



CALAVERAS COUNCIL
of GOVERNMENTS

TRANSPORTATION DEVELOPMENT ACT GUIDEBOOK



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CALAVERAS COUNCIL
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TRANSPORTATION DEVELOPMENT ACT GUIDEBOOK

VOLUME I

TDA OVERVIEW AND BACKGROUND

CHAPTER 1 - INTRODUCTION

1.1 GUIDEBOOK PURPOSE

The Calaveras Council of Governments (CCOG) Transportation Development Act (TDA) Guidebook was developed to provide a useful reference for claimants of TDA funds and the CCOG staff to continue to provide a clear and understandable process for the filing and administration of TDA claims now and into the future.

The intent of this guidebook is to help those managing the claim process to understand:

- What the TDA is,
- What the different categories of TDA funds are and their allowable uses,
- What the TDA requirements are and the reasons for the requirements,
- What CCOG's responsibilities are in administering the TDA program and how those impact the TDA claim review, approval and schedule,
- How to complete claims, and
- How the process fits together in Calaveras County.

The objective of the guidebook is to increase program understanding and thereby expedite the administrative process. The guidebook has nine chapters and is organized in two Volumes, intended to make it easier for the reader to work through the different topics. Volume I is a reference document which provides detailed background information on the TDA and uses of its funds; while Volume II provides the TDA claimant with instructions and CCOG policies for filing a TDA claim.

1.2 TDA OVERVIEW

The **Transportation Development Act (TDA)** provides a State funding source for use by local jurisdictions at the county level to improve existing public transportation and encourage regional public transportation coordination. It also provides some funding for bicycle and pedestrian projects and when certain conditions are met, streets and roads. The main purpose and priority of TDA, however, is to provide funding for public transportation.

The TDA provides two major sources of funding, the Local Transportation Fund (LTF) and the State Transit Assistance (STA) Fund. The following provides background on each of these two funding sources:

The **Local Transportation Fund (LTF)** is a local fund into which the state deposits sales tax revenue to be used for transportation purposes defined by TDA. The State Board of Equalization, based on sales tax collected in each county, returns the general sales tax revenues to each county's LTF. Calaveras County is the local jurisdiction responsible for holding the fund.

Revenue for Calaveras County's Local Transportation Fund comes from ¼ percent of the 7½ percent state sales tax collected in Calaveras County (both incorporated and unincorporated areas). Given the fluctuation of sales tax revenues during varying economic environments, LTF revenues deposited in the County fund vary from year to year.

The **State Transit Assistance (STA)** fund provides a second source of TDA funding for transportation planning, public transportation, and community transit purposes as specified by the Legislature. The STA program was created under Chapter 161 of the Statutes of 1971 (SB 620). STA funds are generated from the statewide sales tax on diesel fuel, which is deposited in the Transportation Planning and Development Account in the State Transportation Fund. Unlike LTF, STA funds may not be allocated for fund administration, streets, roads, or pedestrian/bicycle facility purposes.

The STA funds are appropriated by the Legislature to the State Controller's Office (PUC Sec. 99312). That Office then allocates the tax revenue, by formula, to each Regional Transportation Planning Agency (RTPA), which for Calaveras County is the CCOG. The formula allocates 50% of the funds on the basis of Calaveras County's population compared to the total state population. The other 50% is allocated on the basis of the amount of passenger fares and local support revenues collected by the transit operator in Calaveras County compared to the amount collected by transit operators statewide.

Public participation is a key component of the TDA. Public meetings are held to discuss transportation needs and hear concerns. Regional planning agencies, such as the Calaveras Council of Governments (CCOG), are required to establish a Social Service Transportation Advisory Council (SSTAC), comprised of the transit-dependent, including persons with disabilities, older adults and low-income representatives. The SSTAC role is to participate and advise the CCOG of transit needs and coordinate transit services with other specialized transportation services (private and social service agencies). SSTAC members work with local agencies in developing unmet transit needs criteria, which are used in making project approval decisions.

To ensure **program compliance**, fiscal and performance audits are conducted. Fiscal audits are conducted annually, and include transit operator's expense-to-revenue ratio, known as farebox recovery. Performance audits are conducted every three years and include performance measures that verify the efficiency and effectiveness of planning agencies and transit operators. Both fiscal and performance audits are conducted by an independent auditor designated by the transportation planning agency.

The TDA **funds are distributed** in payments annually to the County by the State, and are held in trust in the County Treasury until being disbursed to recipients. The County Auditor makes payments from the funds based on instructions received from the CCOG. Claimants receive payments quarterly or as funds become available. It is the CCOG's responsibility to ensure that payments are made and funds used are

in compliance with the TDA statutes. Both the LTF and STA funds have stringent performance and fiscal audit requirements for approved expenditures.

1.3 GOVERNING LEGISLATION AND SOURCE OF INFORMATION

The legislature establishes overall policies, including determining funding sources and distribution, and spending priorities through state statutes such as Revenue and Taxation Code, Streets and Highways Code, and Government Code. The Legislature appropriates funds through the annual budget for transportation projects and has authority to designate transportation projects statutorily.

The Transportation Development Act was signed by the Governor on November 4, 1971 and became effective July 1, 1972. The TDA is also known as SB 325 and the Mills-Alquist-Deddeh Act. Several bills have since amended the TDA. The STA Fund is also sometimes referred to as SB 620.

The TDA program is governed by the rules and statutes contained in the Public Utilities Code (PUC), the California Code of Regulations (CCR), and by non-TDA statutes contained in the California Vehicle Code (CVC). These rules and statutes will be referenced throughout this Guidebook.

The TDA statute is divided into sections called “articles”. As a result, claims for TDA funds are often referenced by the Article of the statute under which they are filed. There are nine (9) TDA Articles. Each Article has different requirements and provisions. Chapters 3 through 5 detail these requirements and the claims process for each funding purpose.

The full text of the TDA, as amended in 2013, is available in a California Department of Transportation (Caltrans) publication entitled Transportation Development Act – Statutes and California Code of Regulations (<http://www.dot.ca.gov/hq/MassTrans/State-TDA.html>).

The CCOG TDA Guidebook is authorized under Section 99261 of the California Public Utilities Code.

CHAPTER 2 - HOW TDA FUNDS ARE ALLOCATED

2.1 WHO CAN USE THE MONEY?

Several different agencies can use Transportation Development Act (TDA) money for several different purposes. To do so, agencies must meet the eligibility requirements set forth in the TDA. Figure 2-1 shows the agencies eligible in Calaveras County per the TDA.

Figure 2-1 Local Agencies that Can Use Local Transportation Funds

Eligible Agencies Per TDA	Eligible Agencies in Calaveras County
County Auditor	Calaveras County Auditor
Regional Transportation Planning Agency (RTPA)	Calaveras Council of Governments (CCOG)
Transit Operators	In Calaveras County, the transit operator is the County
Transit Districts	There are no transit districts in Calaveras County
Consolidated Transportation Service Agencies (CTSAs)	There are no CTSAs in Calaveras County
County	Calaveras County
Cities/Towns	City of Angels Camp

2.2 LOCAL TRANSPORTATION FUND – USES AND ALLOCATION PROCESS

Local Transportation Funds (LTF) may be claimed by local agencies under Articles 3, 4, 4.5 and 8 of the TDA legislation. Claimants should apply for the funding programs that are most appropriate for their transit operations. The choice will depend on the type of claimant, purpose for which the money will be used, administrative and fiduciary responsibilities associated with the funding program, and the amount of money available. Figure 2-2 lists the claimant categories and associated articles.

Figure 2-2 Applicable Claimant Categories

Claimant Categories	Articles
Transit Operators – city and/or county	4
Consolidated Transportation Services Agency (CTSAs) – Responsible for services to Social Service recipients	4.5
Transit Service Claimant – city and/or county filing for contract payments	8 (c)
City and County	8 (a)
- Streets & roads	3, 8 (a)
- Bicycle & pedestrian	8 (e)
- Capital assistance (bus shelters, etc.)	

The TDA legislation establishes priorities among the programs that may be funded by the Local Transportation Fund (LTF). For some purposes, funds from the LTF may be allocated “off the top” that is, before apportionment. Allocations are made off the top to the County Auditor and to the CCOG to administer the Act. Figure 2-3 shows these purposes in priority order, as set forth in the TDA.

Figure 2-3 LTF Allocation Purposes and Priorities for Calaveras County

Priority	Purpose	Article/Section	Eligible Claimants in Calaveras County	Amount Allowed per TDA
1 – Off the Top	TDA Administration	Article 3 PUC 99233.1	Taken off the top for CCOG and County Auditor	As necessary
2 – Off the Top	Pedestrian & Bicycle Facilities	Article 3 PUC 99233.3, 99234	Taken off the top for City and County	Countywide, up to 2% of remaining money
3 – Off the Top	Community Transit Services (CTSA)	Article 4.5 (Section 99275), PUC 99233.7	Not utilized in Calaveras County	Countywide, up to 5% of remaining money
4 – Equal Priority	Public Transportation	Article 4 PUC 99233.8	Transit Operator/County	Remaining Area Apportionment after Priorities 1-3 are funded
	Support of public transportation systems	Article 4 PUC 99260(a), 99262	Transit Operator/County	
	Aid to research & development projects	Article 4 PUC 99260(b)	Transit Operator/County	
	Peak hour service contract	Article 4 PUC 99260.2(a)	Transit Operator/County	
	Claims for separate service to elderly & handicapped	Article 4 PUC 99260.7	City, County, Joint Powers Agency	
5 – Equal Priority	Public transportation service contract	Article 8 PUC 99233.9, 99400 (c)	Transit Operator Contract/County	Remaining Area Apportionment after Priority 4 is Funded
	Administration and planning cost for service contract	Article 8 PUC 99400 (d)	Transit Operator Contract/County	
	Capital expenditures	Article 8 PUC 99400 (e)	Transit Operator/County	
	Local streets & roads; pedestrian and bicycle projects	Article 8 PUC 99400(a), 99402, 99407	City & County	
	Multimodal transportation terminal	PUC 99400.5	City & County	

The CCOG retains in fund as an unallocated apportionment 10% of the LTF fund estimate. The 10% unallocated apportionment is to be used primarily for operational expenses associated with the provision of public transit services (pursuant to PUC 99233.8). The primary purposes of these funds are, but are not limited to: unforeseen cost increases and the need to provide uninterrupted service levels in the event of a revenue shortfall or emergency. During each budget/planning cycle the unallocated apportionments retained rollover in the LTF fund and shall be equal to 10% of the estimate for the given fiscal year.

Funding from the LTF can be described as a three-step process: (1) apportionment, (2) allocation, and (3) payment. The following is a description of the process for Calaveras County:

1. APPORTIONMENT

Apportionment is the required division of available funds by population to jurisdictions within each county. Once funds are apportioned to a given jurisdiction, they are available only for allocations to claimants for that jurisdiction. Allocation is the discretionary action of the CCOG designating funds for a specific claimant for a specific purpose. Payment is authorized by the allocation instructions, which may call for payment in a lump sum, in installments, or as funds become available.

Per the TDA, the CCOG divides the remaining amount anticipated, after taking “off the top” amounts (see Figure 2-3), to be deposited in the fund over the coming fiscal year to the County (PUC Sec. 99231).

- Given the uncertainty of sales tax revenues (LTF fund source), each January, the County Auditor develops an estimate of what the coming year should bring. The estimate is based on economic forecast and past experience. The auditor prepares a conservative estimate which is due in February.
- Prior to March 1st, CCOG informs the County of this amount, called the apportionment (21 CCR Sec. 6644). The amount apportioned to each jurisdiction for the coming fiscal year is called the “findings of apportionment.” The CCOG must adopt the findings of apportionment by March 1st of each year for the coming fiscal year (21 CCR Sec. 6644).
- When the estimate of LTF for the coming fiscal year is due, the auditor has a sense of how much the County under-estimated for the current year. At this point, the auditor only has two quarterly payments from the State, not all four. The “unallocated fund balance” from the current year (i.e., the difference between the year’s LTF estimate and the amount actually received) is included to be apportioned in the coming fiscal year.

The Calaveras Council of Governments shall, from an analysis and evaluation of the total amount anticipated to be available in the LTF and the relative needs of each claimant for the purposes for which the fund is intended, and consistent with the provisions of this chapter, annually determine the amount to be allocated to each claimant.

All operators and city or county governments with responsibility for providing municipal services to a given area collectively may file claims for only those moneys that represent that area's apportionment.

Once money is apportioned to a jurisdiction, the money can only be allocated to that jurisdiction unless an agreement is made so that a portion of a jurisdiction's apportionment goes to another jurisdiction. Such an arrangement has been made in Calaveras County to help fund Calaveras County Transit.

2. Allocation

Allocation is the step where the County decides what they want to do with their apportionments in the coming year. The County files a “claim” with the CCOG requesting dollar amounts for different purposes. For example, the County might claim all of its LTF apportionment for transit, or they might claim the majority for transit, some for bicycle projects and some for streets and roads. The total amount claimed cannot be more than the amount apportioned to a jurisdiction.

Given the intent of the TDA is to fund public transportation, each jurisdiction claiming funds through the TDA must prove certain things to be able to use it for other purposes (refer to Chapter 5). Before CCOG releases the money allocated to a jurisdiction, the claimant must meet several requirements. If these requirements are not met, CCOG can hold on to an apportionment (or part of it) and not allocate it until requirements are satisfied (21 CCR Sec. 6633.9). Please refer to Chapter 6 for the required documentation.

3. Payment

This is the step where the jurisdiction actually receives the money. Based on the amount claimed, CCOG provides instructions to the County Auditor for writing checks to the County and/or City throughout the year. CCOG must provide written instructions at least annually prior to the start of the fiscal year, although the instructions could be delayed if agreed to by the claimant (21 CCR Sec. 6659).

Calaveras COG’s instructions can authorize that payments be made annually, as money becomes available or on a quarterly basis. Since the RTPA is allowed to set the “terms and conditions” for payment, CCOG could also authorize payments in arrears based on actual expenses. CCOG currently authorizes payment as money becomes available.

2.3 STATE TRANSIT ASSISTANCE FUNDS - USES AND ALLOCATION PROCESS

Money from the STA Fund is obtained similarly to LTF; through apportionment, allocation and payment. This fund is allocated under PUC Sections 99313 and 99314. The entire amount received by the County from the State is available for distribution to the City and County, as no money is taken “off the top” of STA. Figure 2-4 summarizes the funding purposes for STA. There is no priority order within STA funds. STA funds are described under Article 6.5 of the TDA statute.

Figure 2-4 STA Funding Purposes Applicable in Calaveras County

Purpose	PUC Section
Transit operations and capital	99313.6 and 21 CCR 6730 (a) & (b)
Contract payments for public transit services	99313.6 and 21 CCR 6731 (b)
Administrative and planning cost of contracted public transportation	99313.6 and 21 CCR 6731 (a) & (b)
Capital requirements of contracted public transportation system	99313.6 referencing Sec. 99400(e)
Construction and maintenance of intermodal transportation facilities	99313.6 and 21 CCR 6731 (a)

The amount of STA funds received by Calaveras County each year depends on the following factors:

1. The amount of STA funds designated by the State legislature for the year.
2. The relative size of the County’s population to the population of other RTPA jurisdictions within the state. Half (50%) of the STA funds are allocated by the State Controller to the transportation planning agencies, for Calaveras County it is the CCOG, based on the relative size of their populations.
3. The relative amount of farebox revenues and local support revenues collected by the transit operator in CCOG’s jurisdiction compared to the amount collected by operators statewide. The other half (50%) of available STA funds is allocated by the State Controller to the transportation planning agencies (CCOG) based on the relative amount of farebox revenues and local support collected by transit operators within their jurisdictions.

The State Controller informs CCOG in January of the estimated amount of STA that it will receive for the coming fiscal year. In August, which is after the start of the fiscal year and after local jurisdictions have filed their claims, the State Controller updates the estimate. The updated estimate is made after the legislature determines how much money is appropriated to the Transportation Planning and Development Account. Based on the adopted State Budget, the amount of STA funds originally estimated in January usually changes by August. Therefore, it is possible an approved claim is greater than the amount of STA available.

1. Apportionment

The population formula allocation funds received by Calaveras County are apportioned to each eligible jurisdiction within Calaveras County based on relative share of that jurisdiction’s population. The revenue allocation funds received by Calaveras County are apportioned to those jurisdictions that file their TDA claims as “transit operators”. Presently, the County of Calaveras is the only agency filing as an operator in Calaveras County. The CCOG informs the County of the amount of STA that is estimated to be available in the coming fiscal year at the same time that it informs the County about the LTF findings of apportionment.

2. Allocation

Similar to LTF, the County files a claim with the CCOG for its STA Funds. STA claims are a little more straight-forward, because the purposes for which STA can be used are narrower than LTF. As a result, there are fewer sections of the code to understand in order to file a STA claim.

3. Payment

CCOG follows the same process to instruct the County to make payments from the STA fund to the jurisdictions as was described above for LTF.

CHAPTER 3 - TRANSIT CLAIMS

Eligible claimants for transit are the County of Calaveras, City of Angels Camp, and Calaveras Council of Governments (CCOG). This chapter describes the eligibility requirements to claim funds for planning, operating, and/or administering public transportation services.

Since the TDA statute is divided into sections, or “articles”, claims are referenced by the article of the statute under which they are filed. Unfortunately, the TDA does not group all claim types, such as transit, into one article; instead, transit claimants are eligible to receive funding under different articles for different purposes. The following will describe each article for which transit claims are filed.

3.1 ELIGIBLE TRANSIT CLAIMS

Both funding sources, LTF and STA, are available to fund associated costs for operating general public transit including operations and capital, administration and planning, and transit-related research and development projects. Figure 3-1 lists the different fund sources for which a jurisdiction may file transit claims and for what purposes.

A jurisdiction will file its LTF transit claim under Article 4 or Article 8 depending on its applicability and eligibility. In some cases, such as with Calaveras County, a jurisdiction may qualify under both articles. Once a claimant is determined to be eligible for funding under either Article 4 or Article 8 of LTF, they are then eligible to file a claim for STA funds.

Figure 3-1 Eligible TDA Statutes to File Transit Claims

Article	Section	Purpose	Eligible Claimants
Operating and Planning			
LTF Article 4	PUC 99260 (a) or 99262	All purposes necessary to operate the system including planning	Jurisdiction operating transit system
STA	CCR 6730 (a)	Operating cost of operator’s public transportation system	Jurisdiction operating transit system
LTF Article 4	PUC 99260 (b)	Public transportation research and demonstration projects	Jurisdiction operating transit system
LTF Article 8	PUC 99400 (c)	Contract payments for operations	Jurisdiction contracting for transit operations
LTF Article 8	PUC 99400 (d)	Administration and planning costs associated with operations contract	Jurisdiction contracting for transit operations
STA	CCR 6731 (b)	Operating, administrative and planning costs for Article 8 transit claimants	Jurisdiction contracting for transit operations

Capital			
LTF Article 4	PUC 99262	Capital for acquisition of real property, construction of facilities and buildings, purchase and replacement of vehicles, and system maintenance and repair	Jurisdiction operating transit system
STA	CCR 6730 (a)	Capital requirements of operator’s public transportation system	Jurisdiction operating transit system
LTF Article 8	PUC 99400 (e)	Capital for vehicles and equipment, bus shelters and benches, and communication equipment	Jurisdiction contracting for transit operations
LTF Article 8	PUC 99400.5	Multi-modal Transportation Facilities	City and County

ARTICLE 4 VERSUS ARTICLE 8 TRANSIT CLAIMS

The main difference in funding under Article 4 and Article 8 is the definition of eligible “transit operator”. For purposes of Article 4, the city or county acting as transit operator is responsible for the direct operation of the service. In contrast, Article 8 (PUC Section 99400 (c)) only applies to claimants that contract for operation of their transit services with outside vendors. Under Article 8, the jurisdiction can contract out its entire transit system – from planning and fare establishment to drivers and vehicles.

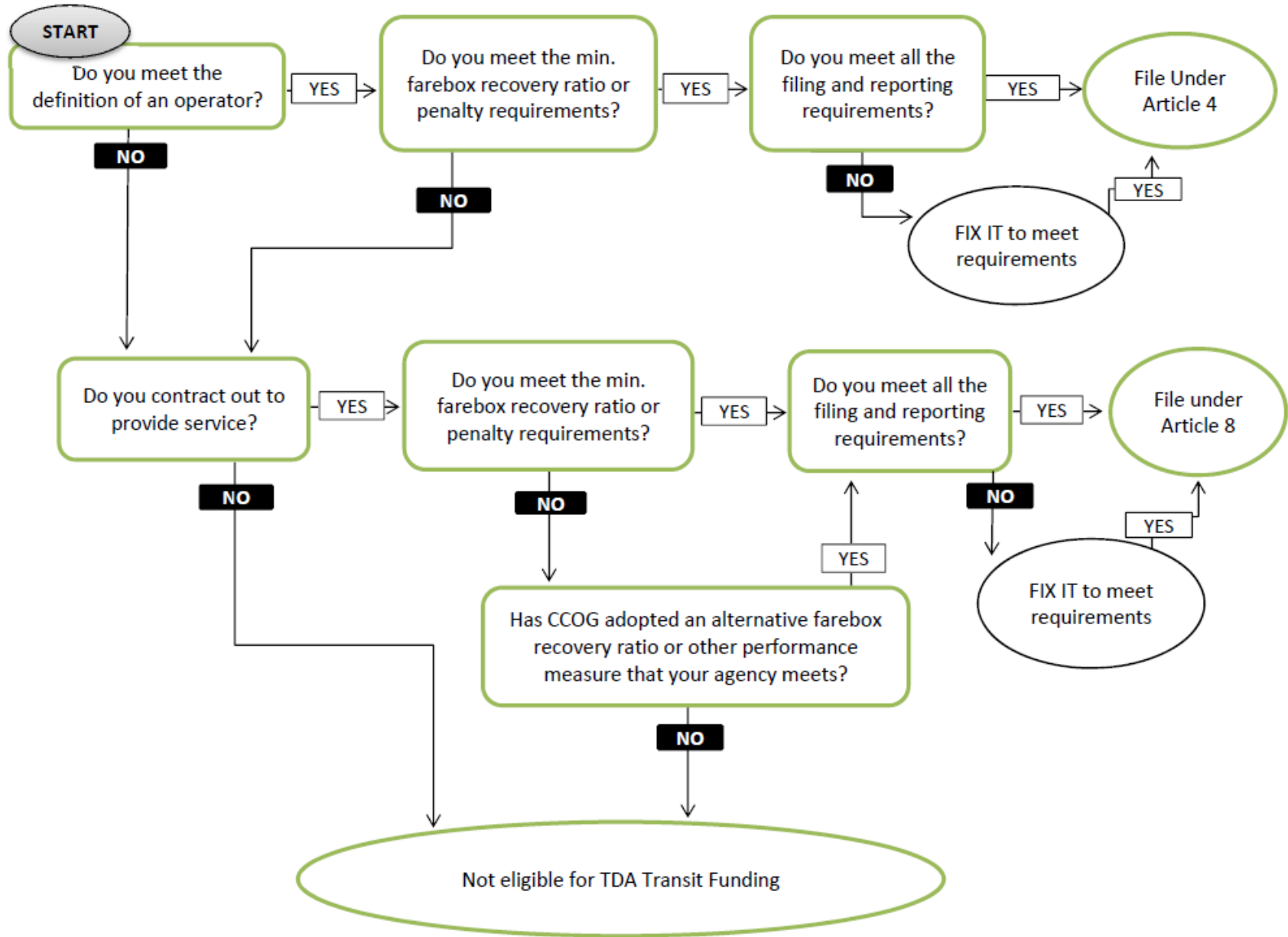
LTF claimed under Article 4 can be used more broadly for transit. Claims made by transit operators for support of public transportation systems under Article 4 may include reimbursement for all purposes necessary and convenient to the development and operation of the transit service. Funds are available under this article for the support of public transportation systems that are operated in-house by a city or county, as well as public transportation research and demonstration programs, and the construction of grade separation projects (PUC Section 99262). Payments for Article 4 claims can be direct expenses or payment of principle and interest on equipment, other indebtedness or bonds.

Under Article 8, claimants may seek funding for administration and planning costs, and capital investments in transit vehicles, bus shelters and benches, and communication equipment. Claimants may be paid for the administrative and planning expenses associated with contracting for transit services as described in PUC Section 99400 (c).

The requirements to file under Article 4 and 8 differ slightly as well. Requirements under Article 8 are generally less stringent than under Article 4. Section 3.2 of this chapter discusses claimant eligibility requirements.

Figure 3-2 illustrates the decision process to assist local jurisdictions in choosing what Article is more applicable to file a transit claim for LTF.

Figure 3-2 LTF Transit Claimant Decision Tree



ARTICLE 4.5 TRANSIT CLAIMS

Article 4.5 claims may be filed for community transit services (trip origin and destination both located within community boundaries), including such services for those, such as persons with disabilities, who cannot use conventional transit services (PUC Section 99275). An eligible organization must be designated by the regional planning agency (the CCOG) in order to claim funds under this Article.

Pursuant to PUC Section 99233.7, the CCOG may allocate up to 5% of the remaining LTF for Article 4.5 purposes after apportionments for administrative purposes and for bicycle and pedestrian funds.

CCOG shall conduct a solicitation process using a Request for Proposal (RFP) to identify an agency or agencies qualified to provide services as a CTSA. Agencies proposing to be designated as a CTSA may include:

- a) A public agency, including a city, county, operator [transit operator], any state department or agency, public corporation, or public district, or a joint powers entity created pursuant to the..... Government Code.
- b) A common carrier of persons as defined in Section 211 of the Public Utilities Code, engaged in the transportation of persons, as defined in Section 208.
- c) A private entity operating under a franchise or license.
- d) A nonprofit corporation organized pursuant to Division 2 (commencing with Section 9000) of Title 1, Corporations Code.

In Calaveras County, agencies that qualify for designation as a CTSA include Calaveras County, the City of Angels Camp, an existing nonprofit corporation, or a newly created nonprofit corporation.

CCOG shall establish criteria for the selection of an agency to designate as a CTSA. Such criteria may include:

Status in Transportation Decision Structure: Is the proposed CTSA recognized in the local transportation decision making structure by other agencies in the community?

Coordination as a Purpose for Existence: Does the proposed CTSA have as one of its primary purposes for existence the coordination of transportation services? If not, how will this purpose be established?

Partnerships: Has the proposed CTSA created or proposed partnerships with other organizations in the community including human service organizations, transit operator(s), government jurisdictions, funding agencies?

Funding Creativity: Has the proposed CTSA demonstrated creativity in developing funding relationships between programs, funding agencies, sources of funds, etc.?

Capacity: Has the proposed CTSA recommended methods to increase the capacity of the transportation system by creating new service, bringing more vehicles and services into the system, deploying resources in a manner that maximizes utilization of capacity that already existed in the system?

Service Quality: Is the ride quality of the consumers expected to improve through the actions of the proposed CTSA as measured by reduced ride time, improved consistency of pick up and drop off schedules, perceived security of the service delivery?

Leadership Commitment: Has the organization and/or its senior leadership demonstrated a passionate commitment to coordinating services among agencies in its operations or in the local community on a consistent basis?

CCOG shall include terms and conditions in a resolution designating a CTSA. The terms and conditions will include:

- Term (period) of designation: The term of designation shall of a minimum of one year and not more than five years unless so modified in these TDA Guidelines.
- Claim amount: CCOG shall provide guidance on acceptable LTF claim amount to be available to the CTSA; CCOG may limit the amount of an Article 4.5 claim according to criteria which it establishes.
- Reports: The designation resolution shall specify the nature, frequency, and minimum content of required reporting to CCOG by the CTSA. Such reports shall be no less frequent than annual.

CCOG oversight: The resolution shall specify methods that CCOG may employ to oversee the activity of the CTSA including inspection of records, observation of services, interviews with partner agencies, interviews with clients, and other appropriate actions.

STATE TRANSIT ASSISTANCE TRANSIT CLAIMS

State Transit Assistance funds can only be used for transit purposes. The California Code of Regulations (CCR), which includes the rules and requirements of this program, outlines the types of transit expenditures applicable to the jurisdictions of Calaveras County that are allowable. These include transit operations, transit capital, and community transit services (CCR Section 6730).

3.2 CLAIMANT ELIGIBILITY REQUIREMENTS

The TDA stipulates various requirements, such as a specified level of productivity, each transit claimant must comply with in order to receive funding for transit operations and capital purposes. These requirements vary based on the source of funds (i.e., LTF Article 4, LTF Article 8, or STA). For simplicity purposes, this section is organized by first, the requirements for all TDA transit claims, and then second, the specific requirements or exceptions under each fund source.

REQUIREMENTS FOR ALL TRANSIT CLAIMANTS

Jurisdiction must either directly operate the transit system or contract with a private entity to operate the transit system to receive LTF and STA funds for transit. The following are six (6) requirements all TDA transit claimants in Calaveras County must comply with, regardless of the article filed under.

1

Farebox Ratio Requirement

Farebox recovery ratio = total fare revenues divided by total expenses (minus certain exclusions). Used as an indicator of the financial health of the transit service.

Minimum farebox requirement - An operator filing under Article 4 is required to meet a minimum farebox recovery ratio in order to retain eligibility for funding. The farebox recovery ratio for non-urban rural transit systems, in general, must meet a minimum standard of **10 percent**.

If an Operator Does Not Meet its Farebox Recovery Ratio

- a. If an operator fails to achieve its fare ratio requirement for two consecutive fiscal years, the operator's eligibility for LTF and STA funds is reduced by the difference between the required fare revenues and the actual fare revenues for the second fiscal year that the required ratio was not maintained (PUC Sec. 99268.9 and CCR 6633.9). For example, if a rural operator's farebox recovery ratio is 9% in Fiscal Year 1 and 8% in Fiscal Year 2, then beginning in Fiscal Year 4, the operator will have to forfeit 2% of the LTF and STA it could have claimed.
- b. Exceptions apply specific to Article 4 and Article 8 claimants. Please refer to appropriate section below.

2**Triennial Performance Audit (PUC 99246) – Only for LTF claims**

The California Public Utilities Code requires that all transit operators and Regional Transportation Planning Agencies that receive TDA have a triennial performance audit conducted of their activities.

Operators must participate and cooperate with the Triennial Performance Audit which helps monitor service trends and gives transit operators the opportunity for an outside auditor to make service improvement recommendations carried forward by the CCOG.

3**Implementation of Productivity Improvements**

Claimants must make a reasonable effort to implement the productivity improvements recommended by the Triennial Performance Audit through the CCOG (PUC Section 99244). Please refer to Chapter 9 which discusses the Productivity Improvement Program.

4**CHP Inspection (PUC Section 99251)**

Certification from the Department of California Highway Patrol that has been completed within the last 13 months indicating that the operator is in compliance with Section 1808.1 of the Vehicle Code. The certification may be issued following a terminal inspection, or a terminal reinspection conducted within 60 days thereafter, by the Department of the California Highway Patrol.

5**180-Day Annual Certified Fiscal Audit**

CCOG is responsible to ensure that all claimants to whom it allocates funds shall submit to it an annual certified fiscal audit conducted by an independent auditor. This audit shall be submitted to CCOG and to the State Controller within 180 days after the end of the fiscal year. However, an extension of up to 90 days may be granted if deemed necessary. CCOG will not allocate a claimant's full LTF apportionment until a TDA audit has been completed and received by CCOG. The audit report shall include a certification of compliance with the Act. (Sections 99245, 6663, 6666, 6667).

6

90-Day Annual State Controller's Reports

Operators must submit annual State Controller's Reports, documenting their agency operations, to CCOG and the State Controller within 90 days of the end of the fiscal year (PUC Section 99243).

SPECIFIC ARTICLE 4 REQUIREMENTS AND EXCEPTIONS

In addition to the above listed requirements for TDA transit claims, Article 4 provides for some exceptions, as well as additional requirements. These include the following:

1. Meets definition of transit operator

To file under Article 4, a City or County must be considered a transit **“operator”**. To be considered an operator, a City or County must establish the service provided by setting the route structure, schedules and fares to control the quality and basic operation of the system. A City or County can be considered an operator regardless of whether it leases or owns the transit vehicles and/or regardless of whether it employs or contracts drivers.

2. Exceptions to farebox recovery requirement

There are two financial standards applicable to Article 4 claimants, referred to as the “50 percent expenditure limitation” and the “farebox recovery ratio”.

50 Percent Expenditure Limitation (PUC Section 99268)

Not applicable in Calaveras County. Transit operators established after 1974 are exempt from this provision of the TDA. In general, this provision limits LTF funding for a transit system to 50 percent of the transit system's budget. Funds received from the STA program, and certain capital expenditures for grade separated mass transit, are exempted for the calculation.

Farebox Ratio Requirement

Article 4 provides for exceptions to the general rules for farebox ratios for the following types of transit services:

- *Exclusive service for elderly and disabled persons (PUC Section 99268.5)*
Not currently applicable in Calaveras County.
- *Exemption for extension of services (PUC Section 99268.8)*
Required ratios of fare revenues to operating cost shall not apply to an extension of public transportation services until two years after the end of the fiscal year in which the extension of services was put into operation.

This may include additions of geographical areas or route miles, or improvements in service frequency or hours of service greater than 25 percent of the route total, or the

addition of new days of service, and for transit service claimants also includes the addition of a new type of service, such as van, taxi, or bus.

- *New urbanized areas (PUC Section 99270.2)*
Not currently applicable in Calaveras County.
- *Farebox revenues supplementation (PUC Section 99268.19)*
Not currently applicable in Calaveras County.

If fare revenues are insufficient to meet the applicable ratio of fare revenues to operating cost required, an operator may satisfy that requirement by supplementing its fare revenues with local funds. “Local funds” means revenues derived from taxes imposed by the operator.

3. Additional requirements:

- A transit operator cannot routinely staff a public transit vehicle designed to be operated by one person with two or more persons (PUC Sec. 99264).
- A transit operator’s claim cannot include an operating budget that is more than 15% greater than its previous year budget. It also cannot include a substantial increase or decrease in scope of operations or capital for major new fixed facilities. However, it can include such increases if the claim is supported by documentation that substantiates such change (PUC Sec. 99266).
- The current cost of the operator’s retirement system must be fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by CCOG, which will fully fund the retirement system within 40 years (PUC Sec. 99271).
- An operator that has a private pension plan shall be eligible for Article 4 funds only if it:
 - Conducts periodic actuarial studies of its employee pension plans to determine the annual cost of future pension benefits (PUC Sec. 99272);
 - Sets aside and invests funds sufficient to provide for the payment of future pension benefits (PUC Sec. 99272);
 - Includes the actuarially determined amount of pension liability in its annual financial statement (PUC Sec. 99273);
 - Includes in its annual financial statements the amount of cash funds set aside and invested to meet the pension liability (PUC Sec. 99273);
 - Includes in its annual financial statements the amount of any deficit in the pension fund (PUC Sec. 99273); and
 - Includes in its annual financial statements, the financial plan adopted to eliminate any deficit in the pension fund (PUC Sec. 99273).

SPECIFIC ARTICLE 8 REQUIREMENTS AND EXCEPTIONS

To file under Article 8 for operating and capital transit claims, a jurisdiction must meet the following additional requirements:

1. Contract operations

The claimant must be using these funds for payment to an entity which is under contract with a county or city for public transportation or for transportation services for any group, as determined by the transportation-planning agency, requiring special transportation assistance (PUC Section 99400 (c)).

2. Exceptions to farebox recovery ratio requirement

Article 8 provides for an exception to the minimum farebox recovery ratio requirement. Article 8 claimants must meet one of the following three rules:

- Ensure that its Article 8 funds do not represent more than 50% of the amount required to meet the claimant's total proposed expenditures (PUC Sec. 99405 (a))
OR
- Maintain the fare and local support recovery ratio requirements and be subject to the penalty if not maintained (CCR 6633.9)
OR
- Be subject to regional, countywide, or county subarea performance criteria, local match requirement, or fare recovery ratios adopted by CCOG resolution (PUC Sec. 99405 (c)).

The last “or” above means that if the CCOG Board chose, it could adopt by resolution a farebox recovery ratio to allow a jurisdiction to continue to receive LTF money for transit under Article 8, even if the jurisdiction could not meet its farebox recovery ratio required under Article 4.

SPECIFIC STA FUND REQUIREMENTS AND EXCEPTIONS

The following are additional eligibility requirements to receive STA operating and capital funds.

1. Must be eligible to claim LTF Article 4 or Article 8 funding**2. Population formula funds (PUC Section 99314)**

50 percent of STA funds available is based on each regions’ total population relative to the state. This is called “population formula funds”. To receive STA population formula funds, a jurisdiction must be eligible to file an LTF transit claim under either Article 4 or Article 8 (PUC Sec. 99314.5 (a) and (b)).

3. Revenue formula funds (PUC Section 99313)

50 percent of STA funds is distributed according to the ratio of the sum of the region’s prior year fare revenues and local contributions relative to those statewide. These are called “revenue

formula funds”. Only transit operators eligible to claim LTF funding under Article 4 may also apply for STA revenue formula funds (PUC Sec. 99314.5 (b)). Currently, no STA revenue funds are appropriated to Calaveras County because there are no Article 4 claimants.

4. Conform with Regional Transportation Plan (RTP)

The claimant’s proposed expenses must be in conformity with the RTP.

5. Full use of federal funds

Claimant is making full use of federal funds available under the Federal Transit Act (21 CCR 6754 (a))

6. Efficiency Standards – Only applicable to claims for operating costs (i.e., does not apply to STA capital claims) *This requirement is currently suspended until FY 2014-2015¹.*

Either of the following two efficiency standards must be met in order to receive STA funding for operating purposes (PUC Sec. 99314.6):

- *Efficiency Standard 1:* An operator’s total operating cost per vehicle revenue hour for the most recent fiscal year must not exceed the prior year’s operating cost per revenue vehicle hour, by a percentage greater than the percentage change in the Consumer Price Index (CPI) for the same period.
- *Efficiency Standard 2:* An operator’s total operating cost per vehicle revenue hour for the most recent fiscal year must not exceed the average total operating cost per vehicle revenue hour for the three prior years, increased by the average percentage change in the CPI for the same period.

The operator is allowed to adjust the calculation for operating costs and revenue vehicle hours to account for the following factors:

- Exclusion of cost increases beyond the change in the CPI for fuel, alternative fuel programs, insurance or state or federal mandates, and/or
- Exclusion of start-up costs for new services for a period of not more than two years.

If an operator fails to meet either efficiency standard, CCOG will withhold and retain the operator’s STA funding for reallocation to that operator for two years following the year of ineligibility.

¹ Senate Bill 656 passed in September of 2011 suspended the calculation requirement until FY 2014-2015, modifying PUC Section 99314.6. It is not known at the time of this Guidebook revision if the suspension will be extended or made permanent.

7. Employ part-time drivers – Only applicable to claims for operating costs

Operators must be allowed to employ part-time drivers or contract with common carriers operating under a franchise or license (PUC Sec. 99314.5(c)).

3.3 AMOUNT OF LTF AND STA FUNDS THAT CAN BE CLAIMED FOR TRANSIT

There are some technicalities about the amount of LTF and STA an operator can claim for the transit system. The State wants to ensure that an agency does not claim more than the actual transit budget minus the amount received from other sources. Section 6634 of the California Code of Regulations (CCR) explains the total amount of LTF and STA funding that transit claimants are eligible to receive during the fiscal year. The transit claimant's annual fiscal audit will test to ensure that the jurisdiction is not in violation of 21 CCR 6634.

OPERATING COSTS

21 CCR 6634 (a) stipulates that an operator or claimant cannot receive funding for operating costs in an amount that exceeds its fiscal year operating cost minus the sum of:

- Fare revenues received during the Fiscal Year
- The amount of local support required to meet the required farebox ratio
- The amount of federal operating assistance received during the FY
- The amount received during the Fiscal Year from a city or county to which the operator provides service beyond its boundaries
- Any reduced funding eligibility resulting from the operator's failure to meet the required farebox recovery ratio.

CAPITAL AND DEBT SERVICE COSTS

An operator or claimant cannot receive funding for capital costs and debt service purposes in an amount that exceeds the operator's actual Fiscal Year capital requirements and actual Fiscal Year debt service requirements minus any revenues received from other sources for such purposes (21 CCR 6634(b) and (c)).

3.4 REPORTING REQUIREMENTS

When submitting a transit claim, claimants should submit one copy of the claim forms (Appendix A) and one set of the documentation requirements to the Calaveras Council of Governments for approval:

- A letter of transmittal to CCOG
- Claim forms 1, 3, 5, and 6 (see Appendix A)
- A copy of the operating and capital budgets for the coming fiscal year for the transit system the jurisdiction operates (21 CCR 6632)

- Description of capital projects, including time frame over which project will be funded and implemented
- A certification completed within the last 13 months from the California Highway Patrol indicating that the operator is in compliance with Section 1808.1 of the Vehicle Code (21 CCR 6632).
- Statement identifying and substantiating the reason or need for an increase in operating budget in excess of 15% or more over the previous year, if applicable (21 CCR 6632).
- Explanation why there is a substantial increase or decrease in operations or capital for fixed facilities, if applicable (21 CCR 6632).
- A statement of projected or estimated revenues and expenditures from the prior fiscal year (21 CCR 6632). If filing a claim from FY14, the prior year would be FY13. FY13 would not be complete at the time a jurisdiction files its FY14 claim, so this will have to be a projection or estimate. This allows CCOG to compare claims to actual revenues and expenditures.
- If claiming Article 8(c) transit funds, copy of signed contract with whom claimant is contracting for transit service

A step-by-step instruction for filing a claim can be found in Chapter 6.

CHAPTER 4 - BICYCLE AND PEDESTRIAN CLAIMS

The Transportation Development Act (TDA) provides limited funding for non-transit purposes, including bicycle and pedestrian facilities. CCOG allows Calaveras County jurisdictions to claim funds for bicycle and pedestrian projects deemed appropriate by the jurisdiction. The CCOG has developed a Call for Projects process, which claims submitted must be approved by the CCOG Board.

If the City or County wants to use TDA funds to pay for a bicycle and/or pedestrian project, it can file a claim under Article 3 and Article 8 (with leftover LTF funds). As further explained in Chapter 2 and illustrated in Figure 2-3, two (2) percent of LTF funds (after administrative costs are taken off the top) are put into a pedestrian and bicycle account (PUC Section 99233.3). A claim for these funds is filed under Article 3. If a jurisdiction wanted to utilize excess LTF money (after transit needs are met) for bicycle and pedestrian facilities, it may do so through filing a claim under Article 8.

According to the TDA, the CCOG is required to adopt rules and regulations delineating procedures for the submission of claims for bicycle and pedestrian projects, authorized under Article 3 (PUC Section 99234) and Article 8 (PUC Section 99400 (a)) of the Local Transportation Fund (LTF), and stating criteria for which they will be analyzed and evaluated. Such rules and regulations shall provide for orderly and periodic distributions of moneys.

4.1 ELIGIBLE PROJECTS

Eligible claims include facilities for the exclusive use of bicyclists and pedestrians. Projects must be derived from the latest Regional Transportation Plan for Calaveras County which is updated every four to five years.

Project eligible under Article 3 specifically include:

- Bicycle safety education programs (limited to 5% of funds available for bicycle and pedestrian purposes);
- Construction, including related engineering expenses, of those facilities;
- Maintenance of bicycling trails, which are closed to motorized traffic;
- Projects that serve the needs of commuting bicycles, including, but not limited to, new trails swerving major transportation corridors, secure bicycle parking at employment centers, park and ride lots, and transit terminals where other funds are unavailable;
- Development of bicycle and pedestrian facilities plan (may not be more than once every five years); and
- Re-striping class II bicycle lanes (limited to 20% of annual amount available for bicycle and pedestrian purposes).

There are no guidelines on the types of bicycle and pedestrian projects that might be eligible under Article 8.

4.2 ELIGIBILITY REQUIREMENTS

As with all other TDA claims, claimants are required to submit:

- An annual certified fiscal audit to CCOG and to the State Controller within 180 days after the close of the fiscal year (PUC Sec. 99245). Upon written request with justification, CCOG may extend the deadline up to 90 days.
- A report to the State Controller regarding the expenditure of funds received for bicycle and pedestrian facilities within 90 days after the end of the fiscal year (CCR 6665).

CCOG requires that jurisdictions making bicycle and pedestrian claims certify that the requested amounts and purposes are in conformity with the Regional Transportation Plan (21 CCR 6651) and that are included in a jurisdiction's adopted bicycle and pedestrian plans.

In evaluating bicycle and pedestrian claims, CCOG shall use the general design criteria established pursuant to Section 156.4 of the Streets and Highways Code (PUC Sec. 99401).

4.3 AMOUNT AVAILABLE FOR USE

ARTICLE 3

For Article 3 claims, the CCOG allocates two (2) percent of the LTF for bicycle and pedestrian facilities pursuant to PUC Section 99233.3 and CCR Section 6655.2. These moneys are annually reserved in the fund for later allocation to claimants for pedestrian and bicycle facilities or bicycle safety education programs without designating the claimants to receive allocations from the amount. Allocations are made to each jurisdiction based on the CCOG's "call for projects" process.

ARTICLE 8

For Article 8 claims, each jurisdiction may determine, if there are remaining LTF funds after transit needs are met, if they want to use these funds or a portion thereof for bicycle and pedestrian facilities. As described in Chapter 2 and illustrated in Figure 2-3, Article 8 claims are funded only when there is remaining LTF funds after the needs under the higher priority claims (Articles 3, 4, and 4.5) are funded.

50% Funding Limitation

LTF allocated for bicycle and pedestrian projects under Article 8 cannot represent more than 50% of the amount required to meet the City's or County's total proposed expenditures for the project in the year. Capital expenses, however, are exempt from this 50% limitation requirement. CCOG may

allocate the total amount budgeted for the project's capital expenses if the project is consistent with the Regional Transportation Plan (PUC Sec. 99405 (a) and (b)).

4.4 REPORTING REQUIREMENTS

When submitting a bicycle/pedestrian project claim, the claimant must submit the following to the CCOG:

- Claim forms (examples are provided in Appendix A)
- A letter of transmittal to CCOG
- Bicycle and pedestrian project description, including time frame for project completion, and financial plan (Claim Form 4)
- Certification of compliance with eligibility requirements in Section 4.2 (i.e., fiscal audit, RTP, etc.)
- A letter from the jurisdiction to CCOG at the time of project completion stating that the project has been completed.

The claim form must be accompanied by a resolution from the claimant's governing board approving the claim and its submittal to CCOG. Approval of the claim by the CCOG Board then programs the funds for that particular jurisdiction's bicycle and pedestrian facility projects.

As jurisdictions expend funds, status updates should be provided to the CCOG on a quarterly basis with all expenditures reported in the Capital Improvement Program (CIP). CCOG will then forward allocation instructions to the County Auditor's office. Failure to report status updates to the CCOG quarterly of expended funds as authorized, may result in the rescission of funds by CCOG and repayment by the member agency.

A step-by-step instruction for filing a claim can be found in Chapter 6.

CHAPTER 5 - OTHER CLAIMS AND THE UNMET TRANSIT NEEDS PROCESS

Calaveras County jurisdictions may file for Local Transportation Funds under Article 8 for local streets and roads, and multimodal transportation terminals (PUC Sec. 99400 (a), 99400 (b) and 99400.5). The eligibility to file for streets and roads projects by a city or county is based upon the latest unmet transit needs finding.

Before the CCOG can approve a claim for funding of streets and roads projects under Article 8, an unmet transit needs process must be conducted. Given the purpose of the TDA is to provide funding for transportation services, use of TDA funds for streets and roads is given a lower priority; therefore, a condition for approval of claims for this purpose is the finding that there are no unmet transit needs that could be reasonably met. Please refer to Chapter 2, Figure 2-3 for a more detailed description of LTF funding priorities.

5.1 ELIGIBLE PROJECTS

Street and road projects eligible for Local Transportation Funds include those that are “necessary or convenient to the development, construction, and maintenance of the city or county’s streets or highway network, including planning, acquisition of real property and construction of facilities and buildings” (PUC Sec. 99402).

The City or County may also file an LTF Article 8 claim for the construction and maintenance of multimodal transportation terminals (PUC Sec. 99400.5). Multimodal transportation facilities include park n’ ride lots, transit centers or other locations where passengers can transfer between modes.

5.2 ELIGIBILITY REQUIREMENTS

REGIONAL TRANSPORTATION PLAN

TDA funds can only be allocated to projects that are in conformity with the Regional Transportation Plan (21 CCR 6651). CCOG prepares the Regional Transportation Plan every four to five years, the latest adopted in 2012.

5.3 AMOUNT AVAILABLE FOR USE – UNMET TRANSIT NEEDS

50% FUNDING LIMITATION

LTF allocated under Article 8 cannot represent more than 50% of the amount required to meet the City/Town or County’s total proposed expenditures for the project in the year. Capital expenses, however, are exempt from this 50% limitation requirement. CCOG may allocate the total amount

budgeted for the project's capital expenses if the project is consistent with the Regional Transportation Plan (PUC Sec. 99405 (a) and (b)).

UNMET TRANSIT NEEDS PROCESS

Before CCOG can allocate funds for purposes "not directly related to public transportation services, specialized transportation services, or facilities provided for the exclusive use of pedestrians and bicycles," (PUC Sec. 99401.5) CCOG must first implement the unmet transit needs process. Since the primary purpose of the TDA is to fund transit, the unmet transit needs process is used to prove that there are no "unmet transit needs" that are "reasonable to meet" prior to funding street and road projects.

The Unmet Transit Needs process must be completed on an annual basis before CCOG, as the administrator of the TDA funds, can approve a claim for funding of streets and roads projects under Article 8 of the Public Utilities Code. The Unmet Transit Needs process requires CCOG to perform specific tasks, which are:

1. CCOG must establish and consult with the Social Services Transportation Advisory Council.
2. CCOG must perform an annual assessment of transportation needs within Calaveras County, including an assessment of the size and location of potentially transit dependent groups, analysis of the adequacy of existing transportation systems in providing service for those groups, and analysis of the potential for transit service to provide service that would meet the demand of those groups.
3. CCOG must adopt a definition of "unmet transit need" and "reasonable to meet."
4. CCOG must hold an annual Unmet Transit Needs hearing to solicit comments on unmet transit needs that may exist.
5. CCOG must consider all the available information obtained in the above actions, and adopt an Unmet Transit Needs finding. This finding shall be one of the following:
 - There are no unmet transit needs
 - There are no unmet transit needs that are reasonable to meet
 - There are unmet transit needs including needs that are reasonable to meet

Unless the Unmet Transit Needs process is completed, CCOG cannot approve an LTF claim by any jurisdiction for streets and roads funding. Further, if the CCOG Board of Directors adopts a finding that there are unmet transit needs including those which are reasonable to meet, then the unmet need must be funded before the jurisdiction can claim funds for streets and roads. The funding to meet the unmet transit need must be reflected in the claimant's transit budget in order for any claim for streets and roads funding to be approved.

CCOG adopted the current **definitions of ‘unmet transit needs’ and reasonable to meet’** on March 6, 2013. The definitions are as follows:

Unmet Transit Need Definition

Public transit or specialized transportation services not currently provided for persons within Calaveras County who have no reliable, affordable, or accessible transportation for necessary trips. Necessary trips are defined as those trips which are required for the maintenance of life, education, access to social service programs, health, physical and mental well-being, including trips which serve employment purposes. The size and location of the group must be such that a service to meet their needs is feasible within the definition of “reasonable to meet” as set forth below.

Unmet needs may include needs for transportation services which are identified through the annual unmet transit needs process, or by the Social Services Transportation Advisory Council (SSTAC) which are not yet implemented or funded. The consideration of unmet transit needs is not limited to the abovementioned methods. It is the practice of the Calaveras Council of Governments to consider input relative to transit needs from any group or member of the public wishing to express such needs.

The definition excludes:

- 1. Minor operational improvements or changes, involving issues such as bus stops, schedules, and minor route changes which are being addressed by routine or normal planning process,*
- 2. Improvements funded or scheduled for implementation in the fiscal year following the Unmet Transit Needs Hearing, and*
- 3. Future transportation needs.*

Reasonable to Meet Definition

A. Financial Feasibility. 1) The proposed transit service, if implemented or funded, would not cause the responsible operator or service claimant to incur expenses in excess of the maximum allocation of Transportation Development Act (TDA) funds, State Transit Assistance, FTA 5311 funds, and other transit specific monies as may become available. 2) The proposed service, if implemented or funded, would not affect the responsible operator or service claimant’s ability to meet the required system-wide farebox revenue-to-operating cost ratio of 10%. 3) Proposed transit system expansion must be monitored and evaluated after 6 months of operation (or other approved period of review) by the CCOG board.

B. Cost Effectiveness. Supporting data demonstrates sufficient ridership and revenue potential exists for the new, expanded or revised transit service to meet or exceed

the required farebox revenue-to-operating cost ratios on a stand-alone basis; except in case of an extension of service determined to be a necessary lifeline service for transit-dependent populations. Furthermore, cost-per-passenger is reasonable when compared to the level of service provided, benefit accrued to the community and to existing service cost-per-passenger.

- C. Community Acceptance.** There is sufficient public support for the proposed transit service, as indicated through the annual public hearing process.
- D. Equity.** The proposed transit service would benefit either the general public or the elderly and disabled population as a whole. Transit Service will not be provided favoring one group at the exclusion of any other.
- E. System Impact.** It has been demonstrated to the CCOG Board that the proposed transit service combined with existing service will allow the system to meet or exceed performance standards such as the cost-per-passenger trip, cost-per-service-hour, passenger trips-per-service hour, passenger trip-per-service mile, on time performance and vehicle service hours-per-employee. The proposed service does not duplicate transit services currently provided either publicly or privately. The proposed service is in response to an existing rather than a future need.
- F. Operational Feasibility.** There are adequate roadways and turnouts to safely accommodate transit vehicles.
- G. Availability of Services Provided.** A qualified contractor is available to implement the service.

5.4 REPORTING REQUIREMENTS

DOCUMENTATION WHEN SUBMITTING CLAIM

When submitting claims for other projects, the claimant must submit the following to CCOG:

- Claim forms (examples are provided in Appendix A)
- A letter of transmittal to CCOG
- A capital and operating budget for the coming fiscal year for each project
- Project description that includes the time frame for project completion (Claim Form 4)

REPORTING REQUIREMENTS

All street & road, rail, and multimodal facility claimants are required to submit:

- An annual certified fiscal audit to CCOG and to the State Controller within 180 days after the close of the fiscal year (PUC Sec. 99245). Upon written request with justification, CCOG may extend the deadline up to 90 days.
- A report to the State Controller regarding the expenditure of funds received for projects within 90 days after the end of the fiscal year (CCR 6665).

Additional information about the annual fiscal audit requirement and the State Controller's Report is included in Chapter 8.



CALAVERAS COUNCIL
of GOVERNMENTS

TRANSPORTATION DEVELOPMENT ACT GUIDEBOOK

VOLUME II

CCOG TDA CLAIMS PROCESS

CHAPTER 6 - FILING A TDA CLAIM

In order to receive the annual allocation of Local Transportation Funds (LTF) and State Transit Assistance (STA) funds, jurisdictions must submit a claim to the CCOG for approval. The key parts of the claim are the amount of funding requested and the purpose for which the funds will be used. CCOG requires this information to ensure claimants are in compliance with the requirements of the Transportation Development Act (TDA).

6.1 TDA CLAIM INSTRUCTIONS AND REQUIRED DOCUMENTATION

Appendix A includes the forms which must be completed and submitted to the CCOG Board to obtain TDA (both LTF and STA) funds. The CCOG Board meetings are typically held on the first Wednesday of every month. In order to make the agenda deadline, claims should be submitted at least three weeks to CCOG staff prior to a CCOG meeting.

Claimants should submit one copy of the claim forms and one set of the documentation requirements listed in this section to the Calaveras Council of Governments for approval. Claim forms have been developed for each TDA Article and are required for each request of LTF or STA funding.

All Claims

- A letter of transmittal to CCOG addressed to the Executive Director that attests to the accuracy of the claim and all its accompanying documentation. The claim must be signed by the department head of the claimant (21 CCR 6632).
- Claim Form 5 - Statement of Conformance
An operator or transit service claimant shall accompany its claim with a Statement of Conformance (Form 5), attesting to their compliance with the TDA requirements. Attachment A to the Statement of Conformance provides the claimant with a checklist of eligibility requirements and documentation.

All Transit Claims

- A copy of the operating and capital budgets for the coming fiscal year for the transit system the jurisdiction operates (21 CCR 6632)
- Description of capital projects, including time frame over which project will be funded and implemented
- Claim Form 6 - Productivity Improvement Progress Report

Article 4 Transit Claims

- A certification completed within the last 13 months from the California Highway Patrol indicating that the operator is in compliance with Section 1808.1 of the Vehicle Code (21 CCR 6632).

- Statement identifying and substantiating the reason or need for an increase in operating budget in excess of 15% or more over the previous year, if applicable (21 CCR 6632).
- Explanation why there is a substantial increase or decrease in operations or capital for fixed facilities, if applicable (21 CCR 6632).
- A statement of projected or estimated revenues and expenditures from the prior fiscal year (21 CCR 6632). If filing a claim from FY14, the prior year would be FY13. FY13 would not be complete at the time a jurisdiction files its FY14 claim, so this will have to be a projection or estimate. This allows CCOG to compare claims to actual revenues and expenditures.

Article 8 Transit Claims

- If claiming Article 8(c) transit funds, copy of signed contract with whom claimant is contracting for transit service

Non-Transit Claims - Bicycle/Pedestrian, Streets & Roads Claims

- Claim Form 4
 - A capital and operating budget for the coming fiscal year for each project.
 - Project description that includes the timeframe for project completion.

Figure 6-1 summarizes the eligibility requirements, document submission requirements, and reporting requirements for each type of claim. Figure 7-1 summarizes the claim process timeline.

Figure 6-1 Eligibility and Claim Requirements

	Transit			Bike & Ped	Street & Road
	LTF		STA		
	Article 4	Article 8			
Eligibility Requirements					
Operator	X				
Contract Operations		X			
Farebox Recovery Ratio	X ¹	X ¹	X ²		
Vehicle Staffing (PUC Sec. 99264)	X				
Fully fund operator’s retirement system	X				
Private pension plan requirements	X				
Part time employee requirements			X		
Reduced transit fares for E & D	X ¹	X ¹	X ¹		
Full use of Federal Funds			X		
Must be allowed to employ part-time drivers or contract			X		
Efficiency Standards			X ¹		
Productivity Improvement Program	X	X	X		
Conform with RTP			X	X	X
Included in jurisdiction’s bike plan				X	
Use general design criteria of Streets & Highways code				X	
50% Limitation				X	X
Funded only after findings of Unmet Transit Needs process					X
Use of fund balances and deferred revenues	X	X	X	X	X
Documentation to Submit with Claim					
Claim Forms	X	X	X	X	X
Letter of Transmittal	X	X	X	X	X
Capital & Operating Budget	X	X	X	X	X
CHP Inspection (PUC Sec. 99251)	X	X	X		
Statement of Estimated Revenues & Expenditures for prior FY	X				
Statement of operating budget growth >15% (PUC Sec. 99266)	X				
Reporting Requirements					
Submit annual certified fiscal audit	X	X	X	X	X
Submit annual State Controller’s Reports	X	X	X	X	X
Triennial Performance Audits	X ¹	X ¹			
Service extension report (if applicable)	X ¹				

¹Operating funds only

²For Article 8 claimants, the CCOG may adopt performance criteria or a lower farebox recovery ratio on a temporary or permanent basis. If no separate ratio or criteria has been adopted by the CCOG, the Article 8 transit claimant must meet the TDA minimum farebox recovery ratio.

6.2 OTHER CLAIM POLICIES

AMENDMENT OF CLAIMS

For amendments to claims, the same materials for the submittal of the original claim forms should be submitted with an explanation of specific amendments. The amendment requires approval by the CCOG Board prior to payment of allocations.

PAYMENT OF CLAIMS

TDA claims submitted to CCOG are reviewed by CCOG staff. If all claim information is in order, CCOG staff will place the claim on the next possible CCOG monthly agenda for approval by the CCOG Board.

After formal approval, CCOG staff prepares an allocation instruction and submits it to the County Auditor's office. This allocation instruction directs the Auditor's office to issue payment to the appropriate claimant for the requested purposes. Payment is made by the County Auditor to the claimant, commensurate with receipt of sales tax revenues by the County Auditor's office.

AUDIT POLICY

To help ensure that TDA audits are completed in a timely manner and the requirements of the TDA are met, CCOG will not allocate a claimant's full LTF apportionment until a TDA audit has been completed and received by CCOG (as required by PUC Section 99245 and CCR Section 6664). No allocation will be paid until a TDA audit has been received by CCOG.

CARRYOVER OF TDA FUNDS

When submitting claims for TDA funds, claimants must first program all deferred revenues and fund balances before determining the amount of LTF and STA funding necessary to fund transportation projects in the upcoming year, as set forth below. This procedure is ensured by properly completing the TDA Statement of Conformance with each claim.

If a claimant fails to expend all LTF funds allocated in the prior year, any unexpended funds shall be reflected in the Statement of Conformance (Claim Form 5) included in the claimant's LTF claim for the next fiscal year. CCOG will check the fund balances against the information reported in the annual fiscal audit from the prior year.

SEPARATE ACCOUNTING OF OPERATING AND CAPITAL REVENUE

TDA funds received should be tracked separately by the purpose for which they are claimed. Any payments made to the jurisdiction for transit operations must be kept separate from payments made for transit capital. Similarly, money received for streets and roads projects or pedestrian and bicycle projects should be tracked separately. The primary reason relates to the deferred revenue calculation. This procedure can be ensured by properly completing the Annual Project and Financial

Plan with each claim. This will show the fiscal auditors the source and amount programmed to each project for which TDA funds are allocated.

LTF CLAIMS FOR TRANSIT CAPITAL PROJECTS

When a claim is submitted for capital reserves or capital expenses, CCOG will specify that these funds be reserved in the LTF for future payment to the claimant for the specific capital project for which the funds were claimed. When the claimant is ready to spend any amount of reserved capital funds within the current fiscal year, prompt payment will be made to the claimant when CCOG receives written request (letter or email) from the claimant for use of the funds.

Capital project reserved in the LTF that are not authorized for payment within three years, including any interest earned on these funds, will cease to be allocated or reserved. These funds may be reallocated to the same claimant for the same purpose, to the same claimant for a different purpose, or to a different claimant. At least 30 days before the end of any three-year reserve period, CCOG will provide written notice to the claimant specifying the date on which the moneys cease to be allocated. At any time during the three-year period, CCOG, with the consent of the claimant, may change the allocation of the reserved funds to make them available for a different purpose.

BICYCLE AND PEDESTRIAN ACCOUNT

The CCOG allocates 2% “off the top” of the annual LTF allocation for bicycle and pedestrian facilities and projects pursuant to PUC Section 99233.3. This money is deposited into the bike and ped account. Projects are selected through the Technical Advisory Committee and must be consistent with the Bicycle and Pedestrian Master Plans and Regional Transportation Plan. Approval of the claim by the CCOG Board then programs the funds for that particular bicycle and pedestrian project.

CHAPTER 7 - CCOG TDA CLAIM SCHEDULE

The following Figure 7-1 summarizes the TDA claim steps in an annual timeline and identifies the agency responsible for each step.

Figure 7-1 Responsibilities and Timeline for Apportionment, Allocation and Payment

Who	What	When
State Controller	Provides an estimate of the amount of STA funds to be allocated to Calaveras County in the coming fiscal year (PUC sec. 99312.7(a))	By January 31
County Auditor	Prepares an estimate of the amount of LTF funds that will be available in the coming fiscal year (21 CCR Sec. 6620)	By February 1
CCOG staff	Advises LTF claimants of their apportionments (21 CCR Sec. 6644) and (PUC Sec. 99230)	By March 1
City and County	Files LTF and STA claims (budget for funding) with CCOG (21 CCR Sec. 6630, 6732)	By June 1
CCOG staff	Give LTF allocation instructions to County Auditor and LTF claimants (CCR Sec. 6659) and (PUC Sec. 99235)	By August 1*
State Controller	Sends an updated estimate to the CCOG of the amount of STA funds to be allocated to Calaveras County in the coming fiscal year based on amount appropriated in the State Budget Act (PUC Sec. 99312.7(b))	By August 1
County	Submit reports of transit operation to CCOG and State Controller (CCR Sec. 6665)	By September 30
CCOG staff	Submits annual financial transaction reports to the State Controller (PUC Sec. 99406, 6660)	By September 30
City and County	Non-transit claimants submit expenditure reports to the State Controller (CCR Sec. 6637)	By October 1
County Auditor	Reports status of funds to CCOG (CCR 6622)	Quarterly
City and County	Submit revised claims	As needed during fiscal year

**According to the TDA, the CCOG shall convey at least one allocation instruction annually and prior to the beginning of the fiscal year for each transit service claimant, which has filed an annual claim. The CCOG may, however, delay an allocation instruction until after the beginning of the fiscal year with the consent of the operator or transit service claimant. The CCOG and County have developed an agreement to allow the County to submit claims by June 1 to better accommodate the County’s budget cycle. With this agreement, the County has agreed to receive the allocation instructions after the beginning of the fiscal year, by August 1.*

CHAPTER 8 - MANAGEMENT OF THE TDA PROGRAM

8.1 APPROPRIATING AND ALLOCATING FUNDS

ROLE OF THE STATE CONTROLLER

The State Controller notifies the County Auditor of the annual Transportation Development Act (TDA) appropriation that is available to the County, including Local Transportation Fund (LTF) and State Transit Assistance (STA) funds. This process begins as an estimate of funds available in January, and then more accurate updates are transmitted to the County Auditor throughout the year. The State Controller has an adopted uniform system of accounts and records for use in reporting TDA funding activities. In this regard, the Controller requires certain annual fiscal reports of each TDA claimant from the Calaveras Council of Governments (CCOG) and the County Auditor.

ROLE OF THE COUNTY AUDITOR

The County Auditor manages a local transportation fund within the county treasury, and pays claimants from this fund according to directions it receives from CCOG. Funds may be dispersed to claimants in one payment, in installments, or as money is available, according to CCOG's instructions. Annually, the County Auditor submits fiscal and compliance audits of LTF funds to CCOG, the California Transportation Commission (CTC), and the State Controller. These requirements are described in Article 3 of the TDA.

The County Auditor shall also maintain accounting records of the fund in accordance with the State Controller's Manual of Accounting Standards and Procedures for Counties (CCR 6622). At quarterly intervals, the County Auditor shall report the status of the fund to the CCOG. The report of the status of the fund shall include a statement that shows the beginning fund balance, the amount and source of revenues received, the amount and recipient of payments made identified by allocation instruction, and the ending fund balance. Portions of the fund balance held in reserve shall be identified by amount and purpose.

ROLE OF CCOG

CCOG is the regional transportation planning agency (RTPA) for the city and unincorporated areas within the County of Calaveras. In this role it has the responsibility each year to *apportion* and *allocate* TDA funds that have been *appropriated* to its jurisdiction.

Each year, a state *appropriation* of LTF and STA funds are earmarked to CCOG as the RTPA for Calaveras County. From the total sum *appropriated*, CCOG makes an *apportionment* to each of the eligible claimants in its jurisdiction, based on population. CCOG then notifies all of the eligible claimants of their annual TDA apportionment. In Calaveras County, since the County is the only transit operator, only the excess LTF funds are apportioned to each jurisdiction based on population.

Through the claims process, claimants indicate the programs and projects they would like to fund during the next fiscal year. After a review of the claims, CCOG allocates the funds according to the accepted claims, and notifies the County Auditor of these allocations. The County Auditor then disperses the TDA funds according to these allocations. In notifying the County Auditor of the TDA allocations that have been made to each of the eligible claimants, CCOG is also required to convey allocation instructions regarding dispersal of the funds.

In summary, CCOG as administrator of TDA funds has the following responsibilities:

- Apportions LTF and STA funds to eligible claimants
- Ensures compliance and claimant eligibility of TDA funds prior to allocation
- Allocates and approves LTF and STA funds to eligible claimants
- Manages claims process for LTF and STA funding
- Monitors use of the funds to ensure fiscal responsibility

8.2 SUMMARY OF IMPORTANT REPORT DATES

Time Period	Activity
January to March	County Auditor provides an annual revenue estimate of LTF funding to CCOG
	CCOG advises LTF claimants of their apportionments
	CCOG conducts Unmet Transit Needs Public Hearings
	CCOG adopts definitions for Unmet Transit Needs and Reasonable to Meet criteria
April to June	Claimants submit transit claims
	CCOG issues allocation instructions to County Auditor
	CCOG adopts Unmet Transit Needs determination
July to September	County Auditor allocates funds
	Transit claimants submit 90-day report to State Controller and CCOG
October to December	Claimants submit non-transit claims to CCOG
	CCOG submits TDA Annual Report and Financial Transactions for RTPA's to the State Controller
	CCOG reviews and evaluates fiscal audits of claimants

8.3 REQUIRED AUDITS AND REPORTS

The following fiscal reports and audits are required of TDA claimants, and the regional transportation planning agency.

State Controller's Annual Report of Financial Transactions of Transit Operators (90 Day State Controller's Report)

The annual report to the State Controller includes basic financial information from TDA claimants including a list of all sources of revenues, purposes of expenses, and capital additions to equity for transit purposes. Transit services are required by the State Controller's uniform accounting system to maintain records and to file reports on a full accrual enterprise basis of accounting.

The *Transit Operators and Non-Transit Claimants Annual Report* prepared each year by the State Controller contains data from more than 208 agencies throughout California.

Annual Certified Fiscal Audit (180 Day Report)

An annual certified fiscal and conformance audit conducted by an independent Certified Public Accountant of every TDA claimant must be submitted to CCOG and the State Controller with 180 days of the fiscal year end.

Triennial TDA Performance Audits

A triennial TDA Performance Audit is a systematic process of evaluating an organization's effectiveness, efficiency and economy in the conduct of its operations. The objectives of the audit are to provide a means for evaluating an organization's operating performance, and also to seek ways to enhance that performance by making recommendations for improvements to its administrative processes and operational functions.

Triennial performance audits are conducted of all California's regional transportation planning agencies, such as CCOG. According to the *Caltrans Performance Audit Guidebook*, and state code, transit operators that receive TDA allocations under Article 8 are not mandated to commission triennial performance audits of their operations. However, the Guidebook encourages these audits because they are beneficial to improving transit operations.

Report of Streets and Roads Expenditures

Expenditures for streets and highway purposes must be reported annually to the State Controller. The *Transit Operators and Non-Transit Claimants*

Annual Report includes a list of the jurisdictions for which funds have been allocated, the amount of the allocations, and the total funds available to each jurisdiction.

CCOG Semi-Annual Transit Operators' Report

At least twice a year, CCOG collects performance data from the transit operator (Calaveras Transit). Currently, Calaveras Transit produces Quarterly Performance reports. The information includes the following:

- Vehicle miles

- Days of service
- Vehicle hours
- Ridership
- Fare revenues
- Operating costs
- Subsidy

The Quarterly reports show several performance measures. These include the following:

- Passengers per hour
- Passengers per mile
- Passengers per day
- Vehicle hours per employee
- Operating Cost per passenger
- Operating Cost per vehicle revenue hour
- Subsidy per passenger
- Operating cost per hour
- Operating cost per mile
- Farebox ratio

Required TDA Reports

- Triennial Performance Audit
- Annual Fiscal Audit
- Annual State Controller Report
- Annual Unmet Transit Needs Findings Report
- Annual Street/Road Report to State Controller

8.4 GUIDELINES FOR AUDIT OF TDA COMPLIANCE

GUIDELINES FOR AUDIT OF TDA COMPLIANCE

This guide has been prepared to meet the requirements of the Transportation Development Act (TDA) with respect to conformance audits of claimants. The Public Utilities Code (PUC) sections, California Code of Regulations (CCR) sections, and CCOG Guidelines included herein are significant in auditing claimant's compliance with TDA requirements.

It is CCOG's opinion that a conformance review of the sections referred to in this guide will meet the requirements of PUC Section 99245 and CCR Sections 6664, 6666, and 6667 for most claimants. In the event that certain claimants are subject to sections not stated herein, the provisions of the TDA and the California Code of Regulations for the audit year shall control the determination of conformance. The annual fiscal audit shall include a certification that funds allocated to the claimant were expended in conformance with applicable laws, rules, and regulations of the TDA and allocation instructions of the CCOG.

A report of a fiscal and compliance audit made by an independent auditor shall be submitted by each claimant within 180 days after the end of the fiscal year. The CCOG may, under special circumstances, grant an extension of up to 90 days as it deems necessary (CCR 6664). No allocation shall be made to any claimant that is delinquent in its submission of a fiscal and compliance audit report. The audit shall be conducted in accordance with generally accepted auditing standards of the claimant's financial statements for the fiscal year, which shall be prepared in accordance with generally accepted accounting principles.

AUDITING FOR CONFORMANCE

General Guidelines

Application of the following procedures will provide a standard approach in auditing for conformance and should be applied during the preliminary stages of the fiscal audit:

- Obtain and review relevant documents and statements.
- Review tasks in CCR 6666 or 6667 (whichever is applicable).
- Interview responsible personnel as to compliance with laws, rules and regulations.
- Seek verification of above interviews.
- Document the conformance review.

The procedures are described in detail in the following text.

Obtain and Review Relevant Documents and Statements:

- TDA claim(s) corresponding to fiscal year being audited and related allocation instructions.
- Statement by claimant that an effort was made to obtain federal funds for any major capital intensive improvement.
- Management statements designating exceptions, waivers and/or provisions of the TDA that claimant may be subject to that are not identified in CCR 6666 or 6667 (whichever is applicable).
- Copy of claimant's Short Range Transit Plan.
- Copy of State Controller's Uniform System of Accounts and Records for Transit Operators.
- Current copy of Transportation Development Act Statutes and California Code of Regulations, and the CCOG Guide to the Transportation Development Act.
- Books, records, financial reports, and other pertinent data of claimant.

Review Tasks in CCR 6666 or 6667; whichever is appropriate

Interview Personnel

Interview responsible personnel as to compliance with laws, rules and regulations. Upon identification of the applicable laws, rules, and regulations relating to conformance tasks, responsible personnel representing claimant should be questioned as to claimant's compliance. Comments and observations should be encouraged in addition to yes or no responses. If

nonconformance is suggested or determined, further discussion should be held with senior personnel.

Seek Verification

Seek verification of above interviews. Two of the facts that generally determine the amount of evidence necessary to verify conformance are:

- The procedures and systems of controls used by the claimant to ensure reliability of management information;
- The significance of the conformance area. (The auditor should obtain more evidence to verify compliance if procedures or controls are not adequate or the conformance area is significant.)

The process of verifying conformance may involve:

- Testing the records and procedures of the claimant.
- Observing the operations and physical assets of the claimant.
- Analyzing information and data.
- Interviewing additional personnel.

The procedures selected to verify conformance answers are a matter of judgment on the part of the auditor. However, regardless of the method selected, the auditor should be satisfied that the answers given during the conformance interviews are accurate and correct in all material respects.

Document the Review

The determination of conformance with applicable laws and regulations should be documented. A simple and effective method of documenting the conformance review is to use a columnar work paper to record the responses and the comments of the claimant and the types of procedures used to verify the responses and comments.

CHAPTER 9 - PRODUCTIVITY IMPROVEMENT PROGRAM

9.1 WHAT IS A PRODUCTIVITY IMPROVEMENT PROGRAM?

A Productivity Improvement Program (PIP) allows CCOG to monitor a transit operator's or transit claimant's progress toward meeting recommended improvements that can lower transit operating costs. CCOG is required to identify, analyze and recommend potential improvements on an annual basis for transit operators receiving TDA funds under Article 4 (PUC Sec. 99244). At its discretion, CCOG can also recommend and track productivity improvements for transit claimants receiving TDA funds under Article 8.

9.2 HOW ARE RECOMMENDATIONS DEVELOPED?

The recommendations should include, but are not limited to, the productivity recommendations made in the operator's most recent TDA triennial performance audit (PUC Sec. 99244). CCOG can make recommendations on its own or set up a productivity committee to provide advice on developing productivity improvement recommendations and tracking improvements. CCOG currently has such a committee, recognized in the Joint Powers Agreement as the Interagency Transit Committee (ITC), its membership consisting of:

- CCOG Transportation Planner
- County Public Works Transportation Manager
- Representative from the City
- General Manager of the contracted public transit operator.

TYPES OF RECOMMENDATIONS

Productivity improvement recommendations for transit operators or transit claimants are divided into two categories: performance audit recommendations, and specific operator or claimant initiated efforts to improve productivity.

PERFORMANCE AUDIT RECOMMENDATIONS

CCOG staff will meet with each transit operator or transit claimant upon completion of the triennial performance audit process to review the audit recommendations and solicit the operator's and claimant's responses to the recommendations. CCOG will notify the operator and transit claimant of their responsibilities to implement the recommendations. At the time of claim submittal (June 1), each operator or transit claimant shall submit a Productivity Improvement Progress Report form. Information provided on the form shall include:

1. A discussion of the work undertaken to implement each recommendation during the current fiscal year,

2. A short discussion of any problems encountered in implementing individual recommendations, and the success or failure of implemented recommendations in improving transit productivity,
3. Next steps the operator or transit claimant will take in continuing to implement the recommendation.

EFFORTS TO IMPROVE PRODUCTIVITY

In addition to implementing the performance audit recommendations, each operator and transit claimant shall indicate if any special efforts have been or will be made to help cover costs and/or increase ridership. These efforts shall be summarized for both fixed-route and demand responsive operations and be included on the annual Productivity Improvement Progress Report.

9.3 WHAT HAPPENS IF AN OPERATOR DOES NOT FOLLOW UP ON RECOMMENDATIONS?

Before CCOG allocates TDA funds to an operator for the coming fiscal year, CCOG must evaluate the operator's efforts to implement any recommended improvements.

If CCOG determines that the operator has not made a reasonable effort to implement the recommended improvements, CCOG shall not approve LTF transit allocations for the coming fiscal year that exceed the transit allocation for the current fiscal year (PUC Sec. 99244).

9.4 HOW IS PROGRESS TOWARD MEETING THE RECOMMENDATIONS TRACKED?

Each operator and, if applicable, each transit claimant is required to submit the Productivity Improvement Progress Report form on an annual basis with its annual TDA claim form. Each operator or transit claimant is required to provide sufficient information to enable CCOG to determine if a reasonable effort was made to implement the recommendations. A sample form is included in Appendix A (Form 6).



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APPENDICES

APPENDIX A CLAIM FORMS

The attached forms must be completed and submitted to the CCOG Board to obtain TDA (both LTF and STA) funds. The CCOG Board meetings are typically held on the first Wednesday of every month. In order to make the agenda deadline, claims should be submitted at least three weeks to CCOG staff prior to a COG meeting. Please review Chapter 6 for documentation needed to submit with a TDA claim.

The following TDA claim forms used in Calaveras County are:

1. Local Transportation Fund (LTF) Claim – Transit Purposes
2. Local Transportation Fund (LTF) Claim – Streets & Roads, Bicycle & Pedestrian Purposes
3. State Transit Assistance (STA) Fund Claim
4. Project Description and Financial Plan – Streets & Roads, Bicycle & Pedestrian
5. Statement of Conformance
6. Productivity Improvement Progress Report

APPENDIX B

GLOSSARY OF TERMS

Allocation

This is the process by which a jurisdiction elects to split its TDA apportionment between transit, bicycle, pedestrian, and street and road projects. Also refers to the division of total annual TDA funding among eligible claimants in the CCOG region.

Apportionment

The share of Calaveras County's TDA funds earmarked for each jurisdiction, generally according to population. For each fiscal year, it is the maximum amount for which claimants in any one area may apply.

Assignment

Monies which a city, county, or transit district authorizes to be claimed by an agency other than itself. Assignments are normally made to support the operation of a joint powers transit authority and to undertake cooperative projects. This action may also be referred to as a "transfer".

CEQA

California Environmental Quality Act enacted in 1970 which requires environmental reporting on all "projects" which significantly affect the environment.

Claimant

A city, county, consolidated transportation service agency, or operator that is eligible to file a TDA claim. Other terms, such as applicant, mean the same.

Consolidated Transportation Service Agency (CTSA)

This type of agency is eligible for Article 4.5 funds under specific funding criteria as amended into the TDA by AB 120, and including an agency formed to consolidate social service transit operations in order to increase service and cost-effectiveness, to improve driver training, vehicle dispatching and maintenance, and to provide better administration of social service transit operations.

Demand Responsive

Transit service provided without a fixed-route and without a fixed schedule that operates in response to calls from passengers or their agents to the transit operator or dispatcher. Service is usually provided using cars, vans, or buses with fewer than 25 seats.

Depreciation

An expense that records the diminishing value of certain assets, does not represent an actual cash outlay.

Elderly

Refers to persons 65 years of age or older.

Enterprise Fund

A method of accounting which treats an activity like a commercial entity, and which encompasses a complete set of self-balancing accounts. This enables the preparation of financial statements which depict the financial position and results of operations by fiscal period.

Fare Revenue

This revenue includes all revenues in the following uniform system of accounts revenue classes:

- 401.000 Passenger Fares for Transit Service
- 402.000 Special Transit Fares
- 403.000 School Bus Service Revenues

Fare revenue also includes cash donations made by individuals in lieu of prescribed fares. Also, in the case of claimants allocated funds to pay contract transit costs to another entity, fare revenues include the amount of fares received by the entity providing the service and not transferred to the claimant.

Farebox Recovery Ratio

Transit systems funded by TDA claimants are required to maintain certain expense to revenue ratios. The formula for calculating the ratio is total fare revenue divided by the total cost of transit operations.

Fiscal Year

The state fiscal year begins July 1 and ends on June 30.

General Public Transportation

Transportation services which are provided using vehicles for use by the general population within a given service area.

People with Disabilities

Any individual who by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability, including, but not limited to, any individual confined to a wheelchair, is unable, without special facilities or special planning or design, to use public transportation facilities and services as effectively as a person who is not so affected. As used in law, a temporary incapacity or disability is a condition which lasts more than 90 days. (PUC Section 99206.5)

Joint Powers Agreement

A legally binding agreement between two or more units of government which establishes a multi-jurisdictional special district with specified powers and responsibilities, such as to provide public transportation.

Local Transportation Fund (LTF)

This is the fund established in each county pursuant to the Transportation Development Act (TDA). Into this fund is deposited $\frac{1}{4}$ of 1 cent of state general sales tax generated in each county and returned to the county of origin to be used for transportation purposes.

Municipal Operator

A city or county, including any nonprofit corporation or other legal entity wholly owned or controlled by the city or county, which operates a public transportation system, or which on July 1, 1972, financially supported, in whole or in part, a privately owned public transportation system, and which is not included, in whole or in part, within an existing transit district. It also refers to a county which is located in part within a transit district and which operates a public transportation system in the unincorporated area of the county not within the area of the district. (PUC Section 99209 and 99209.1)

NEPA

The National Environmental Policy Act, enacted in 1969, requires environmental reporting on all federally funded “projects” which significantly affect the environment.

Nonprofit Corporation

Any corporation organized for any lawful purposes which does not contemplate the distribution of gains, profits, or dividends to the members thereof, such as religious, social, and public transportation corporations.

Nonurbanized Area

An area having a population of less than 50,000 as defined by population figures from the latest Federal Census. An operator serves a “nonurbanized area” if 50 percent or more of the population of its service area is located within the boundaries of a nonurbanized area.

Operating Cost

All costs in the operating expense object classes exclusive of the costs in the depreciation and amortization expense object class of the uniform system of accounts and records adopted by the State Controller pursuant to PUC Section 99243 and exclusive of all subsidies for commuter rail services operated under the jurisdiction of the Interstate Commerce Commission and of all direct costs for providing charter services, and exclusive of all vehicle lease costs. (PUC Section 99247)

Operator

Includes any transit district, included transit district, municipal operator, included municipal operator, or transit development board. For the purposes of filing an Article 4 Public Transportation Claim a transit district, included municipal operator, or municipal operator must own or lease the equipment, establish routes and service frequencies, regulate and collect fares, and otherwise control the efficiency and quality of the operation of the system.

Passenger Miles

The total number of miles traveled by transit passengers, so that a bus that carries 5 passengers for a distance of 3 miles incurs 15 passenger miles.

Performance Audit

Independent triennial performance audits are required to be conducted of transportation planning agencies, and operators receiving Article 4 funding. The purpose of these audits is to evaluate the efficiency, effectiveness, and economy of the operation of the entity being audited. The audits are completed in accordance with the Comptroller General's *Standards for Audit of Governmental Organizations, Programs, Activities, and Functions*. (PUC Section 99246)

Private Corporation or Entity

A corporation, company, association, or joint stock association engaged in transacting business for compensation within the state.

Productivity Improvement Program

A program that allows CCOG to monitor a transit operator's or transit claimant's progress toward meeting recommended improvements that can lower transit operating costs. Recommendations are developed by a Productivity Committee whose membership consists of representatives from management of the operators, employee organizations, and users of transportation services.

Regional Transportation Plan (RTP)

The plan adopted every five (5) years by the Calaveras Council of Governments (CCOG) to establish transportation policies, and by the state to guide development of transportation services and facilities in California. The RTP relates transportation to land use, population, environmental and social policy issues, and is required by state and federal law.

Regional Transportation Planning Agency (RTPA)

An RTPA is responsible for the preparation of all federal and state transportation plans and programs that secure transportation funding for highways, local streets and roads, transit, aviation, rail and bikeway/pedestrian facilities. The Calaveras Council of Governments (CCOG) is the RTPA for Calaveras County.

Reserve

An allocation of TDA monies to be held in the fund by the County Auditor for a period not to exceed three years.

Social Services Technical Advisory Council (SSTAC)

A committee appointed by CCOG made up of representatives from social service providers, the elderly and the disabled. The SSTAC participates in the annual unmet transit needs process. This includes a finding by resolution that in its area (a) there are no unmet transit needs, (b) there are no unmet transit needs that are reasonable to meet, (c) there are unmet transit needs, including needs that are reasonable to meet. (PUC Section 99238)

Specialized Transportation Services

Transit that primarily serves older adults, people with disabilities, and others whose mobility needs are not addressed by traditional fixed-route service. Typical services include demand-response, feeder, community bus, and route and point deviation services.

State Transit Assistance Fund (STA)

One of the two transportation funding programs contained in the Transportation Development Act (TDA). This fund was created by the passage of SB 620 in 1979 to supplement existing funding sources for public transit services. STA funds are generated from the statewide sales tax on diesel fuel, state sales tax revenue from the excise tax, and Proposition 42. Each year during the budget process, the State Legislature designates the amount of money available for STA.

Transit District

A public district organized pursuant to state law and designated in the enabling legislation as a transit district or rapid transit district to provide public transportation service. (PUC Section 99213)

Transit Service Claimant

In Calaveras County, a jurisdiction may file a claim for contract transit payments pursuant to Article 8 (c). A claimant filing under Article 4 is considered an operator.

Transportation Development Act (TDA)

State law, SB 325, enacted in 1971, with subsequent amendments that created a Local Transportation Fund in each county in which $\frac{1}{4}$ of 1 cent of local sales taxes are deposited annually, to be used for transportation purposes. Also includes the State Transit Assistance Fund (STA) enacted in 1979 as SB 620.

Transportation Improvement Program (TIP)

A federal and state mandated document that lists a five-year program of transportation projects for federal, state, and local funding.

Transportation Planning Agency (TPA)

An agency that has responsibility for administering the transportation funds available for the area under its jurisdiction. CCOG was established as a planning agency under PUC Section 99214 (c).

Uniform System of Accounts

The chart of accounts and financial reporting format specified in the State Comptroller General's *Standards for Audit of Governmental Organizations, Programs, Activities, and Functions*. (PUC Section 99246) This financial accounting system is required of all TDA funding recipients.

Unmet Transit Needs Process

TDA requires that before any Article 8 funds can be allocated for street and road purposes, CCOG must afford opportunities for citizen participation, called the "Unmet Needs" process. The SSTAC is to be involved in this process in order to hear the transit needs of transit dependent or disadvantaged persons. A least one public hearing must be held annually, and the findings must be forwarded to CCOG and Caltrans concerning whether there are any unmet transit needs that are judged reasonable to meet in the jurisdiction. (PUC Sections 99238, 99401)

Urbanized Area

An urbanized area has a population of 50,000 persons or more, according to the most recent federal census. An operator serves in an urbanized area if 50 percent or more of the population of its service area is located within the boundaries of an urbanized area, with exceptions as specified in PUC Section 6645.