

FEDERAL TRANSIT ADMINISTRATION COMPLIANCE REVIEW MAPLE GROVE TRANSIT, 2019

PROGRAM EVALUATION AND AUDIT

Per Minn. Stat. § 13.392, subd. 1: data, notes and preliminary drafts of reports created, collected and maintained by the Metropolitan Council's Program Evaluation and Audit Division are confidential until the final report is released or activity on the project is discontinued. Please do not circulate this draft to anyone beyond those directly involved in developing the management response

DRAFT

Introduction

Background

Maple Grove Transit was established in 1990 by the City of Maple Grove and is a Suburban Transportation provider. Maple Grove Transit is a subrecipient of federal funds passed through from the Metropolitan Council. Maple Grove Transit offers service to downtown Minneapolis, the University of Minnesota campus, and Maple Grove. It also operates MY RIDE services which provide on demand curb-to-curb services within the cities of Maple Grove and Osseo. The agency contracts with Metro Transit to operate the fixed route service and Midwest Paratransit Services to operate the My Ride contract.

Purpose

As a direct recipient of federal funds from the Federal Transit Administration (FTA), the Metropolitan Council is required to conduct oversight of its subrecipients and ensure that they comply with federal requirements. Program Evaluation and Audit reviews subrecipients on a triennial basis to help fulfill the Council's obligations as a direct recipient.

Objective

The objective of the Audit is to determine Maple Grove Transit's compliance with federal requirements in twelve (12) areas.

Scope

This review covers activities conducted during the last three years. However, coverage was expanded to earlier periods if necessary. It covers Maple Grove Transit's transit activities that used FTA or Metropolitan Council funded vehicles subject to the Master Lease Agreement.

Methodology

Audit conducted its review from September 2019 through December 2019. Audit conducted a desk review of Maple Grove Transit's policies, procedures, and practices for compliance using the FTA's *Comprehensive Review Guide for Triennial and State Management Reviews Fiscal Year 2019* and the Master Lease Agreement. Once the desk review was complete, an onsite interview was held with Maple Grove Transit and Metro Transit garage management. Audit also reviewed 5 vehicles at the Martin J Ruter garage used for services provided under the Maple Grove service agreement.



February 5, 2020

Findings and Responses

1. Americans with Disabilities Act (ADA)

Basic Requirement: Recipients must track, resolve, and respond to ADA-related complaints and advertise this process to the public in an easily accessible format for individuals with disabilities.

During this Triennial Review of Maple Grove Transit, one (1) deficiency was found with the FTA requirements for the Americans with Disability Act.

1. **Finding ADA1-1:** 49 CFR 27.121(b) requires that recipients adopt accessible complaint procedures that are advertised to the public. Maple Grove Transit does not have a form specified for ADA complaints and does not advertise their ADA complaint process to the public through an easily accessible means, such as their website. (**DEFICIENCY CODE ADA1-1:** Insufficient ADA complaint process).

Corrective Action(s) and Schedule: By March 6, 2020, Maple Grove Transit will create an ADA complaint form or modify the existing form to include ADA-related complaints and advertise it on its website in a format accessible and usable to people with disabilities.

Management Response: Maple Grove Transit concurs with the finding and has already updated its website and ADA complaint form to be compliant with FTA requirements.

Status: Closed

2. Charter Service

Basic Requirement: Except under limited exceptions, recipients may not use FTA assistance to operate or maintain charter bus service.

During this Triennial Review of Maple Grove Transit, no deficiencies were found with the FTA requirements for Charter Service.

3. Drug and Alcohol

Basic Requirement: The recipient must ensure that subrecipients, contractors, subcontractors, and lessees with safety-sensitive employees administer their drug and alcohol programs in accordance with the requirements of 49 CFR parts 40 and 655.

During this Triennial Review of Maple Grove Transit, no deficiencies were found with the FTA requirements for Drug and Alcohol.

4. Equal Employment Opportunity (EEO)

Basic Requirement: Recipients are required to submit a full or abbreviated EEO Program based on the number of its transit-related employees and whether it reaches a monetary threshold.

During this Triennial Review of Maple Grove Transit, no deficiencies were found with the FTA requirements for Equal Employment Opportunity.

5. Financial Management and Capacity

Basic Requirement: Recipients must have financial policies and procedures to ensure effective financial management of FTA awards and establish a system of internal controls to safeguard against waste, loss, and misuse of federal funds.

During this Triennial Review of Maple Grove Transit, no deficiencies were found with FTA requirements for Financial Management and Capacity for Maple Grove Transit and **one (1) deficiency was found for Metropolitan Transportation Services (MTS).**

MTS:

1. Finding 2 CFR 200.307(e): Reporting Program Income, Audit found advertising and lease revenue during a review of Maple Grove Transit (MGT). This is considered program income under 2 CFR 200.80. MTS has not given direction on how to use this income, including if the income should be deducted from federal award amounts.

Corrective Action and Schedule: By March 6, 2020 MTS should develop work instructions or other form of guidance for subrecipients on how to handle, account, and disperse program income in compliance with 2 CFR Part 200.307(e). MTS should also review MGT's and other's financial statements to ensure that program income is going back into the transit program.

Management Response:

MTS is in the process of revising the invoice form for federal operating grants to clearly reflect program income. By March 6, 2020 accompanying instructions will be developed for the revised invoice. These forms will become part of the standard federal operating grant template. Maple Grove does not receive any federal operating transit grants managed by MTS where advertising and lease income would have had to be deducted.

By March 6, 2020, MTS will review financial statements for MTS subrecipients with federal operating grant agreements.

Financial statements for all Suburban Transit Providers and federal grant recipients are reviewed annually as part of the annual risk assessment process. Future risk assessments will include verification that program income is being directed back to the transit program.

6. Legal

Basic Requirement: Recipients must promptly notify the FTA of any current or prospective legal matters that may affect the Federal government.

During this review of Maple Grove Transit, no deficiencies were found with the FTA requirements for Legal.

7. Maintenance

Basic Requirement: Recipients must keep federally funded vehicles, equipment, and facilities in good operating condition. Recipients must keep Americans with Disabilities Act (ADA) accessibility features on all vehicles, equipment, and facilities in good operating order.

During this Triennial Review of Maple Grove Transit, no deficiencies were found with the FTA requirements for Maintenance for both Maple Grove contractors.

8. Procurement

Basic Requirement: Recipients must have written procurement policies and procedures that reflect applicable State, local, and tribal laws and regulations.

During this Triennial Review of Maple Grove Transit no deficiencies were found with the FTA requirements for Procurement.

9. Satisfactory Continuing Control

Basic Requirement: Recipients must maintain adequate property records and submit annual reports on the status of real property in which the Federal Government retains interest.

During this review of Maple Grove Transit, no deficiencies were found with the FTA requirements for Satisfactory Continuing Control.

10. Technical Capacity

Basic Requirement: Recipients must report progress of projects in awards to the Federal Transit Administration in a timely manner.

During this review of Maple Grove Transit, no deficiencies were found with the FTA requirements for Technical Capacity.

11. Title VI

Basic Requirement: Recipients are required to prepare and submit a Title VI Program based on the recipient's transit-related characteristics.

During this Triennial Review of Maple Grove Transit, no deficiencies were found for FTA requirements for Title VI.

12. Transit Asset Management

Basic Requirement: Recipients must comply with 49 CFR part 625 to ensure public transportation providers develop and implement transit asset management (TAM) plans.

During this review of Maple Grove Transit, no deficiencies were found with the FTA requirements for Transit Asset Management.



390 Robert Street North
Saint Paul, MN 55101-1805

651.602.1000
TTY 651.291.0904
public.info@metc.state.mn.us
metro council.org