

## **PART I – PROGRAM INFORMATION**

### **A. Applicants**

Counties are the only eligible applicants for the program. Private for profit or private non-profit organizations may provide service for counties through contractual agreements. The transmittal letter formally applying for the county's 85.21 allocation **MUST** be signed by the County Board Chair, or the County Executive, or the County Administrator, or a specific individual named by one of these individuals in a letter sent to the Wisconsin Department of Transportation. A county may only submit one application.

### **B. Services Priorities**

State law permits, **but does not require**, counties to give priority to travel for medical, nutrition, and work-related activities. These activities are defined as follows:

**“Medical Activities”** means the procurement of medical or medically prescribed services or products. It also means participation in medical or medically prescribed activities. Programs of training, maintenance and supervision, or education do not fall within this definition.

**“Nutritional Activities”** means the consumption, purchase or receipt of food.

**“Work-related Activities”** means the performance of work, either voluntarily or for compensation, in order to produce goods or services. Trips for training or education do not fit this definition. A trip's purpose is established by the primary reason a person makes a trip. The method used by the county to establish priorities should be explained in the 2010 application. This explanation should list the types of trips given priority and the way that priority and non-priority trips are provided.

### **C. Passenger Eligibility and Other Service Limits**

Specialized transportation services receiving s.85.21 aid must be designed to serve the elderly and persons with disabilities. State statute 85.21 permits counties to transport the general public on a “space available” basis. If a county chooses to transport persons who are neither elderly nor disabled, it must ensure that the elderly and the disabled are not displaced or not served because of transportation provided to the general public. Examples of when space could be available to the public on a specialized service are:

- ◆ During idle time when vehicles are not being used for elderly or disabled transportation;
- ◆ When there is still unused seating capacity after a minimum advance reservation time has passed;
- ◆ When space is available on fixed schedule service.

- ◆ An elderly and/or disabled person's spouse/family member is treated as general public if the spouse/family member is NOT elderly or disabled.
- ◆ Elderly and persons with disabilities are given priority over the general population.

For program purposes, an "elderly person" is defined as any individual age 65 or older. An applicant may adopt a lower age limit to include persons age 55 and older.

Persons with disabilities are those individuals who, because of any temporary or permanent physical or mental condition or institutional residence, are unable, without special facilities or special planning or design, to use available transportation facilities and services as effectively as persons who are not so affected.

Counties cannot limit services to persons with disabilities based on any age requirements. Counties may require a disabled child be accompanied by a responsible adult during transport. However, the Department will not approve applications from counties that deny transportation service to disabled individuals. A group of projects, some or each of which serve different groups, may receive s.85.21 aid if the projects as a whole provide service for **ALL** elderly or disabled persons residing in the county.

Transportation services funded by s.85.21 aid must be designed to serve elderly individuals and persons with disabilities. Transportation of meals and equipment may only be done as an **incidental** part of a service whose purpose is to carry passengers. Vehicles or services that carry only meals or equipment are **NOT** eligible projects.

#### **D. Other Program Objectives**

Counties must make sure all services funded with s.85.21 aids are accessible, or that service provided to persons with disabilities is equivalent to that provided to non-disabled individuals. A county's specialized transportation project(s) should be accessible to persons who cannot walk or board a vehicle, or who do so with difficulty. Counties which do not assure accessible service may have their county allocation check held until accessible service for both elderly and disabled individuals is demonstrated.

Planning for the use of s.85.21 aids should be coordinated between different organizations providing transportation services. The Safe, Affordable, Flexible Transportation Equity Act-A Legacy for Users (SAFETEA-LU) requires funding for certain federal transportation programs be contingent upon the inclusion of a project into a locally developed coordinated public transit-human services transportation plan. The Wisconsin Department of Transportation believes s85.21 projects should be included in the county's coordination plans, and requires the participation of 85.21 program administrators in the ongoing development and review of these local coordination plans. Counties applying for their 85.21 funding will demonstrate how their project(s) meet a goal/strategy outlined in the 2008 locally developed coordinated public transit-human services transportation plan. If the s.85.21 projects do not meet a strategy in the 2008 coordination plan, the plan should be amended to include all projects funded by s.85.21.

## **E. Passenger Revenue Policy**

Counties shall either require a copayment by the user of the specialized transportation service or provide the user with an opportunity to make a voluntary contribution. Counties must establish the amount of copayment if one is required or recommend an amount for a voluntary contribution. Counties may exempt individuals from copayments in cases of an emergency, if an individual lacks the economic resources to make a payment, or if the individual is not competent to make a payment.

Counties also have the discretion over how they collect copayments when they are required. For example, copayments could be collected and kept by volunteer drivers. A county would then reimburse these drivers for their travel expenses, minus the amounts of copayment they received. Copayments could also be received from passengers and turned over to the volunteer drivers and turned into the organization sponsoring the driver-escort service. Volunteer drivers would then be reimbursed for the full amount of their travel expenses. Regardless of the method used, counties must account for and report all copayment revenues received.

Non-cash forms of exchange can be used for copayments provided they represent an obligation by someone to pay or complete the required copayment. A non-cash form of exchange could include such things as tickets, coupons, travel vouchers, tokens, punch cards, passes, or an ID card coupled with a billing account kept by the provider. Counties may wish to permit non-cash forms of exchange for the convenience of passengers. Some passengers may prefer to buy a multi-ride book of tickets or a pass, for example, instead of paying cash whenever a copayment is required.

Non-cash forms of exchange are also appropriate when a county has another source of financial aid which it can use under a passenger fare assistance program. This covers part or all of the copayment which is charged to a passenger. Typically, a passenger will present a ticket, coupon, etc. to the driver as evidence that their travel is being subsidized. The passenger will then pay a reduced copayment or none at all, and the transportation project will later redeem the tickets, etc. for the amount of copayments not paid by the passengers.

Counties using s.85.21 aid in a passenger fare assistance program have two requirements:

1. A county may not directly subsidize a provider of service with s.85.21 aid at the same time that it subsidizes the users of that same service with s.85.21 aid.
2. When s.85.21 aid is administered as part of a passenger fare assistance program, the aid may not pay the entire fee charged to a user (unless the fee has been waived).

## **F. Program Funding**

The method by which program funds are distributed to counties is set by state statute. Each county is allocated a share of the annual funding available for the program based on the county's share of the elderly and disabled population of the state. These shares are adjusted so that no county receives less than 0.5% of the total annual appropriation.

Each county, at a minimum, must provide a local **cash** match equal to 20 percent of its state aid allocation. The county's cash match **cannot** be made up of "in-kind" services, passenger copayments, or state and federal categorical aids. A county may contribute more than the required minimum local share to elderly and disabled transportation services. The local matching share used for another program cannot *also* qualify for the s.85.21 program.

### **G. Financial Management Guidelines**

1. Period for use of current aid: The allocated aid for 2010, and its county match, may be spent or obligated for all allowable net operating or equipment expenses incurred during the period beginning on January 1, 2010 and extending through December 31, 2010. Operating expenses are generally incurred when particular services are performed and equipment expenses are typically incurred when purchase orders are executed. Passenger revenue is earned when the service for which it was contributed was provided.

State s.85.21 aid which has not been expended for 2010 expenses must be returned to the Department of Transportation, unless the aid is to be held by the county in trust. (See item 3 below.)

2. Treatment of passenger revenue: Passenger revenue earned during 2010 should be deducted from expenses incurred during 2010 in order to determine net expenses eligible for reimbursement from the state aid and local match. Passenger revenue includes both voluntary contributions and required copayments or fares. **Counties must account for all passenger revenues, including revenues retained by subcontractors, in the county project budgets.**
3. Retention of aid for future use: Sec. 85.21 (3)(c) authorizes counties to hold s.85.21 aids in trust for the "purpose of providing services authorized under this section or of acquiring or maintaining equipment used for services authorized under this section or both."

Appendix G lists counties with approved trust arrangements. These counties must annually review and update their plans for using the s.85.21 aids held in trust. Counties may also estimate in their 2010 budget the amount of aid from the 2010 allocation that will be added to their 2010 trust fund accounts. Counties with trust arrangements are required to follow specific trust conditions that govern management and use of trust funds. Effective January 1 2006, the amount of aid to any county that can be held in trust is limited to \$80,000. All conditions governing trust funds are summarized in Part II of Appendix G.

A county with no approved trust fund arrangement, nor plans to establish one in 2010, does not need to address trust fund matters in the 2010 application. A county desiring to establish a trust arrangement should indicate its intention to do so to the Bureau of Transit, Local Roads, Railroads & Harbors by January 15, 2011 taking the steps outlined in Part III of Appendix G.

4. Allowable costs: A county may use s85.21 allocated aid for the following purposes:

- ◆ Directly provide transportation service (including the operation and dispatching of vehicles, maintenance, and administration of service).
- ◆ Assist in funding or purchase transportation service from any public or private provider.
- ◆ Coordinate transportation services.
- ◆ Perform or purchase in-service transportation training.
- ◆ Purchase equipment such as human services vehicles, wheelchair lifts and ramps, and two-way radio communications systems.
- ◆ Directly subsidize passengers for use of transportation services including reduced fare programs. Programs of this sort permit the elderly and/or disabled to use existing transportation services such as public transit, taxis, or SMV carriers at a reduced fare. Typically, the passenger pays part of the fare while the sponsoring county pays the other part of the fare through a ticket or coupon the passenger gives to the driver.
- ◆ S.85.21 aide can be used to undertake planning or management studies of coordinated, county-wide, or multi-county specialized transportation services. These studies must be designed to help counties plan for, or adopt, new or revised systems of transportation which promise to provide improved specialized transportation service throughout one or more counties. Such studies could include service inventories, needs estimates, service evaluations, and the design and implementation of new or different types of service (including the organizational and administrative aspects of service or centralized dispatch).

**A county cannot spend s.85.21 allocated aid for the following:**

- ◆ Transportation of goods or freight except as an incidental part of passenger service.
- ◆ Expenses of advisory committees to transportation projects, except where such committees are required to complete planning or management studies.
- ◆ General government expenses not specifically related to the provision of transportation services to the elderly and people with disabilities.

See Appendix F for a more complete listing of allowed and disallowed costs.

5. Third Party Contracts: A county must have a contract, agreement, purchase order or other legal equivalent to use s.85.21 aids to purchase service from or make grants to third parties. The initial agreement for transportation services with total expenses of \$10,000 or more annually must be awarded through a competitive public procurement process. These agreements require competitive procurement at least once every five years.. The following situations are exempt from the third party contract requirement:

- ◆ Grants or purchases of services costing \$100.00 or less per occurrence
- ◆ Expense reimbursement arrangements for volunteer drivers

Copies of third party contracts shall be submitted as Section J of the application.

6. Audits: Counties are subject to program and project audits by WisDOT. A county's financial management standards and record keeping practices must be adequate to do the following:
- ◆ Identify the amounts and dates of project expenses; these must be supported with valid receipts, invoices or other records.
  - ◆ Prevent the charging of ineligible expenses to the s.85.21 grant.
  - ◆ Identify the county's matching share for audit purposes.
  - ◆ Identify passenger revenue earned from s.85.21 services.
  - ◆ Allocate project expenses to the appropriate sponsoring program (if more than one program financially sponsors or subsidizes a project) and prevent the double charging of expenses to different programs.
  - ◆ Prevent the "carry-over" of a balance of s.85.21 which has not been expended during the year or retained in trust as allowed by s.85.21(3)(c), Wis. Stats

## H. Reporting

Counties must keep accurate records of the transportation services that receive s.85.21 assistance. At a minimum, the following information must be recorded:

- ◆ the total number of one-way passenger trips by type of passenger
- ◆ the total number of one-way passenger trips by trip purpose
- ◆ total expenses of the transportation services
- ◆ the total hours of service provided
- ◆ the total trip miles provided

The Department of Transportation, Bureau of Transit, Local Roads, Railroads & Harbor, requires semi-annual reports of the above listed information. Semi-annual reports will be automated to record the information directly to our database. New reports will be available on-line by December 15, 2009.

<b>REPORT</b>	<b>DUE DATE(S)</b>
Semi-Annual Ridership Report	August 15, 2009 and March 1, 2010
Annual Financial Report	March 15, 2010

If a due date for submitting a report to the Department falls on a Saturday, Sunday or holiday, the due date shall be the first following business day.

