

**Table III-1 Capital Plan Rating Standards**

	High (5)	Medium-High (4)	Medium (3)	Medium-low (2)	Low (1)
<b>Current capital condition</b>	- Average bus fleet age under 6 years. - Bond ratings less than 2 years old (if any) of AAA (Fitch/S&P) or Aaa (Moody's) or better	- Average bus fleet age under 6 years. - Bond ratings less than 2 years old (if any) of A (Fitch/S&P) or A2 (Moody's) or better	- Average bus fleet age under 8 years. - Bond ratings less than 2 years old (if any) of A - (Fitch/S&P) or A3 (Moody's) or better	- Average bus fleet age under 12. - Bond ratings less than 2 years old (if any) of BBB+ (Fitch/S&P) or Baa (Moody's) or better	- Average bus fleet age 12 years or more. - Bond ratings less than 2 years old (if any) of BBB (Fitch/S&P) or Baa3 (Moody's) or below
<b>Completeness</b>	Capital plan includes: - 20-year cash flow - All assumptions are clearly explained - High level of detail - Fleet Management Plan - Extensive Sensitivity analysis - More than 5 years of historical data	Capital plan is complete, i.e. it includes: - 20-year cash flow - Key assumptions - Moderate level of detail - Fleet Management Plan - Sensitivity Analysis - More than 5 years of historical data	Capital plan is complete, i.e. it includes: - 20-year cash flow - Key assumptions - Missing some explanatory details - Fleet Management Plan - 5 years historical data	Capital plan is partially complete, i.e. it includes: - 20-year cash flow - Missing other items of supporting documentation (i.e. fleet management plan, key assumptions, historical data)	Capital plan is incomplete. Missing some key components, including the 20-year cash flow.
<b>Commitment of capital funds</b>	For final design - 100% of Non-Section 5309 New Starts Funds are committed or budgeted.  For PE – Over 50% of Non-Section 5309 New Starts Funds are committed or budgeted. The remaining funds are planned.	For final design - Over 75% of Non-Section 5309 New Starts Funds are committed or budgeted.  For PE – Over 25% of Non-Section 5309 New Starts Funds are committed or budgeted. The remaining funds are planned.	For final design - Over 50% of Non-Section 5309 New Starts Funds are committed or budgeted.  For PE - No Non-Section 5309 New Starts Funds are committed or budgeted, but the sponsor has a reasonable plan to secure all needed funding.	For final design – Between 25% and 50% of Non-Section 5309 New Starts Funds are committed or budgeted.  For PE - No Non-Section 5309 New Starts funds are committed. The sponsor has no reasonable plan to secure the necessary funding.	For final design - Under 25% of Non-Section 5309 New Starts Funds are committed or budgeted.  For PE - The sponsor has not identified any reasonable funding sources for the Non-Section 5309 New Starts funding share.
<b>Capital funding capacity</b>	The applicant has access to funds via additional debt capacity, cash reserves, or other committed funds to cover cost increases or funding shortfalls equal to at least 50% of estimated project costs.	The applicant has available cash reserves, debt capacity, or additional funding commitments to cover cost increases or funding shortfalls equal to at least 25% of estimated project costs.	For final design - The applicant has available cash reserves, debt capacity, or additional committed funds to cover cost increases or funding shortfalls equal to at least 10% of estimated project costs.  For PE - The applicant has a reasonable plan to cover cost increases or funding shortfalls equal to at least 25% of project costs.	The applicant has a reasonable plan to cover only minor (under 10%) cost increases or funding shortfalls.  For PE –The applicant has a reasonable plan to cover cost increases or funding shortfalls equal to at least 10% of estimated project costs.	The applicant has no reasonable plan to cover cost increases or funding shortfalls.
<b>Reasonable capital planning assumptions</b>	Financial plan contains very conservative capital planning assumptions and cost estimates when compared with recent historical experience.	Financial plan contains conservative capital planning assumptions and cost estimates when compared with recent historical experience.	Financial plan contains capital planning assumptions and cost estimates that are in line with historical experience.	Financial plan contains optimistic capital planning assumptions and cost estimates.	Financial plan contains capital planning assumptions and cost estimates that are far more optimistic than recent history suggests.