

16. CHARTER BUS SUPPLEMENT

BASIC REQUIREMENT

FTA grantees are prohibited from using federally funded equipment and facilities to provide charter service if a registered private charter operator expresses interest in providing the service.

The grantees are allowed to operate community based charter services exempted under the regulations; some irregular or limited duration services; and those that are covered by the exceptions.

AREAS TO BE EXAMINED

1. *Charter Service Operation*

- a. Definition
- b. Exemptions
- c. Irregular or Limited Duration Services
- d. Exceptions

2. *Notification to Registered Operators*

3. *Record Retention and Reporting*

4. *Advisory Opinions and Complaints*

5. *Use of Locally Owned Vehicles*

REFERENCES

1. [49 CFR Part 604](#), "Charter Service"; Final Rule; Federal Register, January 14, 2008
2. Charter Registration Website: <http://www.fta.gov/CharterRegistration>
3. Ombudsman for Charter Services: ombudsman.charterservice@dot.gov

Registration Requirements: Private charter operators and certain Qualified Human Service Organizations (QHSO) must be registered on FTA's Charter Registration Website, as follows:

1. Private Charter Operators: must provide the following information:
 - a. Company name, address, phone number, e-mail address, and facsimile number;

- b. Federal and, if available, state motor carrier identifying number;
- c. The geographic service areas grantees, as identified by the grantees zip code, in which the private charter operator intends to provide service;
- d. The number of buses or vans the private charter operator owns;
- e. A certification that the private charter operator has valid insurance; and
- f. Whether willing to provide free or reduced rate charter service to registered qualified human service organizations.

To be registered, a charter operator must own at least one bus or van and have the legal authority to operate a charter business. The registration lasts two years.

2. Qualified Human Service Organizations (QHSO):

QHSOs that receive funding from Federal Programs listed in 49 CFR Part 604, Appendix A of the regulation are not required to register. QHSOs that **do not receive** funds from the Federal programs listed in Appendix A and serve individuals with low income, advanced age, or with disabilities, must register in order for a recipient to provide charter service under the exception. Such QHSO must provide the following information:

- a. Name of organization, address, phone number, e-mail address, and facsimile address;
- b. The geographic service area of the grantee in which the qualified human service organization resides;
- c. Basic financial information regarding the qualified human service organization and whether the qualified human service organization is exempt from taxation under sections 501(c) (1), (3), (4), or (19) of the Internal Revenue Code, and whether it is a unit of Federal, State or local government;
- d. Whether the qualified human service organization receives funds directly or indirectly from a State or local program, and if so, which program(s); and
- e. A narrative statement describing the types of charter service trips the qualified human service organization may request from a grantee and how

the service is consistent with the mission of the qualified human service organization.

A grantee may provide service only if the QHSO is registered at least 60 days before the date of the first request for charter service.

Review of Charter Service Records During Site Visit: Charter regulation requires the grantee to maintain records of notices provided and charter services operated under various exceptions. Reviewers should ask the grantee to make electronic or hard copies of notices and charter logs for up to a three year period preceding the triennial review site visit available for examination during the site visit. The reviewer should examine the records to ensure that:

1. the required notices were provided to all registered charter providers in the grantee's geographic service area in a timely manner;

the required information was kept for each applicable charter service provided by the grantee;

2. (1) The notice sent to registered charter providers conforms to the regulatory requirements contained in 49 CFR 604.14, and no extraneous requirements such as specialized equipment or additional services. Transit agencies may include a generalized statement such as "Do not reply to this notice if you are not interested or cannot perform the service in its entirety."

Depending on the time constraints during the site visit it may be necessary to randomly sample these records to ensure that the requirements were followed consistently.

Questions For The Review

1. *Does the grantee or its subrecipients, contractors, or lessees operate any charter service, as **defined** in the regulation?*
2. *Does the grantee or its subrecipients, contractors, or lessees provide any service to the public for events or functions that occur on an irregular basis or for limited duration?*
3. *Does the grantee or its subrecipients, contractors, or lessees operate any service that fall under one or more of the allowed **exemptions**?*
4. *Does the grantee receive subsidies from third parties for charter service?*

EXPLANATION

The regulations **define charter service** as follows:

1. Transportation provided at the request of a third party for the exclusive use of a bus or van for a negotiated price. The following features may be characteristics of charter service:
 - a. A third party pays a negotiated price for the group;
 - b. Any fares charged to individual member of the group are collected by a third party;
 - c. The service is not part of the regularly scheduled service, or is offered for a limited period of time; or
 - d. A third party determines the origin and destination of the trip as well as scheduling.
2. Transportation provided to the public for events or functions that occur on an irregular basis or for a limited duration and:
 - a. A premium fare is charged that is greater than the usual or customary fixed route fare; or
 - b. The service is paid for in whole or in part by a third party.

The charter service regulations provided for the following six **exemptions**:

1. Transportation of Employees, Contractors and Government Officials: Grantees are allowed to transport its employees, other transit system employees, transit management officials, transit contractors and bidders, government officials and their contractors and official guests, to or from transit facilities or projects within its geographic service area or proposed geographic service area for the purpose of conducting oversight functions such as inspection, evaluation, or review,
2. Private Charter Operators: Private charter operators that receive, directly or indirectly, Federal financial assistance under section 3038 of TEA 21, as amended, or to non-FTA funded activities of private charter operators that receive, directly or indirectly, FTA financial assistance under any of the programs: Sections 5307, 5309, 5310, 5311, 5316, or 5317.
3. Emergency Preparedness Planning and Operation: Grantees are allowed to transport its employees, other transit system employees, transit management officials, transit contractors and bidders, government officials and their contractors and official guests, for emergency preparedness planning and operations.
4. Recipients of Funds Under Sections 5310, 5311, 5316 and 5317: Grantees that use Federal financial assistance from FTA, for program purposes only, under Section 5310, 5311, 5316, or 5317.
5. Emergency Response: Grantees are allowed to provide service, up to 45 days, for actions directly responding to an emergency declared by the President, governor, or mayor or in an emergency requiring immediate action prior to a formal declaration.
6. Recipients in Non-Urbanized Areas: Grantees in non-urbanized areas for transporting its employees, other transit system employees, transit management officials, and transit contractors and bidders to or from transit training outside its geographic service area.

The charter service regulations apply to all grantees that receive Federal funds from FTA, whether or not it operates fixed-route service (many rural providers do not and the charter regulations still apply to them).

Exemption	Notification to Registered Charter Providers?	Record Keeping?	Quarterly Reporting?	Other Requirements ?
1. Transportation of Employees	No	No	No	None
2. Private Charter Operators	No	No	No	None
3. Emergency Preparedness Planning and Operation	No	No	No	None
4. Recipients of Funds Under Sections 5310, 5311, 5316 and 5317	No	No	No	None
5. Emergency Response	No	No	No	None
6. Recipients in Non-Urbanized Areas	No	No	No	None

The examples of irregular or limited duration services grantees are allowed to operate under the regulation are as follows:

- Service that is irregular or on a limited basis for an exclusive group of individuals and provides the service free of charge when a third party requests service. When the transit agency initiates service it is allowed so long as the grantee does not charge a premium fare for the service and there is no third party paying for the service in whole or in part.
- Shuttle service for a one-time event if the service is open to the public; the itinerary is determined by the grantee; the grantee charges its customary fixed route fare; and there is no third party involvement.
- When a university pays the grantee a fixed charge to allow all faculty, staff, and students to ride the transit system for free. So long as the grantee provides the service on a regular basis, along a fixed route, and the service is open to the public.
- When the grantee sees a need and wants to provide service for a limited duration at the customary fixed route fare.

REASONS FOR THE QUESTION

49 CFR Parts 604.2 (b) – (g) and 604.3 (c); Appendix C (c) (18), (24), (26) and (36)

SOURCES OF INFORMATION

If the grantee operates any charter service, it may have developed written procedures to implement charter regulations. If so, review grantee's procedures to ensure that the services operated are

within the definitions and allowed exemptions. If the grantee has not developed written procedures, ask the grantee to provide information on how the requirements are communicated and implemented within the organization. Reviewers should also check grantee's brochures and web site and examine the local telephone book to see if the grantee offers charter service to the general public. Review of charter logs; route and schedule maps; and reports submitted to FTA in the TEAM can provide information on types of charter services provided by the grantee.

DETERMINATION

If the grantee does not operate any charter service it is not deficient with these requirements. If the grantee operates charter service which is not consistent with the definition or outside of the allowed exemptions, it is deficient.

SUGGESTED CORRECTIVE ACTION

If the grantee wishes to continue to provide charter services in the future, it must develop plans/procedures and submit the documentation to FTA to ensure that services are consistent with the definition and/or exemptions allowed under charter regulations.

5. *Does the grantee or its subrecipients, contractors, or lessees operate any charter service under one or more of the allowed **exceptions**?*
6. *If so, under what **exception(s)** is the charter service is operated?*

EXPLANATION

The grantees are allowed to operate community-based charter services under the following exceptions.

1. Government Officials: A grantee is allowed to provide charter service (up to 80 service hours annually) to government officials (Federal, state and local) for official government business, which can include non-transit related purposes, if the grantee:

- a. Provides the service in its geographic service area;
- b. Does not generate revenue from the charter service, except as required by law;
- c. Records the following information after providing such service:
 - i. The government organization's name, address, phone number and e-mail address;
 - ii. The date and time of service;
 - iii. The number of government officials and other passengers;
 - iv. The fee collected, if any; and
 - v. The vehicle number for the vehicle used to provide the service.

Charter service hours include both time spent transporting passengers and time spent waiting for passengers. Charter service hours also include "deadhead" hours which is time spent getting from the garage to the origin of the trip and then the time spent from trip's ending destination back to the garage.

2. Qualified Human Service Organization (HQSO): A grantee is allowed to provide charter service to a QHSO for the purpose of serving persons:
 - a. With mobility limitations related to advanced age;
 - b. With disabilities; or
 - c. With low income.

If the QHSO receives funding, directly or indirectly, from the programs listed in Appendix A of the regulation, the QHSO is not required to register on the FTA's charter registration Web site. Otherwise, the QHSO is required to register.

The grantee may provide service only if the QHSO is registered at least 60 days before the date of the first request for charter service.

The grantee is required to record the following information after providing such service:

- a. The QHSO's name, address, phone number and e-mail address;
- b. The date and time of service;
- c. The number of passengers;
- d. The origin, destination, and trip length (miles and hours);
- e. The fee collected, if any; and
- f. The vehicle number for the vehicle used to provide the service.

3. Leasing of Equipment and Driver: A grantee is allowed to lease its FTA-funded equipment and drivers to registered charter providers for charter service only if the following conditions exist:

- a. The private charter operator is registered on the FTA charter registration Web site;
- b. The registered charter provider owns and operates buses or vans in a charter service business;
- c. The registered charter provider received a request for charter service that exceeds its available capacity either of the number of vehicles operated or the number of accessible vehicles operated by the registered charter provider; and
- d. The registered charter provider has exhausted all of the available vehicles of all registered charter providers in the grantee's geographic service area.

The grantee is required to record the following information after leasing equipment and drivers:

- a. The registered charter provider's name, address, telephone number, and e-mail address;
- b. The number of vehicles leased, type of vehicles leased, and vehicle identification numbers; and
- c. The documentation provided be the registered charter provider in support of the four conditions discussed above.

4. No response by Registered Charter Provider: A grantee is allowed to provide charter service, on its own initiative or at the request of a third party, if no registered charter provider responds to the notice issued:

- a. Within 72 hours for charter service requested to be provided in less than 30 days; or
- b. Within 14 calendar days for charter service requested to be provided in 30 days or more.

The grantee is not allowed to provide charter service under this exception if a registered charter provider indicates an interest in providing the charter service described in the notice and the registered charter provider has informed the grantee of its interest in providing the service. This is true even if the registered charter provider

does not ultimately reach an agreement with the customer.

The grantee is required to record the following information after providing the service:

- a. The group's name, address, phone number and e-mail address;
- b. The date and time of service;
- c. The number of passengers;
- d. The origin, destination, and trip length (miles and hours);
- e. The fee collected, if any; and
- f. The vehicle number for the vehicle used to provide the service.

The grantee is required to provide notice to registered charter providers in grantee's geographic service area under this exception. The details of the time frame and contents of the notice are discussed under Questions 5 and 6.

If a registered charter provider indicates interest in providing charter service to a particular customer and fails to negotiate in good faith with the customer, and the grantee was willing to provide the service, then the grantee can file a complaint against the registered charter provider.

5. Agreement with All Registered Charter Providers:
The grantee is allowed to provide charter service

directly to a customer consistent with an agreement entered into with all registered charter providers in the grantee's service area. The grantee is allowed to provide charter service up to 90 days without an agreement with the newly registered charter provider in the geographic service area subsequent to the initial agreement. Any parties to an agreement may cancel the agreement after providing a 90-day notice to the grantee.

6. Petition to the Administrator: The grantee may petition the Administrator for an exception to the charter service regulations to provide charter service directly to a customer for:

- a. Events of regional or national significance;
- b. Hardship (only for non-urbanized areas under 50,000 in population or small urbanized areas under 200,000 in population); or
- c. Unique and time sensitive events (e.g., funerals of local, regional or national significance) that are in the public's interest.

The notification, record keeping, quarterly reporting and other requirements applicable to each **exception** are summarized in the table below.

Exception	Notification to Registered Charter Providers?	Record Keeping?	Quarterly Reporting?	Other Requirements
1. Government Officials	No	Yes	Yes	None
2. Qualified Human Service Organization (QHSO)	No	Yes	Yes	Evidence that QHSO receives funding, directly or indirectly, from the programs listed in Appendix A
3. Leasing of Equipment and Driver	No	Yes	Yes	Evidence that registered charter provider has exhausted all of the available vehicles of all registered charter providers in the grantee's geographic service area
4. No Response by Registered Charter Provider	Yes	Yes	Yes	None
5. Agreement with All Charter Providers	No	Yes	Yes	Properly executed agreements with all registered charter providers in grantee's geographic service area
6. Petition to the Administrator	Yes	Yes	Yes	Grantee must demonstrate how it

Exception	Notification to Registered Charter Providers?	Record Keeping?	Quarterly Reporting?	Other Requirements
				contacted registered charter providers and how the grantee will use the registered charter providers in providing service to the event. Grantee must also certify that it has exhausted available registered charter providers vehicles in the area."

REASONS FOR THE QUESTION

49 CFR Parts 604.6 – 604.11; Appendix A; Appendix C (a) (1), (3) and (6)

SOURCES OF INFORMATION

The grantee should identify exception(s) under which it is providing charter service. If the grantee operates charter service under any exception, it may have developed written procedures to implement charter regulations. If so, review grantee's procedures to ensure that the charter services operated are within the exceptions. If the grantee has not developed written procedures, ask the grantee to provide information on how the exceptions are communicated and implemented within the organization. Reviewer should also check the grantee's brochures and web site and examine the local telephone book to see if the grantee offers charter service to the general public. Review of charter logs; and reports submitted to FTA in the TEAM system can provide information on types of charter services provided by the grantee.

DETERMINATION

If the grantee does not operate charter service under any of the exceptions, it is not deficient with these requirements. If the grantee operates charter service which is not consistent with the allowed exception(s), it is deficient.

SUGGESTED CORRECTIVE ACTION

If the grantee wishes to continue to provide charter services in the future, it must develop plans/procedures and submit the documentation to FTA to ensure that services are consistent with the exceptions allowed under charter regulations.

7. *Did the grantee provide charter service under "No Response by Registered Charter Provide" exception?*

8. *If so, did the grantee provide the required notification to the list of registered charter providers in its geographic service area?*

9. *Was the notification provided in a timely manner? Did the notice include all required information items?*

EXPLANATION

Upon receiving a request for charter service, the grantee may:

1. Decline to provide the service with or without referring the requestor to FTA's charter registration Web site: (http://www.fta.dot.gov/laws/leg_reg_189.html);
2. Provide the service under an exception discussed above; or
3. Provide notice to registered charter providers as discussed below.

If the grantee is interested in providing charter service under the exception "No Response by Registered Charter Provider" discussed above, then upon receipt of a request for charter service, the grantee shall provide e-mail notice to registered charter providers in the grantee's geographic service area in the following manner:

1. By the close of business on the day the grantee received the request unless the request was received after 2:00 pm; in which case the notice the notice shall be sent by the close of business the next business day;
2. E-mail notice sent to the list of registered charter providers shall include:

- a. Customer name, address, phone number, and e-mail address (if available);
- b. Requested date of service;
- c. Approximate number of passengers
- d. Type of equipment requested, bus(es) or Van(s);
- e. Trip itinerary and approximate duration; and
- f. The intended fare to be charged for the service.

- d. *No response by Registered Charter Provider?*
- e. *Agreement with All Registered Charter Providers?*
- f. *Petition to the Administrator?*

11. *Were the quarterly reports submitted in a timely manner?*

12. *Did the report reflect under which exception the grantee performed the charter service?*

The grantee shall retain an electronic copy of the e-mail notice and the list of registered charter providers that were sent e-mail notice of the requested charter service for a period of at least three years from the date the e-mail notice was sent. If the grantee receives an "undeliverable" notice in response to its e-mail notice, the grantee shall send the notice via facsimile. The grantee shall maintain the record of the undeliverable e-mail notice and the facsimile sent confirmation for three years.

REASONS FOR THE QUESTION

49 CFR Parts 604.14

SOURCES OF INFORMATION

Review information provided by the grantee to ensure that the required notices were provided to all registered charter service providers in the grantee's geographic service area in a timely manner; and the notices included all required information.

DETERMINATION

If the notices were provided in a timely manner to all registered charter service providers; and included all required information, grantee is not deficient. If the notices were not provided in a timely manner; to all registered charter service providers in grantee's geographic service area; and/or did not include all required information; it is deficient.

SUGGESTED CORRECTIVE ACTION

If the grantee wishes to continue to provide charter services in the future under 'No Response by Registered Charter Provider' exception, it must develop procedures and submit the documentation to FTA to ensure that required notices will be provided in a timely manners; to all registered charter service providers in grantee's geographic service are; and include all required information; as applicable.

10. *Did the grantee report all charter services provided under the following exceptions:*

- a. *Government Officials?*
- b. *Qualified Human Service Organization?*
- c. *Leasing of Equipment and Driver?*

EXPLANATION

A grantee that provides charter service under one or more of the exceptions under this regulation is required to maintain notices and records in an electronic format for a period of at least three years from the date of service or lease. The grantee may maintain the required records in other formats in addition to the electronic format.

The records maintained by the grantee shall include a clear statement identifying which exception the grantee relied upon when it provided the charter service.

Beginning on July 30, 2008, grantees providing charter service under the exceptions shall post the required records on the FTA charter Web site, through the TEAM system, 30 days after the end of each calendar quarter, as follows:

- October 1 to December 31: on January 30th;
- January 1 to March 31: on April 30th;
- April 1 to June 30th: on July 30; and
- July 1 to September 30th: October 30.

A single document or charter log may include all charter service trips provided during the quarter. The grantee may exclude specific origin to destination information for safety and security reasons. If such information is excluded, the record of the service shall describe the reason why such information was excluded and provide generalized information.

REASONS FOR THE QUESTION

49 CFR Parts 604.12

SOURCES OF INFORMATION

Review charter logs and quarterly reports submitted to FTA in the TEAM system to ensure that grantee submitted information for all exceptions under which it provided charter service. The quarterly reports are due 30 days after the end of each calendar quarter.

DETERMINATION/DEFICIENCY CODE

If the grantee submitted information for all applicable exceptions in a timely manner, the grantee is not deficient. If the information was not submitted for all applicable exceptions, or if the report did not reflect under which exception the grantee performed the service, the grantee is deficient. If the report was not submitted on-time, the grantee is deficient.

SUGGESTED CORRECTIVE ACTION

The grantee must develop procedures and submit the documentation to FTA to ensure that required information for all applicable exceptions will be provided in a timely manner.

13. *Did the grantee ensure that affected employees and contractors have the necessary competency to effectively use the FTA Charter registration Web site?*
14. *How did the grantee ensure the necessary competency?*

EXPLANATION

The grantee shall ensure that its affected employees and contractors have the necessary competency to effectively use the FTA charter registration Web site.

REASONS FOR THE QUESTION

49 CFR Parts 604.16

SOURCES OF INFORMATION

Review information provided by the grantee to assess if and how the employees and contractors were trained.

DETERMINATION

If the grantee provided training to employees and contractors to effectively use the FTA Charter registration Web site, it is not deficient. If the grantee provided no training, it is deficient.

SUGGESTED CORRECTIVE ACTION

The grantee must develop a plan and submit the documentation to FTA to ensure that employees and contractors will be trained to effectively use FTA Charter Registration Web site.

15. *Did the grantee request an advisory opinion from the Office of Chief Counsel? If yes, what was the outcome?*
16. *Did the grantee follow the advisory opinion?*

EXPLANATION

The grantee may request an advisory opinion from the Chief Counsel on a matter regarding specific factual events only. An advisory opinion represents the formal position of FTA on a matter and obligates the grantee to follow it until it is amended or revoked.

REASONS FOR THE QUESTION

49 CFR Parts 604.18, 604.20,

SOURCES OF INFORMATION

Review information provided by the grantee and FTA's Charter Registration Web site to find out if the grantee requested any advisory opinions from the Chief Counsel. If an advisory opinion(s) was rendered, the grantee is required to follow it. Ask the grantee to provide evidence to indicate that the advisory opinion(s) was followed.

DETERMINATION

If the grantee followed the advisory opinion(s), it is not deficient. If the grantee did not follow the advisory opinion(s), it is deficient.

SUGGESTED CORRECTIVE ACTION

The grantee must develop a plan and submit the documentation to FTA to ensure that it will follow the advisory opinion(s) from the Office of Chief Counsel in the future.

17. *Did any registered charter provider request a cease and desist order against the grantee? If yes, what was the outcome?*
18. *Did the grantee follow it?*

EXPLANATION

Any interested party (a grantee or registered charter service provider) may request a cease and desist order as part of its request for an advisory opinion. Issuance of a cease and desist order against a grantee shall be considered as an aggravating factor in determining the remedy to impose against the grantee in future findings of noncompliance, if the grantee provides the service described in the cease and desist order issued by the Chief Counsel.

REASONS FOR THE QUESTION

49 CFR Parts 604.22 and 604.23

SOURCES OF INFORMATION

Review information provided by the grantee and FTA's Charter Registration Web site to find out if any registered charter provider requested any cease and desist order(s) against the grantee from the Office of Chief Counsel. If a cease and desist order(s) was rendered, the grantee is required to follow it. Ask the

grantee to provide evidence to indicate that the cease and desist order(s) was followed.

DETERMINATION

If the grantee followed the cease and desist order(s), it is not deficient. If the grantee did not follow the cease and desist order(s), it is deficient.

SUGGESTED CORRECTIVE ACTION

The grantee must develop a plan and submit the documentation to FTA to ensure that it will follow the cease and desist order(s) from the Office of Chief Counsel.

19. *Did any registered charter provider, or its duly authorized representative, file a complaint with the Office of the Chief Counsel alleging noncompliance with charter regulation?*
20. *Did the grantee file an answer within 30 days from the date of service of the FTA notification to file an answer?*

EXPLANATION

A registered charter provider, or its duly authorized representative may file a complaint with the Office of the Chief Counsel, entitled "Notice of Charter Service Complaint". Unless the complaint is dismissed, FTA shall notify the grantee within 30 days after receiving the complaint that the complaint has been docketed. The grantee shall have 30 days from the date of service of the FTA notification to file an answer. The complainant may file a reply within 20 days. The grantee may file a reply within 20 days of the date of service of the respondent's answer.

REASONS FOR THE QUESTION

49 CFR Parts 604.27

SOURCES OF INFORMATION

Review information provided by the grantee and FTA's Charter Registration Web site to find out if any registered charter provider, or its duly authorized representative filed a complaint against the grantee with the Office of Chief Counsel. Review the information provided by the grantee to ensure that the grantee filed an answer within 30 days from the date of service of the FTA notification to file an answer.

DETERMINATION

If the grantee filed an answer within 30 days, it is not deficient. If the grantee filed an answer after 30 days or did not file an answer at all; or if there are overdue FTA notifications at the time of the site visit, it is deficient.

SUGGESTED CORRECTIVE ACTION

The grantee must file answers to the pending FTA notification(s) and develop a plan to submit the answers to FTA notifications in a timely manner in the future.

21. *Does the grantee provide charter service with locally owned vehicles? If yes, are the vehicles stored and maintained in a locally funded facility?*

EXPLANATION

The charter regulations do not apply to equipment that is fully funded with local funds and is stored in a locally funded facility and is maintained with only local funds. A complete segregation is necessary to avoid the application of these requirements to charter services operated with locally owned vehicles.

REASONS FOR THE QUESTION

49 CFR Parts 604 Appendix C (a) (8)

SOURCES OF INFORMATION

Review the information provided by the grantee under this area as well as bus fleet information provided under area 4. Satisfactory Continuing Control and field inspections conducted under area 5. Maintenance. If grantee operates charter service with equipment that is fully funded with local funds, ensure that the equipment is stored in locally funded facility and is maintained with local funds.

DETERMINATION

If the grantee operates charter service with locally funded equipment; stores the equipment in locally funded facility; maintains with local funds and provides documentation to show that it has completely segregated that service; then the grantee is not deficient. If grantee operates charter service with locally funded equipment but stores and/or maintains it in FTA funded facility; and/or is unable to provide documentation to show that it has completely segregated that service, it is deficient.

SUGGESTED CORRECTIVE ACTION

The grantee must develop a plan and submit the documentation to FTA to ensure that locally owned equipment used to provide charter service is not stored and/or maintained in FTA funded facility; and/or there is complete segregation of charter service operated with local equipment.