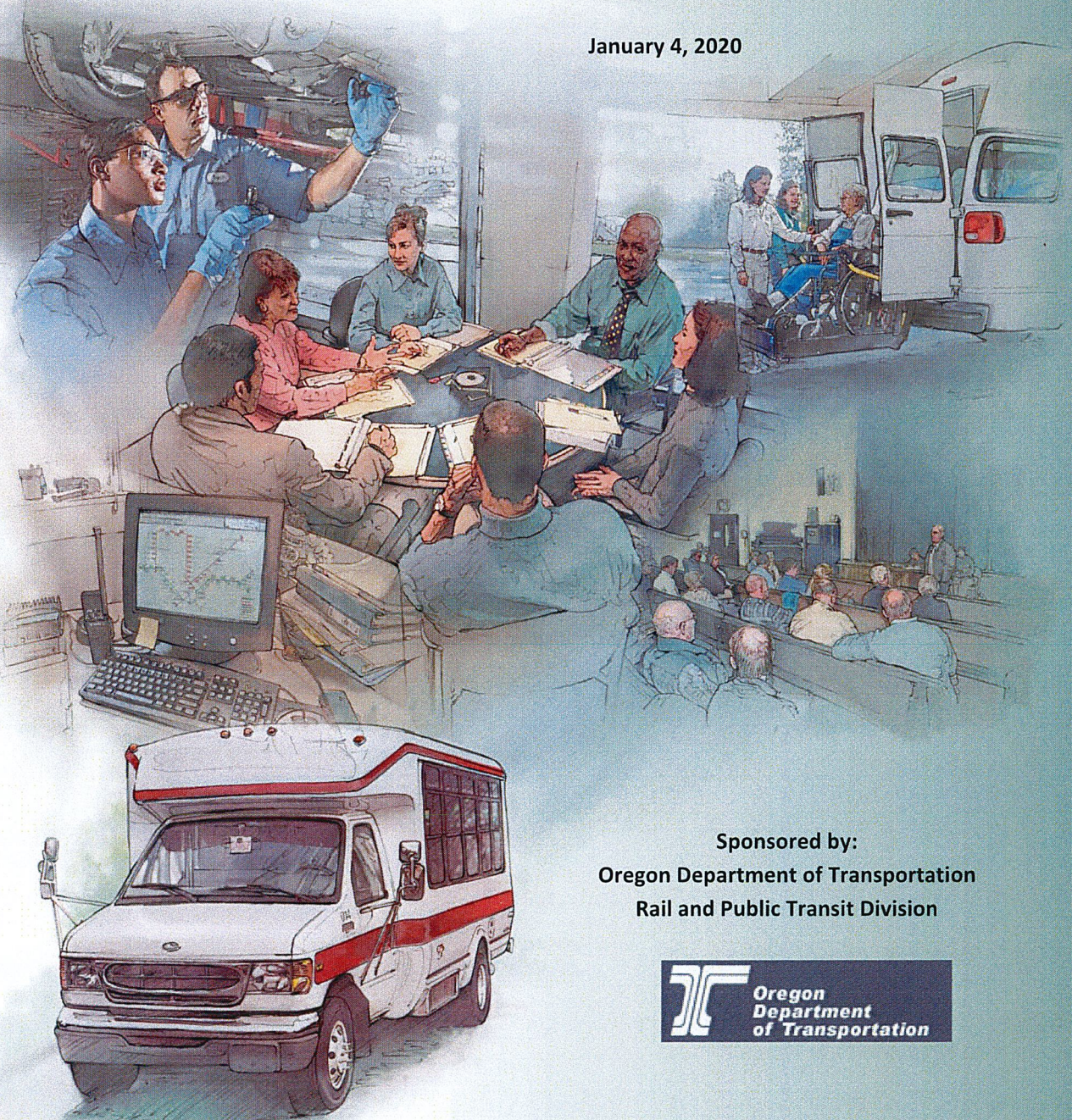




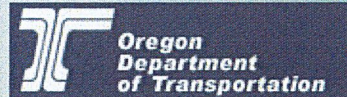
Compliance Review of Benton County

Final Compliance Report

January 4, 2020



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Oregon Department of Transportation
Rail and Public Transit Division



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Exhibit 1. Compliance Review Participants

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Oregon DOT Compliance Monitoring Program

Scope of the Review

The Oregon Department of Transportation (ODOT), Rail and Public Transit Division (RPTD), is responsible for implementation and oversight of the Oregon DOT's Federal and State transit grant programs. The Compliance Monitoring Program is designed to assist the RPTD and public transportation providers with the assessment of how transit agencies in Oregon meet the varied compliance requirements imposed by the State, as stipulated in the latest version of the *State Management Plan for Public Transportation Programs*. This document summarizes Federal and State requirements for RPTD-administered grant programs.

Each Compliance Review assesses how an agency's management is complying with Federal and State laws, rules, requirements, and regulations. The Program's overall goal is to improve an agency's compliance with applicable regulations, while strengthening management's abilities in those areas.

Procedures for conducting this review follow the process described in the Compliance Field Guide for conducting Oregon Compliance Reviews, developed by RLS & Associates, Inc. (RLS). ODOT contracted with this firm to conduct these reviews. This report documents the results of a Compliance Review conducted of Benton County.

The site visit was conducted on November 12-13, 2019 by Mr. Greg Harnett and Ms. Amy Rast of RLS. Mr. David Schwert and Mr. Mark Bernard of ODOT also participated in and observed the review.

The review was organized into ten (10) major topical areas, encompassing:

1. Program Management
2. Financial Management
3. Operations Management
4. Procurement
5. Use and Maintenance of Project Equipment
6. Civil Rights
7. Americans with Disabilities Act
8. Charter and School Bus
9. Statewide Transportation Improvement Fund
10. Special Transportation Fund

An overview of the major compliance principles and elements is provided for each topical area referenced above. Reviewers used the Compliance Field Guide Version 5.1 to determine how the

agency’s policies, procedures, and daily practices aligned with Federal and State requirements. This report documents those policies, procedures, or practices requiring corrective action in order to bring the element(s) into compliance or for which a best practice recommendation could improve operating or administrative efficiency. Findings relative to the subrecipient are stated and remedial actions necessary to achieve compliance are outlined in each topical area along with a timetable to address the findings.

Observations and recommendations will be provided as a result of the review. These findings are categorized as follows:

Exhibit 2. Report Findings

Report Finding	Subrecipient Responsibility	Timeframe
Compliance Observation	Implement remedial action within a limited, prescribed timeframe.	30 -120 Days
Advisory Recommendation	Optional element to be considered by transit system management. Recommendations typically represent industry “best practices” and should be evaluated by management accordingly.	No specific timeframe

In addressing each report finding, the following information will be provided:

- ◆ **Condition.** A narrative description of the condition or conditions which do not align with Federal or State requirements or a condition that creates:
 - A compliance deficiency;
 - An increase in risk to the agency; or
 - An inefficient use of agency resources.
- ◆ **Remedy.** The review will provide a detailed narrative of remedial activity needed to address the condition noted above. Where applicable, sample forms, policies, or procedures will be provided to the subrecipient to assist the subrecipient remedy the deficiency.
- ◆ **Timeframe.** In consultation with ODOT staff, the reviewer will determine a suitable timeframe to implement corrective action for all Compliance Observations.

If Benton County requires additional time beyond what is noted in this report, the agency should consult with their ODOT Regional Transit Coordinator (RTC).

A compliance review corrective action plan at the end of this report contains a summary table of all Compliance Observations and Advisory Recommendations.

Because of the test nature and other inherent limitations of the limited scope of work encompassed in this review, together with the limitations of any system of internal and management controls used to ensure compliance, this assessment will not necessarily disclose all findings of noncompliance. The

procedures employed are substantially less in scope than a compliance audit; they are designed to provide the transit system with technical assistance to facilitate compliance with the terms and conditions of Federal financial assistance.

Service Area

Benton County covers an area of 679 square miles in the mid-Willamette Valley. The County is home to approximately 91,000 residents, resulting in a population density around 134 persons per square mile. US Highway 20 runs east-west through the County, while Oregon Route 99W provides for north-south travel.

The County's seat and largest population center is the City of Corvallis (population 58,641), which is home to Oregon State University. Corvallis is the westernmost city in the contiguous 48 states with a population larger than 50,000. Other incorporated communities in the County include Adair Village, Albany (part), Monroe, and Philomath.

Description of the Transit Service

The County contracts with Benton County Dial-A-Bus, Inc., a private non-profit organization, to operate a range of public transportation services, including:

- ◆ Benton County Special Transportation, a demand response service available to eligible riders with disabilities as well as County residents age 60 and above. The service operates Monday through Friday from 8:00 a.m. to 7:00 p.m., Saturday from 8:30 a.m. to 6:00 p.m., and Sunday from 8:30 a.m. to 2:30 p.m. The fare structure for this service is zone-based, with prices ranging from \$2.50 to \$5.25.
- ◆ The 99 Express, a six-mile deviated fixed route that connects Adair Village and Corvallis along Oregon Route 99W. The service operates Monday through Friday from 7:00 a.m. to 6:00 p.m., and the fare is \$0.75.
- ◆ The Coast To Valley Express, a service jointly operated by Benton and Lincoln Counties that connects Corvallis to the City of Newport and the Oregon coast. This service is marketed through the North by Northwest Connector Alliance and operates seven days a week from 6:00 a.m. to 7:00 p.m. Fares range from \$1.00 to \$10.00 based on the origin and destination.
- ◆ The Corvallis-Albany Connection, a demand response service available to eligible riders with disabilities and seniors age 60 and above. The service operates Monday, Wednesday, and Friday within the city limits of Corvallis and Albany. The fare for each one-way trip is \$4.00.

Funding

Benton County receives transportation funding from a number of Federal and state sources, including:

- ◆ Federal Sections 5310, 5311, 5311(f), and 5339
- ◆ Oregon Special Transportation Fund and Statewide Transportation Improvement Fund

Overview of the Compliance Status of Benton County

Benton County, through the City of Corvallis Public Works Department and Benton County Dial-A-Bus, is dedicated to meeting the transportation needs of its residents while endeavoring to achieve compliance with the requirements stemming from its numerous Federal and State funding sources.

Based on the interviews conducted and materials examined as part of this review, Compliance Observations were identified in the areas of Procurement, Use and Maintenance of Project Equipment, Civil Rights, Americans with Disabilities Act, and Special Transportation Fund. While the Compliance Observations are numerous, the County has the technical capacity to take the required corrective actions.

Additionally, the review team made one Advisory Recommendations in the areas of Financial Management, which represents an opportunity for the County to further improve its public transportation program.

Benton County Compliance Review

Program Management

Program management encompasses several key areas, including the governing structure of the organization, documentation detailing the environment of control, and the subrecipient's managerial capacity to ensure adequate oversight and proper use of Federal funds. All ODOT grant recipients must be legally constituted and have a governing board which must provide appropriate oversight of the financial affairs of the organization and approve all key policies of the agency. An agency's overall control environment sets the tone of the organization and influences the control consciousness of its employees. To successfully address risks and achieve its objectives, agency management must institute various control activities, such as segregation of duties, physical controls, and a system of approvals.

Program management encompasses the following areas in the review process:

- ◆ Organizational Governance
- ◆ Control Environment

Program Management Findings

Based on the interviews conducted and materials examined as part of this review, no deficiencies were found with ODOT requirements in the area of Program Management.

Financial Management

All subrecipients are required to establish and maintain an accounting system that follows generally accepted accounting principles (GAAP) and/or guidelines issued by the Government Accounting Standards Board (GASB). All financial transactions must be recorded in a manner so as to be clearly identified, easily traced, and substantially documented. The fully allocated cost of the public transit program must be clearly identified regardless of the agency's operational nature. All ODOT subrecipients are expected to use funds received as specified in the project application and grant agreement(s). Control systems must adhere to the applicable requirements outlined in the State Management Plan and other requirements as may be established by ODOT.

Financial management encompasses the following areas in the review process:

- ◆ Accounting Practices
- ◆ Indirect Costs
- ◆ Internal Controls
- ◆ Budget
- ◆ Documentation of Costs
- ◆ Cash Management
- ◆ Financial and Program Reporting
- ◆ Local Match
- ◆ In-Kind or Contributed Services
- ◆ Program Income
- ◆ Single Audit

Financial Management Findings

Based on the interviews conducted and materials examined as part of this review, no deficiencies were found with ODOT requirements in the area of Financial Management.

However, one (1) Advisory Recommendation is offered to improve the County’s transit program:

1. Advisory Recommendation	Cash Management
<i>Condition:</i>	The County does not number ride passes or store them in a secure location. FTA and ODOT consider fare media to have cash value, and as such, the County must implement sufficient internal controls to prevent the loss or misuse of such passes.
<i>Remedy:</i>	The County should ensure that ride passes are stored in a secure location, and should number passes to track their distribution and use.
<i>Timeframe:</i>	No specific timeframe

Operations Management

All subrecipients are required to demonstrate the managerial and technical capacity to meet all Federal and State requirements, effect the scope of services described in grant applications and agreements, and optimize Federal and State funding in a manner consistent with safeguarding the public trust. Subrecipients meet this requirement by ensuring appropriate staff levels, providing adequate training, and developing policies and procedures that maximize operational efficiency and effectiveness. In addition to the primary topics discussed below, reviewers also evaluated policies and procedures including customer service, operations planning, marketing, and complaint management.

Operations management encompasses the following areas in the review process:

- ◆ Organization and Staffing
- ◆ Operations
- ◆ Scheduling
- ◆ Dispatching
- ◆ Safety and Security

Operations Management Findings

Based on the interviews conducted and materials examined as part of this review, no deficiencies were found with ODOT requirements in the area of Operations Management.

Procurement

RPTD and subrecipients receiving funding under ODOT programs must comply with all Federal, State, and local laws, ordinances, regulations and policies regarding procurement and contracting. FTA Circular 4220.1F documents applicable Federal procurement requirements. Subrecipients that are public entities will follow those requirements that apply to state and local governments.

All non-Federal entities, including subrecipients of the State, must follow 2 CFR part 200.318, "General procurement standards," through 2 CFR part 200.326, "Contract provisions." Subrecipients that are private for-profit organizations must comply with FTA procurement requirements contained in FTA Circular 4220.1F for procurements conducted with Federal funds.

Procurement encompasses the following areas in the review process:

- ◆ Standards of Conduct
- ◆ Third Party Contracting Capacity
- ◆ Purchasing Methods
- ◆ Other Than Full and Open Competition
- ◆ Cost and Price Analysis
- ◆ Protests and Disputes
- ◆ Pre-Award and Post-Delivery Audits
- ◆ New Model Bus Testing

Procurement Findings

Based on materials presented to the reviewers and observations made during the review, the County was found deficient with the following ODOT requirement for Procurement. The County must address:

2. Compliance Observation

Third Party Contracting Capacity

Condition: The County lacks written procurement procedures that govern FTA-funded purchases. FTA Circular 4220.1F, Chapter III, § 3a imposes a requirement on all recipients and subrecipients of FTA funds to develop written procurement procedures that embrace all Federal requirements, as appropriate, that are applicable to the type of procurement being carried out by the subrecipient.

Remedy: The County must prepare written procurement policies consistent with FTA requirements as detailed in Circular 4220.1F. Additionally, as this circular was issued prior to the “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” (2 CFR § 200), Benton County must assure that any new requirements imposed in § 200.317 through § 200.326 are incorporated into these new policies.

Following the site visit, the review team provided the County with a template that can be used as a foundation for this document.

Timeframe: 60 days

Use and Maintenance of Project Equipment and Facilities

Capital equipment is defined as a tangible item with an aggregate purchase price of \$5,000 or more and with a useful life of at least one year. For all equipment, subrecipients are responsible for maintaining appropriate equipment records by: including a method of assigning a property tag number to each item; performing a periodic inventory (at least every two years); safeguarding equipment from misuse and abuse; maintaining equipment in useful, safe condition; and following appropriate disposal procedures when equipment is no longer needed or has exceeded its useful life.

The subrecipient and/or designated operator shall have the requisite fiscal and technical capacity to carry out the project and be responsible for maintaining required insurance coverage and property records, conducting physical inventories, implementing adequate property control systems, and maintaining the equipment in proper working condition. Documentation that supports compliance with these elements must be available upon request.

Equipment and facilities must be kept in good operating order. Meal delivery or other incidental services provided by the grantee cannot conflict with the provision of public transit service or result in a reduction of service to transit passengers.

Use and maintenance of project equipment encompasses the following areas in the review process:

- ◆ Real Property
- ◆ Equipment – General
- ◆ Maintenance of Equipment and Facilities
- ◆ Equipment – Insurance
- ◆ Equipment – Incidental Use

Use and Maintenance of Project Equipment and Facilities Findings

Based on materials presented to the reviewers and observations made during the review, the County was found deficient with the following ODOT requirements for Use and Maintenance of Project Equipment and Facilities. The County must address:

3. Compliance Observation

Maintenance of Equipment and Facilities

Condition: The County’s written vehicle maintenance plan does not reflect its current fleet and does not specify preventive maintenance intervals for each vehicle type. As different vehicle types have varying intervals for scheduled maintenance activity, it is critical that the County’s vehicle maintenance plan corresponds to its current fleet configuration.

Remedy: The County must update its vehicle maintenance plan to reflect its current fleet and specify preventive maintenance intervals for each vehicle type. The intervals should be defined by mileage that is consistent with the vehicle manufacturer’s recommendations. The County must state the reasoning behind any significant deviation from these recommendations (e.g., road and weather conditions). Following the site visit, the review team provided the County with additional guidance and resources surrounding this topic.

Timeframe: 60 days

4. Compliance Observation

Maintenance of Equipment and Facilities

Condition: Based on review of the County’s vehicle maintenance documentation, the on-time performance of vehicle preventive maintenance fell below the 80% target set by FTA and ODOT. Based on sample data examined, a rate less than 25% was observed;

after more thorough review during the review (which dismissed some observation points), the County was only achieving an on-time percent of 45% in its PM events.

Remedy: The County must exercise additional oversight of its vehicle maintenance program and ensure that scheduled maintenance is occurring in a timely manner. This condition represents a repeat deficiency from the County's previous compliance review. As such, the County must work with its RTC throughout the next 365 days to demonstrate that it is completing vehicle preventive maintenance in a timely manner in accordance with its updated vehicle maintenance plan.

Timeframe: 365 days

5. Compliance Observation

Maintenance of Equipment and Facilities

Condition: The County occasionally requests service for vehicles under warranty but does not report this activity to ODOT through its Warranty Claim Tracker Report. Federal guidance found in FTA Circular 5010.1E, Chapter IV, § 4(n)(4)(c), requires that the County: (a) establish and maintain a system for recording warranty claims that captures information needed by the recipient on the extent and provisions of coverage and on claims processing; and (b) identify and enforce the system for recording warranty claims.

Remedy: In its updated vehicle maintenance plan, the County must outline the process for reporting vehicle warranty work to ODOT through its Warranty Tracker Report. The County must access www.oregon.gov/ODOT/RPTD/Pages/Maintain-an-Asset.aspx and select the drop-down menu titled "request service for a vehicle under warranty." Here, the County can download a template in Word format for use in requesting service for a product under warranty, as well as the Warranty Claim Tracking Report in Excel format. This report must be completed quarterly and submitted to ODOT.

Timeframe: 60 days

6. Compliance Observation

Equipment - Insurance

Condition: The County's certificate of insurance does not include "Oregon Department of Transportation, Rail and Public Transit Division" as an additional insured.

Remedy: The County must add "Oregon Department of Transportation, Rail and Public Transit Division" to its certificate of insurance as an additional insured.

Civil Rights

Federal civil rights requirements are encompassed in laws, regulations, and executive orders. The objective of FTA's oversight in this area is to:

- ◆ Ensure that the level and quality of transportation service is provided without regard to race, color, or national origin;
- ◆ Identify and address, as appropriate, disproportionately high and adverse human health and environmental effects, including social and economic effects of programs and activities on minority populations and low-income populations;
- ◆ Promote the full and fair participation of all affected populations in transportation decision making;
- ◆ Prevent the denial, reduction, or delay in benefits related to programs and activities that benefit minority populations or low-income populations; and
- ◆ Ensure meaningful access to programs and activities by persons with limited English proficiency.

Civil Rights encompasses the following areas in the review process:

- ◆ Title VI Requirements
- ◆ Limited English Proficiency (LEP)/Language Assistance Programs
- ◆ Equal Employment Opportunity
- ◆ Disadvantaged Business Enterprises (DBE)

Civil Rights Findings

Based on materials presented to the reviewers and observations made during the review, the County was found deficient with the following ODOT requirement for Civil Rights. The County must address:

7. Compliance Observation

LEP

Condition: According to the County's Title VI program, Spanish is a limited English proficiency (LEP) language group above the safe harbor threshold of 1,000 individuals or 5% of the service area population. This triggers the requirement to make available Spanish translations of vital documents.

Remedy: The County must prepare Spanish translations of certain vital documents; the County is obligated to identify these documents, but should include, at a minimum,

its applicant eligibility form used for its senior and individuals with disabilities demand response services and its discrimination complaint form.

Timeframe: 60 days

Americans with Disabilities Act

Under U.S. Department of Transportation (USDOT) Americans with Disabilities Act of 1990 (ADA) regulations, public and private transportation providers are required to operate services in a way that does not discriminate against persons with disabilities. The regulations include general nondiscrimination provisions that apply to all types of agencies and services. There are also provisions that apply only to certain types of agencies and services. For example, public fixed route operators are required to make on-board stop announcements to keep riders oriented to their location.

Demand responsive systems encompass a wide variety of service types, including traditional dial-a-ride service, taxi subsidy service, vanpool service, and route deviation service. Complementary paratransit service, also a type of demand responsive system, has unique service requirements and is exclusively limited to those entities providing fixed route service.

The requirements under the ADA for demand response service providers is associated with vehicles acquisition standards. ADA rules require service equivalency: “If the system, when viewed in its entirety, provides a level of service to individuals with disabilities, including individuals who use wheelchairs, equivalent to the level of service it provides to individuals without disabilities” it is considered compliant with ADA requirements. There are seven (7) criteria that must be met in order to determine if the entity is providing equivalent service. Where all the vehicles in a demand responsive vehicle fleet are fully accessible, the equivalent service standards do not apply.

The Americans with Disabilities Act encompasses the following areas in the review process:

- ◆ Entity/Service Classification
- ◆ Nondiscrimination/Reasonable Modification
- ◆ Demand Response Systems
- ◆ Route/Point Deviation Systems
- ◆ Fixed Route Systems
- ◆ General Requirements
- ◆ Transportation Facilities

Americans with Disabilities Act Findings

Based on materials presented to the reviewers and observations made during the review, the County was found deficient with the following ODOT requirements concerning the Americans with Disabilities Act (ADA). The County must address:

8. Compliance Observation

Nondiscrimination

Condition: The County does not sufficiently advertise to the public the process for filing an ADA-related complaint. U.S. DOT ADA regulations require each covered entity to establish a complaint process that includes appropriate due process standards and provide for the prompt resolution of complaints (see 49 CFR § 37.17).

Remedy: The County must sufficiently advertise the process for filing an ADA-related complaint, such as on its website. This information must include the name or title, address, telephone number, and email address of an employee designated to coordinate ADA compliance. These procedures must be accessible to and useable by individuals with disabilities, and there is an obligation to promptly communicate the County's response to the complaint allegations, including its reasons for the response.

Additionally, if the County elects a single process/form to collect both Title VI- and ADA-related complaints, the form must segregate discrimination complaints based on race, color, and national origin from those alleging discrimination on the basis of disability. ADA complaints must be categorized distinctly from Title VI complaints in internal and external communications. FTA notes, for example, that it is not appropriate to have a "Title VI Complaint Form" that includes "disability" as one of the bases for filing a complaint; this incorrectly implies that disability is a covered basis under Title VI. The County must modify its Title VI complaint form to serve as a discrimination complaint form that references both Title VI and ADA.

Timeframe: 60 days

9. Compliance Observation

Nondiscrimination

Condition: The County's policy for suspending service to individuals who show a pattern or practice of missing scheduled trips ("no-show policy") uses an unreasonable numerical threshold for suspension (three no-shows within a six-month period), and imposes mandatory financial penalties.

Remedy: The County must revise its no-show policy. An absolute numerical threshold should not be used as the standard for suspension. While three no-shows in 30 days could

establish a pattern or practice of missed trips for a rider who utilizes the service one time per week, it is unlikely that this would be true for a frequent or daily rider. As such, the standard for establishing a pattern or practice of missed trips should consider the frequency of rides and no-shows. One way this can be done is by setting a minimum number of no-shows that should not be exceeded, and if this number is exceeded, then determine if the no-shows represent a certain percentage of all trips taken.

Additionally, any suspensions must be for a reasonable period of time. FTA generally considers suspensions longer than 30 days to be excessive. Therefore, a progressive suspension policy might be structured as seven days for the first offense, 14 days for a second offense, 21 days for a third offense, and 30 days for subsequent suspensions.

Further, the County may not impose a mandatory financial penalty as part of a no-show policy, including charging for the fare for the no-show trip.

Timeframe: 60 days

10. Compliance Observation

Nondiscrimination

Condition: The County's Exclusion Policy document references behaviors that can lead to the denial or suspension of service. When universally applied to all riders, such a policy may discriminate against those with disabilities. U.S. DOT ADA regulations stipulate that with respect to individuals with disabilities, covered entities may only refuse to provide service to an individual who engages in violent, seriously disruptive, or illegal conduct; or represents a direct threat to the health or safety of others. Additionally, the County cannot refuse to provide service to an individual with disabilities solely because the individual's disability results in involuntary behavior that may offend, annoy, or inconvenience others (see 49 CFR § 37.5(h)).

Remedy: The County must update its Exclusion Policy to specifically state: (a) refusal of service may occur only in situations where a rider engages in violent, seriously disruptive, or illegal conduct; or represents a direct threat to the health or safety of others, and (b) the County shall not refuse to provide service to an individual with disabilities solely because the individual's disability results in involuntary behavior that may offend, annoy, or inconvenience others.

Timeframe: 60 days

11. Compliance Observation**General Requirements**

Condition: The County's service animal policy incorrectly uses the Department of Justice (DOJ) definition of a service animal as opposed to the DOT definition. The DOT definition of a service animal includes any animal individually trained to work or perform tasks for an individual with a disability; it is not limited to dogs or miniature horses like the DOJ definition.

Remedy: The County must update its definition of service animal to reflect DOT (as opposed to DOJ) guidance.

Timeframe: 60 days

12. Compliance Observation**Reasonable Modification**

Condition: The County does not sufficiently advertise information regarding how riders can request reasonable modifications in policies, practices, or procedures. U.S. DOT ADA regulations require each covered entity to establish a process wherein the public may request reasonable modifications when necessary to avoid discrimination on the basis of disability, unless making such modifications would fundamentally alter the nature of the service or create a direct threat to the health or safety of others (see 49 CFR § 37.169).

Remedy: The County must advertise information regarding how riders can request reasonable modifications. It can satisfy this requirement by adding language similar to the following on its website: "Reasonable modifications in policies, practices, or procedures are available to avoid discrimination on the basis of disability" and then describing how riders can request such accommodations.

Timeframe: 60 days

13. Compliance Observation**General Requirements**

Condition: The County does not sufficiently advertise the availability of information in accessible formats. U.S. DOT ADA regulations require each covered entity to make available, upon request, information concerning transportation services in accessible formats (see 49 CFR § 37.167). However, if the public is unaware of such availability, there is little value to this requirement.

Remedy: The County must advertise the availability of information in accessible formats. It can satisfy this requirement by adding language similar to the following on its website and other written documents: “Accessible formats are available upon request” and then describing how riders can initiate such a request.

Timeframe: 60 days

Charter and School Bus

ODOT subrecipients are prohibited from using Federally funded equipment or facilities to provide charter service. Under new regulations, effective April 30, 2008, certain activities are exempt from coverage and other charter services may be provided under limited circumstances if they meet certain exceptions spelled out in the regulation. Generally, service provided under contract to a human services agency is considered a “program purpose” and is exempt from charter regulatory coverage.

ODOT subrecipients are not permitted to use Federally funded equipment to provide exclusive school bus transportation for school students and school personnel. The implementing regulation does permit regular service to be modified to accommodate school students along with the general public. For the purpose of FTA’s school bus regulation, Head Start is considered a social service, not a school program.

The charter and school bus regulations encompass the following areas in the review process:

- ◆ Charter Service
- ◆ School Bus Service

Charter and School Bus Findings

Based on the interviews conducted and materials examined as part of this review, no deficiencies were found with ODOT requirements in the area of Charter and School Bus services.

Statewide Transportation Improvement Fund

The Statewide Transportation Improvement Fund (STIF) provides financial support to eligible Public Transportation Service Providers, defined as a “Qualified Entities.” STIF monies may be used for public transportation purposes that support the effective planning, deployment, operation, and administration of STIF-funded public transportation programs, including, but not limited to:

- ◆ Creation of new systems and services with origins, destinations or stops in Oregon;

- ◆ Maintenance or continuation of systems and services; and
- ◆ Planning for and development of a Local Plan or future STIF Plan to improve Public Transportation Service.

The majority of the STIF money (90%) is allocated based on a formula; the formula is structured to ensure that no Qualified Entity receives less than \$100,000 per year. The remaining funds are distributed by the Public Transportation Discretionary Grant Program. There are a number of requirements associated with receiving STIF funds.

Statewide Transportation Improvement Fund Findings

Based on the interviews conducted and materials examined as part of this review, no deficiencies were found with ODOT requirements for the Statewide Transportation Improvement Fund.

Special Transportation Fund

The State's Special Transportation Fund Program provides financial support to designated counties, transit districts and Indian tribal governments for special transportation services benefiting seniors and people with disabilities. The majority of the STF money (75 percent) is allocated on a population-based formula. The remaining funds are distributed by the Public Transportation Discretionary Grant Program. There are a number of requirements associated with receiving these funds.

Special Transportation Fund Findings

Based on materials presented to the reviewers and observations made during the review, the County was found deficient with the following ODOT requirement concerning Special Transportation Fund. The County must address:

14. Compliance Observation

STF Committee

Condition: The County does not currently ensure that its website is updated with notifications regarding upcoming STF Advisory Committee meetings. ODOT requires that STF Advisory Committee meetings adhere to open meeting laws, including the publication of notices for upcoming meetings so that interested stakeholders are provided the opportunity to participate.

Remedy: The County must ensure that notifications of upcoming STF Advisory Committee meetings are published to its website.

Timeframe: 60 days

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Compliance Review Corrective Action Plan

Summary

Thirteen (13) Compliance Observations and one (1) Advisory Recommendations were made as a result of this system review.

Compliance Observations are actions that must be addressed by the transit system to be in compliance with Federal and State regulations. Advisory Recommendations are recommendations developed by the review team that may help to improve the management or operation of the transit system.

Exhibit 3 provides a summary of all Compliance Observations and Advisory Recommendations contained in this compliance review.

For each Compliance Observation, a recommended timeframe for subrecipient remedial action is listed. Both ODOT and the County may comment on this recommendation; this timeframe can then be adjusted based on the mutual agreements between the parties.

Exhibit 3. Summary of Compliance Observations and Advisory Recommendations

Subrecipient	Date of Final Report	ODOT Region	RTC
Benton County, OR	January 4, 2020	2B	Mark Bernard

Topic: Financial Management		Subtopic: Cash Management	Advisory Recommendation
Item No.	Condition	Remedy	Timeframe
1	The County does not number ride passes or store them in a secure location. FTA and ODOT consider fare media to have cash value, and as such, the County must implement sufficient internal controls to prevent the loss or misuse of such passes.	The County should ensure that ride passes are stored in a secure location, and should number passes to track their distribution and use.	No specific timeframe
Topic: Procurement		Subtopic: Third Party Contracting Capacity	Compliance Observation
Item No.	Condition	Remedy	Timeframe
2	The County lacks written procurement procedures that govern FTA-funded purchases. FTA Circular 4220.1F, Chapter III, § 3a imposes a requirement on all recipients and subrecipients of FTA funds to develop written procurement procedures that embrace all Federal requirements, as appropriate, that are applicable to the type of procurement being carried out by the subrecipient.	The County must prepare written procurement policies consistent with FTA requirements as detailed in Circular 4220.1F. Additionally, as this circular was issued prior to the “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” (2 CFR § 200), Benton County must assure that any new requirements imposed in § 200.317 through § 200.326 are incorporated into these new policies.	60 days
Topic: Use and Maintenance of Project Equipment and Facilities		Subtopic: Maintenance of Equipment and Facilities	Compliance Observation
Item No.	Condition	Remedy	Timeframe
3	The County’s written vehicle maintenance plan does not reflect its current fleet and does not specify preventive maintenance intervals for each vehicle type. As different vehicle types have varying intervals for scheduled maintenance activity, it is	The County must update its vehicle maintenance plan to reflect its current fleet and specify preventive maintenance intervals for each vehicle type. The intervals should be defined by mileage that is consistent with the vehicle manufacturer’s recommendations. The County must state	60 days

	critical that the County's vehicle maintenance plan corresponds to its current fleet configuration.	the reasoning behind any significant deviation from these recommendations (e.g., road and weather conditions). Following the site visit, the review team provided the County with additional guidance and resources surrounding this topic.	
Topic: Use and Maintenance of Project Equipment and Facilities		Subtopic: Maintenance of Equipment and Facilities	Compliance Observation
Item No.	Condition	Remedy	Timeframe
4	Based on review of the County's vehicle maintenance documentation, the on-time performance of vehicle preventive maintenance fell below the 80% target set by FTA and ODOT. Based on sample data examined, a rate less than 25% was observed; after more thorough review during the review (which dismissed some observation points), the County was only achieving an on-time percent of 45% in its PM events.	The County must exercise additional oversight of its vehicle maintenance program and ensure that scheduled maintenance is occurring in a timely manner. This condition represents a repeat deficiency from the County's previous compliance review. As such, the County must work with its RTC throughout the next 365 days to demonstrate that it is completing vehicle preventive maintenance in a timely manner in accordance with its updated vehicle maintenance plan.	365 days
Topic: Use and Maintenance of Project Equipment and Facilities		Subtopic: Maintenance of Equipment and Facilities	Compliance Observation
Item No.	Condition	Remedy	Timeframe
5	The County occasionally requests service for vehicles under warranty but does not report this activity to ODOT through its Warranty Claim Tracker Report. Federal guidance found in FTA Circular 5010.1E, Chapter IV, § 4(n)(4)(c), requires that the County: (a) establish and maintain a system for recording warranty claims that captures information needed by the recipient on the extent and provisions of coverage and on claims processing; and (b) identify and enforce the system for recording warranty claims.	In its updated vehicle maintenance plan, the County must outline the process for reporting vehicle warranty work to ODOT through its Warranty Tracker Report. The County must access www.oregon.gov/ODOT/RPTD/Pages/Maintain-an-Asset.aspx and select the drop-down menu titled "request service for a vehicle under warranty." Here, the County can download a template in Word format for use in requesting service for a product under warranty, as well as the Warranty Claim Tracking Report in Excel format. This report must be completed quarterly and submitted to ODOT.	60 days

Topic: Use and Maintenance of Project Equipment and Facilities		Subtopic: Equipment - Insurance	Compliance Observation
Item No.	Condition	Remedy	Timeframe
6	The County's certificate of insurance does not include "Oregon Department of Transportation, Public Transit Division" as an additional insured.	The County must add "Oregon Department of Transportation, Public Transit Division" to its certificate of insurance as an additional insured.	60 days
Topic: Civil Rights		Subtopic: Title VI	Compliance Observation
Item No.	Condition	Remedy	Timeframe
7	According to the County's Title VI program, Spanish is a limited English proficiency (LEP) language group above the safe harbor threshold of 1,000 individuals or 5% of the service area population. This triggers the requirement to make available Spanish translations of vital documents.	The County must prepare Spanish translations of certain vital documents; the County is obligated to identify these documents, but should include, at a minimum, its applicant eligibility form used for its senior and individuals with disabilities demand response services and its discrimination complaint form.	60 days
Topic: Americans with Disabilities Act		Subtopic: Nondiscrimination	Compliance Observation
Item No.	Condition	Remedy	Timeframe
8	The County does not sufficiently advertise to the public the process for filing an ADA-related complaint. U.S. DOT ADA regulations require each covered entity to establish a complaint process that includes appropriate due process standards and provide for the prompt resolution of complaints (see 49 CFR § 37.17).	The County must sufficiently advertise the process for filing an ADA-related complaint, such as on its website. This information must include the name or title, address, telephone number, and email address of an employee designated to coordinate ADA compliance. These procedures must be accessible to and useable by individuals with disabilities, and there is an obligation to promptly communicate the County's response to the complaint allegations, including its reasons for the response. Additionally, if the County elects a single process/form to collect both Title VI- and ADA-related complaints, the form must segregate discrimination complaints based on race, color, and national origin from those alleging discrimination	60 days

		on the basis of disability. ADA complaints must be categorized distinctly from Title VI complaints in internal and external communications. FTA notes, for example, that it is not appropriate to have a "Title VI Complaint Form" that includes "disability" as one of the bases for filing a complaint; this incorrectly implies that disability is a covered basis under Title VI. The County must modify its Title VI complaint form to serve as a discrimination complaint form that references both Title VI and ADA.	
Topic: Americans with Disabilities Act		Subtopic: Nondiscrimination	Compliance Observation
Item No.	Condition	Remedy	Timeframe
9	The County's policy for suspending service to individuals who show a pattern or practice of missing scheduled trips ("no-show policy") uses an unreasonable numerical threshold for suspension (three no-shows within a six-month period) and imposes mandatory financial penalties.	<p>The County must revise its no-show policy. An absolute numerical threshold should not be used as the standard for suspension. While three no-shows in 30 days could establish a pattern or practice of missed trips for a rider who utilizes the service one time per week, it is unlikely that this would be true for a frequent or daily rider. As such, the standard for establishing a pattern or practice of missed trips should consider the frequency of rides and no-shows. One way this can be done is by setting a minimum number of no-shows that should not be exceeded, and if this number is exceeded, then determine if the no-shows represent a certain percentage of all trips taken.</p> <p>Additionally, any suspensions must be for a reasonable period of time. FTA generally considers suspensions longer than 30 days to be excessive. Therefore, a progressive suspension policy might be structured as seven days for the first offense, 14 days for a second offense, 21 days for a third offense, and 30 days for subsequent suspensions.</p>	60 days

		Further, the County may not impose a mandatory financial penalty as part of a no-show policy, including charging for the fare for the no-show trip.	
Topic: Americans with Disabilities Act		Subtopic: Nondiscrimination	Compliance Observation
Item No.	Condition	Remedy	Timeframe
10	The County's Exclusion Policy document references behaviors that can lead to the denial or suspension of service. When universally applied to all riders, such a policy may discriminate against those with disabilities. U.S. DOT ADA regulations stipulate that with respect to individuals with disabilities, covered entities may only refuse to provide service to an individual who engages in violent, seriously disruptive, or illegal conduct; or represents a direct threat to the health or safety of others. Additionally, the County cannot refuse to provide service to an individual with disabilities solely because the individual's disability results in involuntary behavior that may offend, annoy, or inconvenience others (see 49 CFR § 37.5(h)).	The County must update its Exclusion Policy to specifically state: (a) refusal of service may occur only in situations where a rider engages in violent, seriously disruptive, or illegal conduct; or represents a direct threat to the health or safety of others, and (b) the County shall not refuse to provide service to an individual with disabilities solely because the individual's disability results in involuntary behavior that may offend, annoy, or inconvenience others.	60 days
Topic: Americans with Disabilities Act		Subtopic: Nondiscrimination	Compliance Observation
Item No.	Condition	Remedy	Timeframe
11	The County's service animal policy incorrectly uses the Department of Justice (DOJ) definition of a service animal as opposed to the DOT definition. The DOT definition of a service animal includes any animal individually trained to work or perform tasks for an individual with a disability; it is not limited to dogs or miniature horses like the DOJ definition.	The County must update its definition of service animal to reflect DOT (as opposed to DOJ) guidance.	60 days

Topic: Americans with Disabilities Act		Subtopic: Reasonable Modification	Compliance Observation
Item No.	Condition	Remedy	Timeframe
12	The County does not sufficiently advertise information regarding how riders can request reasonable modifications in policies, practices, or procedures. U.S. DOT ADA regulations require each covered entity to establish a process wherein the public may request reasonable modifications when necessary to avoid discrimination on the basis of disability, unless making such modifications would fundamentally alter the nature of the service or create a direct threat to the health or safety of others (see 49 CFR § 37.169).	The County must advertise information regarding how riders can request reasonable modifications. It can satisfy this requirement by adding language similar to the following on its website: "Reasonable modifications in policies, practices, or procedures are available to avoid discrimination on the basis of disability" and then describing how riders can request such accommodations.	60 days
Topic: Americans with Disabilities Act		Subtopic: General Requirements	Compliance Observation
			Timeframe
13	The County does not sufficiently advertise the availability of information in accessible formats. U.S. DOT ADA regulations require each covered entity to make available, upon request, information concerning transportation services in accessible formats (see 49 CFR § 37.167). However, if the public is unaware of such availability, there is little value to this requirement.	The County must advertise the availability of information in accessible formats. It can satisfy this requirement by adding language similar to the following on its website and other written documents: "Accessible formats are available upon request" and then describing how riders can initiate such a request.	60 days

Topic: Special Transportation Fund		Subtopic: STF Committee	Compliance Observation
Item No.	Condition	Remedy	Timeframe
14	The County does not currently ensure that its website is updated with notifications regarding upcoming STF Advisory Committee meetings. ODOT requires that STF Advisory Committee meetings adhere to open meeting laws, including the publication of notices for upcoming meetings so that interested stakeholders are provided the opportunity to participate.	The County must ensure that notifications of upcoming STF Advisory Committee meetings are published to its website.	60 days