2016 Report Year

NTD

National Transit Database

Policy Manual

Office of Budget and Policy

August 2016

Federal Transit Administration
U.S. Department of Transportation

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Report Year 2016 Policy Changes and Reporting Clarifications

Extension Requests

Transit agencies may request a 30-day extension of the annual report deadline (e.g., extend the annual report deadline of October 31 to November 30). Typically, the NTD approves extension requests due to extenuating circumstances, such as:

- Natural Disasters
- Audits
- Medical Leave

Transit agencies must request an extension through the NTD system prior to the annual report due date. FTA does not automatically grant extension requests.

Safe Operations

Roadway must have visual or physical barriers to meet safe operation requirements. The NTD does not consider the following to meet safe operations:

- Diamond markings and overhead signs by themselves or in conjunction with one another; and
- Lane separated from traffic by a single, normal-width dashed line.

If a segment does not meet safe operation requirements, it does not qualify as FG or HIB in the NTD.

Americans with Disabilities Act of 1990 (ADA) Data

Transit agencies must report their operating expenses and unlinked passenger trips related to the provision of ADA-related service. Transit agencies may report ADA data based on the definition of ADA as determined by local criteria (e.g., ¾ of a mile or above and beyond minimum ADA requirements).

Transit agencies should define their ADA boundaries (i.e. ¾ mile rule, above and beyond) during validation.

Sub-recipient Self-Reporting

A State DOT may authorize an individual sub-recipient to enter its data into the NTD system; however, State DOTs are ultimately responsible for submitting the completed State report. A State DOT must ensure the accuracy of all data in its report, including data entered by sub-recipients.

Self-reporting sub-recipients do not report as independent agencies—a State DOT must include all sub-recipients in its report. Sub-recipients include urban (§5307) recipients that report directly to the Urban Module.

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The National Transit Database

History

In 1964, President Lyndon B. Johnson signed the Urban Mass Transit Act into law, creating the Urban Mass Transportation Administration (UMTA). Over the next three years, UMTA provided $375 million in capital assistance to transit agencies in the United States.

In 1974, Congress established the National Transit Database (NTD) program as a means to collect information and statistics on transit agencies. Congress based the NTD program on the Uniform Financial Accounting and Reporting Elements (FARE), a project initiated by the transit industry. As the need for transit assistance grew, Congress continued to develop the NTD program and increased Federal funding.

By the early 1980s, Congress apportioned over four billion dollars in funding annually using data reported to the NTD. Since then, the NTD has evolved into the Nation's primary source of information and statistics on transit agencies. In 1991, UMTA was renamed the Federal Transit Administration (FTA). Today, FTA continues to provide billions of dollars each year in transit assistance based on the data collected through the NTD.

Legislative Requirement

Congress requires agencies to report to the NTD if they receive or benefit from §5307 or §5311 formula grants. FTA submits annual NTD reports that summarize transit service and safety data to Congress for review and use. You can find the legislative requirement for the NTD in Title 49 United States Code (U.S.C.) §5335(a):

Exhibit 1 — 49 U.S.C. §5335 National Transit Database

(a) NATIONAL TRANSIT DATABASE — To help meet the needs of individual public transportation systems, the United States Government, State and local governments, and the public for information on which to base public transportation service planning, the Secretary shall maintain a reporting system, using uniform categories to accumulate public transportation financial, operating, and asset condition information and using a uniform system of accounts. The reporting and uniform systems shall contain appropriate information to help any level of government make a public sector investment decision. The Secretary may request and receive appropriate information from any source.

(b) REPORTING AND UNIFORM SYSTEMS — The Secretary may award a grant under section 5307 or 5311 only if the applicant, and any person that will receive benefits directly from the grant, are subject to the reporting and uniform systems.

(c) DATA REQUIRED TO BE REPORTED — The recipient of a grant under this chapter shall report to the Secretary, for inclusion in the National Transit Database, any information relating to a transit asset inventory or condition assessment conducted by the recipient.

NTD Data

The NTD collects financial and service information from public transportation agencies across the country and requires all transit agencies to report on an annual basis. In the Annual Report, agencies provide a summary of transit characteristics, including financial and operating statistics. The NTD also requires monthly operating and safety statistics reports from agencies that file as a Full Reporter.

For more information on reporting types, please see the *Introduction: Reporting Types* section of this manual (page 13).

Public Transportation

Legislation establishes the NTD as a source of information on public transportation. The term "public transportation," otherwise known as "transit" or "mass transportation," is defined by law at 49 U.S.C. §5302(14), as follows:

Exhibit 2 — Public Transportation

(A) Means regular, continuing shared-ride surface transportation services that are open to the general public or open to a segment of the general public defined by age, disability, or low income; and

(B) Does not include —

(i) intercity passenger rail transportation provided by the entity described in chapter 243[1] (or a successor to such entity)

(ii) intercity bus service

(iii) charter bus service

(iv) school bus service

(v) sightseeing service

(vi) courtesy shuttle service for patrons of one or more specific establishments, or

(vii) intra-terminal or intra-facility shuttle services

Transit agencies report data for all public transportation services they provide, including complementary Paratransit services required by the Americans with Disabilities Act (ADA)

[1] *The National Railroad Passenger Corporation, operating under the business name Amtrak, is the entity described in chapter 243.*

of 1990. ADA services must be shared-ride in order to be considered public transportation.

Transit must be open to the public and comply with the provisions of the ADA. The NTD excludes services that are only open to specific groups of people, except for segments of general public defined by age, disability, or low income.

The NTD does not consider the following services public transportation:

- A bus system sponsored by a university that is only open to students, faculty, and staff of the university;
- A program sponsored by an employer that only provides services of the employer;
- An automated guideway system in an airport, which only provides service to customers of the airport (e.g., a terminal to terminal tram);
- A charter service. In accordance with FTA Charter Rule, agencies cannot report any service reported to FTA charter registration website as public transportation; and
- A sightseeing service. Agencies primarily provide sightseeing service for the enjoyment of sights and sounds during the ride or for enjoyment of the ride itself. Sightseeing service includes services that have narration or provide round-trip service without passenger stops.

Employer Shuttles

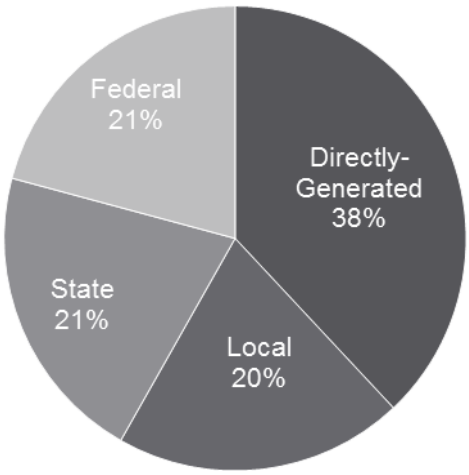
Transit agencies must use the following criteria to establish employer shuttle eligibility:

- The shuttle service must meet the definition of public transportation as defined by FAST Act legislation;
- The transit agency must clearly identify that the shuttle service is open to the public (e.g., provide timetables or service summaries on the website or other public location);
- The transit agency must clearly demonstrate on its buses or route that the shuttle service is open to the public; and
- At a minimum, the shuttle service must travel from one origin to one destination that are open to the public (e.g., a single destination shuttle that travels to a locked employer campus or military compound is not feasibly open to the public).

Employer shuttles must meet all other aspects of NTD reporting. For example, the buyer must pay the full cost of the service in order to report the service as purchased transportation.

Data Use and Funding

Exhibit 3 — Funding Sources (2009-2013)



FTA uses NTD data to apportion funding to transit agencies in the United States. FTA apportions funds using NTD data from two years prior (e.g., FY 2015 data are used for the FTA FY 2017 apportionment). FTA has separate funding programs for transit agencies that operate in urbanized and rural areas. Agencies that operate in both urban and rural areas may receive or benefit from both funding programs.

In order to receive funding from FTA, transit agencies must report to the NTD and follow the requirements listed in this manual. Exhibit 3 presents the total funds that transit agencies have spent during the past five years according to the original source of funds.

The majority of Federal funds, which total more than $55 billion from 2009-2013, come from FTA funding programs for urban and rural agencies.

Urbanized Area Funding

Section 5307, or the Urbanized Area Formula Program (UAFP) grant, provides capital, operating, and planning assistance for public transportation operated in urbanized areas (UZAs). FTA initiated this program under the Surface Transportation Assistance Act of 1982. Since 1984, Section 5307 has been the primary transit assistance program of FTA.

FTA apportions §5307 funding through a formula based in part on population and population density. For UZAs with a population over 200,000, FTA apportions funding based on other factors associated with transit operations, such as revenue miles, operating costs, and passenger miles.

For UZAs with a population under 200,000, Congress apportions 1.5 percent of §5307 funds according to the Small Transit Intensive Cities (STIC) formula. Under the STIC formula, FTA provides funds to the smaller UZAs that have an average level of service

equivalent to or greater than the average level of service for larger UZAs with populations between 200,000 and 1,000,000.

FTA allocates STIC funding based on the following measures calculated primarily NTD data:

- Passenger miles traveled per vehicle revenue mile
- Passenger miles traveled per vehicle revenue hour
- Vehicle revenue miles per capita
- Vehicle revenue hours per capita
- Passenger miles traveled per capita
- Passengers per capita

For UZAs with a population over 200,000, FTA also apportions the State of Good Repair Program (§5337) funds and the Bus and Bus Facilities Formula (§5339) funding using NTD data.

If you have questions about FTA funding, please contact the FTA Regional Administrator assigned to the relevant transit agency. The NTD is the FTA program for transit data; however, it does not handle the apportionment of Federal funds.

Rural Funding

Section 5311, or the Formula Grants for Rural Areas, provides capital, operating, and planning assistance for public transportation operated in rural areas. FTA classifies rural areas using the most recent decennial U.S. Census to determine populations less than 50,000. The §5311 Program is much smaller than the UAFP, with grant funds totaling approximately 9 percent of UAFP grant funds.

§5311 Rural Area funding recipients (State Departments of Transportation, or DOTs) report on behalf of their sub-recipients. The NTD considers Puerto Rico, Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands as States for the purpose of rural data collection and funding. State DOTs also file a Statewide Summary report to the NTD.

Funding by State

FTA apportions §5311 funds to States by a statutory formula based on the latest available U.S. decennial census data and NTD data. FTA apportions 83.15 percent of funds in the statutory formula based on the non-urbanized population and land area of the States. The

remaining 16.85 percent of the formula is based on States' non-urbanized vehicle revenue miles, land area, and low-income population.

Tribal Transit Program

FTA dedicates a portion of the §5311 program funds to the Tribal Transit Program (TTP) based on the following statutory tiers:

- Tier 1 (50 percent of TTP funding) — Vehicle revenue miles (VRM) are used to allocate this funding among all Indian Tribes.
- Tier 2 (25 percent of TTP funding) —VRM are used to allocate this funding among Tribes providing at least 200,000 VRM
- Tier 3 (25 percent of TTP funding) — The number of low-income individuals is used to allocate this funding to Tribes providing public transportation on reservations in which more than 1,000 low income individuals reside. No Tribe can receive more than $300,000 from this tier.

Failure to Report

The NTD may issue a Failure to Report if an agency:

- Fails to submit a report
- Submits a late report
- Submits an incomplete report
- Fails to respond to validation questions

If a transit agency receives a Failure to Report notice, FTA does not include its data in the apportionment of urbanized area and rural funding. However, the NTD may include any submitted data in publicly available NTD datasets at the discretion of FTA. More importantly, if a transit agency receives a Failure to Report notice, legislation prohibits FTA from awarding any further grants under §5307 or §5311 that benefit the transit agency.

The NTD may issue a Failure to Report notice for an urbanized area transit provider in connection with the Annual Report, Monthly Ridership, or Safety & Security reporting.

A report is late if it is not submitted by the agency's applicable due date. These due dates ensure that an NTD analyst has time to review the submitted data before they are included in NTD publications and in the apportionment.

A report is incomplete if:

- It does not contain all of the required information;
- The data was not collected and submitted in conformance with the NTD requirements;
- The report is not accompanied by the applicable CEO Certification and Independent Auditor Statements (IAS-FD or IAS-FFA); or
- The agency does not properly respond to validation questions.

When the NTD has questions about submitted data during the validation process, transit agencies may revise data to reflect accurate information. Revisions to data require the concurrence of the CEO, and in some cases, the concurrence of the independent auditor. If an agency does not revise questioned data, then the agency must provide sufficient documentation to the NTD to establish accuracy.

The NTD may issue a Failure to Report notice if an agency fails to respond to validation questions in a timely manner. For example, the NTD may issue a Failure to Report notice to a transit agency if it does not fully allocate costs among all modes and types of service and does not provide a sufficient explanation.

When the NTD issues a Failure to Report notice, FTA notifies the CEO of the transit agency and the FTA Regional Administrator.

Inaccurate Data

Transit agencies are responsible for the data that they report to the NTD. If the data do not follow NTD prescribed procedures or seem unreasonable or inaccurate—or an agency cannot provide a reasonable response to explain data—the NTD may publish the data with a ‘questionable’ notation.

In accordance with Title 49 U.S.C. 5335(b), FTA may delete a transit agency’s data if it does not adequately address validation issues within the specified timeframe, or if the data does not meet the NTD’s reporting requirements.

Agencies may find inaccurate data they reported in previous years. The NTD does not allow agencies to adjust data after FTA closes the report for the year.

Standardized Reporting Requirements

All agencies must conform to uniform reporting standards. This includes timely reporting, accurate data collection, and uniform accounting systems.

Reporting Due Dates

FTA determines each agency's NTD report due date based on the agency's fiscal year end date. Reporters submit their Annual Report four months after the fiscal year expires.

During the revision time, reporters work with NTD analysts to ensure that the data is accurate per NTD reporting requirements. The end of the revision period is called the report 'Closeout.'

Exhibit 4 — Annual Report Due Dates

Fiscal Year End Date	Annual Report Due Date	Report Closeout Date
June 30	October 31	March 15
September 30	January 31	May 15
December 31	April 30	July 15

Exhibit 5 — Rural Annual Report Due Dates

Fiscal Year End Date	Annual Report Due Date	Report Closeout Date
June 30	November 30	March 15
September 30	January 31	May 15
December 31	April 30	July 15

Monthly reports for full reporting agencies are due on the last day of the following month (e.g., January data is due February 28).

State Departments of Transportation (DOTs) may report sub-recipient data according to a sub-recipient's fiscal year if the fiscal year covers a consecutive, twelve-month period, and ends no later than December 31 of the current NTD report year. In these cases, the sub-recipients must be able to meet State and NTD reporting deadlines.

Exhibit 6 — Sub-recipient with Different Fiscal Year

Example: A State DOT files its NTD Annual Report with a fiscal year end date of December 31. One of its sub-recipients collects and reports data to the State based on its own fiscal year, ending June 30.

Solution: The State may report sub-recipient data according to the sub-recipient's fiscal year.

Financial Data Requirements

All transit agencies must use accrual accounting methods to report financial data. Additionally, transit accounting systems must follow or directly translate to the Uniform System of Accounts (USOA).

Accrual Accounting

The Generally Accepted Accounting Principles (GAAP) requires that all financial data in the NTD Annual Report follow accrual accounting principles:

- Agencies record revenues when they earn them, regardless of whether they actually receive the revenue in the same fiscal year; and
- Agencies record expenditures as soon as they owe an entity, regardless of if they actually pay the funds for the expenditure in the same fiscal year.

If a transit agency uses a cash-based accounting system, it must make adjustments to report the data on an accrual basis.

The following exhibit demonstrates the use of accrual accounting for an operating expense.

Exhibit 7 — Accrual Accounting

Example: A transit agency employee works the last two weeks of the transit agency's Year 1 and earns $1,500. However, the employee does not receive his pay until 10 days later in Year 2 when payroll issues a check. How is the $1,500 reported?

Solution: Report the $1,500 for the Year 1 Annual Report. Though the agency did not issue the paycheck during the Year 1 report year, the transit agency incurred the liability to pay the employee in the Year 1 report year.

Example: An agency purchases fixed route service from another agency. The contract states that the buyer will reimburse the seller for the cost of operations. The seller operates service in Year 1 and sends an invoice to the buyer in Year 2. For which year should the buyer report this expense?

Solution: Report the expense in Year 1. The buyer incurred the expense as soon as the seller operated service, regardless of when the financial transaction occurred.

Generally Accepted Accounting Principles

NTD reporting requirements for financial data largely follow GAAP. FTA USOA is not a self-contained financial system that addresses every possible NTD transaction and situation. Instead, the NTD program is a system of accounts that complies with GAAP and Standards of Governmental Accounting and Financial Reporting. However, small differences do exist between the NTD and GAAP, specifically the accounting of costs for capital grant purchases.

If conflicts arise between GAAP and NTD reporting instructions and requirements, transit agencies must follow NTD rules. The rules for NTD accounting are as follows:

- Unique NTD requirements supersede GAAP. If a unique requirement exists for NTD purposes, follow the NTD.
- In the absence of unique NTD provisions to the contrary, follow GAAP.

Two organizations are responsible for determining GAAP:

- The Financial Accounting Standards Board (FASB) is responsible for general GAAP affecting all types of entities.
- The Governmental Accounting Standards Board (GASB) is affiliated with the FASB and specializes in government agencies in the United States. In the event of a conflict between the FASB and GASB pronouncements, the GASB rule prevails for governmental entities.

Both FASB and GASB pronouncements are available through the FASB located in Stamford, Connecticut. Most accounting firms assist their clients in obtaining GAAP documents and applying GAAP requirements.

CEO Certifications

The CEO, an independent auditor, or both—depending on reporting type—must review and confirm that an accounting system complies with NTD requirements. The reporting types are defined in the next section of this chapter.

Exhibit 8 — CEO Certification and Independent Auditor Review Requirements

Reporting Type	CEO or Independent Auditor Approval
Full Reporter	CEO and Independent Auditor
Reduced Reporting	CEO

Exhibit 8 — CEO Certification and Independent Auditor Review Requirements	
Reporting Type	**CEO or Independent Auditor Approval**
Separate Service	CEO and Independent Auditor
Build	N/A
Plan	N/A
State Department of Transportation	N/A
Rural (sub-recipient)	N/A
Tribe	N/A

Service Data Requirements

Service data are an integral part of the NTD. Service data are operating statistics that provide insight into the effectiveness and productivity of a transit agency. All agencies must report accurate and truthful service data in a uniform manner.

The NTD mandates that almost all service data be collected and recorded daily so that the data are 100 percent accurate. For example, agencies must collect and record 100 percent of all miles and hours vehicles travel in revenue service. The NTD does not allow agencies to estimate these data.

However, the NTD recognizes that certain statistics are challenging to collect and can drastically increase the reporting burden for transit agencies. To assist reporters who would find conducting 100 percent count burdensome, transit agencies may estimate Unlinked Passenger Trips (UPT) and Passenger Miles Traveled (PMT) through sampling. The NTD program provides a sampling method and guidance on the NTD website. Agencies also may use a custom sampling plan to collect these data. However, a qualified statistician must certify that the sampling procedure meets FTA requirements for statistical precision and accuracy.

Reporting Types

A transit agency's reporting type is based on the funding it receives, the modes it operates, and its size, based on its number of Vehicles Operated in Annual Maximum Service (VOMS).

Who Reports

Beneficiaries and recipients of §5307 and §5311 funds must file an Annual Report. The database separates urban and rural recipients and beneficiaries into two reporting groups: urban reporters and rural reporters. Agencies that do not receive or benefit from FTA funding may elect to submit their data to the NTD as voluntary reporters.

The NTD defines a Federal grant beneficiary as a transit agency that directly or indirectly benefits from §5307 or §5311 money. This includes grant money and grant-funded assets that agencies receive and use from pass-through funding, contracts, or purchased transportation agreements. For more information on contracts, please see the *Financial: Contracts (Purchased Transportation)* section of this manual.

Urban Reporters

Urban recipients and beneficiaries report data using urban reporting types. The nature of the transit agency determines how it reports to the NTD.

Exhibit 9 — Urban Reporting Types

Reporting Types	Who Qualifies
Full	• Receives or benefits from §5307 funding • Operates either: 1) more than 30 vehicles across all modes and types of service or 2) operates 30 vehicles or less across all modes and types of service and operates fixed guideway and/or high intensity busway
Reduced	• Receives or benefits from §5307 funding • Operates 30 vehicles or less across all modes and types of service and does not operate fixed guideway and/or high intensity busway
Separate Service	• Receives or benefits from §5307 funding • Does not directly operate service • Contracts out modes that are reported by another transit agency

Exhibit 9 — Urban Reporting Types	
Reporting Types	**Who Qualifies**
Build	• Receives or benefits from §5307 funding • Does not directly operate or contract out service • Building a new mode of service
Plan	• Receives or benefits from §5307 funding • Does not directly operate or contract out service • Spends §5307 funding on planning activities

Full Reporting requirements do not apply until the following fiscal year if a transit agency exceeds the 30 vehicles operated in maximum service (VOMS) threshold within a fiscal year.

Full Reporters must provide the Annual Report and the monthly ridership and safety and security reports. All other reporting types file on an annual basis only.

Rural Reporters

§5311 Rural Area funding recipients (State Departments of Transportation, or DOTs) report on behalf of their sub-recipients. State DOTs also file a Statewide Summary report to the NTD in addition to providing individual reports for each sub-recipient. The NTD considers Puerto Rico, Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands as States for the purpose of rural data collection and funding.

A sub-recipient is a state or local government authority, nonprofit organization, or operator of rural public transportation or intercity bus service that receives §5311 funding through a State DOT. Sub-recipients send NTD data to State DOTs on a quarterly, monthly, or annual basis, depending on the State's policy. NTD defines three distinct sub-recipient reporting types below. State DOTs provide only a summary form for each urban transit provider or Tribe receiving §5311 Rural Area funds, given that these agencies already report directly to NTD.

A State DOT may authorize an individual sub-recipient to enter its data into the NTD internet reporting system as a "self-reporting subrecipient"; however, State DOTs are ultimately responsible for submitting and ensuring the accuracy of the completed State report. Self-reporting sub-recipients do not report as independent agencies—a State DOT must include all sub-recipients in its report.

Exhibit 10 — Rural Reporting Types		
Reporting Types	**Sub-types**	**Who Qualifies**
State Department of Transportation	N/A	A State DOT that directly receives and distributes rural funding to rural sub-recipients. A State DOT is responsible for all sub-recipient data. A State DOT may elect to file a sub-recipient report on behalf of the sub-recipient.
Rural Reporter	• General Public Transit • Intercity Bus • Urban/Tribal Recipient	Sub-recipients are operators of transportation that either receive or benefit from §5311 Rural Area funding. Each sub-recipient files an Annual Report under its applicable DOT. State DOTs may elect to file sub-recipient reports on behalf of the sub-recipient, or assign the task to individual rural transit providers. State DOTs provide a summary form for each Urban Recipient in the State Annual Report. An Urban Recipient also files its Annual Report as an urban reporter.
Reduced Reporter (Tribe)	N/A	Tribes that receive Tribal Transit Grants, a subsection of §5311 funding, report directly to the NTD. Tribes that also receive §5311 funding from the State will have a sub-recipient summary form under their State DOT report.

Rural General Public Transit

Most sub-recipients qualify as general public transit providers. Public transit providers are transit agencies that provide rural service and receive or benefit from §5311 funding. The State DOT or the transit provider may file the Annual Report.

Intercity Bus

Under §5311(f), States must set aside 15 percent of §5311 apportionment for intercity bus providers, unless the State's governor certifies that intercity bus needs are already being met. States must provide an NTD report for each intercity bus provider that benefits from this funding set-aside, also referred to as §5311(f) funding.

The NTD report must include the operating and capital expenses from §5311(f) funding, as well as vehicle revenue miles and unlinked passenger trips for service funded, in whole or in part, by §5311(f). For example, if a route is partially funded by §5311(f), the

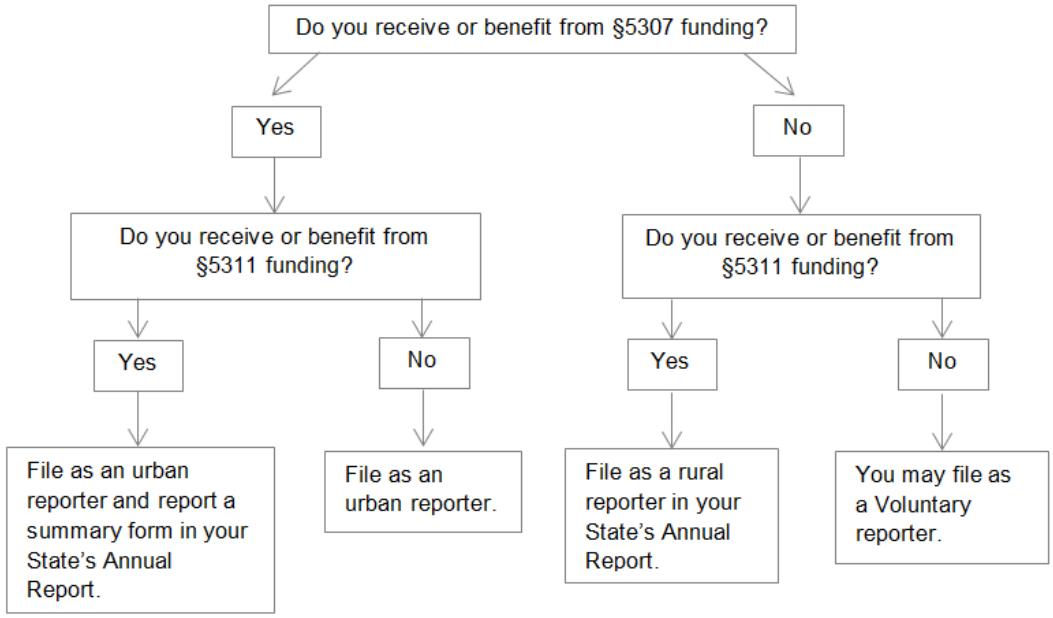
State must report the total vehicle revenue miles and unlinked passenger trips for that route. Note that FTA does not include the vehicle revenue miles for Intercity Bus sub-recipient type in its §5311 apportionment formula.

§5311(f)-funded feeder service provided by public transit operators is not considered intercity bus for reporting purposes. States must report operating and service data for these services according to reporting type and mode definitions. Feeder services are carried out to make meaningful connections between existing public transit and intercity bus providers.

Urban/Tribal Recipients

Transit agencies commonly provide service in both urban and rural areas. In these situations, a transit provider may receive or benefit from both urban and rural funding. Exhibit 11 shows how these transit agencies report to the NTD:

Exhibit 11 — Urban and Rural Recipients



Indian Tribes

Indian Tribes receive Tribal Transit Program, (TTP) grants from FTA under the §5311 program. Tribes that receive Tribal transit funding report directly to the NTD. The sub-recipient report under the State is a shortened form to report expenditures from §5311 grants.

FTA also encourages Tribes that operate public transportation, but do not participate in the TTP, to file a report to the NTD on a voluntary basis. By reporting voluntarily, Indian Tribes qualify for inclusion in future TTP apportionments.

Transit agencies may report data from Indian Health Services (IHS), provided the service meets the definition of public transit and sponsored service. For more information on contracts, please see the *Service: Service Consumed* section of this manual (page 69).

Voluntary Reporters

FTA encourages all providers of public transit service to report to the NTD, as this allows for service data inclusion in future funding apportionments. Voluntary Reporters are transit providers that do not benefit from or receive urban (§5307) or rural (§5311) funding. These reporters must comply with all NTD reporting requirements and the USOA, and use the same reporting types.

Volunteer Resources

Transit agencies that report as State sub-recipients, or Reduced Reporters, should provide data for services using volunteer resources if they meet the following criteria:

- The volunteer driver is a part of the transit agency's regular service; e.g., the driver provides advanced notice to the dispatchers;
- There is an attempt to share a ride; and
- The transit agency keeps records for all public transit service and reviews periodically to meet NTD reporting requirements.

The NTD may request samples of data logs to determine if the volunteer service is eligible for NTD reporting.

Continuing Grant Requirements

If a transit provider, State, or Metropolitan Planning Organization (MPO) receives or benefits from §5307 or §5311 Federal funding, it must report to the NTD.

Reporting requirements begin the year after a transit agency applies for urban or rural funding or in the year the transit agency benefits from Federal funding, whichever is sooner. Transit agencies must report as long as §5307 or §5311 funding applications remain open.

If a transit agency no longer receives urban or rural funding, but previously purchased capital assets with the Federal funds, the agency must report through the useful life of the

asset. Agencies also must continue reporting if they intend to apply for §5307 or §5311 in the future.

Exhibit 12 — Continuing Grant Requirements

Example: A transit agency purchases a vehicle with funds from an Urbanized Area Formula Program (§5307) grant. The vehicle, a 40-foot bus, has a useful life of 12 years or 500,000 miles.

Solution: The transit agency reports under the NTD program throughout the useful life of the vehicle regardless of whether or not the transit agency receives Urbanized Area Formula Program (§5307) grant funds during a particular year of that period.

Organization Types

All transit agencies must provide their organization type. The following organization types are the most commonly-used in NTD reporting:

- Independent Public Agency or Authority for Transit Service
- Unit or Department of City, County or Local Government
- Unit or Department of State Government
- Area Agency on Aging
- Planning Agency
- Indian Tribe

Independent Public Agency or Authority for Transit Service

Independent public agencies are separate entities based on legislative mandate. These authorities typically have the ability to impose dedicated taxes or tolls for transit use, and may have the responsibility to oversee airports and ports.

Unit or Department of City, County or Local Government

Transit agencies should report as the city, county, or local government if they are legal entities with the authority to operate transit service. These transit agencies should report all public transit data on behalf of the city, county or local government.

Unit or Department of State Government

Transit agencies are a part of the state government and have one or more state employees.

Area Agency on Aging

Areas on Aging are organizations established under the Older Americans Act in 1973 to respond to the needs of Americans 60 and over.

Planning Agency

Planning agencies primarily address short and long-range transportation needs through a cooperative process among local jurisdictions. Common planning agencies are MPOs and Council of Governments (COGs).

Indian Tribe

The Bureau of Indian Affairs defines an Indian Tribe as “an American Indian or Alaska Native tribal entity that has a government-to-government relationship with the U.S. with the responsibilities, powers, limitations, and obligations attached to that designation.” Indian Tribes are eligible for funding from the U.S. government, including FTA transit programs.

General Service Data

All transit agencies must report general service information on an annual basis. The Annual Report includes demographic data, types of service, and modes operated.

Demographic Data

Transit agencies' demographic information describes the area and population where they operate service. Transit agencies provide varying levels of detail regarding their service area based on reporting type.

Transit Area Definitions

The NTD reporting system uses two definitions of transit area:

- Urbanized and rural areas
- Service area

Urbanized and Rural Areas

The U.S. Census Bureau defines UZAs based on incorporated places (e.g., cities, towns, villages) and their adjacent areas. The U.S. Census Bureau considers a densely populated area of 50,000 people or more to be an urbanized area. In addition, at least 35,000 people must be permanent residents who do not live on a military installation. UZAs do not conform to congressional districts, city or county lines, or any other political boundaries. For detailed information on how the Census Bureau defines and identifies UZAs, please consult the Census Bureau website.

FTA bases UZA designations on the most current Census. The NTD reporting system assigns a unique number to each UZA in the United States. For urbanized areas in the 50 States and the District of Columbia, FTA provides a numerical ranking by population size. FTA also designates the Virgin Islands and certain areas in Puerto Rico as urbanized areas. The Census Bureau does not recognize the Virgin Islands as an urbanized area, but pursuant to 49 U.S.C. 5307(l), FTA treats the Virgin Islands as a UZA for purposes of transit grants.

Exhibit 13 — Urbanized Areas

UZA Designation	Population Size
Small UZA	< 200,000
Large UZA	≥ 200,000

Exhibit 13 shows how the NTD categorizes all UZAs as large UZAs or small UZAs. A large UZA has a population of 200,000 or more. A small UZA has a population of fewer than 200,000. The NTD refers to non-urbanized areas as rural areas or non-UZAs.

All reporters indicate where they provide transit services by UZA and non-UZA. Tribal reporters must report the American Indian Areas or Alaska Native Areas where they operate public transit, as recognized by the U.S. Census Bureau.

Service Area

Service area is a measure of transit service in terms of population served and area coverage (square miles). Urban and Tribal transit agencies determine the service area boundaries and population for most transit services using ADA boundaries.

For bus modes (MB, CB, and RB) and rail service, agencies use ADA definitions and requirements to determine service area boundaries and population. Bus service area is defined as three-fourths of a mile on each side of a fixed route. Rail service area focuses on three-fourths of a mile radius around each station. For demand response (DR) and demand response-taxi (DT) modes, transit agencies report actual service area, including:

- Service that extends beyond ADA complementary paratransit requirements of three-fourths of a mile around fixed routes, and
- Service to the general public

For modes not covered by ADA, including ferryboat (FB) and vanpool (VP), transit agencies determine service area and population using locally-defined criteria.

Transit agencies use the most current figures or official estimates of population. An area's MPO typically estimates population every 5-7 years. Population and area (in square miles) statistics for an urbanized area usually differ from a transit agency’s service area.

Type of Service

The NTD bases its reporting structure on the different types of public transportation available in the United States. In order to gain insight into the effectiveness of an individual transit agency or learn about trends in transit, the NTD groups similar services into types of service (TOS) and modes of transit in the database. Agencies report two types of service to NTD: Directly-Operated (DO) and Purchased Transportation (PT).

Directly-Operated Services

Transit agencies classify service as directly operated if they use their own employees to operate the transit vehicles. Agencies that directly operate service typically employ drivers, schedulers, dispatchers, and street supervisors.

Purchased Transportation Services

Transit agencies classify service as purchased transportation (PT) when the reporting entity does not directly operate the service. PT occurs when a transit agency enters into a contract with a public or private provider. In these cases, the contractor operates the transit vehicles and provides the transit service. The buyer or seller of service may provide vehicles or maintenance facilities; however, the buyer of service must pay the full cost in order to report the service as PT. For more information on full cost contracts, please see the section, *Fully-Allocated Costs,* directly below.

Transit agencies must report all services they operate, and in most cases, the services that they purchase. Therefore, sellers of PT service typically do not report to the NTD. If the purchased transportation provider performs service outside the buyer's contract, the buyer only reports the data for the services under its contract.

The NTD defines PT service as service that is provided to a public transit agency or governmental unit from a public or private transportation provider based on a written contract. Please see the *Financial: Contracts* section of this manual for information regarding contract criteria.

Full Cost of Service

In order to report a PT service, the buyer must pay the full cost to operate the service. The full cost includes all expenses associated with providing the service, such as operations, maintenance, and administrative expenses. If the buyer of the service pays for all costs required to run the service, the service may be reported as purchased transportation. However, if the buyer only provides a portion of the costs and the seller receives public funding for operating the service from an entity besides the buyer, the seller (operator) must report the service rather than the buyer.

NTD defines this contribution as a "subsidy" for reporting purposes. An example of a subsidy is a fixed annual contribution made by an Indian Tribe to a local transit provider in order to extend service into the Tribal Statistical Area. FTA uses reported costs (e.g., operating expenses) in the §5307 funding formula.

Modes

A variety of transit modes are operated in the United States. The NTD reporting system groups transit modes into two broad categories: rail and non-rail:

Exhibit 14 — Rail and Non-Rail Modes

Rail	Non-Rail
Alaska Railroad (AR)	Aerial Tramway (TR)
Cable Car (CC)	Commuter Bus (CB)
Commuter Rail (CR)	Bus (MB)
Heavy Rail (HR)	Bus Rapid Transit (RB)
Hybrid Rail (YR)	Demand Response (DR)
Inclined Plane (IP)	Demand Response – Taxi (DT)
Light Rail (LR)	Ferryboat (FB)
Monorail/Automated Guideway (MG)	Jitney (JT)
Streetcar Rail (SR)	Público (PB)
	Trolleybus (TB)
	Vanpool (VP)

The NTD requires agencies to report most data by mode and type of service. Transit agencies must begin reporting modal information as soon as they have a commitment to build the mode (e.g., commitment date).

Exhibit 15 provides details on all NTD modes of transit:

Exhibit 15 — NTD Modes of Service

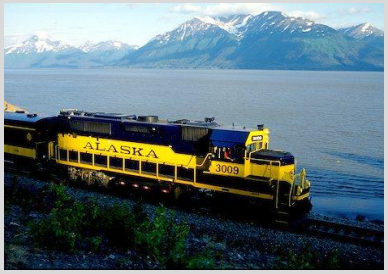
Mode	Rail	Fixed Guideway	Explanation
Aerial Tramway (TR) 	No	Yes	A system of aerial cables with suspended vehicles.
Alaska Railroad (AR) 	Yes	Yes	A public transportation system that shares vehicles and facilities with freight rail operations.
Bus (MB) 	No	Possible	Fixed-route bus service is the most prevalent transit mode in the country. MB service is powered by a motor and fuel contained within a vehicle. Transit agencies must report any route deviation or point deviation as MB service.

Exhibit 15 — NTD Modes of Service			
Mode	**Rail**	**Fixed Guideway**	**Explanation**
Bus Rapid Transit (RB) 	No	Yes	Fixed-route bus systems that operate at least 50 percent of the service on fixed guideway. These systems also have defined passenger stations, traffic signal priority or preemption, short headway bidirectional services for a substantial part of weekdays and weekend days; low-floor vehicles or level-platform boarding, and separate branding of the service. Agencies typically use off-board fare collection as well. This is often a lower-cost alternative to light rail.
Cable Car (CC) 	Yes	Yes	A railway propelled by moving cables located beneath the street. While popular at the turn of the last century, the only surviving, operational system is in San Francisco.
Commuter Bus (CB) 	No	Possible	Fixed-route bus systems that primarily connect outlying areas with a central city. Service typically uses over-the-road buses with service predominantly in one direction during peak periods, limited stops, and routes of extended length. Commuter bus modes typically operate with at least 5 miles of closed-door service between stops.

Exhibit 15 — NTD Modes of Service			
Mode	**Rail**	**Fixed Guideway**	**Explanation**
Commuter Rail (CR) 	Yes	Yes	Rail service either operating on old freight railways, or sharing tracks with freight railways, Amtrak, or both. The service is characterized by relatively long distances between stops, and for service primarily connecting a central city with outlying suburbs and cities. The service may be either diesel or electric-powered and usually has grade crossings with roadways.
Demand Response (DR) 	No	No	Shared-ride demand response service is scheduled in response to calls from passengers. Many transit systems operate DR service to meet the requirements of the ADA.
Demand Response – Taxi (DT) 	No	No	A special form of the demand response mode operated through taxicab providers but with a system in place to facilitate ride sharing. The mode is always a purchased transportation type of service. For a Demand Response Taxi to be considered public transportation there must be an attempt for a shared ride program. Voucher Programs are not considered public transportation. Occasionally, transit agencies solely contract with taxi providers to perform ADA service. In these cases, the portion of service using public vehicles should be classified as Demand Response, and the portion of the service using taxi vehicles should be classified as Demand Response – Taxi.

Exhibit 15 — NTD Modes of Service			
Mode	**Rail**	**Fixed Guideway**	**Explanation**
Ferryboat (FB) 	No	Yes	A mode that carries passengers over water.
Heavy Rail (HR) 	Yes	Yes	An electric railway that operates local service in exclusive right-of-way. The service is often provided by long trains of six to eight cars or more that travel relatively short distances between stops for local service within a city and the immediate suburbs. The Nation's traditional subway systems are classified as heavy rail.
Hybrid Rail (YR) 	Yes	Yes	Rail systems primarily operating routes on the national system of railroads but not operating with the characteristics of commuter rail. This service typically operates light rail-type vehicles as diesel multiple-unit trains (DMUs).
Inclined Plane (IP) 	Yes	Yes	A railway operating on steep slopes and grades with vehicles powered by moving cables.

Exhibit 15 — NTD Modes of Service			
Mode	**Rail**	**Fixed Guideway**	**Explanation**
Jitney (JT) 	No	No	A unique form of bus service on fixed routes where multiple companies share the operation of the service.
Light Rail (LR) 	Yes	Yes	An electric railway that operates local service in mixed traffic with road vehicles, or has grade crossings with roadways. The service is characterized by short trains of one to four cars that travel relatively short distances between stops for local service within a city and the immediate suburbs.
Monorail/Automated Guideway (MG) 	Yes	Yes	An electric railway that straddles a single guideway. It may have vehicle operators or may use computers to guide the vehicles.
Público (PB) 	No	No	Públicos are fixed-route services operated in Puerto Rico on which companies receive operating permits which dictate the route, but not the service frequencies.

Exhibit 15 — NTD Modes of Service

Mode	Rail	Fixed Guideway	Explanation
Streetcar Rail (SR) 	Yes	Yes	Rail systems operating routes predominantly on streets in mixed traffic. This service typically operates with one or two car trains powered by overhead catenaries and with frequent stops.
Trolleybus (TB) 	No	Yes	Fixed-route service using rubber tire buses powered by electric current from overhead wires using trolley poles. Service using rubber tire replica trolleys or historic trolleys, powered by an on-board motor, are **not included** in this mode.
Vanpool (VP) 	No	No	A commuting service operating under pre-arranged schedules for previously formed groups of riders in vans. Vanpool is a mode of transit where the riders generally operate the vehicles (drivers participate in the vanpool program). Transit agencies managing vanpool programs must publicize them in the same manner in which they advertise their other public programs (e.g., agency website, newspapers).

Financial Data Requirements

What to Report

An overview of revenues, expenses, and the true cost of operations

How to Collect and Report Financial Data

A summary of financial requirements including the Uniform Systems of Accounts

Funding Sources

An explanation of different funding sources, including directly-generated, local, state, and Federal funds

Contracts

The NTD requirements for, and the definition of, contractual relationships

How to Collect and Report Financial Data – Full Reporter Requirements

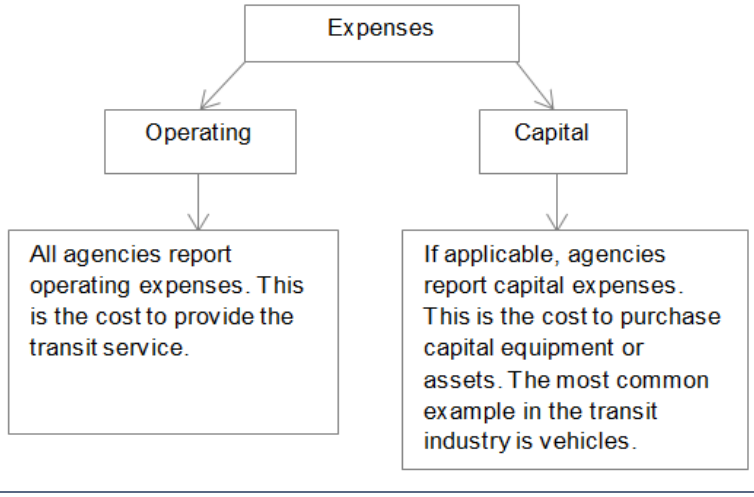
Requirements that apply to transit agencies with the Full Reporter reporting type

What to Report

Transit agencies must report financial information on an annual basis using accrual accounting and the Uniform System of Accounts.

The NTD defines revenues as the total amount of money earned during a transit agency's fiscal year. Full Reporters must report data for total revenues earned during the fiscal year. All other transit agencies only report the money that they spend during the fiscal year.

Exhibit 16 — Expense Types



The NTD separates expenses into two major categories: operating and capital. Operating expenses are expenses that a transit agency incurs during day-to-day operations. Usually, operating expenses have a useful life of less than one year and a unit cost of less than $5,000. Capital expenses are the costs that a transit agency incurs when it purchases equipment or other assets. The NTD defines capital as an asset having a useful life of more than one year.

Federal grant requirements allow a transit agency to determine its capitalization threshold provided the per unit cost it $5,000 or less. For example, if a transit agency sets its capitalization level at $2,000, it must report a computer equipment purchase of $1,500 as an operating expense on the NTD Annual Report. For more information, please see the OMB Circular A-87.

Typically, transit agencies receive Federal, state, and local funding. When agencies apply for these funds, the applicable government entity approves the application and makes a funding commitment for a total amount of funding. There can be a difference between the amount of funds that the Federal, state, or local government commits, and the amount of funding that a transit agency obligates or spends during the fiscal year. Transit agencies must report the amount of funds spent during the year as revenues earned, not the amount of funds that have been committed to them.

This revenue reporting principle applies to the typical case in which a transit agency "earns" its funding from another government entity based on costs incurred. If the transit agency receives funding with no requirement to make specific expenditures, then the transit agency must report the total funding provided as revenues earned.

Exhibit 17 — How to Report Grant Funds

Example: A State awards a transit agency a grant of $1,000,000. The transit agency must incur eligible expenses as defined in the grant to receive the funding. The transit agency spends $200,000 of the grant money during the fiscal year. What does the agency report to the NTD?

Solution: The transit agency reports the $200,000 it spent during the fiscal year. If the agency reports revenue data (Full Reporter types), it also reports revenues of $200,000. It does not report the remaining $800,000 it has not received or spent.

Fully-Allocated Costs

Transit agencies must report costs associated with transit service, including direct and indirect expenses. Direct costs are expenses that agencies incur for a specific mode or service. Common examples of direct costs are

- Labor expenses for operators who work on one mode of transportation
- Tire and tube expenses for directly-operated motor bus vehicles
- Schedule printing costs for a commuter bus service operated under a purchased transportation contract
- Diesel or gasoline expenses if transit agencies track fuel consumption by vehicle and the vehicles are operated on only one mode of service

Different modes of service share indirect expenses. Overhead expenses are a common example of indirect costs and typically include:

- Salary expenses for the general manager who is responsible for the provision of transit services
- Expenses for printing tickets, passes, and smart cards that can be used to ride bus or rail transit
- Outside audit services to meet state and local requirements for a transit agency that provides multiple modes of service
- Building maintenance expenses for an administrative building

Transit agencies must report all costs related to their services. Additionally, agencies must accurately report direct costs—transit agencies may allocate indirect/shared costs to each mode and type of service.

Incidental Transit Service

Transit agencies provide incidental transit service, such as taxicabs or other vehicles, during times when existing transit services cannot meet passenger demand. These occurrences are infrequent; thus, the NTD refers to the alternate transit service as 'incidental' to the regular mode.

Transit agencies may provide incidental transit service for

- Service interruptions (e.g., vehicle breakdown) when a replacement vehicle is not available. A taxicab or an agency van might be used for this incidental service;
- An accident on rail services. Delayed rail passengers are transported to their destination using special buses; or

Transit agencies must report data associated with incidental transit service on the NTD Annual Report. Agencies must collect this data using the same reporting requirements as regular public transit services.

Vanpool Program Expenses

Transit agencies must report all operating and capital expenses related to public vanpool programs. Operating expenses include administrative, marketing, maintenance, and legal services, plus additional expenses to operate the vans.

Transit agencies must also provide data of leasing expenses. Vanpool participants typically pay the leasing costs. Transit agencies that report to the NTD must have the ability to separate capital leasing costs from other costs to operate the service.

Transit agencies must have a system in place to capture these costs (including the capital leasing expenditures, captured separately), even if the agency's accounting system does not process the expenses.

How to Collect and Report Financial Data

Transit agencies must report financial data in a uniform manner in conformance with accrual accounting and the Uniform System of Accounts.

Under accrual accounting

- Agencies record revenues when they earn them regardless of whether they actually receive the revenue in the same fiscal year; and
- Agencies record expenses as soon as they owe an entity regardless of if they actually pay the funds for the expense in the same fiscal year.

A transit agency classified as a Full Reporter must report finances in the manner that the USOA prescribes. The USOA categorizes operating expenses into functions and object classes. Functions are the activities a transit agency performs, and object classes are expense categories. For more information regarding Full Reporter financial requirements and the USOA functions and object classes, please see the *Financial: How to Collect and Report Financial Data — Full Reporter Requirements* section of this manual.

Allocating Costs

Transit agencies must report operating expenses they incur in order to provide transit service. Agencies must fully report direct and indirect expenses for transit operations by mode and type of service for the Annual Report. This is consistent with Generally Accepted Accounting Principles. To fully report operating expenses, agencies should

- Determine which expenses are direct costs and can be easily traced to a particular mode and type of service.
- Determine which expenses are indirect expenses (shared costs).
- Allocate indirect expenses to each mode and type of service.

Agencies may allocate costs in a variety of ways. Common allocation variables include

- Revenue hours and miles
- Vehicles operated in annual maximum service
- Number of employees
- Direct expenses
- Ridership (unlinked passenger trips)

While these options for allocating costs are common in the transit industry, in some cases, other methods may be more appropriate. For example, an agency with a rail system may use track miles or passenger stations to allocate costs.

Reporters must take special care to ensure that they allocate indirect expenses to both purchased transportation and directly-operated services. Transit agencies with purchased transportation services incur administrative costs even if the contractor owns the vehicles and the maintenance and storage facilities. Such administrative costs may include

- Salaries and fringe benefits of employees who oversee a purchased transportation contract
- Administrative building expenses, such as
    - Custodial services
    - Electric bills
    - Phone bills
    - Fire insurance
    - Office supplies

Exhibit 18 — Allocating Indirect Expenses — Directly-Operated

Example: The Coaster Transit Agency (Coaster) has one maintenance facility that it uses for both its directly-operated (DO) bus (MB) and demand response (DR) operations. Coaster uses this facility to fuel and maintain the revenue service vehicles for MB and DR operations. Coaster receives one electric bill of $1,000,000 for the maintenance facility. How can Coaster allocate the electric bill between the MB and DR modes?

Solution: Coaster uses the number of VOMS to determine the amount it must report for DR and MB.

Service Type	VOMS	Percentage of Total
MB	200	80.0%
DR	50	20.0%
Total	250	100.0%

Allocate expenses based on the percentages of modal vehicles to total vehicles (calculated above):

Service Type	Calculation	What to Report
MB	$1,000,000 x 80.0%	$800,000
DR	$1,000,000 x 20.0%	$200,000

Coaster reports $800,000 of the electric bill to the MB service and $200,000 to the DR service.

Exhibit 19 — Allocating Indirect Expenses — Purchased Transportation

Example: The Springfield Transit Authority (STA) operates bus (MB) service directly and contracts for demand response (DR) service. STA has one administrative building and the following building expenses: Electric bill: $3,000, Phones: $1,000, Water: $300, and Custodial services: $3,700. This total comes to $8,000. One person in the building is responsible for overseeing the DR contract and the remaining staff work on MB. The person who oversees DR has a 200 square foot office. The building is 2,000 square feet in total. How can STA allocate the costs of maintaining the building between the MB and DR modes?

Solution: STA uses square feet of office space to determine the amount it must report for DR and MB.

Service Type	Square Feet Used for Service	Percentage of Total
MB	1,800	90.0%
DR	200	10.0%
Total	2,000	100.0%

STA allocates expenses based on the percentages of modal square feet to total square feet (calculated above):

Service Type	Calculation	What to Report
MB	$8,000 x 90.0%	$7,200
DR	$8,000 x 10.0%	$800

STA reports $7,200 of the building expenses to the MB service and $800 to the DR service. (There may be other indirect costs of the DR service, such as the salary of the person that oversees the DR contract.)

Funding Sources

Transit agencies must report operating and capital expenses based on the source of funds. The NTD identifies the following funding source categories:

- Directly-Generated Funds
- Local Government Sources of Funds
- State Government Sources of Funds
- Federal Government Sources of Funds

Directly-Generated Funds

Directly-generated funds are funds that a transit agency earns from non-governmental sources. Transit agencies may earn these funds from

- Passenger Fares
- Funds related to transit
- Funds unrelated to transit
- Dedicated funds (applicable to transit agencies that are independent political entities and have the ability to impose taxes)

Passenger Fares

Passenger fares are revenues a transit agency earns from carrying passengers. Passenger fares also include special programs such as reduced passes or ticket prices for students, the elderly, or individuals with disabilities. Usually, the rider pays for the fare, but there are also special transit fares, which are paid by an organization rather than by the rider. Transit agencies must report fares by mode and type of service.

Passenger fares do not include subsidies or passenger fare assistance from local or state governments to provide a reduced or free fare. Passenger fare assistance typically targets a broad subset of the population (e.g., senior citizens). Transit agencies must report subsidies and fare assistance under the appropriate state or local government source of funds. Common examples of passenger fare assistance programs include Medicaid and Meals on Wheels.

Transit agencies must report fares paid in part or in whole by an organization for an affiliated, specific group of individuals as passenger fares (e.g., a university). A university

may pay a transit agency so that students can ride fare-free. The transit agency must report such a payment from a university as passenger fares.

In all cases, transit agencies must ensure that they report contributions by the original source of funds.

Transit agencies collect passenger fares in several ways, including:

- Collecting fares before they provide service (e.g., through the sale of media such as passes, smart cards, tickets, and tokens)
- Collecting fares at the point of service (e.g., farebox, turnstile)
- Collecting fares after they provide service (e.g., through weekly or monthly billing)

Certain rules discussed below apply only to specific modes of transportation.

Ferryboat

Transit agencies track ferryboat passenger fares based on three categories:

- Walk-on pedestrians and bicyclists
- Non-public transit vehicles
- Public transportation vehicles

For walk-on pedestrians and bicyclists, transit agencies must report passenger fares for each person using the ferry who was charged for personal travel. The fare does not include any additional ferriage fees for transporting a bicycle.

For vehicles, agencies must report passenger fares for each occupant of the vehicle, including the driver. Agencies should not include any vehicle ferriage fees.

Vanpool

The NTD has unique provisions regarding collection and reporting of passenger fares for publicly-sponsored vanpool programs. Agencies must report the costs paid by the riders, which often include fuel costs, maintenance expenses, lease payments, tolls, and other out-of-pocket costs, such as passenger fares.

Allocating Fare Revenues

Typically, fares are directly related to one mode or type of service. However, agencies may need to allocate fares among modes and types of service if

- There is a fixed fare for the initial segment of a multi-mode trip and the transfer charge is not equal to the fare charged for a single ride trip on the next mode; or
- A large portion of passengers use prepaid fare media that is accepted on all modes.

In such cases, transit agencies must allocate fare revenues to each mode and type of service based on a reasonable allocation method. For example, a transit agency may allocate by:

- Unlinked passenger trips
- Passenger miles traveled
- Operating expenses

Funds Related to Transit

Agencies may earn funds from other transit-related services. The following describes the common sources of funds for transit-related activities.

Park-and-Ride Parking Revenue

Park-and-ride parking revenue is the revenue from parking fees paid by passengers who drive to park-and-ride facilities to use transit service. Revenues earned from the operation of parking lots that are not normally park-and-ride locations are reported in Non-Transportation Funds.

Auxiliary Transportation Revenues

Transit agencies earn auxiliary transportation revenues from activities closely related to the provision of transit service, such as

- Concessions (station concessions and vehicle concessions)
- Advertising revenues
- ID card fees for travel on the transit agency's services (seniors, persons with disabilities, employees)
- Fare evasion and park-and-ride lot fines

Purchased Transportation Agreement Revenues

Sellers of PT service must report the funds they spend from revenues accrued through purchased transportation.

Other Transportation Revenues

Agencies may provide transit services that are not public transportation. Typically, these services are infrequent and may include school bus service, charter service, and freight service.

Funds Unrelated to Transit

Transit agencies may earn funds that are unrelated to the provision of transit service. Sources of unrelated funds are discussed below.

Non-Transportation Funds

Non-Transportation funds include

- Investment earnings
- Revenues earned from sales of maintenance services on property not owned or used by the transit agency
- Rentals of revenue vehicles to other operators
- Rentals of transit agency buildings and property to other organizations
- Parking fees generated from parking lots not normally used as park-and-ride locations
- Donations
- Grants from private foundations
- Development fees
- Rental car fees

Agencies may sell vehicles and buildings throughout the fiscal year. In these cases, agencies record gains from sales as a non-transportation revenue. Transit agencies should not report an accounting loss from a sale because no money was received.

Subsidies from Other Sectors of Operations

Occasionally, transit agencies receive subsidies from other sectors of operations within the transportation entity to help cover the cost of transit. For example, a transportation authority may be responsible for airports, ports, bridges, and public transit. The public transit sector of the transportation authority may receive or spend funds from the airport sector.

Dedicated Funds

Dedicated funds are funds that must be spent on the provision of transit service. The following are the major categories for dedicated funds:

- Dedicated taxes
- Bridge, tunnel, and highway tolls
- High Occupancy/Toll (HO/T) lane tolls
- Community Development Credits (Toll Revenue Credits)
- Miscellaneous dedicated funds

Only independent political entities or state or local governments impose taxes, tolls, and fees. Some transit agencies may be independent political entities, such as a transit authority, and have the ability to impose taxes, tolls, and fees directly.

Independent political entities with their own taxation authority earn funds from the taxes, tolls, and fees that they impose. Transit agencies with this power dedicate the earnings specifically to support transit programs. Transit agencies that are a part of local or state government may receive revenues from the taxing authority of the grant or governmental unit.

Transit agencies receiving funds from taxes, tolls, or fees from the local or state government must report the funds as either local or state funds. Only transit agencies that are independent political entities may report these revenues as directly generated.

Dedicated Taxes

If a transit agency is an independent political entity and has the legal authority to impose a dedicated tax, the NTD refers to this tax as a directly-levied tax.

For convenience, a governmental entity may collect directly-levied taxes on behalf of the agency. For example, a transit agency may use its legal authority to add one percent to the county sales tax for transit uses. The county collects the sales tax and distributes the one percent back to the transit agency. The one percent tax is a directly-levied sales tax by the transit agency. This transit agency must report these funds as directly-generated.

Independent political entities may levy taxes, such as:

- Income taxes
- Sales taxes
- Property taxes (includes mortgage and property transfer taxes and fees)

- Fuel taxes
- Payroll taxes
- Utility taxes
- Communication taxes (e.g., telephone taxes and fees)
- Motor vehicle and tire excise taxes

Bridge, Tunnel, and Highway Tolls

Another source of funds raised for transit is from tolls collected on bridges, tunnels, or highways. Typically, transit agencies that have the power to impose these fees are multipurpose transportation agencies that operate and own these facilities.

High Occupancy/Toll Lanes

MAP-21 outlined the provisions governing the use and operation of (HO/T) lanes. Agencies may receive dedicated funds from tolls charged for the use of HO/T lanes.

Community Development Credits

In some cases, agencies use Community Development Credits, previously called Toll Revenue Credits, as the local matching dollars for a Federal grant. Transit agencies must document the use of these credits on the NTD Annual Report. However, agencies should not report any financial data on the Annual Report for the credits because there is no monetary transaction.

Public Funding Relationships

Public entities commonly provide funding to other public transit agencies. Agencies may establish these relationships through a memorandum of understanding (MOU), as part of the budgeting process of a state or local governmental entity, or through an actual contract. Full Reporter agencies must report these funds as revenue on the NTD Annual Report.

Pass-through Funds

Pass-through funds are funds that a transit agency receives from a government entity and gives to another transit agency. These funds are not part of the designated recipient's transit service. The designated recipient does not use any of the funding and provides it to another public agency on behalf of the government entity.

Transit agencies do not report pass-through funds that they provide to other agencies on their Annual Report. The agency that ultimately receives the pass-through funds and benefits from the government assistance reports the funding. Agencies that are designated recipients only report funds that relate to their transit services.

Memorandums of Understanding

Transit agencies should report information for MOUs if the agreement meets the NTD's definition of a contractual relationship. Please refer to *Contracts (Purchased Transportation)* for more information about contract requirements.

Local and State Government Sources

Transit agencies usually receive and spend funds from local and state government.

State government funds and local government funds pay a portion of the costs to provide transit service, including

- Operating assistance, such as
    - General operating assistance to support service for all classes of passengers
    - Fare assistance to meet the difference between full adult fares and special reduced fares for persons with disabilities, senior citizens, students, and other special reduced fare riders
    - Reimbursements of payments for taxes, interest, snow removal, maintenance, and security costs
    - Special demonstration project assistance
    - Capital assistance

Transit agencies must report expenses based on the source of funds. Therefore, agencies must identify what type of local and state funding they receive. Local and state sources may provide funding from

- General revenues of the government entity
- Dedicated transit funds
- Other funds

General Revenues of the Government Entity

State and local government may provide transit agencies with funds from their annual budgets that are not dedicated to transit. Transit agencies typically have to compete for this funding with other organizations such as police, fire, and educational institutions.

Dedicated Funds from State and Local Sources

These are funds from state taxes, tolls, and fees that the government entity institutes to support transit programs and projects. These funds may also include bridge, tunnel, and highway tolls.

Other Funds from State and Local Sources

Local and state government entities may provide funds that are not dedicated or from the annual budget. This may include

- Vehicle licensing and registration fees
- Communications access fees, surcharges, and taxes

Federal Government Sources

Transit agencies typically receive Federal funds on a cost-reimbursement basis. For Full Reporters, this means that Federal funding revenues and expenses must be equal.

Transit agencies must report funds by grant. The following section explains common grants for transit assistance. Agencies may receive other FTA funds that the NTD does not define below. Additionally, agencies may receive funding from other Federal sources. Transit agencies must report those funds as *Other Federal Funds* in the Annual Report. Transit agencies must take special care to report funds by their original source.

FTA Funds

Agencies receive FTA funds from many grants, including:

- FTA Capital Program (§5309)
- FTA State of Good Repair (§5337)
- FTA Bus and Bus Facilities (§5339)
- FTA Urbanized Area Formula Program (§5307)
- FTA Metropolitan Planning (§5303)

- FTA Clean Fuels Program (§5308)
- FTA Special Needs of Elderly Individuals and Individuals with Disabilities Formula Program (§5310)
- FTA Rural Area Formula Program (§5311)
- FTA Job Access and Reverse Commute Formula Program (§5316)
- FTA New Freedom Program (§5317)
- FTA Alternative Transportation in Parks and Public Lands (§5320)

FTA Capital Program (§5309)

§5309 is a discretionary program that provides capital assistance for new fixed guideway or other major investment systems.

FTA State of Good Repair Program (§5337)

§5337 is a formula program that replaced the Fixed Guideway Modernization program. This grant provides capital assistance to maintain fixed guideway and high intensity bus systems in a state of good repair.

A fixed guideway or high intensity bus segment is eligible for the State of Good Repair Program after a transit agency operates over the segment and reports it to the NTD for seven Federal fiscal years (FFY). For example, if a transit agency operates over and reports the segment by October 1, 2009, the segment is eligible for the State of Good Repair Program for the 2017 FFY, which begins October 1, 2016.

FTA Bus and Bus Facilities Program (§5339)

§5339 is a formula program that finances capital projects to replace, rehabilitate, and purchase buses and related equipment, and to construct bus-related facilities.

FTA Urbanized Area Formula Program (§5307)

Transit agencies may use §5307 funding for

- Capital projects
- Planning
- Operating assistance in UZAs with populations less than 200,000
- Preventative maintenance (capital funds spent on operations)
- Complementary paratransit services operated to meet ADA requirements.

§5307 funds include flexible funding programs. For example, the Federal Highway Administration (FHWA) of the U.S. Department of Transportation transfers funds to §5307 under the flexible funding provision from various programs, including

- Surface Transportation Program (STP)
- Congestion Mitigation and Air Quality Improvement Program (CMAQ)
- National Highway System (NHS)
- Construction of Ferry Boats and Ferry Terminal Facilities
- Federal Lands Highways Program (FLHP)
- Transportation, Community, and System Preservation Program (TCSP)
- Coordinated Border Infrastructure Program (CBIP)
- Non-Motorized Transportation Pilot Program

Transit agencies must report funds from flexible funding programs under the appropriate FTA program. For example, if a transit agency receives FHWA CMAQ funding through the §5307 program, the agency must report this under §5307 funds. For more information, visit the FTA website.

FTA Metropolitan Planning (§5303)

§5303 supports the cooperative, continuous, and comprehensive planning program for making transportation investment decisions in UZAs. These funds are allocated to MPOs. Local elected officials designate these funds to carry out urban transportation and planning processes.

FTA Clean Fuels Program (§5308)

Congress discontinued this program in the MAP-21 legislation.

§5308 was a formula program that supported the use of alternative fuels. Projects were eligible in air quality maintenance or nonattainment areas for ozone or carbon monoxide for both urbanized and rural areas.

The program assisted transit agencies in purchasing low-emission buses and related equipment, constructing alternative fueling facilities, modifying existing garage facilities to accommodate clean fuel vehicles, and assisting in the utilization of biodiesel fuel.

FTA Transportation for Elderly Persons and Persons with Disabilities (§5310)

§5310 is a formula program that provides capital assistance to state and local governments and private nonprofit groups to meet the transportation needs of elderly individuals and individuals with disabilities. States (or state-designated agencies) administer the §5310 program.

States allocate funds to operators of locally-developed human service transportation coordination plans, including private nonprofit organizations and public agencies.

MAP-21 consolidated §5310 funds into the §5311 and §5307 programs through the MAP-21 legislation.

FTA Rural Area Formula Program (§5311)

§5311 is a formula program that provides assistance to transit agencies in rural areas for

- Capital projects
- Planning
- Operating assistance

For questions regarding urbanized and rural areas, please see the *Introduction: Service Area* section of this manual.

Federal operating and capital assistance under §5311 includes any §5310, §5307, §5316, or §5317 funds that states transfer to the program. This program also includes any flexible highway funds the state administers through the §5311 program.

Transit agencies that report to the urban module and receive §5311 funds also have responsibilities to provide data to the state for the State DOT NTD Annual Report.

Tribal Transit Program

FTA dedicates a portion of the §5311 program funds to the TTP. Federally recognized Tribes may use TTP funds to assist with operating, planning, and capital needs. FTA apportions these funds based on three tiers. For more information on TTP statutory tiers, please refer to the *Introduction* section of this manual.

FTA §5311(f) Intercity Bus Program

FTA requires states to set aside 15 percent of the §5311 program for intercity bus projects, unless a state governor certifies these needs are already met. Private for-profit

companies may receive §5311(f) funding from the state. These companies report limited data to the State as a §5311(f) sub-recipient.

If a transit agency provides other public transit services and receives this funding, the agency must report the service according to NTD modal definitions and report the funding under the §5311 program.

FTA Job Access and Reverse Commute Formula Program (§5316)

Congress discontinued this grant in the MAP-21 legislation.

§5316 was a formula program for states and designated recipients. §5316 supported the development and maintenance of job access projects that transported welfare and eligible low-income individuals to jobs and activities related to their employment. Additionally, §5316 provided assistance to reverse commute projects that transported residents of urbanized and rural areas to suburban employment opportunities. MAP-21 consolidated §5316 funds into the §5311 and §5307 programs.

FTA New Freedom Program (§5317)

MAP-21 consolidated §5317 funds into the §5311 and §5307 programs.

§5317 was a formula program for new public transportation services and public transportation alternatives beyond those required by the ADA. These transportation programs assisted individuals with disabilities, including providing transportation to and from jobs and employment support services. These programs must be part of a locally-developed human service transportation coordinated plan.

Transit agencies use §5317 funds for

- Capital projects
- Operating assistance
- Planning

FTA Alternative Transportation in Parks and Public Lands Program (§5320)

Congress discontinued this grant in the MAP-21 legislation.

§5320 was a program for preserving parklands and enhancing visitor enjoyment. FTA, the U.S. Department of Interior, and the U.S. Department of Agriculture Forest Service administered this grant jointly.

Contracts – Purchased Transportation

Transit agencies must report all service they operate, and in most cases, the service that they purchase. Agencies often purchase service from another entity, or provide service on behalf of another agency. If a contract exists to provide transit service, transit agencies must report additional data for the contract. The level of detail a transit agency must provide for such a contract depends on the reporter type and the nature of the agreement.

A buyer is a transit agency that pays another entity to perform transit service. A seller provides transit service on behalf of an agency, and may be a public or private entity.

The NTD has specific requirements for a relationship to meet the definition of contracted service. For a contract to exist, the following criteria must be met:

- A written agreement exists that obligates the seller to provide the operations for a specific monetary consideration;
- A written agreement exists that specifies a contractual relationship for a certain time period and service;
- A written agreement exists that obligates the seller to provide to the buyer the operating statistics required by the NTD Annual Report;
- Authorized representatives of both the buyer and seller sign the written agreement;
- The buyer pays the seller the full costs of operating the service. The seller does not receive any public funding for operating the service except from the buyer. The transit agency purchasing the service (the buyer) must report fully-allocated costs and service, assets, and resource data the NTD requires; and
- The purchased service must be branded under the transit agency buying the service. Users of the service should recognize that the buyer of the service is actively managing and funding the service and that the seller (purchased transportation provider) operates the service on behalf of the buyer.

In addition to the requirements above, the buyer must pay the costs to provide transit service that the fares do not cover. If the buyer of service only pays a portion of the costs to operate service, it should not report this service as a contract.

Transit agencies may report service established by Memorandums of Agreement or Memorandums of Understanding as purchased transportation, as long as the agreement meets NTD’s definition of a contractual relationship.

Contractual Relationship Data Requirements

Most transit agencies must provide additional data for contracted service. These agencies must report data, including:

- The contractor and relationship type
- Who is the buyer and seller, who is reporting the financial and service data, etc.?
- Monetary nature of the contract
- If it is competitively bid (at the time of the original agreement), if it is a fixed-rate cost, if the buyer provides vehicles or facilities
- Contract service data
- VOMS per the contract, the number of months the provider operates, fare revenues, the cost of the contract, capital leasing expenses, and any additional costs the buyer incurs

For information about additional costs buyers may incur, please see the *Financial: Allocating Costs* section of this manual.

Competitively Bid vs. Negotiated Agreements

Transit agencies must indicate if a service is either competitively bid or negotiated. Competitive contracts include:

- Sealed bids
- Requests for Proposals
- Two-step procurement

Agencies must report a contract as competitively bid if the contract was competitively procured and later negotiated during subsequent option years. Negotiated agreements do not meet FTA definition of a full and open competition. Agencies must take care to describe the nature of the contract.

Typically, agencies that contract with other public agencies enter into a negotiated agreement, and agencies that contract with a private company enter into a competitively-bid contract.

For more information on Federal requirements for procurements, please see FTA Circular 4220.1F, Chapter VI Part 3: Methods of Procurement.

Capital Leasing Expenses

Transit agencies must report operating and capital expenses they incur to provide transit service. When an agency contracts with a seller to provide service, the agency typically incurs capital leasing costs. Capital leasing costs are the expenses that the seller charges the buyer for the use of its capital assets.

For example, if the seller uses its vehicles to provide service, it typically charges the buyer to cover depreciation. The buyer reports this as a capital leasing cost. Agencies that incur capital leasing costs must report this data, even if these costs are not itemized on invoices.

Contractors or sellers of service charge the buyer for future vehicle replacement. Therefore, even if a contractor's vehicles are fully depreciated, agencies should continue to incur capital leasing expenses.

For vanpool programs, the vanpool participants typically incur capital leasing costs. The buyer of service must report this expense under capital leasing, even if its accounting system does not process the charge. For more information on vanpool requirements, please see the *Financial Data Requirements: Vanpool* section of this manual.

How to Collect and Report Financial Data — Full Reporter Requirements

This section only applies to agencies with a Full Reporter type. For questions regarding reporting types, please see the *Introduction: Reporting Types* section of this manual.

Full Reporters must report the following detailed data related to Operating Expenses:

- USOA functions and object classes for operating expenses
- USOA object classes — Reconciling Items
- USOA object classes — specific Assets and Liabilities (as applicable)
- Purchased Transportation (contracted) services
- Contributed Services

Operating Expenses: USOA Functions and Object Classes

The USOA provides a detailed explanation of each function and object class that the NTD uses. In the Annual Report, the NTD identifies USOA functions and object classes with an assigned number. For example, the USOA assigns the number 010 to the Vehicle Operations function. Agencies may navigate the USOA by researching the name, number of a function, or object class.

The NTD Policy Manual briefly discusses USOA material. Transit agencies with questions about a specific function or object class should refer to the USOA. The USOA is available on the NTD website.

Operating Expense Functions

A function is an activity a transit agency performs. The NTD Annual Report for Full Reporters uses four basic functions:

- Vehicle Operations (010)
- Vehicle Maintenance (041)
- Non-Vehicle Maintenance (042)
- General Administration (160)

Vehicle Operations

Vehicle Operations are the activities that a transit agency requires to dispatch and run vehicles in revenue service. This includes administrative and clerical support. The following categories are under Vehicle Operations (010):

- Transportation administration and support (011)
- Revenue vehicle movement control (012)
- Scheduling of transportation operations (021)
- Revenue vehicle operation (030)
- Ticketing and fare collection (151)
- System security (161)

Vehicle Maintenance

Vehicle Maintenance includes activities that ensure revenue vehicles and service vehicles are operable, cleaned, fueled, inspected, and repaired. The following categories are under Vehicle Maintenance (041):

- Maintenance administration — vehicles (041)
- Servicing revenue vehicles (051)
- Inspection and maintenance of revenue vehicles (061)
- Accident repairs of revenue vehicles (062)
- Vandalism repairs of revenue vehicles (071)
- Servicing and fuel of service vehicles (081)
- Inspection and maintenance of service vehicles (091)

Extensive work on revenue vehicles (e.g., engine rebuilds and overhauls) are an operating expense only if the work meets established FTA criteria. Otherwise, transit agencies must report vehicle rebuilds as a capital expense. For questions about capital expenses, please see the *Financial: What to Report* section of this manual.

Non-Vehicle Maintenance

Non-Vehicle Maintenance includes activities that ensure buildings, grounds and equipment (garages, passenger stations, shelters, and administration buildings), fare collection equipment, communications systems, track, structures, tunnels, and power systems are operable. Non-Vehicle Maintenance (042) includes the following:

- Maintenance administration — non-vehicles (042)
- Inspecting, cleaning, repairing, and replacing transit related components (101-128)
- Vandalism repairs of buildings, grounds, and equipment (131)
- Operation and maintenance of electric power facilities (141)

General Administration

General administration includes managerial activities that support the direct provision of transit service. Transit agencies must include the following under General Administration:

- Finance and procurement
- Marketing and customer service
- Planning and service development
- General activities

Many general administration expenses are indirect costs and are not directly associated with a specific mode and type of service. Transit agencies must allocate these costs among modes and types of services using reasonable cost allocation approaches. Please see the *Financial: Allocating Costs* section of this manual for more information on cost allocation.

Operating Expense Object Classes

Object classes are specific groups of expenses that the USOA defines. The NTD uses object classes for Full Reporters, including:

- Labor (501)
- Fringe benefits (502)
- Services (503)
- Materials and supplies (504)
- Utilities (505)

- Casualty and liability costs (506)
- Taxes (507)
- Purchased transportation (508)
- Miscellaneous (509)
- Americans with Disabilities Act of 1990 Related Expenses

Labor

Labor (501) is the pay that employees receive for work they perform. Transit agencies should not include non-agency employee salaries under labor expenses. Agencies should report the expenses for work performed by employees of outside organizations under Services (503). There are two categories for labor (501):

- Operators' salaries and wages (501.01)
- Other salaries and wages (501.02)

Fringe Benefits

Fringe benefits (502) are the expenses for employment benefits or services that an agency provides to its employees in addition to basic wages. Typical benefits include costs related to providing or making contributions to the following:

- Retirement plans
- Pension plans
- Medical plans
- Dental plans
- Life insurance and short-term disability plans
- Unemployment insurance
- Workers' compensation insurance
- Sick leave
- Holiday leave
- Vacation (and other paid leave such as bereavement leave and jury duty)
- Uniform and work clothing allowances typically for drivers and security personnel
- Tool allowances for mechanics

Some accounting systems do not track fringe benefit costs by function. In these cases, agencies must allocate fringe benefit expenses to the functions.

Services

Services (503) are the expenses for labor and other work that outside organizations provide. Usually, services from an outside organization are a substitute for in-house employee labor. The services object class includes

- Management services
- Professional services
- Temporary labor services of personnel who are not employees of a transit agency, the governmental body, or the multifunctional organization

Some transit agencies are part of a department of the state or local government, or a part of a multifunctional organization. Because these transit agencies are a part of one larger organization, these transit agencies must report expenses for employees from outside departments under Salaries and Wages and Fringe Benefits just as they would for employees within their own department. Transit agencies should not include the expenses for these employees under the Services object class.

Materials and Supplies

Materials and Supplies (504) are expenses a transit agency incurs for tangible items intended for immediate use. Materials and Supplies include

- Fuel and lubricants (504.01)
- Tires and tubes (504.02)
- Other materials and supplies (504.99)

Utilities

Utility (505) costs cover payments made to utility companies for the purchase of energy or services. Utilities include propulsion power used for electrically-driven vehicles, electric power for other uses, water and sewer, natural gas and other fuels for heating, telephone, and garbage collection.

Casualty and Liability Costs

Casualty and liability costs (506) are the expenses a transit agency incurs for loss protection. If a transit agency is liable for someone's loss, then the agency must report all applicable compensation under this object class. Casualty and liability costs (506) include:

- Physical damage insurance premiums
- Recovery of physical damage losses for public liability and property damage insurance premiums
- Insured and uninsured public liability and property damage settlement pay outs and recoveries
- Other corporate insurance premiums (e.g., fidelity bonds, business records insurance)

Taxes

Taxes (507) are the charges and assessments levied against a transit agency by Federal, state, and local governments. Transit agencies must report any applicable

- Income taxes
- Property taxes
- Fuel and lubricant taxes
- Electric propulsion power taxes
- Vehicle licensing and registration fees

Transit agencies should not report sales or excise taxes on materials or service. They also should not consider tax rebates and reimbursements as credit offsets to expenses in the taxes object class.

Purchased Transportation Service (Contracted Service)

Purchased transportation (PT) services (508) are the expenses PT providers incur and bill to operate service on behalf of a transit agency. Transit agencies must have a contract with the service provider to consider the service as purchased transportation. Agencies only report the money they pay to the PT service provider under the Purchased Transportation Service object class.

Therefore, this expense object class does not include:

- Expenses that a transit agency has no obligation to pay
- Expenses a transit agency incurred to support the PT services (e.g., salaries and wages of transit agency personnel overseeing the contract)
- Depreciation and lease costs for vehicles and facilities

Transit agencies must report depreciation and lease costs as reconciling items. Some PT providers use their own revenue vehicles or maintenance facility as part of the contract. If the PT provider charges total costs, either in absolute dollars and unit charges (e.g., per mile or per trip), the agency must separate operating costs from any lease and depreciation expenses.

Miscellaneous Expenses

Miscellaneous expenses (509) are expenses the USOA does not classify in other expense object classes. Miscellaneous expenses include

- Dues and subscriptions
- Travel and meeting expenses
- Bridge, tunnel, and highway tolls
- Entertainment expenses
- Charitable donations
- Fines and penalties
- Bad debt expense
- Advertising and promotion expenses
- Incidental transit services

Transit agencies must provide a detailed description of all miscellaneous expenses.

Americans with Disabilities Act of 1990 Related Expenses (Complementary Paratransit)

Transit agencies must identify the portion of total expenses directly related to operating complementary paratransit services in compliance with the Americans with Disabilities Act of 1990 (ADA) requirements. Transit agencies must report total operating expenses for demand response and demand response-taxi modes. However, agencies may estimate ADA related expenses using a reasonable approach, such as the proportion of ADA trips to total trips.

Operating Expenses: USOA Object Classes — Reconciling Items

Transit agencies treat reconciling items differently based on their accounting system. Accounting practices vary because of local ordinances on accounting treatments. Transit agencies use reconciling items on the NTD Annual Report in order to provide an overall operating expense total that is consistent with locally-published reports.

Full Reporter agencies must report applicable reconciling items in the following object classes:

- Interest expenses (511)
- Leases and rentals (512)
- Purchase lease payments (514)
- Related parties lease agreement (515)
- Depreciation (513), including Amortization of intangibles (513.3)
- Other reconciling items (516)
- Americans with Disabilities Act of 1990 expenses for complementary paratransit service related to the reconciling items

Funds Applied and Funds Not Applied

There are two types of expenditures for reconciling items:

- Funds applied
- Funds not applied

Funds Applied

Funds applied are costs that a transit agency incurs when there is a monetary transaction to cover the expense. For example, agencies must pay for interest expenses, leases, and rentals.

Funds Not Applied

Funds not applied means that there is not a transfer of money. Typically, these are values using accounting principles, such as depreciation of vehicles and amortization of intangibles.

Operating Expenses: USOA Object Classes — Specific Assets and Liabilities

Full Reporting agencies with certain organization types must report specific assets and liabilities on the Annual Report. The following organization types must report this data.

Exhibit 20 — Organization Types that Report Assets and Liabilities
Independent public agency or authority for transit services
Subsidiary unit of a transit agency, reporting separately
Other Publicly-Owned or Privately-Chartered Corporation
Other

Assets

Applicable transit agencies must report the following assets on the Annual Report:

- Cash (101) and receivables (102)
- Investments (131)
- Special Funds (141)
- Other Assets (151)

Transit agencies should not report any inventory or capital under Assets on the Annual Report.

Liabilities

Transit agencies must report the following liabilities:

- Long-Term Debt (221)
- Estimated Long-Term Pension Liabilities (231.01)
- Other Estimated Liabilities (231.02, 231.03)
- Other Liabilities (201-211, 241)

Operating Expenses: Purchased Transportation

Transit agencies must report the expenses for purchased services. Transit agencies providing data for their PT services must report the funds that they earn and expend on

operations and capital. There must be a contract following NTD criteria in order to report service as purchased transportation.

Reporting Separately

Typically, only the transit agency purchasing the service (the buyer) reports expenses for purchased transportation. However, in limited cases, the buyer and the seller file separate NTD Annual Reports with this data. In these cases, the buyer must report the funds spent on operations and capital.

The USOA addresses the concern of double-reporting financial data with the object class 508.02, Filing Separate Report. This object class enables the buyer to report the costs of the seller that files separately and ensures the expenses are not double-counted.

Public Agency Sellers

Public agencies selling service report any operating expenses they incur that the buyer of service does not cover. For example, public sellers incur overhead costs for which the buyer may not pay. Public sellers must report these expenses. The buyer reports all other expenses associated with the transit service in the appropriate functions and object classes.

For-Profit Service Contractors

If a transit agency contracts with a for-profit service provider, the agency pays more than the service provider spends to provide the service. The excess is the contractor's profit. Transit agencies must report their costs, not the costs to the contractor. Therefore, transit agencies must include the contractor's profit when they report their total operating expenses.

Transit agencies with a Full Reporter type must report contractor expenses across the four USOA functions: Vehicle Operations, Vehicle Maintenance, Non-Vehicle Maintenance, and General Administration. Contractors must include their profit when they provide the totals for the four functions. In some cases, transit agencies must allocate the profit across the functions. The following exhibit illustrates how a transit agency should allocate a contractor's profit.

Exhibit 21 — Full Reporter Agencies — Accounting for Contractor's Profit

Example: Coastal Nebraska Transit (CNT) contracts with Ludwig Vanpool to provide vanpool service. CNT paid Ludwig Vanpool $1,050,000 for the service and spent $100,000 overseeing the contract.

Exhibit 21 — Full Reporter Agencies — Accounting for Contractor's Profit

CNT reports to the NTD and files an Annual Report. Because CNT contracts the vanpool service, Ludwig Vanpool must provide CNT with its operating expenses. Ludwig Vanpool reports its expenses to CNT as

- Vehicle Operations, $400,000
- Vehicle Maintenance, $300,000
- Non-Vehicle Maintenance, $100,000
- General Administration, $200,000

Ludwig Vanpool spent $1,000,000 to provide the service and CNT paid $1,050,000. This means that Ludwig Vanpool made a profit of $50,000 on this contract. How should the CNT report these expenses?

Solution: CNT must allocate the extra $50,000 among the four functions.

First, CNT must determine the percentage of the $1,000,000 for each function.

Function	Calculation of Percentage	Percentage of Total Expenses
Vehicle Operations	$400,000 / $1,000,000	40.0%
Vehicle Maintenance	$300,000 / $1,000,000	30.0%
Non-Vehicle Maintenance	$100,000 / $1,000,000	10.0%
General Administration	$200,000 / $1,000,000	20.0%

Now, CNT must distribute the $50,000 of profit across the functions using the above percentages.

Function	Calculation of Additional Expense	Additional Expense
Vehicle Operations	$50,000 x 40.0%	$20,000
Vehicle Maintenance	$50,000 x 30.0%	$15,000
Non-Vehicle Maintenance	$50,000 x 10.0%	$5,000
General Administration	$50,000 x 20.0%	$10,000

Finally, CNT must report the total amounts of expenses, by function, as follows:

Function	Calculation of Total Expenses	Total Expenses for Contractor
Vehicle Operations	$400,000 + $20,000	$420,000
Vehicle Maintenance	$300,000 + $15,000	$315,000
Non-Vehicle Maintenance	$100,000 + $5,000	$105,000
General Administration	$200,000 + $10,000	$210,000

This is not all of money that CNT reports for the Vanpool service. CNT must report the amount of money spent overseeing the contract to the appropriate functions and object classes as well. For questions regarding object classes, please see the *Uniform Systems of Accounts.*

Operating Expenses: Contributed Services

The NTD defines contributed services (including in-kind services) as services (not cash) provided by a separate entity that benefits transit operations where the transit agency has no obligation to pay for the services.

For example, a city government may provide staff to help a transit agency plan and promote a new downtown transit shuttle service. Because this is a donation, the transit agency is under no obligation to pay for the staff resources.

Typically, transit agencies use in-kind services for the local or state share of Federal grants. In these cases, transit agencies should report the value of the in-kind services a state or local source of funds.

Capital Expenses: Capital Projects

Full Reporters must identify the following in order to report expenses related to capital projects:

- Project Classes
- Project Categories
- Predominate Use
- Purchased Transportation capital projects

Transit agencies must determine which class the capital project belongs in before reporting data in the applicable category.

Transit agencies should not report capital maintenance expenses under capital projects. Capital maintenance expenses are operating expenses that a transit agency pays with §5307 capital funds. Therefore, agencies must report this data as operating expenses.

Project Classes

The NTD separates capital projects into two classes:

- Improvements relating to existing transit services through rehabilitation, reconstruction, or replacement of capital
- Capital for expansion of service (e.g., light rail (LR) line extension), implementing new services (e.g., new mode of service), or building a new facility to accommodate planned services

Improvements for Existing Transit Services

Transit agencies typically improve existing transit services by replacing obsolete vehicles, equipment, buildings, and structures. Typical projects include replacing an obsolete garage, replacing vehicles, overhauling rail passenger cars, re-roofing a maintenance facility, or rehabilitating a bus.

Transit agencies also improve existing transit services by extending the useful lives of existing vehicles, equipment, buildings, and structures. If the improvement extends the useful life of these assets, the agency must report the capital project under *Improvements for Existing Transit Services*.

Expansion of Transit Service

Expansion of service projects cover capital projects related to the expansion of existing services or the operations of new services. Examples include

- The extension of a rail line
- Starting a new mode of service
- Purchase of additional buses for new routes in developing areas
- Construction of an additional maintenance facility for planned expansions of service

Transit agencies can only report expenses for capital projects as expansion projects if they have committed plans to implement new services. If there are no committed plans, then the project expenses must be reported as improvements for existing transit services.

A capital project may have elements of both improvements and expansion. In these cases, transit agencies must allocate the project to both project classifications. Exhibit 22 provides examples for a variety of scenarios.

Project Categories

Once an agency identifies the appropriate capital project class to use, it must separate data into project categories. Transit agencies must define and separate costs for each project category. For example, if an agency builds an entire rail mode, it should not use only one project category to report capital costs because such a project would involve multiple project categories.

Exhibit 22 — How to Report by Project Class

Example 1: A transit agency decides to rehabilitate and expand an existing maintenance garage. The garage is designed for 200 revenue vehicles and will be expanded to serve 275 buses as part of this project. How should the transit agency report the expenses for this project?

Solution: The transit agency should report the project costs under *Improvements for Existing Transit Services* for the 200 buses. The agency should report the project costs associated with the new 75 buses under *Expansion of Transit Service*.

Example 2: A transit agency decides to replace an existing, obsolete garage with a design capacity of 75 buses. The transit agency decides to expand the size of the facility to a design capacity of 100 buses even though it currently does not need the additional capacity, nor does it have any commitments for increases in transit services that would require additional revenue vehicles. How should the transit agency report the project?

Solution: The transit agency should report project costs under *Improvements for Existing Transit Services* because it has no commitments for expansion of service.

Example 3: A transit agency decides to replace an existing, obsolete garage. The transit agency is also committed to implementing new transit services. These new services will be phased in over the next several years, and will require additional revenue vehicles. Therefore, the replacement garage is bigger than the original garage in order to handle these new services. How should the transit agency report the project?

Solution: In this case, there is a commitment for expansion of services. Therefore, the transit agency must report the project costs associated with the part of the project that replaces the original garage under *Improvements for Existing Transit Services*. The agency should report the additional project costs to accommodate new transit services under *Expansion of Transit Service*.

Example 4: A transit agency purchases 50 new buses. The agency is replacing 40 buses that have reached their useful life and is acquiring 10 buses for new services to developing suburbs. How should the transit agency report the project?

Solution: The transit agency should report the cost of the 40 replacement buses under *Improvements for Existing Transit Services*. The agency should report the 10 buses for new service under *Expansion of Transit Service*.

The NTD uses the following project categories:

- Guideway
- Passenger stations
- Administrative buildings
- Maintenance buildings
- Revenue vehicles

- Service vehicles (non-revenue)
- Fare revenue collection equipment
- Communications and information systems
- Other

Capital projects include equipment and furniture integral to buildings and structures.

Guideway

Agencies must report capital projects for guideway, including the costs for design and engineering, land acquisition and relocation, demolition, and purchase or construction of guideway.

Guideway includes the buildings and structures dedicated for transit operations such as:

- At grade
- Elevated and subway structures
- Tunnels and bridges
- Track and power systems for rail modes
- Paved highway lanes dedicated to fixed-route modes

Guideway does not include passenger stations and transfer facilities, bus pull-ins, or communication systems.

Passenger Stations

Transit agencies must report capital expenses for passenger stations, including the costs for design and engineering, land acquisition and relocation, demolition, and purchase or construction of stations. Passenger stations include park-and-ride facilities.

Passenger stations have strict criteria and should only include enclosed buildings. The NTD includes structures in separate rights-of-way (ROW) as passenger stations. This usually means a platform area for rail modes and something more than a street stop or street-side passenger shelter for non-rail modes. Agencies should not include bus shelters or on-street bus stops under Passenger Stations. Transit agencies must report these shelters under ‘Other’ capital projects.

The NTD considers the following as passenger stations:

- All rail passenger facilities (except light rail (LR), street car (SR), and cable car (CC) facilities)

- All LR, SR, and CC passenger facilities in a separate ROW that have platforms
- All fixed-route and trolleybus (TB) passenger facilities in a separate ROW that have an enclosed structure (building) for passengers for such items as ticketing, information, restrooms, concessions, and telephones
- All transportation, transit or transfer centers, park-and-ride facilities and transit malls, if they have an enclosed building for passengers

Administrative Buildings

Agencies must report capital projects for administrative buildings, including the costs for design and engineering, land acquisition and relocation, demolition, and purchase or construction.

Administrative buildings are the general administrative offices owned by a transit agency. Administrative buildings usually house executive management and support activities for overall transit operations, including accounting, finance, engineering, legal, safety, security, customer services, scheduling, and planning. Administrative buildings also include separate buildings for customer information or ticket sales that a transit agency owns and that are not part of passenger stations.

Maintenance Buildings

Transit agencies report capital expenses for maintenance buildings, including the costs for design and engineering, land acquisition and relocation, demolition, and purchase or construction of the maintenance buildings.

Maintenance buildings include garages, shops, operations centers, and equipment that enhance maintenance, such as diagnostic equipment. Agencies should not include information systems that they use to process maintenance data under Maintenance Buildings.

Revenue Vehicles

Agencies must report capital expenses for revenue vehicles, including acquisition and major rehabilitation of the vehicles. The revenue vehicles project category includes

- Vehicle bodies
- Vehicle chasses
- One set of tires and tubes to make the vehicle operational (for rubber-tired vehicles)

- Fixtures and appliances inside or attached to the body or chassis

Revenue vehicles do not include fare collection equipment and revenue vehicle movement control equipment, such as radios.

Agencies may spend capital funds on revenue vehicles for

- Replacing a fleet — the replacement of revenue vehicles having reached the end of their service lives
- Rebuilding a fleet — the installation of new or rebuilt major components (e.g., engines, transmissions, body parts) and/or structural restoration of revenue vehicles to extend service life
- Overhauling a rail fleet — the one-time rebuild or replacement of major subsystems on revenue producing rail cars and locomotives, commonly referred to as midlife overhaul
- Expanding a fleet — the acquisition of revenue vehicles for expansion of transit service

Service Vehicles

Agencies must report capital expenses for the acquisition or rebuilding of service vehicles. Service vehicles include supervisor vans, tow trucks, mobile repair trucks, transit police cars, and staff cars.

Fare Revenue Collection Equipment

Transit agencies must report the capital expenses for the acquisition or rebuilding of fare revenue collection equipment. Fare revenue collection equipment includes turnstiles, fare boxes, automated fare boxes and related software, moneychangers, and fare dispensing machines.

Communications and Information Systems

Agencies report capital for systems, including

- Information systems that process information
- Communication systems that relay information between locations

A system is a group of devices or objects that form a network for distributing something or serving a common purpose (e.g., telephone, data processing systems).

Communication systems include two-way radio systems between dispatchers and vehicle operators, cab signaling, and train control equipment in rail systems, automatic vehicle locator systems, automated dispatching systems, vehicle guidance systems, telephones, facsimile machines, and public address systems.

Information systems include computers, monitors, printers, scanners, data storage devices, and associated software that support transit operations. Associated software may include general office, accounting, scheduling, planning, vehicle maintenance, non-vehicle maintenance, and customer service programs.

Other

Agencies report the capital expenses for other capital projects, including

- Furniture and equipment that are not an integral part of buildings and structures
- Shelters, signs, and passenger amenities (e.g., benches) not in passenger stations

Predominant Use

Some capital projects apply to more than one mode or type of service. Transit agencies must report a capital project based on the predominant use. Agencies determine predominant use by

- Identifying the primary reason why the project was constructed or acquired
- Using a reasonable measure to determine the predominant use, such as:
    - The relative number of passengers served by mode or type of service for passenger facilities
    - The square footage of, or the number of revenue vehicles serviced by, non-passenger facilities, such as maintenance garages

Exhibit 23 — Reporting Predominant Use — Primary Reason

Example: A transit agency builds a new heavy rail passenger station on a new rail line extension. The station also serves both directly-operated and purchased transportation motor bus services as a transfer center. How should the transit agency report the station?

Solution: The primary reason the transit agency built the station was to serve rail passengers. Therefore, the agency must report the project under the heavy rail mode.

Purchased Transportation

Transit agencies must report capital expenditures the agency makes to provide transit service. This includes capital expenditures for both directly-operated and purchased transportation services (even if the agency does not retain ownership of the purchased asset). However, if the transit agency's contractor purchases capital during the year using its own funds, the transit agency should not report these capital costs.

As explained in the *Financial: Reporting Separately* section of this manual, most transit agencies report PT services. However, there are unusual cases where the buyer and seller report separately to the NTD. In these cases, agencies report capital data.

Public Agency Sellers

If the public agency selling transit service purchases capital during the fiscal year, the agency must report this on the Annual Report. The public agency buying the service should not report capital data on behalf of the seller.

Private and Private Nonprofit Sellers

The public buyer reports capital purchases that it pays for, regardless of whether the buyer retains ownership of the capital. Private sellers of service using their own funds to purchase equipment or capital projects do not report capital data to the NTD.

Service Data Requirements

Service Supplied

An overview of the data associated with service that is scheduled and operated by transit agencies

Service Consumed

A summary of data points regarding the amount of passenger usage of service

Service Operated

Definitions and requirements of peak service

Directional Route Miles, Fixed Guideway, and High Intensity Busway

NTD reporting requirements by segment type

Service Supplied

Transit agencies must report actual service data on services provided during the fiscal year. In the following sections, the NTD defines service data that agencies must provide on their Annual Reports.

Revenue Service

A transit vehicle is in revenue service when it is providing public transportation and is available to carry passengers. Non-public transportation activities, such as exclusive school bus service and charter service are not considered revenue service. Revenue service includes both fare and fare-free services.

Agencies that provide transit service report revenue service data, such as

- Actual revenue hours
- Actual revenue miles
- Unlinked passenger trips

Actual Vehicle Revenue, Passenger Car Revenue, and Train Revenue Hours and Miles

Actual vehicle revenue hours (VRH) and vehicle revenue miles (VRM) are figures that take into account the hours and miles a vehicles travel while in revenue service. Revenue hours for conventional scheduled services include

- Running time
- Layover/recovery time

Running time is the time it takes a transit vehicle to travel from the beginning to the end of a transit route. A transit agency's passenger timetable typically shows the running times for trips it operates.

Usually, agencies schedule layover/recovery time at the end of each trip. Layover time typically ranges from 10 to 20 percent of the running time. Transit agencies use this time to provide the operator a break or to give the operator an opportunity to get service back on schedule if it was running late.

VRM and VRH exclude the miles and hours related to

- Deadhead time
- Operator training
- Maintenance testing

There are two different types of measures of VRH and VRM for rail service: train revenue hours/miles and passenger car revenue hours/miles.

For Demand Response (DR) service, the NTD uses a different definition of revenue service. For DR service, revenue time includes all travel time from the point of the first passenger pick-up to the last passenger drop-off, as long as the vehicle does not return to the dispatching point.

Deadhead

When transit vehicles are deadheading, they operate closed-door and do not carry passengers. Deadhead includes

- Leaving or returning to the garage or yard facility to or from the starting or ending point of revenue service
- Changing routes
- When the driver does not have the duty to carry passengers

Deadhead does not include

- Revenue service
- Additional activities, such as
    - Charter service
    - School bus service
    - Operator training
    - Fueling
    - Maintenance testing

For fixed route services, deadhead includes the miles and hours when a vehicle is not available to the public and is traveling to its first publicly-advertised stop.

For non-fixed route services, deadheading can involve travel from:

- The garage to the dispatching point
- The last passenger drop-off to the dispatching point
- The last passenger drop-off to the garage
- The dispatching point to the garage

The NTD defines the dispatching point as the location where a driver receives his or her schedule to provide revenue service.

Deadhead does not include fueling or lunch breaks. Some transit agencies do not have fueling facilities at their maintenance facilities or parking lots. In these cases, drivers may fuel vehicles on the way back to the garage. Some operators travel to lunch between a drop off and the next pick up. Transit agencies should not report the time or miles drivers spend fueling vehicles or traveling to and from lunch.

The NTD only collects deadhead data from Full Reporters. Full Reporters do not report deadhead for vanpool (VP) or demand response-taxi (DT) services.

Actual Service Data

Actual service data are the statistics of the services actually provided during the fiscal year of the transit agency. Actual service data excludes scheduled service that did not occur (e.g., missed trips, service interruptions due to strikes, emergency shutdowns, etc.).

Agencies collect this data and report on an annual or monthly basis, depending on reporter type.

Actual Vehicle Hours and Miles

Actual vehicle hours and miles are the hours and miles that vehicles travel while in revenue service plus deadhead hours. Actual vehicle hours and miles exclude the hours and miles from the following activities:

- Charter service
- School bus service
- Operator training
- Fueling and lunch breaks
- Maintenance testing

Transit agencies must collect and report actual service data for the fiscal year of the Annual Report. The NTD refers to actual annual service data as an agency's annual totals. Annual totals include all service that a transit agency actually provides during the year. Therefore, annual totals include both typical and atypical service.

All agencies must record actual miles and hours and revenue miles and hours. It is important for agencies to understand the differences between actual miles and hours and revenue miles and hours to ensure they do not mistakenly include incorrect data as revenue service. Full Reporters must provide both actual vehicle data and actual revenue service data.

Actual Passenger Car Hours and Miles

Actual passenger car hours and miles are the hours and miles that passenger cars travel while in revenue service and while deadheading. Actual passenger car hours and miles include the hours and miles during layover and recovery time but exclude the hours and miles from the following activities:

- Charter services
- Operator training
- Fueling
- Vehicle maintenance testing

Actual Train Hours and Miles

Actual train hours and miles are the hours and miles that trains travel while in revenue service plus deadhead hours. Actual train hours and miles include hours from layover and recovery time but exclude hours and miles from the following activities:

- Charter services
- Operator training
- Vehicle maintenance testing

The following exhibits provide common examples for each data type and show what activities agencies should include under revenue miles and hours:

Exhibit 24 — Miles and Hours for Bus (MB, CB, RB) Services

Activity	Actual Vehicle		Vehicle Revenue	
	Hours	Miles	Hours	Miles
Bus travels (deadheads) from dispatching point to start of a route.	Yes	Yes	No	No
Bus travels its route in scheduled revenue operation. Passengers board the vehicle.	Yes	Yes	Yes	Yes
Bus travels its route in scheduled revenue operation. No passengers board the vehicle.	Yes	Yes	Yes	Yes
Bus arrives at the end of a route, incurs layover. Passengers can board during layover.	Yes	N/A	Yes	N/A
Bus arrives at the end of a route, incurs layover. Passengers cannot board during layover.	Yes	N/A	Yes	N/A
Bus arrives at the end of the route, parks, and goes out of service. Resumes service in PM peak.	No	No	No	No
Bus arrives at the end of the route, travels (deadheads) to a storage lot, and parks.	Yes	Yes	No	No
Bus arrives at the end of the route, travels (deadheads) to another route to operate a scheduled trip. Passengers cannot board during deadhead.	Yes	Yes	No	No
Bus arrives at the end of the route, travels (deadheads) to the dispatching point.	Yes	Yes	No	No
Bus travels from the garage to another maintenance facility to perform routine maintenance.	No	No	No	No
Trip is terminated due to a collision with another vehicle, and the bus travels to a maintenance facility.	Yes	Yes	No	No
Bus travels from start to end of a route for training. Vehicle is not in service and does not board passengers.	No	No	No	No
Driver fuels the vehicle at a gas station.	No	N/A	No	N/A

Exhibit 25 — Miles and Hours for Demand Response Services

Activity	Actual Vehicle		Vehicle Revenue	
	Hours	Miles	Hours	Miles
Vehicle idles at the dispatching point.	No	N/A	No	N/A
Vehicle departs dispatching point to pick up a passenger.	Yes	Yes	No	No
Vehicle waits for a passenger at the pick-up point.	Yes	N/A	Yes	N/A
After a passenger drop-off, the vehicle departs to pick up another passenger with no passengers onboard.	Yes	Yes	Yes	Yes
Driver travels to a restaurant for lunch after the last passenger drop-off.	No	No	No	No
Driver eats his lunch at a restaurant.	No	N/A	No	N/A
Vehicle transports passengers from a community center to a shopping mall.	Yes	Yes	Yes	Yes
Vehicle returns to the dispatching point with no passengers onboard.	Yes	Yes	No	No
Vehicle waits at the shopping mall until it is time to bring passengers back to the community center.	Yes	N/A	Yes	N/A
Driver fuels the vehicle at a gas station.	No	N/A	No	N/A

Transit agencies must report accurate, true statistics for vehicle revenue miles (i.e. no estimates). The following exhibit describes how an agency should collect these data.

Exhibit 26 — Miles and Hours for Rail Services

Activity	Actual Vehicle		Vehicle Revenue	
	Hours	Miles	Hours	Miles
Train travels (deadheads) from the yard to the station where the trip is scheduled to start.	Yes	Yes	No	No
Train departs from the yard and travels to an adjacent station. The transit agency states that the train is in revenue service; however, no passengers are allowed to board.	Yes	Yes	No	No
Train travels from beginning to end of the line carrying passengers.	Yes	Yes	Yes	Yes
Train completes trip, incurs layover time. Passengers cannot board during layover.	Yes	N/A	Yes	N/A
Train completes trip, lays over at a maintenance facility adjacent to the station. Passengers cannot board during layover.	Yes	Yes	Yes	Yes
Train completes trip, lays over. Passengers can board during layover.	Yes	N/A	Yes	N/A
Train departs from station A, breaks down at station B. Trip is terminated. Passengers alight at station B to board the next train. Trip operated from station A to station B.	Yes	Yes	Yes	Yes
Trip not operated beyond station B.	No	No	No	No
Train departs from station A, short turns at station B. Passengers alight at station B and board the next train. Trip operated from station A to station B.	Yes	Yes	Yes	Yes
Trip not operated beyond station B.	No	No	No	No

Exhibit 26 — Miles and Hours for Rail Services

Activity	Actual Vehicle		Vehicle Revenue	
	Hours	Miles	Hours	Miles
Train departs from station A, stops at station B, and then proceeds directly to the end of the line without any stops. Passengers onboard can only alight at Station B or at end station. Trip operated from station A to station B.	Yes	Yes	Yes	Yes
Trip operated nonstop beyond station B.	Yes	Yes	Yes	Yes
Train completes trip, deadheads to the end of another line for another trip.	Yes	Yes	No	No
In the transition from AM to midday service, the train parks at the end station and is out of service. Service will resume for PM peak.	No	N/A	No	N/A
In the transition from AM to midday service, the train travels (deadheads) to the yard.	Yes	Yes	No	No
Train travels for operators' training and no passengers are allowed to board.	No	No	No	No
Train travels from the yard to a maintenance facility.	No	No	No	No

Vehicles Available for Annual Maximum Service

VAMS is the number of revenue vehicles available to meet the annual maximum service requirement. Vehicles available for maximum service include:

- Spares
- Vehicles in or awaiting maintenance

Transit agencies should include vehicles undergoing routine maintenance in the VAMS total. However, if an agency rehabilitates a vehicle and the rehabilitation requires extensive time before the vehicle can reenter revenue service, agencies should not include the vehicle in the VAMS total.

VAMS excludes vehicles awaiting sale and emergency contingency vehicles. Emergency contingency vehicles are inactive revenue vehicles that have reached the end of their useful life. Rather than requiring agencies to dispose of the inactive vehicles, FTA allows them to retain the vehicles to be used in the event of local emergencies (floods, earthquakes, etc.). FTA allows for this exception only if the vehicles are a part of an FTA-approved emergency contingency plan.

Rail Mode Requirements

Transit agencies must report both passenger cars and locomotives for Commuter Rail (CR) modes. Agencies must report locomotives in VAMS, regardless if they carry passengers in revenue service.

Vehicles Operated in Annual Maximum Service

VOMS is the number of revenue vehicles an agency operates to meet the annual maximum service requirement. Agencies count their annual VOMS during the peak season of the year on the busiest day that they provide service. In most cases, this is the number of scheduled vehicles because most transit agencies have enough vehicles to operate the scheduled service. VOMS excludes atypical days or one-time special events for non-demand response modes.

Exhibit 27 — VOMS and VAMS – Non-Rail Modes

Non-Rail Modes	Demand Response, Demand Response-Taxi, and Vanpool	All other non-rail modes
VOMS	The largest number of vehicles in revenue service at any one time during the reporting year (includes atypical service).	The largest number of operated (usually scheduled) revenue vehicles in service at any one time during the reporting year (excludes atypical service).
VAMS	The largest number of vehicles in revenue service at any one time during the reporting year (includes atypical service) and all spare vehicles available at this time.	The largest number of revenue vehicles in service at any one time during the reporting year (excludes atypical service) and all the spare vehicles available to provide both typical and atypical service.

Exhibit 28 — VOMS and VAMS – Rail Modes		
Rail Modes	Commuter Rail and Alaska Railroad	All other rail modes
VOMS	The largest number of passenger cars and locomotives operated (usually those scheduled for service) at any one time during the reporting year (excludes atypical service). Passenger cars and locomotives each count as a vehicle in this case.	The largest number of passenger cars (vehicles) operated (usually those scheduled for service) at any one time during the reporting year (excluding atypical service).
VAMS	The largest number of passenger cars and locomotives operated (usually scheduled for service) at any one time during the reporting year (excludes atypical service) and the total number of spare passenger cars and locomotives available to provide typical and atypical service. Passenger cars and locomotives each count as a vehicle in this case.	The largest number of passenger cars (vehicles) operated (usually scheduled for service) at any one time during the reporting year (excluding atypical service) and all spare passenger cars available to provide typical and atypical service.

Scheduled Service

Scheduled service is the total service to be provided for picking up, transporting, and discharging passengers. Full Reporters provide these data using internal transit agency planning documents (e.g., run paddles and public timetables). Scheduled service does not take into account service interruptions or special additional services.

Scheduled Vehicle Revenue Miles and Passenger Car Revenue Miles

Full Reporters calculate scheduled VRM based on their scheduled service. Scheduled VRM does not include

- Deadhead
- Operator training
- Maintenance testing
- School bus and charter services
- Service interruptions
- Special additional services

How to Report Scheduled Service

Full Reporters must provide average daily data for a weekday schedule, Saturday schedule, and Sunday schedule. Average daily data depends on whether services are fixed route or non-fixed route.

For non-fixed route and non-scheduled services (e.g., demand response (DR) and vanpool (VP)), the average daily totals cover days the mode and type of service (TOS) actually operates, including typical and atypical service.

For scheduled, fixed route services, such as motorbus (MB), commuter bus (CB), bus rapid transit (RB), and rail modes, the average daily totals correspond to a typical day of service. The NTD does not allow agencies to report the following in fixed-route schedules in the average day totals:

- One-time or limited events such as game day football shuttles, extra holiday shopper service, or a visit to the city by the President of the United States
- Extra service agencies operate to meet demand, whether associated with a special event or not, or
- Severe inclement weather days such as hurricanes and snowstorms

The average daily schedule must cover the service that agencies operate on typical days (for fixed route services). Most transit agencies operate different schedules with seasonal variation, and agencies may add or delete certain routes during the year. The average daily schedules must account for the seasonal variation in service. Agencies must use a weighted average over the course of the year to report service that changes during the year.

A typical day is a day when a transit agency

- Operates its normal, regular schedule
- Does not provide extra service to meet demands for special events such as conventions, parades, or public celebrations
- Does not operate significantly-reduced service because of unusually bad weather (e.g., snow storms, hurricanes, tornadoes, earthquakes) or major public disruptions (e.g., terrorism)

Often, transit agencies operate their Sunday schedule on holidays that fall on Monday through Saturday. Agencies should include the data for these holidays under the day for the schedule that they operate (e.g., if operating on a Sunday schedule for a holiday on a Tuesday, the data would be included under Sunday).

Atypical Service Day

Atypical service days occur when a transit agency does not operate its normal, regular schedule. Instead, the agency

- Provides extra service to meet demands for special events, such as conventions, parades, or public celebrations, or
- Operates significantly reduced service because of unusually bad weather (e.g., snowstorms, hurricanes, tornadoes, earthquakes) or major public disruptions (e.g., terrorism)

Full Reporters do not include atypical service in scheduled service data for non-demand response modes. Full Reporters must include atypical service data under Actual Annual Service Data totals for all service modes.

Exhibit 29 — Computing Average Daily Schedule Data — Fixed Route

Example 1: How do I compute the average weekday total of actual vehicle miles for MB service?

Solution: Determine the total actual vehicle miles for typical weekday operations and divide that number by the number of typical weekdays.

	Typical Weekday Operation	Atypical Weekday Operation	Total
Total vehicle miles operated	6,993,520	562,330	7,555,850
Number of days	230	20	250

Average Weekday Total = Actual vehicle miles on typical weekdays / days that were typical weekdays = 6,993,520 / 230 = **30,407**

*Atypical weekdays are excluded from the actual vehicle miles and the number of days used to determine the Average Weekday Total.

Exhibit 30 — Computing Average Daily Schedule Data — Demand Response

Example 2: How do I compute the average weekday total of actual vehicle miles for DR service?

Solution: Determine the total actual vehicle miles and divide by the total number of days operated.

	Total
Total vehicle miles operated	1,567,238
Number of days	250

Average Weekday Total = Actual vehicle miles / days = 1,567,238 / 250 **= 6,269**

Deviated Services

Agencies may provide deviated or point deviated fixed route services (see Deviated Fixed Route Service and Point Deviation). Typically, agencies use deviated services to comply with the ADA requirements and provide complementary paratransit service.

Deviated Fixed Route

Deviated fixed route services operate buses along a fixed route, but the buses may depart from the route to go to a specific location. This may include traveling to residences, employment locations, schools, and shopping areas. The bus then returns to the route and continues to provide regular service. Buses usually travel up to three-quarters of a mile away from the route to comply with the ADA requirements.

Point Deviation

Point deviation services do not follow a specific route. Instead, the drivers stop at bus stops at scheduled times. The buses then travel to the necessary destinations until the next scheduled bus stop. Agencies also use this type of service to meet the ADA requirements.

Full Reporter Requirements

Full Reporters must report all deviated fixed route services as Motorbus (MB). Because the deviations are unscheduled, the NTD requires Full Reporters to use the most direct path when reporting directional route miles.

Additionally, Full Reporters do not include deviations in their total scheduled revenue miles. Therefore, actual vehicle revenue miles typically exceed total scheduled vehicle revenue miles.

Charter Service

Transit agencies may provide charter service to private clients. The client defines this service; the vehicle does not operate over a transit route on a regular schedule and it is not available to the public.

Charter service does not meet the definition of public transportation. Therefore, transit agencies must exclude charter service from their revenue service data.

Additional Full Reporter Requirement: Charter Service Hours

Full reporting transit agencies must report the total number of charter service hours they provided, including charter deadhead hours. These transit agencies report this value under a separate, charter service-specific total.

School Bus Service

School bus service is not open to the public. Instead, the service serves students exclusively. Transit agencies may not report school bus service data to the NTD.

School bus service does not include additional trips, called school trippers, that a transit agency may operate on an existing route to meet the daily or seasonal demands of traveling students. Agencies should report school trippers as part of revenue service.

Additional Full Reporter Requirement: School Bus Hours

Full reporting transit agencies must report the total number of school bus service hours they provided, including school bus deadhead hours. These transit agencies report this value under a separate, school bus service-specific total.

Service Consumed

Unlinked Passenger Trips

UPT is the number of boardings on public transportation vehicles during the fiscal year. Transit agencies must count passengers each time they board vehicles, no matter how many vehicles they use to travel from their origin to their destination. If a transit vehicle changes routes while passengers are onboard (interlining), transit agencies should not recount the passengers.

For demand response (DR) and demand response-taxi (DT) modes, transit agencies must include personal care attendants and companions in UPT counts as long as they are not employees of the transit agency. This includes attendants and companions that ride fare free.

For vanpool (VP) service, agencies must report the driver as a passenger and include the driver in UPT counts. In almost all cases, the vanpool driver is unpaid and is traveling for personal reasons (e.g., work commuting, shopping).

For ferryboat modes (FB), the NTD has specific reporting rules when other transportation modes utilize the FB service. These other transportation modes may be public transit modes such as VP, or they may be private vehicles, such as automobiles. Transit agencies must report UPT for each vehicle occupant of these other transportation modes (including the driver), whether the other transportation mode is public or private.

Additional Requirements for Full Reporters

Full Reporters must report both total UPT and UPT attributable to ADA requirements (e.g., complementary paratransit).

For rail transit agencies, the NTD recognizes the difference between UPT and passengers entering the agency through fare turnstiles. Typically, rail agencies allow passengers to transfer from one train to another train without exiting the rail system. In these agencies, the turnstile counts are always less than unlinked passenger counts because the turnstile counts do not include counts of passengers boarding multiple trains within the transit system.

ADA-Related Unlinked Passenger Trips

ADA UPT is the number of passenger boardings on public transportation vehicles for complementary paratransit services associated with or attributed to the Americans with Disabilities Act of 1990 compliance requirements. Transit agencies should include personal care attendants and companions in this ADA UPT total.

Note: Transit agencies should make sure to include the ADA UPT in Total UPT as well. Transit agencies should not include ADA UPT under Sponsored UPT. ADA-related UPT should not include any sponsored services.

Transit agencies report ADA data based on their ADA definition (e.g., ¾ of a mile or above and beyond minimum ADA requirements).

Sponsored Service

Sponsored service is paid in whole or in part by a third party who, in many cases, handles trip arrangements. Common sponsored services include

- Medicaid
- Meals-On-Wheels
- Head Start
- The Arc of the United States
- Shelter workshops
- Independent living centers

The NTD considers these services as public transportation if they are part of a coordinated human services transportation plan. Local areas develop coordinated plans to identify transportation needs and assist individuals with disabilities, older adults, and people with low incomes. Transit agencies must include sponsored UPT in their total regular UPT.

Passenger Miles Traveled

PMT is the sum of the distances each passenger traveled during the year.

For ferryboat modes (FB), the NTD has specific reporting rules when other transportation modes utilize the FB service. These other transportation modes may be other public transit modes such as VP, or they may be private vehicles, such as automobiles. Transit agencies must report PMT only once, because the other public or private vehicle is not moving under its own power while aboard the ferry service.

PMT for New Reporters

Transit agencies must collect and report PMT data using one of the methods described under the *Collecting Service Consumed Data* section below. However, a first-time reporter's fiscal year may have expired without collection of the correct data before it began reporting to the NTD. In this circumstance, first-year reporters may calculate PMT data using the following method:

- For Year 1, transit agencies may sample for one month to estimate one year of PMT data. If the agency operates demand response service, it may aggregate one month of PMT from its manifests to estimate the entire year.
- If Year 1 has expired, agencies may sample for one month in Year 2 and use this estimate to report Year 1 PMT.
- In Year 2, agencies must sample for all or a portion of the year to estimate Year 2 PMT data.
- By Year 3, agencies must collect a full year of data as described under Collection Service Consumed Data below. (From Year 3 forward, agencies may still have to sample PMT data if it is a mandatory sample year. See Sampling Cycles below.)

Collecting Service Consumed Data

Transit agencies must report actual data on the Annual Report for all service data except UPT and PMT. Only Full Reporters report PMT data to the NTD. For these two data points, agencies may provide an estimate but only if the actual values are not otherwise available. If an agency has the ability to collect true UPT or PMT data, it must report the actual data on the Annual Report.

Transit agencies may collect data during the year by using drivers' logs, scheduling software, automatic passenger counters (APCs), manual passenger counters, and fare boxes. If a transit agency estimates UPT or PMT data, it must adhere to NTD requirements of estimation procedures, as described in the following sections.

100 Percent Counts of Unlinked Passenger Trips

Transit agencies must perform 100 percent counts of UPT to report these data. In these agencies, passengers are counted each time they board a transit vehicle.

Sometimes transit agencies performing 100 percent counts will miss passenger counts on some vehicle trips because of personnel problems or equipment failures. If these vehicle trips are 2 percent or less of the total, transit agencies may factor the data to account for the missing trips. However, if the vehicle trips with missing data exceed 2

percent of total trips, agencies must have a qualified statistician approve the factoring method.

Automatic Passenger Counters

Some transit agencies use automatic passenger counters (APCs) for collecting UPT and PMT data through sampling or a 100 percent count. The use of APCs for NTD reporting requires FTA approval. If a transit agency fails to obtain FTA approval, FTA may not accept the reported APC-derived data.

FTA must approve the following for agencies to report APC data:

- APC benchmarking plan for the first year
- APC maintenance plan every three years, beginning in 2019

The APC benchmarking plan and maintenance plans must include:

1. Validation of the APC data for UPT and PMT data against a *manual sample*:
    a. Agencies operating 30 or fewer vehicles in maximum service must sample at least 15 trips.
    b. Agencies with greater than 30 vehicles should sample, at least, the larger of 15 trips or half of the number of APC equipped vehicles, up to 50 trips. These numbers represent the smallest acceptable sample. Agencies may perform larger samples at their discretion.
    c. The trips sampled for the manual sample do not need to be randomly selected and can be spread out over any period of time within the same year. The sample should include heavy ridership trips and at least one trip per vehicle type and APC model.
2. A description of the agency's APC system
3. A description of agency's sampling procedures
4. A list of trips that were flagged and rejected from the sample with explanations for each. The explanation cannot be that the trip was rejected because it was different from the manual data. At most 50% of trips may be rejected.
5. Descriptions of the differences (if any) in the set of distances between stops (e.g., interstop distances) the agency used to calculate PMT using manual and APC data. Ideally, the agency will use the same set of distances for both calculations.
6. The following metrics, both of which must be less than 5%:
    a. Percent Difference of manual vs. APC UPT

b. Percent Difference of manual vs. APC PMT

Manual counts can be made using data collection staff or on-board cameras. To ensure accurate counts FTA recommends using a data collector at each door on heavily-loaded trips. APC data should be processed to correct for anomalies as it would be in the reporter's normal data collection process. The objective is to compare manually-collected data with processed APC data and demonstrate that they are equivalent or that any differences are justifiable.

Transit agencies applying to use APC data must submit the benchmarking plan (and its results after implementation) to FTA for approval. If FTA rejects an agency's APC system, the agency should reexamine its APC data collection procedures, make any needed adjustments, perform any needed maintenance on the system, and retest. FTA expects the sampling process to take less than a month; this should allow agencies to retest before the end of the year, thus ensuring that an agency that encounters problems in its APC testing can nonetheless provide an uninterrupted set of data to NTD. Agencies must also submit the results of the triennial maintenance plans to FTA for approval.

If a transit agency uses APCs for both directly-operated and purchased transportation services, separate samples are required for each type of service.

Estimation Methods for Unlinked Passenger Trips and Passenger Miles Traveled

Only Full Reporters report PMT data.

If 100 percent counts of UPT or PMT are not available and reliable, agencies must estimate and report UPT, or PMT based on statistical sampling. FTA requirements for sampling UPT and PMT for all modes and types of service are:

- Minimum confidence of 95 percent
- Minimum precision level of ±10 percent

The required precision level (±10 percent) applies to the annual total data that an agency reports. For Full Reporters reporting data for average day schedules, the precision levels for an average day will be larger than ±10 percent if the sample size for the annual total was designed to meet ±10 percent exactly.

Transit agencies may use any data sampling technique that meets the 95 percent confidence and ±10 percent precision levels. Transit agencies may use different sampling techniques for each mode and type of service (TOS). If a transit agency samples, it must

follow the sampling technique exactly. Agencies may oversample, as long as the oversampling is selected randomly. However, agencies must not collect a smaller sample than the chosen sampling plan prescribes. Additionally, agencies must not change the number of trips in the sample, except to randomly oversample, or the approaches for selecting trips that comprise the sample.

A transit agency may use one or more of the following sampling plans, each discussed below:

- FTA-approved sampling methods, and/or
- Alternative sampling techniques

Transit agencies must retain sampling documentation in their records for at least three years. In many cases, agencies need this information during their Triennial Review.

FTA-Approved Sampling Methods

To assist transit agencies with sampling, FTA has developed acceptable UPT and PMT sampling procedures for all modes. The NTD provides the NTD Sampling Manual, which includes definitions, sampling procedures, data recording procedures, annual report compilation, and sample selection information.

FTA issued the NTD Sampling Manual in 2009 to help transit agencies prepare sampling plans that are tailored to their operating environment. The manual covers the development of sampling plans for all modes. If data are not available for a particular mode, the manual provides default sampling templates. If data are available, then agencies may use customized sampling plans.

Alternative Sampling Methods

Transit agencies may use any other procedure to sample UPT or PMT data, as long as the procedure meets FTA confidence intervals and is approved by a qualified statistician. The NTD refers to sampling plans created by agencies or statisticians as alternative sampling methods.

A qualified statistician can ensure that a sampling plan meets FTA statistical sampling requirements. FTA does not prescribe specific statistician qualifications. Instead, transit agencies must ensure that statisticians are qualified. The statistician may be an in-house staff person with a working knowledge of, and an education or background in, statistics. The statistician also may be a hired consultant with appropriate qualifications.

FTA does not review or approve alternative sampling techniques. A qualified statistician must design the sampling technique to meet FTA confidence and precision levels.

Transit agencies must use this method to retain sampling documentation in their files. The documentation should include

- A description of the method that specifies the parameters used to estimate UPT (e.g., UPT per vehicle trip x number of vehicle trips operated) if a 100 percent count of UPT is not available or reliable, and PMT (e.g., PMT per vehicle trip x number of vehicle trips operated), and the rationale used to estimate the coefficient(s) of variation,
- A signed review of the technique by a qualified statistician, including a statement that the technique meets FTA confidence and precision levels, and
- A summary of the statistician's education and experience that indicates that the statistician is qualified

Sampling for Purchased Transportation Service

The NTD has developed additional reporting requirements for sampling PT services. The NTD establishes the following guiding sampling rules for PT services:

- PT sellers may use different sampling techniques than those used by a transit agency for DO service; and
- A transit agency may apply one sample method to cover all PT services for a specific mode, or each PT contractor (seller of service) may use a separate sampling method.

Sampling Cycles

FTA has set minimum one-year or three-year sampling cycles for transit agencies. The requirements are based on the TOS. For directly operated services, the requirements are further stratified by the size of the primary UZA and the number of VOMS directly operated across all modes.

Sampling Cycle Requirements

Transit agencies must sample every year (one-year sampling cycle) if their services meet the following requirements:

- The agency directly operates the service;
- The agency serves a primary UZA with population of 500,000 more; and
- The agency has VOMS of 100 or more across all directly-operated modes.

Agencies must sample annually if they do not have a 100 percent count of unlinked passenger trips (UPT).

Exhibit 31 — Sampling Cycle Requirements

TOS	Primary UZA Population	Total VOMS for Modes	Mandatory Year	100% Count of UPT Required?
DO	≥ 500,000	≥ 100	Annually	No
DO	≥ 500,000	< 100	Triennially	Yes
DO	50,000 - 499,999	Any number	Triennially	Yes
PT	≥ 50,000	Any number	Triennially	Yes

Transit agencies are permitted to sample every three years (three-year sampling cycle) for a mode and TOS if

- The agency collects 100 percent counts of UPT every year for the mode and TOS; and
- One of the following conditions is met:
    - The agency directly operates all modes, and the total VOMS is less than 100;
    - The agency serves a primary UZA with population of less than 500,000; or
    - The TOS is purchased transportation.

If a transit agency wishes to sample every three years, it must collect sample data in FTA-defined mandatory years. **The next mandatory sampling year is Fiscal Year 2017.**

If a transit agency is a new Full Reporter, or if a transit agency starts a new mode or TOS, the agency must sample during the first report year, even if it is not a mandatory year.

Reporting in Non-Mandatory Sampling Years — PMT Data for Full Reporters

If a Full Reporter follows a three-year sampling cycle, it must estimate PMT data in a non-sampling year by multiplying the average trip length from the most recent mandatory year by the UPT for the current year. Full Reporters determine their average trip length (PMT/UPT) by mode and TOS during their mandatory sampling year for their average weekday schedule, average Saturday schedule (if applicable), average Sunday schedule (if applicable), and annual total.

Exhibit 32 — Full Reporters — Using Average Trip Length to Estimate PMT Data

Example: A transit agency serves an urbanized area. The transit agency directly operates MB with 110 VOMS. What are the NTD reporting requirements for PMT data?

Solution: The agency must sample if it is unable to collect PMT data on all trips. Its sampling options are:

- Conduct a 100 percent count of UPT in the current year, and estimate PMT data using the average trip factors from the prior mandatory sampling year; or
- Use a statistically valid sampling method to estimate PMT every year.

The transit agency reports MB data using average trip length statistics from the most recent mandatory sampling year to estimate annual total data. During the current year, the transit agency performs a 100 percent count of the UPT. Based on this data, the agency calculates PMT for the mandatory sampling year as follows:

	Weekday	Saturday	Sunday	Annual Total
PMT	50,000,000	7,000,000	3,000,000	60,000,000
UPT	10,000,000	2,000,000	750,000	12,750,000
Average trip length	5.0	3.5	4.0	4.71

In the mandatory sampling year, the agency reports 60,000,000 PMT and 12,750,000 UPT for the annual total.

Estimated average trip length = PMT / UPT

Estimated PMT = average trip length × UPT

In future years, the agency may use the sampled average trip length to calculate PMT data. The following exhibit shows how an agency may determine PMT for a non-sampling year following the mandatory sampling year described above:

	Weekday	Saturday	Sunday	Annual Total
UPT (current year)	10,500,000	2,100,000	800,000	13,400,000
Average trip length (from the earlier mandatory year)	5.0	3.5	4.0	4.71
PMT (estimate for current year)	52,500,000 (5.0 x 10,500,000)	7,350,000 (3.5 x 2,100,000)	3,200,000 (4.0 x 800,000)	63,114,000 (4.71 x 13,400,000)

In this non-mandatory sampling year, the agency reports **63,114,000** PMT and **13,400,000** UPT.

Service Operated

Days Operated

Full Reporters must provide the following data:

- Days Operated (days that service was actually operated)
- Days Not Operated Due to Strikes (days that service would normally have operated but was not due to a transit labor strike)
- Days Not Operated Due to Officially Declared Emergencies (days that service would normally have operated but was not due to an officially-declared emergency)

Within each of these categories, Full Reporters must report the total number of days operated for the weekday schedule, Saturday schedule, and Sunday schedule service. Many transit agencies operate different schedules on weekdays, Saturdays, and Sundays. An agency must report the number of days it operated during each schedule.

Transit agencies must report holiday service under the day that most closely reflects the service. For example, if an agency operates the Sunday schedule on Christmas Day, it must indicate that this is an additional day of Sunday service (regardless of which day the holiday actually falls on).

Days Not Operated Due to Officially Declared Emergencies

This is the number of days that a transit agency does not operate on schedule due to emergencies, such as

- Floods
- Snowstorms, or
- Tornadoes

A person in authority (usually the mayor, county head, or governor) must officially declare an emergency.

Days Not Operated Due to Strikes

Full Reporters must provide data for the number of days that they do not operate due to transit labor strikes.

Peak Periods

When agencies provide additional services to handle higher passenger volume, it is referred to as a peak period. Peak period service begins when an agency increases the number of vehicles it operates and ends when the agency reduces the number of vehicles it operates back to the normal level. If an agency operates the same number of vehicles all day, it does not have peak service.

Full reporting agencies operating rail services report by the following periods:

- Average weekday schedule (whole day, weekday AM peak, weekday midday, and weekday PM peak, weekday other)
- Average Saturday schedule (whole day)
- Average Sunday schedule (whole day)

Time Service Begins

The NTD defines the time service begins as the time when the first revenue service vehicle leaves the garage or point of dispatch. Full Reporters report the beginning time for service on an average weekday by the weekday AM peak period, weekday midday period, weekday PM peak period, and for the day.

Time Service Ends

Time service ends is the time when the last revenue service vehicle returns to the garage or point of dispatch.

Average Weekday Time Periods

Full Reporters must report average weekday data using the following periods, if applicable:

- Weekday AM peak period
- Weekday midday period
- Weekday PM peak period
- Weekday other period

Agencies must provide data using the time period from the time service begins until the time service ends and the average number of revenue vehicles (passenger cars and trains) they used during typical service for the year. Full reporters do not provide this

information for aerial tramway (TR), demand response (DR), ferryboat (FB), jitney (JT), demand response-taxi (DT), or Público (PB) services.

Exhibit 33 — Full Reporters — Average Weekday Schedule Data			
Average Weekday Data Item Breakdown by Time Period	Non-Rail Except Bus Modes and TB	Bus Modes and TB	Rail Modes
Time service begins	No	Yes	Yes
Time service ends	No	Yes	Yes
Vehicles in operation	No	Yes	N/A
Trains in operation	N/A	N/A	Yes
Passenger cars in operation	N/A	N/A	Yes

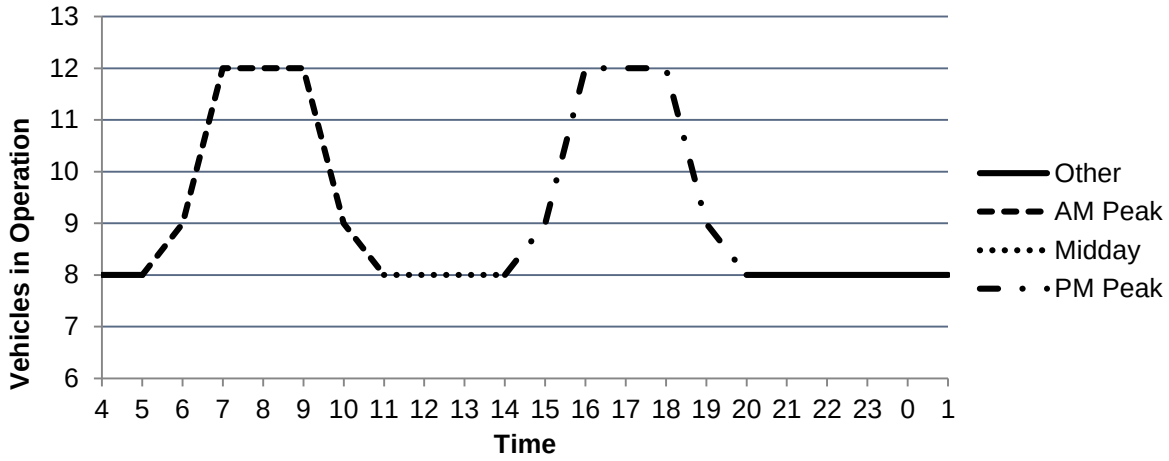
Transit agencies must define the average weekday time periods based on their service. The number of vehicles in service is the determining factor for when peak service begins and ends. Morning (AM) peak begins when the number of vehicles increases in preparation for maximum morning service. The morning peak ends when extra peak vehicles have left service.

Fare structure is not relevant to determining peak periods. It is irrelevant to the NTD when determining peak periods if agencies charge higher fares during certain times of day.

The following example illustrates how to classify vehicle trips by period:

Exhibit 34 — Classifying Vehicle Trips by Period

Example: An agency operates light rail (LR) service. The hours of operation for weekdays are from 4:00 AM to 1:00 AM. The following graph depicts the peak periods for the service:



When a trip spans two periods, the reporter may choose which classification is most appropriate.

Day of the Week	Departed at	Arrived at	Period
Monday	7:00	7:30	Weekday AM Peak
Tuesday	8:30	9:00	Weekday AM Peak
Wednesday	9:10	9:40	Weekday AM Peak
Thursday	16:00	16:30	Weekday PM Peak
Friday	18:00	18:30	Weekday PM Peak
Monday	11:30	12:00	Weekday Midday
Tuesday	19:50	20:20	Weekday Other
Wednesday	4:55	5:25	Weekday AM Peak
Thursday	21:00	21:30	Weekday Other
Friday	6:00	6:30	Weekday AM Peak

Full Reporters must provide scheduled passenger car revenue miles directly from their schedules, excluding any service interruptions or special additional services. Average weekday schedule data is the sum of the scheduled service offered during all time segments of a typical weekday.

Directional Route Miles, Fixed Guideway, and High Intensity Busway

This section applies to Full Reporters only.

Directional Route Miles

All Full Reporters must provide directional route miles (DRM) data for fixed route and rail services. DRM is the total mileage in each direction that public transportation vehicles travel in revenue service. DRM includes

- A measure of the route path over a facility or roadway (which does not include any data related to the service carried on the facility, such as number of routes, vehicles, or vehicle revenue miles), and
- A measure with regard to direction of service (which does not include the number of traffic lanes or rail tracks existing in the right-of-way (ROW))

DRM does not include staging or storage areas at the beginning or end of a route. Agencies count each path once. DRM is not affected by the frequency of service or the number of traffic lanes or rail tracks. Agencies should not count mileage for temporary detours.

Exclusive Right-of-Way

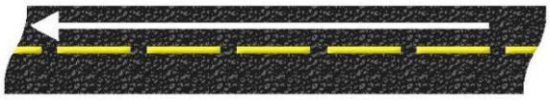
ROW is roadway that is reserved at all times for transit use and/or other high occupancy vehicles (HOV). The restriction must be sufficiently enforced so that 95 percent of vehicles using the ROW have authorization to use it.

Guideway Classes

DRM reporting requirements vary by mode. The Fixing America's Surface Transportation (FAST) Act defines fixed guideway (FG) as:

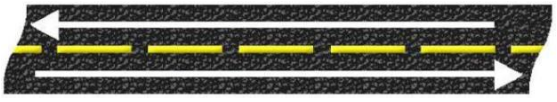
Exhibit 35 — Calculating Directional Route Miles

Example 1: Two fixed routes operate in only one direction over a one-mile segment. In this case, there is one DRM.



Solution: Service in 1 direction = 1 DRM

Example 2: Two fixed routes operate in both directions over the one-mile segment. In this case, there are two DRM.



Solution: Service in 2 directions = 2 DRM

Fixed Guideway – The term fixed guideway means a public transportation facility –

- Using and occupying a separate right-of-way for the exclusive use of public transportation;
- Using rail
- Using a fixed catenary system
- For a passenger ferry system
- For a bus rapid transit system, the separate ROW for the exclusive use of public transportation vehicles.

Due to Federal statute, the NTD considers aerial tramway (TR) and ferryboat service (FB) DRM fixed guideway. FTA considers all trolley bus (TB) and bus rapid transit (RB) DRM as FG for funding eligibility.

The NTD recognizes that commuter bus (CB) and motor bus (MB) modes may operate in the following types of ROW:

- **Fixed Guideway.** Roadways that agencies reserve at all times (24 hours / 7 days per week) for public transportation vehicles. This type of ROW must meet safe operations and have strict enforcement.
- **High Intensity Busway (HIB).** Roadways that agencies reserve at some times for transit use, for HOV, or HO/T operations.
- **Mixed-traffic ROW (Non-Fixed Guideway (NFG)).** Mixed-traffic ROW are normal streets and roads where transit vehicles operate. Public transportation shares these roadways with personal cars and trucks. Mixed-traffic ROW is the most common ROW public transportation uses.

Fixed Guideway

FG is a facility that uses and occupies separate ROW or rail for the exclusive use of public transportation. FG may also be a fixed catenary system useable by multiple forms of public transportation (e.g., trolleybus, light rail, etc.).

Transit agencies should not report shoulder lanes as FG. Shoulder lanes may qualify only as HIB.

Fixed Guideway Directional Route Miles

FG DRM is the mileage in each direction that public transportation vehicles travel in revenue service on fixed guideway. FG DRM may apply to the following modes:

- Rail modes (heavy rail (HR), light rail (LR), commuter rail (CR), inclined plane (IP), cable car (CC), and Monorail/Automated Guideway (MG))
- Ferryboats (FB)
- Aerial tramways (TR)
- Bus (MB)
- Trolleybus (TB)
- Other modes on exclusive and controlled access ROW

FG DRM does not include staging or storage areas at the beginning or end of a route.

Fixed Guideway Requests

Transit agencies must request that the NTD add any FG or HIB segments to the report. For more information regarding FG requests, please see the *Declarations and Requests: Fixed Guideway Requests* section of the manual.

Note that once the NTD approves a segment, this data typically does not change. If there are changes to a segment after NTD approval, the agency must provide detailed documentation of the changes. The NTD approves or denies any modifications to existing FG or HIB on a case-by-case basis.

Reporting Requirements

Transit agencies operating over FG or HIB must report statistics for these special roadway types. Agencies must provide an inventory of each FG and HIB segment, and report the following data for each such segment:

- Date of first reporting year
- Location, including UZA, where the segment begins and ends
- Length
- One or two-way service
- Numbers of months the agency operates on the segment
- Agency and mode and type of service claiming the segment
- Segment type (for RB, MB, and CB modes)
- Peak level of service (for RB, MB, and CB modes)
- Safe Operation (for RB, MB, and CB modes)

- Shoulder Lane (for RB, MB, and CB modes)
- Hours Prohibited and Enforced (for RB, MB, CB, and TB modes)
- Statutory BRT (for RB mode)

Date

For funding purposes, FTA uses the report year that the transit agency first reports the FG or HIB segment data to calculate the age of the segment. Segments existing in the NTD for seven consecutive years are eligible for the State of Good Repair funding program.

Location

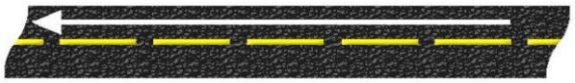
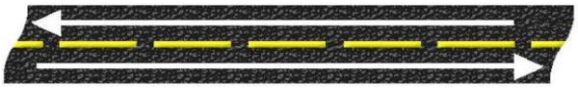
Agencies must indicate the location (including UZA and other details) of the point at which the FG or HIB segment begins and ends. Transit agencies must use easily identifiable locations. For CB, MB, RB, and TB modes, the NTD recommends that agencies use milepost markers or intersecting streets.

Length

Transit agencies must report the length of the segment to the nearest hundredth of a mile. For CB and MB modes, the NTD does not consider any segment of less than 0.25 miles in total as FG or HIB unless it is a bridge, tunnel, or connection with a transit terminal.

Transit agencies must provide detailed documentation justifying the categorization of highway ramps, meter bypasses, and special turning facilities as FG or HIB segments. FTA approves or denies these segments on a case-by-case basis. The following exhibit describes the difference between the length and the DRM for a segment.

Exhibit 36 — Calculating Length and Directional Route Miles

Bus Modes	Rail Modes
Example 1: Two fixed routes operate in only one direction over a one-mile segment. In this case, there is one DRM.  **Solution:** This segment has 1 DRM and the length of the segment is one mile. **Example 2**: Two fixed routes operate in both directions over the one-mile segment. In this case, there are two DRM.  **Solution:** This segment has 2 DRM and the length of the segment is one mile.	**Example 1**: Trains operate in both directions over a one-mile segment of track. In this case, one mile of track equals two DRM.  **Solution:** This segment has 2 DRM and the length of the segment is one mile. **Example 2**: Trains operate in only one direction over two parallel tracks. In this case, a one-mile segment equals two DRM.   **Solution:** This segment has 2 DRM and the two tracks count as two different segments of FG that are each one mile in length.

One-Way or Two-Way

The NTD defines a segment as one-way if transit travel always occurs in the same direction, regardless of the time of day. However, some vehicles may travel on a segment in two directions. In these cases, vehicles often travel inbound during the AM peak and outbound during the PM peak.

Months in Operation

Transit agencies must indicate if the service they operate over FG or HIB is seasonal. FTA policy states that agencies should round to the nearest month of service. For example, if the agency operates on the roadway for 16 days during the calendar month, the agency should consider this one month in operation.

If transit agencies operate seasonal service, the NTD prorates their DRM using the ratio of months operated during the year. The NTD applies this policy to both DRM and State of Good Repair DRM.

Claiming Segments

Only one transit agency, mode, and type of service may claim a segment.

Type of Service

If both DO and PT services operate on the same FG or HIB segment, the agency must determine which TOS will claim the DRM credit. This is important for allocating Federal funding data. For NTD requirements on this issue please see the *Federal Funding Data Requirements* section of this manual.

NTD Agency Claiming Segment

Only one transit agency may claim a FG or HIB segment. The claiming agency reports the DRM associated with the FG or HIB segments. Transit agencies that operate over a segment but do not claim it report the vehicle revenue mile (VRM) data associated with the segment but not the DRM.

Segment Type (for CB, MB, and RB only)

Transit agencies must identify the type of segment using the criteria shown in the following exhibit.

Exhibit 37 — Segment Types

A. Exclusive busway separated from traffic by physical barriers

B. Exclusive busway separated from traffic by painted line

C. Roadway lanes for exclusive use by high occupancy vehicles and separated from traffic by physical barriers

Exhibit 37 — Segment Types

D. Roadway lanes for exclusive use by high occupancy vehicles and separated from traffic by painted lines 	E. Roadway lanes operated as a high occupancy toll (HO/T) lane	F. Roadway used by mixed traffic that is part of a bus rapid transit route

Bus Rapid Transit

By Federal law, all roadways that RB operates on are fixed guideway, including segments that meet the mixed traffic ROW definition above. If a segment is mixed traffic ROW for RB modes, agencies should select type F. This requires FTA approval.

Peak Level of Service (for RB, MB and CB only)

Peak Level of Service (LOS) is a measure of how traffic moves on a roadway and is expressed in terms of traffic conditions. Agencies must report the peak period LOS for:

- Priority Lanes on a multilane highway
- Exclusive lanes parallel to a multilane highway, but physically separated from the general traffic lanes, or corridors served by a stand-alone high occupancy roadway of which no lane is open to general traffic

There are six levels ranging from free flow conditions (A) to gridlock (F), as determined by a qualified traffic engineer.

Exhibit 38 — LOS Used to Describe Peak Periods

A.	Indicates a relatively free flow of traffic with little or no limitation on vehicle movement or speed.
B.	Describes a steady flow of traffic with only slight delays in vehicle movement and speed. All queues clear in a single traffic signal cycle.
C.	Denotes a reasonably steady, high volume flow of traffic with some limitations on movement and speed and occasional backups on critical approaches.

Exhibit 38 — LOS Used to Describe Peak Periods	
D.	Designates the level where traffic nears an unstable flow. Intersections still function, but short queues develop and cars may have to wait through one cycle of a signal change during short peaks.
E.	Represents traffic characterized by slow movement and frequent (although momentary) stoppages. This type of congestion is considered severe but is not uncommon at peak traffic hours, with frequent stopping, long-standing queues, and blocked intersections.
F.	Describes unsatisfactory stop-and-go traffic characterized by traffic jams and stoppages of long duration. Vehicles at signalized intersections usually have to wait through one or more signal changes, and upstream intersections may be blocked by the long queues.

Safe Operation

Safe operation requirements ensure safe travel and apply to high-speed, priority lanes (e.g., on freeways/expressways/high-speed facilities) that rubber tire modes (CB, MB, RB, and VP) use. Safe operations require some indication of separation for safe access between free-flowing HOV lanes and congested, unrestricted lanes.

Roadway must have visual or physical barriers to meet safe operation requirements, such as:

- Physical barriers such as cones, concrete dividers, or medians
- Pavement markings, such as a double solid wide line, a single solid wide line, a single broken wide line, or a diagonally-striped area between lanes

The NTD does not consider the following to meet safe operations:

- Diamond markings and overhead signs by themselves or in conjunction with one another; and
- Lane separated from traffic by a single, normal-width dashed line.

If a segment does not meet safe operation requirements, it does not qualify as FG or HIB in the NTD.

Exhibit 39 — Examples that Meet Safe Operation Requirements

HOV lanes separated from general traffic lanes by double solid lines.

HOV lanes separated from general traffic lanes by pylons.

HOV lanes separated by fencing.

HOV lanes separated from general traffic lanes by concrete barrier.

Exhibit 40 — Examples that Do Not Meet Safe Operation Requirements

Separated by diamond only.

Sign only.

Shoulder Lane (for CB, MB and RB only)

The NTD requires that agencies select whether or not the segment is a shoulder lane.

Hours Prohibited and Enforced (for CB, MB, RB and TB only)

The NTD defines the hours prohibited as the number of hours per week that legislation prohibits single occupancy vehicles from using any portion of the FG or HIB segment. If a transit agency has stricter requirements for HOV segments than single occupancy vehicle requirements, such as three or more persons per vehicle, then those requirements must also apply to the HO/T lane.

The NTD defines the hours enforced as the number of hours per week that police officers enforce the prohibition of the FG or HIB segment. The NTD requires a level of enforcement that ensures that 95 percent of vehicles using the FG or HIB segment are eligible to use it.

High Occupancy/Toll Lanes

HO/T allows single occupancy vehicles access to high occupancy vehicle (HOV) lanes by paying a toll. FTA has determined that HO/T lanes are not eligible for FTA formula funding. Therefore, agencies should not report any new HO/T lanes to the NTD. HO/T lanes already in the NTD should remain in the system.

Shoulder Lanes

The NTD defines shoulder lanes as roadway initially built as a shoulder (e.g., emergency stopping or reserved lanes), but have been converted to HOV or HO/T lanes.

Asset and Resource Data Requirements

Vehicles, Maintenance, and Fuel

An overview of the data the NTD collects on revenue vehicle inventory and performance

Buildings — Passenger Stations and Maintenance Facilities

NTD requirements for reporting information on buildings

Employees —Full Reporter Requirements

A summary of how to collect employee work hours

Transit Way Mileage —Full Reporter Requirements

NTD requirements for reporting transit way mileage

Vehicles, Maintenance, and Fuel

All transit agencies reporting service data must provide information on revenue vehicles by mode and type of service. Rural reporters provide less detailed data.

Transit agencies must inventory all revenue vehicles they use to provide public transportation that have not been sold or disposed of at the end of the fiscal year. This inventory identifies the vehicles in the total fleet and includes all revenue vehicles in the following situations.

- Vehicles in operation (i.e., providing revenue service)
- New vehicles purchased and delivered (but not yet put into revenue service)
- Vehicles awaiting sale or disposal
- Vehicles out for long-term repair
- Vehicles in storage
- Vehicles retained as part of an FTA-approved emergency contingency plan

For commuter rail service (CR), transit agencies must report data for both passenger cars and locomotives used to pull or push.

Transit agencies report revenue vehicle inventory data by groups or fleets. Agencies should group vehicles into fleets if they are identical in all aspects, including vehicle type, manufacture year, model, and funding source, etc.

Revenue Vehicle Inventory Data – All Reporters

The NTD collects the following data from transit agencies that report revenue vehicle inventory information:

- Number of vehicles in total fleet
- Vehicle type
- Vehicle length
- Seating capacity
- Year of manufacture
- ADA-accessible vehicles
- Ownership

Number of Vehicles in Total Fleet

Transit agencies must report the number of revenue vehicles in the total fleet at the end of the fiscal year. This total does not include supervisor or support vehicles. Total vehicles include both active and inactive vehicles held at the end of the fiscal year. The NTD allows agencies to report vehicles they sell or dispose of during their fiscal year—transit agencies should indicate they have retired these vehicles.

Inactive vehicles are not readily available for revenue service. They include vehicles that are

- In storage
- Retained for emergency contingency purposes
- Out of service for an extended period of time for major repairs
- Awaiting sale or disposal

Active vehicles are the vehicles available to operate in revenue service. Active vehicles include spare vehicles and vehicles temporarily out of service for routine maintenance and minor repairs. Transit agencies must report vehicles as active if they are purchased and delivered by the end of the fiscal year (even if they are not in service).

Because the number of active vehicles includes spares, the number of active vehicles is typically greater than the number of vehicles available for annual maximum service.

Vehicle Type

Transit agencies must report the vehicle type for each fleet of vehicles. Examples of vehicle types are

- Articulated bus
- Over-the-road bus
- Bus
- Light rail vehicle

Please see *Appendix B — Asset Codes* for the acronyms the NTD uses on the Annual Report for vehicle type.

Some transit agencies operate motor buses that look like trolleybuses. However, these replica trolleys do not share the same characteristics as true trolleybuses, such as drawing electrical power from overhead lines. If an agency operates replica trolleys, it must report the replicas as buses under the Motorbus (MB) mode.

Vehicle Length

Transit agencies must report the vehicle length for each fleet of vehicles. The NTD uses feet as the unit of measure.

Seating Capacity

The NTD captures seating capacity for each vehicle fleet. This is the actual number of seats onboard the vehicle, including the driver's seat. Manufacturers generally cite this information in the specification of the vehicle.

Year of Manufacture

Transit agencies must report the year of manufacture for the vehicles. The year of manufacturer is the year that the vehicles were built, not the model year.

Exhibit 41 — Year of Manufacture vs. Model Year

Example: A fleet of 20 buses is manufactured in 2015. The model year of the 20 buses is 2016. What is the year of manufacture for purposes of NTD reporting?

Solution: Report the year of manufacture as 2015 as this is the year in which the vehicles were built.

ADA-Accessible Vehicles

Agencies must identify active vehicles that meet ADA requirements for accessibility.

Ownership

Transit agencies must indicate what type of entity owns the revenue vehicles and the ownership type. Ownership types include

- Owned outright by a public agency
- Owned outright by a private entity
- True lease by a public agency
- True lease by a private entity

- Lease under a lease purchase agreement by a public agency
- Lease under a lease purchase agreement by a private entity
- Leased or borrowed from related parties by a public agency
- Leased or borrowed from related parties by a private entity

Owned outright

Owned outright indicates that a public agency or private entity owns the vehicles. Owned outright also includes safe harbor leasing agreements where only the tax title is sold.

True lease

Under a **true lease** the public agency or private entity does not own the vehicle. Typically, at the end of the lease, the entity leasing the vehicle returns it to the leasing company. When the public agency or private entity returns the leased vehicle, it often enters into a new lease agreement, usually for a new vehicle.

In some cases, true leases include the option to purchase the vehicle at the end of the lease. When the agency buys the vehicle, vehicle ownership becomes **owned outright**.

Public transit agencies generally do not enter into true leases for revenue vehicles. However, should a transit agency enter into a true lease with a private entity for a vanpool program, it should report the arrangement as a true lease. If the agency does not have a true lease, it should report the vehicles as owned outright by a private entity.

Lease purchase agreement

Under a **lease purchase agreement,** the public agency or private entity acquires the vehicle by making all lease payments. The public agency or private entity owns the vehicle when it makes all payments, at which the ownership type changes to **owned outright**.

Leased or borrowed from related parties

Leased or borrowed from related parties is an unusual ownership type. Sometimes, another public agency (e.g., a state) owns the vehicles and either leases them or provides them at no cost to the transit agency (e.g., local grantee).

Please see *Appendix B — Asset Codes* for the acronyms the NTD uses on the Annual Report for ownership type.

Revenue Vehicle Inventory Data

Transit agencies that report directly to the NTD must report the following information about vehicle inventory:

- Dedicated fleet
- Funding source
- Number of active vehicles in fleet
- Number of emergency contingency vehicles

Additionally, Urban Reporters that report directly to the NTD must also report

- Year of rebuild
- Manufacturer
- Model
- Standing capacity
- Total miles on active vehicles
- Average lifetime miles per active vehicle

Dedicated Fleet

The NTD defines dedicated vehicles as vehicles used exclusively for public transit service. Transit agencies that report directly operated service must report all vehicles under dedicated fleets.

In some cases, purchased transportation contractors do not use a dedicated fleet for public transit services. Transit agencies reporting this service must report such vehicles as non-dedicated. Transit agencies report limited data for non-dedicated fleets.

Funding Source

Agencies must indicate the funding source used to purchase or lease vehicles using the following options:

- Urbanized Area Formula Program (§5307)
- Rural Area Formula Program (§5311)
- Other Federal funds
- Non-Federal public funds

- Non-Federal private funds
- Private funds

Please see *Appendix B — Asset Codes* for the acronyms the NTD uses on the Annual Report for funding sources.

Year of Rebuild

Transit agencies must report the year of rebuild for the vehicles, if applicable. An agency must report a year of rebuild if it performs work on a vehicle to extend its useful life. For example, an agency may rebuild a bus with a useful life of 12 years to extend its useful life to 17 years.

Under FTA grant rules (FTA Circular 9030.1D), the useful life of a bus can be extended for a minimum of four years by rebuilding, and the useful life of a rail vehicle can be extended for a minimum of 10 years by rebuilding.

If an agency rebuilds a portion of a vehicle fleet that it reports to the NTD, it must separate the fleet. Agencies can only group vehicles into a fleet on the Annual Report if the vehicles are identical.

Manufacturer

Some vehicles may actually have more than one manufacturer. For example, cutaway vehicles have two manufacturers: the manufacturers of the chassis and the body. Transit agencies must report the final manufacturer of a vehicle fleet. In the following example of a cutaway vehicle, the NTD would require the agency to report the manufacturer of the body.

Please see *Appendix B — Asset Codes* for the acronyms the NTD uses on the Annual Report for manufacturer type.

Exhibit 42 — Manufacturer vs. Model

Example: Transit Agency A has a fleet of cutaway vehicles built on Ford F-350 chassis. The bodies were manufactured by El Dorado. El Dorado lists the vehicles as being Aerotech models. What does the agency report as the manufacturer and the model?

Solution: The agency must report the body manufacturer. Transit Agency A reports El Dorado (EDN) as the manufacturer and Aerotech as the model.

Model

Transit agencies must report the model name for a vehicle as the model that the vehicle manufacturer provides. The Vehicle Identification Number (VIN) is not the model.

Number of Active Vehicles in Fleet

Transit agencies must report the number of active vehicles in the fleet at year end. Active vehicles do not include emergency contingency vehicles.

If an agency were holding an entire fleet of vehicles until disposal, the agency would report the number of active vehicles for that fleet as zero.

Number of Emergency Contingency Vehicles

FTA normally requires that agencies dispose of vehicles when they replace them with FTA-funded vehicles. However, FTA may permit a transit agency to keep the vehicles in an inactive fleet to be used in the event of natural disasters. Agencies must request FTA approval of an Emergency Contingency Plan for keeping replaced vehicles.

Agencies must report the number of vehicles in an approved FTA Emergency Contingency Plan. They must report the emergency contingency vehicles as an inactive fleet.

Standing Capacity

Transit agencies must report the standing capacity of the vehicle fleet. This is the maximum number of people that a transit agency allows (by policy) to stand on the vehicle at one time.

If local policy prohibits standing, the agency would report zero for standing capacity. If there is no local policy on the maximum number of standees, the agency should report the rated standing capacity as provided by that vehicle's manufacturer.

Total Miles on Active Vehicles

Agencies must report the total miles each vehicle fleet was driven during the fiscal year. The total miles on active vehicles include

- Actual vehicle miles (including deadhead and revenue miles)
- The other miles incurred or driven during the reporting period such as mileage from
    - Operator training

- Moving vehicles between and within maintenance facilities/garages

Average Lifetime Mileage per Active Vehicle

Transit agencies must report the average lifetime miles on its vehicles at the end of the fiscal year.

Average lifetime miles are the average mileage, since the date of manufacture, on active vehicles at fiscal yearend. Average lifetime miles always begin with the original date of manufacture, even if an agency has rebuilt a vehicle.

Exhibit 43 —Total Miles and Average Lifetime Mileage per Active Vehicle

Example: A transit agency operates motorbus (MB) service with a fleet of 8 vehicles. The odometer/hubometer readings for each vehicle and the vehicle status at end of fiscal year (FYE) 2016 are below. All buses have the same vehicle type, fuel type, ownership code, funding source, year of manufacture, manufacturer code, model number, and capacity (seating and standing). How does the agency report Total Miles During the Period and Average Lifetime Miles per Active Vehicle?

Vehicle Number	Odometer Reading at 2015 Fiscal Year End	Odometer Reading at 2016 Fiscal Year End	Mileage During 2016 Fiscal Year	Status at 2016 Fiscal Year End
1	35,005	72,188	37,183	In revenue operation
2	47,410	98,442	51,032	In revenue operation
3	20,115	25,776	5,661	Performing major overhaul
4	140,020	190,290	50,270	In revenue operation
5	38,732	68,333	29,601	Performing major overhaul
6	150,043	155,747	5,704	Emergency contingency vehicle
7	40,555	79,676	39,121	In revenue operation
8	30,080	60,045	29,965	Spare used in operation

Solution: Determine active vehicles at 2016 FYE:

Vehicles 1, 2, 4, 7, and 8 are active vehicles at FYE (includes vehicles currently in revenue operation and temporarily out of service for routine preventive maintenance). Vehicles 3, 5, and 6 are not part of the active fleet. Calculate and report average lifetime mileage per active vehicle and total mileage on active vehicles during the period:

Average lifetime mileage per active vehicle: (72,188 + 98,442 + 190,290 + 79,676 + 60,045) / 5 vehicles = 100,128 miles

Total mileage on active vehicles during period: (37,183 + 51,032 + 50,270 + 39,121 + 29,965) = 207,571 miles

Maintenance Performance – Full Reporter Requirements

This section applies to Full Reporters only. Demand Response – Taxi (DT) modes do not provide maintenance performance (e.g., mechanical system failure) data.

Full Reporters must provide data on mechanical system failures for revenue vehicles. Revenue vehicle system failures are mechanical problems that occur when

- A vehicle does not complete its scheduled revenue trip, or
- A vehicle does not start its next scheduled revenue trip

A transit agency must count each system failure as it occurs even if the agency immediately substitutes another vehicle and no revenue service is lost. Additionally, an agency must report a failure even if the agency later determines there is no actual problem with the vehicle.

The NTD separates system failures into the following categories:

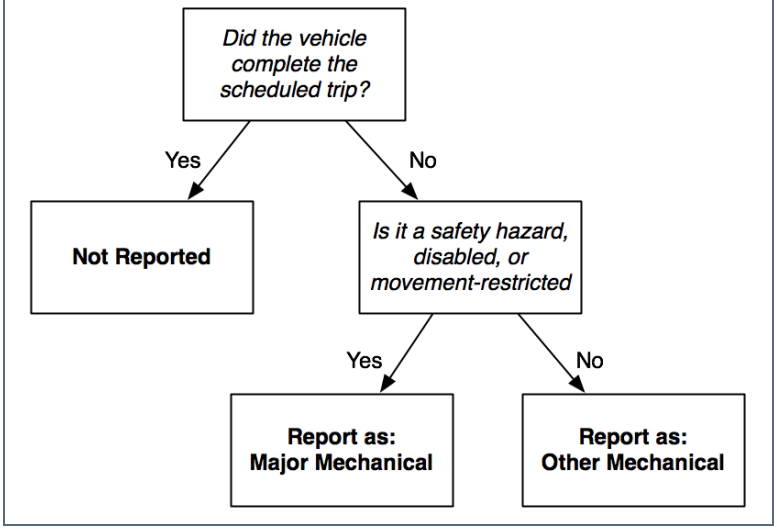
- Major mechanical system failures are those that limit actual vehicle movement or create safety issues
- Other mechanical system failures

Major Mechanical System Failures

Major mechanical system failures prevent a vehicle from completing or starting a scheduled revenue trip because actual movement is limited or because of safety concerns. Examples of major bus failures include breakdowns of

- Brakes
- Doors
- Engine cooling systems
- Steering, axles, suspension

Exhibit 44 — Revenue Vehicle System Failure



Agencies must classify a failure as major if it results in a safety hazard or if the vehicle is disabled. This means that a major mechanical system failure does not have to be expensive or difficult to repair in order to meet the definition; it could be inexpensive or easy to repair, such as a flat tire.

A number of factors can affect the number of major mechanical system failures that an agency incurs, such as local operating conditions, vehicle type, and effectiveness of the maintenance program. However, transit agencies must uniformly report data on major mechanical failures to ensure consistency in the NTD database.

Other Mechanical System Failures

Other mechanical system failures prevent a vehicle from completing or starting a scheduled revenue trip even though the vehicle is physically able to continue in revenue service without creating a safety concern. Common examples include breakdowns of

- Fare boxes
- Wheelchair lifts
- Heating, ventilation, and air conditioning (HVAC) systems

Whether or not a transit agency would continue revenue service with the types of breakdowns listed above depends on local policies. Therefore, the NTD expects variation in the types and quantity of other mechanical system failures reported. For example, some agencies in a warm climate may continue to operate a bus with a heating system breakdown, while agencies in a cool climate (e.g., Maine) would immediately replace the bus.

Exhibit 45 — Revenue Vehicle System Failures

Example 1: The air conditioning on a Hamlet Transit Agency bus fails while carrying passengers in revenue service. The driver determines that he is unable to repair the problem and calls for a backup because it is a hot day.

Solution: Hamlet reports this event as an “other” mechanical system failure. The NTD does not consider faulty air conditioning a major mechanical system failure because the bus could physically continue in revenue service without working HVAC and would not pose a safety concern.

Example 2: During layover, a Hamlet Transit Agency bus experiences an engine cooling system failure. The agency tows the bus to the garage and dispatches a backup bus immediately. The next trip departs on time.

Solution: Hamlet reports this event as a major mechanical system failure because the bus could not physically operate to start its next scheduled trip.

Exhibit 45 — Revenue Vehicle System Failures

Example 3: The brakes stick on a Hamlet Transit Agency bus. The driver radios for help from the mobile repair unit. The unit adjusts the brakes during the scheduled layover for the bus in time for the bus to start and complete its next scheduled trip.

Solution: Hamlet does not report this event because the bus started and completed its next scheduled trip.

Example 4: The front axle breaks on a Hamlet Transit Agency bus on its scheduled pullout from the garage to the beginning of the bus route. A tow truck tows the bus to the garage and the Agency sends a replacement vehicle.

Solution: Hamlet reports this event as a major mechanical systems failure because the bus could not start its next scheduled trip.

Example 5: While deadheading back to the dispatching point at the end of the day, an electrical system problem activates the wheelchair lift on a Hamlet Transit Agency van. The lift is stuck in the extended position and the van has to be towed to the garage.

Solution: Hamlet does not report the event since the van completed all of its scheduled trips for the day.

Example 6: A substation that provides power to Hamlet Transit Agency light rail experiences a temporary failure. Rail service is delayed for ten minutes. Passengers stay on-board and service resumes.

Solution: Hamlet does not report this incident. There is no mechanical failure in this example.

Example 7: A vehicle mirror breaks making it unsafe to operate. Another vehicle is replaced.

Solution: Since the vehicle was unsafe to operate, Hamlet reports it as a major mechanical failure.

Example 8: On a 6-car heavy rail train, one of the doors fails, making one car unable to carry passengers, while the other 5 are still operable. The agency does not remove the train from service, but the one car with the faulty door no longer carries passengers.

Solution: Since one car is unable to provide service, this is a major mechanical failure of one vehicle.

Example 9: A driver complains that the brakes are not functioning properly. The agency removes the vehicle from revenue service. Later on, a mechanic checks the brakes and determines that there is no issue.

Solution: Since the agency removed the vehicle from service, this is a major mechanical failure.

Energy Consumption –Full Reporter Requirements

This section applies to Full Reporters only.

Full Reporters must provide data on the type and amount of fuel that they use to propel their revenue vehicles. Full Reporters must report this information for all modes and types of service except for the demand response taxi (DT) mode. Similar to other reporting requirements, the NTD separates energy consumption into rail and non-rail modes.

If none of the energy choices fit, agencies must select other fuel (OR). If agencies select OR, the NTD requires documentation of what type of energy the revenue vehicles use.

Agencies that use a fuel mixture must report the amount of fuel consumed in each category.

Rail Modes

The NTD classifies rail propulsion methods by the following energy types:

- Kilowatt hours of propulsion power (EP)
- Gallons of diesel fuel (DF)
- Gallons of bio-diesel (BD)
- Gallons of liquefied petroleum gas (LPG) (LP)
- Gallons of liquefied natural gas (LNG) (LN)
- Gallons of other fuel (OR)

Non-Rail Modes

Non-rail revenue vehicles may use the following energy types:

- Kilowatt hours of propulsion power (EP)
- Kilowatt hours to charge batteries (EB)
- Gallons of diesel fuel (DF)
- Gallons of bio-diesel (BD)
- Gallons of gasoline (GA)
- Gallons of liquefied petroleum gas (LPG) (LP)
- Gallons of liquefied natural gas (LNG) (LN)
- Gallons of methanol (MT)

- Gallons of ethanol (ET)
- Gallons of compressed natural gas (CNG) (CN)
- Gallons of bunker fuel (low grade of diesel fuel often used in ferryboat operations) (BF)
- Gallons of kerosene (KE)
- Gallons of other fuel (OR)
- Gallons of hydrogen (HY)

Please see *Appendix B — Asset Codes* for the acronyms the NTD uses on the Annual Report for fuel types.

Hybrid Vehicles

Hybrid vehicles consume liquid fuel as their primary energy source and supplement the combustion engine with an electric motor charged by the motion of the vehicle. If agencies use hybrid vehicles, they must report the primary fuel source (typically gasoline or diesel).

Dual Fuel

A vehicle that uses more than one source of fuel is called dual fuel. This includes plug-in hybrids that consume both liquid fuel and electricity from an external outlet. It does not include hybrids that charge their batteries using systems onboard the vehicle. For dual fuel vehicles, agencies should report both fueling types (e.g., gasoline and electric battery for a plug-in hybrid).

CNG/Hydrogen Conversion

If an agency uses compressed natural gas (CNG), the agency must report the fuel in gallon equivalents of either gasoline or diesel fuel, as applicable, based on what type of fuel the revenue vehicle would use if it were not powered by CNG. Transit agencies should contact the supplier of the CNG for the correct conversion factors. If an agency cannot obtain the conversion factor from the supplier, the NTD offers conversion factors, as set forth in the exhibit below.

Biodiesel Fuel

If an agency has a vehicle fleet that uses biodiesel fuel, it should report the fuel type as diesel fuel.

Exhibit 46 — Compressed Natural Gas Conversion Factors

1 Therm = 100,000 BTUs
Gallon equivalents of diesel (#2 grade) = Number of BTUs / 138,000
Gallon equivalents of gasoline = Number of BTUs / 114,000
Gallon equivalent of gasoline = 5.66 pounds
Gallon equivalent of diesel (#2 grade) = 5.42 pounds

Exhibit 47 — Compressed Natural Gas Conversion

Example 1: A transit agency has one small bus for demand response service that uses CNG fuel. It buys 5,000 therms of CNG.

Solution: The transit agency decides that if the bus was not using CNG, the most likely fuel used would be DF.

$$\frac{(5{,}000 \text{ therms} \times 100{,}000 \text{ BTU})}{138{,}000} = 3{,}623 \text{ equivalent gallons of diesel fuel (DF)}$$

Example 2: A transit agency has one eight-passenger van for demand response (DR) service that uses CNG fuel. It buys 4,500 therms of CNG.

Solution: The transit agency decides that if the van was not using CNG, the most likely fuel used would be gasoline (GA).

$$\frac{(4{,}500 \text{ therms} \times 100{,}000 \text{ BTU})}{114{,}000} = 3{,}947 \text{ equivalent gallons of gasoline (GA)}$$

Example 3: A transit agency has one eight-passenger van for demand response (DR) service that uses CNG fuel. It buys 600 pounds of CNG.

Solution: The transit agency decides that if the van was not using CNG, the most likely fuel used would be gasoline (GA).

600 pounds × 5.66 gallons per pound = 3,396 equivalent gallons of gasoline (GA)

Buildings — Passenger Stations and Maintenance Facilities

Transit agencies report data on

- The number of passenger stations, both accessible and non-accessible, in accordance with the Americans with Disabilities Act of 1990 (ADA)
- The number of elevators and escalators within passenger stations
- The number of maintenance facilities by size and ownership categories

Transit agencies reporting this information must separate data by each mode and type of service (both directly operated (DO) and purchased transportation (PT) services).

Passenger Stations – Urban Reporters

This section does not apply to State sub-recipients.

Transit agencies report passenger station information for fixed route, fixed schedule services (rail modes, bus modes, trolleybus, ferryboat, and aerial tramway). Each agency must report data for all passenger stations that the agency uses, even if the agency does not own the stations.

Exhibit 48 — Reporting Passenger Stations

Example: Coaster Transit Agency provides motorbus (MB) service to a ferryboat (FB) passenger station that Surf Transportation Authority owns. How should Coaster report the passenger station?

Solution: Coaster Transit Agency should report 1 passenger station while Surf Transportation Authority also reports 1 passenger station. Stations are reported by use, not ownership.

Transit agencies must indicate if passenger stations are ADA-accessible or non-ADA accessible, and the number of multi-modal stations.

Americans with Disabilities Act of 1990 Accessible Stations

ADA-accessible stations do not have physical barriers that prevent or restrict access by individuals with disabilities, including individuals who use wheelchairs. Transit agencies must identify accessible stations.

Non-ADA Accessible Stations

Non-accessible stations do not provide easy access (i.e., do not meet accessibility requirements of physical barriers, signage, and other aids) to enable individuals with disabilities, including individuals who use wheelchairs, to use public transit.

Multi-Modal Passenger Stations

Agencies must report the total number of passenger stations they use that serve multiple modes. Modes include other transit modes, AMTRAK, airports, water transportation, and intercity bus.

Transit agencies must report a station for each mode and type of service the agency uses the station for, which means, “double counting” of some stations. However, if a station serves rail and non-rail modes, agencies should only report the station under the rail mode(s).

Escalators and Elevators

Transit agencies must report the number of escalators and elevators within the passenger stations it uses. Passengers use these to transfer between levels in a station or parking facility. Elevators and escalators exclude moving sidewalks.

Agencies should not report escalators and elevators that are used only for freight, transit staff, or as back-up if passenger escalators and elevators break down.

Station Criteria

Passenger stations are significant structures with a separate right-of-way (ROW). Therefore, a street stop or passenger shelter does not constitute a passenger station. For rail modes, passenger stations typically mean a platform area.

- The following are passenger stations:
- All rail passenger facilities (except for light rail (LR), cable car (CC), and streetcar (SR) modes)
- All LR, CC, and SR passenger facilities that have platforms and serve track that is in a separate ROW (not in mixed-street traffic)
- All motorbus (MB), rapid bus (RB), commuter bus (CB), and trolley bus (TB) passenger facilities in a separate ROW that have an enclosed structure (building) for passengers for items such as ticketing, information, restrooms, and concessions
- All transportation, transit or transfer centers, park-and-ride facilities, and transit malls if they have an enclosed structure (building) for passengers for items such as ticketing, information, restrooms, concessions, and telephones
- When CC, LR, SR, MB, RB, CB, or TB service is operated in mixed traffic, a stop on a street or in a median is not a station if the stop does not have a separate,

enclosed building. Open shelters, canopies, lighting, signage, or ramps for accessibility alone are not enough to establish a passenger station.

Exhibit 49 — Passenger Stations

This is an enclosed building in a separate right-of-way (ROW). The NTD classifies this as a passenger station.

This is a shelter for service operating in mixed traffic. This is **not** a passenger station.

Maintenance Facilities

Transit agencies report maintenance facilities by

- Type — general purpose or heavy maintenance
- Ownership — owned or leased
- Size — the number of revenue vehicles that can be serviced

Agencies should not report maintenance facilities where third-party vendors perform services, such as a local gasoline service or body shop.

Type

A general-purpose maintenance facility is a garage or building where mechanics perform routine maintenance and repairs. General-purpose maintenance facilities typically serve as operating garages where agencies store and dispatch vehicles for revenue service.

Larger transit agencies may perform engine and other major unit rebuilds. The NTD identifies facilities devoted exclusively to major rebuilds as heavy maintenance facilities.

Some transit agencies use the same facility for both general purpose and heavy maintenance. In these cases, agencies should report facilities they use for both purposes as general-purpose maintenance facilities.

General Purpose Maintenance Facilities

Transit agencies must report general-purpose maintenance facilities by

- Ownership — owned or leased
- Size — the number of revenue vehicles that can be serviced

Heavy Maintenance Facilities

Transit agencies must report heavy maintenance facilities by ownership category. Agencies do not provide data on facility size for heavy maintenance facilities.

Ownership

Transit agencies must identify maintenance facility ownership based on the type of service (directly operated or purchased transportation).

For directly operated service, transit agencies must report if the facility is publicly owned or privately owned. Transit agencies identify if they own the facility, lease it from another public agency (such as a city highway department), or lease it from a private entity.

For purchased transportation (PT) service, agencies indicate if there is public or private involvement in the maintenance facility. Agencies must report data if the facility is owned by the service provider (PT contractor), owned by the public agency for the service provider, leased by the public agency for the service provider, or leased by the service provider.

Size

Agencies should report the size of the facility based on the maximum number of revenue vehicles that can be serviced and stored at one time. Size is a measure of the design capacity of the facility, not the number of revenue vehicles currently operated from the facility.

The NTD divides size into three categories based on the number of revenue vehicles that can be serviced:

- Under 200 vehicles
- 200-300 vehicles
- More than 300 vehicles

Exhibit 50 — Facility Size

Example: The Coaster Transit Agency (CTA) operates 175 vehicles and owns a maintenance facility that can store 225 vehicles. What size of general-purpose maintenance facility should it report?

Solution: The CTA should report a general-purpose maintenance facility that serves 200-300 vehicles.

Shared Facilities

Some transit agencies share facilities between multiple modes or types of service. The most common arrangement is the operation of motor bus and demand response vehicles in a single facility. For reporting purposes, these shared facilities must be allocated among the various modes or types of service using the facility.

Exhibit 51 — Shared General Purpose Maintenance Facilities

Example: The Coast Transit Agency (CTA) uses one of its general-purpose maintenance facilities for both motorbus (MB) and demand response (DR) directly operated (DO) services and the DR purchased transportation (PT) service. How should the CTA report maintenance facilities?

Solution: The CTA allocates the facility based on vehicles assigned.

Mode	Vehicles Serviced	Percent of Total	Number of Facilities Reported:
MB/DO	240	82.8%	0.8
DR/DO	30	10.3%	0.1
DR/PT	20	6.9%	0.1
Total	290	100%	1.0

Employees — Full Reporters Requirements

Full Reporters provide employee data for directly-operated services only. These agencies must report two employee data items: the hours that all employees work during the year and the number of employees at the end of the year. Transit agencies report data by type of employee (full-time and part-time) and labor classification (operating and capital).

Type of Employees

The NTD defines an employee as a person whose salary the agency reports under the Labor object class (Salaries and Wages). Typically, this means that the transit agency writes the payroll checks and provides an Internal Revenue Service Form W-2: Wage and Tax Statement for the employee. People that a temporary employment agency employs are not employees of the transit agency.

Transit agencies may have two different types of employees: full-time and part-time. Transit agencies must categorize employees by full-time and part-time based on local policy. Generally, human resource departments use these definitions to classify each employee.

Full-time employees typically work a minimum number of hours, such as at least 30 hours per week or 1,500 hours per year. Full-time employees usually receive a full benefits package.

Full-time employees working part of their time in a function or mode are not part-time employees. For example, a full-time mechanic may repair bus (MB) and demand response (DR) vehicles. The transit agency must report that mechanic as a full-time worker for both MB and DR modes.

Part-time employees work less than the minimum number of hours required for full-time employees and usually do not receive benefits. Often, agencies pay part-time employees at a lower rate than full-time employees.

Exhibit 52 — Who is an Employee?
The following persons would be considered employees:
An individual who has completed his/her scheduled assignment
An individual on extended sick leave
An individual temporarily disabled and assigned to another position

Exhibit 52 — Who is an Employee?
The following persons would be considered employees:
An individual who has left the transit agency through separation or retirement and whose position has not been refilled but continues to receive a paycheck from the transit agency
An individual on a paid leave of absence
An individual on an unpaid leave of absence of a prolonged duration, as long as he/she is retained on the benefits program and retains his/her job security rights
An individual working temporarily on a service contract (expense object class (503) services)
An individual employed by an entity, either private or public, that has a contract with the transit agency to perform specific services (e.g., management services, clerical)
An individual under contract to another company but working on the transit agency's premises (e.g., temporary clerical services)

Employee Work Hours and Actual Person Counts

Transit agencies must collect employee work hours and an actual person count. Employee work hours include all work performed during the report year. The actual person count of employees only includes employees at the end of the fiscal year.

Employee Work Hours

Employee work hours are the total hours an agency's employees worked during the fiscal year. Agencies may hire new employees or existing employees may leave during the year. Regardless of when employees begin or leave their jobs, transit agencies must report the total work hours to the NTD. Transit agencies may determine employee work hours from payroll records.

Transit agencies must report the actual work hours for each employee. In some cases, employees working overtime may receive a pay rate of 1.5 times the normal rate. In these situations, transit agencies must report the actual hours worked, not the equivalent number of straight-time pay hours. For example, a driver works 10 hours and is paid the equivalent of 11 straight-time pay hours (8 + (1.5 x 2) =11). The agency should report 10 actual work hours for this driver.

Work hours are typically less than the total hours paid by agencies to their employees. Transit agencies may pay employees for hours associated with fringe benefits, such as holiday time and sick leave. For example, agencies may pay a full-time employee for approximately 2,080 total hours in a report year. However, the actual work hours may be 1,700 to 1,800 of the 2,080 hours.

Exhibit 53 — Hours Worked

Example: A transit agency has a full-time employee. The agency paid the employee for 2,080 hours of work. Of the 2,080 hours, she spent 80 hours on vacation, 24 on sick leave, 40 on holidays, and 16 on personal leave. The remaining 1,920 was her time actually working. How many hours should the transit agency report?

Solution: The agency must report the hours actually worked: 1,920.

Actual Person Count

Transit agencies must report the actual person count of employees as of the end of the fiscal year. This is typically straightforward; however, transit agencies may encounter unique situations, such as when an employee is on a paid leave of absence at the end of the year.

Transit agencies must report the total number of hours worked during the year, but the actual person count should only include personnel on hand at the agency's fiscal yearend.

Allocation of Persons and Hours

Transit agencies must allocate work hours and person counts among labor classifications and modes if an employee works on more than one of the following:

- Functions
- Modes
- Type of services

Payroll records should enable a transit agency to allocate hours using a reasonable and consistent approach from year to year. Transit agencies must report employees to one decimal place (e.g., an employee spending 10 percent of his/her time on bus vehicle operations should be 0.1 employees under MB Vehicle Operations). Agencies may report employees up to two decimal places.

Exhibit 54 — Work Hours and Allocated Person Count

Example: A transit agency has a full-time employee who performs vehicle maintenance on both directly-operated (DO) and purchased transportation (PT) services. How should the agency report the data?

Mode	Type of Service	Full-Time Employee Hours
DR	**DO**	900
DR	**PT**	600
MB	**PT**	300
Total		1,800

Solution: Prorate the employee using the number of hours worked per mode.

Mode	Type of Service	Full-Time Employee Hours	Calculation of Employee	Full-Time Employees
DR	**DO**	900	900 / 1,800	0.50
DR	**PT**	600	600 / 1,800	0.30
MB	**PT**	300	300 / 1,800	0.20
Total		1,800		1.00

Solution: The employee works 50 percent of his/her time on DR DO, 30 percent on DR PT, and 20 percent on MB PT. The agency does not report the data associated with the DR PT or MB PT service. Therefore, the agency reports half an employee (0.5) and the 900 hours worked under DR DO.

Labor Classification

The NTD classifies labor into two categories: operating and capital.

Operating Labor

The NTD defines operating labor as the personnel necessary to carry out the day-to-day requirements for providing transit service. Transit agencies report operating labor in four functions:

- Vehicle operations (010)
- Vehicle maintenance (041)
- Non-vehicle maintenance (042)
- General administration (160)

For more information on the functions that the Uniform System of Accounts (USOA) established, please see the *Financial Section* of this manual or the *Uniform System of Accounts* available on the NTD website.

Capital Labor

Capital labor is the personnel involved in the purchase of equipment (e.g., buses, shelters) and construction of facilities (e.g., garages, guideway, stations). The work activities for capital labor are design and engineering, purchase, land acquisition/relocation, construction, rehabilitation, and management of capital grants and projects.

Transit Way Mileage — Full Reporter Requirements

Transit agencies that are Full Reporters must report data for the high intensity busway (HIB) or FG segments on which they operate. Transit agencies must collect data for rail modes and non-rail modes (listed below) that operate on HIB or FG:

- Bus (MB)
- Trolleybus (TB)
- Commuter bus (CB)
- Bus rapid transit (RB)

Transit agencies provide information on the segment track and its construction for rail modes and lane mileage information for applicable non-rail modes.

Rail

The NTD defines FG as a separate right-of-way (ROW) for the exclusive use of public transportation vehicles. By this definition, all rail modes operate exclusively on FG.

For rail modes, agencies must report miles of track according to facility construction using the following categories, described below:

- At grade, which is split into 3 categories:
    - Exclusive right-of-way
    - With cross traffic, or
    - Mixed and cross traffic
- Elevated, which is either
    - On structure, or
    - On fill, or
- Underground, which can be either
    - Open cut, or
    - Subway tunnel/tube

At Grade

At grade includes all surface level tracks (not elevated or underground). The NTD divides at grade into three categories based on traffic restrictions for non-rail traffic:

- At grade, exclusive ROW (restricts all non-rail traffic from entering the right-of-way)
- At grade, with cross traffic (restricts all non-rail traffic from entering the right-of-way, except to cross at grade level crossings)
- At grade, mixed, and cross traffic (no restrictions – non-rail traffic moves in the same direction, or cross directions may pass)

Elevated and Open Cut Guideway

Elevated guideway is exclusive ROW above surface level. The NTD categorizes elevated guideway in two ways:

- Elevated on structure (e.g., bridges, overpasses)
- Elevated on fill (solid ground such as dirt, concrete)

The final two classifications are for segments that are underground (below surface level):

- Open cut (an excavated opening without a cover constructed over it)
- Subway tunnel/tube (track that is covered and operates through an underground tunnel/tube)

Transit agencies must report miles of track for all rail modes. If the track is at grade with cross traffic or at grade with mixed and cross traffic, agencies must report the number of crossings.

- Miles of Track is the length of track to the nearest tenth of a mile for each segment. Agencies must measure

Exhibit 55 — Calculating Track Miles

Example 1: This example shows one segment of track that is one-mile long with service in two directions. How many miles of track can an agency report?

Solution: Track is measured without regard to routes or direction of travel. Agencies report this as one mile of track.

Example 2: This example shows a one-mile segment with inbound and outbound parallel tracks. How many miles of track should an agency report?

Solution: Track is measured without regard to routes or direction of travel. Agencies report this as two miles of track.

miles of track without regard to traffic flow. Agencies must count all track, including yard track and sidings.

- Number of Crossings (for rail modes operating at grade) is the number of locations at which other traffic may cross the ROW.

Additional Rules

For selected rail modes (monorail (MG), inclined plane (IP), and cable car (CC)), agencies must report track miles and crossings as follows:

- MG: report only total track miles as elevated on structure
- IP: report only total track miles as at grade, exclusive ROW
- CC: report only total track miles and total number of crossings as at grade, mixed, and cross traffic

For all other rail modes (commuter rail (CR), heavy rail (HR), light rail (LR), hybrid rail (YR), streetcar (SR), and Alaska railroad (AR)), transit agencies must report data based on the physical construction of the rail segment.

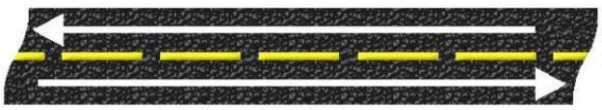
Non-Rail Modes

The fixed route modes listed above may operate on their own FG, HIB, or with personal and commercial vehicles (mixed traffic right-of-way). For non-rail modes, transit agencies must report lane miles for three types of ROW:

- Exclusive Fixed Guideway – these segments are exclusive at all times, 24 hours per day, seven days per week;
- Exclusive High Intensity Busway – these segments are HOV or HO/T lanes at all times, 24 hours per day, seven days per week or alternatively may be HOV or HO/T lanes for a portion of the 168 hours of the week and exclusive to transit for the remainder of the week; and
- Controlled Access High Intensity Busway – these segments may be exclusive to transit or function as HOV or HO/T for a certain number of hours, but are open to general traffic for some part of the week.

Exhibit 56 — Calculating Lane Miles

Example 1: This example depicts a two-lane road that is ten miles long with service in two directions. How should the agency report this segment?



Solution: The agency reports 20 lane miles.

The following exhibit gives examples for calculating lane miles for non-rail ROWs.

Exhibit 57 — Calculating Lane Miles and Guideway Classifications

Example 1: There is a high occupancy vehicle (HOV) facility ten miles long with one traffic lane running northbound and one traffic lane running southbound. It operates under HOV restrictions all times.

Solution: 10 miles for the northbound lane + 10 miles for the southbound lane = 20 lane miles, Exclusive HIB.

Example 2: There is a reversible facility ten miles long with one traffic lane (operated north bound in the morning and south bound in the evening). During off-peak hours, it is open to all traffic.

Solution: There is only one lane, so the agency would report 10 lane miles, Controlled Access HIB.

Example 3: A busway (exclusive to transit vehicles at all times) is 3 miles long.

Solution: An agency using this busway would report 3 lane miles, Exclusive FG.

Multiple Modes or Types of Service on FG or HIB Segments

Transit agencies must report all FG and HIB segments for all modes and types of service. It is possible that different modes or types of service operate on the same tracks or lanes. In these cases, the following rules apply:

- Agencies must report the appropriate segments for each mode and type of service, even if more than one mode operates over some or all of the same segments.
- Agencies may enter multiple purchased transportation contracts for the same mode of service. In these cases, agencies should only report the segments once for that mode and type of service.
- If a seller files a separate Annual Report, the seller reports all segments that it operates, even if the buyer of service operates some or all of the same segments.

For more information on buyers and sellers of service, please see the *Financial Data Requirements: Contracts* section of this manual.

Federal Funding Data Requirements

Purpose of Reporting Federal Funding Data

A summary of the importance of data allocation and its uses

NTD Serve Rules

An overview of NTD requirements for data allocation

Reporting Allocation Methods

A summary of the different allocation methods for Federal funding data

Fixed Guideway and High Intensity Busway Data Reporting

NTD reporting requirements for fixed guideway and high intensity busway Federal funding data

Purpose of Reporting Federal Funding Data

Transit agencies must report data by mode and service type for the urbanized and rural areas they serve. These data are an important part of NTD reporting because they directly affect the amount of funding FTA apportions to each area. FTA uses this information to support the §5307, §5337, §5339, and §5311 formula funding programs.

For more information on formula funding grants, please see the *Financial Data Requirements: Funding Sources* section of this manual.

NTD Serve Rules

Agencies report annual service data for each mode and type of service they operate. The *Service Data Requirements* section of this manual describes policies related to service data in detail.

In addition to agency-wide service totals, FTA requires reporters to report service totals and operating expenses for each of the individual areas the agency serves – urban or rural. Reporters use Federal Funding Allocation (FFA) forms to divide service and operating expense totals into sub-totals for each served area. Reporting by area is critical because it affects the amount of funding FTA apportions to each area.

Serving an Area

Transit agencies must follow *serve rules* when reporting data for Federal funding. *Serve rules* determine how an agency may report data among the urbanized and rural areas it serves.

The NTD defines “serving an area” as operating a transit service that has a trip end (origin or destination) in that specific urbanized or rural area. Transit agencies must analyze each service that they operate and determine if it serves one or multiple urbanized or rural areas. Agencies must report data based on the results of these analyses.

The following exhibits use images from the U.S. Census. The Census uses the abbreviation ‘UA’ to signify urbanized areas. Urbanized areas are blue, rural areas are white, and grey lines designate county boundaries.

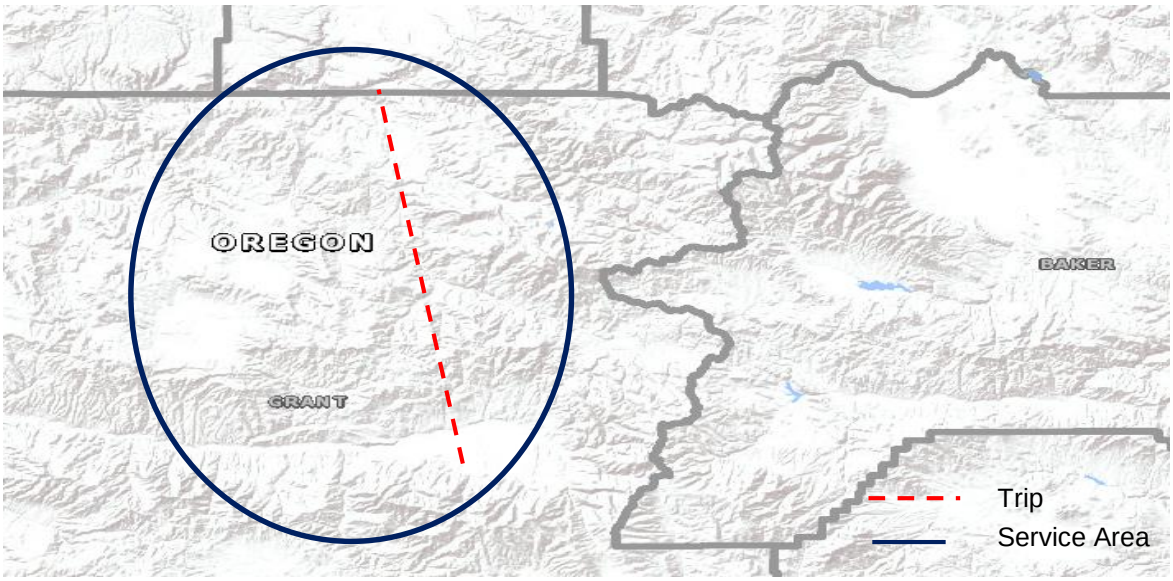
Serving One Area

If a transit service operates entirely within one urbanized or rural area, then the transit agency must report the data for the service in that specific service area. The transit agency has no reporting discretion and must follow this reporting rule.

Exhibit 58 — Service in One Area

Exclusive Urban Service: A trip occurs entirely within one urbanized area.

Exclusive Rural Service: A trip occurs entirely within a rural area.



Solution: The transit agency reports all data to the area it serves.

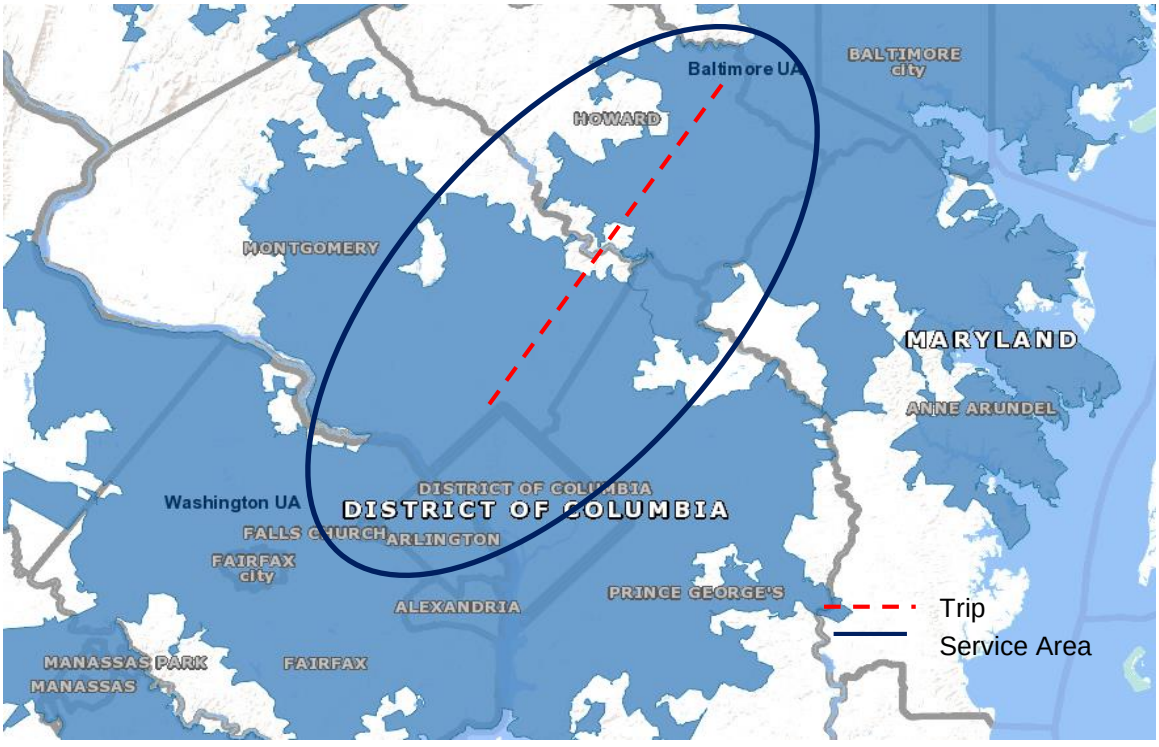
Serving Multiple Areas

If a transit service operates in two or more urbanized or rural areas, then the transit agency has two reporting options:

- If the transit agency determines that the primary intent of the transit service is to serve the travel needs of one urbanized or rural area, then the transit agency reports all Federal funding data to this one area; or
- If the transit agency determines that the intent of the transit service is to serve the travel needs of all or some of the urbanized and rural areas in which it operates, then the transit agency allocates its Federal funding data to the urbanized and rural areas it serves using a reasonable and consistent method.

Exhibit 59 — Service in Two Areas — Urbanized Area to Urbanized Area

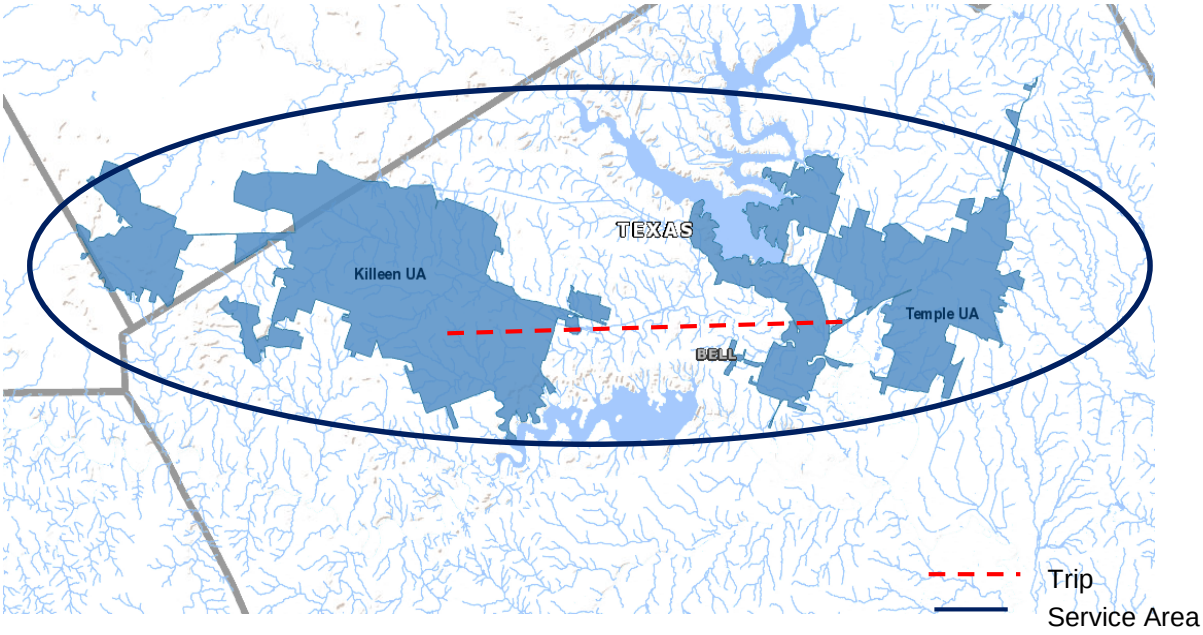
Example: One trip end is in the Washington urbanized area and the other trip end is in the Baltimore urbanized area.



Solution: The agency may report all data to its primary urbanized area or allocate data between the two urbanized areas.

Exhibit 60 — Service in Three Areas — Two Urbanized Areas and Rural Area(s)

Example: Both trip ends are in urbanized areas and the trip enters a rural area.



Solution: The agency may report all data to its primary urbanized area, or it may allocate between the urbanized and rural areas.

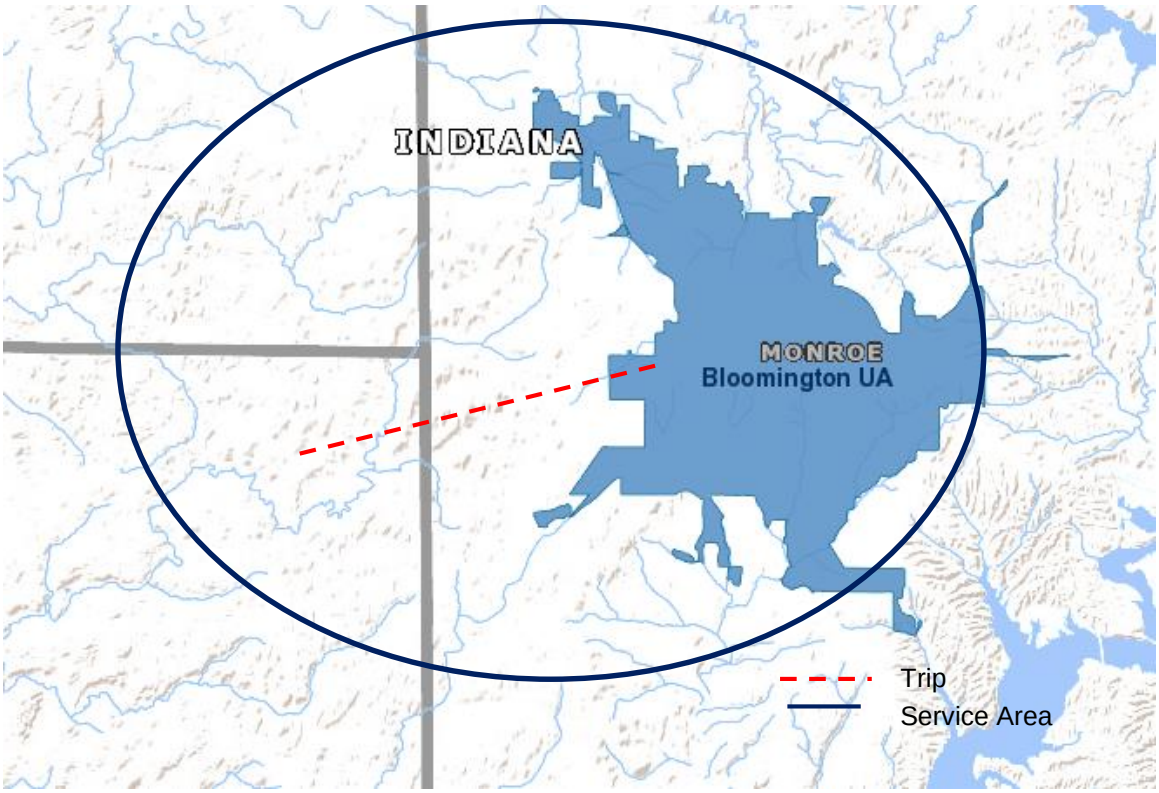
§5311 Reporting Rules

The NTD has specific reporting rules for agencies operating between urbanized and rural areas and using funds from the rural program (§5311):

- **If §5311 funding is the only FTA funding used to support the service**, the transit agency must report all Federal funding data for the service to the rural area;
- **If the service is supported by §5311 operating or capital funding and §5307 capital funding**, the transit agency must report all Federal funding data for the service to the rural area; and
- **If the service is supported by §5311 operating or capital funding and §5307 operating funding**, the transit agency must allocate Federal funding data to the urbanized and rural areas in proportion to the §5307 and §5311 operating funding applied to the service.

Exhibit 61 — Service in Two Areas — Urban and Rural Trips

Example: One trip end is in an urbanized area and the other trip end is in a rural area. The agency receives both §5311 and §5307 funding for operations.



Solution: The agency must allocate data to the urbanized and rural areas using the proportion of §5311 and §5307 operating funds that it used to provide the service.

Commuter Rail Federal Funding Data

Commuter rail (CR) systems provide service to multiple urbanized areas. To account for the nature of CR service, transit agencies should use passenger miles traveled (PMT) to determine the maximum amount of service they may allocate to one urbanized area.

If a CR passenger either boards or alights in an urbanized area, the transit agency may allocate the respective PMT to that urbanized area. The agency should then calculate the ratio of that UZA's PMT to the total CR PMT, and use this ratio to determine how to allocate other Federal funding data statistics to that UZA. The transit agency should follow this method to allocate the remaining data statistics by any remaining urbanized areas that they serve. By successively applying this procedure, the transit agency will maximize the amount of service by UZA.

Reporting Allocation Methods

Transit agencies may use the following methods to allocate Federal funding data among multiple urbanized and rural areas:

- Actual Data
- Vehicle Revenue Miles, or
- Other

Transit agencies use the Actual Data method when they directly record the values for each data item by urbanized and rural areas. Transit agencies typically use this approach for modes such as demand response and demand response taxi that use detailed recording systems.

Transit agencies choose the Vehicle Revenue Miles method (passenger car revenue miles for rail modes) when they record actual vehicle revenue miles and then use that data as a factor to allocate other Federal funding data. This is the most common allocation method used by transit agencies.

Transit agencies may use their own method of data allocation, which is termed “Other.” Transit agencies must provide documentation of their data allocation method for review by the NTD. One such method is based on the proportion of §5307 and §5311 operating assistance.

Transit agencies should use consistent allocation methods, and must explain any changes in methodology.

Fixed Guideway and High Intensity Busway Data

Transit agencies that operate FG or high intensity busway (HIB) must report additional Federal funding data by urbanized area (UZA) in order to determine §5307, §5337, and §5339 formula funding.

Transit agencies with fixed guideway systems usually

- Operate fixed route services (Motorbus (MB) or Commuter bus (CB)) on fixed guideway
- Operate on fixed guideway shared with other transit systems, or
- Operate on fixed guideway that they have reported to the NTD for seven consecutive fiscal years

If a transit agency operates on FG or HIB segments that meet the eligibility criteria for funding, the transit agency must report data for FG or HIB and non-fixed guideway (NFG) operations.

FTA bases funding eligibility on the following criteria:

Exhibit 62 — Funding Criteria for Fixed Guideway and High Intensity Busway

- Segments must have controlled access right-of-way (ROW) or exclusive ROW;
- Segments must serve travel corridors with unfavorable levels of service (LOS) (D, E or F, as defined the *Service Data Requirements: Fixed Guideway* section of this manual);
- Travel on those segments must have restricted hours during which single occupancy vehicles (SOVs) are prohibited from using any segment or meet the high occupancy/toll (HO/T) lane requirements and such prohibitions are enforced;
- If the transit agency has stricter requirements for high occupancy vehicle (HOV) facilities than the prohibition of SOVs (for example, three or more persons per vehicle), then those requirements apply to the HO/T lane (for example, one and two-person vehicles would pay tolls); and
- Segments on high-speed facilities (expressways) shared with vanpools (VP) or carpools must be safely operated.

All transit agencies that operate on FG or HIB segments must report Federal funding data for the respective segment(s). Agencies that claim the segments also report data for the directional route miles of the segments.

Reporting Data for Fixed Guideway and High Intensity Busway

Commuter bus and motor bus service may operate on the same segment. The following exhibit provides an example of NTD requirements for reporting fixed guideway and high intensity busway segment data:

Exhibit 63 — FG/HIB Segments

Example: An agency operates motor bus (MB) service in two UZAs. It operates on 20 directional route miles (DRM) of fixed guideway and 50 DRM of high intensity busway, both spread across the two UZAs. It provided 20,000,000 VRM of service.

Solution: The agency determines that 75 percent of its service operated in UZA A, while 25 percent operated in UZA B. The agency chooses to allocate based on Actual Vehicle Revenue Miles (VRM) and reports 15,000,000 (75 percent of 20,000,000) VRM in UZA A and 5,000,000 (25 percent of 20,000,000) VRM in UZA B.

FG DRM Reporting:

The agency then determines that 12 DRM of its fixed guideway serve UZA A and 8 DRM serve UZA B. The agency reports 12 DRM in UZA A and 8 DRM in UZA B. The agency collects data during the year to determine how many VRM are driven on FG/HIB segments. The agency reports 550,000 VRM on the 12 miles of FG DRM in UZA A and 450,000 VRM on the 8 miles FG DRM in UZA B.

Fixed Guideway DRM Reporting		
Actual Method	UZA A	UZA B
FG DRM	12	8
VRM	550,000	450,000

State of Good Repair Reporting:

All 8 miles of FG in UZA B are older than 7 years and the agency reports the 450,000 VRM for the State of Good Repair Program.

Six of the 12 miles of FG in UZA A are older than 7 years. The agency determines that of the 550,000 VRM on this FG, 200,000 were on segments older than 7 years. It reports 200,000 VRM for the State of Good Repair program.

Of the 50 HIB DRM, 30 are older than 7 years. The agency finds that 15 of these serve UZA A and 15 serve UZA B. It reports 15 in both UZA A and UZA B. The agency determines that it operated 2,000,000 VRM on the HIB DRM older than 7 years. The agency reports 1,100,000 VRM in UZA A and 900,000 VRM in UZA B.

Exhibit 63 — FG/HIB Segments

State of Good Repair Reporting		
Actual Method	UZA A	UZA B
FG DRM	6	8
FG VRM	200,000	450,000
HIB DRM	15	15
HIB VRM	1,100,000	900,000

Multiple Operators or Types of Service on FG/HIB Segments

Multiple NTD reporters or types of service may operate over a FG or HIB segment. Transit agencies must report all Federal funding data for all service operated over the segments. FTA apportions Federal funds to directional route miles once. Therefore, only the transit agency that claims the directional route miles should report DRM data to the NTD.

Local transit agencies and authorities must determine who reports the DRM for multiple providers or service types. Transit agencies must report DRM consistently on an annual basis. Agencies should decide which transit system and mode would claim the segment before proposing the segment to the NTD.

Fixed Guideway and High Intensity Busway Segments

For the State of Good Repair Program, transit agencies must report the portion of the actual vehicle revenue miles they operate on fixed guideway segments that are greater than or equal to seven Federal fiscal years old. Transit agencies must use their schedules and internal records to determine the revenue miles on these segments.

Declarations and Requests

CEO Certification

The NTD requirements for the Annual Report CEO Certification

Waivers

An overview of waivers that transit agencies may request

Independent Auditor Statements

A summary of the two auditor reviews that the NTD requires for specific reporting types

Requests

A summary of special requests that transit agencies may submit to the NTD

CEO Certification

Transit agencies must submit a Chief Executive Officer (CEO) Certification with the Annual Report. Through this certification, the CEO endorses and attests to the accuracy of the data in the Annual Report.

Transit agencies determine which person acts as the CEO for NTD reporting purposes. Typically, the CEO is the principal executive in charge of and responsible for the transit agency. The reporter types that must submit a CEO Certification are as follows:

- Full Reporter
- Reduced Reporting
- Separate Service

Agencies that are public service providers may designate any of the following personnel as the CEO for NTD reporting purposes:

- Transit authority general manager
- Transit authority administrator
- County or city government department head
- State Department of Transportation division head
- Council of Governments, commission or transit district executive director
- City-sponsored demand response system executive director, or
- Whomever the transit agency board designates to authorize the NTD Annual Report

Private operators may designate any of the following personnel as the CEO for NTD reporting purposes:

- Senior operations manager (site-specific), or
- An officer (e.g., the president or vice president or a corporate-level controller)

Certification Requirements

Each transit agency CEO must complete a CEO Certification every report year. The following exhibit details exactly what the CEO is certifying through this document.

Exhibit 64 — CEO Certification Requirements

The CEO must:

- Certify the accuracy of the data the transit agency submits in the overall report
- Certify the accuracy of the Federal funding allocation data used in §5307, §5337, §5339, and §5311 formula funding programs
- Attest to the independent auditor reviews of both financial data and Federal funding data (if applicable), and
- Describe the procedures that the transit agency uses to estimate or collect actual passenger miles traveled and unlinked passenger trip data by mode and type of service

The CEO must certify that all data in the NTD Annual Report are accurate and that the transit agency collects and reports the data in accordance with NTD definitions.

During the validation process, the CEO documents that he or she concurs with revisions to the transit agency's report and retains a copy of the revisions in the transit agency's files.

Transit Agencies Serving Large UZAs

If a transit agency serves an urbanized area (UZA) with a population of 200,000 or more, the CEO must also certify that:

- The data FTA uses for the apportionment of Urbanized Area Formula, State of Good Repair, and Bus and Bus Facilities Programs are accurate; and
- There is documentation of procedures and internal controls to ensure data accuracy.

Independent Auditor Statement for Financial Data

Periodically, an independent auditor must determine if a transit agency's accounting system meet FTA requirements. After this review, the transit agency must submit an Independent Auditor Statement for Financial Data (IAS-FD) completed by the independent auditor. If a transit agency has met this requirement in a prior year and has not changed its accounting system, FTA waives the requirement for an annual IAS-FD.

The CEO verifies one of the following:

- The transit agency provided an IAS-FD for the current report year;
- FTA previously approved an IAS-FD for a prior report year and the transit agency's accounting system remains unchanged; or
- FTA granted a waiver not to have an IAS-FD for the current report year.

Independent Auditor Statement for Federal Funding Allocation Data

If an agency serves a large UZA and operates 100 vehicles or more in annual maximum service across all modes and types of service, an independent auditor must conduct an additional review annually. Upon completion of this review, the independent auditor would issue an Independent Auditor Statement for Federal Funding Allocation Data (IAS-FFA). If applicable, the CEO must certify that the transit agency completed this annual independent auditor review and confirm the following:

- The name of the auditor and date of the review
- Any negative findings
- How the agency is addressing any negative findings

Passenger Miles Traveled Data

The CEO must describe the transit agency's procedures for collecting or estimating passenger miles traveled (PMT) for each mode and type of service. Transit agencies must collect or estimate data using a consistent and reasonable method. Transit agencies must report 100 percent counts if the data are available and reliable. Otherwise, transit agencies may use one of the following methods for determining PMT:

- Alternative sampling procedure that meets 95 percent confidence and ±10 percent precision levels as determined by a qualified statistician (estimated data)
- By using the trip length from the last mandatory sampling year (as described in the CEO certification) multiplied by the unlinked passenger trip data from the current report year (estimated data)
- Another method that is explained by the CEO, or
- NTD Sampling Method

Purchased transportation providers may use different data collection or estimation procedures. The CEO must certify PMT data by each contract as well.

Unlinked Passenger Trip Data

The CEO must also describe unlinked passenger trip (UPT) data collection or estimation procedures for each mode and type of service. Transit agencies may use one of the following methods for determining UPT:

- 100 percent count (actual data)
- Alternative sampling procedure that meets 95 percent confidence and ±10 percent precision levels determined by a qualified statistician (estimated data)
- Another method that is explained by the CEO, or
- NTD Sampling Method

Waivers

Transit agencies must report data in conformance with NTD reporting requirements. If an agency does not follow these requirements, FTA can issue a Failure to Report finding. For more information on reporting failures, see the *Introduction: The National Transit Database: Failure to Report* section of this manual.

However, extenuating circumstances occur that prevent transit agencies from meeting all or specific NTD reporting requirements. In these cases, transit agencies may request a one-time waiver from these requirements.

Transit agencies must request waivers 60 days prior to the Annual Report due date. FTA approves waivers on a case-by-case basis and does not automatically approve a request.

In most cases, FTA only approves waivers for the current fiscal year. Transit agencies must file additional requests for future report years.

To request a waiver, a transit agency must submit a letter from the CEO for the current report year that describes the situation that prevents the agency from submitting data in accordance with NTD standards.

FTA may approve waivers in the following cases:

- It is the transit agency's first report year and the agency has not had sufficient time to collect data and prepare the Annual Report; or

- There are unforeseen circumstances preventing data collection or creating an unreasonable burden on the transit agency. Such examples are
    - Earthquakes
    - Fires
    - Floods
    - Hurricanes
    - Officially-declared emergencies

The NTD will not approve a waiver request based on cost, personnel, or data collection problems, loss of records, or unexplained undue burden.

An approved waiver does not affect a transit agency's funding eligibility for §5307, §5311, §5337, or §5339 funding, but it may affect the amount of funding the agency's UZA(s) receive. In a large urbanized area or a rural area, the amount of funding may decrease because FTA may not include specific data in formula funding programs. In a small UZA (between 50,000 and 200,000 population), funding may change because FTA may exclude transit agency data from the factors used to determine eligibility for Small Transit Intensive Cities funding.

Waiver Types

Transit agencies may request the following waivers:

- Data
- Reporting
- Passenger miles traveled sampling
- Independent Auditor Statement for Financial Data

Data Waiver

A transit agency may request a data waiver for a specific data point or set of data that it did not collect per NTD reporting requirements. The agency may offer a different method to estimate data, or it may request to zero (not report) the data for the current report year.

Reporting Waiver

A transit agency may request a reporting waiver if it is unable to complete the Annual Report for the current report year. FTA will not accept a partially completed report. If the NTD approves a reporting waiver, FTA will not apportion any Federal funding based on the transit agency's NTD data for that report year.

Passenger Miles Traveled Sampling Waiver

Transit agencies must sample PMT data on either a triennial or an annual basis, depending on reporting type. If a transit agency does not sample during a mandatory sampling year, it may request a waiver to either estimate or zero (not report) PMT data. For more information on PMT Sampling, see the *Service Data Requirements: Service Consumed: Passenger Miles Traveled* section of this manual.

Independent Auditor Statement for Financial Data Waiver

New NTD reporters filling out a full report may request an IAS-FD waiver in their first year of reporting. If approved by FTA, the waiver is good for one year and the transit agency must submit the IAS-FD in the following report year.

Auditor Statements

The NTD requires that an independent auditor review certain reporter types and provide an Independent Auditor Statement (IAS). An IAS is a letter that an official representative from an independent public account or other independent entity (such as a state audit agency) signs.

The independent auditor must confirm that the transit agency data conforms to NTD requirements. If an auditor finds an issue, the auditor must explain the discrepancy in the IAS. Auditors must identify the auditing firm name, the location of the office, and to sign and date the IAS.

There are two Independent Auditor Statements:

- Independent Auditor Statement for Financial Data (IAS-FD)
- Independent Auditor Statement for Federal Funding Allocation Data (IAS-FFA)

Independent Auditor Statement for Financial Data

All Full Reporter and Separate Service transit agencies must file an initial IAS-FD. For this statement, the auditor must determine if the transit agency accounting system meets

FTA requirements. The NTD does not allow agencies to use an audit from the OMB Circular A-133 Single Audit Act.

The NTD refers to business papers, records and reports, and the procedures that an agency uses in recording transactions and reporting their effects as the “accounting system.” The term “accounting system” does not refer to the hardware or software program transit agencies use. Therefore, the accounting system remains the same, even when hardware or software upgrades or changes.

If a transit agency has met the IAS requirements in the prior year and has not changed its accounting system, FTA waives the annual IAS-FD. Instead, FTA requires the CEO to certify annually that the agency’s financial data continue to meet NTD requirements. However, FTA may require a new review if a transit agency substantially changes its financial data reporting method.

A transit agency must provide an IAS-FD to the NTD in the first year it reports as a Full Reporter. The transit agency must file the Annual Report on time even if the IAS-FD is incomplete. If extenuating circumstances cause a delay of the IAS-FD, the CEO must provide documentation explaining the late auditor review. The transit agency must complete the IAS-FD no later than the date of the last report revision. The NTD may issue a Failure to Report finding if a transit agency does not submit an IAS-FD when required.

Independent Auditor Requirements

For the IAS-FD, the auditor must review all financial forms to ensure that:

- The transit agency’s accounting system follows the Uniform System of Accounts;
- The transit agency’s accounting system follows accrual accounting or uses a directly-translatable method; and
- All financial data are in accordance with NTD requirements.

The auditor must state in the IAS-FD if he or she finds that any data do not conform to NTD requirements and describe the discrepancies.

FTA Approval

FTA will approve the IAS-FD if the agency complies with one of the following conditions:

- The transit agency adopts the USOA; or
- The transit agency

- Uses an internal accounting system other than the accounting system prescribed by the USOA;
- Uses the accrual method of accounting or a directly-translatable method; and
- Directly translates the system and accounting categories, using a clear audit trail, to the accounting treatment and categories the USOA specifies.

IAS-FD Template

FTA provides a template of the Independent Auditor Statement for Financial Data in Appendix A. The NTD does not require agencies to use the exact format set forth in Appendix A; however, the independent auditor must address each item that the NTD outlines in the template. If the auditor follows the provided template closely, the statement will meet NTD requirements.

Independent Auditor Statement for Federal Funding Allocation Data

Transit agencies that serve a primary large UZA (an urbanized area with 200,000 or more in population) and report more than 100 vehicles operated in annual maximum service (VOMS) across all modes and types of service must provide an annual IAS-FFA. For this statement, an independent auditor must review all NTD data that FTA uses to apportion funds for §5307, §5337, §5339, and §5311 formula programs. The NTD requires the IAS-FFA annually.

A transit agency must provide an IAS-FFA the first year it reaches the 100 VOMS threshold. Transit agencies must complete the IAS-FFA before FTA closes the Annual Report. FTA may issue a Failure to Report finding if a transit agency does not submit an IAS-FFA. Transit agencies must keep IAS-FFA statements on file for FTA Triennial Review.

If a transit agency revises Federal funding data during the validation process, the agency must document that both the CEO and independent auditor concur with the revisions. Additionally, the transit agency must retain a copy of the revisions. As long as the CEO and independent auditor concur with the revisions, the NTD does not require an additional IAS-FFA.

Independent Auditor Requirements

The independent auditor must review Federal funding data by mode and type of service. Federal funding data include fixed guideway and high intensity busway directional route

miles, vehicle revenue miles, vehicle revenue hours, passenger miles traveled, unlinked passenger trips, operating expenses, and the commencement date of revenue service.

The independent auditor must include the following:

- Assurance that a system exists to record and gather data on a continuing basis;
- Assurance the transit agency maintains the system for recording data in accordance with NTD definitions, i.e. the transit agency is measuring the correct data and has no systematic errors;
- Assurance that source documents are available to support the reported data and the transit agency maintains the system for FTA review and audit purposes for a minimum of three years following FTA's receipt of the NTD Annual Report. The data must be fully documented and securely stored;
- Assurance that there is a system of internal controls to ensure the accuracy of the data collection process and the recording system and that reported documents are unaltered;
- Assurance that a supervisor reviews and signs documents as required;
- Assurance that the data collection methods are those that FTA suggests; or, FTA or a qualified statistician approved the methods as being equivalent in quality and precision. Transit agencies must document and follow the collection methods;
- Assurance that deadhead miles, computed by taking the difference between the reported total actual vehicle miles data and the reported total actual VRM data, are accurate;
- Documentation that reported data have undergone analytic review to ensure that they are consistent with prior reporting periods and other facts known about transit agency operations;
- Documentation of the specific documents reviewed and tests performed; and
- Documentation of how the transit agency reports purchased transportation fare revenues and contract expenditures. For example, fare revenues must include all fare revenues pertaining to PT service, and the agency reports the buyer's contract expenditures net of (not including) the PT fare revenues.

IAS-FFA Template

FTA provides a template of the IAS-FFA in Appendix A. The NTD does not require agencies to use this suggested format; however, the independent auditor must address each item the NTD outlines in the template.

Suggested Procedures

FTA provides a suggested list of procedures to satisfy the requirements of the IAS-FFA review. If an auditor does not use one of the suggested procedures, he or she must replace it with an alternative procedure that addresses the intent of the suggested procedure.

Exhibit 65 — Federal Funding Allocation Data Review Suggested Procedures

FTA has specified and agreed to a set of procedures for the independent auditor to perform to satisfy the requirements of the Federal Funding Allocation data review. Several of the procedures below require the auditor to select a random sample of documents or data. The procedures do not specify the selected number (i.e., the percentage of the total documents/data). The auditor should use professional judgment to determine the percentage that will enable the auditor to make the required assurances.

The source documents and other records (such as data summaries) may be in the form of digital data files. The auditor should ensure that these files are securely stored and that a contingency plan is in place to ensure that the transit agency retains source documents for a minimum of three years.

a. The procedures to be applied to each applicable mode and type of service (TOS) (directly-operated (DO) and purchased transportation (PT)) are: Obtain and read a copy of written system procedures for reporting and maintaining data in accordance with NTD requirements and definitions set forth in 49 CFR Part 630, Federal Register, dated January 15, 1993, and as presented in the 2014 Policy Manual. If there are no procedures available, discuss the procedures with the personnel assigned responsibility for supervising the NTD data preparation and maintenance.

b. Discuss the procedures (written or informal) with the personnel assigned responsibility for supervising the preparation and maintenance of NTD data to determine:

- The extent to which the transit agency followed the procedures on a continuous basis, and
- Whether these transit personnel believe such procedures result in accumulation and reporting of data consistent with NTD definitions and requirements set forth in 49 CFR Part 630, Federal Register, dated January 15, 1993, and as presented in the 2014 Policy Manual.

c. Ask these same personnel about the retention policy that the transit agency follows as to source documents supporting NTD data reported on the Federal Funding Allocation Statistics form.

d. Based on a description of the transit agency's procedures from items (A) and (B) above, identify all the source documents that the transit agency must retain for a minimum of three years. For each type of source document, select three months out of the year and determine whether the document exists for each of these periods.

Exhibit 65 — Federal Funding Allocation Data Review Suggested Procedures

e. Discuss the system of internal controls. Inquire whether separate individuals (independent of the individuals preparing source documents and posting data summaries) review the source documents and data summaries for completeness, accuracy, and reasonableness and how often these individuals perform such reviews.

f. Select a random sample of the source documents and determine whether supervisors' signatures are present as required by the system of internal controls. If supervisors' signatures are not required, inquire how personnel document supervisors' reviews.

g. Obtain the worksheets used to prepare the final data that the transit agency transcribes onto the Federal Funding Allocation Statistics form. Compare the periodic data included on the worksheets to the periodic summaries prepared by the transit agency. Test the arithmetical accuracy of the summaries.

h. Discuss the procedure for accumulating and recording passenger miles traveled (PMT) data in accordance with NTD requirements with transit agency staff. Inquire whether the procedure is one of the methods specifically approved in the 2014 Policy Manual.

i. Discuss with transit agency staff (the auditor may wish to list the titles of the persons interviewed) the transit agency's eligibility to conduct statistical sampling for PMT data every third year. Determine whether the transit agency meets NTD criteria that allow transit agencies to conduct statistical samples for accumulating PMT data every third year rather than annually. Specifically:

- According to the 2010 Census, the public transit agency serves an UZA with a population less than 500,000.
- The public transit agency directly operates fewer than 100 revenue vehicles in all modes in annual maximum revenue service (VOMS) (in any size UZA).
- Service purchased from a seller is included in the transit agency's NTD report.
- For transit agencies that meet one of the above criteria, review the NTD documentation for the most recent mandatory sampling year (2014) and determine that statistical sampling was conducted and meets the 95 percent confidence and ± 10 percent precision requirements.
- Determine how the transit agency estimated annual PMT for the current report year.

j. Obtain a description of the sampling procedure for estimation of PMT data used by the transit agency. Obtain a copy of the transit agency's working papers or methodology used to select the actual sample of runs for recording PMT data. If the transit agency used average trip length, determine that the universe of runs was the sampling frame. Determine that the methodology used to select specific runs from the universe resulted in a random selection of runs. If the transit agency missed a selected sample run, determine that a replacement sample run was random. Determine that the transit agency followed the stated sampling procedure.

Exhibit 65 — Federal Funding Allocation Data Review Suggested Procedures

k. Select a random sample of the source documents for accumulating PMT data and determine that the data are complete (all required data are recorded) and that the computations are accurate. Select a random sample of the accumulation periods and re-compute the accumulations for each of the selected periods. List the accumulations periods that were tested. Test the arithmetical accuracy of the summary.

l. Discuss the procedures for systematic exclusion of charter, school bus, and other ineligible vehicle miles from the calculation of actual vehicle revenue miles with transit agency staff and determine that they follow the stated procedures. Select a random sample of the source documents used to record charter and school bus mileage and test the arithmetical accuracy of the computations.

m. For actual vehicle revenue mile (VRM) data, document the collection and recording methodology and determine that deadhead miles are systematically excluded from the computation. This is accomplished as follows:

- If actual VRMs are calculated from schedules, document the procedures used to subtract missed trips. Select a random sample of the days that service is operated, and re-compute the daily total of missed trips and missed VRMs. Test the arithmetical accuracy of the summary.
- If actual VRMs are calculated from hubodometers, document the procedures used to calculate and subtract deadhead mileage. Select a random sample of the hubodometer readings and determine that the stated procedures for hubodometer deadhead mileage adjustments are applied as prescribed. Test the arithmetical accuracy of the summary of intermediate accumulations.
- If actual VRMs are calculated from vehicle logs, select random samples of the vehicle logs and determine that the deadhead mileage has been correctly computed in accordance with FTA definitions.

n. For rail modes, review the recording and accumulation sheets for actual VRMs and determine that locomotive miles are not included in the computation.

Exhibit 65 — Federal Funding Allocation Data Review Suggested Procedures

o. If fixed guideway or High Intensity Busway directional route miles (FG or HIB DRM) are reported, interview the person responsible for maintaining and reporting NTD data whether the operations meet FTA definition of fixed guideway (FG) or High Intensity Busway (HIB) in that the service is:

- Rail, trolleybus (TB), ferryboat (FB), or aerial tramway (TR); or
- Bus (MB, CB, or RB) service operating over exclusive or controlled access rights-of-way (ROW); and
    - Access is restricted;
    - Legitimate need for restricted access is demonstrated by peak period level of service D or worse on a parallel adjacent highway;
    - Restricted access is enforced for freeways; priority lanes used by other high occupancy vehicles (HOV) (i.e., vanpools (VP), carpools) must demonstrate safe operation; and
    - High Occupancy/Toll (HO/T) lanes meet FHWA requirements for traffic flow and use of toll revenues. The transit agency has provided the NTD a copy of the State's certification to the U.S. Secretary of Transportation stating that it has established a program for monitoring, assessing, and reporting on the operation of the HOV facility with HO/T lanes.

p. Discuss the measurement of FG and HIB DRM with the person reporting NTD data and determine that the he or she computed mileage in accordance with FTA definitions of FG/HIB and DRM. Inquire of any service changes during the year that resulted in an increase or decrease in DRMs. If a service change resulted in a change in overall DRMs, re-compute the average monthly DRMs, and reconcile the total to the FG/HIB DRM reported on the Federal Funding Allocation Statistics form.

q. Inquire if any temporary interruptions in transit service occurred during the report year. If these interruptions were due to maintenance or rehabilitation improvements to a FG segment(s), the following apply:

- Report DRMs for the segment(s) for the entire report year if the interruption is less than 12 months in duration. Report the months of operation on the FG/HIB segments form as 12. The transit agency should document the interruption.
- If the improvements cause a service interruption on the FG/HIB DRMs lasting more than 12 months, the transit agency should contact its NTD validation analyst to discuss. FTA will make a determination on how to report the DRMs.

r. Measure FG/HIB DRM from maps or by retracing route.

Exhibit 65 — Federal Funding Allocation Data Review Suggested Procedures

s. Discuss whether other public transit agencies operate service over the same FG/HIB as the transit agency. If yes, determine that the transit agency coordinated with the other transit agency (or agencies) such that the DRMs for the segment of FG/HIB are reported only once to the NTD on the Federal Funding Allocation form. Each transit agency should report the actual VRM, PMT, and OE for the service operated over the same FG/HIB.

t. Review the FG/HIB segments form. Discuss the Agency Revenue Service Start Date for any segments added in the 2014 report year with the persons reporting NTD data. This is the commencement date of revenue service for each FG/HIB segment. Determine that the date reported is the date that the agency began revenue service. This may be later than the Original Date of Revenue Service if the transit agency is not the original operator. If a segment was added for the 2014 report year, the Agency Revenue Service Date must occur within the transit agency's 2014 fiscal year. Segments are grouped by like characteristics. Note that for apportionment purposes, under the State of Good Repair (§5337) and Bus and Bus Facilities (§5339) programs, the 7-year age requirement for fixed guideway/High Intensity Busway segments is based on the report year when the segment is first reported by any NTD transit agency. This pertains to segments reported for the first time in the current report year. Even if a transit agency can document an Agency Revenue Service Start Date prior to the current NTD report year, FTA will only consider segments continuously reported to the NTD.

u. Compare operating expenses with audited financial data after reconciling items are removed.

v. If the transit agency purchases transportation services, interview the personnel reporting the NTD data on the amount of PT-generated fare revenues. The PT fare revenues should equal the amount reported on the Contractual Relationship form.

w. If the transit agency's report contains data for PT services and assurances of the data for those services are not included, obtain a copy of the IAS-FFA regarding data for the PT service. Attach a copy of the statement to the report. Note as an exception if the transit agency does not have an Independent Auditor Statement for the PT data.

x. If the transit agency purchases transportation services, obtain a copy of the PT contract and determine that the contract specifies the public transportation services to be provided; the monetary consideration obligated by the transit agency or governmental unit contracting for the service; the period covered by the contract (and that this period overlaps the entire, or a portion of, the period covered by the transit agency's NTD report); and is signed by representatives of both parties to the contract. Interview the person responsible for retention of the executed contract, and determine that copies of the contracts are retained for three years.

Exhibit 65 — Federal Funding Allocation Data Review Suggested Procedures

y. If the transit agency provides service in more than one UZA, or between an UZA and a non-UZA, inquire of the procedures for allocation of statistics between UZAs and non-UZAs. Obtain and review the FG segment worksheets, route maps, and urbanized area boundaries used for allocating the statistics, and determine that the stated procedure is followed and that the computations are correct.

z. Compare the data reported on the Federal Funding Allocation Statistics Form to data from the prior report year and calculate the percentage change from the prior year to the current year. For actual VRM, PMT or OE data that have increased or decreased by more than 10 percent, or FG DRM data that have increased or decreased. Interview transit agency management regarding the specifics of operations that led to the increases or decreases in the data relative to the prior reporting period.

aa. The auditor should document the specific procedures followed, documents reviewed, and tests performed in the work papers. The work papers should be available for FTA review for a minimum of three years following the NTD report year. The auditor may perform additional procedures, which are agreed to by the auditor and the transit agency, if desired. The auditor should clearly identify the additional procedures performed in a separate attachment to the statement as procedures that were agreed to by the transit agency and the auditor but not by FTA.

Requests

Transit agencies may experience changes and events during a report year that affect the Annual Report. In these cases, agencies may file a request. Requests can include:

- Extension Requests,
- Fixed Guideway and HIB Requests, or
- Special Requests, for either
- Strikes, or
- Natural Disaster Hold Harmless Adjustment

Extension Requests

Transit agencies may request a 30-day extension of the annual report deadline (e.g., extend the annual report deadline of October 31 to November 30). Typically, the NTD approves extension requests due to extenuating circumstances, such as:

- Natural Disasters,
- Audits, and
- Medical Leave

Transit agencies must request an extension through the NTD system prior to the annual report due date. FTA does not automatically grant extension requests.

Fixed Guideway and High Intensity Busway Requests

Transit agencies may change routes and expand or reduce service. For agencies that report service on fixed guideway or high intensity busway, changes may have a large effect on segment data. Transit agencies may request to modify, add, or delete segments.

Transit agencies must request fixed guideway changes or additions (and submit any necessary supporting documentation) at least 60 days prior to the Annual Report due date. FTA approves changes on a case-by-case basis and does not automatically approve a request.

Modifying Existing Segment Data

The NTD saves and populates segment data every year on a transit agency's behalf. If a transit agency identifies a change to reflect data that more accurate, the NTD may alter the existing segment. FTA considers segment changes on a case-by-case basis.

In the request, agencies must:

- Identify the segment by that segment code and name; and
- Describe the requested changes. This description must provide the existing and requested values for each change in a data field.

In its request, a transit agency must describe the reason for each change. In many cases, agencies request a segment modification because of a change in service. However, some transit agencies may identify a correction based on inaccurate data. If an agency requests a change because of a correction, the agency must provide detailed support for the correction and an explanation for why it submitted incorrect data in the prior year's report.

If an agency requests to change the length of a segment, it must attach detailed maps depicting the exact measurement.

Transit agencies may adjust the following information without prior NTD approval:

- One-way/Two-way — this is a service characteristic of how transit services operate over the segment, either one-way or two-way operations. This generally does not change.
- Out of Revenue Service Date — this is the date that a transit agency stops operating transit service on a segment. An agency should only report this information if it discontinues service; agencies should not include temporary reconstructions. Instead, transit agencies must document any temporary segment closures.

The following adjustments require FTA approval:

- Urbanized area change — the NTD uses the most current U.S. Census to create UZAs in the NTD system. Boundaries should not change unless the U.S. Bureau of the Census changes them. Therefore, segments should not change UZA location.
- Segment Name — the name of the segment using conventional standards that makes the segment readily identifiable. Segment names do not usually change.

- Begins At and Ends At — the beginning and ending points of the segment. Beginning and ending points do not change. If an agency discontinues service on a portion of the segment or extends the segment, it should add new segments (See discussion below).
- Length — the physical length of the segment reported to the nearest hundredth of a mile. Length should not change unless the segment was incorrectly measured or in the wrong location (UZA) in the prior report year.
- Segment Type (Bus (MB) and Commuter Bus (CB) and BRT (RB) only) — there are six categories describing the physical construction of the segment. This should not change unless an agency reconstructed the segment and its category has changed or the segment allows high occupancy/toll (HO/T) lane operation.
- Peak Level of Service (LOS) (CB, MB, RB only) — peak level of service (LOS) is periodically updated by state and local highway agencies. Agencies should check for updates to LOS information.
- Safe Operation (CB, MB, RB only) — this usually does not change, but agencies should review periodically.
- Hours Prohibited (CB, MB, RB and trolleybus (TB) only) — this usually does not change, but agencies should review periodically.
- Enforcement Hours (CB, MB, RB only) — this usually does not change, but agencies should review periodically.
- Original Date of Revenue Service — the date that public transit service was first operated on the segment by any transit agency. This date should not change.
- Agency Revenue Service Start Date — the date that a transit agency started operating revenue service. This date should not change.
- Out of Revenue Service Date — if a transit agency stopped operating transit service on the segment during the year, the agency should report the date that the agency no longer operated service (i.e., the day after the last date of revenue service). Other transit agencies may continue to operate on this segment.
- Months Operated — the number of months during the year that a transit agency operated on the segment. Unless a transit agency began or ended service on the segment during the year, this should be 12 months.
- TOS Claimed — this only applies if a transit agency operated both DO and PT services for the same mode on the same segment in the NTD Annual Report. If an agency adds a segment to both TOS, the agency must identify the segment on both Annual Reports on the fixed guideway form as either PT or DO. If, during a

prior year NTD Annual Report, an agency operated both PT and DO and operated only one TOS in the current year, the agency may need to correct the TOS claimed.

- NTD Agency Claiming Segment — this usually does not change unless agreed to by all the transit agencies operating service over the segment.
- Statutory BRT.
- Shoulder Lane (CB, MB, RB only) – identifies whether or not the segment is a shoulder lane.

Adding Pre-Existing and New Segment Data

Agencies may add segments to the Annual Report that either are new to the NTD or exist in another agency's report. If a transit agency uses a segment that already exists in the NTD, the agency should request to add that segment to its Annual Report. However, if the agency only operates on a portion of the segment or if it is a new segment to the NTD, the transit agency must submit an official request to add the segment.

When requesting new segments, transit agencies must provide details that support documentation such as:

- Maps (preferably engineering diagrams), which clearly identify each:
- Segment beginning and ending point, mile post markings preferred, and
- Segment length to the nearest hundredth of a mile, and other supporting documentation of the measurement
- Proof of when the segment went into revenue service so that the NTD can verify the agency revenue service start (a newspaper article or press release), and
- A schedule showing transit service on the segment

For apportionment purposes, FTA bases the 7-year age requirement for FG and HIB segments on the first report year that any transit agency reports the segment to the NTD. An agency must report the segment to the NTD for seven continuous report years before it meets the 7-year age requirement for the State of Good Repair program.

Ferry Fixed Guideway

FTA reviews each ferry system on a case-by-case basis. Agencies reporting ferry data must take care to report the shortest distance between the beginning and ending points of service. Ferry systems should not report more than one segment that crosses the waterway. For more information, please consult your NTD analyst.

Deleting Segment Data

Transit agencies must contact the NTD for FTA approval to delete segments. However, if a transit agency no longer operates service on a certain segment that is on the Annual Report, the agency should report an Out of Revenue Service Date. This indicates that the transit agency terminated service on this segment for a particular mode and type of service. If a transit agency ends service on a segment on the last day of its fiscal year, it must report the Out of Revenue Service Date as the first day of the following fiscal year.

Special Requests

FTA may make hold harmless adjustments to data in the apportionment to offset negative events (described below) that affected a transit agency's data during the year. Hold harmless adjustments are not automatic; a transit agency must make a request to receive any assistance through an adjustment.

If FTA approves a hold harmless adjustment request, a transit agency must still file the Annual Report and report actual data for the year. FTA would make the hold harmless adjustment by adjusting the data for apportionment purposes only. All publicly available NTD data would reflect the actual service data, as reported by the transit agency for the year.

Strikes

During the year, a transit agency may experience a strike that prohibits or negatively affects transit service. In this case, the CEO of the transit agency may make a request to FTA that identifies:

- The mode or modes affected
- The exact time and date that the strike began
- The exact time and date that the strike ended, and
- Supporting documentation (e.g., published news reports) for the duration of the strike

Natural Disaster Hold Harmless Adjustment

If a transit agency suffers a significant decrease in transit service due to a natural or manufactured disaster, the agency or the designated recipient for the urbanized area may make a hold harmless request.

The request must demonstrate that the transit agency meets all of the following criteria:

- A Federal disaster declaration is in place for at least a portion of the agency's service area for all or part of the report year;
- The decrease in transit service is a direct result of the disaster; and
- The decrease in transit service is temporary; thus, the reduced transit service levels are not reflective of the true transit needs of the area.

Disaster Hold Harmless Adjustments are not automatic. FTA grants these requests at its discretion and for one year only. If such an adjustment were granted, FTA would apportion funds based on the agency's prior report year Annual Report.

Appendix A — Audit Templates

Independent Auditor Statement for Financial Data

Exhibit 66 — Independent Auditor Statement for Financial Data

Instruction: The IAS-FD file copy should be on the independent auditor's letterhead and should be kept on file by the transit agency

The Board of Trustees

Transit Agency Name

In connection with our regular examination of the financial statements of **[agency name]**, for the fiscal year ended **[date]**, on which we have reported separately under **[date of auditor's statement]**, we have also reviewed the reporting forms listed below and included in the report for the fiscal year ended **[date]**, required under Title 49 U.S.C. 5335(a), for conformity in all material respects with the requirements of the Federal Transit Administration (FTA) as set forth in its applicable National Transit Database (NTD) Uniform System of Accounts (USOA). Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We did not make a detailed examination such as would be required to determine that each transaction has been recorded in accordance with the USOA.

Instruction: Select one of the following two paragraphs for inclusion in your Statement:

The accounting system from which this NTD report is derived follows the accounting system prescribed by the USOA. The same accounting system has been adopted and was used to compile this NTD report.

or

The accounting system from which this NTD report is derived is other than the accounting system prescribed by the USOA, but uses the accrual basis of accounting and is directly translated, using a clear audit trail, to the accounting treatment and categories specified by the USOA. The same internal accounting system has been adopted and was used to compile this NTD report.

Instruction: Submit a list of the specific financial forms being reported upon:

- Sources of Funds — Funds Earned and Funds Expended form
- Uses of Capital form
- Operating Expenses forms

Based on our review, the accompanying reporting forms identified above conform in all material respects with the accounting requirements of FTA as set forth in its USOA.

Signed: Date:

Title:

City:

Independent Auditor Statement for Federal Funding Allocation Data

Exhibit 67 — Independent Auditor Statement for Federal Funding Allocation Data

Instruction: The IAS-FFA file copy should be on the independent auditor's letterhead and should be kept on file by the transit agency

FTA has established the following standards with regard to the data reported to it in the Federal Funding Allocation Statistics form of the transit agency's annual National Transit Database (NTD) report:

- A system is in place and maintained for recording data in accordance with NTD definitions. The correct data are being measured and no systematic errors exist.
- A system is in place to record data on a continuing basis, and the data gathering is an ongoing effort.
- Source documents are available to support the reported data and are maintained for FTA review and audit for a minimum of three years following FTA's receipt of the NTD report. The data are fully documented and securely stored.
- A system of internal controls is in place to ensure the data collection process is accurate and that the recording system and reported comments are not altered. Documents are reviewed and signed by a supervisor, as required.
- The data collection methods are those suggested by FTA or otherwise meet FTA requirements.
- The deadhead miles, computed as the difference between the reported total actual vehicle miles data and the reported total actual VRM data, appear to be accurate.
- Data are consistent with prior reporting periods and other facts known about transit agency operations.

We have applied the procedures to the data contained in the accompanying FFA-10 form for the fiscal year ending **[date]**. Such procedures, which were agreed to and specified by FTA in the Declarations section of the 2016 Policy Manual and were agreed to by the transit agency, were applied to assist you in evaluating whether the transit agency complied with the standards described in the first paragraph of this part and that the information included in the NTD report Federal Funding Allocation Statistics form for the fiscal year ending **[date]** is presented in conformity with the requirements of the Uniform System of Accounts (USOA) and Records and Reporting System; Final Rule, as specified in 49 CFR Part 630, Federal Register, dated January 15, 1993, and as presented in the 2016 Policy Manual. Additional procedures performed (if any), which are agreed to by the transit agency but not by FTA, are described in a separate attachment to this report. This report is intended solely for your information and for FTA and should not be used by those who did not participate in determining the procedures. The procedures were applied separately to each of the information systems used to develop the reported actual VRM, FG DRM, PMT, and OE of **[transit agency name]** for the fiscal year ending **[date]** for each of the following modes:

[List each mode by type of service (TOS) (directly operated (DO) or purchased transportation (PT)).]

The following information and findings came to our attention as a result of performing the procedures described in the attachments to this report:

[Itemize all information and findings. If none, so state.]

In performing the procedures, except for the information and findings described above, the information included in the NTD report on the Federal Funding Allocation Statistics form for the fiscal year ending **[date]** is presented fairly, in all material respects, with the requirements of the USOA and Records and Reporting System; Final Rule, as specified in 49 CFR Part 630, Federal Register, dated January 15, 1993, and as presented in the 2016 Policy Manual.

Appendix B — Asset Codes

Ownership Codes

Exhibit 68 — Ownership Types	
1	LPPA – Leased under lease purchase agreement by a public agency
2	LPPE – Leased under lease purchase agreement by a private entity
3	LRPA – Leased or borrowed from related parties by a public agency
4	LRPE – Leased or borrowed from related parties by a private entity
5	OOPA – Owned outright by public agency (includes safe harbor leasing agreements where only the tax title is sold)
6	OOPE – Owned outright by private entity (includes safe harbor leasing agreements where only the tax title is sold)
7	TLPA – True lease by a public agency
8	TLPE – True lease by a private entity
9	Other

Vehicle Type

Exhibit 69 — Vehicle Types			
AB	Articulated bus	MO	Monorail/Automated Guideway
AG	Automated guideway vehicle	MV	Minivan
AO	Automobile	RL	Commuter rail locomotive
BR	Over-the-road bus	RP	Commuter rail passenger coach
BU	Bus	RS	Commuter rail, self-propelled passenger car
CC	Cable car	SB	School bus
CU	Cutaway	SV	Sports utility vehicle (SUV)
DB	Double decker bus	TB	Trolleybus
FB	Ferryboat	TR	Aerial tramway vehicle
HR	Heavy rail passenger car	VN	Van
LR	Light rail vehicle	VT	Vintage trolley/streetcar
IP	Inclined plane vehicle		

Funding Sources

Exhibit 70 — Funding Sources	
1	UA — Urbanized Area Formula Program
2	OF — Other Federal funds
3	NFPA — Non-Federal public funds
4	NFPE — Non-Federal private funds

Rail Manufacturer Codes

Exhibit 71 — Rail Manufacturer Codes					
ABB	Asea Brown Boveri Ltd.	DHI	Daewoo Heavy Industries	MSR	Market Street Railway
ACF	American Car and Foundry Company	DWC	Duewag Corporation	PCF	PACCAR (Pacific Car and Foundry Company)
AEG	AEG Transportation Systems	FCH	Ferries and Cliff House Railway	PST	Pullman-Standard
ALS	ALSTOM Transport	GEC	General Electric Corporation	PTC	Perley Thomas Car Company
ALW	ALWEG	GMC	General Motors Corporation	RHR	Rohr Corporation
AMI	Amrail Inc.	GTC	Gomaco Trolley Company	SDU	Siemens Mass Transit Division
ASK	AAI/Skoda	HIT	Hitachi	SFB	Societe Franco-Belge De Material
BBB	Blue Bird Corporation	HSC	Hawker Siddeley Canada	SFM	San Francisco Muni
BEC	Brookville Equipment Corporation	INE	Inekon Group, a.s.	SLC	St. Louis Car Company
BFC	Breda Transportation Inc.	JCC	Jewett Car Company	SOF	Soferval
BLM	Boise Locomotive Works	JHC	John Hammond Company	SOJ	Sojitz Corporation of America
BOM	Bombardier Corporation	KAW	Kawasaki Rail Car Inc.	SUM	Sumitomo Corporation

Exhibit 71 — Rail Manufacturer Codes					
BUD	Budd Company	KIN	Kinki Sharyo USA	TCC	Tokyu Car Company
BVC	Boeing Vertol Company	MAF	Mafersa	USR	US Railcar
CAF	Construcciones Auxiliar de Ferrocarriles	MBB	M.B.B.	UTD	UTDC Inc.
CBR	Carter Brothers	MBR	Mahoney Brothers	WAM	Westinghouse-Amrail
CSC	California Street Cable Railroad Company	MKI	American Passenger Rail Car Company	WLH	W. L. Holman Car Company
CVL	Canadian Vickers Ltd.	MPT	Motive Power Industries	ZZZ	Other (Describe)

Non-Rail Manufacturer Codes

Exhibit 72 — Non-Rail Manufacturer Codes

AAI	Allen Ashley Inc.	EDN	ElDorado National (formerly El Dorado/EBC/Nat. Coach/ NCC	NEO	Neoplan - USA Corporation
ABI	Advanced Bus Industries	EII	Eagle Bus Manufacturing	NFA	New Flyer of America
ACF	American Car and Foundry Company	ELK	Elkhart Coach (Division of Forest River, Inc.)	NOV	NOVA Bus Corporation
ACI	American Coastal Industries	FDC	Federal Coach	OBI	Orion Bus Industries Ltd. (formerly Ontario Bus Industries)
AEG	AEG Transportation Systems	FIL	Flyer Industries Ltd (aka New Flyer Industries)	OCC	Overland Custom Coach Inc.
AII	American Ikarus Inc.	FLT	Flxette Corporation	OTC	Oshkosh Truck Corporation
ALL	Allen Marine, Inc.	FLX	Flexible Corporation	PCI	Prevost Car Inc.
ALX	Alexander Dennis Limited	FRC	Freightliner Corporation	PLY	Plymouth Division-Chrysler Corp.
AMD	AMD Marine Consulting Pty Ltd	FRD	Ford Motor Corporation	PST	Pullman-Standard
AMG	AM General Corporation	FRE	Freeport Shipbuilding, Inc.	PTE	Port Everglades Yacht & Ship
AMT	AmTran Corporation	FSC	Ferrostaal Corporation	RIC	Rico Industries
ARB	Arboc Mobility LLC	GCC	Goshen Coach	SBI	SuperBus Inc.

Exhibit 72 — Non-Rail Manufacturer Codes					
ASK	AAI/Skoda	GCA	General Coach America, Inc.	SHI	Shepard Brothers Inc.
ATC	American Transportation Corporation	GEO	GEO Shipyard, Inc.	SCC	Sabre Bus and Coach Corp. (form. Sabre Carriage Comp.)
AZD	Azure Dynamics Corporation	GIL	Gillig Corporation	SPC	Startrans (Supreme Corporation)
BBB	Blue Bird Corporation	GIR	Girardin Corporation	SPC	Supreme Corporation
BFC	Breda Transportation Inc.	GLF	Gulf Craft, LLC	SPR	Spartan Motors Inc.
BIA	Bus Industries of America	GLH	Gladding Hearn	SSI	Stewart Stevenson Services Inc.
BLN	Blount Boats, Inc.	GLV	Glaval Bus	STE	Steiner Shipyards, Inc.
BOM	Bombardier Corporation	GMC	General Motors Corporation	STR	Starcraft
BOY	Boyertown Auto Body Works	GML	General Motors of Canada Ltd.	SUB	Subaru of America or Fuji Heavy Industries Ltd.
BRA	Braun	GOM	Gomaco	SUL	Sullivan Bus & Coach Limited
BRX	Breaux's Bay Craft, Inc.	HMC	American Honda Motor Company, Inc.	SVM	Specialty Vehicle Manufacturing Corporation
CBC	Collins Bus Corporation (form. Collins Industries Inc./COL)	HSC	Hawker Siddeley Canada IKU — Ikarus USA Inc.	TBB	Thomas Built Buses

Exhibit 72 — Non-Rail Manufacturer Codes

CBW	Carpenter Industries LLC (form. Carpenter Manufacturing Inc.)	INT	International	TEI	Trolley Enterprises Inc.
CCC	Cable Car Concepts Inc.	IRB	Renault & Iveco	TMC	Transportation Manufacturing Company
CCI	Chance Bus Inc. (formerly Chance Manufacturing Company/CHI)	KIA	Kia Motors	TOU	Tourstar
CEQ	Coach and Equipment Manufacturing Company	KKI	Krystal Koach Inc.	TOY	Toyota Motor Corporation
CHA	Chance Manufacturing Company	MAN	American MAN Corporation	TRN	Transcoach
CHR	New Chrysler	MBZ	Mercedes Benz	TRT	Transteq
CMC	Champion Motor Coach Inc.	MCI	Motor Coach Industries International (DINA)	TRY	Trolley Enterprises
CMD	Chevrolet Motor Division — GMC	MDI	Mid Bus Inc.	TTR	Terra Transit
CVL	Canadian Vickers Ltd.	MER	Ford or individual makes	TTT	Turtle Top
DAK	Dakota Creek Industries, Inc.	MNA	Mitsubishi Motors; Mitsubishi Motors North America, Inc.	VAN	Van Hool N.V.
DER	Derecktor	MOL	Molly Corporation	VOL	Volvo
DIA	Diamond Coach Corporation (formerly Coons Mfg. Inc./CMI)	MTC	Metrotrans Corporation	VTH	VT Halter Marine, Inc. (includes Equitable Shipyards, Inc.)

Exhibit 72 — Non-Rail Manufacturer Codes					
DKK	Double K, Inc. (form. Hometown Trolley)	NAB	North American Bus Industries Inc. (form. Ikarus USA Inc./IKU)	WCI	Wheeled Coach Industries Inc.
DMC	Dina/Motor Coach Industries (MCI)	NAT	North American Transit Inc.	WDS	Washburn & Doughty Associates, Inc.
DTD	Dodge Division — Chrysler Corporation	NAV	Navistar International Corporation (also known as International/INT)	WOC	Wide One Corporation
DUC	Dutcher Corporation	NBB	Nichols Brothers Boat Builders	WTI	World Trans Inc. (also Mobile—Tech Corporation)
DUP	Dupont Industries	NBC	National Mobility Corporation	WYC	Wayne Corporation (form. Wayne Manufacturing Company/WAY)
EBC	ElDorado Bus (EBC Inc.)	NCC	National Coach Corporation	ZZZ	Other (Describe)
EBU	Ebus, Inc.				

Fuel Codes

Exhibit 73 — Fuel Types	
BD	Bio-diesel
BF	Bunker fuel (low grade of diesel fuel often used in ferryboat operations)
CN	Compressed natural gas (CNG)
DF	Diesel fuel
DU	Dual fuel
EB	Electric battery
EP	Electric propulsion
ET	Ethanol
GA	Gasoline
HD	Hybrid diesel
HG	Hybrid gasoline
HY	Hydrogen
KE	Kerosene
LN	Liquefied natural gas (LNG)
LP	Liquefied petroleum gas (LPG)
MT	Methanol

Appendix C—APC Certification Checklist

General Guidelines:

- Different modes and types of service should be sampled separately.
- A wide range of trips provides the best sample – passenger load is an important consideration.
- Sample all types of APC model, as the technology may perform differently.
- If less than 100% of the fleet is equipped, make sure to include all vehicle models/configurations in the sample. The error rate of the APCs could be different depending on door geometry.

APC Checklist:

- Does the agency have a plan to conduct the triennial maintenance study?
- Have they included this plan in their benchmarking application?
- What mode(s) and types of service are applying to use APCs?
- What percent of the fleet is APC-equipped?
- Did the agency sample the required number of trips based on number of VOMS?
- How did the agency collect the manual counts?
- Did someone validate the manual data afterwards to look for errors?
- Did the agency use a dedicated ride-checker or did the driver record the sample?
- Did the agency have a ride-checker at each door for crowded trips?
- Did the agency include all types of APC hardware and all models of APC-equipped vehicle in its parallel sample?
- What percentage of APC data is discarded by the agency's data-scrubbing algorithms?
- What is the percent difference between the APC and manual count of UPT? (should be less than 5%)
- What is the percent difference between the APC and manual count of PMT? (should be less than 5%)
- Did the agency use the same set of interstop distances for the manual and APC counts?

- Did the passenger load ever drop below zero? (indicating undercounting boardings or overcounting alightings)? Are boardings equal to alightings? Is the passenger load zero at the terminal for routes not operating on a loop?