

**BUDGET
ESTIMATES
FISCAL YEAR 2010**

**FEDERAL TRANSIT
ADMINISTRATION**

SUBMITTED FOR USE OF
THE COMMITTEES ON APPROPRIATIONS

**U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

**FISCAL YEAR 2010
BUDGET ESTIMATES**

SUBMISSION TO CONGRESS

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

FY 2010 BUDGET SUBMISSION TO THE CONGRESS

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Section 1.

General Statement and Organizational Chart

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**FEDERAL TRANSIT ADMINISTRATION
FY 2010 BUDGET SUBMISSION**

GENERAL STATEMENT

The Federal Transit Administration (FTA) budget for Fiscal Year (FY) 2010 is \$10.3 billion, an increase of \$104 million, above the enacted Omnibus Appropriations Act, 2009. This Budget contains no policy recommendations for surface transportation programs subject to reauthorization. Instead, it conservatively displays baseline funding levels for all surface programs. For FY 2010, FTA's baseline display includes a 1 percent increase across all programs in the Capital Investment Grants, Research and University Research Centers, and Formula and Bus Grants accounts. Administrative Expenses increased 3.2 percent in accord with the 2.0 percent annualized pay raise and overall 0.5 percent inflation increases for Information Technology, Rent, and the Department's Working Capital Fund.

To reflect the growing imbalance between projected Highway Trust Fund (HTF) revenues and baseline spending in the most transparent manner, the Budget shows only the HTF funding that can be supported while maintaining positive annual cash balances in the Trust Fund. The remaining spending compared to the baseline for the program is shown as discretionary budget authority from the General Fund. Specifically, for 2010 the Budget includes \$5 billion in contract authority and obligation limitation in the existing Formula and Bus Grants account and \$3.3 billion in a new Formula and Bus Grants General Fund share account. Again, this presentation does not represent the Administration's recommended funding levels or a budgeting approach for the upcoming reauthorization. Rather, it is to accurately depict the condition of the HTF and recognize that, under current law, maintaining baseline spending would require support from the General Fund.

There has been unprecedented growth in public transportation ridership in the last year triggered in part by high gasoline prices during the second half of 2008. During 2008, 10.3 billion trips were taken on public transportation -- the highest level in 50 years.

The challenge will be for the Congress and public transportation executives and managers to apply a new paradigm to old problems and develop competitive solutions for new problems. These new approaches are necessary to meet high ridership demand and improve transit system performance.

Top FY 2010 Priorities

- Increase system capacity and improve safety that will improve public health and help to eliminate transportation-related deaths and injuries.
- Support the U.S. economy by investing in transportation infrastructure that brings lasting economic and social benefits to the Nation.

- Lead the transportation sector in demonstrating the necessity and viability of sustainable mobility.
- Promote livable communities with transportation investments that are centered on people and their communities

Increase system capacity and improve safety that will improve public health and help to eliminate transportation-related deaths and injuries

In FY 2010, FTA will continue to work to increase the capacity of existing rail systems with improved signal technology. Revolutionizing transit signal and train control will allow for increased throughput and decreased headways without compromising safety. Signal technology known as “moving-block” or “communication-based” train control allows vehicles to be continuously aware of the position and speed of preceding and following vehicles. Implementing this technology would mean abandoning the old “track circuits” methodology and rely on some form of communication device to transmit vehicle information.

Support the U.S. economy by investing in transportation infrastructure that brings lasting economic and social benefits to the Nation.

Over \$80 billion in U.S. public transit assets are considered to be in substandard or poor condition. Federal, State and local investment is needed to ensure that transit infrastructure achieves a state of good repair and should be a high-priority for the upcoming surface transportation reauthorization.

FTA estimates approximately \$50 billion in rail transit assets are in substandard or poor condition. An additional \$30 billion of other transit assets (primarily bus vehicles) are in substandard or poor condition. Over a 20-year period, FTA projects that \$7 billion is needed annually from federal, State and local sources to both eliminate the backlog and achieve a state of good repair. The extent of deferred maintenance needs and how to finance them is a big issue that must be addressed in the next reauthorization.

Lead the transportation sector in demonstrating the necessity and viability of sustainable mobility

As a nation, we need to address our most significant challenges to sustainable mobility: reducing the impact of our transportation sector on the environment, maintaining our existing public transportation infrastructure in a state of good repair, providing mobility and transportation options for travelers in congested metropolitan regions, and planning for future growth in our transportation systems.

Without reinvestment and rehabilitation, our public transportation infrastructure will not be able to support the needs of a growing economy. It is critical and timely that we address our aging transit infrastructure through good and sustained investments in projects that have real benefits. We must devote resources to not only preserve and improve our existing assets, but also to increase the capacity of our networks to

efficiently move passengers, using new construction where needed, innovative technology, and operational improvements.

Enable livable communities that foster transportation investments that are centered on people and their communities

The average American household spends approximately 18 percent of its annual income on transportation – and as much as a third by low-income families. For lower-income families, the expense of transportation poses a particular burden, hindering home ownership and straining already tight family budgets. In some metro areas, households are spending more on transportation than housing and transportation costs continue to increase.

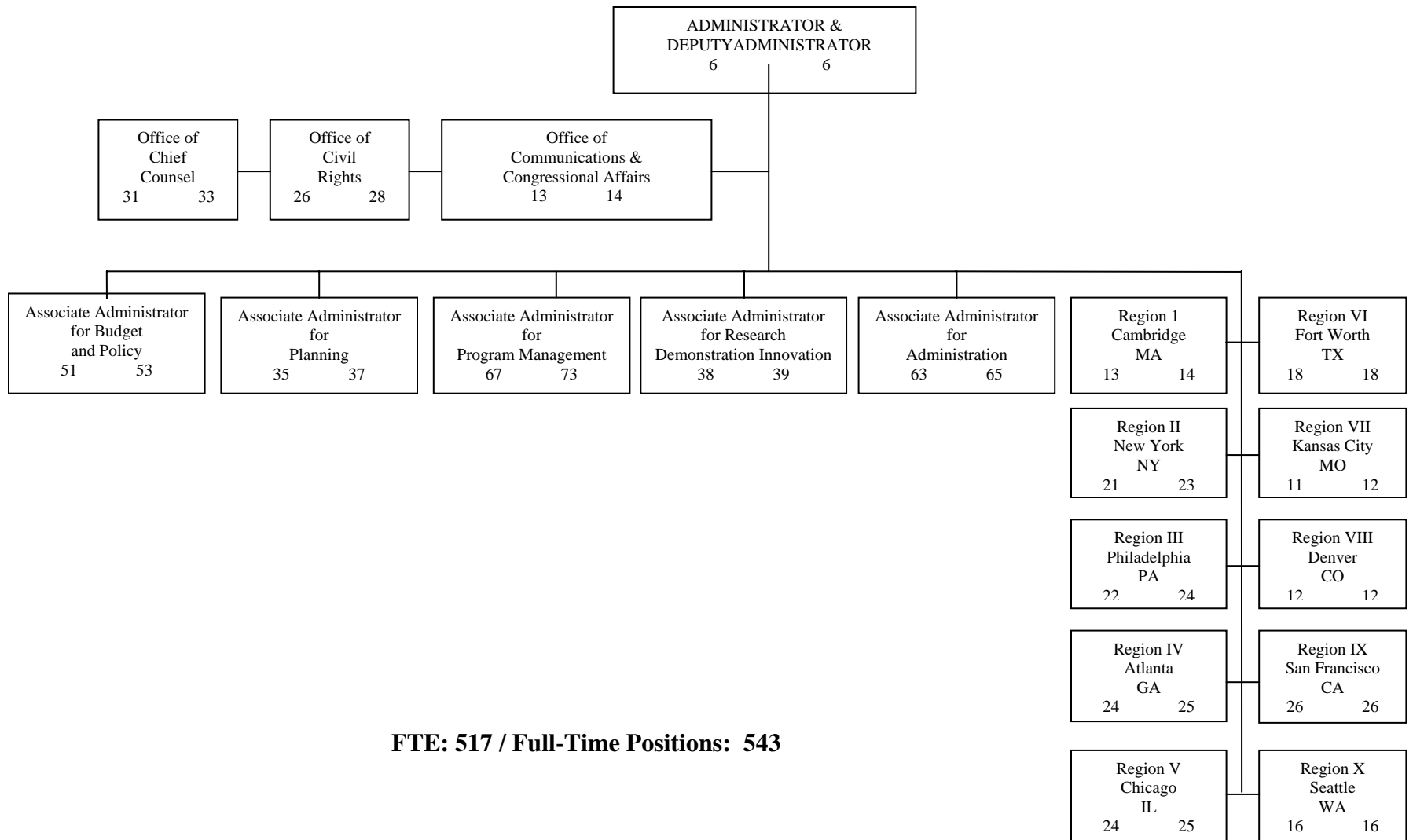
The nation is seeing a significant shift in consumer travel behavior and consumer choices in relation to the automobile and public transportation. Demand for transit is rising and transit is seeing a dramatic increase in ridership. In addition, there is growing evidence that consumers are seeking more affordable housing closer to urban centers with good access to transit.

One approach to lowering the combined cost of housing and transportation is to expand housing opportunities in proximity to transit. Transit-oriented development (TOD) presents unique opportunities for creating mixed-use development near transit by addressing zoning, land use and financing issues that affordable housing developers typically encounter with mixed-use or mixed-income projects. Numerous TOD projects have been implemented, are underway, or are in the planning stages. However, barriers exist at all levels of government – Federal, State and local – for fulfilling the real potential of linking affordable housing with TOD. TOD increases pedestrian access and improves connections between where people live, work, shop, socialize and receive health care services.

In summary, by reflecting the growing imbalance between projected Highway Trust fund revenues and baseline spending, this budget transparently shows funding from the Highway Trust Fund that can be supported while maintaining positive annual cash balances in the Trust Fund. The remaining spending compared to the baseline for the programs are shown as discretionary funding from the General Fund.

FEDERAL TRANSIT ADMINISTRATION

Full-Time Positions and FTE



FTE: 517 / Full-Time Positions: 543

Section 2.

Budget Summary and Administrative Provisions

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EXHIBIT II-1
COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY
FEDERAL TRANSIT ADMINISTRATION
Budget Authority
(\$000)

<u>ACCOUNTS</u>	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Enacted</u> <u>Omnibus</u>	<u>FY 2009</u> <u>Total</u>	<u>FY 2010</u> <u>Baseline</u> <u>Budget</u>
1. Administrative Expenses (General Funds)	89,300	94,413	94,413	97,478
2. Transit Capital Assistance Grants, Recovery Act			6,900,000	
3. Fixed Guideway Infrastructure Investment, Recovery Act			750,000	
4. Research and University Research Centers 1/	65,363	67,000	67,000	67,670
5. Capital Investment Grants	1,569,092	1,807,250 4/	2,557,250 4/	1,827,343
6. Formula and Bus Grants	7,739,226 2/3/	8,260,565 5/	8,260,565 5/	8,343,171 6/
TOTALS:	9,462,981	10,229,228	18,629,228	10,335,662

1/ Research and University Research Centers does not include the \$100,000 in Indefinite Appropriation Authority in FY 2009 and FY 2010 for the International Mass Transportation Program.

2/ FY 2008 reflects enacted obligation limitation and rescission of \$105,005,938 pursuant to Pub. Law 110-161 Div K, Title I, Section 172 and 173.

3/ Rescission of unobligated contract authority pursuant to Pub. Law 110-161

4/ Pursuant to Omnibus Appropriations Act, 2009 (Pub Law 111-8) Division I, funds available to execute contracts under 5327(c) shall be transferred to the Office of Inspector General, 69-0130

5/ FY 2009 reflects enacted obligation limitation and rescission of \$100,000,000 pursuant to Pub. Law 111-8 Div I, Title I, Section 167.

6/ Formula and Bus Grants includes a trust fund share (\$5,000,000,000) and a general fund share (\$3,343,171,000).

NOTE: Some totals may not add due to rounding.

EXHIBIT II-2
COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY
FEDERAL TRANSIT ADMINISTRATION
Budget Authority
(\$000)

<u>ACCOUNTS</u>	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Enacted</u> <u>Omnibus</u>	<u>FY 2009</u> <u>Total</u>	<u>FY 2010</u> <u>Baseline</u> <u>Budget</u>
1. Administrative Expenses (General Funds)	89,300	94,413	94,413	97,478
2. Transit Capital Assistance Grants, Recovery Act			6,900,000	
3. Fixed Guideway Infrastructure Investment, Recovery Act			750,000	
4. Research and University Research Centers 1/	65,363	67,000	67,000	67,670
5. Capital Investment Grants	1,569,092	1,807,250 5/	2,557,250 5/	1,827,343
6. Formula and Bus Grants	8,747,200 2/3/4/	8,260,565 6/	8,260,565 6/	8,343,171 7/
TOTALS:	10,470,955	10,229,228	18,629,228	10,335,662

1/ Research and University Research Centers does not include the \$100,000 in Indefinite Appropriation Authority in FY 2009 and FY 2010 for the International Mass Transportation Program.

2/ FY 2008 reflects enacted obligation limitation and rescission of \$105,005,938 pursuant to Pub. Law 110-161 Div K, Title I, Section 172 and 173.

3/ Rescission of unobligated contract authority pursuant to Pub. Law 110-161

4/ Includes \$1,008 million in net "flex fund" transfers

5/ Pursuant to Omnibus Appropriations Act, 2009 (Pub Law 111-8) Division I, funds available to execute contracts under 5327(c) shall be transferred to the Office of Inspector General, 69-0130

6/ FY 2009 reflects enacted obligation limitation and rescission of \$100,000,000 pursuant to Pub. Law 111-8 Div I, Title I, Section 167.

7/ Formula and Bus Grants includes a trust fund share (\$5,000,000,000) and a general fund share (\$3,343,171,000).

NOTE: Some totals may not add due to rounding.

EXHIBIT II-3
FY 2010 BUDGET REQUEST BY APPROPRIATION ACCOUNT
FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations
(\$000)

<u>ACCOUNTS</u>	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Enacted</u> <u>Omnibus</u>	<u>FY 2009</u> <u>Total</u>	<u>FY 2010</u> <u>Baseline</u> <u>Budget</u>
1. Administrative Expenses (General Funds)	89,300	94,413	94,413	97,478
2. Transit Capital Assistance Grants, Recovery Act			6,900,000	
3. Fixed Guideway Infrastructure Investment, Recovery Act			750,000	
4. Research and University Research Centers	65,363	67,000	67,000	67,670
5. Capital Investment Grants	1,569,092	1,807,250 3/	2,557,250	1,827,343
6. Formula and Bus Grants	8,775,861 1/2/	8,260,565 4/	8,260,565 4/	8,343,171 5/
TOTALS:	<u>10,499,616</u>	<u>10,229,228</u>	<u>18,629,228</u>	<u>10,335,662</u>

1/ FY 2008 reflects enacted obligation limitation and rescission of \$105,005,938 pursuant to Pub. L. 110-161 Div K, Title I, Section 172 and Section 173

2/ Rescission of unobligated contract authority pursuant to Pub. Law 110-161.

3/ Pursuant to Omnibus Appropriations Act, 2009 (Pub Law 111-8) Division I, funds available to execute contracts under 5327(c) shall be transferred to the Office of Inspector General, 69-0130.

4/ FY 2009 reflects enacted obligation limitation and rescission of \$100,000,000 pursuant to Pub. Law 111-8 Div I, Title I, Section 167.

5/ Formula and Bus Grants includes a \$5,000,000,000 in obligation limitation and \$3,343,171,000 requested appropriation.

NOTE: Some totals may not add due to rounding.

EXHIBIT II-4
FY 2010 BUDGET REQUEST BY APPROPRIATION ACCOUNT
FEDERAL TRANSIT ADMINISTRATION
Budget Authority
(\$000)

ACCOUNTS	Mandatory/ Discretionary	FY 2008 Actual	FY 2009 Enacted Omnibus	FY 2009 Total	FY 2010 Baseline Budget
1. Administrative Expenses	D	89,300	94,413	94,413	97,478
2. Transit Capital Assistance Grants, Recovery Act	D			6,900,000	
3. Fixed Guideway Infrastructure Investment, Recovery Act	D			750,000	
4. Research and University Research Centers 1/ [Permanent Indefinite Authority]	D M	65,363 114	67,000 100	67,000 100	67,670 100
5. Capital Investment Grants	D	1,569,092	1,807,250 4/	2,557,250	1,827,343
6. Formula and Bus Grants, General Fund Share	D				3,343,171
7. Formula and Bus Grants, Trust Fund Share	M	8,747,200 2/3/	8,260,565 5/	8,260,565 5/	5,000,000
TOTALS:		10,471,069	10,229,328	18,629,328	10,335,762
[Mandatory]		8,747,314	8,260,665	8,260,665	5,000,100
[Discretionary]		1,723,755	1,968,663	10,368,663	5,335,662

1/ Research and University Research Centers includes \$100,000 in Indefinite Appropriation Authority in FY 2009 and FY 2010 for the International Mass Transportation Program.

2/ FY 2008 reflects enacted obligation limitation and rescission of \$105,005,938 pursuant to Pub. Law 110-161 Div K, Title I, Section 172 and 173.

3/ Rescission of unobligated contract authority pursuant to Pub. Law 110-161.

4/ Pursuant to Omnibus Appropriations Act, 2009 (Pub Law 111-8) Division I, funds available to execute contracts under 5327(c) shall be transferred to the Office of Inspector General, 69-0130

5/ FY 2009 reflects enacted obligation limitation and rescission of \$100,000,000 pursuant to Pub. Law 111-8 Div I, Title I, Section 167.

NOTE: Some totals may not add due to rounding.

EXHIBIT II-5
RESOURCE SUMMARY - FINANCING
FEDERAL TRANSIT ADMINISTRATION
OUTLAYS
(\$000)

APPROPRIATION TITLE	FY 2008	FY 2009	FY 2009	FY 2010
Actual	Enacted	Omnibus	Estimate	Estimate
Administrative Expenses	87,144	94,426	94,426	97,172
Transit Capital Assistance, Recovery Act			1,518,000	2,070,000
Fixed Guideway Infrastructure Investment, Recovery Act			165,000	225,000
Formula Grants	1,329,811	1,006,565	1,006,565	580,594
University Transportation Research	2,003	372	372	300
Research and University Research Centers	69,592	102,800	102,800	104,171
Job Access and Reverse Commute	53,551	40,997	40,997	18,079
Capital Investment Grants	2,473,141	2,654,265	2,744,265	2,504,890
Research, Training and Human Resources	101	310	310	246
Interstate Transfer Grants - Transit	360	1,342	1,342	1,031
Washington Metropolitan Area Transit Authority	46	186	186	136
Formula and Bus Grants, General Fund Share				735,498
Formula and Bus Grants, Trust Fund Share (TF)	5,968,651	7,658,458	7,658,458	7,865,166
Discretionary Grants (TF)	20,944	19,738	19,738	19,738
TOTAL OUTLAYS:	10,005,343	11,579,459	13,352,459	14,222,020
LIQUIDATING CASH APPROPRIATIONS:				
Formula and Bus Grants	6,855,000	8,670,000	8,670,000	8,852,000

EXHIBIT II-6

**FEDERAL TRANSIT ADMINISTRATION
SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE
Appropriations, Obligation Limitations, and Exempt Obligations
(\$000)**

ADMINISTRATIVE EXPENSES

Baseline Changes

	2009 Enacted	2009 PC&B By Program	2009 Cost Per FTE	2009 Contracts Expenses	2009 Pay Raises 3.9%	2010 Pay Raises 2.0%	GSA Rent	WCF Increase/ Decrease	Inflation / Deflation	FY 2010 Adjusted Base	Program Increases/ Decreases	2010 PC&B Program Increase/ Decrease	2010 Cost Per FTE Increase/ Decrease	2010 Contract Expense Program Increases	FY 2010 Baseline Budget
OPERATIONS:															
PERSONNEL RESOURCES															
Direct FTE - Ceiling	517									517					517
FINANCIAL RESOURCES															
Personnel Compensation & Benefits	\$64,854	\$64,854	\$125		\$623	\$1,383			68	\$66,928	\$0	\$0	\$129		\$66,928
Terminal Leave, FECA, PCS and Student															
Loans	\$524								3	527	90				617
Travel	1,800	---	---						9	1,809	0	---	---		1,809
Transportation of Things/PCS	32	---	---						0	32	0	---	---		32
Rent (GSA and Other)	6,600	---	---				257		33	6,890	133	---	---		7,023
Communications & Utilities	71	---	---						1	72	0	---	---		72
Printing	230	---	---						2	232	0	---	---		232
Other Services	6,667	---	---						33	6,700	0	---	---		6,700
Other Services - WCF	2,844	---	---					192		3,036	0	---	---		3,036
Supplies & Materials	388	---	---						2	390	2	---	---		392
Equipment	55	---	---						1	56	0	---	---		56
Subtotal	84,065				623	1,383	257	192	152	86,672	226				86,897
PROGRAMS:															
INFORMATION TECHNOLOGY															
INVESTMENTS															
Communications & Utilities	565								6	571	0				571
Contractual Services	5,329								27	5,356	155				5,511
Other Services - WCF	4,104							41		4,145	0				4,145
Equipment	350								2	352	2				354
Subtotal	10,348				0	0	0	41	34	10,423	158				10,581
TOTAL	\$94,413				\$623	\$1,383	\$257	\$233	\$187	\$97,096	\$383				\$97,478

EXHIBIT II-6A

FEDERAL TRANSIT ADMINISTRATION
WORKING CAPITAL FUND
Appropriations, Obligation Limitations, Exempt Obligations and Reimbursable Obligations
(\$000)

	<u>FY 2009 Enacted</u>	<u>FY 2010 Baseline</u>	<u>Change</u>
<u>DIRECT:</u>			
Administrative Expenses	<u>\$6,948,706</u>	<u>\$7,181,000</u> ^{1/}	<u>\$232,294</u>
SUBTOTAL	6,948,706	7,181,000	232,294
<u>REIMBURSABLE:</u>			
Administrative Expenses	<u>0</u>	<u>0</u>	<u>0</u>
SUBTOTAL	0	0	0
TOTAL WCF	\$6,948,706	\$7,181,000	\$232,294

1/ The budgeted includes a 1 percent increase to the WCF. The increase is insufficient to meet known contractual requirements. Therefore, salaries and benefits funding will have to be shifted to cover this shortfall.

EXHIBIT II-7

**FEDERAL TRANSIT ADMINISTRATION
PERSONNEL RESOURCE - SUMMARY
TOTAL FULL-TIME EQUIVALENTS**

	<u>FY 2008 Enacted</u>	<u>FY 2009 Enacted</u>	<u>FY 2010 Baseline</u>
<u>DIRECT:</u>			
Administrative Expenses	517	517	517
Capital Investment Grants	<u>9</u>	<u>9</u>	<u>9</u>
TOTAL FTEs	526	526	526

EXHIBIT II-8

**FEDERAL TRANSIT ADMINISTRATION
RESOURCE SUMMARY - STAFFING
FULL-TIME PERMANENT POSITIONS**

	<u>FY 2008 Enacted</u>	<u>FY 2009 Enacted</u>	<u>FY 2010 Baseline</u>
<u>DIRECT:</u>			
Administrative Expenses	539	543	543
Capital Investment Grants	<u>10</u>	<u>10</u>	<u>10</u>
TOTAL POSITIONS	549	553	553

ADMINISTRATIVE PROVISIONS – FEDERAL TRANSIT ADMINISTRATION
[(INCLUDING RESCISSIONS)]

SEC. 160. The limitations on obligations for the programs of the Federal Transit Administration shall not apply to any authority under 49 U.S.C. 5338, previously made available for obligation, or to any other authority previously made available for obligation.

SEC. 161. Notwithstanding any other provision of law, funds appropriated or limited by this Act under [the] “Federal Transit Administration, Capital Investment Grants” [account] and for bus and bus facilities under [the] “Federal Transit Administration, Formula and Bus Grants” [account] for projects specified in this Act or identified in reports accompanying this Act not obligated by September 30, [2011]2012, and other recoveries, shall be directed to projects eligible to use the funds for the purposes for which they were originally provided.

SEC. 162. Notwithstanding any other provision of law, any funds appropriated before October 1, [2008]2009, under any section of chapter 53 of title 49, United States Code, that remain available for expenditure, may be transferred to and administered under the most recent appropriation heading for any such section.

SEC. 163. Notwithstanding any other provision of law, unobligated funds made available for a new fixed guideway systems project under the heading “Federal Transit Administration, Capital Investment Grants” in any appropriations Act prior to this Act may be used during this fiscal year to satisfy expenses incurred for such projects.

SEC. 164. During fiscal year [2009]2010, each Federal Transit Administration grant for a project that involves the acquisition or rehabilitation of a bus to be used in public transportation shall be funded for [90]100 percent of the net capital costs of [a biodiesel bus or] a factory-installed or retrofitted hybrid electric propulsion system and any equipment related to such a system: *Provided*, That the Secretary shall have the discretion to determine, through practicable administrative procedures, the costs attributable to the system and related-equipment.

[SEC. 165. Notwithstanding any other provision of law, in regard to the Central Link Initial Segment Project, to the extent that Federal funds remain available within the current budget for the project, the Secretary shall, immediately upon the date of enactment of this Act, amend the Full Funding Grant Agreement for said project to allow remaining Federal funds to be used to support completion of the Airport Link extension of said project.]

[SEC. 166. Any unexpended funds in Federal Transit Administration grant numbers KS-03-0018 and KS-03-0032 shall be made available, at the request of the State, for a bus rapid transit project and related capital purchases facility improvements, in Johnson County, Kansas City, KS under the terms and conditions required to carry out section 5309(b)(3) of title 49, United States Code to the extent applicable.]

[SEC. 167. Of the balances available for this fiscal year to carry out 49 U.S.C. 5309(b) left to the discretion of the Secretary of Transportation, \$100,000,000 are permanently rescinded.]

[SEC. 168. None of the funds provided or limited under this Act may be used to issue a final regulation under section 5309 of title 49, United States Code, except that the Federal Transit Administration may continue to review comments received on the proposed rule (Docket No. FTA-2006-25737).]

[SEC. 169. Funds made available for Alaska or Hawaii ferry boats or ferry terminal facilities pursuant to 49 U.S.C. 5309(m)(2)(B) may be used to construct new vessels and facilities, or to improve existing vessels and facilities, including both the passenger and vehicle-related elements of such vessels and facilities, and for repair facilities, *Provided*, That not more than \$4,000,000 of the funds made available pursuant to 49 U.S.C. 5309(m)(2)(B) may be used by the City and County of Honolulu to operate a passenger ferry boat service demonstration project to test the viability of different intra-island ferry boat routes and technologies.]

[SEC. 170. Notwithstanding any other provision of law, unobligated funds or recoveries under section 5309 of title 49, United States Code, that are available to the Secretary of Transportation for reallocation shall be directed to projects eligible to use the funds for the purposes for which they were originally provided.]

[SEC. 171. Notwithstanding any other provision of law, the \$2,695,000 appropriated for the Charlotte Rapid Transit Extension--Northeast Corridor Light Rail Project, North Carolina under the Alternatives Analysis Account in division K of the Consolidated Appropriations Act, 2008 (Public Law 110-161) shall be used for the Charlotte Rapid Transit Extension--Northeast Corridor to carry out new fixed guideway or extension to existing fixed guideway activities described in section 5309 of title 49 United States Code.]

(Department of Transportation Appropriations Act, 2009.)

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Section 3.
Request by Appropriation Account

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Federal Funds

ADMINISTRATIVE EXPENSES

[(INCLUDING TRANSFER OF FUNDS)]

*Unless legislation is enacted that authorizes a change that results in a positive balance in the Highway Trust Fund, projected through the end of fiscal year 2010, an appropriation is provided as follows: For necessary administrative expenses of the Federal Transit Administration's programs authorized by chapter 53 of title 49, United States Code, [\$94,413,000: *Provided*, That of the funds available under this heading, not to exceed \$1,800,000 shall be available for travel and not to exceed \$23,322,000 shall be available for the central account: *Provided further*, That any funding transferred from the central account shall be submitted for approval to the House and Senate Committees on Appropriations: *Provided further*, That none of the funds provided or limited in this Act may be used to create a permanent office of transit security under this heading: *Provided further*, That of the funds in this Act available for the execution of contracts under section 5327(c) of title 49, United States Code, \$2,000,000 shall be transferred to the Department of Transportation's Office of Inspector General for costs associated with audits and investigations of transit-related issues, including reviews of new fixed guideway systems: *Provided further*, That upon submission to the Congress of the fiscal year 2010 President's budget, the Secretary of Transportation shall transmit to Congress the annual report on new starts, including proposed allocations of funds for fiscal year 2010] \$97,478,000. (Department of Transportation Appropriations Act, 2009.)*

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
ADMINISTRATIVE EXPENSES**

Program and Financing (in millions of dollars)

Identification code : 69-1120-0-1-401	2008 Actual	2009 Est.	2010 Est.	
Obligations by program activity:				
00.01	Administration expenses	87	94	97
09.00	Reimbursable program	1	1	1
10.00	Total new obligations.....	88	95	98
Budgetary resources available for obligation:				
22.00	New budget authority (gross).....	90	95	98
23.95	Total new obligations.....	-88	-95	-98
23.98	Unobligated balance expiring or withdrawn	-2	...	...
24.40	Unobligated balance carried forward, end of year .....	...	...	...
New budget authority (gross), detail:				
40.00	Discretionary Appropriation.....	89	94	97
Spending authority form offsetting collections:				
58.00	Offsetting collections (cash).....	...	1	1
58.10	Change in uncollected customer payments.....	1	...	...
58.90	Spending authority from offsetting collections (total discretionary).....	1	1	1
70.00	Total new budget authority (gross).....	90	95	98
Change in obligated balances:				
72.40	Obligated balance, start of year.....	12	9	9
73.10	Total new obligations.....	88	95	98
73.20	Total outlays (gross).....	-88	-95	-97
73.40	Adjustments in expried accounts (net).....	-3	...	...
74.00	Change in collected customer payments from federal sources (unexpired).....	-1	...	...
74.10	Change in collected customer payments from federal sources (expired).....	1	...	...
74.40	Obligated balance, end of year	9	9	10
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority.....	76	86	88
86.93	Outlays from discretionary balances.....	12	9	9
87.00	Total outlays (gross).....	88	95	97

(Continued on next page)

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
ADMINISTRATIVE EXPENSES**

Program and Financing (in millions of dollars)
(Continued from previous page)

Identification code : 69-1120-0-1-401	2008 Actual	2009 Est.	2010 Est.
Offsets:			
Against gross budget authority and outlays:			
88.00			
88.00			
88.40	-1	...	...
88.90	-1	-1	-1
Against gross budget authority only:			
88.95	-1	...	...
88.96	1	...	...
Net budget authority and outlays:			
89.00	89	94	97
90.00	87	94	96

ADMINISTRATIVE EXPENSES

PROGRAM AND PERFORMANCE

The Administration is developing a comprehensive approach for surface transportation reauthorization. Consequently, the Budget contains no policy recommendations for programs subject to reauthorization including administrative expenses for the Federal Transit Administration. Instead, the Budget conservatively displays baseline funding levels for all surface programs.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
ADMINISTRATIVE EXPENSES**

Object Classification (in thousands of dollars)

Identification code : 69-1120-0-1-401		2008	2009	2010
		Actual	Est.	Est.
Direct obligations:				
Personnel Compensation:				
11.1	Full- time permanent.....	47,777	51,193	53,054
11.3	Other than full-time permanent.....	1,212	972	1,012

11.9	Total personnel compensation.....	48,989	52,165	54,066
12.1	Civilian personnel benefits.....	12,068	13,303	13,801
21.0	Travel and transportation of persons.....	1,504	1,800	1,809
22.1	Transportation of Things.....	121	32	32
23.1	Rental payments to GSA.....	6,148	6,600	6,923
23.3	Communications, utilities, and misc. charges.....	680	636	643
24.1	Printing.....	253	230	232
25.2	Other services.....	16,967	18,854	19,170
26.1	Supplies.....	333	388	392
31.0	Equipment.....	338	405	410

99.0	Subtotal, Direct obligations.....	87,401	94,413	97,478
Reimbursable obligations:				
25.2	Other services.....	424	600	600

99.0	Subtotal, obligations, reimbursable	424	600	600

99.9	Total new obligations.....	87,825	95,013	98,078

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
ADMINISTRATIVE EXPENSES**

Personnel Summary

Identification code : 69-1120-0-1-401	2009 Actual	2010 Est.	2011 Est.
Direct:			
Total compensable workyears: Full-time equivalent employment.....	505	517	517

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

**ADMINISTRATIVE EXPENSES
Appropriation Summary by Program Activity
(\$000)**

	FY 2008 Actual	FY 2009 Enacted	FY 2010 Baseline Budget	FY 2009 to FY 2010 Change
Personnel Compensation & Benefits	\$63,039	\$65,378	\$67,545	\$2,167
Travel	1,504	1,800	1,809	9
Transportation of Things	121	32	32	0
Rent (GSA and Other)	6,148	6,600	7,023	423
Communications & Utilities	35	71	72	1
Printing & Reproduction	253	230	232	2
Other Services	3,977	6,667	6,700	33
Other Services – WCF	2,524	2,844	3,036	192
Supplies & Materials	333	388	392	4
Equipment	43	55	56	1
Subtotal	77,977	84,065	86,897	2,832
<u>IT Investments</u>				
Communications & Utilities	645	565	571	6
Other Services	4,759	5,329	5,511	182
Other Services – WCF	3,725	4,104	4,145	41
Equipment	295	350	354	4
Subtotal	9,424	10,348	10,581	233
Total - Administrative Expenses	\$87,401	\$94,413	\$97,478	\$3,065
FTEs	505	517	517	0

Program and Performance Statement:

The Administration is developing a comprehensive approach for surface transportation reauthorization. Consequently, the Budget contains no policy recommendations for programs subject to reauthorization including the Administrative Expense account. Instead, this budget for Administrative Expenses conservatively displays a baseline funding level which includes a 2 percent increase for personnel compensation and benefits, to cover annualized pay raises, and a 0.5 percent increase for all non-personnel compensation and benefits. The baseline increase is insufficient to fund existing contracts (services and IT). If enacted at this level, salary and benefit funding will have to be reallocated in order to cover the shortfalls.

The Federal Transit Administration (FTA) baseline budget includes \$97.5 million in FY 2010, an increase of \$3 million over the FY 2009 enacted level. The FY 2010 baseline budget will fund salary and benefit costs for 509 full-time equivalent (FTE) work years of effort.

ADMINISTRATIVE EXPENSES

Summary Analysis of Change from FY 2009 to FY 2010 Appropriation, Obligation Limitation, and Exempt Obligations (\$000)

	Change From FY 2009 to FY 2010	FY 2010 PC&B by Program	FY 2010 FTEs by Program	FY 2010 Contract Expenses	Total
FY 2009 Base (Enacted Level) - Administrative Expenses Appropriations, Obligation Limitations, and Exempt Obligations					\$94,413
Adjustments to Base					
FY 2009 pay raise of 3.9%	623				
FY 2010 pay raise of 2%	1,383				
FY 2010 Awards, Overtime, etc.	71				
Travel and Transportation of Things	9				
Rents (GSA and other)	290				
Communications and Utilities	1				
Printing	2				
Other Services	33				
Working Capital Fund increases	192				
Supplies	2				
Equipment	2				
Information Technology	75				
Subtotal, Adjustments to Base	2,683				
Adjusted Base					97,096
FY 2010 Awards, Overtime, etc	90				
Rents (GSA and Other)	133				
Information Technology	158				
Subtotal, Program Increases	116				
Total FY 2010 Baseline Budget					\$97,478

Detailed Justification for Personnel Compensation and Benefits:

Personnel Compensation and Benefits	FY 2010 Baseline Budget: \$67,545,000
<p>Overview: Personnel compensation and benefits includes regular salaries and benefits paid to full-time, part-time, temporary, and intermittent employees. Other costs included under this object class include: lump-sum payments for annual leave upon separation; overtime, holiday pay, night pay differential, post differentials, and hazardous duty pay; cash incentive awards; special personal services payments; relocation and other expenses related to a permanent change of station; student loan repayments; worker’s compensation payments; and benefits for former officers and employees or their survivors that are based (at least in part) on the length of service to the Federal government, such as unemployment compensation.</p> <p>The FY 2010 baseline level includes funding levels and will allow for funding of 507 FTE, short of the requested 517 FTE level.</p>	
<p>FY 2009 Base: Budgetary resources in this justification reflect the funding levels included in the Omnibus Appropriations Act, 2009, Div I, Title I, P.L. 111-8.</p>	
<p>Anticipated FY 2009 Accomplishments:</p> <ul style="list-style-type: none"> • Continue to align employee performance agreements with the Department’s Strategic Plan and to make meaningful distinctions in levels of performance, so that superior performance is recognized and rewarded and that action is taken to address poor performance. • Continue to train and certify, in accordance with the Department’s FAC-P/PM policy, all program and project managers assigned to programs and projects considered major acquisitions/ investments. • Use LDR data as an agency management tool by capturing labor-hours by project tasks; thereby enabling FTA management to quantify the amount of resources committed to projects and programs and to determine workload assignments, to make staffing decisions, and to shift program responsibilities. 	

Detailed Justification for Travel and Transportation of Things:

Travel and Transportation of Things	FY 2010 Baseline Budget: \$1,841,000
<p>Overview: Funding will provide for the travel and transportation costs of government employees and other persons, while in an authorized travel status, that are to be paid by the government either directly or by reimbursing the traveler. This includes both travel away from official stations, subject to regulations governing civilian and military travel,</p>	

and local travel and transportation of persons in or around the official station of an employee. Transportation of things includes the transportation of government property and employee possessions (e.g. PCS).

FY 2009 Base:

Budgetary resources in this justification reflect the funding levels included in the Omnibus Appropriations Act, 2009, Div I, Title I, P.L. 111-8.

Anticipated FY 2009 Accomplishments:

- To conduct on-site project management oversight meetings to ensure that New Starts projects in final design and under construction are on time and on budget.
- To participate in mandatory triennial reviews of grantees nationwide to assess compliance with the Federal and administrative grant funds requirements.
- To conduct state and metropolitan planning reviews.
- To participate in inter-modal program activities with the Federal Railroad Administration, the National Highway Traffic Safety Administration, and the Federal Highway Administration.

Detailed Justification for Rent (GSA and Other):

Rent (GSA and Other)	FY 2010 Baseline Budget: \$7,023,000
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Overview:

Rent costs include payments to the General Services Administration (GSA) and other non-GSA facility managers for rental of space and rent-related services, as well as physical security improvements required by the Department of Homeland Security. Monthly rent payments for the headquarters building, nine of ten FTA regional offices, and all associated metropolitan offices are made to GSA. The Boston Regional Office space is rented through the Volpe National Transportation Systems Center.

In addition to Boston, FTA also has regional offices located in New York, Philadelphia, Atlanta, Chicago, Fort Worth, Kansas City, Denver, San Francisco, and Seattle.

FY 2009 Base:

Budgetary resources in this justification reflect the funding levels included in the Omnibus Appropriations Act, 2009, Div I, Title I, P.L. 111-8.

Anticipated FY 2009 Accomplishments:

FTA will review all expiring lease agreements to identify opportunities for future cost avoidance or savings.

Detailed Justification for Communications and Utilities:

Communications and Utilities	FY 2010 Baseline Budget: \$72,000
Overview: Funding for communications and utilities will provide for postage, contractual mail and messenger services, and rental of postage meter machines.	
FY 2009 Base: Budgetary resources in this justification reflect the funding levels included in the Omnibus Appropriations Act, 2009, Div I, Title I, P.L. 111-8.	
Anticipated FY 2009 Accomplishments: FTA will review all postal costs to validate the source of the cost and to identify opportunities for future cost avoidance or improvements in service.	
FY 2010 Baseline Budget: FTA's baseline budget includes messenger services for headquarters and regional office staff and the rental of postage meters in its ten regional offices.	

Detailed Justification for Printing and Reproduction:

Printing and Reproduction	FY 2010 Baseline Budget: \$232,000
Overview: Printing and reproduction costs include printed envelopes and letterhead, photo composition, photography, and related composition and binding operations performed by the Government Printing Office and other agencies.	
FY 2009 Base: Budgetary resources in this justification reflect the funding levels included in the Omnibus Appropriations Act, 2009, Div I, Title I, P.L. 111-8.	
Anticipated FY 2009 Accomplishments: FTA will also publish several Federal Registers: December 18, 2008 announcing apportionments and allocations, and program information under the continuing resolution for FY 2009; April 27, 2009 supplemental apportionments and allocations for the full year appropriations under Pub. Law 111-8.	

Detailed Justification for Other Services:

Other Services	FY 2010 Baseline Budget: \$9,736,000
Overview: Other Services includes funding for managing and maintaining the financial system (ESC), tuition for the general education of FTA employees, contractual purchases of	

goods and services, operation and maintenance of facilities and equipment, and Departmental administrative costs billed through the WCF.

The Department's WCF facilitates efficiencies by: 1) promoting greater program effectiveness by placing service providers in the same organization; 2) allowing the Department to identify and eliminate redundancies; and 3) consolidating multiple administrative functions into a single operational unit to improve service delivery, increase security, and reduce costs.

FTA is required to comply with Federal management statutes passed by Congress. Within the financial management arena, Congress has passed a number of legislative mandates intended to establish accountability within the Federal government. The Federal Managers Financial Integrity Act (FMFIA) provides internal controls guidance and sets guidelines for strengthening financial systems, reducing fraud, waste, and misappropriation of funds. FTA has enhanced its FMFIA program to include a more robust assessment of management controls. New guidance has been issued that includes improved measures to enforce management accountability. FTA brought in a Federal-contracting firm to assist with the implementation of the updated policy guidance on FMFIA. The contractor performed FMFIA and Office of Management and Budget (OMB) Circular A-123 compliance assessments and documented and tested management controls relating to six key business processes within the agency. Business processes not included in this process were placed in a performance self-assessment initiative.

FY 2009 Base:

Budgetary resources in this justification reflect the funding levels included in the Omnibus Appropriations Act, 2009, Div I, Title I, P.L. 111-8.

Anticipated FY 2009 Accomplishments:

- To review all contractual service costs to validate the source of the cost and to identify opportunities for future cost avoidance or improvements in service.
- Continue to develop staff to meet existing and future organizational requirements.
- Support continued operations of the FTA centralized accounting operations at the ESC in Oklahoma City, OK.
- To receive a clean audit opinion on FTA's FY 2008 financial statements. A clean financial audit is a basic prescription for any well-managed agency.

Detailed Justification for Supplies and Materials:

Supplies and Materials	FY 2010 Baseline Budget: \$392,000
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Overview:

Supplies and materials covers office supplies, such as pencils, paper, calendar pads, and notebooks for headquarters and regional office staff. Supply funding also covers publications, including periodicals, pamphlets, books, and newspapers.

FY 2009 Base:

Budgetary resources in this justification reflect the funding levels included in the Omnibus Appropriations Act, 2009, Div I, Title I, P.L. 111-8.

Anticipated FY 2009 Accomplishments:

FTA will review all supply and material costs to validate the source of the cost and to identify opportunities for future cost avoidance or improvements in service.

Detailed Justification for Equipment:

Equipment	FY 2010 Baseline Budget: \$56,000
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Overview:

Equipment funding will provide for miscellaneous office furniture and fixtures for FTA headquarters and regional staff.

FY 2009 Base:

Budgetary resources in this justification reflect the funding levels included in the Omnibus Appropriations Act, 2009, Div I, Title I, P.L. 111-8.

Anticipated FY 2009 Accomplishments:

FTA will review all equipment costs to validate the source of the cost and to identify opportunities for future cost avoidance or improvements in service.

Detailed Justification for Information Technology Investments:

Information Technology Investments	FY 2010 Baseline Budget: \$10,581,000
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Overview:

The Federal government must effectively manage its portfolio of capital assets to ensure scarce public resources are wisely invested. Capital programming integrates the planning, acquisition, and management of capital assets into the budget decision-making process. It is intended to assist agencies in improving asset management and in complying with the results-oriented requirements of:

- The Government Performance and Results Act of 1993, establishing the foundation for budget decision-making to achieve strategic goals in order to meet agency mission objectives;
- The Federal Managers Financial Integrity Act of 1982, the Chief Financial Officers Act of 1990, and the Federal Financial Management Improvement Act of 1996, which require accountability of financial and program managers for financial results of actions taken, control over the Federal government's resources, and protection of Federal assets;

- The Paperwork Reduction Act of 1995, which requires agencies to perform their information resources management activities in an efficient, effective, and economical manner;
- The Clinger-Cohen Act of 1996, which requires agencies to use a disciplined capital planning and investment control process to acquire, use, maintain, and dispose of information technology;
- The Federal Information Security Management Act, which requires agencies to integrate IT security into their capital planning and enterprise architecture processes, conduct annual IT security reviews of all programs and systems, and report the results of those reviews to OMB;
- The Electronic Government Act of 2002, which requires agencies to support government-wide electronic government (E-gov) initiatives and to leverage cross-agency opportunities to further E-gov. The Act also requires agencies to establish a process for determining which government information the agency intends to make available and accessible to the public on the Internet and by other means. In addition, the Act requires agencies to conduct and submit to OMB privacy impact assessments for all new IT investments administering information in identifiable form collected from or about members of the public; and
- The Federal Records Act, which requires agencies to establish standards and procedures to assure efficient and effective records management. The National Archives and Records Administration (NARA) issues policies and guidance for agencies to meet their records management goals and requirements. NARA also provides policies and guidance for planning and evaluating investments in electronic records management.

FY 2009 Base:

Budgetary resources in this justification reflect the funding levels included in the Omnibus Appropriations Act, 2009, Div I, Title I, P.L. 111-8.

Anticipated FY 2009 Accomplishments:

- To begin the upgrade of the Delphi accounting system to Oracle 12.FSIO, which will require a total reimplementation of the system and a complete data conversion. Major benefits and improved functionality will include: (1) the Federalized Project Accounting Module; (2) budgetary to proprietary accounting; (3) automated prior-year recovery; (4) XML-based data extracts that will replace many current reports created using desktop tools such as Word, Excel, or Acrobat; (5) an enhanced view of financial information across the Department; (6) a completely new technical architecture for the application (sub-ledger architecture versus sets of books); and (7) an enhanced ability to tie costs to strategic goals and performance metrics.
- To increase the number of telecommuters by supplying portable technology equipment at the desktop level. Since these devices will be configured within

agency standards, security in FTA's telecommuting program is enhanced.

- To convert remaining paper processes to electronic program interfaces to other financial and reporting systems; to develop the Web-enabled links that secure exchange solicitation documentation, past performance data, cost estimates and technical proposals with contractors and evaluation data with FTA program personnel. The Prism acquisition system will also be used to track and record purchase card transactions and will enable FTA to acquire goods and services more quickly and efficiently, thereby shortening the acquisition cycle and costs to internal and external customers.
- To expand the window of operation of the Information Technology Customer Support Center (IT helpdesk) to provide Tier 1 (telephonic) support for those sites that operate in different time zones, allowing for the same level of service for core business hours in each local time zone.
- To take aggressive action to track and reconcile Reimbursable Agreements (RA), to place more emphasis on confirming receiver RA data when applicable, to ensure that discrepancies are resolved, and to correct historical transactions that contain incorrect trading partner codes.

IT Investment (\$000)	FY 2008 Actual	FY 2009 Enacted	FY 2010 Baseline Budget
Common Operating Environment/ Infrastructure <i>(Includes desktop, server, directory, and messenger services, all of which are billed through the Department's WCF)</i>	2,488	2,946	3,068
TEAM Grant-Making System	2,843	2,699	2,726
Enterprise Architecture <i>(Includes licensing and support)</i>	225	225	227
Web Applications <i>(Includes Westlaw legal research services and internal applications support)</i>	1,550	2,004	2,024
Voice, Cable, and Wireless Communications <i>(Includes: voice, cable, wireless, and inter-modal data network services; network engineering; and IT security, all of which are billed through the WCF. Also includes FTA local and long distance telephone services)</i>	1,910	1,725	1,779
Technology For Mission Support <i>(Includes IT equipment maintenance, repairs, upgrades, and replacement and certification and accreditation of FTA IT systems)</i>	181	472	477
Human Resources Systems and Support	227	277	280
Subtotal Contracts	\$9,424	\$10,348	\$10,581

**Federal Transit Administration
Administration Expenses by Office
(\$000)**

Personnel Compensation and Benefits:

	FY 2008 Actual		FY 2009 Enacted		FY 2010 Baseline Budget	
	\$	FTE	\$	FTE	\$	FTE
Personnel Comp and Benefits	60,741	517 a/	63,276c/	517 b/	66,158c/	517 b/

a/ Total FTE before it is distributed by office.

b/ The FTE ceiling is 517 but the anticipated FTE usage is 511 and base on this baseline budget FTA will only be able to sustain 507 FTE in FY 2010.

c/ Does not match previous tables because several PC&B items (e.g. awards, overtime) are allocated to Offices/Regions.

Note: Since FY 2007, FTA has centrally budgeted and managed its Personnel Compensation and Benefits. This provides overall efficiencies to handle attrition and hiring. Amounts budgeted within each office include awards, travel, training, supplies, equipment and in some individual offices contracts.

Office of the Administrator:

	FY 2008 Actual		FY 2009 Enacted		FY 2010 Baseline Budget	
	\$	FTE	\$	FTE	\$	FTE
Office administrative expenses	138 a/	6	100	6	101	6

a/ In FY 2008, TOA funded a special training for the FTA.

The Office of the Administrator provides executive direction for the FTA headquarters and field organizations and is directly accountable to the Secretary and Deputy Secretary for successful mission and program accomplishments.

Office of Administration:

	FY 2008 Actual		FY 2009 Enacted		FY 2010 Baseline Budget	
	\$	FTE	\$	FTE	\$	FTE
Office administrative expenses	458 a/	63	218	63	219	63

a/ In FY 2008, TAD funded several training programs for FTA.

The Office of Administration provides a comprehensive program of management services and activities to the employees. This office provides administrative and logistical support services, develops and maintains FTA's automated enterprise and information systems, promotes information technologies, and procures and provides maintenance and support for all automated information systems. Procurement administers a comprehensive program to plan, monitor and control the acquisition of material, equipment and services of direct procurement and third party contracting for FTA. Human Resources develops and conducts programs related to staffing, employee management, benefits, discipline and personnel actions.

Office of Chief Counsel:

	FY 2008		FY 2009		FY 2010	
	Actual		Enacted		Baseline Budget	
	\$	FTE	\$	FTE	\$	FTE
Office administrative expenses	163	30	212 a/	31	213	31

a/ Cost Center has received funding for specialized training previously located in the Central account

The Office of the Chief Counsel is responsible for all aspects of the FTA's legal activities, including regulatory and legislative functions. This office reviews internal FTA actions and actions taken by grant applicants and recipients to ensure that various legal requirements governing FTA programs and activities have been met. The Office of Chief Counsel provides legal representation to FTA and the Department in litigation arising in connection with Federal transit programs, in coordination with the Office of General Counsel and the Department of Justice.

Office of Communications and Congressional Affairs:

	FY 2008		FY 2009		FY 2010	
	Actual		Enacted		Baseline Budget	
	\$	FTE	\$	FTE	\$	FTE
Office administrative expenses	46	13	40	13	40	13

The Office of Communication and Congressional Affairs plans and conducts a comprehensive public information program about FTA programs and policies. This office produces speeches, written materials and other public presentations for FTA officials. The Office of Communication and Congressional Affairs prepares and coordinates official FTA responses to requests made under the Freedom of Information Act. This office serves as FTA's point of contact with the news media, industry analysts, the transit community, Congress, and the American public.

Office of Program Management:

	FY 2008		FY 2009		FY 2010	
	Actual		Enacted		Baseline Budget	
	\$	FTE	\$	FTE	\$	FTE
Office administrative expenses	311	69	295	67	297	67

The Office of Program Management fosters responsible stewardship of Federal transit resources by facilitating and monitoring grant delivery. This office's activities include oversight of the agency's grantees and programs. In addition, the Office of Program Management monitors and provides construction management and oversight of new fixed guideway systems and extensions under FTA full funding grant agreements. This office develops and oversees the implementation of safety and security programs for public transportation, including the emergency responsiveness of the transit industry.

Office of Budget and Policy:

	FY 2008		FY 2009		FY 2010	
	Actual		Enacted		Baseline Budget	
	\$	FTE	\$	FTE	\$	FTE
Office administrative expenses	171	51	160	51	161	51
Other Financial Contracts	4,244		5,252		5,305	

The Office of Budget and Policy implements and manages overall policy, strategic management and fiscal control for FTA. Policy functions include: policy development or review of regulations, procedures and directives to implement policy initiatives and legislative requirements affecting FTA; preparing and coordinating statutory reports to Congress; and conducting and monitoring policy research in support of the agency's mission. Budgeting functions include: developing FTA budgets linked to performance; working with OMB and the Department of Treasury to receive apportionments; and providing budgetary controls and ensuring that funds are expended in accordance with Administration and congressional intent. Strategic planning activities include: development and coordination of the FTA strategic plan; conducting program evaluations; and carrying out the requirements of the Government Performance and Results Act. Financial systems and accounting functions ensure the maintenance of FTA's key financial and payment systems, maintain official financial records and control accounts on FTA grants, and contract and control disbursements for the agency.

Office of Research, Demonstration and Innovation:

	FY 2008		FY 2009		FY 2010	
	Actual		Enacted		Baseline Budget	
	\$	FTE	\$	FTE	\$	FTE
Office administrative expenses	136	37	138	37	138	37

The Office of Research, Demonstration, and Innovation identifies the technology needs of the transit industry, and conducts a program of research, development, demonstration and technology deployment to meet those needs. The research is aimed at developing improved transit vehicles, systems, components and facilities by developing, testing and evaluating innovative technologies. This office provides technical assistance to U.S. transit supply and service industries to enhance the U.S. competitive position in global markets. Functions also include the management of the bus testing facility. This office is also key in collecting, disseminating, and exchanging information and technologies.

Office of Civil Right:

	FY 2008		FY 2009		FY 2010	
	Actual		Enacted		Baseline Budget	
	\$	FTE	\$	FTE	\$	FTE
Office administrative expenses	132	26	133	26	134	26

The Office of Civil Rights ensures implementation of all civil rights programs and equal opportunity precepts with FTA and ensures compliance by recipients of Federal assistance and entities that are subject to FTA regulations. This office provides technical advice and assistance on all civil rights matters including: nondiscrimination in the provision of federally assisted transit services, Environmental Justice (EJ), compliance and enforcement of the Americans with Disabilities Act of 1990, as amended, and equal opportunity of grants recipients.

Office of Planning and Environment:

	FY 2008		FY 2009		FY 2010	
	Actual		Enacted		Baseline Budget	
	\$	FTE	\$	FTE	\$	FTE
Office administrative expenses	191	35	148	35	149	35

The Office of Planning and Environment administers a national program of metropolitan and statewide planning assistance, providing technical assistance to agencies and directing program implementation. It provides procedural and expert support for environmental and planning requirements of projects in early stages of development, (i.e., alternative analysis

and preliminary engineering), works to advance the state-of-the-art in transportation planning, environmental analysis and enhancement, and capital development, and provides executive direction pertaining to planning and environmental issues.

Regional Offices:

	FY 2008		FY 2009		FY 2010	
	Actual		Enacted		Baseline Budget	
	\$	FTE	\$	FTE	\$	FTE
Office administrative expenses	1,677	181	1,119	187	1,124	187

The Regional Offices provide grant assistances, approval, oversight, and project development.

Central Account:

	FY 2008		FY 2009		FY 2010	
	Actual		Enacted		Baseline Budget	
	\$	FTE	\$	FTE	\$	FTE
Administrative Expenses	20,719	0	23,322	0	23,439	0

The Central Account provides for agency-wide operations, rent payments for space, information technology investments, and Departmental Working Capital Fund costs.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
FORMULA GRANTS**

Program and Financing (in millions of dollars)

		2008	2009	2010
Identification code : 69-1129-0-1-401		Actual	Est.	Est.
Obligations by program activity:				
00.01	Urban Formula Capital.....	244	19	19
00.02	Elderly and Disabled.....	...	1	...
00.03	Nonurban Formula.....	1	6	5
00.05	Emergency Response Funds .....	...	1	...
00.06	Hurricane Katrina and Rita Sup	9	...	...
09.00	Hurricane Katrina transportation .....	...	...	...
10.00	Total new obligations.....	254	27	24
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	349	81	54
21.45	Adjustments to unobligated balance carried forward start of year.....	-4		
22.00	New budget authority (gross).....	-30	...	...
22.10	Resources available from recoveries of prior year obligations.....	20	...	...
23.90	Total budgetary resources available for obligation.....	335	81	54
23.95	Total new obligations.....	-254	-27	-24
24.40	Unobligated balance carried forward, end of year.....	81	54	30
New budget authority (gross), detail:				
Discretionary				
43.00	Appropriation.....	...	...	...
58.00	Offsetting collections (cash).....	...	...	...
58.10	Change in uncollected customer payments from Federal sources (unexpired)	-30	...	...
58.90	Spending authority from offsetting collections (total discretionary).....	...	...	...
70.00	Total new budget authority (gross)	...	...	...
Change in obligated balances:				
72.40	Obligated balance, start of year.....	3,039	1,977	997
72.45	Adjustment to obligated balance, start of year	4	...	...
73.10	Total new obligations.....	254	27	24
73.20	Total outlays (gross).....	-1,330	-1,007	-582
73.45	Recoveries of prior year obligations.....	-20	...	...
74.00	Change in uncollected customer payments from Federal sources (unexpired)	30
74.40	Obligated balance, end of year.....	1,977	997	439

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**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
FORMULA GRANTS**

Program and Financing (in millions of dollars)
(Continued from previous page)

Identification code : 69-1129-0-1-401	2008 Actual	2009 Est.	2010 Est.
Outlays (gross), detail:			
86.90			

86.93	1,330	1,007	582
	-----	-----	-----
87.00	...	...	...
Offsets:			
	Against gross budget authority and outlays:		
	Offsetting collections (cash) from:		
88.00			

	Against gross budget authority only:		
88.95			
	30	...	...
Net budget authority and outlays:			
89.00			

90.00	1,330	1,007	582

FORMULA GRANTS

PROGRAM AND PERFORMANCE

The Administration is developing a comprehensive approach for surface transportation reauthorization. Consequently, the Budget contains no policy recommendation for programs subject to reauthorization including transit Formula Grants. Instead, the Budget conservatively displays baseline funding levels for all surface programs. A baseline funding level for transit Formula Grants is not displayed in this schedule, but is included in the baseline displays for Formula and Bus Grants.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
FORMULA GRANTS**

Object Classification (in thousands of dollars)

			2008	2009	2010
Identification code : 69-1129-0-1-401			Actual	Est.	Est.
Direct obligations:					
25.2	01	Other services.....	2,818	...	...
41.0	01	Grants, subsidies and contributions.....	250,801		
99.0		Subtotal, obligations, Direct obligations.....	253,619	27,634	24,375

FORMULA AND BUS GRANTS, GENERAL FUND SHARE

Unless legislation is enacted that authorizes a change that results in a positive balance in the Highway Trust Fund, projected through the end of fiscal year 2010, an appropriation is provided as follows: For necessary expenses for Formula and Bus Grants programs, as authorized by section 53 of title 49, United States Code, \$3,343,171,000, notwithstanding section 5338(b)(1) of title 49, United States Code.

FORMULA AND BUS GRANTS
(LIQUIDATION OF CONTRACT AUTHORITY)
(LIMITATION ON OBLIGATIONS)
(HIGHWAY TRUST FUND)

*Unless legislation is enacted that authorizes a change that results in a positive balance in the Highway Trust Fund, projected through the end of fiscal year 2010, an appropriation is provided as follows: For payment of obligations incurred in carrying out the provisions of 49 U.S.C. 5305, 5307, 5308, 5309, 5310, 5311, 5316, 5317, 5320, 5335, 5339, and 5340 and section 3038 of Public Law 105-178, as amended, [\$8,670,000,000] \$8,852,000,000 to be derived from the Mass Transit Account of the Highway Trust Fund and to remain available until expended: *Provided*, That funds available for the implementation or execution of programs authorized under 49 U.S.C. [5305, 5307, 5308, 5309, 5310, 5311, 5316, 5317, 5320, 5335, 5339, and 5340 and section 3038 of Public Law 105-178, as amended]Chapter 53, shall not exceed total obligations of [\$8,260,565,000]\$5,000,000,000 in fiscal year [2009]2010.(Department of Transportation Appropriations Act, 2009.)*

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
FORMULA AND BUS GRANTS, GENERAL FUND SHARE**

Program and Financing (in millions of dollars)

Identification code : 69-1130-0-1-401	2008 Actual	2009 Est.	2010 Est.	
Obligations by program activity:				
00.01	Formula and Bus Grants, General Fund Share.....	...	...	2,545
10.00	Total new obligations.....	...	...	2,545
Budgetary resources available for obligation:				
22.00	New budget authority (gross).....	...	...	3,343
23.95	Total new obligations.....	...	...	-2,545
24.40	Unobligated balance carried forward, end of year .....	...	...	798
New budget authority (gross), detail:				
40.00	Discretionary Appropriation.....	...	...	3,343
Change in obligated balances:				
73.10	Total new obligations.....	...	...	2,545
73.20	Total outlays (gross).....	...	...	-735
74.40	Obligated balance, end of year	...	...	1,810
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority.....	...	...	735
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	3,343
90.00	Outlays.....	...	...	735

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
FORMULA AND BUS GRANTS**

Program and Financing (in millions of dollars)

		2008	2009	2010
Identification code : 69-8350-0-7-401		Actual	Est.	Est.
Obligations by program activity:				
00.01	Urbanized area programs.....	5,302	4,626	1,449
00.02	Fixed guideway modernization.....	1,575	1,620	291
00.03	Bus and bus facility grants.....	1,232	1,091	475
00.04	Over-the-road bus.....	1	15	10
00.05	Clean Fuels Program.....	22	62	36
00.06	Planning Programs.....	138	104	47
00.07	State administered programs.....	949	992	531
00.08	Alternative analysis program.....	28	31	19
00.09	Alternative Transportation in Parks and Public Lands.....	15	38	25
00.10	Formula and Bus Grants	...	...	3,750
10.00	Total new obligations.....	9,262	8,579	6,633
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	3,818	3,310	2,992
22.00	New budget authority (gross).....	8,747	8,261	8,343
22.10	Resources available from recoveries of prior			
	year obligations.....	13	...	...
22.21	Unobligated balance transferred to other accounts	-6	...	...
23.90	Total budgetary resources available for obligation.....	12,572	11,571	11,335
23.95	Total new obligations.....	-9,262	-8,579	-6,633
24.40	Unobligated balance carried forward, end of year	3,310	2,992	4,702
New budget authority (gross), detail:				
Discretionary:				
40.26	Appropriation (trust fund)	6,855	8,670	8,852
40.49	Portion applied to liquidate contract authority used	-7,289	-9,327	-9,220
41.00	Transferred to other accounts	-15	...	...
42.00	Transferred from other accounts	449	657	368
43.00	Appropriation (total discretionary).....	...	...	...
Mandatory:				
66.10	Contract authority.....	7,873	8,361	8,343
66.35	Contract authority permanently reduced.....	-105	-100	...
66.36	Unobligated balance permanently reduced.....	-29	...	...
66.61	Transferred to other accounts	-15	...	...
66.62	Transferred from other accounts	1,023	...	...
66.90	Contract authority (total mandatory).....	8,747	8,261	8,343
70.00	Total new budget authority (gross).....	8,747	8,261	8,343

(Continued on next page)

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
FORMULA AND BUS GRANTS**

Program and Financing (in millions of dollars)
(Continued from previous page)

Identification code : 69-8350-0-7-401	2008 Actual	2009 Est.	2010 Est.
Change in obligated balances:			
72.40	6,673	9,953	10,873
73.10	9,262	8,579	6,633
73.20	-5,969	-7,659	-7,865
73.45	-13	...	...
74.40	9,953	10,873	9,641
Outlays (gross), detail:			
86.90	1,987	1,817	1,100
86.93	3,982	5,842	6,765
87.00	5,969	7,659	7,865
Net budget authority and outlays:			
89.00	8,747	8,261	8,343
90.00	5,969	7,659	7,865
Memorandum (non-add) entries:			
93.01	795	...	...
93.03	6,673	8,926	7,860
93.04	8,926	7,860	6,983

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
FORMULA AND BUS GRANTS- PAYGO**

Program and Financing (in millions of dollars)

		2008	2009	2010
Identification code : 69-8350-2-7-401		Actual	Est.	Est.
Budgetary resources available for obligation:				
22.00	New budget authority (gross).....	...	...	-3,343
24.40	Unobligated balance carried forward, end of year.....	...	...	-3,343
<hr/>				
New budget authority available for obligation:				
66.10	Contract authority	...	...	-3,343
<hr/>				
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	-3,343
90.00	Outlays.....	...	...	...
<hr/>				
Memorandum (non-add) entries:				
93.01	Unobligated balance, start of year: Contract authority	...	...	...
93.03	Obligated balance, start of year: Contract authority...	...	...	...
93.04	Obligated balance, end of year: Contract authority....	...	...	-3,343

FORMULA AND BUS GRANTS, GENERAL FUND SHARE

PROGRAM AND PERFORMANCE

To reflect the growing imbalance between projected Highway Trust Fund (HTF) revenues and baseline spending in the most transparent manner, the Budget shows only the HTF funding that can be supported while maintaining positive annual cash balances in the trust fund. The remaining spending compared to the baseline for the program is shown as discretionary budget authority from the General Fund. Specifically, for 2010 the Budget includes \$5 billion in contract authority and obligation limitation in the existing Formula and Bus Grants account and \$3.3 billion in a new Formula and Bus Grants, General Fund Share account. Again, this presentation does not represent the Administration's recommended funding levels or a budgeting approach for the upcoming reauthorization. Rather, it is intended to accurately depict the condition of the HTF and recognize that, under current law, maintaining baseline spending would require support from the General Fund.

FORMULA AND BUS GRANTS

PROGRAM AND PERFORMANCE

To reflect the growing imbalance between projected Highway Trust Fund (HTF) revenues and baseline spending in the most transparent manner, the Budget shows only the HTF funding that can be supported while maintaining positive annual cash balances in the trust fund. The remaining spending compared to the baseline for the program is shown as discretionary budget authority from the General Fund. Specifically, for 2010 the Budget includes \$5 billion in contract authority and obligation limitation in the existing Formula and Bus Grants account and \$3.3 billion in a new Formula and Bus Grants, General Fund Share account. Again, this presentation does not represent the Administration's recommended funding levels or a budgeting approach for the upcoming reauthorization. Rather, it is intended to accurately depict the condition of the HTF and recognize that, under current law, maintaining baseline spending would require support from the General Fund.

**DEPARTMENT OF TRANSPORTATION
 FEDERAL TRANSIT ADMINISTRATION
 FORMULA AND BUS GRANTS, GENERAL FUND SHARE**

Object Classification (in thousands of dollars)

		2008	2009	2010
Identification code : 69-1130-0-1-401		Actual	Est.	Est.
Direct obligations:				
25.2	Other services.....	...	...	26,435
41.0	Grants, subsidies, and contributions.....	...	...	2,518,818
99.9	Total new obligations.....	...	...	2,545,253

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
FORMULA AND BUS GRANTS**

Object Classification (in thousands of dollars)

		2008	2009	2010
Identification code : 69-8350-0-7-401		Actual	Est.	Est.
Direct obligations:				
25.2	Other services.....	42,954	71,898	43,560
41.0	Grants, subsidies, and contributions.....	9,218,696	8,507,720	6,589,722
99.9	Total new obligations.....	9,261,650	8,579,618	6,633,282

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
STATUS OF THE MASS TRANSIT ACCOUNT OF THE HIGHWAY TRUST FUND**

Program and Financing (in millions of dollars)

	2008	2009	2010
	Actual	Est.	Est.
Unexpected balance, start of year.....	7,305	6,787	4,469
Cash income during the year			
Governmental receipts, Motor fuel taxes.....	5,043	4,703	4,940
Federal Highway Administration transfers (net).....	428	657	368
Total annual cash income.....	<u>5,471</u>	<u>5,360</u>	<u>5,308</u>
Cash outlays during the year:			
Discretionary grants.....	21	20	20
Formula and Bus Grants.....	5,969	7,658	7,865
Total annual outlays.....	<u>5,990</u>	<u>7,678</u>	<u>7,885</u>
Unexpended balance, end of year.....	<u>6,787</u>	<u>4,469</u>	<u>1,892</u>

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
FORMULA AND BUS GRANTS**

**Summary by Program Activity
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)**

	FY 2008 Actual	FY 2009 Enacted	FY 2010 Baseline Budget	FY 2009 to FY 2010 Change
Formula and Bus Grants	\$7,767,887 ^{1/2/3/}	\$8,260,565 ^{4/}	\$8,343,171 ^{5/}	\$82,606

^{1/} FY 2008 does not reflect the rescission of \$29 million in unobligated contract authority pursuant to Pub. Law 110-161 Div K, Title I.

^{2/} FY 2008 does not include \$1,008 million in net "flex funds" transferred from Federal Highway Administration.

^{3/} FY 2008 reflects enacted obligation limitation and rescission of \$105,005.938 pursuant to Pub. Law 110-161, Div K, Title I, section 172 and 173

^{4/} FY 2009 reflect the enacted obligation limitation and rescission of \$100,000,000 pursuant to Pub. Law 111-8, Div I, Title I, section 167.

^{5/} Formula and Bus Grants includes a \$5,000,000,000 in obligation limitation and \$3,343,171,000 baseline appropriation

Program and Performance Statement:

To reflect the growing imbalance between projected Highway Trust Fund (HTF) revenues and baseline spending in the most transparent manner, the Budget shows only the HTF funding that can be supported while maintaining positive annual cash balances in the Trust Fund. The remaining spending compared to the baseline for the program is shown as discretionary budget authority from the General Fund. Specifically, for 2010 the Budget includes \$5 billion in contract authority and obligation limitation in the existing Formula and Bus Grants account and \$3.3 billion in a new Formula and Bus Grants General Fund share account. Again, this presentation does not represent the Administration's recommended funding levels or a budgeting approach for the upcoming reauthorization. Rather, it is to accurately depict the condition of the HTF and recognize that, under current law, maintaining baseline spending would require support from the General Fund. These accounts are combined in this justification.

This account provides the necessary resources to support Formula and Bus Grant activities and to help achieve the Department's performance goals of increasing transit ridership, improving the average condition of bus and rail fleets, improving access to public transportation for physically challenged individuals, and making transit safer. Formula grants provide a stable and reliable source of funding for capital and preventive maintenance activities that help maintain the condition of federally funded capital assets.

FORMULA AND BUS GRANTS

Summary Analysis of Change from FY 2009 to FY 2010 Appropriation and Obligation Limitation, and Exempt Obligations (\$000)

Item	Change From FY 2009 to FY 2010	FY 2010 PC&B By Program	FY 2010 FTEs By Program	FY 2010 Contract Expenses	Total
FY 2009 Base (Enacted Level)					
Formula and Bus Grants Appropriation, Obligation Limitation, and Exempt Obligations					\$8,260,565
Adjustments to Base					
Formula and Bus Grants	82,606				
Subtotal, Adjustments to Base					82,606
New or Expanded Programs					
Subtotal, New or Expanded Program Increases/ Decreases					
Total FY 2010 Baseline Budget					\$8,343,171

Detailed Justification for Formula and Bus Grants:

Formula and Bus Grants	FY 2010 Baseline Budget: \$8,343,171,000
Overview:	
<p>Under the expiring authorization Formula and Bus Grants have provided communities with the flexibility to use their resources to address many transit needs. Funds are eligible for the purchase of new buses, for adequate maintenance of existing buses, and for the purchase and adequate maintenance of bus related capital. Funds to Urbanized Areas make Federal resources available to urbanized areas with a population of 50,000 or more. Formula grant funding can be used for all capital transit purposes and, in areas under 200,000 in population, for operating assistance. These resources help maintain the condition of Federally funded capital assets in order to provide safe, reliable transit services, thereby supporting the ridership goal.</p> <p>These funds support fixed guideway systems, which includes heavy rail, light rail, commuter rail, monorail, trolleybus, aerial tramway, inclined plane, cable car, automated guideway transit, ferryboats, high-occupancy vehicle lanes, and any portion of a motor bus service operated on exclusive or controlled rights-of-way. Federal funding and local matching funds support the replacement and rehabilitation of the existing rail fleet and restoration of rail facilities, such as stations, track, and yards. Funding also supports the maintenance of operational support equipment. In so doing, it ensures safe, reliable transit services to more riders.</p>	

As of FY 2006, there were 128,132 active urban transit vehicles, 11,796 miles of track, 3,053 stations, and 813 rail maintenance facilities. Recent data suggests that the conditions of the Nation's rail structures, track and yards have improved or are better than previously estimated. Rail maintenance facilities in adequate or better condition were 92.1 percent.

Federal financing of bus and bus-related capital projects enhances the nation's transit systems. Recipients of bus and bus-related funding include public transit authorities, as well as states, municipalities, other public agencies of states, and boards, commissions, and public organizations that are established under state law, and, as sub-recipients, certain non-profit organizations that provide transportation services.

Eligible funding purposes include acquisition of buses for fleet and service expansion, bus maintenance and administrative facilities, transfer facilities, bus malls, transportation centers, intermodal terminals, park-and-ride stations, acquisition of replacement vehicles, bus rebuilds, bus preventative maintenance, passenger amenities (passenger shelters, bus stop signs), accessory and miscellaneous equipment such as mobile radio units, supervisory vehicles, fare boxes, computers, shop and garage equipment, and costs incurred in arranging innovative financing for eligible projects.

In service on U.S. streets today are approximately 50,000 transit buses which have been purchased in part with grant funding distributed by FTA. On average, FTA grantees purchase each year more than 4,000 buses, of which approximately 20 percent are acquired in part with Federal assistance. Between 1997 to 2006 total motor bus directional route miles increased by 22.6 percent. Additional funding for bus and bus-related facilities will continue to make buses a safe and reliable mode of transportation.

Grant funding for the purchase or lease of clean fuel buses and facilities, and the improvement of existing facilities to accommodate these buses. This includes those buses powered by compressed natural gas, biodiesel fuels, batteries, alcohol-based fuels, hybrid electric, fuel cell, and certain clean diesel and other low or zero emissions technology that the Environmental Protection Agency has certified sufficiently reduces harmful emissions. Funding clean fueled vehicles has a direct affect on meeting the President's goals to reduce greenhouse gas emissions.

Funds for metropolitan and statewide planning help the expanded analytic, environmental, transportation air-quality conformity, and evaluative work necessary to ensure that Federal support for State and local transportation investments is cost-effective. Funding will support planning goals under FTA's Ridership and Accessibility strategic goals by helping states, Metropolitan Planning Organizations (MPOs), and transit operators develop and maintain transit systems that are accessible, efficient, and that offer flexibility of choice.

Among the Americans who use transit are the 35 million senior citizens who are most likely to need access to dependable transportation if they are to participate fully in their community. Transit is also important to the 31 million Americans with disabilities who

use public transportation. FTA strongly supports the commitment to tearing down the barriers to equality that face many Americans with disabilities. Formula grants support State and local programs to improve mobility for elderly individuals and individuals with disabilities throughout the country. Toward this goal, FTA provides financial assistance for transportation services planned, designed, and carried out to meet the special transportation needs of elderly individuals and individuals with disabilities in all areas – large urban, small urban, and rural. The program requires coordination with other federally assisted programs and services in order to make the most efficient use of Federal resources.

The rural area transit formula grant program provides funding to States to support public transportation in areas of less than 50,000 in population. By improving accessibility to transportation services for people living in rural communities, FTA not only honors its commitment to many of the 30 million elderly, working poor, and individuals with disabilities that live in rural areas, but it is also able to meet the Department's performance goal to increase access for all Americans.

The services that Federal funds support in non-urbanized areas are essential. For instance, the Nation's 1,330 rural transit providers take people to work, shopping, and other essential services, such as doctor's appointments that encourage individuals to lead healthier and more productive lives. This service is vital for non-drivers living in rural areas, including many of the 30 million elderly, working poor, and individuals with disabilities.

Formula funds provide new and expanded transportation services to connect welfare recipients and low-income persons to employment and employment support services, such as training and child-care facilities. Funds may be used to support capital projects, usually vehicle acquisitions and customer information technology, and to finance operating costs of equipment, facilities and associated support costs related to providing access to jobs. This budget provides funds for projects relating to the development and maintenance of transportation services, including 1) transportation projects to finance planning, capital, and operating costs of providing access to jobs, 2) promoting public transportation by low-income workers, including the use of public transportation by workers with nontraditional work schedules, 3) promoting the use of transit vouchers for welfare recipients and eligible low-income individuals; and 4) promoting the use of employer-provided transportation, including the transit pass benefit program under section 132 of the Internal Revenue Code of 1986.

Funds distributed to States help expand employment opportunities to Americans with disabilities by addressing employment-related transportation needs that are not currently addressed by the 1990 ADA. There are an estimated 54 million Americans who have a physical or mental disability that significantly limits one or more major life activities. Approximately 70 percent of adult persons with disabilities are unemployed. Even with passage of the ADA, lack of adequate transportation continues to be a primary barrier to work for people with disabilities, with one-third of people with disabilities reporting that transportation is a significant problem. The ADA requires only that existing public

transportation be accessible; it does not address the gaps that exist in transportation services for persons with disabilities. Formula grants would expand the transportation mobility options available to persons with disabilities beyond the minimum required under the ADA.

Discretionary grants support the development of public transportation and alternative transportation in National Parks and on public lands, with the goal of improving mobility and reducing congestion and pollution. The goals are to ensure access for all, including individuals with disabilities; improve conservation and park and public land opportunities in urban areas through partnering with state and local governments; and improve park and public land transportation. Transit investment needs include purchasing bus vehicles, trolley cars, tram vehicles, and waterborne vessels, including investment in maintenance facilities and ferry piers. Needed transit enhancements include parking facilities, connections with non-motorized trails, shelters and signage, and information services.

FY 2009 Base:

Budgetary resources in this justification reflect the funding levels included in the Omnibus Appropriations Act, 2009, Div I, Title I, P.L. 111-8.

Anticipated FY 2009 Accomplishments:

- An estimated 1,980 30-40 foot buses using alternative fuels propulsion systems, including biodiesel and hybrid-electric will be purchased with funds under the Urbanized Area Formula Grants program. This will contribute to the Environmental Stewardship goal of reducing emissions from motor vehicles.
- Based on FY 2006 reporting data, the average rail vehicle condition was 3.51. While average rail vehicle conditions normally range between 3.0 (adequate) and 4.0 (good), anything lower than 3.0 would be less than adequate. FTA expects some fluctuations will occur in transit vehicle conditions as a normal part of the deterioration and replacement process. With this budget request, FTA's goal is to continue to maintain the average condition of rail vehicles between the adequate and good levels. A substantial increase in public investment to reach the 4.0 level would not be cost effective, as it would require an overly ambitious replacement policy where vehicles are replaced prior to the FTA-mandated minimum replacement age.
- As with rail vehicles, average bus fleet condition should be between 3.0 and 4.0 on a 5-point scale. FTA funding for transit capital investment, including new vehicles, will support the agency's goal to maintain an average transit vehicle condition in the "adequate" range.
- FTA will meet the bus performance target for compliance with the ADA. The bus fleet continues to become more accessible as older vehicles are replaced with those that are lift-equipped or have low floors. The overall rate of increase in bus accessibility has slowed somewhat since many of the buses replaced were

already lift-equipped. While all new buses are lift-equipped or have low floors, it will be difficult to reach 100 percent compliance in the short-term because many transit operators retain buses for more than twenty years. Funds available under this program contribute to the overall achievement of nationwide fleet accessibility.

- Since enactment of the ADA in 1990, FTA has been working to make public bus, rail and paratransit services accessible to individuals with disabilities. One major goal is to make the national fixed-route bus system 100 percent lift-equipped, ramp-equipped, or designed with low floors. By the end of 1996, six years after enactment, 63 percent of the active fleet was ADA-compliant. According to National Transit Database data, 98.6 percent of all motorbuses and 82.5 percent of rail vehicles were ADA compliant in FY 2006. Of the active fleet of 63,176 buses, only 861 were not considered ADA compliant. In the near future, FTA will have essentially achieved the goal of 100% compliance.
- In FY 2009, ridership in rural areas is projected to increase by 3 percent. Non-urbanized Area Formula funds are expected to purchase over 2,500 small buses and vans. FTA continuously works to provide guidance on the preparation of grant applications along with furthering interaction with the stakeholder.
- In each community that received a grant, JARC transportation services have reached new employment sites, making thousands of entry-level jobs and employers accessible for the program's target populations. New stops have also increased access to critical employment support sites, particularly childcare and job training facilities. The goal for the JARC program is to continue to make more jobs accessible by transit.
- In FY 2008, FTA and the U.S. Department of Interior under Interagency Agreements with the U.S. Fish & Wildlife Service, the National Park Service, U.S. Forest Service, Bureau of Land Management, and the U.S. Army Corps of Engineers have funded 52 projects in 20 states to include tribes.

FY 2010 Baseline Budget:

The Formula and Bus Grants baseline budget for FY 2010 is consistent with presentation and does not represent the Administration's recommended funding levels or a budgeting approach for the upcoming reauthorization. The Department's goal of ensuring that the Nation's transit infrastructure is as safe, efficient, and cost-effective as possible, thus attracting riders and maximizing the mobility, accessibility, economic, and environmental benefits of public transportation. The FY 2010 baseline budget will support the Department's ridership goal by directing funds to States and local recipients for capital maintenance, replacement and repair of buses and bus facilities, and the rehabilitation and replacement of bus maintenance facilities.

Detailed Justification for Oversight Program (non-add):

Oversight Program (non-add)	FY 2010 Baseline Budget: \$60,983,013
Overview: <p>The Oversight funding is a critical element of the FTA’s effort to ensure that Federal funds are used in a cost-effective manner and in accordance with applicable laws and regulations. Set-aside funding for the FTA Oversight Program was initially authorized in 1987 to provide FTA with the means to better oversee the implementation of major capital projects. Recognizing that Federal oversight of the transit program was needed not only for major capital projects, but other program areas as well, the funding authority was expanded in FY 1990 to include “...<i>safety, procurement, management and financial compliance reviews, and audits of any recipient of funds...</i>” under the Federal transit assistance programs.</p> <p>The Transportation Equity Act for the 21st Century (TEA-21), section 3024, confirmed the importance of the oversight program, extending its funding to include the authority, “...<i>to provide technical assistance to correct deficiencies identified in compliance reviews and audits carried out under this section.</i>” FTA will continue to expand its oversight of the introduction of advanced technology into existing transit systems to ensure that recipients are aware of safety, technical and operational risks and adopt adequate measures to deal with them. Additionally, an expanded program of New Starts projects that required additional oversight resources.</p>	
FY 2009 Base: <p>Budgetary resources in this justification reflect the funding levels included in the Omnibus Appropriations Act, 2009, Div I, Title I, P.L. 111-8.</p>	
Anticipated FY 2009 Accomplishments: <p>FTA’s grants management oversight program consists of a number of different types of reviews, including project management oversight and financial management oversight of major capital investment projects, as well as safety and security, procurement and management oversight of all FTA grantees. These include the oversight activities; such as: 1) <i>Project Management Oversight (PMO)</i> to provide contractual engineering expertise to monitor management and technical capacity of the project grantee to carryout a larger capital project. PMOs review and conduct: cost analyses; real estate and uniform act conformance reviews; risk assessments of project cost/schedule/safety, construction security; modifications and change orders; and develop “Before and After” studies of major capital investment projects. The PMO program monitoring ensures projects are adequately staffed and properly managed in accordance with acceptable engineering principles and requirements. Specifically, the PMO program is designed to “safeguard Federal investment” through effective oversight.</p> <ul style="list-style-type: none">• <i>Financial Management Oversight (FMO)</i> – The FMO program conducts full scope financial management system reviews and a variety of special analysis reviews, and training seminars. A Full Scope Financial Management System	

Review determines if a grantee's financial management system and internal control environment meet the Federal government standards. A follow-up review is conducted 12 to 18 months after the initial review to determine if the findings and recommendations of the Full Scope review were properly implemented. FTA also conducts special analysis of grantees with a narrow focus on special areas related to financial management of an FTA grant. FTA expects to expand the FMO program to include review of Cooperative Agreements to monitor the financial aspect of research grants provided to transit related organizations to research promising improvement in the transit field.

- *State Safety Oversight* – The purpose of the State Safety Oversight program is to set minimum safety and security requirements for the nation's Rail Transit Agencies and to ensure the implementation of these requirements through the designated State Safety Oversight Agencies. Requirements for FTA's State Safety Oversight Program are specified in 49 CFR Part 659. SAFETEA-LU expanded the applicability of this rule from States with Rail Transit Agencies in revenue operations to States with Rail Transit Agencies in engineering, design, construction and revenue operations. In addition, in response to recent accidents involving track workers and other maintenance-related issues, FTA authorized new maintenance safety oversight initiatives in its May 8, 2007 "Dear Colleague" letter.
- *Drug and Alcohol Testing* – The Drug and Alcohol Oversight program allows the FTA to conduct on-site audits of Section 5311 (Nonurban Area Formula) grantees, Section 5307 (Urbanized Area Formula) sub-recipients, contractors, drug and alcohol programs, and to provide technical assistance where needed. To date, efforts have primarily focused on larger transit agencies. Beginning in FY 2008, FTA expects to focus on smaller agencies. This will include agencies that are transitioning from State program sub-recipients to urbanized area grantees. Approximately 305 of 533 urban agencies and 43 of 53 states/territories have received at least one audit since the inception of the program. The goal in FY 2009 is to audit 7 states and 68 smaller grantees.
- *Procurement Oversight* – FTA will continue to assist in providing oversight of grantees' procurement systems, including procurement system reviews to determine if grantees' procurement systems meet the requirements of the Common Grant Rule and to advise FTA on the effectiveness of each grantee's procurement system. The regional offices use their grantee oversight assessments to determine which grantees to select for procurement system reviews. It is estimated that an average of 18 to 22 reviews will be conducted on an annual basis in each fiscal year.
- *Civil Rights/ Title VI/Environmental Justice/ADA* – FTA's legislation prohibits discrimination in use of Federal funds by recipients including sub-recipients and contractors. Compliance reviews and assessments are conducted to determine if the grantee's required Title VI, Equal Employment Opportunity (EEO), and

Disadvantaged Business Enterprise (DBE) programs are in compliance as requested by FTA. The results Title VI, EEO, and DBE reviews enable FTA to provide technical assistance to our grant recipients to assist them in correcting these concerns.

- The Americans with Disabilities Act (ADA), as amended requires accessible transportation. DOT is responsible for ensuring that grantees for Federal funds comply with ADA regulations. Transportation is the critical link that allows more than 54 million Americans with disabilities access to work, school, and health facilities. FTA hires contractors to conduct reviews to ensure grantee compliance with ADA regulations.
- The ADA requires key rail stations and new rail stations to comply with the ADA requirements. In addition, ADA Paratransit and Fixed Route reviews are used to improve transportation accessibility around the country. ADA Complementary Paratransit assessments focus on the six service requirements of the DOT ADA regulations with an emphasis on the capacity constraints prohibitions. These reviews are conducted throughout the fiscal year and each review takes approximately one week to complete the on-site visit, and six to eight weeks to complete the final report.
- *Triennial Reviews* – A triennial review is required under 49 USC 5307(i)(2) for all recipients of Section 5307 funds. The triennial review is FTA’s primary oversight program for 650 recipients of Section 5307 urbanized area formula funds. Mandated by Congress in 1982, the triennial review examines 23 areas of statutory and administrative requirements, including internal controls and management processes, to determine how the recipients of Federal formula funds comply. Under current statute, once every three years, a contractor, in coordination with the Regional Office staff, reviews each section 5307 grantee to assess compliance in accordance with the Annual Certifications and Assurances submitted by grantee. The triennial review is the most encompassing of the audit tools FTA has available to ensure grantee compliance. Compliance is monitored through; (1) grantee self-certifications at the grant award phase, (2) annual audits to ensure that grantees are carrying out their program of projects, and (3) triennial reviews by FTA to address grantee performance regarding self-certifications, the planned projects, and adherence to statutory and administrative requirements.
- *OTRAK Oversight* – OTRAK is the official record system for FTA’s oversight program. OTRAK is designed to assist in planning, tracking and monitoring the follow-up activities for Post-Award reviews on FTA recipients. OTRAK includes details on other subject reviews, hotline reports, and other audit activities on our recipients of Federal funds. The OTRAK system itself is also subject to evaluation to ensure data integrity and effectiveness.

FY 2010 Baseline Budget:

In FY 2010, \$60.98 million is available for oversight activities within the Formula and Bus Grants account. Another \$18.27 million in oversight is funded from the Capital Investment Grants account. In FY 2010, \$79.26 million will help FTA ensure that Federal funds are used efficiently and in a cost-effective manner in accordance with applicable laws and regulations.

FTA will continue to provide project management of engineering aspects of transit projects including: project cost/schedule/safety, construction security. Financial management system reviews continue to focus on whether internal controls are sufficient to meet the Federal government standards.

**Federal Transit Administration
Oversight Program -- Section 5327(c) 49 U.S.C.
(\$000)**

Program	FY 2008 Actual ^{1/}	FY 2009 Planned	FY 2010 Planned
Project & Financial Management Oversight	\$53,612	\$56,100	\$56,504
Safety Oversight	5,050	6,256	6,319
Procurement Oversight	2,575	3,250	3,282
Management Oversight	9,200	10,889	11,151
Reimbursement/Transfer to OIG	2,000	2,000	2,000
TOTAL	\$72,437	\$78,495	\$79,256

^{1/} FY 2008 includes planned activities.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
UNIVERSITY TRANSPORTATION RESEARCH**

Program and Financing (in millions of dollars)

		2008	2009	2010
Identification code : 69-1136-0-1-401		Actual	Est.	Est.
Obligations by program activity:				
00.01	University Transportation Research	...	...	...
10.00	Total new obligations (object class 41.0).....	...	...	...
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year.....	...	...	...
23.95	Total new obligations.....	...	...	...
24.40	Unobligated balance carried forward, end of year.....	...	...	...
Change in obligated balances:				
72.40	Obligated balance, start of year.....	3	1	...
73.20	Total outlays (gross).....	-2	-1	...
74.40	Obligated balance, end of year.....	1	...	...
Outlays (gross), detail:				
86.93	Outlays from discretionary balances.....	2	1	...
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	...
90.00	Outlays.....	2	1	...
95.02	Unpaid obligation, end of year	1		

UNIVERSITY TRANSPORTATION RESEARCH
PROGRAM AND PERFORMANCE

The Administration is developing a comprehensive approach for surface transportation reauthorization. Consequently, the Budget contains no policy recommendation for programs subject to reauthorization including University Transportation Research. Instead, the Budget conservatively displays baseline funding levels for all surface programs. A baseline funding level for University Transportation Research is not displayed in this schedule, but is included in the baseline displays for Research and University Research Centers.

RESEARCH AND UNIVERSITY RESEARCH CENTERS

Unless legislation is enacted that authorizes a change that results in a positive balance in the Highway Trust Fund, projected through the end of fiscal year 2010, an appropriation is provided as follows: For necessary expenses to carry out 49 U.S.C. [5306, 5312-5315, 5322, and 5506, \$67,000,000]chapter 53, \$67,670,000, to remain available until expended[: Provided, That \$10,000,000 is available to carry out the transit cooperative research program under section 5313 of title 49, United States Code, \$4,300,000 is available for the National Transit Institute under section 5315 of title 49, United States Code, and \$7,000,000 is available for university transportation centers program under section 5506 of title 49, United States Code: Provided further, That \$45,700,000 is available to carry out national research programs under sections 5312, 5313, 5314, and 5322 of title 49, United States Code]. (Department of Transportation Appropriations Act, 2009.)

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
RESEARCH AND UNIVERSITY RESEARCH CENTERS**

Program and Financing (in millions of dollars)

		2008	2009	2010
Identification code : 69-1137-0-1-401		Actual	Est.	Est.
Obligations by program activity:				
00.01	Research and University Research Centers.....	71	80	89
09.01	Reimbursable program.....	11	25	25

10.00	Total new obligations.....	82	105	114
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	65	66	48
22.00	New budget authority (gross).....	81	87	88
22.10	Resources available from recoveries of prior year obligations.....	2	...	...

23.90	Total budgetary resources available for obligation.....	148	153	136
23.95	Total new obligations.....	-82	-105	-114

24.40	Unobligated balance carried forward, end of year	66	48	22
New budget authority (gross), detail:				
Discretionary				
40.00	Appropriation.....	65	67	68
Spending authority from offsetting collections:				
58.00	Offsetting collections (cash).....	28	20	20
58.10	Change in uncollected customer payments from Federal sources (unexpired).....	-12	...	...

58.90	Spending authority from offsetting collections (total discretionary).....	16	20	20

70.00	Total new budget authority (gross).....	81	87	88
Change in obligated balances:				
72.40	Obligated balance, start of year.....	93	87	69
73.10	Total new obligations.....	82	105	114
73.20	Total outlays (gross).....	-98	-123	-125
73.45	Recoveries of prior year obligations.....	-2	...	...
74.00	Change in uncollected customer payments from Federal sources (unexpired).....	12	...	...

74.40	Obligated balance, end of year.....	87	69	58

(Continued on next page)

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
RESEARCH AND UNIVERSITY RESEARCH CENTERS**

Program and Financing (in millions of dollars)

(Continued from previous page)

Identification code : 69-1137-0-1-401		2008	2009	2010
		Actual	Est.	Est.
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority.....	26	33	33
86.93	Outlays from discretionary balances.....	72	90	92

87.00	Total outlays (gross).....	98	123	125
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from Federal sources.....	-28	-20	-20
88.95	Change in uncollected customer payments from Federal sources (unexpired).....	12	...	...
Net budget authority and outlays:				
89.00	Budget authority.....	65	67	68
90.00	Outlays.....	70	103	105

RESEARCH AND UNIVERSITY RESEARCH CENTERS

PROGRAM AND PERFORMANCE

The Administration is developing a comprehensive approach for surface transportation reauthorization. Consequently, the Budget contains no policy recommendations for programs subject to reauthorization. Instead, the Budget conservatively displays baseline funding levels for all surface programs.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
RESEARCH AND UNIVERSITY RESEARCH CENTERS**

Object Classification (in thousands of dollars)

		2008	2009	2010
Identification code : 69-1137-0-1-401		Actual	Est.	Est.
Direct obligations:				
25.5	Research and development contracts .....	...	804	812
41.0	Grants, subsidies, and contributions.....	71,039	79,476	87,860

99.0	Direct obligations.....	71,039	80,280	88,672
99.0	Reimbursable obligations.....	10,888	25,000	25,000

99.9	Total new obligations.....	81,927	105,280	113,672

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

**RESEARCH AND UNIVERSITY RESEARCH CENTERS
Appropriation, Obligation Limitation, Exempt Obligations
(\$000)**

	FY 2008 Actual	FY 2009 Enacted	FY 2010 Baseline Budget	Change FY 2009- 2010
Research and University Research Centers	65,363	67,000	67,670	670

Program and Performance Statement:

The Administration is developing a comprehensive approach for surface transportation reauthorization. Consequently, the Budget contains no policy recommendations for programs subject to reauthorizations. Instead, the Budget conservatively displays baseline funding levels for all surface programs.

In 2010, the Research program will fund discretionary research activities to further DOT strategic goals and accomplish FTA’s research program mission – to deliver solutions that improve public transportation. FTA expects to advance research, development, and deployment of transportation methods and technologies that address issues such as accessibility for elderly, low income, and disabled individuals; air quality and environmental stewardship; traffic congestion; transit capacity and operational improvements; and livable communities.

Research projects are significant to the transit industry. Grant awards support priority projects in areas of safety, security, equipment and system design, environmental benefits, system operations, and the economic development impact of transit investment in transportation corridors.

In addition, funds will provide continued support for research, education, and technology transfer activities aimed at addressing regional and national transportation problems, provide transit industry employee education programs to improve transit workforce performance, enhance security incident response capability, and implement strategies that increase ridership

NATIONAL RESEARCH AND UNIVERSITY RESEARCH CENTERS

**Summary Analysis of Change from FY 2009 to FY 2010
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)**

Item	Change from FY 2009 to FY 2010	FY 2010 PC&B by Program	FY 2010 FTEs by Program	FY 2010 Contract Expenses	Total
FY 2009 Base					67,000
Research Appropriations, Obligations, Limitations, and Exempt Obligations					
Adjustment to Base					
Research and University Research Centers	670				670
New or Expanded Programs					
Subtotal, New or Expanded Program Increases/Decreases					
Total FY 2010 Baseline Budget					67,670

Detailed Justification for Research and University Research Centers

Research and University Research Centers FY 2010 Baseline Budget: \$67,670,000

Overview:

Through funding of the Research and University Research Centers program, FTA will deliver improvements for public transportation. The program supports research not generally undertaken by the private sector, including studies on policy issues, operational efficiency, and travel behavior. The program also funds long-term, high-risk, high potential payoff investigations of new technologies.

Transit research has a broad audience and diverse stakeholders with specific interests. Recognizing its responsibility for delivering common sense transit solutions for communities across America, FTA is undertaking measures to continue to improve the performance of the research program and to ensure that it addresses the many challenges facing the transit industry. To make certain that the program is adequately focused on the challenges of the transit industry, FTA is supporting the National Academy of Sciences' Transportation Research Board's Transit Research Analysis Committee. Collaboration with the Transit Research Board and DOT's Research and Innovative Technology Administration ensures that FTA is addressing the Inspector General's management challenge to strengthen coordination of research, development, and

technology projects.

FTA provides transit agencies with research results to help improve public transportation service while simultaneously reducing internal and external costs.

FTA's Research and University Research Centers strategic goals are to:

- Increase transit ridership
- Improve capital and operating efficiencies
- Improve safety and emergency preparedness
- Protect the environment and promote energy independence
- Provide transit research leadership

FY 2009 Base:

Budgetary resources in this justification reflect the funding levels included in the Omnibus Appropriations Act, 2009, Div I, Title I, P.L. 111-8.

Anticipated FY 2009 Accomplishments:

The following major anticipated accomplishments in FY 2009 support ongoing program efforts in FY 2010.

Increase Transit Ridership

- FTA will demonstrate methods to increase transit ridership and reduce congestion, contributing towards FTA's goal to increase ridership. FTA research programs have led to success in this area, and the preliminary estimate is that during FY 2008 transit ridership increased by 4.3 percent over the previous year.
- FTA will enhance service and simplify access to transportation for older adults, people with disabilities, and individuals with lower incomes by providing both technical assistance and coordination grants to the states. Through coordination with Health and Human Services organizations, FTA has increased project partner investment in program success.

Improve Capital and Operating Efficiencies

- FTA will provide technical assistance and best practices to create livable communities and transform transportation in America, relieving congestion, lowering transportation costs and improving air quality and overall population good health.
- FTA will provide technical assistance and best practices to reduce capital and operating costs by targeting non-critical cost-driving elements for elimination.
- FTA will analyze major issues within the non-rail vehicle market, the type of vehicle chosen and the choice of components for each vehicle type. The study will examine the characteristics of bus services that drive purchasing decisions in these two issue areas.

Improve Safety & Emergency Preparedness

- FTA will provide training for approximately 6,000 professionals through the Transportation Safety Institute training program. FTA will continue to update and revise key training courses on subjects such as accident prevention and investigation, emergency management, industrial safety, bus operator safety, and fatigue awareness.
- FTA will provide assistance to grantees and states to implement Federal regulatory requirements for drug and alcohol testing of safety sensitive employees.

Protect the Environment and Promote Energy Independence

- FTA will continue to investigate effective adaptations of hybrid and clean fuel technologies for bus fleets.
- FTA will investigate methods and technologies to reduce the energy consumption of rail systems, including advancements in wayside energy storage substations, methods to decrease peak power demand, and regenerated energy technology.

Promote Transit Leadership

- FTA will continue to support the efforts of the National Academy of Sciences to analyze transit research through its Transit Research Analysis Committee (TRAC).
- FTA will support policy research focused on innovative finance and public-private partnerships to develop innovative solutions to finance public transportation.

FY 2010 Baseline Budget:

FTA's research program will support activities designed to develop solutions that improve public transportation. As the Federal agency responsible for transit, FTA commands a leadership role in supporting research intended to identify different strategies to increase ridership, improve capital and operating efficiencies, improve safety and emergency preparedness, and protect the environment and promote energy independence.

Increase Transit Ridership

Transit plays a major role in achieving important social and economic goals including conveying people to work, reducing congestion, mitigating air pollution, improving the mobility of elderly individuals and persons with disabilities, and supporting efficient urban and rural development. For this reason, FTA's Strategic Transit Research Plan identifies increasing transit ridership as a goal of FTA research.

Americans took 9.9 billion trips using public transportation during 2007, which represents a 6.1 percent increase over trips taken during 2006. Public transportation

ridership is up by over 14 percent since 2000, and FTA research is contributing to this resurgence by designing research projects to accomplish strategic objectives to increase transit ridership.

In FY 2010, FTA will:

- Apply research and demonstration programs to better integrate accessible transportation options into communities through training, technical assistance, program development and outreach activities.
- Provide mobility and independence for elderly and disabled Americans who do not have access to transportation service.
- Coordinate human services transportation through the United We Ride State Administered Grants program, enhancing efficiency and increasing access for underserved populations across the country.

Improve Capital and Operating Efficiencies

FTA promotes the importance of making capital and operating investments that represent the optimal use of public funds. FTA's research in this area improves system performance and reliability. Research to develop new technologies for bus, bus rapid transit, and rail will strengthen system performance. Research and demonstration projects FTA sponsors into operational improvements will enhance the reliability of the public transportation system. FTA's communication-based signal technology pilot program is one example of how FTA will share best practices in signal technology for rail vehicles to improve system performance and reliability by reducing the amount of time people have to wait for the train.

Operating efficiencies are also realized through better integration of transit planning and land uses, especially housing development, which will leverage Federal investments and promote livability across American communities. FTA livability research funding will facilitate realization of strategies identified to promote affordable housing near transit, including joint development and transit oriented development. These efforts will provide a platform from which the Secretary's goal to improve access to a variety of reliable transportation choices and support economic growth and employment.

In FY 2010, FTA will:

- Assess the incremental value of bus rapid transit components. Research will help determine whether the incremental value of BRT elements can be extracted. The second phase of the research will demonstrate which BRT components have the greatest promise to attract transit riders.
- Continue support of voluntary industry standards that will improve the design, performance, safety, and reliability of transit systems and reduce risk for the supply industry.

- Develop livability measures to assess the household affordability and community economic impacts of transit investments relative to alignment and location choices. This research effort will engage stakeholders and experts in roundtable discussions and other forums to develop best practices, integrate planning processes, and examine incentives to promote affordable housing near transit.

Improve Safety and Emergency Preparedness

Transit is the safest travel mode. According to the National Safety Council, riding the bus is 47 times safer than traveling by car, and traveling by train is 23 times safer than traveling by car. Still, safety remains a continuing Departmental priority, and attention is on issues such as driver training, driver drug and alcohol testing, and vehicle design.

FTA's research projects investigate both the causal factors and risks in accidents and methods to mitigate the consequences of transit accidents. FTA research funds assist States, local transit authorities, and the transit industry by providing safety technical assistance and by improving technology and training programs. FTA continues to audit alcohol and drug testing programs.

In the prevention of security breaches, FTA works closely with the Department of Homeland Security, the agency principally responsible for research on detection of security threats. FTA plays an important role in bringing better methods to the attention of transit operators.

In FY 2010, FTA will:

- Develop guidance and technical assistance materials to support the implementation of safety strategies in all phases of BRT development and operations.
- Provide training for transit professionals in subjects such as accident prevention and investigation, emergency management, industrial safety, bus operator safety, and fatigue awareness.
- Ensure transit agencies meet future regulatory requirements established by the Transportation Security Administration (TSA).

Protect the Environment and Promote Energy Independence

Americans drive their 200 million cars and light trucks more than 2 trillion miles a year and emit more than half the air pollution nationwide. Transit has the potential to reduce pollution significantly without imposing more taxes or more government regulations. An APTA study has found that public transportation in the United States reduced carbon dioxide emissions by 6.9 million metric tons in 2005.

Energy savings are just as important. Currently, 43 percent of America's energy is used for transportation. In order to decrease gasoline consumption, FTA will fund targeted

research on fuel cell bus technology and hybrid-electric buses.

FTA sponsored research has played an instrumental role in spurring the adoption of natural gas buses into routine revenue service operations. It is playing a similar role in helping to accelerate the adoption of electric drive technologies – battery electric, hybrid electric, and hydrogen fuel cell buses.

Through the National Fuel Cell Bus Technology Development Program, FTA will support research and demonstration projects at up to three private sector not-for-profit organizations. The program will facilitate the development of commercially viable fuel cell bus technologies and related infrastructure for application in transit revenue service operations.

In FY 2010, FTA will:

- Lead research efforts to commercialize clean propulsion.
- Provide the research necessary to develop a hydraulic hybrid transit bus.
- Develop and demonstrate effective power management for vehicle accessories.

Provide Transit Research Leadership

FTA's research programs are part of a broader national transit research effort. FTA, therefore, seeks to provide transit research leadership by linking all transit research efforts across the nation. This will assist in identifying research areas of common interest and partnership opportunities to avoid duplication of effort.

FTA's approach to conducting and undertaking transit research is focused on meeting the Office of Management and Budget's (OMB) Research & Development Investment Criteria.

In FY 2010, FTA will do the following:

- Support efforts to increase electronic public access to Federal Government data, information on Federal grants, emergency preparedness, and acquisitions of products and services.
- Conduct the necessary data collection and research to report on the conditions and performance of transit in the U.S., and short- and long-term transit investment needs.
- Support the core transit activities of the Transportation Research Board (TRB). FTA support ensures the continued availability of transit information on the Transportation Research Information Service (TRIS).

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
JOB ACCESS AND REVERSE COMMUTE GRANTS**

Program and Financing (in millions of dollars)

Identification code : 69-1125-0-1-401		2008 Actual	2009 Est.	2010 Est.
Obligations by program activity:				
00.01	Job access and reverse commute grants.....	8	8	7
10.00	Total new obligations (object class 41.0).....	8	8	7
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	23	15	7
23.95	Total new obligations.....	-8	-8	-7
24.40	Unobligated balance carried forward, end of year.....	15	7	...
Change in obligated balances:				
72.40	Obligated balance, start of year.....	127	81	48
73.10	Total new obligations.....	8	8	7
73.20	Total outlays (gross).....	-54	-41	-18
74.40	Obligated balance, end of year.....	81	48	37
Outlays (gross), detail:				
86.93	Outlays from discretionary authority.....	54	41	18
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	...
90.00	Outlays.....	54	41	18

JOB ACCESS AND REVERSE COMMUTE GRANTS

PROGRAM AND PERFORMANCE

The Administration is developing a comprehensive approach for surface transportation reauthorization. Consequently, the Budget contains no policy recommendation for programs subject to reauthorization including Job Access and Reverse Commute Grants. Instead, the Budget conservatively displays baseline funding levels for all surface programs. A baseline funding level for Job Access and Reverse Commute Grants is not displayed in this schedule, but is included in the baseline displays for Formula and Bus Grants.

CAPITAL INVESTMENT GRANTS

Unless legislation is enacted that authorizes a change that results in a positive balance in the Highway Trust Fund, projected through the end of fiscal year 2010, an appropriation is provided as follows: For necessary expenses to carry out section 5309 of title 49, United States Code, [\$1,809,250,000] \$1,827,343,000 to remain available until expended, of which [not less than] *not to exceed* \$200,000,000 is for section 5309(e) of such title [: Provided, That of the funds available as follows:

- [AC Transit BRT Corridor, California, \$4,000,000. Bellvue-Redmond BRT,]
- [King County, Washington, \$10,952,330.
- BRT, Potomac Yard-Crystal City, City of Alexandria and Arlington County, Virginia, \$1,000,000.
- BRT, State Avenue Corridor, Wyandotte County, Kansas, \$1,500,000.
- Central Corridor Light Rail Transit Project, Minnesota, \$20,000,000.
- Central Florida Commuter Rail, Florida, \$13,000,000.
- Central Link Initial Segment, Seattle, Washington, \$25,962,062.
- Central Phoenix/East Valley Light Rail, Arizona, \$91,800,000.
- Charlotte Rapid Transit Extension, North Carolina, \$20,500,000.
- Commuter Rail Improvements, Fitchburg, Massachusetts, \$30,000,000.
- Commuter Rail Study--Phoenix to Tucson, Arizona, \$3,500,000.
- CTA Brown Line (Ravenswood), Illinois, \$30,474,404.
- CTA Circle Line, Illinois, \$6,000,000.
- Dallas Area Rapid Transit Northwest/Southeast Light Rail MOS, Texas, \$87,974,716.
- Downtown Orlando East-West Circulator System, Florida, \$8,000,000.
- Dulles Corridor Metrorail, Virginia, \$29,100,000.
- Honolulu High Capacity Transit Corridor Project, Hawaii, \$20,000,000.
- Houston Metropolitan Transit Authority Advanced Transit Program/METRO Solutions Phase 2, Texas, \$15,000,000.
- Hudson-Bergen MOS-2, Northern, New Jersey, \$1,103,860.
- I-69 HOV/BRT, Mississippi, \$7,650,000.
- Improvements to the Rosslyn Metro Station, Virginia, \$2,000,000.
- JTA BRT System, Jacksonville, Florida, \$1,280,000.
- Largo Metrorail Extension, District of Columbia/Maryland, \$34,700,000.
- Livermore-Amador BRT, Livermore, California, \$7,990,000.
- Long Island Rail Road East Side Access, New York, \$209,623,898.
- Mason Corridor BRT, Fort Collins, Colorado, \$11,182,000.
- MARC Capacity Improvements, Maryland, \$13,000,000.
- Metra, Illinois, \$24,000,000.
- Metro Gold Line Eastside Extension, Los Angeles, California, \$81,600,000.
- Metrorail Orange Line Extension Project, Florida, \$20,000,000.
- Metro Rapid Bus System Gap Closure, Los Angeles, California, \$332,620.
- Mid-City Rapid, San Diego, California, \$19,485,000.
- Mid Jordan Light Rail Extension, Utah, \$20,000,000.
- Mountain Links BRT, Flagstaff, Arizona, \$5,614,200.
- Norfolk LRT, Virginia, \$53,592,108.
- North Shore LRT Connector, Pennsylvania, \$670,885.

Northern Indiana Commuter Transit District, Indiana, \$5,000,000.
Northstar Corridor Rail, Minnesota, \$71,166,060.
Pacific Highway South BRT, King County, Washington, \$281,520.
Perris Valley Line, Riverside, California, \$45,000,000.
Pioneer Parkway EmX BRT, Springfield, Oregon, \$296,000.
San Francisco Muni Third Street Light Rail--Central Subway Project, California,
\$10,000,000.
Second Avenue Subway Phase 1, New York, \$277,697,000.
South Corridor BRT, Kent County, Michigan, \$600,000.
South Corridor I-205/Portland Mall LRT, Oregon, \$81,600,000.
South County Commuter Rail, Wickford Junction Station, Rhode Island, \$1,345,500.
South Sacramento Light Rail Extension, California, \$7,000,000.
Southeast Corridor, LRT, Colorado, \$1,031,210.
Stamford Urban Transitway, Connecticut, \$3,650,000.
Streetcar Loop, Portland, Oregon, \$45,000,000.
Trans-Hudson Midtown Corridor, New Jersey, \$48,000,000.
Troost Corridor BRT, Kansas City, Missouri, \$125,200.
Tucson Modern Streetcar/Light Rail Transit System, Tucson, Arizona, \$2,000,000.
University Link LRT Extension, Washington, \$100,000,000.
Van Ness BRT Project, San Francisco, California, \$400,000.
VRE Rolling Stock, Virginia, \$5,000,000.
Weber County to Salt Lake City Commuter Rail, Utah, \$81,600,000.
West Corridor LRT, Colorado, \$60,000,000.
Wilshire Boulevard Bus-Only Lane, Los Angeles, California, \$9,857,097].
(*Department of Transportation Appropriations Act, 2009.*)

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
CAPITAL INVESTMENT GRANTS**

Program and Financing (in millions of dollars)

		2008	2009	2010
Identification code : 69-1134-0-1-401		Actual	Est.	Est.
Obligations by program activity:				
00.01	Capital Investment Grants.....	1,669	1,702	2,168
00.03	Lower Manhattan Recovery P.L. 107-206	3	90	8
00.04	Capital Investment Grants, Recovery Act.....	...	563	187
09.00	Federal Emergency Management P.L. 107-206 Reimbursable [FEMA]	5	100	77
10.00	Total obligations.....	1,677	2,455	2,440
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	1,090	973	1,075
22.00	New budget authority (gross).....	1,569	2,557	1,827
22.10	Resources available from recoveries of prior year obligations.....	4	...	...
22.21	Unobligated balance transferred to other accounts	-8	...	...
22.22	Unobligated balance transferred to other accounts	-5	-----	-----
23.90	Total budgetary resources available for obligation.....	2,650	3,530	2,902
23.95	Total new obligations.....	-1,677	-2,455	-2,440
24.40	Unobligated balance carried forward, end of year	973	1,075	462
New budget authority (gross), detail:				
Discretionary				
40.00	Appropriation.....	1,569	1,809	1,827
40.01	Appropriation, Recovery Act.....	...	750	...
41.01	Transferred to other accounts [69-0130]	...	-2	...
70.00	Total new budget authority (gross).....	1,569	2,557	1,827
Change in obligated balances:				
72.40	Obligated balance, start of year.....	6,517	5,717	5,428
73.10	Total new obligations.....	1,677	2,455	2,440
73.20	Total outlays (gross).....	-2,473	-2,744	-2,505
73.45	Recoveries of prior year obligations.....	-4	...	...
74.40	Obligated balance, end of year.....	5,717	5,428	5,363
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority.....	548	307	219
86.93	Outlays from discretionary balances.....	1,925	2,437	2,286
87.00	Total outlays (gross).....	2,473	2,744	2,505

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
CAPITAL INVESTMENT GRANTS**

Program and Financing (in millions of dollars)

(Continued from previous page)

Identification code : 69-1134-0-1-401		2008	2009	2010
		Actual	Est.	Est.
Net budget authority and outlays:				
89.00	Budget authority.....	1,569	2,557	1,827
90.00	Outlays.....	2,473	2,744	2,505

CAPITAL INVESTMENT GRANTS CAPITAL INVESTMENT GRANTS
PROGRAM AND PERFORMANCE

The Administration is developing a comprehensive approach for surface transportation reauthorization. Consequently, the Budget contains no policy recommendations for programs subject to reauthorization. Instead, the Budget conservatively displays baseline funding levels for all surface programs.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
CAPITAL INVESTMENT GRANTS**

Object Classification (in thousands of dollars)

Identification code : 69-1134-0-1-401	2008 Actual	2009 Est.	2010 Est.
Direct obligations:			
11.11 Personnel compensation: Full-time permanent.....	1,085	1,137	1,145
21.0 Travel and Transportation of things.....	36	45	46
23.1 Rent, Communications, Utilities.....	211	214	215
24.0 Printing and reproduction.....	1	1	1
26.0 Supplies.....	6	8	8
31.0 Equipment.....	15	15	15
25.2 Other Services.....	8,763	28,951	26,236
41.0 Grants, subsidies, and contributions.....	1,661,861	2,324,220	2,335,489
	-----	-----	-----
Subtotal, obligations, Direct obligations.....	1,671,978	2,354,591	2,363,155
Reimbursable obligations:			
25.2 Other Services.....	...	...	...
41.0 Grants, subsidies, and contributions.....	5,299	100,000	77,226
	-----	-----	-----
99.0 Subtotal, obligations, Reimbursable obligations.....	5,299	100,000	77,226
99.9 Total new obligations.....	1,677,277	2,454,591	2,440,381

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
CAPITAL INVESTMENT GRANTS**

Personnel Summary

Identification code : 69-1134-0-1-401	2008 Actual	2009 Est.	2010 Est.
Direct:			
Total compensable workyears: Civilian full-time equivalent employment employment	6	9	9

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

**CAPITAL INVESTMENT GRANTS
Summary by Program Activity
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)**

	FY 2008 Actual	FY 2009 Omnibus Enacted	FY 2009 Total	FY 2010 Baseline Budget	Change FY 2009- FY 2010
Capital Investment Grants ^{1/}	\$1,569,092	\$1,809,250	\$1,809,250	\$1,827,343	\$18,093
Capital Investment Grants, Recovery Act	---	---	<u>750,000</u>	---	---
Total – Capital Investment Grants	\$1,569,092	\$1,809,250	\$2,559,250	\$1,827,343	\$18,093

1/ Includes Oversight

Program and Performance Statement:

The Administration is developing a comprehensive approach for surface transportation reauthorization. Consequently, the Budget contains no policy recommendations for programs subject to reauthorization. Instead, the Budget conservatively displays baseline funding levels for all surface programs. The Capital Investment Grants account provides the necessary resources to support Capital Investment Grant activities and helps achieve the Department's performance goal of increasing transit ridership. The funding will support new fixed guideways, extensions to existing fixed guideway systems, and corridor-based bus systems (otherwise known as New Starts and Small Starts).

CAPITAL INVESTMENT GRANTS

**Summary Analysis of Change from FY 2009 to FY 2010
Appropriation, Obligation Limitation, and Exempt Obligations
(\$000)**

Item	Change From FY 2009 to FY 2010	FY 2010 PC&B By Program	FY 2010 FTEs By Program	FY 2010 Contract Expenses	Total
FY 2009 Base (Enacted Level)					\$1,809,250
Capital Investment Grants, Obligations, Limitations, and Exempt Obligations					
Adjustment to Base					
New Starts/Small Starts	18,093				
Subtotal, Adjustments to Base	18,093				18,093
New or Expanded Programs					
Subtotal, New or Expanded Program Increases/Decreases					
Total FY 2010 Baseline Budget					\$1,827,343

Detailed Justification for Major Capital Investment Grants Greater than \$75,000,000 (New Starts):

New Starts **FY 2010 Baseline Budget: \$1,653,091,883**

Overview:

In FY 2010, \$1,653.1 million is proposed for capital investment grants for projects that request a Federal cost share greater than \$75,000,000 under Section 5309 and project oversight. Of this amount, \$1,123.0 million is recommended for existing Full Funding Grant Agreements (FFGAs) under the New Starts program, \$430 million for new FFGAs and Early Systems Work Agreements under the New Starts program, and \$81.8 million for other New Starts or Small Starts projects that may be ready for a funding commitment in FY 2010. By reserving funding for additional, but unspecified, New or Small Starts projects in FY 2010, FTA recognizes that a project’s advancement does not necessarily coincide with the Federal budget process. Project sponsors can expedite project development as they overcome project cost, scope and financing uncertainties. These unallocated funds provide FTA with the budget authority to recommend the funding of additional qualified projects as soon as they are ready.

The proposed New Starts projects all meet the statutory criteria for receipt of funding. The proposed New Starts projects have completed all environmental work, have negotiated railroad agreements if needed for the project, and are at an advanced stage of project development (in Final Design or nearing Final Design) with few remaining uncertainties.

A total of \$18.27 million is recommended for New Starts/Small Starts oversight activities under 49 U.S.C 5327(c).

The goals and objectives of the New Starts program include:

- Investing in new transit infrastructure to expand cost-effective transit service.
- Ensuring that the most meritorious transit projects receive Federal financial support.
- Encouraging new transit services that are accessible and convenient.
- Encouraging alternative project delivery methods in the New Starts Program, such as public private partnerships.
- Investigating new methods of contracting for New Starts projects that integrate risk-sharing and streamline project development, engineering and construction.
- Capitalizing on the “joint development” authority incorporated in 49 USC section 5302(a)(1)(G).
- Encouraging transit-oriented development resulting in more livable communities.

FY 2009 Base:

Budgetary resources in this justification reflect the funding levels included in the FY 2009 Omnibus Appropriations Act, P.L. 111-8.

Anticipated FY 2009 Accomplishments:

- Three New Starts projects opened for operation, and three New Starts projects are anticipated to open for operation in FY 2009. Four FFGAs and one Project Construction Grant Agreement (PCGA) were signed. Additionally, seven New Starts projects were approved for preliminary engineering, six Small Starts projects were approved for project development, and one project was approved for final design.
- FTA conducted multiple workshops and training courses throughout FY 2009, including one course on travel forecasting, four courses on alternatives analysis, and four workshops on the New Starts/Small Starts process. Other meetings with representatives of the industry have been held as requested.
- In January 2009, FTA announced the availability of a discussion paper on the evaluation of Economic Development and requested comments on it. The paper describes one possible approach that could be used to evaluate economic development impacts of projects seeking New Starts funding. Economic development is one of the criteria that FTA uses to assess project justification, which, along with local financial commitment, informs FTA funding decisions for New Starts projects.

- The FTA continues to implement a Public-Private-Partnership Pilot Program (“Penta-P”) for three Capital Investment Grant projects, demonstrating incentives and obligations within the framework of the law, to explore the advantages and disadvantages of PPPs, as applied to eligible projects. The Federal Transit Administration (FTA) cosponsored an in-house training program with the National Council of Public Private Partnerships (NCPPT) on the value and use of public-private-partnerships (PPP’s), as well as cosponsoring four PPP workshops with the NCPPT throughout the country in 2009. FTA is also conducting a case study report on the lessons learned from foreign PPPs and is developing a “toolkit” to evaluate the merits of PPPs.

FY 2010 Baseline Budget:

The baseline budget will help fund New Starts and Small Starts projects that when complete, will help improve mobility, reduce congestion and pollution, and promote new economic activity throughout the Nation. Below is a summary of the anticipated benefits of the funded projects:

- Funded projects are projected to carry over 1.2 million riders each day. Annually, these projects will carry over 395 million riders.
- Riders using the transit systems under construction will experience 135 million hours of reduced travel time annually.
- These projects serve some of the fastest growing areas of the United States. The population of the 17 metropolitan areas in which these systems are currently under construction is forecast to increase from 72 million today to over 94 million people in 20 years--an increase of 30 percent.
- These projects will provide access to over 1.7 million people and 2.5 million jobs currently located within ½ mile of the proposed transit station areas.

In addition, funding for Small Starts projects will support the capacity to carry 266,000 riders daily when those projects are complete.

Effectiveness and Efficiency

Depending on the complexity and size of New Starts and Small Starts projects, the delivery time for these projects can range from 6 to 12 years from initial planning through design and construction. While the methodologies for evaluating, rating and managing these major transit investments are sound, stakeholders have raised questions on the effectiveness and efficiency of FTA’s oversight and decision-making process. To address these concerns, FTA engaged an international business and management consulting firm to review the FTA New Starts and Small Starts project development process. That firm reviewed and assessed every aspect of the New Starts competitive process from organizational structure and operations to improved project delivery. The completed report was organized around four general themes: streamlining project development and evaluations processes; process management; FTA’s organizational structure; and improved communications. FTA is committed not only to continuous

improvement of the New Starts and Small Starts project development process, but also to identifying possible significant changes, and streamlining opportunities.

FTA remains committed to ensuring the completion of projects on time and on budget, and will continue to assist transit agencies through the use of Program Management Oversight (PMO) and Financial Management Oversight (FMO) contractors in:

- Developing disciplined approaches to project cost and ridership estimates
- Focusing on best practices and better metrics
- Improving further the New Starts and Small Starts evaluation and rating process
- Emphasizing risk assessment practices
- Evaluating procurement practices
- Evaluating the reasonableness of financial projections and the continued ability to operate and maintain the existing system as well as the proposed investment
- Working with organizations to provide best practices and peer reviews

Performance Measures:

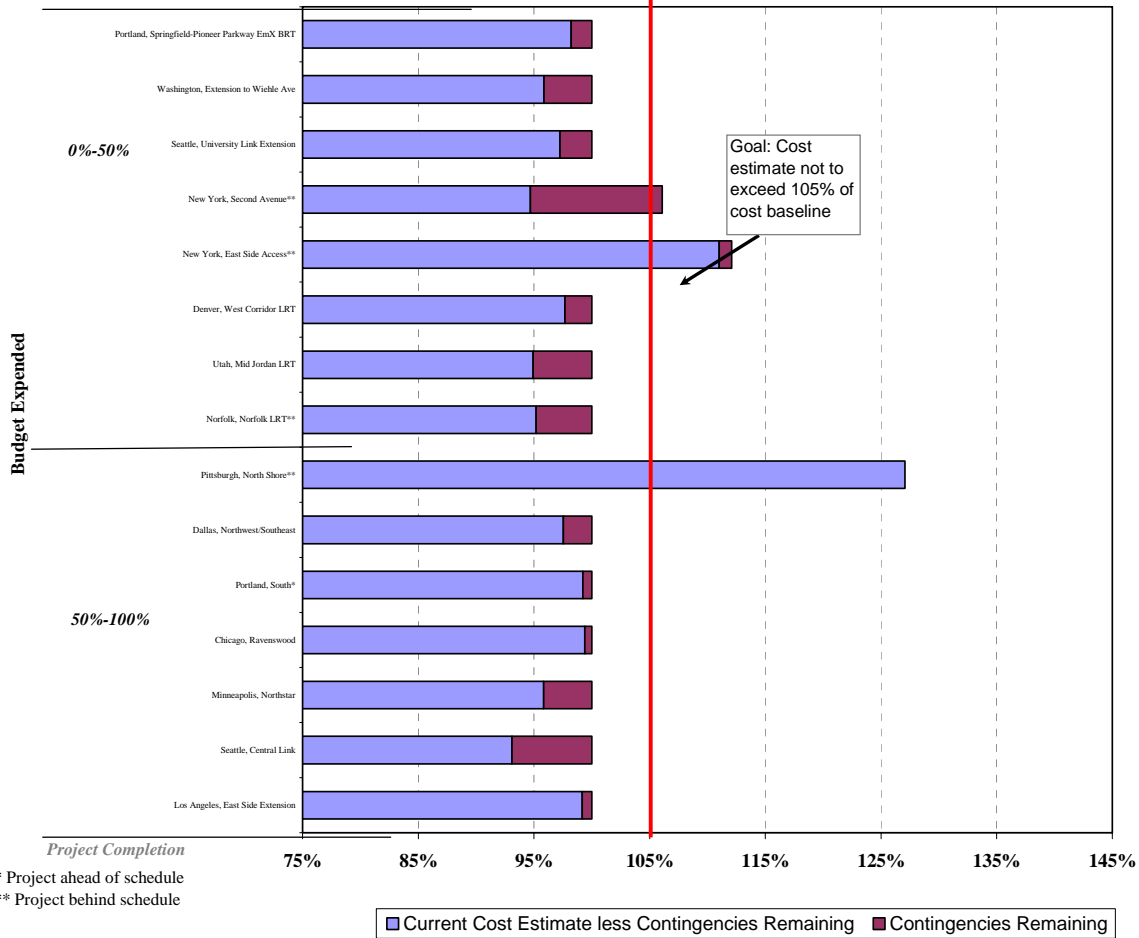
Cost Containment – Cost containment of major capital projects is one of FTA’s performance metrics. Some of the variables that can lead to or help avoid cost overruns of these large projects include:

- Current economic bidding climate and financing terms
- High risk factors, such as environmental mitigation
- Quality of planning, project scope, and local decision-making
- Quality of project design and procurement process, and
- Reputation/expertise of the transit agency

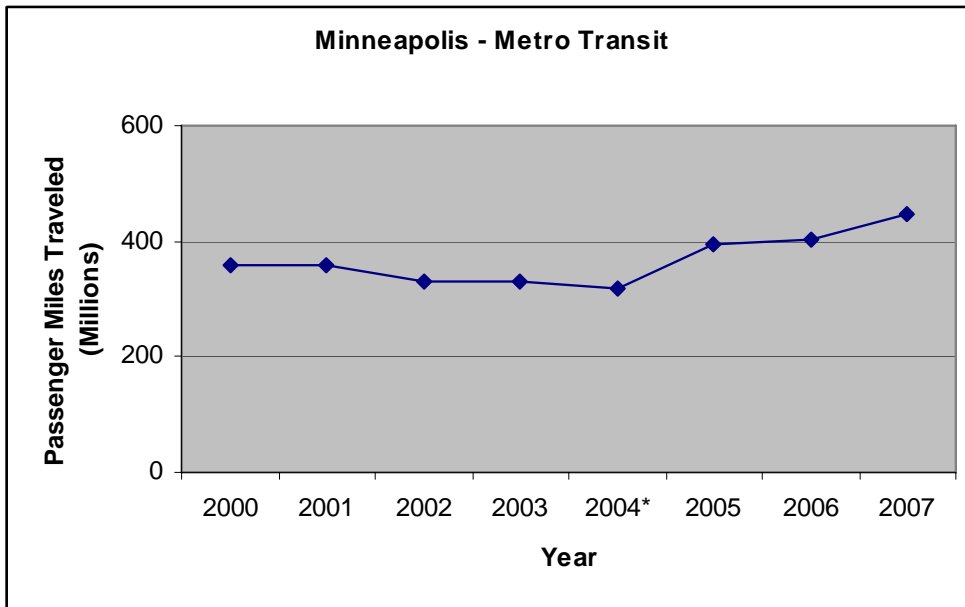
Performance Goal: FTA has a performance goal that estimated project costs of all Full Funding Grant Agreements (FFGAs) do not exceed those projects’ baseline cost estimate (incorporating any known modifications through October 1, 2002) by more than 5 percent. The chart below illustrates that as of the February 28, 2009, 87 percent of all FFGAs were within 5 percent of their baseline cost.

FFGA Project Cost Estimate As a Percent of Cost Baseline

February 28, 2009

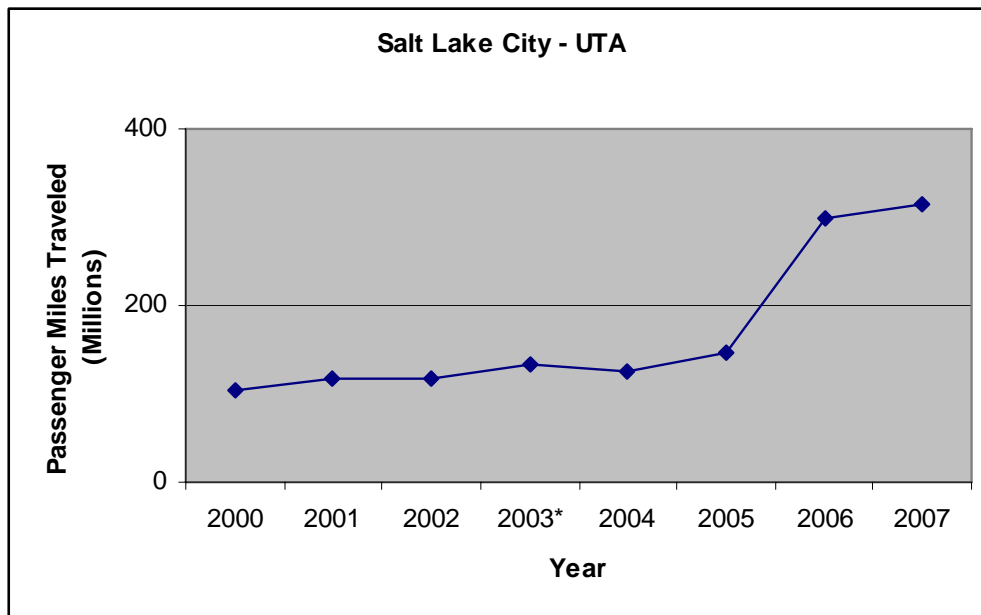


Transit Ridership - As discussed in the PART analysis for the FY 2005 budget, the success of New Starts projects are helping FTA and the Department achieve their performance goal of meeting transit ridership demands. Past analysis has shown an increased annual transit ridership exceeding 2.0 percent for selected Urbanized Areas (UZAs) after the opening of passenger service of New Starts projects within those UZAs. More recently, the completed New Starts projects from Dallas, Minneapolis, and Salt Lake City were examined for their impact on surrounding UZAs as follows:



The graphic above illustrates transit ridership for the UZA of Minneapolis—St. Paul, MN.

* Light rail was opened for passenger service in December of 2004. A 19% increase in ridership occurred for this UZA between the years 2004 and 2005, and a 12% increase in ridership occurred between 2005 and 2007.



The graphic above illustrates transit ridership for the UZA of Salt Lake City, UT.

*Light rail was opened for passenger service in June of 1996 and commuter rail was opened for passenger service in September of 2003. A 7% decrease in ridership occurred for this UZA between 2003 and 2004, and a 60% increase in ridership occurred between 2004 and 2007.

This positive trend in transit ridership, apparently associated with New Starts projects, provides some evidence that the New Starts program is helping achieve the annual FTA performance goal of ridership through increased access to transit options. However, the insights gained from such analysis are limited, because they do not take into account

other changes in and outside the transportation system, which may have contributed to ridership growth. For this reason, FTA has taken significant steps to quantify these trends more accurately in future New Starts projects. Specifically, FTA now requires each FFGA sponsor to conduct a “Before and After Study” to measure the impacts of the New Starts investment on, among other things, ridership.

The Before and After Study requirement is helping FTA meet its responsibility to assess the impact of the New Starts program in accordance with the Government Performance and Results Act (GPRA) of 1993. FFGA projects affected by the requirement since 2001 are collecting their baseline ridership data against which to measure future ridership changes. This data will be invaluable in both demonstrating the success of new New Starts projects and in confirming the positive trends observed in ridership figures from New Starts projects already in operation.

The first Before and After Study from a transit agency was provided by the Utah Transit Authority (UTA) in Salt Lake City during FY 2007. This Before and After Study demonstrated that while UTA’s Light Rail Medical Center extension underwent a number of scope changes throughout the planning process, once the final length and alignment had been decided, the actual costs came in \$6 million under budget and the line was able to open over a year ahead of schedule. The Before and After Study also helped demonstrate the Light Rail extension’s possible effect on reducing congestion and increasing transit ridership: the number of weekday trips on the University line increased from 2,026 in 2002 to 5,210 trips in 2005 after the Medical Center extension was opened, an increase of over 150 percent. Subsequent Before and After Studies will better isolate the impacts of FFGAs like that of the Medical Center extension in Salt Lake City as data for entire systems are quantified in more discrete segments.

The President’s New Starts Funding Recommendations - The President’s funding recommendations for New Starts FFGA’s are the result of a comprehensive project evaluation and rating process. SAFETEA-LU requires FTA to evaluate each proposed New Starts project according to a series of criteria for project justification and local financial commitment. As proposed projects proceed through the stages of the planning and project development process, they are evaluated against the full range of statutory criteria.

The expiring authorization in SAFETEA-LU established a five-level scale for rating New Starts and Small Starts of “*High*,” “*Medium-High*,” “*Medium*,” “*Medium-Low*,” and “*Low*,” and further provided that only those projects which receive an overall rating of *Medium* or higher may be recommended for funding. It must be noted that project ratings are intended only to reflect the “worthiness” of each project, not the “readiness” of a project for an FFGA, PCGA, or any other funding recommendation. Proposed projects that are rated *Medium* or higher will be eligible for multi-year funding recommendations in the President’s budget if funding is available and the candidate project’s proposed scope, cost estimate, and budget are considered reliable.

Explanation of Funding Changes for New Starts:

New Starts
Overview: The FY 2010 funding level for New Starts is sufficient to honor all existing and pending full funding grant agreements (FFGAs) in the program and to also provide unallocated resources to permit FTA to recommend funding for additional FFGAs.
New Starts: Funding the New Starts program at the FY 2010 baseline budget will ensure that the Federal Government fulfills its contractual commitment as outlined in the Full Funding Grant Agreements (FFGAs) that have been signed with local communities. FFGAs represent a firm commitment from the Federal Government to provide the amount of New Starts funds specified, subject to annual appropriations from Congress. Underfunding FFGAs has a negative impact and ripple effect on the ability of local officials and project sponsors to keep project schedules on time and to control costs. Not only can funding shortages necessitate stretching out project construction schedules, with inevitable cost increases to the project, but they also create cash flow shortfalls that must be made up through short-term borrowing. In the past, grantees have used their FFGA to obtain letters-of-credit at favorable rates. It should be noted that lending institutions review these commitments closely and monitor the level of appropriations versus the Federal commitments detailed in FFGAs. If lending institutions determine that FFGAs are no longer a stable source of Federal funding for projects, they may refuse to accept FFGAs as backing for loans. Losing this credit resource will require replacement either through committing additional bonding capacity or through short-term borrowing at a much higher rate.

Detailed Justification for Capital Investment Grants Less Than \$75,000,000 (Small Starts):

Small Starts	FY 2010 Baseline Budget: \$174,251,117
Overview: In FY 2010, \$174.3 million is proposed for projects seeking less than \$75 million with a total capital cost of less than \$250 million as defined under Section 5309. These projects can be new fixed guideway systems, extensions to existing fixed guideway systems, and substantial corridor-based bus improvements. Small Starts have fewer statutory criteria upon which they are to be evaluated and rated, and have a streamlined project development process so that these smaller scale projects can be implemented more quickly.	
FY 2009 Base: Budgetary resources in this justification reflect the funding levels included in the FY2009 Omnibus Appropriations Act, P.L. 111-8.	

<p>Anticipated FY 2009 Accomplishments:</p> <ul style="list-style-type: none"> FTA awarded the first Small Starts Project Construction Grant Agreement (PCGA) during FY 2009 for the Pioneer Parkway Project in Springfield, Oregon. Other Small Starts projects have received funding through single-year grants.
<p>FY 2010 Baseline Budget:</p> <ul style="list-style-type: none"> For FY 2010, this baseline budget includes \$174.25 million for Small Starts.

Explanation of Funding Changes for Capital Investment Grants Less Than \$75,000,000 (Small Starts):

<p>Small Starts</p>
<p>Overview: The FY 2010 funding level recommended for Small Starts is sufficient to honor all Small Starts projects that are expected to be ready for construction funding during FY 2010.</p>
<p>Small Starts: Funding the Small Starts program at the FY 2010 baseline funding will ensure that FTA will be able to enter into Project Construction Grant Agreements or make single-year grant awards, as applicable, as soon as the proposed Small Starts projects are ready to begin construction. Small Starts projects are generally proposed to be funded under a multi-year Project Construction Grant Agreement (PCGA). However, if a project requests less than \$25 million in Small Starts funding or has received its full appropriations, FTA will award funds in a single-year capital grant rather than a PCGA.</p>

FEDERAL TRANSIT ADMINISTRATION
Proposed FY 2010 Section 5309 New Starts and Small Starts Projects

			FY 2010
			<u>Pres. Bud.</u>
A. Existing Full Funding Grant Agreements			
AZ	Central Phoenix/East Valley Light Rail	Phoenix	\$61,249,903
CA	Metro Gold Line Eastside Extension	Los Angeles	9,582,551
CO	Southeast Corridor LRT	Denver	10,312
CO	West Corridor LRT	Denver	100,000,000
DC	Largo Metrorail Extension	Washington	347,000
IL	Ravenswood Line Extension	Chicago	304,744
MN	Northstar Corridor Rail	Minneapolis-Big Lake	711,661
NJ	Hudson-Bergen MOS-2	Northern NJ	11,039
NY	Long Island Rail Road East Side Access	New York	215,000,000
NY	Second Avenue Subway Phase 1	New York	197,182,000
OR	South Corridor I-205/Portland Mall LRT	Portland	74,229,000
PA	North Shore LRT Connector	Pittsburgh	6,153
TX	Northwest/Southeast LRT MOS	Dallas	86,249,717
UT	Salt Lake City – Mid Jordan LRT	Salt Lake City	100,000,000
UT	Weber County to Salt Lake City Commuter Rail	Salt Lake City	80,000,000
VA	Dulles Corridor Metrorail	Washington	85,000,000
	Project Extension to Wiehle Avenue		
WA	Central Link Initial Segment	Seattle	3,144,294
WA	University Link LRT Extension	Seattle	110,000,000
Subtotal Existing FFGAs			\$1,123,028,374
B. Recommended Full Funding Grant Agreements and Early System Work Agreements			
CA	Sacramento South Corridor Phase II (FFGA)	Sacramento	\$40,000,000
FL	Central Florida Commuter Rail Transit (FFGA)	Orlando	40,000,000
NJ	Northern New Jersey Access to the Region's Core (ESWA)	Northern New Jersey	200,000,000
TX	Houston North Corridor LRT (FFGA)	Houston	75,000,000
TX	Houston Southeast Corridor LRT (FFGA)	Houston	75,000,000
Subtotal Recommended FFGAs and ESWAs			\$430,000,000
C. Small Starts Projects			
AZ	Mountain Links BRT	Flagstaff	\$681,942
CA	Livermore-Amador Route 10 BRT	Livermore	79,900
CA	Metro Rapid Bus System Gap Closure	Los Angeles	23,326
CA	Los Angeles - Wilshire Blvd Bus-Only Lane	Los Angeles	13,558,474
CA	Monterey Bay Rapid Transit	Monterey	2,830,042
CA	Perris Valley Line	Riverside	0
CA	San Bernardino, E Street Corridor sbX BRT	San Bernardino	32,370,000
CA	San Diego – Mid-City Rapid	San Diego	2,359,850
CA	Metro Express – Airport Way Corridor BRT Project	San Joaquin	2,808,825
CO	Mason Corridor BRT	Fort Collins	54,505,728
CO	Roaring Fork Valley, BRT Project	Roaring Fork	810,000
MA	Commuter Rail Improvements	Fitchburg	37,452,000
MO	Troost Corridor BRT	Kansas City	6,022
TX	MetroRapid BRT	Austin	17,390,000
WA	Bellevue-Redmond BRT	King County	9,368,193
WA	Pacific Highway South BRT	King County	6,815
Subtotal Small Starts Projects			\$174,251,117
D. Other New Starts/Small Starts Projects			\$81,790,079
E. Oversight (1%)			\$18,273,430
GRAND TOTAL			\$1,827,343,000

Detailed Justification for Oversight Program (non-add):

Oversight Program (non-add) FY 2010 Baseline Budget: \$18,273,430

Overview:

The Oversight Program, authorized under 49 U.S.C. 5327, is a critical element of the FTA’s effort to ensure that Federal funds are cost-effectively utilized in accordance with applicable laws and regulations. Set-aside funding for the FTA Oversight Program was initially authorized in 1987 to provide FTA with an ability to better oversee the implementation of major capital projects. Recognizing that Federal oversight of the transit program was needed not only for major capital projects, but other program areas as well, the funding authority was expanded in FY 1990 to include “...*safety, procurement, management and financial compliance reviews, and audits of any recipient of funds...*” under the Federal transit assistance programs.

TEA-21, section 3024, confirmed the importance of the oversight program, extending its funding to include the authority, “...*to provide technical assistance to correct deficiencies identified in compliance reviews and audits carried out under this section.*” Additionally, SAFETEA-LU provided for an expanded program of New Starts projects that required additional oversight resources.

FTA’s grants management oversight program consists of a number of different types of reviews, including project and financial management oversight of major capital investment projects, as well as safety and security, procurement, and management oversight of all FTA grantees.

In FY 2010, oversight from Capital Investment Grants is \$18.27 million.

FY 2009 Base:

Budgetary resources in this justification reflect the funding levels included in the FY 2009 Omnibus Appropriations Act, P.L. 111-8.

Anticipated FY 2009 Accomplishments:

Project Management Oversight – The PMO program will provide additional engineering support in the form of project capacity and cost analysis, real estate and uniform act conformance, risk assessments of project cost/schedule/safety, construction security, and change order reviews and Before and After study products to New Starts projects.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
FIXED GUIDEWAY INFRASTRUCTURE INVESTMENT, RECOVERY ACT**

Program and Financing (in millions of dollars)

Identification code : 69-1102-0-1-401	2008 Actual	2009 Est.	2010 Est.	
Obligations by program activity:				
00.01	Fixed guideway infrastructure investment.....	...	557	185
00.02	Administrative/Oversight.....		3	3
<hr/>				
10.00	Total new obligations.....	...	560	188
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	...	...	190
22.00	New budget authority (gross).....	...	750	...
<hr/>				
23.90	Total budgetary resources available for obligation.....		750	190
23.95	Total new obligations.....	...	-560	-188
<hr/>				
24.40	Unobligated balance carried forward, end of year .....	...	190	2
<hr/>				
New budget authority (gross), detail:				
Discretionary				
40.01	Appropriation.....	...	750	...
<hr/>				
Change in obligated balances:				
72.40	Obligated balance, start of year			395
73.10	Total new obligations.....	...	560	188
73.20	Total outlays (gross).....	...	-165	-225
<hr/>				
74.40	Obligated balance, end of year	0	395	358
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority.....	...	165	...
86.93	Outlays from discretionary balances	...	...	225
<hr/>				
87.00	Total Outlays (gross)		165	225
<hr/>				
Net budget authority and outlays:				
89.00	Budget authority.....	...	750	...
90.00	Outlays.....	...	165	225

FIXED GUIDEWAY INFRASTRUCTURE INVESTMENT, RECOVERY ACT
PROGRAM AND PERFORMANCE

The American Recovery and Reinvestment Act (ARRA) of 2009 provided \$750 million to fund fixed guideway modernization grants to create jobs to bolster the American economy. The funds were apportioned under the existing multi-tiered allocation formula. The funds were used for eligible capital projects including purchase or rehabilitation of rail rolling stock and construction or rehabilitation of transit guideway systems, passenger facilities, maintenance facilities and security systems.

**DEPARTMENT OF TRANSPORTATION
 FEDERAL TRANSIT ADMINISTRATION
 FIXED GUIDEWAY INFRASTRUCTURE INVESTMENT, RECOVERY ACT**

Object Classification (in thousands of dollars)

		2008	2009	2010
Identification code : 69-1102-0-1-401		Actual	Est.	Est.
Direct obligations:				
25.2	Other services.....	...	3,200	2,700
41.0	Grants, subsidies, and contributions.....	...	556,875	185,625
99.9	Total new obligations.....	...	560,075	188,325

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
TRANSIT CAPITAL ASSISTANCE, RECOVERY ACT**

Program and Financing (in millions of dollars)

Identification code : 69-1101-0-1-401	2008 Actual	2009 Est.	2010 Est.
Obligations by program activity:			
00.01	Urban Area Formula Grants.....	4,476	1,492
00.02	Nonurban Area Formula Grants.....	575	191
00.03	Tribal Transit Grants.....	4	13
00.04	Transit Energy Reduction.....	10	90
00.05	Administration/Oversight.....	13	12
10.00	Total new obligations.....	5,078	1,798
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	...	1,822
22.00	New budget authority (gross).....	6,900	...
23.90	Total budgetary resources available for obligation.....	6,900	1,822
23.95	Total new obligations.....	-5,078	-1,798
24.40	Unobligated balance carried forward, end of year	1,822	24
New budget authority (gross), detail:			
40.01	Discretionary Appropriation.....	6,900	...
Change in obligated balances:			
72.40	Obligated balance, start of year	...	3,560
73.10	Total new obligations.....	5,078	1,798
73.20	Total outlays (gross).....	-1,518	-2,070
74.40	Obligated balance, end of year	0	3,288
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority.....	1,518	...
86.93	Outlays from discretionary balances	...	2,070
87.00	Total Outlays (gross)	1,518	2,070
Net budget authority and outlays:			
89.00	Budget authority.....	6,900	...
90.00	Outlays.....	1,518	2,070

TRANSIT CAPITAL ASSISTANCE, RECOVERY ACT

PROGRAM AND PERFORMANCE

The American Recovery and Reinvestment Act (ARRA) of 2009 provided \$6.9 billion to fund transit capital assistance to create jobs to bolster the American economy. The Act provided transit capital assistance in the form of urbanized area formula grants, non-urbanized area formula grants and discretionary grants for transit on Indian reservations and a new Transportation Investments in Greenhouse Gas and Energy Reduction (TIGGER) program. The funds were used for eligible capital projects, preventive maintenance, acquisition of buses and rail rolling stock, and construction or rehabilitation of transit facilities.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
TRANSIT CAPITAL ASSISTANCE, RECOVERY ACT**

Object Classification (in thousands of dollars)

Identification code : 69-1101-0-1-401		2008	2009	2010
		Actual	Est.	Est.
Direct obligations:				
25.2	Other services.....	...	13,400	12,000
41.0	Grants, subsidies, and contributions.....	...	5,064,275	1,786,425
99.9	Total new obligations.....	...	5,077,675	1,798,425

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
RESEARCH TRAINING AND HUMAN RESOURCES**

Program and Financing (in millions of dollars)

Identification code : 69-1121-0-1-401		2008	2009	2010
		Actual	Est.	Est.
Obligations by program activity:				
00.01	Direct Program Activity	...	...	...
10.00	Total new obligations (object class 41.0).....	...	...	...
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year.....	...	...	...
23.95	Total new obligations.....	...	...	...
24.40	Unobligated balance carried forward, end of year ..	...	...	...
Change in obligated balances:				
72.40	Obligated balance, start of year.....	1	1	1
73.10	Total new obligations.....	...	...	...
74.40	Obligated balance, end of year.....	1	1	1
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	...
90.00	Outlays.....	...	...	...

RESEARCH, TRAINING, AND HUMAN RESOURCES

PROGRAM AND PERFORMANCE

The Administration is developing a comprehensive approach for surface transportation reauthorization. Consequently, the Budget contains no policy recommendation for programs subject to reauthorization including Research, Training and Human Resources. Instead, the Budget conservatively displays baseline funding levels for all surface programs. Baseline funding levels for Research, Training and Human Resources are not displayed here because, since 2006, activities funded in this account have been funded in the Research and University Research Centers account.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
INTERSTATE TRANSFER GRANTS-TRANSIT**

Program and Financing (in millions of dollars)

Identification code : 69-1127-0-1-401	2008 Actual	2009 Est.	2010 Est.	
Budgetary resources available for obligation:				
24.40	Unobligated balance carried forward, end of year.....
<hr/>				
Change in obligated balances:				
72.40	Obligated balance, start of year.....	3	3	2
73.20	Total outlays (gross).....	...	-1	-1
74.40	Obligated balance, end of year.....	3	2	1
<hr/>				
Outlays (gross), detail:				
86.93	Outlays from discretionary balances.....	...	1	1
<hr/>				
Net budget authority and outlays:				
89.00	Budget authority.....
90.00	Outlays.....	...	1	1

INTERSTATE TRANSFER GRANTS—TRANSIT

PROGRAM AND PERFORMANCE

This account funds transit capital projects substituted for previously withdrawn segments of the Interstate Highway System under the provisions of 23 U.S.C. 103(e)(4).

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

PROGRAM AND PERFORMANCE

The National Capital Transportation Amendments of 1979 (Stark-Harris) authorized \$1.7 billion in Federal funds to support the construction of the Washington, D.C. Metrorail transit system. The National Capital Transportation Amendments of 1990 authorized an additional \$1.3 billion in Federal funds to complete construction of the planned 103-mile system. The Federal commitment to complete the 103-mile system was fully funded in 1999. No new budget authority is proposed for the Washington, D.C. Metrorail transit system in this account for 2010.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
MISCELLANEOUS EXPIRED ACCOUNTS**

Program and Financing (in millions of dollars)

		2008	2009	2010
Identification code : 69-1122-0-1-401		Actual	Est.	Est.
Budgetary resources available for obligation:				
24.40	Unobligated balance carried forward, end of year .....	...	...	...
Change in obligated balances:				
72.40	Obligated balance, start of year.....	1	1	1
74.40	Obligated balance, end of year.....	1	1	1
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	...
90.00	Outlays.....	...	...	...

MISCELLANEOUS EXPIRED ACCOUNTS
PROGRAM AND PERFORMANCE

This schedule displays program balances that are no longer required.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
DISCRETIONARY GRANTS**

Program and Financing (in millions of dollars)

		2008	2009	2010
Identification code : 69-8191-0-7-401		Actual	Est.	Est.
Obligations by program activity:				
00.01	Discretionary grants.....	38	3	...
09.01	Reimbursable program.....	6	...	...
10.00	Total new obligations (object class 41.0).....	44	3	...
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	5	3	...
22.00	New budget authority (gross).....	6	...	...
22.10	Resources available from recoveries of prior year obligations.....	36	...	...
23.90	Total budgetary resources available for obligation.....	47	3	...
23.95	Total new obligations.....	-44	-3	...
24.40	Unobligated balance carried forward, end of year	3	...	...
Spending authority (gross), detail:				
Discretionary:				
Spending authority from offsetting collections:				
58.00	Spending authority from offsetting collections: Offsetting collections (cash).....	6	...	...
Change in obligated balances:				
72.40	Obligated balance, start of year	115	96	79
73.10	Total new obligations.....	44	3	...
73.20	Total outlays (gross).....	-27	-20	-20
73.45	Reoveries of prior year obligations.....	-36	...	...
74.40	Obligated balance, end of year.....	96	79	59
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority.....	6	...	...
86.93	Outlays from discretionary authority.....	21	20	20
87.00	Total outlays (gross).....	27	20	20
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.40	Offsetting collections (cash) from: Non-Federal sources.....	-6	...	...
Net budget authority and outlays:				
89.00	Budget authority.....	...	...	...
90.00	Outlays.....	21	20	20
Memorandum (non-add) entries:				
93.05	Obligated balance, start of year: Contract Authority.....	38	38	38
93.06	Obligated balance, end of year: Contract Authority.....	38	38	38

Trust Funds

DISCRETIONARY GRANTS

(HIGHWAY TRUST FUND, MASS TRANSIT ACCOUNT)

PROGRAM AND PERFORMANCE

In 2010, no additional liquidating cash is requested to pay previously incurred obligations in the Discretionary Grants account.

TEN YEAR
APPROPRIATIONS HISTORY

Administrative Expenses

Estimates		Appropriations + Oblimits	
1990	---	1990	31,809,000
1991	35,402,000	1991	32,583,000
1992	40,365,000 ¹	1992	37,000,000
1993	14,139,000 ²⁰	1993	38,520,000 ¹⁴
1993 (Supp.) rescission	0	1993 (Supp.) rescission	-305,000
1994	21,295,000 ²¹	1994	39,457,000 ¹⁶
1995	43,060,000	1995	42,315,700 ²
1996	44,202,000 ³	1996	40,722,000 ⁴
1997	43,652,000	1997	41,825,849 ⁵
1998	47,018,000 ¹	1998	45,614,000 ⁶
1999	48,142,000 ¹	1999	53,338,000 ^{7,9,11}
2000	60,000,000 ⁸	2000	59,562,000 ^{8,12}
2001	64,000,000 ¹⁰	2001	63,859,200 ¹³
2002	67,000,000 ¹⁵	2002	67,000,000 ¹⁵
2003	76,586,000 ¹⁷	2003	72,525,500 ^{17,19}
2004	76,500,000 ¹⁸	2004	75,054,550 ^{21,22}
2005	79,931,000	2005	76,423,000 ^{23,24,25}
2006	83,500,000	2006	79,200,000 ²⁶
2007	85,000,000	2007	85,000,000
2008	89,300,000	2008	89,300,000
2009	94,413,000	2009	94,413,000
2010	97,478,000		

- ¹ Budget proposes account to be funded from the Mass Transit Account of the Highway Trust Fund.
- ² Reflects reductions of \$123,000 for working capital fund (sec. 330), \$95,000 for bonuses and awards (sec. 331), and \$59,000 for procurement reform (sec. 323); and transfer of \$188,300 for consolidated civil rights office (P. L. 103-331); reflects reduction of \$279,000 pursuant to P. L. 104-19.
- ³ Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.
- ⁴ Reflects reduction of \$1,278,000 for working capital funds, bonuses and awards, and field office consolidation.
- ⁵ Reflects reduction of \$451,135 for TASC (sec. 321) and \$4 for awards (sec. 346). Excludes \$779,988 in obligated balances transferred from Formula Grants.
- ⁶ Reflects reduction of \$124,000 for TASC (sec. 320).
- ⁷ Of which \$43,200,000 to be funded from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ⁸ Of which \$48,000,000 to be funded from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ⁹ Reflects reduction of \$912,000 for TASC (sec. 320).
- ¹⁰ Of which \$51,200,000 to be funded from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ¹¹ Includes \$250,000 in Y2K emergency funding.
- ¹² Reflects reduction of \$438,000 for TASC (sec. 319).
- ¹³ Reflects reduction of \$140,800 (.22%) pursuant to section 1403 of P. L. 106-554; includes obligation limitation.
- ¹⁴ Includes \$25,120,000 derived from the mass transit account of the Highway Trust Fund.
- ¹⁵ Of which \$53,600,000 to be funded from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ¹⁶ Includes \$18,162,000 derived from the mass transit account of the Highway Trust Fund.
- ¹⁷ Of which \$58,400,000 to be funded from the mass transit account of the Highway Trust Fund; includes obligation limitation. Reflects increase of \$3,586,000 for accruing Employee Pension and Health Benefits.
- ¹⁸ Does not reflect \$4,325,223 for accruing Employee Pension and Health Benefits.
- ¹⁹ Reflects reduction of \$474,500 (.65%) pursuant to section 601 of P. L. 108-7; includes obligation limitation. Does not include accruing Employee Pension and Health Benefits.
- ²⁰ Does not include \$27,748,000 derived from the mass transit account of the Highway Trust Fund.
- ²¹ Reflects reduction of \$445,450 (.59%) pursuant to section 168 (b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.
- ²² Includes obligation limitation of \$60,043,640 derived from the mass transit account of the Highway Trust Fund.
- ²³ Reflects reduction of \$953,000 for working capital fund included in sec. 197 of P.L. 108-447, Consolidated Appropriations Act, 2005.
- ²⁴ Reflects reduction of \$624,000 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.
- ²⁵ Includes obligation limitation of \$67,704,000 derived from the mass transit account of the Highway Trust Fund.
- ²⁶ Reflects reduction of \$800,000 (1%) pursuant to Div B, Title III, Chapter 8, Sec 3801 of the Defense Appropriations Act, P.L. 109-148.

TEN YEAR
APPROPRIATIONS HISTORY

Formula Grants

Estimates		Appropriations	
1990	0 ¹	1990	1,625,110,000
1991	1,076,800,000	1991	1,605,000,000
1992	0 ¹	1992	1,520,000,000
1993	541,299,000	1993	650,975,000
1993 (Supp.)	466,490,000		
1994	1,324,916,000	1994	1,284,916,000
1994 Investment	[699,000,000]		
1995	1,715,050,000	1995	1,341,911,000 ²
1996	1,744,200,000 ³	1996	941,975,000 ⁴
1997	221,122,000	1997	490,000,000
1998	0 ¹	1998	240,000,000
1999	0	1999	519,200,000 ^{5,6}
2000	619,600,000	2000	569,600,000 ⁷
2001	669,000,000	2001	616,640,400 ^{8,9,10}
2002	718,400,000	2002	668,307,000 ^{11,13}
2002	0 ¹²	2002	23,500,000 ¹²
2003	767,800,000	2003	713,134,300 ^{11,15}
2004	0 ¹⁴	2004	763,269,980 ¹⁶
2005	0 ¹⁴	2005	450,389,824 ^{17,18}
2006	0	2006	0
2007 (Supp.)	0	2007 (Supp.)	35,000,000 ¹⁹

¹ Proposed to be funded out of the mass transit account of the Highway Trust Fund.

² Reflects reduction of \$89,000 for procurement reform (sec. 323), transfer of \$8,000,000 to transit research and planning.

³ Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.

⁴ Reflects reduction of \$950,000 for working capital funds, bonuses and awards, and field office consolidation.

⁵ Reflects transfer of \$50,000,000 to Capital Investment Grants pursuant to P. L. 105-277.

⁶ Reflects transfer of \$800,000 to OIG pursuant to P. L. 105-277.

⁷ Reflects transfer of \$50,000,000 to Capital Investment Grants pursuant to P. L. 106-69.

⁸ Reflects transfer of \$50,000,000 to Capital Investment Grants pursuant to P. L. 106-346.

⁹ Reflects transfer of \$1,000,000 to OIG pursuant to P. L. 106-346.

¹⁰ Reflects reduction of \$1,359,600 (.22%) pursuant to section 1403 of P. L. 106-554.

¹¹ Reflects transfer of \$50,000,000 to Capital Investment Grants pursuant to P. L. 107-87.

¹² Emergency funds appropriated, Department of Defense Appropriations/Emergency Supplemental, P.L. 107-117.

¹³ Reflects rescission of \$93,000 pursuant to P.L. 107-206.

¹⁴ Proposed to be funded in Formula Grants and Research out of the mass transit account of the Highway Trust Fund.

¹⁵ Reflects reduction of \$4,990,700 (.65%) pursuant to section 601 of P. L. 108-7, reflect transfer of \$49,675,000 to Capital Investment Grants.

¹⁶ Reflects reduction of \$4,530,020 (.59%) pursuant to section 168 (b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.

¹⁷ Reflects reduction of \$4,032,176 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.

¹⁸ Reflects transfer of \$50,000,000 (\$49,600,000) net rescission to Capital Investment Grants pursuant to P.L. 108-447.

¹⁹ Reflects \$35,000,000 supplemental pursuant to U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007, Chapter 8 of Title IV - Additional Hurricane Disaster Relief and Recovery. P.L. 110-28.

TEN YEAR
APPROPRIATIONS HISTORY

Formula Grants

(Limitation on Obligations)
(Highway Trust Fund, Mass Transit Account)

	Estimates		Limitation
1990	1,523,000,000	1990	69,790,000
1991	0	1991	235,000,000
1992	2,599,908,000	1992	463,734,000
1993	1,062,274,000	1993	1,049,025,000
1994	1,129,951,000	1994	1,129,951,000
1995	1,150,000,000	1995	1,150,000,000
1996	1,120,850,000	1996	1,109,853,000 ¹⁰
1997	1,930,850,000	1997	1,659,185,000
1998	3,409,500,000 ¹	1998	2,260,000,000
1999	0 ²	1999	2,280,000,000 ⁵
2000	2,960,670,000 ³	2000	2,478,400,000 ^{6,8}
2001	2,676,000,000 ⁴	2001	2,670,112,800 ^{7,12}
2002	2,873,600,000 ⁹	2002	2,873,600,000 ^{9,13,14}
2003	3,071,200,000 ¹¹	2003	3,051,237,200 ^{11,16,17,18}
2004	0 ¹⁵	2004	3,053,079,920 ¹⁹
2005	0 ¹⁵	2005	3,499,927,776 ²⁰

¹ Proposed to be derived from the mass transit account of the Highway Trust Fund.

² Proposed to be funded from the mass transit account of the Highway Trust Fund.

³ Excludes \$619,600,000 proposed appropriations.

⁴ Excludes \$669,000,000 proposed appropriations.

⁵ Excludes \$519,200,000 appropriations.

⁶ Excludes \$569,600,000 appropriations.

⁷ Excludes \$618,000,000 appropriations; reflects reduction of \$5,887,200 (.22%) pursuant to section 1403 of P. L. 106-554.

⁸ Excludes \$1,592,535,882 in FHWA transfers.

⁹ Excludes \$718,400,000 appropriations.

¹⁰ Reflects reduction of \$147,000 pursuant to section 31002 P. L. 104-134.

¹¹ Excludes \$767,800,000 proposed appropriations.

¹² Excludes \$1,230,831,761 in FHWA transfers.

¹³ Excludes \$1,117,456,037 in FHWA transfers.

¹⁴ Excludes \$2,356,510 in FTA transfers to FHWA.

¹⁵ Proposed to be funded in Formula Grants and Research out of the mass transit account of the Highway Trust Fund.

¹⁶ Reflects reduction of \$19,652,800 (.65%) pursuant to section 601 of P. L. 108-7

¹⁷ Excludes \$1,007,401,850 in FHWA transfers, including unobligated balance transfer of \$2,000,000 pursuant to sec. 377 P.L.108-7.

¹⁸ Excludes \$1,435,902 in FTA transfers to FHWA.

¹⁹ Reflects reduction of \$18,120,080 (.59%) pursuant to section 168(b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.

²⁰ Reflects reduction of \$28,225,224 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.

TEN YEAR
APPROPRIATIONS HISTORY

University Transportation Research

Estimates		Appropriations + Oblimits	
1990	---	1990	4,930,000 ¹¹
1991	---	1991	5,000,000 ¹¹
1992	6,000,000 ¹	1992	6,985,000 ¹¹
1993	2,025,000	1993	6,000,000 ⁸
1994	3,238,000	1994	6,000,000 ⁹
1995	6,000,000	1995	6,000,000
1996	6,000,000 ¹	1996	6,000,000
1997	6,000,000	1997	6,000,000
1998	6,000,000 ²	1998	6,000,000
1999	6,000,000 ³	1999	6,000,000 ⁴
2000	6,000,000 ⁴	2000	6,000,000 ⁴
2001	6,000,000 ⁴	2001	5,986,800 ^{5,6}
2002	6,000,000 ⁷	2002	6,000,000 ⁷
2003	6,000,000 ⁷	2003	5,961,000 ^{7,12}
2004	0 ¹⁰	2004	5,964,600 ^{13,14}
2005	0 ¹⁰	2005	5,952,000 ^{15,16}

- ¹ Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.
- ² Proposed to be funded under Transit Planning and Research.
- ³ Proposed to be funded under Transit Planning and Research mass transit account of the Highway Trust Fund.
- ⁴ Includes \$4,800,000 Trust Fund; includes obligation limitation.
- ⁵ Includes \$4,789,440 Trust Fund.
- ⁶ Reflects reduction of \$13,200 (.22%) pursuant to section 1403 of P. L. 106-554; includes obligation limitation.
- ⁷ Includes \$4,800,000 Trust Fund; includes obligation limitation.
- ⁸ Includes \$3,975,000 Trust Fund; includes obligation limitation.
- ⁹ Includes \$2,762,000 Trust Fund; includes obligation limitation.
- ¹⁰ Proposed to be funded in Formula Grants and Research out of the mass transit account of the Highway Trust Fund.
- ¹¹ Funded from the mass transit account of the Highway Trust Fund.
- ¹² Reflects reduction of \$39,000 (.65%) pursuant to section 601 of P. L. 108-7; includes obligation limitation.
- ¹³ Reflects reduction of \$35,400 (.59%), pursuant to section 168(b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.
- ¹⁴ Includes obligation limitation of \$4,771,680 derived from the mass transit account of the Highway Trust Fund.
- ¹⁵ Reflects reduction of \$48,000 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.
- ¹⁶ Includes obligation limitation of \$5,208,000 derived from the mass transit account of the Highway Trust Fund.

TEN YEAR
APPROPRIATIONS HISTORY

Job Access and Reverse Commute Grants

	Estimates		Appropriations + Oblimits
1999	0	1999	75,000,000 ³
2000	150,000,000 ^{1,4}	2000	75,000,000 ⁴
2001	150,000,000 ^{2,5}	2001	99,780,000 ^{6,7}
2002	125,000,000 ⁸	2002	125,000,000 ⁸
2003	150,000,000 ⁹	2003	104,317,500 ^{9,11}
2004	0 ¹⁰	2004	124,262,500 ^{12,13}
2005	0 ¹⁰	2005	124,000,000 ^{14,15}

¹ Includes \$75,000,000 in revenue aligned budget authority.

² Includes \$50,000,000 in revenue aligned budget authority.

³ Includes \$40,000,000 Trust Fund and \$25,000,000 discretionary GF approp; includes obligation limitation.

⁴ Includes \$60,000,000 Trust Fund; includes obligation limitation.

⁵ Includes \$80,000,000 Trust Fund; includes obligation limitation.

⁶ Includes \$79,824,000 Trust Fund.

⁷ Reflects reduction of \$220,000 (.22%) pursuant to section 1403 of P. L. 106-554; includes obligation limitation.

⁸ Includes \$100,000,000 Trust Fund; includes obligation limitation.

⁹ Includes \$120,000,000 Trust Fund; includes obligation limitation.

¹⁰ Proposed to be funded in Formula Grants and Research out of the mass transit account of the Highway Trust Fund.

¹¹ Reflects reduction of \$975,000 (.65%) pursuant to section 601 of P. L. 108-7; includes obligation limitation. Reflects transfer of \$44,707,500 to Capital Investment Grants.

¹² Reflects reduction of \$737,500 (.59%) pursuant to section 168 (b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.

¹³ Includes obligation limitation of \$99,410,000 derived from the mass transit account of the Highway Trust Fund.

¹⁴ Reflects reduction of \$1,000,000 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.

¹⁵ Includes obligation limitation of \$108,500,000 derived from the mass transit account of the Highway Trust fund.

TEN YEAR
APPROPRIATIONS HISTORY

Washington Metro

	Estimates		Appropriations
1990	42,000,000	1990	84,745,000
1991	38,000,000	1991	64,100,000
1992	80,000,000	1992	124,000,000
1993	182,000,000	1993	170,000,000
1994	200,000,000	1994	200,000,000
1995	200,000,000	1995	200,000,000
1996	200,000,000 ¹	1996	200,000,000
1997	200,000,000	1997	200,000,000
1998	0 ²	1998	200,000,000
1999	0 ²	1999	50,000,000
2000	0	2000	0

¹ Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.

² Proposed to be derived from the mass transit account of the Highway Trust Fund.

TEN YEAR
APPROPRIATIONS HISTORY

Interstate Transfer Grants - Transit

Estimates			Appropriations	
1990	---		1990	159,520,000
1991	---		1991	149,000,000
1992	---		1992	160,000,000
1993	82,000,000		1993	75,000,000
1994	45,000,000		1994	45,000,000
1995	38,530,000		1995	48,030,000
1999	0		1999 Rescission	-600,000
2005	0		2005	0 ¹

¹ Does not include transfer of unobligated balance pursuant to section 164 of P.L. 108-447, Consolidated Appropriations Act, 2005.

TEN YEAR
APPROPRIATIONS HISTORY

Capital Investment Grants

Estimates		Appropriations	
1999	451,400,000	1999	501,400,000 ¹
2000	490,200,000	2000	537,747,303 ^{2,3}
2001	529,200,000	2001	577,925,760 ^{4,5}
2002	568,200,000	2002	618,200,000 ⁶
2002	0 ^{7,8}	2002	1,900,000,000 ^{7,8}
2003	607,200,000	2003	682,733,200 ¹⁰
2004	9	2004	623,797,750 ¹¹
2005	9	2005	463,614,176 ^{12,13}
2006	9	2006	1,440,681,660 ^{14,15}
2007	1,466,000,000	2007	1,566,000,000
2008	1,399,818,000	2008	1,569,091,997
2009	1,620,828,893	2009	1,809,250,000 ¹⁶
2010	1,827,343,000		

¹ Reflects transfer of \$50,000,000 from Formula Grants pursuant to P. L. 105-277.

² Reflects transfer of \$50,000,000 from Formula Grants pursuant to P. L. 106-69.

³ Reflects transfer of \$2,452,697 from New Starts to TPR National Research pursuant to P. L. 106-069.

⁴ Reflects transfer of \$50,000,000 from Formula Grants pursuant to P. L. 106-346.

⁵ Reflects reduction of \$1,274,240 (.22%) pursuant to section 1403 of P. L. 106-554.

⁶ Reflects transfer of \$50,000,000 from Formula Grants pursuant to P. L. 107-87.

⁷ Emergency Supplemental funds, Department of Defense Appropriations/Emergency Supplemental, P.L. 107-117.

⁸ Supplemental Appropriations Act for Further Recovery From and Response To Terrorist Attacks, P.L. 107-206

⁹ Proposed to be funded in Major Capital Investment Grants.

¹⁰ Reflects reduction of \$3,946,800 (.65%) pursuant to section 601 of P. L. 108-7, includes \$29,805,000 transfers from Job Access and Reverse Commute and \$49,675,000 from Formula Grants. Does not include transfer to Maritime Admin.

¹¹ Reflects reduction of \$3,702,250 (.59%) pursuant to section 168 (b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.

¹² Reflects reduction of \$3,338,824 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.

¹³ Does not reflect transfers of unobligated balances included in sections 169, 171, 175, and 531 of P.L. 108-447, the Consolidated Appropriations Act, 2005.

¹⁴ Reflects reduction of \$14,552,340 (1%) pursuant to Div B, Title III, Chapter 8, sec. 3801, P.L. 109-148, the Defense Appropriation Act, 2006

¹⁵ Does not reflect transfers of \$47,288,340 from Formula and Bus Grants P.L. 109-115, the "DOT Appropriations Act, 2006"

¹⁶ Does not reflect the transfer of \$2,000,000 to the DOT Office of Inspector General from section 5327(c) pursuant to P.L. 111-8, Omnibus Appropriations Act, 2009, Div. I, Title I.

TEN YEAR
APPROPRIATIONS HISTORY

Capital Investment Grants

Estimates		Limitations	
1999	1,805,600,000 ⁸	1999	1,805,600,000
2000	1,960,800,000 ⁹	2000	1,943,419,186 ¹
		2000	5,977,000 ^{2,3}
		2000	5,000,000 ⁴
2001	2,116,800,000 ¹⁰	2001	2,112,143,040 ⁵
		2001	4,490,100 ^{6,7}
2002	2,272,800,000 ¹¹	2002	2,272,800,000 ¹¹
2003	2,428,800,000 ¹²	2003	2,427,915,300 ¹⁴
2004	¹³	2004	2,495,191,000 ¹⁵
2005	¹³	2005	2,898,100,224 ¹⁶

¹ Reflects reduction of \$17,381,014 pursuant to P. L. 106-113.

² Trust fund appropriation P. L. 106-113 not subject to limitation.

³ Reflects reduction of \$22,800 pursuant to P. L. 106-113.

⁴ Trust fund appropriation P. L. 106-246 not subject to limitation.

⁵ Reflects reduction of \$4,656,960 (.22%) pursuant to section 1403 of P. L. 106-554.

⁶ Trust fund appropriation P. L. 106-554 not subject to limitation.

⁷ Reflects reduction of \$9,900 (.22%) pursuant to section 1403 of P. L. 106-554.

⁸ Excludes \$451,400,000 proposed appropriations.

⁹ Excludes \$490,200,000 proposed appropriations.

¹⁰ Excludes \$529,200,000 proposed appropriations.

¹¹ Excludes \$568,200,000 proposed appropriations.

¹² Excludes \$607,200,000 proposed appropriations.

¹³ Proposed to be funded in Major Capital Investment Grants.

¹⁴ Reflects reduction of \$15,787,200 (.65%) pursuant to section 601 of P. L. 108-7, includes transfer of \$14,902,500 from Job Access and Reverse Commute

¹⁵ Reflects reduction of \$14,809,000 (.59%), pursuant to section 168 (b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.

¹⁶ Reflects reduction of \$23,371,776 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.

TEN YEAR
APPROPRIATIONS HISTORY

Discretionary Grants
(Limitation on Obligations)

	Estimates		Limitations
1990	0	1990	1,135,645,000
1991	1,400,000,000	1991	1,400,000,000 ⁷
1992		1992	1,356,167,000
1993	1,000,000,000	1993	1,725,000,000
1993 (Supp)	270,000,000		
1994	1,771,575,000	1994	1,781,691,000 ¹
1995	1,725,000,000	1995	1,724,904,000 ²
		1995 Rescission	-33,911,500 ³
1996	1,665,000,000 ⁴	1996	1,665,000,000
1997	1,799,000,000	1997	1,900,000,000
		1997 Rescission	-588,000,000
1998	⁵	1998	2,000,000,000
1999	1,805,600,000 ⁵	1999 Rescission	-392,000,000 ⁶
		2005	--- ⁸

¹ Reflects FY 1994 rescission of \$3,309,000.

² Reflects reduction of \$96,000 for procurement reform section 323 of P. L. 103-331.

³ The Rescission Bill P. L. 104-19 reduced Discretionary Grants from FY 1992 and prior year balances by taking \$33.9 million from Bus (\$1.28 million) and New Starts (\$32.6 million).

⁴ Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.

⁵ Proposed to be funded under Major Capital Investments.

⁶ Rescission of remaining contract authority pursuant to Omnibus Consolidated Appropriations Act P. L. 105-277.

⁷ Includes \$200 million for Formula Grants under section 9(B).

⁸ Does not include transfers of unobligated balance pursuant to section 164 of P.L. 108-447, Consolidated Appropriations Act, 2005.

Discretionary Grants

Liquidation of Contract Authorization

	Estimates		Appropriations
1990	---	1990	897,300,000
1991	900,000,000	1991	900,000,000
1992	1,500,000,000	1992	1,500,000,000
1993	1,000,000,000	1993	1,500,000,000
1994	1,000,000,000	1994	1,000,000,000
1994 (Supp.) Rescission	-52,037,325	1994 (Supp.) Rescission	-3,308,935
1995	1,500,000,000	1995	1,500,000,000
1995 (Supp.)	0	1995 (Supp.)	350,000,000
1996	1,700,000,000 ¹	1996	2,000,000,000
1996 (Supp.)	0	1996 (Supp.)	375,000,000
1997	2,000,000,000	1997	2,300,000,000
1998	2,350,000,000 ²	1998	2,350,000,000
1999	1,900,000,000 ²	1999	2,000,000,000 ³
2000	1,500,000,000 ²	2000	1,500,000,000 ³
2001	350,000,000 ²	2001	350,000,000 ³
2002	0	2002	0

¹ Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.

² Proposed to be derived from the mass transit account of the Highway Trust Fund.

³ Funded from the mass transit account of the Highway Trust Fund.

TEN YEAR
APPROPRIATIONS HISTORY

Research and University Research Centers
[Transit Planning and Research]

Estimates		Appropriations + Oblimits	
1992		1992	104,115,000
1993	28,537,000 ²²	1993	85,000,000 ¹⁴
1994	45,875,000	1994	92,250,000 ¹⁵
1995	92,250,000	1995	100,079,000 ¹
1995 (Supp.) Rescission	0	1995 (Supp.) Rescission	-7,000,000
1996	100,027,000 ²	1996	85,500,000
1997	85,500,000	1997	85,500,000
1998	91,800,000 ³	1998	91,500,000 ⁴
1999	91,900,000 ³	1999	98,000,000 ⁵
2000	107,000,000 ⁶	2000	109,209,311 ^{6,7,8,9}
2001	110,000,000 ¹⁰	2001	109,758,000 ^{11,12,17}
2002	116,000,000 ¹³	2002	116,000,000 ^{13,18}
2003	122,000,000 ¹⁶	2003	121,207,000 ^{20,21}
2004	¹⁹	2004	125,256,600 ^{23,24}
2005	¹⁹	2005	126,976,000 ²⁵
2006	¹⁹	2006	74,448,000 ^{26,27}
2007	61,000,000	2007	61,000,000
2008	61,000,000	2008	65,362,900
2009	59,600,000	2009	67,000,000
2010	67,670,000		

- ¹ Reflects reduction of \$171,000 for procurement reform section 323 of P. L. 103-331
- ² Proposed legislation would replace this with funding through the Unified Transportation Infrastructure Investment Program.
- ³ Proposed to be derived from the mass transit account of the Highway Trust Fund.
- ⁴ Reflects reduction of \$500,000 pursuant to President's line-item veto.
- ⁵ Includes \$78,200,000 from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ⁶ Includes \$86,000,000 from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ⁷ Reflects reduction of \$243,386 pursuant to P. L. 106-113.
- ⁸ Reflects transfer of \$2,452,697 from New Starts to TPR National Research pursuant to P. L. 106-069.
- ⁹ Excludes \$54,280,827 in FHWA transfers.
- ¹⁰ Includes \$87,800,000 from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ¹¹ Includes \$87,606,840 from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ¹² Reflects reduction of \$242,000 (.22%) pursuant to section 1403 of P. L. 106-554.
- ¹³ Includes \$93,000,000 from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ¹⁴ Includes \$56,000,000 from the Highway Trust Fund.
- ¹⁵ Includes \$44,125,000 from the Highway Trust Fund.
- ¹⁶ Includes \$97,800,000 from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ¹⁷ Excludes \$60,049,742 in FHWA transfers.
- ¹⁸ Excludes \$59,601,236 in FHWA transfers.
- ¹⁹ Proposed to be funded in Formula Grants and Research out of the mass transit account of the Highway Trust Fund.
- ²⁰ Includes \$87,606,840 from the mass transit account of the Highway Trust Fund; includes obligation limitation.
- ²¹ Reflects reduction of \$793,000 (.65%) pursuant to section 601 of P. L. 108-7; includes obligation limitation.
- ²² Does not include \$56,003,000 from the Highway Trust Fund
- ²³ Reflects reduction of \$743,400 (.59%), pursuant to section 168 (b) of P.L. 108-199, the Consolidated Appropriations Act, 2004.
- ²⁴ Includes \$111,104,000 in obligation limitation derived from the mass transit account of the Highway Trust Fund.
- ²⁵ Reflects reduction of \$1,024,000 (0.8%) pursuant to Div J, sec. 122 of P.L. 108-447, the Consolidated Appropriations Act, 2005.
- ²⁶ Reflects account name pursuant to SAFETEA-LU P.L. 109-59 and the DOT Appropriations Act, 2006 P.L. 109-115.
- ²⁷ Reflects reduction of \$752,000 (1%) pursuant to Div B, Title III, Chapter 8, sec. 3801, P.L. 109-148, the Defense Appropriation Act, 2006

TEN YEAR
APPROPRIATIONS HISTORY

Research, Training and Human Resources

	Estimates		Appropriations
1990		1990	9,970,000
1991	10,000,000	1991	8,000,000
1992		1992	11,000,000 ¹

¹ Reflects rescission of \$5 million. Amounts reconciled with the Intermodal Surface Transportation Efficiency Act (ISTEA)

TEN YEAR
APPROPRIATIONS HISTORY

Formula and Bus Grants
General Fund Share

	Estimates		Limitations
2010	3,343,000,000		2010

TEN YEAR
APPROPRIATIONS HISTORY

Formula and Bus Grants
(Limitation on Obligations)
(Highway Trust Fund, Mass Transit Account)

Estimates		Limitations	
2004	5,615,406,000	2004	0 ²
2005	5,622,871,000	2005	0 ²
2006	6,135,000,000	2006	6,910,131,690 ³
2007	7,262,775,000	2007	7,262,775,000
2008	7,871,895,000	2008	7,767,887,062 ^{5/6}
2009	8,360,565,000	2009	8,260,565,000 ^{7/}
2010	5,000,000,000		

Formula and Bus Grants

Liquidation of Contract Authorization

Estimates		Appropriations	
2004	690,000,000 ¹	2004	0 ²
2005	710,000,000 ¹	2005	0 ²
2006	3,384,000,000 ¹	2006	1,500,000,000 ⁴
2007	3,925,000,000	2007	4,660,000,000
2008	6,885,000,000	2008	6,855,000,000
2009	8,670,000,000	2009	8,670,000,000
2010	8,852,000,000		

¹ Proposed to be derived from the mass transit account of the Highway Trust Fund.

² Surface transportation reauthorizing legislation has not been enacted.

³ Reflects reduction of \$69,799,310 (1%) pursuant to Div B, Title III, Chapter 8, Sec 3801 of the Defense Appropriations Act, P.L. 109-148.

⁴ Funded from the mass transit account of the Highway Trust Fund.

⁵ Does not reflect rescission of \$28,660,920 in unobligated contract authority pursuant to P.L. 110-161 Div K, Title I.

⁶ Reflects reduction of obligation limitation and rescission of \$105,005,938 pursuant to P.L. 110-161 Div K, Title I, Section 172 and 173.

⁷ Reflects reduction of obligation limitation and rescission of \$100,000,000 pursuant to P.L. 111-8 Div I, Title I, Section 167.

TEN YEAR
 APPROPRIATIONS HISTORY
 Major Capital Investment Grants

	Estimates		Appropriations
2004	1,213,500,000	2004	0 ²
2005	1,234,192,000	2005	0 ²
2006	872,500,000	2006	0 ³

Major Capital Investment Grants
 (Limitation on Obligations)
 (Highway Trust Fund, Mass Transit Account)

	Estimates		Limitations
2004	320,594,000 ¹	2004	0 ²
2005	329,006,000 ¹	2005	0 ²
2006	690,000,000 ¹	2006	0 ³

¹ Proposed to be derived from the mass transit account of the Highway Trust Fund.

² Surface transportation reauthorizing legislation has not been enacted.

³ Funded under Capital Investment Grants pursuant to SAFETEA-LU P.L.109-59 and DOT Appropriations Act, 2006 P.L. 109-115.

Section 4.
Performance Budget

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EXHIBIT IV-1
FY 2010 BUDGET REQUEST BY STRATEGIC GOAL AND PERFORMANCE GOAL
FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, & Exempt Obligations
(\$000)

STRATEGIC & PERFORMANCE GOALS by Performance Measure	FY 2008 ACTUAL	FY 2009 ENACTED	FY 2010 REQUEST
1. SAFETY STRATEGIC GOAL			
A. Transit Safety			
a. Transit fatalities per 100 million passenger- miles traveled.	4,981	5,109	5,334
b. Transit injuries per 100 million passenger-miles traveled.	4,981	5,109	5,334
Subtotal Performance Goal	9,962	10,218	10,667
Total – Safety Strategic Goal	9,962	10,218	10,667
2. REDUCED CONGESTION STRATEGIC GOAL			
A. Urban Congestion			
a. Average percent change in transit boardings per transit market.	8,551,366	9,178,798	9,281,262
Subtotal Performance Goal	8,551,366	9,178,798	9,281,262
B. Increased Accessibility			
a. Percent of bus fleets compliant with the ADA.	55,259	116,019	118,153
b. Percent of key rail stations compliant with the ADA.	140	150	150
c. Number of employment sites that are made accessible by Job Access and Reverse Commute transportation services.	156,000	164,500	166,145
d. Other	233,897	246,312	224,504
Subtotal Performance Goal	445,296	526,980	508,951
Total – Reduced Congestion Strategic Goal	8,996,662	9,705,779	9,790,213
3. GLOBAL CONNECTIVITY STRATEGIC GOAL			
A. Reduce Barriers to Trade	1,030	795	806
Subtotal Performance Goal	1,030	795	806
Total – Global Connectivity Strategic Goal	1,030	795	806
4. ENVIRONMENTAL STEWARDSHIP STRATEGIC GOAL			
A. Reduction in Pollution	410,120	432,998	450,744
Subtotal Performance Goal	410,120	432,998	439,142
Total – Environ. Stewardship Strategic Goal	410,120	432,998	450,744

5. SECURITY, PREPAREDNESS AND RESPONSE			
A.			
a. Other (emergency preparedness, enhanced public awareness)	46,145	49,307	50,397
Subtotal Performance Goal	46,145	49,307	50,397
Total – Security, Preparedness and Response Strategic Goal	46,145	49,307	50,397
6. ORGANIZATIONAL EXCELLENCE STRATEGIC GOAL			
A. Fulfill the Government-wide Management Initiatives			
a. Other (Fulfill the President's Management Agenda)	27,722	32,129	32,835
Subtotal Performance Goal	27,722	32,129	32,835
Total – Org. Excellence Strategic Goal	27,722	32,129	32,835
GRAND TOTAL	9,491,642 1/	10,231,228	10,335,662

1/ Does not include FHWA net "flex funding" transfers.

**DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

Annual Performance Results and Targets ¹

The Federal Transit Administration (FTA) integrates performance results into its budget request to demonstrate alignment with the Department of Transportation's (DOT) Strategic Plan. The FTA tracks the following DOT level performance measures to demonstrate program results:

Formula and Bus Grants

Strategic Objective: Safety

Transit fatalities per 100 million passenger-miles traveled	2005	2006	2007	2008	2009	2010
Target	0.482	0.477	0.473	0.468	0.463	.458
Actual	0.428	.389(r)	.437(r)	.289		

* Preliminary estimate.

Transit injuries per 100 million passenger-miles traveled	2005	2006	2007	2008	2009	2010
Target	35.6	35.2	34.9	34.5	34.2	33.8
Actual	31.8	30.6	32.5	21.3*		

* Preliminary estimate.

Strategic Objective: Reduced Congestion

Average percent change in transit boardings per transit market (150 largest transit agencies) 1/	2005	2006	2007	2008	2009	2010
Target	1.0	1.0	1.5	1.5	1.9	2.0
Actual	1.9	2.1	2.5(r)	4.6		

¹ The Budget contains no policy recommendations for programs subject to reauthorization and instead presents baseline placeholder amounts for 2010 for all surface transportation programs. The performance targets included in the justification reflect baseline funding, and do not represent Administration recommended performance outcomes.

Percentage of bus fleets that are compliant with the Americans with Disabilities Act (ADA)	2005	2006	2007	2008	2009	2010
Target	97	97	97	98	98	98
Actual	96	97	98	98*		

* Preliminary estimate

Percentage of key rail stations that are compliant with the Americans with Disabilities Act	2005	2006	2007	2008	2009	2010
Target	84	91	93	94	94	94.5
Actual	91	92	94(r)	95*		

* Preliminary estimate.

Jobs made accessible by Job Access and Reverse Commute transportation services	2005	2006	2007	2008	2009	2010
Target	50,000	50,000**	50,000**	50,000**	50,000**	
Actual	95,400	91,200*	95,400*	NA	NA	

* Preliminary estimate.

** FTA has proposed a new performance measure for the JARC program.

NEW MEASURE: Number of jobs (000) made accessible by Job Access and Reverse Commute (JARC) transportation services.	2005	2006	2007	2008	2009	2010
Target		N/A	N/A*	N/A*	N/A*	N/A*
Actual		43.4	N/A#	N/A#		

*Targets for this measure will be defined after two years of actual data becomes available.

Data collection on actual number of jobs accessed by JARC services in FY 2007 and 2008 is ongoing and should be available in June 2009.

Capital Investment Grants

Strategic Objective: Reduced Congestion

Average percent change in transit boardings per transit market (150 largest transit agencies)	2005	2006	2007	2008	2009	2010
Target	1.0	1.0	1.5	1.5	1.9	2.0
Actual	1.9	2.1	2.5 (r)	4.6		

Administrative Expenses

Strategic Objective: Global Connectivity

Percentage of direct contracts awarded to small businesses	2005	2006	2007	2008	2009	2010
Target	45	64	35	35*	46.2	46.2
Actual	64	27	53	63		

**Targets are projected to match FY 2007 targets.*

Percentage of direct contracts awarded to disadvantaged business enterprises	2005	2006	2007	2008	2009	2010
Target	13	17	14	14*	17.8	17.8
Actual	1	13	19	21		

**Targets are projected to match FY 2007 targets.*

*** Preliminary estimate.*

Percentage of direct contracts awarded to women-owned businesses	2005	2006	2007	2008	2009	2010
Target	5	27	5	5*	14.1	14.1
Actual	27	7	20	9		

**Targets are projected to match FY 2007 targets.*

Strategic Objective: Organizational Excellence

Average number of days to complete grant processing after submission of a completed application	2005	2006	2007	2008	2009	2010
Target	36	36	36	36	36	36
Actual	28	28	28 (r)	28		

Percentage of major FTA Federally-funded infrastructure projects that meet schedule milestones established in project or contract agreements, or that miss them by less than 10%	2005	2006	2007	2008	2009	2010
Target	95	95	95	95	95	
Actual	100	100	100	100		

Percentage of major FTA federally funded transportation infrastructure projects with less than 2 percent annual growth for project completion milestones.	2005	2006	2007	2008	2009	2010
Target	N/A	90	90	90	90	90
Actual	N/A	N/A	N/A	60*		

* Preliminary estimate.

Percentage of finance plan cost estimates for major FTA federally funded transportation infrastructure projects with less than 2 percent annual growth in project completion cost.	2005	2006	2007	2008	2009	2010
Target	90	90	90	90	90	90
Actual	N/A	N/A	N/A	100		

Research and University Research Centers Account

Strategic Objective: Safety

Transit fatalities per 100 million passenger-miles traveled	2005	2006	2007	2008	2009	2010
Target	0.482	0.477	0.473	0.468	0.463	.458
Actual	0.428	.389(r)	.437(r)	.289		

* *Preliminary estimate.*

Transit injuries per 100 million passenger-miles traveled	2005	2006	2007	2008	2009	2010
Target	35.6	35.2	34.9	34.5	34.2	33.8
Actual	31.8	30.6	32.5	21.3*		

* *Preliminary estimate.*

Strategic Objective: Reduced Congestion

Average percent change in transit boardings per transit market (150 largest transit agencies)	2005	2006	2007	2008	2009	2010
Target	1.0	1.0	1.5	1.5	1.9	2.0
Actual	1.9	2.1	2.5(r)	4.6		

SAFETY

Performance Goal: Reduce the Rate of Transit Fatalities and Injuries

The baseline budget includes \$10.7 million contributes to the DOT Safety strategic objective to enhance public health and safety by working toward the elimination of transportation-related deaths and injuries.

The success of FTA investments in projects designed to enhance and increase the safety of public transportation systems is evident: public transit is the safest mode of transportation in the United States.

FTA is committed to strategically investing in projects that will further contribute toward decreasing public transit's injury and fatality rates. This baseline budget will allow FTA to provide training, guidance, oversight, data collection, and analysis. Funds will also be used to fund technology that offers both transit safety and security benefits.

Performance Measure:

Fatalities and Injuries Per 100 Million Passenger Miles							
Year		2005	2006	2007	2008	2009	2010
Fatalities	Target	0.482	0.477	0.473	0.468	0.463	0.458
	Actual	0.428	0.344(r)	.437(r)	.289*		
Injuries	Target	35.6	35.2	34.9	34.2	34.2	33.8
	Actual	31.8	30.6(r)	32.5(r)	21.3*		

* Preliminary estimate.

The resources in this baseline budget to achieve this goal are:

FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, & Exempt Obligations
(\$000)

PERFORMANCE GOALS & MEASUREMENTS	FY 2008 <u>Actual</u>	FY 2009 <u>Enacted</u>	FY 2010 Baseline <u>Budget</u>
1. Safety			
Reduce the Transit Fatality and Injury Rate			
1. Administrative Expenses	1,016	1,033	1,071
2. Formula and Bus Grants	3,950	4,550	4,596
3. Research and University Research	<u>4,996</u>	<u>4,635</u>	<u>5,000</u>
Subtotal – Safety	9,962	10,218	10,667
FTE (Direct funded associated with this segment)	7	7	7

General Overview: FTA will use \$10.7 million in funding to promote public transit safety by providing transit safety and security training and emergency preparedness. This approach incorporates research, deployment of innovative technologies, and system safety and security transit management strategies. Safety research will promote safe, efficient transit operations by investigating the causal factors of accidents, determining effective ways to mitigate the consequences of transit accidents, and assessing the potential safety impacts of new transit technologies, vehicles, and procedures.

FTA works in close collaboration with Federal, State, and local agencies to promote comprehensive approaches to the management of emergency incidents, including response and recovery activities. FTA will develop and disseminate guidance documents to enhance transit system preparedness for dealing with safety and security related incidents and the deployment of critical resources.

FTA will also provide follow-up specific technical assistance to help the transit industry understand and implement innovative safety and security strategies that reduce risks and mitigate consequences from acts of intentional harm against the transit infrastructure or its passengers and employees.

PERFORMANCE ISSUE

FTA shares the Secretary's emphasis on safety as a top priority of the Nation's transportation system. Due in part to FTA's commitment to safety, public transportation is the safest mode of surface transportation. According to the National Safety Council, riding the bus is 47 times safer than traveling by car. Traveling by train is 23 times safer than traveling by car.

Over the last decade, FTA and transit systems throughout the country have focused and coordinated their efforts to reduce the number of transit related deaths and injuries dramatically. Because of this concentrated approach, much of the groundwork has been laid, allowing the improvement in transit safety at a lower marginal cost. FTA's goal is to increase the safety of public transportation while investing limited resources in other high-risk program areas where FTA dollars will yield the greatest benefit.

FTA works diligently with States to implement State Safety Oversight for Rail Fixed Guideway Systems rulemaking successfully. The challenge is to reduce the rate of fatalities and injuries further, even as the total number of people using transit increases.

Five years of audits conducted by FTA have shown that the drug and alcohol programs of grantees, sub-recipients, and their contractors are usually in compliance with testing rules. An effective drug and alcohol program assists in the reduction of accidents. Audit findings and best practices will be summarized periodically for publication and dissemination. Information from FTA's Drug and Alcohol Management Information System is used to evaluate the effectiveness of oversight activities, including compliance audits of individual employers' drug and alcohol testing programs.

Funds within the National Research Program promote safety in public transportation systems. FTA's safety programs provide funding for drug and alcohol testing and guidance. FTA's safety outreach and training programs support the Transportation Safety Institute and other training and capacity building programs that educate transit industry safety professionals.

ANTICIPATED FY 2009 ACCOMPLISHMENTS

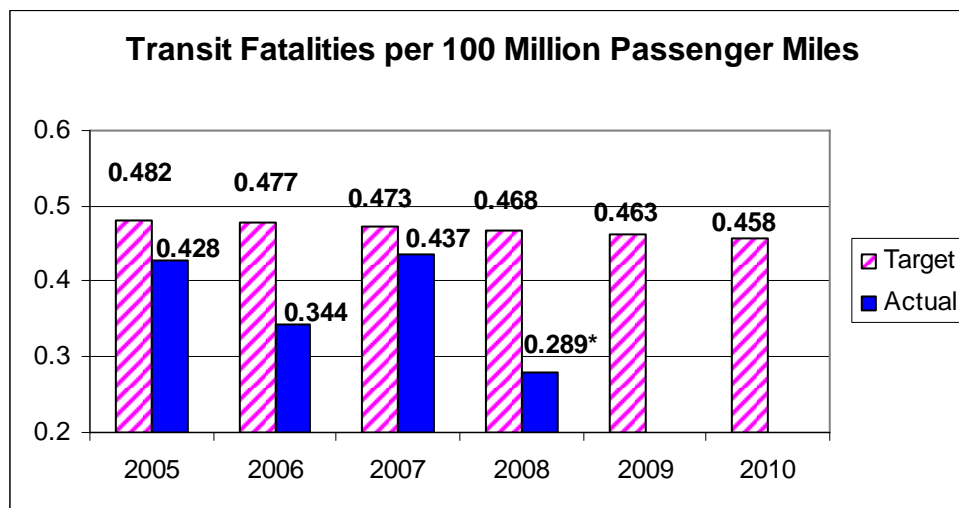
Public transit provides a flexible alternative to automobile travel, and offers a higher degree of safety. The FY 2010 goal for fatalities per 100 million passenger miles traveled is .458. In FY 2008, the preliminary estimate is that there will have been .289 fatalities per 100 million passenger miles, exceeding the FY 2008 target of .468.

FTA has set higher standards for its goal to lower the number of injuries per 100 million passenger miles in FY 2010. In FY 2010, FTA's goal is that there will be less than 33.8 injuries per 100 million passenger miles. In FY 2008, the preliminary estimate for injuries is 21.3 per 100 million passenger miles, which means that FTA results will be better than the FY 2008 target.

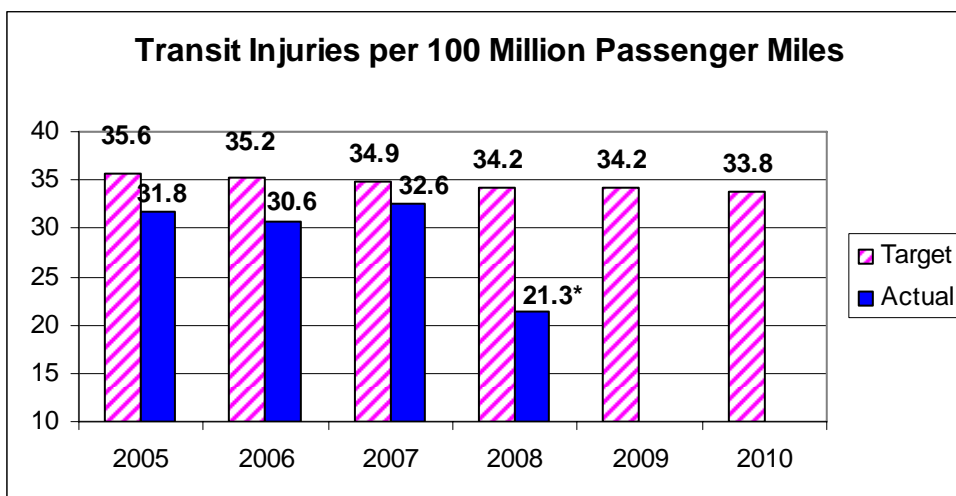
Fatalities and Injuries Per 100 Million Passenger Miles							
	Year	2005	2006	2007	2008	2009	2010
Fatalities	Target	0.482	0.477	0.473	0.468	0.463	0.458
	Actual	0.428	0.344(r)	.437(r)	.289*		
Injuries	Target	35.6	35.2	34.9	34.2	34.2	33.8
	Actual	31.8	30.6(r)	32.5(r)	21.3*		

* Preliminary estimate.

The trends for fatalities and injuries per 100 million passenger miles from 2005 to 2010 are reflected in the graphs that follow:



*Preliminary estimate.



*Preliminary estimate.

FTA’s oversight and implementation of the State Safety Oversight Program and the Drug and Alcohol Testing Rule directly supports the goal of enhanced public safety. During FY 2010 FTA will provide oversight through the Drug and Alcohol Testing Compliance program covering approximately six large Urbanized Area Formula Grant recipients’ re-audits, 7 State Programs with 6-8 sub-recipients in each, and 56 small Urbanized Area Formula Grant recipients or the equivalent. FTA will conduct 10 Annual State Safety Oversight Program Audits to assess State Safety Oversight Agency and Rail Transit Agency compliance with 49 CFR Part 659 requirements.

FTA’s strategy for further reducing the low rate of transit fatalities will include continued investment in programs to improve transit safety by replacing older bus and rail vehicles with newer, safer ones, and to improve track and transit facility conditions. In addition, FTA continues to emphasize that safety be a design consideration from project inception.

FY 2010 PERFORMANCE BASELINE BUDGET

Formula and Bus Grants - \$4.596 million

In FY 2010, FTA will use the \$4.596 million in Formula and Bus Grant funds to:

- Continue to monitor States responsible for safety oversight of rail systems to ensure compliance with the requirements of the State Safety Oversight Rule for Rail Fixed Guideway Systems.
- Continue drug and alcohol audits. FTA will provide technical assistance and training focused on identified deficiencies and non-compliance trends.

Research and University Research Centers - \$5.000 million

In FY 2010, FTA will use the \$5.000 million in research funds to:

- Evaluate the impact of new vehicle and infrastructure technologies on transit safety and security. The program will include an ongoing analysis of data collected from accidents involving new technologies in bus and rail.
- Provide training courses through the Transportation Safety Institute (TSI) training program on subjects such as accident prevention and investigation, emergency management, industrial safety, alternative fuels, bus operator safety, and fatigue awareness.
- Test materials used in transit vehicles for fire safety and update FTA's guidelines.
- Reduce the incidence of substance use by transit employees through the Drug and Alcohol Testing (DAMIS) program.
- Provide outreach to transit authorities through the dissemination of safety and security information. Maintain a national safety and security clearinghouse and Web site.

Administrative Expenses - \$1.071 million

This funding is for administrative support for the programs that support decreasing transit fatalities and injuries.

REDUCED CONGESTION

Performance Goal: Meet Transit Ridership and Accessibility Demands

This baseline funding of \$9.790 billion contributes to the DOT strategic goal of Reduced Congestion. It also addresses the increasing demands of the transit riding public by providing an accessible, affordable, reliable transportation system for all people, goods, and regions.

Ridership Performance Measure: Average percent change in transit boardings per transit market (150 largest transit agencies).

	2005	2006	2007	2008	2009	2010
Target	1.0	1.0	1.5	1.5	1.9	2.0
Actual	1.9	2.1	2.5	4.6		

This baseline budget will help DOT provide access to transit systems that are efficient and free of physical barriers, offer flexibility and choice, and will help advance America’s economic growth and competitiveness domestically and internationally. The resources in this baseline budget to achieve these goals are listed in the table below:

**FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, & Exempt Obligations
(\$000)**

PERFORMANCE GOALS & MEASUREMENTS BY PROGRAM ACTIVITIES	FY 2008 <u>Actual</u>	FY 2009 <u>Enacted</u>	FY 2010 <u>Baseline Budget</u>
Reduced Congestion			
Reduction in Urban Congestion			
1. Administrative Expenses	60,944	62,005	64,254
2. Formula and Bus Grants	6,878,583	7,262,629	7,344,762
3. Capital Investment Grants	1,569,092	1,809,250	1,827,343
4. Research and University Research			
Centers	42,747	44,915	44,903
Transportation Accessibility			
1. Administrative Expenses	1,306	1,329	1,377
2. Formula and Bus Grants	435,124	516,212	498,917
3. Research and University Research			
Centers	<u>8,866</u>	<u>9,440</u>	<u>8,657</u>
Total – Reduced Congestion	8,996,662	9,705,779	9,790,213
FTE (Direct funded associated with this segment)	429	429	429

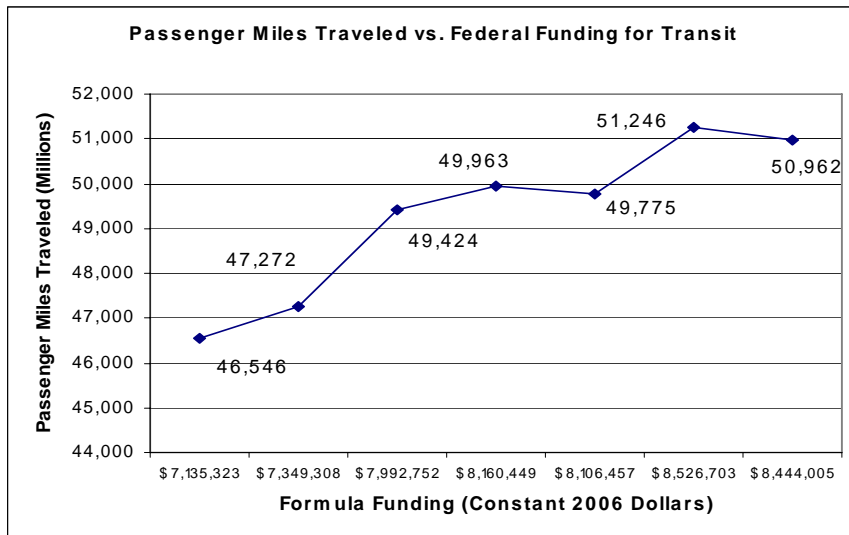
**FEDERAL TRANSIT ADMINISTRATION
Marginal Cost of Performance
Increased Transit Ridership**

Request by Strategic Goal (\$000)	FY 2008 Actual	FY 2009 Enacted	FY 2010 Program Changes	FY 2010 Baseline Budget
	\$8,447,675	\$9,071,879	\$100,226	\$9,172,105
1. Formula and Bus Grants	[6,878,583]	[7,262,629]	[82,133]	[7,344,762]
2. Capital Investment Grants	[1,569,092]	[1,809,250]	[18,093]	[1,827,343]

Agency Output or Outcome Measure Associated with this Program increase:

Increased transit ridership – increase the average number of transit boardings per market (top 150 transit agencies) by 1.9 percent over the previous year. For the marginal cost of performance scenario, FTA used passenger miles traveled (PMT) the supplemental performance measure, to show the relationship between the increase in funding between FY 2009 and FY 2010, in real dollars, and increased performance.

PMT (billions of miles)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
<u>Baseline Performance Level</u>	46.7	47.3	50.0	49.8	51.2	51.2
<u>Incremental Performance with Program Changes</u>						-0.3
<u>(Total) Performance with Program Changes</u>						50.9



Marginal Cost Narrative: FTA requests an additional \$82.113 million in Formula and Bus Grant funding and an increase of \$18.093 million in Capital Investment Grants (New Starts) to contribute towards achieving the goal of increasing transit ridership. In FY 2010, Formula and Bus Grants supports ridership with \$7.345 billion, and Capital Investment Grants supports ridership with \$1.827 billion. The incremental performance based on the program changes for FY 2010 projects a decline of 283 million passenger miles over the PMT for FY 2009, when adjusted to FY 2006 dollars.

Analytical assumptions: Passenger Miles Traveled are projected based on an elasticity calculated on PMT and total public funding for transit from the NTD. Capital investment data have been deflated using the OMB GDP deflator. The projections assume that 50 percent of total government funds come from state and local sources.

General Overview: This baseline budget upholds the Administration's goal to help ensure that the Nation's transit infrastructure is as safe, efficient, and cost-effective as possible, thus attracting riders and maximizing the mobility, the accessibility, the economic, and the environmental benefits of public transportation.

PERFORMANCE ISSUE

Congestion Reduction

Congestion imposes substantial costs on our nation's travelers. Traffic jams are increasingly stealing from busy citizens and families their single most valuable commodity--time. About 10 percent of commuting Americans travel more than an hour each way to and from work, averaging 82 minutes per trip. In 2003 – the most recent year for which reliable data is available – Americans wasted 3.7 billion hours and 2.3 billion gallons of fuel sitting in traffic jams. In the nation's largest cities, each rush hour traveler spends the equivalent of almost eight workdays each year stuck in traffic, "paying" the equivalent of between \$850 and \$1,600 each year in lost time and fuel.

The Nation's economy as a whole benefits from transit's positive contributions toward reducing delays and delivering services more efficiently (through less congested roads). Public transportation also benefits the economies of rural areas by providing accessibility for underserved populations.

Technology and the role of the private sector are amplifying the congestion mitigating impacts of transit. Smart cards, automatic train control, and bus priority signaling make transit an even more efficient transportation mode and further reduce congestion. Transit saves time, provides mobility, and lessens the negative externalities that stem from congestion. These benefits and more can be realized through continued Federal funding of public transit.

ANTICIPATED FY 2009 ACCOMPLISHMENTS

The Capital Investment Grants, Formula and Bus Grants, and Research programs will achieve advances in the following areas to support the strategic goal of Reduced Congestion:

Meeting Transit Ridership Demands:

- In FY 2009, ridership, as defined by the average percent change in transit boardings per transit market, will increase at least 1.9 percent over FY 2008. The ridership increase of 4.6 percent in FY 2008 demonstrates that FTA is successfully increasing transit ridership.
- Continue investment in transit infrastructure, and rehabilitation or replacement of existing fleets to support increased ridership.
- Maintain the average condition of rail vehicles between adequate and good levels. Based on FY 2006 reporting data, the average rail vehicle condition was 3.51. Average rail vehicle conditions normally range between 3.0 (adequate) and 4.0 (good), anything lower than 3.0 would be less than adequate. A substantial increase in public investment to reach the 4.0 level would not be cost effective, as it would

require an overly ambitious replacement policy where vehicles are replaced prior to the FTA-mandated minimum replacement age.

- Invest in New Starts projects that increase transit ridership and complete construction on schedule and on budget. Results from the Before and After Study program indicate that the New Starts Program is achieving its long-term performance goals of increasing transit ridership. The first Before and After Study from the Utah Transit Authority also demonstrated that the actual costs of the project came in \$6 million under budget and that the line was able to open over a year ahead of schedule.

Transit Accessibility:

- Further progress will be made under the United We Ride initiative by undertaking collaborative actions with other Federal partners at the national and regional levels to increase the number of local coordinated plans.
- The percentage of motor bus mode fleets that are compliant with the Americans with Disabilities Act (ADA) will meet or exceed the 98 percent target in FY 2008.
- The Job Access and Reverse Commute (JARC) program will produce tangible economic benefits to users of the services and the public at large. The mobility and opportunity provided by the JARC program to workers who are in the early stages of their work life translates to higher wages and wage growth over time.

FY 2010 PERFORMANCE BASELINE BUDGET

The FY 2010 funding for Capital Investment Grants will allow FTA to both maintain its commitment to existing Full Funded Grant Agreements (FFGAs) and provide funding for some meritorious projects to advance closer to FFGA status. Likewise, the FY 2010 funding for the Formula and Bus Grants program will allow FTA to help local communities maintain and improve the condition of the nation's existing transit system. Having overall FTA activities implemented effectively and efficiently is essential to supporting FTA's performance measures of transit ridership and accessibility in order to support DOT's strategic goal of Reduced Congestion.

Meeting Transit Ridership Demands:

Formula and Bus Grants - \$7,344.762 million

The Formula and Bus Grants program funds buses, rail cars, and maintenance facilities that improve and expand the existing transit infrastructure. The major goal of the Fixed Guideway Modernization program, a Formula and Bus Grants program, is to maintain and improve the conditions on the Nation's older fixed guideway (primarily rail) systems. The Fixed Guideway Modernization program supports heavy and light rail systems and equipment as well as ferryboat operations.

Capital Investment Grants - \$1,827.343 million

The outputs of the Capital Investment Grants program include new transit systems, new extensions to existing transit systems, and an expedited criteria and project development process for capital investment grants less than \$75 million.

A recent analysis of transit benefits reported that the 20 new starts projects currently under FFGA are projected to carry 194 million total riders annually.

Research and University Research Centers - \$44.903 million

The Research and University Research Centers program funds activities that support increasing transit ridership. Studies will provide information on a range of issues important to the transit sector including:

- Improving the design, performance, safety, and reliability of transit systems through the development of voluntary consensus domestic and international standards for bus and rail operations.
- Encouraging innovative solutions to rail problems, emphasizing unconventional approaches that have the potential to produce leapfrog technologies and lead to significant advancements.
- Providing seed funding for selected stakeholder groups to work on priority program initiatives, and support the development and delivery of technical assistance and guidance to state and local agencies and transit operators.

Associated Administrative Costs for Ridership - \$64.254 million

Ridership Outreach

DOT and FTA have launched a major initiative to assist transit agencies and communities to more fully utilize their transit infrastructure by increasing ridership. This effort will maximize the economic, environmental, and mobility benefits of transit investment. Recent activities have included:

- Innovative Practices for Increasing Ridership – FTA launched a new webpage of innovative practices to increase transit ridership. The site will be updated regularly to include successful new approaches used by transit agencies to increase ridership.
- Market-Based Ridership Strategies – FTA developed a two-day National Transit Institute course to assist transit operators in learning about and implementing market-based strategies to increase transit ridership.

RIDERSHIP PILOTS

In FY 2005, FTA launched its “Pilot Ridership Initiative” by conducting site visits at two transit agencies – Connecticut Transit in Hartford, Connecticut and CTRAN in Clark County, Washington. FTA performed comprehensive reviews to identify opportunities where improvements in transit ridership could be made and to provide technical assistance. Both CT Transit and CTRAN have developed implementation plans from the recommendations that they chose to accept and are actively implementing new policies and initiatives. In FY 2006, FTA conducted two additional ridership site visits and comprehensive reviews of the Suburban Mobility Authority for Regional Transit (SMART) in Troy, MI and the San Mateo County Transit District (SamTrans) in San Carlos, CA to increase their ridership. Both developed comprehensive implementation plans that are being tracked by FTA to determine the impact the recommendations have on ridership. In FY 2007, FTA developed a training course to be conducted by the National Transit Institute that will teach transit agencies to perform their own, internal reviews to increase ridership. FTA completed one ridership review in FY 2007, at the Riverside Transit Agency in Riverside, CA.

Transit Accessibility:

Formula and Bus Grants - \$498.917 million

Funding for FTA’s Formula and Bus Grants account increases transit accessibility by providing public transportation alternatives that help people access jobs and commute to and from work. Funding for Formula and Bus Grants also provides transit solutions for elderly and disabled individuals, and supports transportation alternatives when public transit is inadequate or unavailable. Outcomes include providing mobility and economic and social opportunities for transit dependent populations. The success of the Job Access and Reverse Commute program, outlined in the following narrative, illustrates program accomplishments.

Job Access and Reverse Commute: The Essex Night Owl

Cynthia lives in Newark, New Jersey and works at an airline from 4 to 10 a.m. The Night Owl means that she does not have to worry about how she will get to work. “I need to work,” she said. “I am a single mom. Working these hours and having direct transportation is a real benefit to me because I am home for my kids.”

The Essex Night Owl provides demand-response service oriented around Newark Penn Station from 1 to 5 a.m. daily. The service is designed to help individuals transition into a new life. Once they have steady work and accrue some savings they typically buy a vehicle or start sharing a ride with a coworker, and a seat opens up on the bus for the next rider. Over half of the passengers are eligible for welfare assistance; 48% are low income TANF-eligible, and 10% are low income General Assistance eligible. Between January and September 2005, Night Owl served 528 individuals. One-way trips during that period totaled 27,769. From 100-120 people ride each weeknight and about 50-60 people on weekends.

A goal of the program is to “fill the last mile” – an issue common to many transportation services. Here the missing link was the connection between Penn Station and home for workers traveling in the early-morning hours. By filling this gap, Night Owl allows its passengers to build new lives.

Research and University Research Centers - \$8.657 million

The Research and University Research Centers program funds activities that support transit accessibility. FTA mobility research leads to enhanced service and simplified access to transportation for older adults, people with disabilities, and individuals with lower incomes by providing both technical assistance and coordination grants to the states. Through coordination with Health and Human Services organizations, FTA has increased project partner investment in program success. These activities compliment the Job Access and Reverse Commute (JARC) program created by Congress to meet the huge demand for transit services among people with low incomes.

UNITED WE RIDE

- In Kentucky, the State's governor combined funds from several human service transportation programs into a single fund, and established regional transportation brokers. The cost per ride was reduced by 20 percent, while the number of rides was increased substantially.
- In Miami, coordinating Medicaid transportation with public transportation resulted in a win-win situation for the local Medicaid agency, the transit providers, and Medicaid customers. By issuing transit passes to allow Medicaid customers to use less-expensive fixed route transit instead of more expensive paratransit or taxi trips, the Medicaid agency saves (and the taxpayer save) \$700,000 per month—almost \$8 million a year.

Associated Administrative Costs - \$1.377 million

This amount is for administrative support for the programs that support transit accessibility.

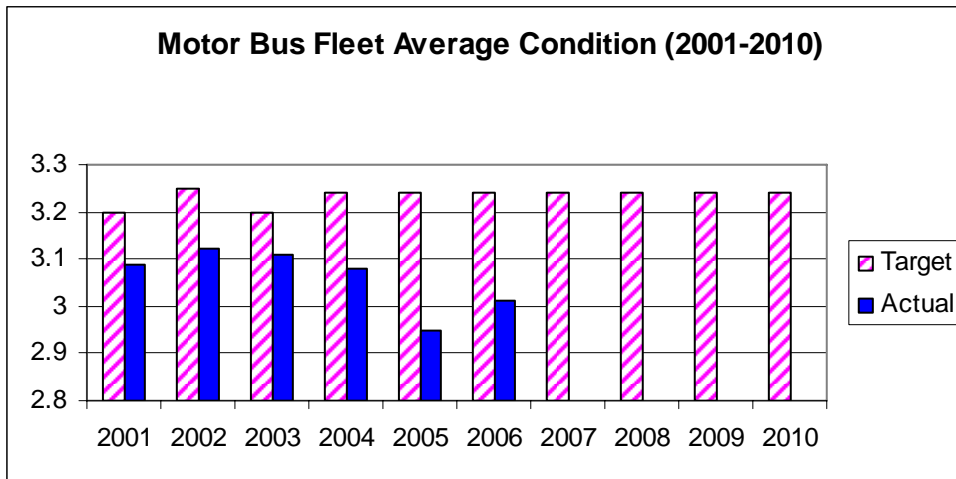
The results of these increased funding levels contribute to the DOT level outcomes of improved infrastructure in all modes, reduced congestion in all modes, increased reliability throughout the system, and increased access for all Americans by accomplishing the following:

- Maintaining and improving the nation's transit system infrastructure in non-urban areas.
- Maintaining and improving the reliability of the transit portion of the nation's multi-modal transportation system.
- Providing a solid commitment to transit accessibility by ensuring that existing and new transit services are accessible to those facing economic and physical obstacles to personal mobility. Moreover, transit itself provides accessibility to those who do not have access to other means of transportation such as automobiles.

Ridership Performance Measure: Improved infrastructure as measured by improved average condition of transit motorbus fleet and transit rail vehicles.

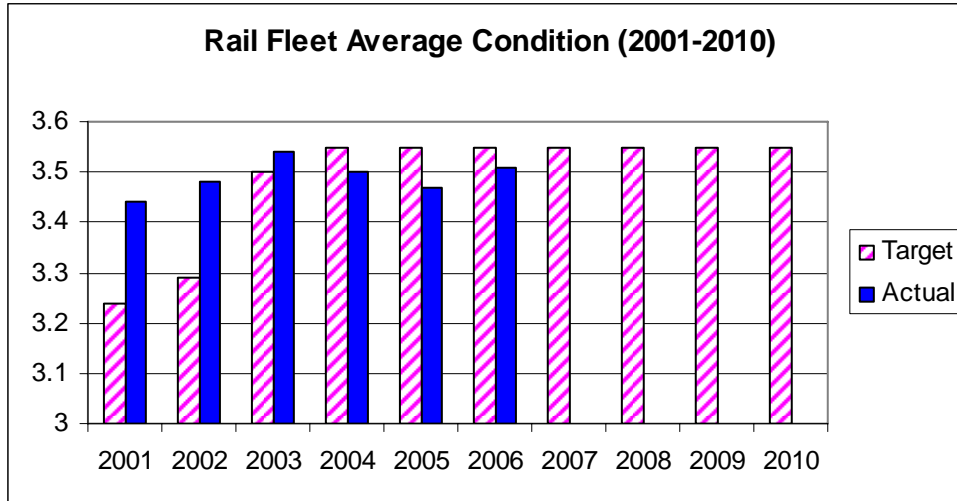
- The 2010 goal for bus fleets is to stabilize conditions at 3.24 (on a scale of 1.0 (poor) to 5.0 (excellent)).

Average condition of motor bus fleet (on a scale of 1 (poor) to 5 (excellent)).										
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Target:	3.20	3.25	3.20	3.24	3.24	3.24	3.24	3.24	3.24	3.24
Actual:	3.09	3.12	3.11	3.08	2.95	3.01				



- The 2010 goal for rail vehicles is to stabilize conditions at 3.55.

Average condition of rail vehicle fleet (on a scale of 1 (poor) to 5 (excellent)).										
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Target:	3.24	3.29	3.50	3.55	3.55	3.55	3.55	3.55	3.55	3.55
Actual:	3.44	3.48	3.54	3.50	3.47	3.51				



Accessibility Performance Measures: Improved accessibility to bus and rail systems as measured by percentage of bus fleet ADA-compliance and percentage of key rail station ADA-compliance.

Percentage of key rail stations that are ADA-compliant.								
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Target:	79	89	84	91	93	94	94	94.5
Actual:	82	82	91	92	94	95*		

*Preliminary estimate

Percentage of bus fleets that are ADA-compliant.								
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Target:	89	92	95	97	97	98	98	98
Actual:	93	95	96	97	98	98*		

* Preliminary estimate

Improved accessibility to jobs as measured by employment sites made accessible by Job Access and Reverse Commute (JARC).

Based on the new Job Access and Reverse Commute measure of number of jobs reached, it is estimated that JARC-funded services provided access to approximately 43.4 million jobs, including 21.2 million low-wage jobs in FY 2006.

FTA is in the process of collecting FY 2007 and FY 2008 performance data for the new JARC measure from recipients. A full report is expected to be complete by the end of FY 2009. Preliminary reports on the JARC program have concluded that:

- The JARC program produces tangible economic benefits to users of the services and the public at large and the annual monetary value of the program's benefits exceeds the annual program costs under most scenarios.
- The JARC program may produce long-term benefits for users. By providing greater mobility to low income workers who are in the early stages of their work life, the JARC program provides opportunity for workers to access job training and education programs, jobs that offer higher wages and benefits than could otherwise be reached without the program, initial access to benefits translates into higher wages and wage growth over time.
- Participants in the coordinated public transit human service transportation planning process, which is a requirement under the JARC program, indicated that this process resulted in improvements in service coordination, greater public involvement in the planning process, greater leveraging of transportation funds, and improvements to the level and quality of transportation services provided under the JARC program.

Steady increases in transit investments have dramatically improved and expanded public transportation services and mobility options for many Americans while attracting record numbers of riders. Transit saves time, provides mobility, and lessens the negative externalities that stem from congestion. These benefits and more can be realized through continued Federal funding of public transit.

GLOBAL CONNECTIVITY

Performance Goal: Facilitate an International Transportation System that Promotes Economic Growth and Development

This baseline budget will fund FTA’s Trade Promotion, Technical Assistance, and Training Program and the International Mass Transportation Program. These programs support the departmental strategic objective to facilitate an international transportation system that promotes economic growth and development. Trade missions and other trade events permit domestic providers of transit goods and services to showcase their products internationally. This leads to increased exports of domestic transit equipment and services.

The resources in this baseline budget to achieve this goal are:

FEDERAL TRANSIT ADMINISTRATION Appropriations, Obligation Limitations, & Exempt Obligations (\$000)

PERFORMANCE GOALS & MEASUREMENTS BY

<u>PROGRAM ACTIVITIES</u>	<u>FY 2008 Actual</u>	<u>FY 2009 Enacted</u>	<u>FY 2010 Baseline Budget</u>
5. Global Connectivity			
International Transportation and Trade			
1. Administrative Expenses	290	295	306
2. Research and University Research Centers	<u>740</u>	<u>500</u>	<u>500</u>
Total – Global Connectivity 1/	1,030	795	806
FTE	2	2	2

1/ Does not include an estimated \$100,000 provided under the indefinite appropriation in FY 2006.

General Overview: Funds in this baseline budget will promote the export of U.S. transit goods and services, and will inform the U.S. transit community about technology and innovations found abroad that could be used to improve domestic transit systems.

PERFORMANCE ISSUE

International trade and travel have become an increasingly important part of DOT’s strategic thinking. The Department seeks to reinforce and maintain the United States’ position as the global leader in transportation by promoting safe, secure, accessible, environmentally friendly, and efficient global transportation systems. The Department’s international activities aim to promote the economic well-being of U.S. businesses and of its citizens

abroad. The Department acts bilaterally, regionally or multilaterally, to achieve its international objectives through cooperation with other U.S. Government and international agencies and with the private sector.

The International Mass Transportation Program will support the Departmental strategic objective of enhancing the international competitiveness of U.S. transportation providers and manufacturers by providing access to international markets for the export of domestic transit goods and services. Trade missions and other trade events permit domestic providers of transit goods and services to showcase their products internationally. Past trade mission members and participants in trade shows have reported substantial sales resulting from their participation.

Previous accomplishments include success in overseas markets by several companies that have participated in FTA activities. As a result of the U.S./Russia Bilateral Trade Conference held during May, 2007 and co-hosted by FTA, one of the participating private-sector firms has already received several hundred orders for bus destination signs, and intends to set up an office in Russia.

FTA has helped Talking Signs® of Baton Rouge, LA to commercialize its Remote Infrared Audible Signaling (RIAS) in Japan and Europe. Talking Signs® and its Japanese licensee, Mitsubishi Precision Company, are in the fourth year of a development project sponsored by the Ministry of Trade, Economy and Industry (METI) and involving NEC and Hitachi. The aim of the project is to develop an all-in-one handheld device including a cell phone, GPS, Talking Signs® RIAS, Bluetooth, radio and a compass for use by people with disabilities. The technology has been successfully tested, and officials working on the project are currently visiting cities in Italy, Germany, and Canada demonstrating this breakthrough technology.

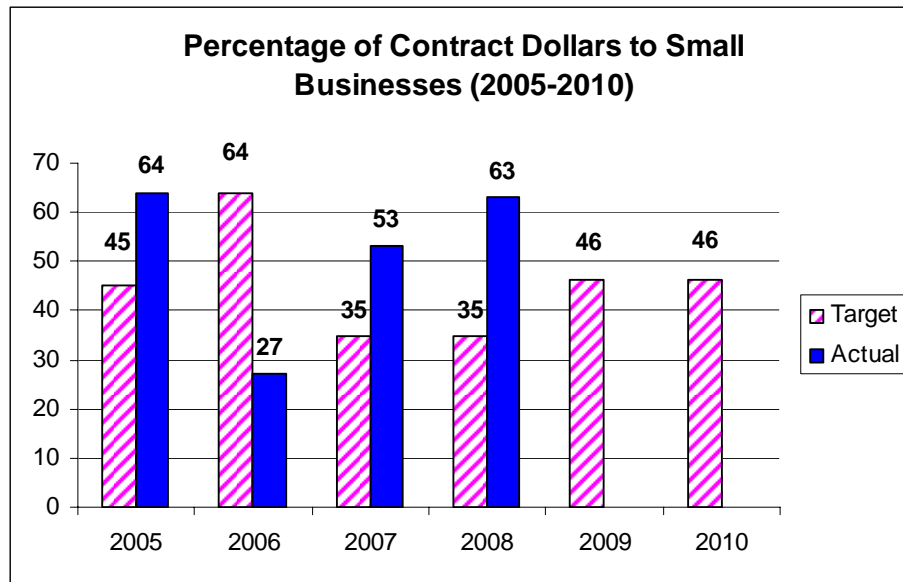
FTA has been working with the U.S. and Foreign Commercial Service (USFCS) at the U.S. Embassy in Johannesburg to help South Africa upgrade its transportation system for the 2010 World Cup Games and beyond, using American equipment and technology. The USFCS fully expects two American companies to win a combined tender for 212 diesel locomotives in the near future. FTA and the USFCS are also supporting GE Rail Road Signaling Division in their bid to sell railroad signaling equipment/software and services to both the urban passenger rail systems and the national freight systems. Signaling systems that are adopted in South Africa will likely also be used by other countries in the region.

Performance Measure: Percentage of Contract Dollars to Small Businesses, Disadvantaged Business Enterprises, and Woman-Owned Businesses

FTA supports the Partnership Agreements between DOT and the Small Business Administration (SBA) by targeting a percentage of contract dollars for award to small, disadvantaged, and woman-owned businesses.

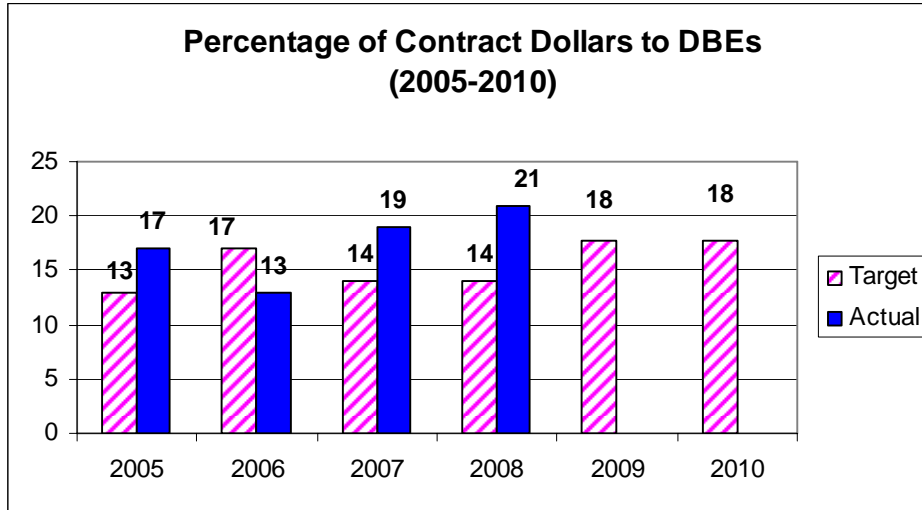
As indicated in the chart and graph below, in FY 2008, FTA awarded 63 percent of its contracts to small businesses, exceeding its targeted 35 percent of contract dollars to small businesses by 28 percent.

Percentage of Contract Dollars to Small Businesses (%)						
	2005	2006	2007	2008	2009	2010
Target	45	64	35	35	46.2	46.2
Actual	64	27	53	63	N/A	N/A



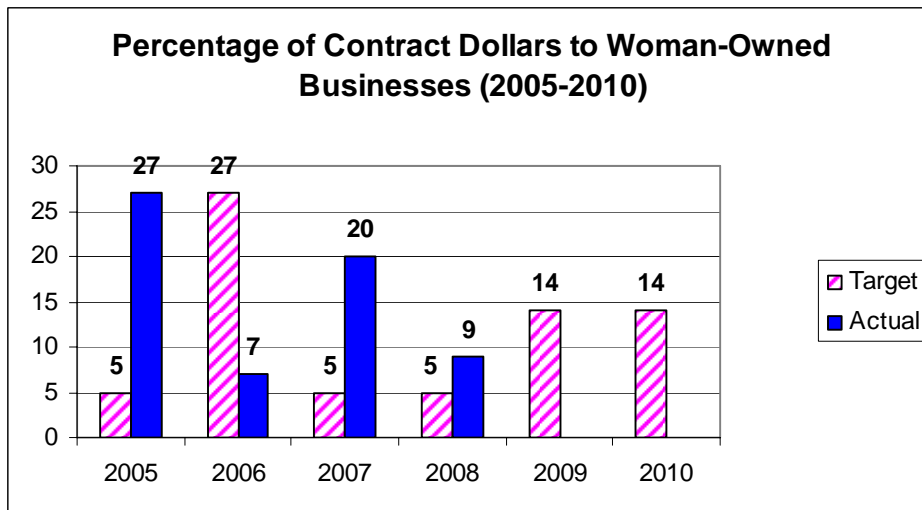
FTA increased its contract dollars awarded to disadvantaged business enterprises between FY 2007 and FY 2008. In FY 2008, FTA awarded 21 percent of its contracts to disadvantages business enterprises, exceeding the target by 7 percent.

Percentage of Contract Dollars to Disadvantaged Businesses (%)						
	2005	2006	2007	2008	2009	2010
Target	13	17	14	14	17.8	17.8
Actual	17	13	19	21	N/A	N/A



FTA has enjoyed success in procuring contract agreements with woman-owned businesses. The chart and graph below demonstrate that FTA exceeded its target of 5 percent of contract dollars awarded to woman-owned businesses in both 2007 and 2008. In FY 2008, FTA awarded 9 percent of its contracts to a woman-owned business.

Percentage of Contract Dollars to Woman-Owned Businesses (%)						
	2005	2006	2007	2008	2009	2010
Target	5	27	5	5	14.1	14.1
Actual	27	7	20	9	N/A	N/A



ANTICIPATED FY 2009 ACCOMPLISHMENTS

FTA works to assist the U.S. public transportation industry access business opportunities in the global marketplace. Efforts over the past year have included the following activities and achievements:

- FTA will leverage the success of previous trade missions to India and the Memorandum of Understanding between the United States and India that was signed simultaneous to the visit of a U.S. delegation of transit professionals led by FTA during September, 2007. This MOU will facilitate market penetration of U.S. firms to assist India with its mounting congestion problems.
- Due to discussions with delegations from developing countries organized by FTA, two U.S. firms have been selected by the Rwandan government to carry out a feasibility study, and subsequently, implement a new bus system in Kigali. The governments of Nigeria and Burkina Faso are also studying proposals from U.S. engineering firms and equipment suppliers to upgrade their public transportation systems.
- Development of markets for U.S. transit exports through the continuation of the transit training and information diffusion program for developing nations in Latin America and Africa.

FY 2010 PERFORMANCE BASELINE BUDGET

Research and University Research Centers – Trade Promotion, Technical Assistance, and Training - \$500 thousand

The funding in this baseline budget of \$500,000 will be used for trade missions, trade shows, and reverse trade missions. Funds will encourage meetings with foreign decision makers and foreign companies that are interested in purchasing U.S. transit goods and services.

Funding for the Trade Promotion, Technical Assistance, and Training program will support three strategic areas: market research, training, and technical cooperation. Market research results in reports about foreign markets that are available to the U.S. domestic community. Training involves classroom courses held as well as site visits to U.S. transit operations, and assessments of foreign transit operations. Technical cooperation includes bilateral meetings and fact-finding missions to foreign operations that result in publications for the domestic transit industry.

Administrative Expenses - \$306 thousand

This funding is for administrative support to advance economic growth and international competitiveness by providing access to international markets for the export of domestic transit goods and services.

ENVIRONMENTAL STEWARDSHIP

Performance Goal: Promote Transportation Solutions that Enhance Communities and Protect the Natural and Built Environment

This baseline funding contributes to the DOT Environmental Stewardship strategic objective and helps to protect and enhance communities and the natural environment affected by transportation.

The baseline budget of \$450.74 million would allow DOT to provide grants to State and local governments, enabling them to protect and enhance their communities and the environment. Transit's ability to mitigate traffic congestion by reducing car travel contributes to a cleaner environment.

The resources in this baseline budget to achieve this goal are:

FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, & Exempt Obligations
 (\$000)

PERFORMANCE GOALS & MEASUREMENTS BY PROGRAM ACTIVITIES	FY 2008 Actual	FY 2009 Enacted	FY 2010 Baseline Budget
4. Environmental Stewardship Reduce Pollution Effects of Transportation			
1. Administrative Expenses	726	738	765
2. Formula and Bus Grants	403,295	426,757	443,979
4. Research and University Research Centers	<u>6,100</u>	<u>5,503</u>	<u>6,000</u>
Total – Environmental Stewardship FTE (Direct funded associated with this segment)	410,121	432,998	450,744
	5	5	5

General Overview: Funding in the amount of \$451 million in FY 2010, including \$765 thousand in associated administrative expenses will help achieve this DOT strategic objective, by funding clean fuel buses, and research and technology development that can improve air emissions, thus helping to protect and enhance communities and the natural environment.

PERFORMANCE ISSUE:

Current trends in transportation increase pressure on environmental resources and energy. Commercial and personal travel is expected to continue to increase. Increased travel boosts transportation’s energy consumption that is tied to air emissions and greenhouse gasses (GHG), an emerging concern for the transportation sector which produces 26.8 percent of the GHG emitted in the U.S., and is increasing emissions faster than any other sector.

FTA Performance Measures: Increase by 2% per year the number of energy efficient and low emission vehicles in the transit industry.

Americans drive their 200 million cars and light trucks more than 2 trillion miles a year and emit more than half the air pollution nationwide. Transit has the potential to significantly reduce pollution without imposing more taxes or more government regulations. Energy savings are just as important. An astounding 43 percent of America’s energy is used for transportation—and a substantial amount of that is wasted because of highway congestion. Some examples of energy savings and environmental protections include:

- Each year, the use of public transportation saves the equivalent of 855 million gallons of gasoline – or 45 millions barrels of oil, the equivalent of about three months of energy used to heat, cool, and operate American homes.
- Current public transit use helps avoid the release of nearly 745,000 tons of carbon monoxide (CO)—roughly 75 percent of the CO emissions from all U.S. chemical companies.

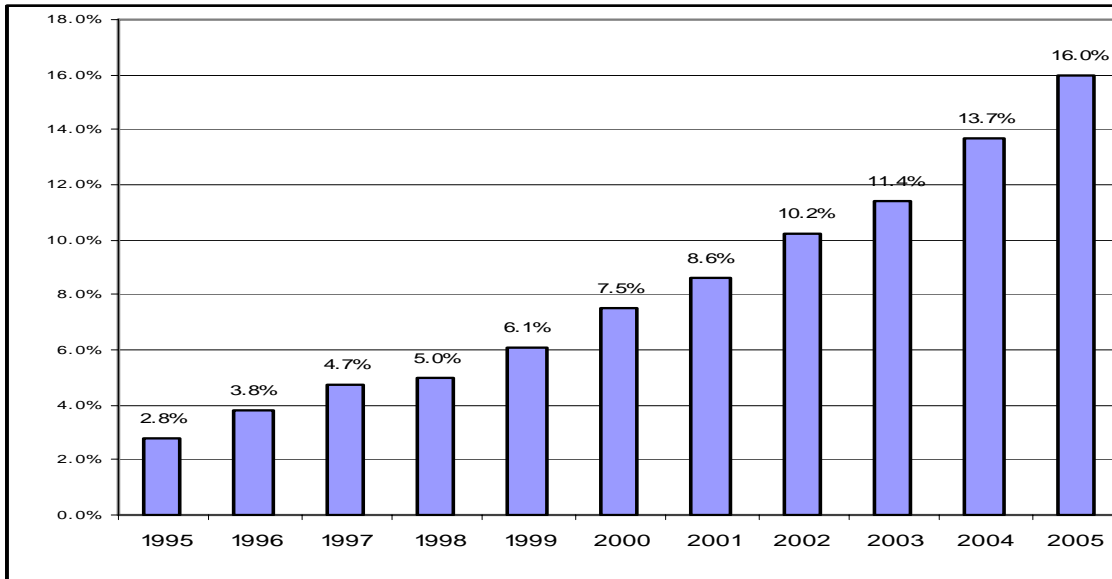
As part of FTA’s continuing efforts to maximize mobility and minimize fuel-related consumption and air pollution, FTA is striving to increase by two percent per year the deployment of energy efficient and low emission technology vehicles in the transit industry.

Alternative Fuel Bus Purchases ^{1/}									
Year	2002	2003	2004	2005	2006	2007	2008	2009	2010
Number of Buses (Projected)	3,933	4,011	4,092	4,173	4,257	4,342	4,429	4,517	4,608
Buses (Actual)	3,320	3,378	2,890	3,274	4,265	4,901			

1/ Includes buses 30-40ft, and buses under 30ft. These figures also include “clean diesel” powered buses.

One output of this measure is reflected in the increased share of the national bus fleet which uses alternative or ‘clean’ fuels. The national bus fleet using other than diesel or gasoline fuel rose from 2.8 percent in 1995 to 16.0 percent in 2006. Clean fuels encompass compressed natural gas, hybrid electric, battery, ethanol, liquefied natural or petroleum gas, kerosene, bio-diesel, grain substitute and other low or zero-emission technology fuels.

Percent of National Bus Fleet Using Alternative Fuels 1995-2005											
Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Alternative Fuel Fleet (%)	2.8%	3.8%	4.7%	5.0%	6.1%	7.5%	8.6%	10.2%	11.4%	13.7%	16.0%



FTA continues to examine practices and technologies that may lead to further improvements in air emissions and fuel-efficiency than an average automobile. Savings in the related energy costs will help lower the operating expenses of transit agencies.

Supplemental Department Performance Measure:

Median time to complete EIS ¹ for DOT-funded infrastructure projects.								
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Target:	N/A	N/A	N/A	35	30	30	30	30
Actual:	N/A	N/A	N/A	N/A	N/A			

Supplemental Department Performance Measure:

Median time to complete EAs ² for DOT-funded infrastructure projects.								
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Target:	N/A	N/A	N/A	12	12	12	12	12
Actual:	N/A	N/A	N/A	N/A	N/A			

¹ EIS – Environmental Impact Statement.

² EA – Environmental Assessment.

ANTICIPATED FY 2009 ACCOMPLISHMENTS

- Continue the development of plans to identify areas of research required to address the need to improve electric drive propulsion technology that will result in reducing energy consumption and its negative effects on the environment.
- FTA's research and analysis on the effectiveness of new technologies such as hydrogen fuel cells and diesel hybrid electric engines will help reduce air pollution emissions and promote the increase of fuel efficient public transportation vehicles. Through funding targeted towards government-industry research and demonstration these efforts will provide considerable performance improvements in durability, efficiency, and cost reduction in fuel cell bus technology.
- Foster an increased market share of hybrid electric buses by promoting emission certification procedures for hybrid buses. FTA will provide guidance to the transit agencies on the full benefit of emissions reduction.
- In partnership with FHWA, support two National Transit Institute seminars providing outreach to the planning, transit, and highway communities on the links, for specific capital projects, between Statewide Planning, Metropolitan Planning, and NEPA Document Preparation, in order to improve the coordination of activities and to avoid the duplication of efforts.
- An estimated 6,300 buses (including 30-40ft buses and under 30ft buses) will be purchased with funds under the Urbanized Area Formula Grants, State Administered Programs and the Bus and Bus-facilities Program. A total of 1,980 are expected to be powered by propulsion alternative fueled propulsion systems, such as compressed nature gas, biodiesel, and hybrid-electric.
- Each year, Americans lose 3.7 billion hours and 2.3 billion gallons of fuel sitting in traffic. The President's budget proposes 15 existing and two pending full funding grant agreements that will carry approximately 346 million riders. Using the systems under construction and proposed in the President's request drivers will experience 128.7 million hours of reduced travel time annually. Approximately 100.3 million 346 million riders will have formerly used only an automobile for their commute.
- Removal of these automobiles would improve air quality by reducing 19 billion tons of CO₂ emissions annually.
- In FY 2006, formula program and bus and bus-facility funds were used to purchase 3,166, 30-40ft buses, and 2,798 buses under 30ft in length. A total of 480 of these buses were Compressed Natural Gas vehicles; 55 buses were Liquefied Natural and Petrol. Gas vehicles; 2 were powered with Methanol or Ethanol and 1,321 buses used other propulsion systems. A total of 3,037 were "clean diesel" powered vehicles.

FY 2010 PERFORMANCE BASELINE BUDGET

Formula and Bus Grants – \$443.979 million

Over the past several years, the funding provided through Formula Grants has allowed FTA to maintain its commitment of reducing air pollutants and greenhouse gases, thereby helping to protect and enhance communities and the natural environment by funding clean fuel buses. These base funds have provided the proper levels of formula and oversight funding to ensure that new transit projects help to protect and enhance communities and the natural environment. Having overall FTA activities implemented effectively and efficiently is essential to supporting DOT's performance goal of environmental stewardship. The FY 2010 request is expected to help meet FTA's commitment to these performance measures.

The outputs of the Formula and Bus Grants program include investing in clean fuel buses that reduce the amount of harmful particulates emitted into the atmosphere. FTA estimates that this amount will be used by its grantees to purchase clean fuel buses nationwide, through clean fuel bus purchases under the Formula Grants programs.

In FY 2010, an estimated 5,200 buses with low emission and alternative fueled buses will be purchased with funds under the Environment Stewardship objective. This will contribute substantially to the Environmental Stewardship goal of reducing emissions.

Within the FY 2010 request is \$438,845 in Formula and Bus Grants from the Oversight takedown to provide for environmental requirements of FTA programs, including the goal environmental stewardship over major transit investments. These funds will support:

- Environmental Review Process Oversight including technical support of the environmental reviews of proposed transit projects.
- Environmental Management for New Starts including strengthened environmental streamlining and stewardship.

Research and University Research Centers – \$6.0 million

Research and University Research Centers funding aimed at providing energy efficient and low emission technology vehicles in the transit industry helps to advance research and technology development projects. New transit projects are being developed that assist in establishing a basis to protect and enhance communities and the natural environment. Helping to fund the energy efficient research projects is essential to furthering FTA's commitment to this performance measure which also contributes to the foundation of DOT's performance goal of environmental stewardship. The FY 2010 request is expected to help meet FTA's commitment to this performance measure.

These funds will support:

- Clean Fuels & Electric Drive Bus Deployment (Hybrid Electric) Program – FTA is requesting \$3.3 million in FY 2010 for its Clean Fuels and Electric drive Bus Deployment (Hybrid Electric) program in response to FY 2006 Congressional direction for FTA to encourage deployment of new low emission technology, including hybrid electric buses. FTA’s Hybrid Electric program will develop a comprehensive approach to address existing barriers within the transit industry to the adoption and deployment of new low emission technology.
- Research on technologies and methods to reduce energy consumption (electric or fuel) of rail systems. Rail systems consume considerable energy resources (either through the electric grid or through fuels) that are a substantial proportion of operating costs. Research will examine wayside energy storage substations, regulation and reduction of peak power demand, use of regenerated energy, and reducing voltage.
- The DOT Center for Climate Change and Environmental Modeling creates comprehensive and multi-modal approaches to reduce transportation-related greenhouse gases and to mitigate the effects of global climate change on the transportation network.
- Promotion of Environmental Management Systems and expansion of the scope of transportation planning to fully integrating land use, economic development, and environmental quality considerations into the planning process.

Both the Research and University Research and the Formula and Bus Grants programs are linked to the FTA-level measures of reducing transit-related emissions. Funding from the Formula and Bus Grants program will be used to invest in clean fuel buses that reduce the amount of harmful particulates emitted into the atmosphere.

The results of these FTA-level measure achievements contribute to the DOT level outcomes of helping to protect and enhance communities by accomplishing the following:

- Funding clean fuel buses, such as hydrogen fuel cells and diesel hybrid electric engines to reduce air pollution emissions and increase the fuel efficiencies of public transportation vehicles.
- Fostering increased market share of hybrid electric buses by promoting emission certification procedures for hybrid buses and provide guidance to transit agencies to obtain the full benefit of emissions reduction
- Addressing research needs that will improve electric drive propulsion technology thereby reducing energy consumption and negative effects on the environment.
- Providing funding for the environmental review process Oversight including technical support of the environmental reviews of proposed transit projects.
- Providing funding for environmental management for New Starts including strengthened environmental streamlining and stewardship.

Administrative Expenses – \$765 thousand

This funding is for administrative support to provide the necessary grants to state and local governments, enabling them to protect and enhance their communities and the environment.

FTA will promote transportation solutions that enhance communities and protect the natural and built environment. We will support use of innovative environmental practices by our grantees in the research, planning, design, construction and operation of public transportation Systems

SECURITY, PREPAREDNESS AND RESPONSE

Performance Goal: Assist transit agencies in developing emergency plans, conducting drills and providing security training

The baseline budget includes \$50.4 million to contribute to the DOT Security, Preparedness and Response strategic objective to balance transportation security requirements with the safety, mobility, and economic needs of the Nation and be prepared to respond to emergencies that affect the viability of the transportation sector. The key outcomes include all modes within DOT successfully completing steps that would prepare them for a rapid recovery of transportation from intentional harm and natural disasters.

FTA designed and delivered to the top 30 transit agencies an enhanced security program that prioritizes implementation of improvements that resulted in:

Enhanced Public Awareness: Ensuring that 100% of the 30 largest transit agencies:

- Develop protocols that specify the content and frequency of announcements based on threat scenarios and the Homeland Security threat levels.
- Address unattended baggage procedures in their public awareness messages.
- Post signage that informs the riding public of emergency evacuation procedures.

Emergency Preparedness: Ensuring that 100% of the 30 largest transit agencies:

- Update emergency management plans at least annually.
- Conduct tabletops annually; 90% of these agencies conduct regional, inter-agency drills annually.

FTA is updating its measure of whether the transit agencies have public awareness programs to guard against acts of intentional harm and natural disasters.

The resources in this baseline budget to achieve this goal are:

**FEDERAL TRANSIT ADMINISTRATION
Appropriations, Obligation Limitations, & Exempt Obligations
(\$000)**

PERFORMANCE GOALS & MEASUREMENTS BY PROGRAM ACTIVITIES	FY 2008 <u>Actual</u>	FY 2009 <u>Enacted</u>	FY 2010 Baseline <u>Budget</u>
5. Security			
Security, Preparedness and Response			
1. Administrative Expenses	580	591	612
2. Formula and Bus Grants	44,215	46,917	47,385
3. Research and University Research Centers	<u>1,350</u>	<u>1,800</u>	<u>2,400</u>
Total – Security	46,145	49,308	50,397

General Overview: Funding in FY 2010 will improve transit security and emergency preparedness. FTA will use these funds to enhance and promote public transit security through oversight, technical assistance, and research in close partnership with the Department of Homeland Security (DHS).

PERFORMANCE ISSUE:

FTA's strategic security approach incorporates employee training, emergency preparedness, and public awareness through oversight, technical assistance, and research programs.

Transit is a critical, high risk and high consequence national asset. Every day, transit provides mobility to millions of Americans in our most densely populated urban areas and serves the largest economic and financial centers in the nation. Transit moves more than 14 million passengers every workday, on transit systems that range from very small bus-only systems in rural communities to very large multimodal systems in urban areas that may combine bus, light rail, subway, commuter rail, and ferry operations. FTA provides guidance and information to these agencies, helping to ensure preparedness in the case of an emergency.

Transit systems are designed to provide not only open, easy access to passengers, but also to operate under or alongside our largest business and government buildings, intermodal transportation centers, and many of our nation's most visible public icons. Public transportation has been a frequent target of terrorism, evidenced most recently by the Mumbai train bombings in July 2006. The Mumbai attacks, as well as those in London, Madrid, and Tokyo, have exposed existing vulnerabilities and the need to make transit security a top priority.

FTA is limited by statute in its authority to regulate transit security. Under 49 U.S.C. Sections 5307(d) and 5324(c)), FTA is prohibited from regulating the day-to-day "operation" of mass transit systems. FTA does not dictate the specific means or methods that mass transit operators use to ensure security. However, FTA requires its large grant recipients to both establish comprehensive safety and security programs and demonstrate their technical capacity to carry out those programs.

FTA will continue to work closely with the Department of Homeland Security's (DHS) Transportation Security Administration (TSA), and Office of Grants and Training (G&T) to apply their respective expertise and knowledge to the transit industry. This relationship, now formalized through the execution of the DOT/DHS Memorandum of Understanding's Public Transit Annex will enable FTA to leverage its expertise and resources to maximize effective transit security coordination.

The Inspector General (IG) has suggested that agencies need to "ensure continued vigilance in protecting taxpayer funds spent for relief and recover efforts" in responding to National disasters and emergencies, assisting citizens, and facilitating transportation infrastructure

reconstruction. FTA has a proven record of accomplishment in management of over \$4.5 billion in emergency funding made available for infrastructure reinvestment after the terrorists attacks of September 11, 2001 and almost \$88 million provided by FEMA in the aftermath of the 2005-2006 Hurricanes Katrina and Rita.

FTA has been directly involved in the Lower Manhattan Recovery effort since the immediate aftermath of the September 11, 2001 terrorist attack on the World Trade Center, providing technical support and emergency funding in coordination with Federal, state, and local agencies. The FTA Lower Manhattan Recovery Office's (LMRO) mission is to deliver a project development and oversight program for construction projects leading to transportation recovery and economic revitalization in Lower Manhattan. In achieving its mission, the LMRO program will model streamlined project delivery and strong stewardship of Federal investment.

FTA successfully monitored almost \$88 million of FEMA resources provided to the New Orleans Regional Transit Authority (NORTA), and the State of Louisiana to provide bus services and rebuild bus operations in New Orleans and the surrounding rural areas in the gulf region. FTA dedicated regional staff on site to monitor disaster response and recovery efforts. Staff monitored the number of bus pull outs, to ensure adherence to planned routes, reviewed NORTA's invoices, and verified rates they charged FEMA for conducting service. FTA conducted several reviews of NORTA's technical and financial capability to manage federal dollars. In addition, multiple oversight reviews were conducted including: financial management, project management, Triennial review, and planning certification reviews.

ANTICIPATED FY 2009 ACCOMPLISHMENTS

FTA recommends a systems approach for enhancing and promoting transit industry security. The Transportation Research Board's security report, "Deterrence, Protection and Preparation" suggests 'layered security systems' that are well integrated throughout transportation operations. Such security systems have integrated concentric features (e.g., fencing, security patrols, and closed circuit television), so a breach of any one layer will not defeat the entire system. Each layer provides backup for the others.

FTA has identified three strategic priorities with regard to security: training, planning, and public awareness. Transit employees will be trained to deter, detect, mitigate, and respond to a variety of emergency scenarios. FTA will encourage local agencies to have emergency plans in place and routinely practice them. Finally, increased public awareness will ensure that passengers can identify suspicious or unusual behavior, communicate with transit officials, and exit safely in the event of an emergency.

Fundamentally, security should be built into all aspects of transit systems, as new assets are designed and constructed and existing infrastructure is maintained and modernized. These concepts are advocated throughout FTA's comprehensive security program guidance. Transit agencies across America have embraced FTA's guidance and recommended action items, resulting in strengthened security systems and enhanced emergency response plans. FTA's specific security program accomplishments include:

- Completing on-site security and emergency management technical assistance to the fifty largest U.S. transit systems by deploying multi-disciplinary teams, including experts on anti-terrorism, security, and transit operations. FTA’s technical assistance teams identified gaps in the fifty transit agencies’ security programs and provided specific products to address the gaps. The program will also develop a final report that includes “best practices” and “lessons learned” sections, to be distributed to all transit agencies.
- Working with the FBI and DHS to enhance collaborative relationships between transit agencies and local FBI officials, including participation in the FBI’s Joint Terrorism Task Force in their respective communities.

Performance goal: Emergency Preparedness - Ensuring that 100% of the 30 largest transit agencies:

- Update emergency management plans at least annually.
- Conduct tabletops annually; 90% of these agencies conduct regional, inter-agency drills annually.

FY 2010 PERFORMANCE BASELINE BUDGET

Formula and Bus Grants – \$47.385 million

Recipients of Section 5307 formula funding are required to use at least one percent of the amount received each fiscal year on “mass transportation security projects.” Projects include increased lighting in or adjacent to a mass transportation system, increased camera surveillance of an area in or adjacent to that system, providing an emergency telephone line to law enforcement or security personnel, and any other project intended to increase the security and safety of an existing or planned public transportation system. In FY 2010, funds provided by FTA will be used by grantees on projects that increase the security and safety of their transit systems, unless the grantee certifies and the Secretary of Transportation accepts that the expenditure for security projects is unnecessary. These funds are an integral portion grants for safety and security capital projects. In addition, oversight resources will develop technical guidance designed to make bus and rail transit systems more secure in the event of terrorist attacks or natural disasters.

With the passage of SAFETEA-LU, capital projects for security and crime prevention have been expanded to include: projects to refine and develop security and emergency response plans; to detect chemical and biological agents in public transportation, to conduct emergency response drills with public transportation agencies and local first response agencies; and security training for public transportation employees.

FTA is working with the transit industry to identify critical, high-risk assets and operations, and is developing a broad range of strategies to increase security. These strategies must become an integral part of daily transit operations and will include a special emphasis on training, as well as technical assistance, guidelines, best practices, and testing of available technologies for intrusion detection, surveillance, and chemical and biological substance detection.

FTA's "next generation" technical assistance to transit agencies will assist them in updating and enhancing their security system programs. The next generation security technical assistance program will be:

- comprehensive – by providing value to large, medium, and small transit operators;
- systematic – by building on existing security initiatives (such as the application of FTA's Top 20 Security Action Items List) and lessons learned, offering state-of-the-art industry guidance, and establishing/reinforcing consistent industry practices, protocols, plans, etc.;
- flexible – by tailoring the overall strategic level approach and delivery of products to fit the specific tactical level needs of individual transit agencies; and
- responsive – by aligning program resources in priority with relative risk levels.

FTA will continue to work closely with TSA to activate and fully implement security programs per the terms of the MOU Public Transit Annex. FTA will provide subject matter expertise to DHS, assessing transit industry security gaps and working with DHS to fill such gaps through oversight, technical assistance, and research.

Research and University Research Centers – \$2.4 million

With funds dedicated to research in FY 2010, FTA will:

- Continue to provide a comprehensive training curriculum and collaborate with industry stakeholders to develop strategies to maximize the number of transit employees receiving security training, including advanced, job specific security training for transit police and front-line employees.
- Provide "Connecting Communities" regional emergency management forums at numerous locations throughout the country, bringing transit security officials together with other key regional security, law enforcement, and emergency management responders to share information, coordinate resources, and assess needs.

Administrative Expenses – \$612 thousand

This amount will provide administrative support to assist transit agencies in developing enhanced public awareness programs, to provide stronger deterrence against terrorist acts and to improve emergency preparedness efforts further.

ORGANIZATIONAL EXCELLENCE

Performance Goal: Implement the Government-wide Management Initiatives

The Federal Transit Administration (FTA) baseline funding of \$32.8 million contributes to the Department's Organizational Excellence strategic objective and to the goal of implementing the management objectives.

The baseline budget funding will allow FTA to focus on meeting government-wide initiatives: Strategic Management of Human Capital; Competitive Sourcing; Improved Financial Performance; Expanded Electronic Government; and Budget and Performance Integration.

The resources in this baseline budget to achieve this goal are:

FEDERAL TRANSIT ADMINISTRATION Appropriations, Obligation Limitations, & Exempt Obligations (\$000)

<u>PERFORMANCE GOALS & MEASURES BY PROGRAM ACTIVITIES</u>	<u>FY 2008 Actual</u>	<u>FY 2009 Enacted</u>	<u>FY 2010 Baseline Budget</u>
6. Organizational Excellence			
Strategic Management of Human Capital			
1. Administrative Expenses	3,171	3,370	3,475
2. Research and University Research Centers	360	0	0
FTE	18	18	18
Competitive Sourcing			
1. Administrative Expenses	290	295	306
FTE	2	2	2
Improved Financial Performance			
1. Administrative Expenses	7,781	10,571	10,753
2. Formula and Bus Grants	2,470	3,500	3,532
3. Research and University Research Centers	0	0	384
FTE	24	24	24
Expanded Electronic Government			
1. Administrative Expenses	11,600	12,562	12,876
2. Formula and Bus Grants	250	0	0
3. Research and University Research Centers	204	207	210
FTE	15	15	15
Budget and Performance Integration			
1. Administrative Expenses	1,596	1,624	1,683
FTE	<u>11</u>	<u>11</u>	<u>11</u>
Total - Organizational Excellence	27,722	32,129	32,835
FTE	70	70	70

General Overview: The Department is committed to forwarding government-wide initiatives that focus on improving the management and performance of the Federal government. The government-wide goals include: Strategic Management of Human Capital; Competitive Sourcing; Expanded Electronic Government; Improved Financial Performance; and Budget and Performance Integration; R&D Investment Criteria; Eliminating Improper Payments; and Real Property Management. FTA uses strategic and performance planning to ensure that the organization achieves its objectives and goals, and is committed to embodying these goals of a citizen-centered, results-based, and market-oriented government. FTA requests \$32.8 million to implement the five core government-wide initiatives and to continue work towards developing a quality organization.

1. Strategic Management of Human Capital

PERFORMANCE ISSUE

The entire Federal government faces an impending wave of retirements by highly competent Federal employees, which will create a large-scale strategic human resource planning issue. FTA must plan now to maintain required levels of experience, competencies, and knowledge in its workforce. Succession planning, as well as managing and maintaining adequate institutional knowledge, will be crucial for FTA's ability to carry out its functions during this period of high workforce turnover.

In 2002, the Federal Transit Administration (FTA) began the process of developing a Workforce Plan by soliciting a contractor to analyze FTA's workforce structure, core competencies and competency gaps in mission critical occupations. This effort ultimately led to the creation of FTA's Workforce Plan which is used to align the most effective mix of resources to successfully complete FTA's mission.

As the federal workforce faces high levels of retirement eligible personnel, retention, recruitment and succession planning are keys to keeping talented human resources at FTA. It has been over five years since the first workforce analysis was completed. FTA has undergone significant changes in human capital resources; having offered early retirement buyouts, implemented efforts to reduce the average grade of employees in occupations previously graded above the full-performance level, and increased participation in career advancement and training programs. The impact of these changes on the ability of the agency to support program delivery needs to be analyzed and incorporated in future workforce planning initiatives.

FTA currently has a contractor analyzing FTA's staffing structure, identifying workload indicators and the developing capabilities, methodologies and techniques for continued workforce analysis and planning. The contractor will develop a comprehensive analysis of FTA's workforce in order to strategically align its human capital resources to efficiently and effectively fulfill its mission. In addition, the contractor will develop tools FTA can use to assist in future workforce planning.

ANTICIPATED FY 2009 ACCOMPLISHMENTS

- To continue to invest in human capital to enable FTA to recruit and retain the talented and diverse workforce essential to achieve Departmental and FTA performance objectives.
- To achieve increased productivity through high employee morale and to implement a continuous improvement plan that includes: an avenue for employee and public suggestions; increased access to senior leadership; 360 degree performance evaluations for managers; increased job rotation opportunities for employees; and performance appraisal training for managers.
- The contractor analysis will develop strategies for addressing gaps in critical occupations and matching staff resources to program requirements using realistic possibilities as they exist in the current organizational environment. Capabilities, methodologies and techniques should be developed to support future workforce planning based on projections of future workforce trends using the workload indicators to project staffing requirements

FY 2010 PERFORMANCE BASELINE BUDGET

Administrative Expenses - \$3.5 million

Of the total, \$721,000 will provide for employee training and career development. In addition to individual training courses provided by the U.S. Department of Agriculture Graduate School and other sources, requested funding will enable FTA employees to attend various leadership sessions, such as those held at the Federal Executive Institute and the Transit Academy. FTA's central training program also includes funding for new employee orientation, employee relations, team building, etc. The remaining \$2.75 million will support 18 full-time equivalent (FTE) work years of effort and a proportionate share of infrastructure and supply costs to sustain them.

2. Competitive Sourcing

PERFORMANCE ISSUE

Competitive Sourcing opens government activities to competition with the private sector. The process of competition provides an imperative for the public sector to focus on continuous improvement and for removing roadblocks to better performance and greater efficiency. The objective is to focus on the most effective and efficient way of accomplishing the agency's mission, regardless of whether it is done by civil servants or contractors. The Department's efforts to determine whether current functions can be more efficiently performed by the private sector guides each modal administration's direction under this initiative.

ANTICIPATED FY 2009 ACCOMPLISHMENTS

- To continue the process of acquiring contractor assistance to develop options, to provide expertise, and to develop competitive sourcing strategies regarding direct conversions and cost comparisons.
- To participate in the Department's Competitive Sourcing Executive Steering Committee meetings to review cross-functional areas for potential competitive sourcing study.

FY 2010 PERFORMANCE BASELINE BUDGET

Administrative Expenses - \$306 thousand

The requested amount will support two FTEs and a proportionate share of infrastructure and supply costs to sustain them.

3. Improved Financial Performance

PERFORMANCE ISSUE

The management initiative for improving financial performance is that Federal managers have accurate and timely information to manage costs. To meet this vision, the improved financial performance initiative strives to ensure Federal financial systems produce accurate and timely information to support operating, budget, and policy decisions. With this initiative, the Federal government looks to provide additional program services while reducing program costs and to provide improved accountability to the American people through audited financial reports.

The Office of the Inspector General has stated that the Department's ability to achieve its strategic goals of increased mobility, improved safety, and sustained economic growth undoubtedly will be challenged in the face of an unprecedented Federal deficit of about \$374 billion. Aggressive oversight is needed to ensure that the \$10 billion annual Federal investment in transit projects is well managed and protected from fraud. Improvements to project oversight and efficiency can lead to major results.

FTA is required to comply with Federal management statutes passed by Congress. Within the financial management arena, Congress has passed a number of legislative mandates intended to establish accountability within the Federal government. The Federal Managers Financial Integrity Act (FMFIA) provides internal controls guidance and sets guidelines for strengthening financial systems, reducing fraud, waste, and misappropriation of funds. FTA has enhanced its FMFIA program to include a more robust assessment of management controls. New guidance has been issued that includes improved measures to enforce management accountability. FTA brought in a Federal-contracting firm to assist with the implementation of the updated policy guidance on FMFIA. The contractor performed

FMFIA and Office of Management and Budget (OMB) Circular A-123 compliance assessments and documented and tested management controls relating to six key business processes within the agency. Business processes not included in this process were placed in a performance self-assessment initiative.

In response to Federal financial requirements, FTA has successfully implemented its Managerial Cost Accounting (MCA) system. MCA practices are recognized as a valuable tool in aiding Federal agencies' efforts to demonstrate accountability in financial accounting, budgeting (allocating resources), and managing programs. FTA's MCA system fully cost accounts all administrative and program funds and calculates the percentage distribution by Departmental Strategic Goal for FTA's Statement of Net Cost. Metify software integrates labor-hours with grant obligations reported in the Transportation Electronic Award and Management (TEAM) grant-making system and with administrative obligations reported in the Delphi accounting system. Labor Distribution Reporting (LDR), expenses, and obligations are captured in a report that is distributed on a quarterly basis to managers and other interested agency staff. LDR participation targets set in early FY 2007 were met, with FTA now maintaining employee participation at 85 percent or above.

ANTICIPATED FY 2009 ACCOMPLISHMENTS

- To complete the transition of accounting operations, begun in FY 2007, to the Enterprise Services Center (ESC) in Oklahoma City, Oklahoma. In an effort to standardize and improve financial management and reporting functions, the Department established a facility for centralizing accounting operations at the ESC. The Department's goal is to produce improved financial information and accounting services for the agency as a whole and to realize cost savings for each modal administration. Accounting operations being transitioned include: accounting for reimbursable agreements; travel authorization and payments; commercial payments; accounts receivable; general accounting; and financial reporting and analysis.
- To receive a clean audit opinion on FTA's FY 2008 financial statements. A clean financial audit is a basic prescription for any well-managed agency.
- To begin the upgrade of the Delphi accounting system to Oracle 12.FSIO, which will require a total reimplemention of the system and a complete data conversion. Major benefits and improved functionality will include: (1) the Federalized Project Accounting Module; (2) budgetary to proprietary accounting; (3) automated prior-year recovery; (4) XML-based data extracts that will replace many current reports created using desktop tools such as Word, Excel, or Acrobat; (5) an enhanced view of financial information across the Department; (6) a completely new technical architecture for the application (sub-ledger architecture versus sets of books); and (7) an enhanced ability to tie costs to strategic goals and performance metrics.
- To begin using LDR as an agency management tool. Capturing labor-hours by project tasks will enable FTA management to quantify the amount of resources

committed to projects and programs and to determine workload assignments, to make staffing decisions, and to shift program responsibilities.

- In September of 2007, FTA met with the Association of Government Accountants (AGA) and Grant Thornton (GT) to discuss the possibility of FTA participating in a pilot project for a research effort on “Process Based Management (PBM).” AGA’s and GT’s interest in FTA was due to the agency’s more mature Managerial Cost Accounting (MCA) system relative to other agencies in the Federal government. After several brainstorming sessions and self-assessments, AGA and GT decided to select FTA along with four other federal agencies (Department of Labor, NASA Goddard, Coast Guard, and the State Department) to undergo the development of a Process Based Management model. The intent of the initiative is to go beyond the compliance requirements of MCA, and try to provide managers more meaningful information to work with beyond what is currently provided in MCA reports.
- A timeline was established in January of 2008 to develop the PBM model for FTA. The fundamental concept behind the model is that granular data (funding) should be mapped through core processes of the agency to societal outcomes that FTA impacts. The measurement of these impacts is accomplished through the integration of FTA performance metrics and core processes in the model, effectively linking performance to how the taxpayer’s dollar is spent. With MCA integrated into the model as well, the MCA portion of the reporting will now be more meaningful to managers, as they will see a linkage between their labor distribution reporting (LDR), program funding, and societal outcomes.
- In March 2009, AGA published its report on Process Based Management outlining the means to enhance government reforms and transparency through modest changes to existing information systems.

FY 2010 PERFORMANCE BASELINE BUDGET

Formula and Bus Grants - \$3.5 million

These funds will support financial and procurement oversight projects funded from the oversight takedown from formula grant activities. Procurement oversight safeguards Federal investments by helping to provide oversight of grantees’ procurement systems. The procurement system reviews determine if grantees’ systems meet the requirements of the Common Rule and advise FTA about the effectiveness of each grantee’s procurement system.

Administrative Expenses - \$10.75 million

A total of \$3.8 million will provide for 24 FTEs and a proportionate share of infrastructure and supply costs to sustain them. Additionally, \$3.9 million will support major capital investments in FTA’s key financial systems, including its Delphi accounting system, the ECHO grants payment system, and the Prism acquisition system. A total of \$3.2 million is

requested to provide for: centralized accounting operations provided by the ESC; FMFIA and OMB Circular A-123 support; and the annual audit of FTA financial statements.

Performance Measure: Percentage of major FTA Federally-funded infrastructure projects that meet schedule milestones established in project or contract agreements, or that miss them by less than 10%

	2003	2004	2005	2006	2007	2008	2009
Target	95	95	95	95	95	95	95
Actual	50	75	100	100	100	100	

Performance Measure: Percentage of major FTA Federally-funded infrastructure projects that meet cost estimates established in project or contract agreements, or that miss them by less than 10%

	2003	2004	2005	2006	2007	2008	2009
Target	95	95	95	95	95	95	95
Actual	75	75	100	100	100	100	

4. Expanded Electronic Government

PERFORMANCE ISSUE

The Federal government must effectively manage its portfolio of capital assets to ensure scarce public resources are wisely invested. Capital programming integrates the planning, acquisition, and management of capital assets into the budget decision-making process. It is intended to assist agencies in improving asset management and in complying with the results-oriented requirements of:

- The Government Performance and Results Act (GPRA) of 1993, establishing the foundation for budget decision-making to achieve strategic goals in order to meet agency mission objectives;
- The Federal Managers Financial Integrity Act of 1982, the Chief Financial Officers Act of 1990, and the Federal Financial Management Improvement Act of 1996, which require accountability of financial and program managers for financial results of actions taken, control over the Federal government’s resources, and protection of Federal assets;
- The Paperwork Reduction Act of 1995, which requires agencies to perform their information resources management activities in an efficient, effective, and economical manner;
- The Clinger-Cohen Act of 1996, which requires agencies to use a disciplined capital planning and investment control process to acquire, use, maintain, and dispose of information technology;

- The Federal Information Security Management Act, which requires agencies to integrate information technology (IT) security into their capital planning and enterprise architecture processes, conduct annual IT security reviews of all programs and systems, and report the results of those reviews to OMB;
- The Electronic Government Act of 2002, which requires agencies to support government-wide electronic government (E-gov) initiatives and to leverage cross-agency opportunities to further E-gov. The Act also requires agencies to establish a process for determining which government information the agency intends to make available and accessible to the public on the Internet and by other means.
- The Federal Records Act, which requires agencies to establish standards and procedures to assure efficient and effective records management. The National Archives and Records Administration (NARA) issues policies and guidance for agencies to meet their records management goals and requirements. NARA also provides policies and guidance for planning and evaluating investments in electronic records management.

FTA recognizes that a sound technical foundation needs to be in place before E-gov services can be offered reliably and effectively, both internally and externally to the public. The Federal government's E-gov initiative serves citizens, businesses, and Federal employees by delivering high quality services more efficiently at a lower price. Instead of using expensive, "stove-piped" operations, agencies should work together to develop common solutions that achieve mission requirements at reduced cost, thereby making resources available for higher priority needs. The Administration's goal is to champion a citizen-centered, E-government that will result in major improvements in the Federal government's value to its citizens.

ANTICIPATED FY 2009 ACCOMPLISHMENTS

- To evaluate the need to update policies considering reviews, concurrences, and approvals in the TEAM grant-making system. FTA's goal is to reach consistency across its 10 regional offices on the application of requirements.
- To increase the number of telecommuters by supplying portable technology equipment at the desktop level. Since these devices will be configured within agency standards, security in FTA's telecommuting program is enhanced.
- To convert remaining paper processes to electronic program interfaces to other financial and reporting systems; to develop the Web-enabled links that secure exchange solicitation documentation, past performance data, cost estimates and technical proposals with contractors and evaluation data with FTA program personnel. The Prism acquisition system will also be used to track and record purchase card transactions and will enable FTA to acquire goods and services more quickly and efficiently, thereby shortening the acquisition cycle and costs to internal and external customers.

- To expand the window of operation of the Information Technology Customer Support Center (IT helpdesk) to provide Tier 1 (telephonic) support for those sites that operate in different time zones, allowing for the same level of service for core business hours in each local time zone.
- To use the Executive Information System to provide dynamic information and mission deliverable results pertaining to financial and program areas, which are required by the OMB, the Government Accountability Office (GAO), and Congress.

FY 2010 PERFORMANCE BASELINE BUDGET

Research and University Research Centers - \$207 thousand

In the fall of 2001, OMB and Federal agencies identified 24 E-government initiatives. Operated and supported by agencies, these initiatives are providing high-quality and well-managed solutions for tax filings, federal rulemaking, and E-training, among others. E-Authentication is a separate initiative that provides secure and robust authentication services to the 24 initiatives. Funding in this baseline budget will provide for the following E-government initiatives.

- Grants.gov – creates a single portal for all Federal grant customers to find and apply for grants online. FTA is using Grants.gov for discretionary grant programs rather than collecting grant application data via TEAM. Grants.gov has helped FTA prepare for the future in terms of standardizing grant data and processes. The site will also help the agency prepare for TEAM’s transition to a Grants Management Line of Business or a technical refresh.
- Integrated Acquisition Environment – consists of nine government-wide integrated systems facilitating, unifying, and streamlining each phase of the federal acquisition process. Without these systems, the Department would need to build and maintain separate systems to record vendor and contract information and to post procurement opportunities. Agency purchasing officials would not have access to databases of important information from other agencies on vendor performance and could not use systems that replace paper-based and labor-intensive efforts.
- Disaster Management – helps citizens and members of the emergency management community at the local, tribal, state, and Federal levels by improving public safety response through more effective and efficient interoperable data communications and to serve as a unified point of access to disaster preparedness, mitigation, response, and recovery information. The DisasterHelp.gov portal, which is a source of disaster-related information, is available to the government, citizens, businesses, and other organizations.

In the spring of 2004, OMB announced the formation of five Lines of Business (LoBs) task forces. These five initiatives were identified by a thorough review of agency enterprise architecture data. The task forces are analyzing this data to identify ways in which services

commonly found in numerous agencies can be provided in a more efficient manner. Requested funding will support the following LoBs.

- Financial Management – initiative vision: to improve the cost, quality, and performance of financial management (FM) and to reduce non-compliant systems by leveraging common standards, by sharing service solutions, and by implementing other government-wide reforms that foster efficiencies in Federal financial operations. As the Department’s customer base continues to grow, it can create economies of scale and use the growth to gain leverage with the FM software vendor community.
- Grants Management – initiative vision: to create a government-wide solution to support end-to-end grants management activities that promote citizen access, customer service, and agency financial and technical stewardship. The benefit to FTA will be having a centralized location to download all applications, to make awards, and to track awards to closeout. Automated business processes available through consortium service providers will decrease agency reliance on manual and paper-based processing. Service to constituents will be improved through the standardization and streamlining of government-wide grants business processes. The public will receive time savings as a result of quicker notification and faster payments due to an automated system for grants processing.
- Human Resources Management – initiative vision: to implement government-wide, modern, cost effective, standardized, and interoperable human resource (HR) solutions providing common core functionality to support the strategic management of human capital. Through its adoption of an approved service provider, the Department can achieve the benefits of “best in class” HR solutions without the cost of developing and maintaining its own HR systems. Employees across the Department will benefit from improved HR services.
- Budget Formulation and Execution – initiative vision: to implement modern, interoperable, cost effective, and optimized solutions supporting all phases of the formulation and execution of the Federal budget and linking budget formulation, execution, planning, performance, and financial information.

Administrative Expenses - \$12.6 million

A total of \$2.29 million will provide for 15 FTEs and a proportionate share of infrastructure and supply costs to sustain them. In addition, FTA requests \$10.6 million for the following IT investments in FY 2010 to help meet the agency’s strategic goals and mission.

IT Investment (\$000)	FY 2008 Actual	FY 2009 Enacted	FY 2010 Baseline
Common Operating Environment/ Infrastructure <i>(Includes desktop, server, directory, and messenger services, all of which are billed through the Department's WCF)</i>	2,488	2,946	3,068
TEAM Grant-Making System	2,843	2,699	2,726
Enterprise Architecture <i>(Includes licensing and support)</i>	225	225	227
Web Applications <i>(Includes Westlaw legal research services and internal applications support)</i>	1,550	2,004	2,024
Voice, Cable, and Wireless Communications <i>(Includes: voice, cable, wireless, and inter-modal data network services; network engineering; and IT security, all of which are billed through the WCF. Also includes FTA local and long distance telephone services)</i>	1,910	1,725	1,779
Technology For Mission Support <i>(Includes IT equipment maintenance, repairs, upgrades, and replacement and certification and accreditation of FTA IT systems)</i>	181	472	477
Human Resources Systems and Support	227	277	280
TOTAL	\$9,424	\$10,348	\$10,581

Note: IT investments in FTA's various financial management systems and Prism acquisition system are captured under the goal of Improved Financial Performance.

In FY 2006, FTA introduced a new performance metric to measure the average number of days to complete grant processing after submission of a completed grant application. FTA has taken a number of steps to improve grant processing time, including: implementing an electronic Grants Notification System for grants over \$1 million and that are processed for release to Congress by the Office of the Secretary; opening TEAM for grant obligation earlier in the fiscal year; working with the Department of Labor (DOL) to develop a streamlined procedure for certifying grants in each grant amendment adding incremental funding; and expediting notification of certification by DOL.

Performance Measure: Average number of days to award a FTA grant after submission of a completed application

	2003	2004	2005	2006	2007	2008	2009
Target	60	36	36	36	36	36	36
Actual	39	30	28	28	28	29*	

* Preliminary estimate.

5. Budget and Performance Integration

PERFORMANCE ISSUE

This initiative follows through on the President's commitment to build a results-oriented government that funds effective programs and reforms or terminates ineffective programs.

Improvements in the management of human capital, competitive sourcing, improved financial performance, and E-gov will matter little if they are not linked to better results. Everyone agrees that scarce Federal resources should be allocated to programs and managers that deliver results. To this end, Congress enacted GPRA in 1993 to ensure that the Federal government focuses Federal programs on performance.

FTA has established an Annual Performance Plan to improve transportation for America's communities. The business plan goals include: 1) to attract and retain the best people in the Federal Transit Administration; 2) to deliver products and services that are valued by FTA's customer; 3) to establish effective business processes and leverage technology; and 4) to position public transportation as the mode of choice in America.

ANTICIPATED FY 2009 ACCOMPLISHMENTS

- To conduct a review of current FTA performance measures and to recommend updates or deletion.
- To demonstrate performance based on an assessment of the expected outcomes relative to what is actually being achieved.
- To hold all SES executives accountable for joint core accountabilities related to the Department's GPRA goals, FTA's Annual Performance Plan; and the implementation of the American Recovery and Reinvestment Act, 2009.
- To develop an integrated budgeting, performance, and accounting information system at the program level that will provide timely feedback for management and can be uploaded and consolidated at the agency and government level.
- To continue to schedule periodic Executive Management Team meetings to focus on progress in accessing program effectiveness and performance.

FY 2010 PERFORMANCE BASELINE BUDGET

Administrative Expenses – \$1.68 million

The requested amount will support 11 FTEs and a proportionate share of infrastructure and supply costs to sustain them.

6. Research and Development Investment Criteria

PERFORMANCE ISSUE

FTA has incorporated the Administration's research and development (R&D) investment criteria into the budget process. The criteria provide broad guidelines for planning and

managing all levels of Federal R&D. Each of the criteria has both prospective and retrospective elements.

- *Relevance*: Programs must have complete plans, with clear goals and priorities, must articulate their potential public benefits, and must be relevant to national and customer needs. Agencies must assess relevance periodically through both prospective and retrospective independent review.
- *Quality*: Programs must use clearly stated, defensible methods for awarding funding. Those allocating funds through means other than a competitive, merit-based process must justify funding methods and document how quality is maintained. Agencies must assess the quality of research using retrospective reviews by technical experts.
- *Performance*: Programs must maintain long-term objectives, with annual measures and targets, and define appropriate outputs, outcomes, schedules, and decision points. Agencies should express program results in terms of public benefits. Performance must be retrospectively documented annually.

The R&D investment criteria have three aims: (1) to improve program management; (2) to inform funding decisions; and (3) to increase public understanding of the benefits of Federal research. As stated by OMB, application of the criteria helps to improve public understanding of the benefits and effectiveness of Federal R&D.

ANTICIPATED FY 2009 ACCOMPLISHMENTS

- To make program decisions based on information beyond anecdotes and prior-year funding levels.
- To improve the budget process and to manage R&D programs to increase the overall productivity of the Federal research portfolio.
- To communicate the expectations of proper program management and to set standards for information provided in program plans and budget justifications.

7. Eliminating Improper Payments

PERFORMANCE ISSUE

Improper payments are a long-standing, widespread, and significant problem in the Federal government. GAO reported that improper payments cost the Federal government approximately \$35 billion annually and that Federal expenditures are likely to increase due to the projected, increased costs of programs such as Medicare, Medicaid, and Social Security. The joint Chief Financial Officers' Council and the President's Council on Integrity and Efficiency identified a number of problems that increase the risk of improper payments, including a weak or incomplete program control environment and a lack of attention toward government-wide coordination and information sharing.

The Improper Payment Information Act (IPIA) of 2002 contains requirements in the areas of improper payment identification and reporting. It requires agency heads to annually review all programs and activities, to identify those that may be susceptible to significant improper payments, to estimate annual improper payments in the susceptible programs and activities, and to report the results of their improper payment activities. An improper payment occurs when Federal funds are disbursed to the incorrect recipient, an incorrect payment amount is disbursed, or the recipient uses funds in an improper manner.

Upon implementation of the IPIA, the Department developed an improper payment risk assessment methodology and process. A review of the majority of its programs and activities was conducted to identify those that may be susceptible to significant improper payments. OMB has defined significant as 2.5 percent of total payments or \$10 million. The Department conducts the IPIA assessment annually.

To date, there have been no significant improper payments identified that are necessary to reduce and recover. If improper payments are found, the Office of the Secretary will work with the agency to ensure that reduction targets and recovery rates are established.

ANTICIPATED FY 2009 ACCOMPLISHMENTS

- To carefully monitor and control payments being processed through TEAM, ECHO, and Delphi.
- To put into place processes and systems that ensure the accuracy of FTA's grant payments.

8. Real Property Management

FTA does not manage any real property, so this goal does not apply.

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Section 5.

Research Development and Technology Exhibits

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EXHIBIT V-1

**RESEARCH, DEVELOPMENT, & TECHNOLOGY
DEPARTMENT OF TRANSPORTATION
BUDGET AUTHORITY
(\$ in thousands)**

FEDERAL TRANSIT ADMINISTRATION	FY 2008 Actual	FY 2009 Enacted	FY 2010 Request
A. National Program	44,877	45,800	46,257
1. Increase Transit Ridership	<u>14,003</u>	<u>13,695</u>	<u>12,457</u>
a. Increase Transit Ridership	1,787	1,600	1,400
b. Increase Transit Ridership (T)	12,216	12,095	11,057
2. Improve Capital and Emergency Operating Efficiency	<u>16,109</u>	<u>16,650</u>	<u>14,800</u>
a. Improve Capital and Emergency Operating Efficiency	6,798	6,790	5,500
b. Improve Capital and Emergency Operating Efficiency (T)	9,311	9,860	9,300
3. Improve Safety and Emergency Preparedness	<u>7,246</u>	<u>6,435</u>	<u>7,400</u>
a. Improve Safety and Emergency Preparedness	661	800	1,000
b. Improve Safety and Emergency Preparedness (T)	6,585	5,635	6,400
4. Protect Environment and Promote Energy Independence	<u>4,132</u>	<u>5,503</u>	<u>6,000</u>
a. Protect Environment and Promote Energy Independence	3,522	5,088	5,500
b. Protect Environment and Promote Energy Independence (T)	610	415	500
5. Provide Transit Research Leadership	<u>3,387</u>	<u>3,517</u>	<u>5,600</u>
a. Provide Transit Research Leadership	0	0	0
b. Provide Transit Research Leadership (T)	3,387 ^{1/}	3,517 ^{1/}	5,600 ^{1/}
B. Transit Cooperative Research Program (T)	9,300	10,000	10,100
C. National Transit Institute (T)	4,300	4,300	4,343
D. Rural Transit Assistance Program (T)	0	0	0
E. University Transportation Centers (T)	7,000	7,000	7,070
Subtotal, Research and University Programs	<u>65,477</u>	<u>67,100</u>	<u>67,770</u>
F. Administrative Expenses	<u>897</u>	<u>984</u>	<u>951</u>
Subtotal, Research & Development	<u>13,665</u>	<u>15,262</u>	<u>14,351</u>
Subtotal, Technology Investment (T)	<u>52,709</u>	<u>52,822</u>	<u>54,370</u>
Subtotal, Facilities (F)	<u>0</u>	<u>0</u>	<u>0</u>
Total FTA	<u>66,374</u>	<u>68,084</u>	<u>68,721</u>

^{1/} Research and University Research Centers includes the \$100,000 in Indefinite Appropriation Authority.

EXHIBIT V-2
FEDERAL TRANSIT ADMINISTRATION
FY 2010 RD&T BUDGET
(\$000)

RD&T Program	FY 2010	<i>Safety</i>	<i>Reduced Congestion</i>	<i>Global Connectivity</i>	<i>Environ.</i>	<i>Security</i>	<i>Org. Excell.</i>
National Research Program	46,157	5,000	32,047	500	6,000	2,400	210
<i>Increase Transit Ridership</i>	12,457	0	12,457	0	0	0	0
Increase Transit Ridership	1,400	0	1,400	0	0	0	0
Increase Transit Ridership (T)	11,057	0	11,057	0	0	0	0
<i>Improve Capital and Emergency Operating Efficiency</i>	14,800	0	14,300	500	0	0	0
Improve Capital and Emergency Operating Efficiency	5,500	0	5,500	0	0	0	0
Improve Capital and Emergency Operating Efficiency (T)	9,300	0	8,800	500	0	0	0
<i>Improve Safety and Emergency Preparedness</i>	7,400	5,000	0	0	0	2,400	0
Improve Safety and Emergency Preparedness	1,000	1,000	0	0	0	0	0
Improve Safety and Emergency Preparedness (T)	6,400	4,000	0	0	0	2,400	0
<i>Protect Environment and Promote Energy Independence</i>	6,000	0	0	0	6,000	0	0
Protect Environment and Promote Energy Independence	5,500	0	0	0	5,500	0	0
Protect Environment and Promote Energy Independence (T)	500	0	0	0	500	0	0
<i>Provide Transit Research Leadership</i>	5,500	0	5,290	0	0	0	210
Provide Transit Research Leadership	0	0	0	0	0	0	0
Provide Transit Research Leadership (T)	5,500	0	5,290	0	0	0	210
Transit Cooperative Research Program (T)	10,100	0	10,100	0	0	0	0
National Transit Institute (T)	4,343	0	4,343	0	0	0	0
Rural Transit Assistance Program (T)	0	0	0	0	0	0	0
University Transportation Centers (T)	7,070	0	7,070	0	0	0	0
Administrative Expenses	951	73	476	0	402	0	0
Subtotal, Research & Development 1/	14,351	1,000	6,900	0	5,500	0	0
Subtotal, Technology Investment (T)	54,270	4,000	46,660	500	500	2,400	210
Subtotal, Facilities (F)	0	0	0	0	0	0	0
Total FTA	68,621	5,073	54,036	500	6,402	2,400	210

1/ Research and University Research Centers does not include the \$100,000 in Indefinite Appropriation Authority.