



U.S. Department
of Transportation
**Federal Transit
Administration**

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November 13, 2014

Mr. Jay Davidson
Chairman, Board of Directors
TAPS Public Transit
P.O. Box 1299
Decatur, TX 76234

Re: Federal Transit Administration FY 2014 Triennial Review – Final Report

Dear Mr. Davidson:

This report documents the Federal Transit Administration's (FTA) Triennial Review of the Texoma Area Paratransit System (TAPS) of Sherman, Texas. This review is required by Chapter 53 of Title 49, United States Code, Section 5307. Although less exacting than an audit, the Triennial Review is the FTA's assessment of TAPS' compliance with Federal requirements, determined by examining a sample of grant management and program implementation practices. As such, the Triennial Review is not intended as, nor does it constitute a comprehensive and final review of compliance with grant requirements.

The Triennial Review focused on TAPS' compliance in 17 areas. No deficiencies were found with the FTA requirements in seven areas. Deficiencies were found in 10 areas: Financial Management and Financial Capacity, Technical Capacity, Maintenance, ADA, Title VI, Procurement, DBE, Satisfactory Continuing Control, Planning/POP and EEO. This was the first Triennial Review of TAPS.

Thank you for your cooperation and assistance during this Triennial Review. If you need any technical assistance or have any questions, please do not hesitate to contact Abel Ayala at (817) 978-0560 or abel.ayala@dot.gov or Andrew Lynd at (856) 404-2040 or alynd@pierlottassociates.com.

Sincerely,

Robert C. Patrick
Regional Administrator

Enclosure

Cc w/enclosure: Brad Underwood, CEO, TAPS

FINAL REPORT

FY2014 TRIENNIAL REVIEW

of the

**Texoma Area Paratransit System
[TAPS]
Sherman, Texas
Recipient ID: 6995**

Performed for:

**U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
REGION 6**

Prepared by:

**Pierlott & Associates, LLC
(under subcontract to Interactive Elements, Inc.)**

**Scoping Meeting Date: June 11, 2014
Site Visit Dates: September 25-26, 2014
Final Report Date: November 13, 2014**

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I. Executive Summary

This report documents the Federal Transit Administration’s (FTA) Triennial Review of the Texoma Area Paratransit System of Sherman, Texas. The review was performed by the Interactive Elements, Inc. team. During the site visit, administrative and statutory requirements were discussed and documents were reviewed. The TAPS transit facilities were toured to provide an overview of activities related to FTA-funded projects. It is important to note that this is the first Triennial Review of TAPS.

The Triennial Review focused on TAPS’ compliance in 17 areas. Deficiencies were found in the areas listed below.

Review Area	Deficiencies	
	Code	Description
Financial Management and Financial Capacity	D-56	Excess cash problems
	D-80	Insufficient effective control
	D-254	Single audit submissions deficient
	D-276	Ineligible expenses charged to grant
Technical Capacity	D-38	Late MPRs/FFRs
Maintenance	D-48	Vehicle maintenance plan incomplete or out of date
	D-88	Late vehicle preventive maintenance
	D-273	Violation of procedures to ensure maintenance of accessible features
ADA	D-536	ADA complementary paratransit service not provided
Title VI	D-246	Title VI Service standards and/or policies lacking
Procurement	D-265	Pre-award and/or post-delivery certifications lacking
DBE	D-327	DBE uniform reports not submitted semi-annually
Satisfactory Continuing Control	D-58	Inadequate equipment records
Planning/ POP	D-55	Elements missing in POP public participation procedures
	D-93	POP public notice deficiencies
EEO	D-44	EEO program not submitted or expired

II. Review Background and Process

1. Background

The United States Code, Chapter 53 of Title 49, requires the FTA of the United States Department of Transportation (USDOT) to perform reviews and evaluations of Urbanized Area Formula Grant activities at least every three years. This requirement is contained in 49 U.S.C. 5307(i). This review was performed in accordance with FTA procedures (published in FTA Order 9010.1B, April 5, 1993). At least once every three years, the Secretary shall review and evaluate completely the performance of a grantee in carrying out its program, specifically

referring to compliance with statutory and administrative requirements.

The Triennial Review includes a review of the grantee's compliance in 17 areas. The basic requirements for each of these areas are summarized in Section IV.

This report presents the findings from the Triennial Review of the Texas Area Paratransit System (TAPS) of Sherman, Texas. The review concentrated on procedures and practices employed during the past three years; however, coverage was extended to earlier periods as needed to assess the policies in place and the management of grants. The specific documents reviewed are referenced in this report and are available at FTA's Region 6 Office or at the grantee's office.

2. Process

The Triennial Review process includes a pre-review assessment, a review scoping meeting with the FTA regional office, and an on-site visit to the grantee's location. This is the first Triennial Review of TAPS. The review scoping meeting was conducted with the Region 6 Office on June 11, 2014. Necessary files retained by the regional office were sent to the reviewer electronically. A review package was sent to TAPS advising it of the site visit and indicating information that would be needed and issues that would be discussed. The site visit to Sherman occurred on September 25-26, 2014.

The onsite portion of the review began with an entrance conference, in which the purpose of the Triennial Review and the review process were discussed. The remaining time was spent discussing administrative and statutory requirements and reviewing documents. A tour of the TAPS transit facilities was conducted to provide an overview of activities related to FTA-funded projects. A sample of maintenance records for FTA-funded vehicles and equipment was also examined during the site visit. Upon completion of the review, a summary of preliminary findings was provided to TAPS at an exit conference. The individuals participating in the review are listed in Section VI of this report.

3. Metrics

The metrics used to evaluate whether a grantee is meeting the requirements for each of the areas reviewed are:

- *Not Deficient*: An area is considered not deficient if, during the review, no findings were noted with the grantee's implementation of the requirements.
- *Deficient*: An area is considered deficient if all of the requirements within the area reviewed were not met.
- *Not Applicable*: An area can be deemed not applicable if, after an initial assessment, the grantee does not conduct activities for which the requirements of the respective area would be applicable.

III. Grantee Description

Organization

The Texoma Area Paratransit System (TAPS) is a political subdivision of the State of Texas, operating as TAPS Public Transit. TAPS Public Transit is a private, non-profit corporation. TAPS originated as a van and a station wagon ride service in 1986, supported by thirteen separate Senior Centers and communities in Fannin, Grayson, and Cooke Counties. TAPS was created, through an effort led by the Area Agency on Aging, to maximize resources in order to address the regional transportation needs.

In July 2013, through an agreement with the Collin County Commission, TAPS assumed the operations of the former Collin County Area Regional Transit system (CCART) of McKinney, Texas. TAPS operates most services in-house, but contracts with Lone Star Coach for certain express route service and with First Transit Inc. to manage, Transit Management of Sherman, Inc., the operating company for TAPS.

Services

TAPS provides local fixed-route service in the cities of Allen, Denison, Sherman and McKinney, commuter and express fixed-route services between McKinney and Sherman, between Sherman and Durant, Oklahoma, and provides feeder connection routes from Allen, Sherman and McKinney to the Dallas Area Rapid Transit (DART) Parker Road light rail station in Plano, Texas.

In the summer of 2014, TAPS Public Transit was awarded a 3-year contract from the Texas Health and Human Services Commission to provide Non-Emergency Medical Transportation (NEMT) to members of the state's Medicaid program. The contract directs TAPS Access to provide NEMT services to a 16-county region of North Texas, including Archer, Baylor, Clay, Cooke, Cottle, Fannin, Foard, Grayson, Hardeman, Jack, Montague, Wilbarger, Wichita, Wise and Young counties.

Weekday demand response transit service is provided from 5:00 a.m. to 6:00 p.m. and Saturdays from 8:00 a.m. to 3:00 p.m. There is no Sunday demand response service. Fixed-route service operates weekdays from 6:00 a.m. to 11:45 p.m., depending on the route; Saturdays 8:45 a.m. to midnight (Allen and Sherman/Denison only); and from 10:00 a.m. to 9:00 p.m. on Sundays (Allen only).

The basic adult fare for local bus service is \$1.00. Seniors, persons with disabilities, and Medicare cardholders ride at no charge during all hours. TAPS also offers monthly passes with unlimited daily rides. Fares for demand response services are \$2.00 for in-town rides, \$3.00 for out-of-town rides, and \$4 for out-of-county rides.

TAPS utilizes 37 buses for its fixed route service. The fleet is comprised of 25 to 40-foot standard buses and body-on-chassis buses. TAPS requires 15 buses for peak service. TAPS has approximately 110 additional vehicles in its demand response fleet, consisting of vans and body-on-chassis vehicles. All of the fixed-route buses and most of the demand response vehicles are ADA accessible. The non-accessible vehicles are used for demand response service for individuals not requiring use of a lift. TAPS service operates from six bus garages: two in

Sherman and one each in McKinney, Gainesville, Decatur and Bonham, Texas. TAPS operates from an administrative and operations center located on Texoma Parkway in Sherman. TAPS has four transit centers: two in Allen and one each in Sherman and McKinney.

TAPS' National Transit Database Report for FY2013 provided the following financial and operating statistics for its fixed-route and paratransit service:

	Fixed-Route Service	Commuter Bus	Demand Response
Vehicle Revenue Miles	157,748	486,214	2,121,289
Vehicle Revenue Hours	9,098	14,978	113,214
Operating Expenses	\$258,816	\$717,486	\$4,357,694

Grant Activity

Below is a list of TAPS' active grants at the time of the review.

Grant Number	Grant Amount	Year Executed	Description
TX-90-Y005	\$800,536	2013	FY2013 Sherman UZA Gov Appor
TX-90-Y025	\$1,496,580	2013	FY2013 McKinney UZA Gov Appor
TX-90-Y109	\$1,127,706	2014	FY2013 McKinney UZA Capital & Operating
TX-90-Y111	\$5,290,998	2014	FY2014 McKinney UZA Operating
TX-90-Y112	\$2,329,894	2014	FY2014 Sherman UZA Operating

Completed Projects

In the past three years, TAPS has begun operating public transit services in Collin County, Texas, expanded its Sherman/Denison fixed-routes, assumed operation of McKinney fixed-route service, and added commuter routes in McKinney and Allen, Texas. TAPS has worked diligently as the lead agency to coordinate RCT-related planning activities in Cooke, Fannin, and Grayson Counties. TAPS also established the Red River Route, a JARC project that shuttles commuters back and forth between Sherman, TX and Durant, OK.

Projects Underway

TAPS is developing and implementing a number of JARC Routes in Collin County. Thus far, TAPS has established JARC routes from McKinney to Plano and from Allen to Plano. TAPS is also in the planning phase for four additional JARC routes within Collin County.

Future Projects

TAPS will soon begin construction on a new multimodal facility in Sherman, TX. TAPS is also developing a multitude of Feeder Routes/Commuter Routes throughout its seven-county service area (such as a route from Decatur to Fort Worth).

IV. Results of the Review

1. Financial Management and Financial Capacity

Basic Requirement: The grantee must demonstrate the ability to match and manage FTA grant funds, cover cost increases and operating deficits, cover maintenance and operational costs for FTA funded facilities and equipment, as well as conduct and respond to applicable audits.

Finding No. 1: During this Triennial Review of TAPS, deficiencies were found with the FTA requirements for Financial Management and Financial Capacity. A review of a sample of TAPS' ECHO drawdowns revealed that in two of the drawdowns examined, TAPS took longer than three business days to disburse the federal funds drawn down for capital expenses. TAPS drew \$750,000 on July 29, 2013 to pay for the purchase of four buses. The checks issued to disburse those funds were dated August 6, September 25 and November 18, 2013. On another occasion, TAPS drew \$274,975 on January 29, 2013 to pay for the purchase of five vehicles. The check issued to disburse those funds was dated March 1, 2013.

Corrective Action(s) and Schedule: No later than March 2, 2015, TAPS must provide the FTA Region 6 Office with a complete accounting of all instances in which it drew down funds that were held for longer than three business days before being disbursed, and work with the FTA Region 6 Office to determine if interest is owed to the Federal Treasury. TAPS also must submit to the FTA Region 6 Office procedures addressing the requirement that FTA funds be disbursed within three business days.

Finding No. 2: During the review of the Financial Management area, it was discovered that there was a lack of segregation of duties in the TAPS ECHO drawdown process. The drawdowns were created, approved, and drawn down by the TAPS Chief Financial Officer, with no oversight from other TAPS personnel.

Corrective Action(s) and Schedule: No later than March 2, 2015, TAPS must submit to the FTA Region 6 Office a process documenting that the duties for preparing and drawing ECHO requests have been segregated among different personnel, and that the approving/authorized official approves each ECHO request.

Finding No. 3: Due to changes in external audit personnel and other issues, the TAPS FY2012 A-133 single audit was not completed until January 2014. The TAPS fiscal year runs from October 1 to September 30 each year. Several deficiencies and material weaknesses were identified in the FY2012 audit related to the DOT program. TAPS did not submit a copy of the single audit to the FTA Region 6 Office, nor did it submit a copy of the TAPS management response to the audit findings. TAPS provided a copy of the FY2012 single audit to the FTA during the site visit. TAPS also had not been uploading the SF-SAC single audit summary reports into the Federal Audit Clearinghouse (FAC) as required. That issue was identified by the FY2012 single audit, and prior to the Triennial Review site visit, TAPS uploaded several years worth of SF-SAC reports into the FAC. The FY2013 TAPS single audit was still being completed at the time of the site visit and is expected to be released sometime in October 2014. TAPS indicated additional deficiencies would be identified in the FY2013 audit.

Corrective Action(s) and Schedule: No later than March 2, 2015, TAPS must submit the FY2013 single audit and FY2012 and FY2013 management response comments to the FTA Region 6 Office, along with a documented process that describes how TAPS will ensure that future audit and/or SF-SAC submissions are completed on time.

Finding No. 4: In July 2013, through an agreement with the Collin County Commission, TAPS assumed the operations of the former Collin County Area Regional Transit system (CCART). TAPS also was to receive the FTA CCART/McKinney UZA apportionment funding to assist in operating the Collin County service. Due to delays in getting the federal funding, TAPS experienced a funding shortfall for operations and drew down capital funds from one of its existing active grants to cover its operating deficit. TAPS did not notify FTA of its intentions to use its capital funds to cover the operating deficit. TAPS made an ECHO adjustment of (-) \$1,427,205 in grant TX-90-Y109 on August 27, 2014 to reimburse FTA for the capital funds it drew down for operating purposes.

Corrective Action(s) and Schedule: No later than March 2, 2015, TAPS must work with the FTA Region 6 Office to fully account for and document the ECHO drawdown(s) of capital funds used for reimbursement of operating expenses and determine if reimbursement is due to FTA for ineligible drawdowns charged to grants.

2. Technical Capacity

Basic Requirement: The grantee must be able to implement FTA funded projects in accordance with the grant application, Master Agreement, and all applicable laws and regulations, using sound management practices.

Finding: During this Triennial Review of TAPS, deficiencies were found with the FTA requirements for Technical Capacity. TAPS has not been consistently submitting the MPR and FFR reports for its active grants in the TEAM system. TAPS is required to report annually, but no MPR and FFR reports could be found in the TEAM system for the two active grants that would have required reports for FY2013, TX-90-Y005 and TX-90-Y025. As TAPS now is getting funding for both large and small UZA operations, FTA has requested that TAPS begin submitting quarterly reports for its large UZA grants (McKinney UZA) and annually for the small UZA grants (Sherman UZA).

Corrective Action(s) and Schedule: No later than October 30, 2014, TAPS must enter its year-end MPR/FFR report(s) for the 4th quarter FY2014 for all active grants into TEAM and also submit procedures for submitting reports on time (quarterly for McKinney UZA grants; annually for Sherman UZA grants). TAPS must email the FTA regional office when reports are submitted.

3. Maintenance

Basic Requirement: Grantees and subrecipients must keep federally funded vehicles, equipment and facilities in good operating condition. Grantees and subrecipients must keep ADA accessibility features on all vehicles, equipment and facilities in good operating order.

Finding No. 1: During this Triennial Review of TAPS, deficiencies were found with the FTA requirements for Maintenance. During the review of vehicle preventive maintenance records, it was observed that only one inspection record was available for one of the vehicles chosen. Records also appeared to be missing from three other vehicles inspected, as large gaps were noted in the inspection histories, indicating records were missing from the preventive maintenance folders.

Corrective Action(s) and Schedule: No later than March 2, 2015, TAPS must submit to the FTA Region 6 Office a revised maintenance program/plan that includes procedures for keeping adequate and complete preventive maintenance records and submit evidence that the revised program has been implemented.

Finding No. 2: TAPS is not performing preventive maintenance inspections on time. TAPS has established preventive maintenance intervals of 3,000, 5,000 and 7,000 miles for its transit vehicles, depending on the type of vehicle. A sample of preventive maintenance records was examined for three fixed-route and two demand response transit vehicles (a third demand response vehicle chosen had recently been placed out of service with the intention to dispose of the vehicle, so no record was available). Preventive maintenance inspections were performed on time in zero percent of the demand response intervals sampled and 30.7 percent of the fixed-route intervals sampled.

Corrective Action(s) and Schedule: No later than March 2, 2015, TAPS must submit to the FTA Regional Office procedures for completing preventive maintenance inspections on time. Beginning December 10, 2014, TAPS also must submit a report signed by the TAPS CEO on its preventive maintenance interval results monthly until the data demonstrates TAPS has conducted at least 80 percent of its preventive maintenance on time for three consecutive months. For each revenue vehicle that received a preventive maintenance inspection during the month, TAPS will include with the submittal a report that lists the bus number, date of the inspection, mileage of the current inspection, mileage of the previous inspection, the mileage interval between the two inspections and the percentage of the inspections performed on time. TAPS must submit back-up documentation for each vehicle inspected (e.g., copy of work order, printout of completed inspection from maintenance system) documenting the date and mileage of the inspection.

Finding No. 2: During the review of vehicle preventive maintenance inspections, it was observed that the PM checklists did not include preventive maintenance inspections for ADA accessible equipment or features. Thus, a determination could not be made as to whether, or how often, ADA accessible equipment maintenance is being performed.

Corrective Action(s) and Schedule: No later than March 2, 2015, TAPS must revise its preventive maintenance inspection sheets to include maintenance of accessibility features and submit evidence of implementation to the FTA Region 6 Regional Civil Rights Officer (RCRO).

4. Americans with Disabilities Act

Basic Requirement: Titles II and III of the Americans with Disabilities Act of 1990 (ADA) provide that no entity shall discriminate against an individual with a disability in connection with

the provision of transportation service. The law sets forth specific requirements for vehicle and facility accessibility and the provision of service, including complementary paratransit service.

Finding: During this Triennial Review of TAPS, deficiencies were found with the USDOT requirements for ADA. TAPS took over the CCART fixed-route service in July 2013. TAPS also operates local fixed-route service in the Sherman-Denison, TX area and in the city of Allen, TX. While TAPS has an extensive general public demand response transit service in its seven-county service area that includes these three cities, TAPS has not established an ADA complementary paratransit system for its fixed-route system. While TAPS is providing demand response service for anyone who requests it in the McKinney, Sherman-Denison and Allen areas, the demand response service does not operate during all of the same days and hours as the fixed-route services. TAPS is currently in the process of developing a complementary paratransit system and anticipates presenting the paratransit plan to its Board of Directors for approval in November 2014.

Corrective Action and Schedule: No later than March 2, 2015, TAPS must submit to the FTA RCRO a plan for implementing ADA complementary paratransit service and to report quarterly on the progress in meeting the plan.

5. Title VI

Basic Requirement: The grantee must ensure that no person shall, on the grounds of race, color, or national origin, be excluded from participating in, or be denied the benefits of, or be subject to discrimination under any program or activity receiving federal financial assistance without regard to whether specific projects or services are federally funded. The grantee must ensure that federally supported transit services and related benefits are distributed in an equitable manner.

Note: The 2014 Triennial Review covers a three-year period in which the FTA issued a revised circular for Title VI, which provided more information on how to comply and changed requirements for some grantees with populations over 200,000 persons. As of October 1, 2012, grantees must comply with the requirements of FTA C 4702.1B. The Triennial Review will look at compliance with the requirement of FTA C 4702.1A for the period prior to October 1, 2012, and compliance with the revised circular for activities after this date.

Finding: During this Triennial Review of TAPS, deficiencies were found with the FTA requirements for Title VI. TAPS uploaded its Title VI Program in TEAM on February 19, 2014. The current status is listed as “In Review”. A review of the Title VI Program showed that TAPS did not include fixed-route service standards in the plan as required by Chapter 4.4 of FTA Circular 4702.1B.

Corrective Action and Schedule: No later than March 2, 2015, TAPS must submit to the FTA RCRO a revised Title VI Program in TEAM that describes its system-wide service standards and policies.

6. Procurement

Basic Requirement: Grantees use their own procurement procedures that reflect applicable state and local laws and regulations, provided that the process ensures competitive procurement and the procedures conform to applicable federal law, including 49 CFR Part 18 (specifically Section 18.36) and FTA Circular 4220.1F, “Third Party Contracting Guidance.”

Finding: During this Triennial Review of TAPS, deficiencies were found with the FTA requirements for Procurement. An examination of the procurement record for TAPS’ 2012 purchase of five El Dorado EZ Rider II transit coaches found that TAPS did not complete the required signed Pre-Award Buy America Certification and Pre-Award Purchaser’s Requirement Certification for this rolling stock procurement.

Corrective Actions and Schedules: No later than March 2, 2015, TAPS must submit to the FTA Region 6 Office the missing Buy America certifications for the El Dorado procurement reviewed and procedures for completing the applicable Buy America pre-award and post-delivery audit certifications for future revenue rolling stock procurements.

7. Disadvantaged Business Enterprise

Basic Requirement: The grantee must comply with 49 CFR Part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. Grantees also must create a level playing field on which DBEs can compete fairly for DOT-assisted contracts.

Finding: During this Triennial Review of TAPS, deficiencies were found with the USDOT requirements for DBE. TAPS has not consistently submitted its Uniform Report of DBE Awards or Commitments and Payments semi-annually in the TEAM system as required. The report for June 2012 was the only Uniform Report found in the TEAM system.

Corrective Actions and Schedules: No later than December 1, 2014, TAPS must submit the Uniform Report of DBE Awards or Commitments and Payments semi-annually (due June 1 and December 1) in TEAM-Web, and submit to the FTA Region 6 RCRO an implemented procedure that describes how future reports will be submitted on time.

8. Legal

Basic Requirement: The grantee must be eligible and authorized under state and local law to request, receive, and dispense FTA funds and to execute and administer FTA funded projects. The authority to take actions and responsibility on behalf of the grantee must be properly delegated and executed. Grantees must comply with Restrictions on Lobbying requirements.

Finding: During this Triennial Review of TAPS, no deficiencies were found with the FTA requirements for Legal.

9. Satisfactory Continuing Control

Basic Requirement: The grantee must ensure that FTA-funded property will remain available to be used for its originally authorized purpose throughout its useful life until disposition.

Finding No. 1: During this Triennial Review of TAPS, deficiencies were found with the FTA requirements for Satisfactory Continuing Control. An examination of the TAPS equipment records found that required information was missing from the records. The records examined did not include information on federal percentage, grant number, location, use and condition, disposition action, vested title and useful life.

Corrective Actions and Schedules: No later than March 2, 2015, TAPS must submit to the FTA Region 6 Office updated equipment records that include all of the required information.

Finding No. 2: TAPS has an excessive fixed-route spare ratio. TAPS' 2013 National Transit Database (NTD) report shows a total fixed-route fleet of 37 vehicles, with 15 vehicles required for maximum service. That results in 22 spare vehicles, or a spare ratio of 146 percent.

Subsequent to the site visit, TAPS provided a response that its 2013 NTD numbers were in error and that some of the buses listed as fixed-route were also used in demand response service. TAPS provided new numbers of vehicles, however, the calculation of the spare ratio for the updated numbers was at 150 percent, still well above a reasonable level of spare vehicles.

Corrective Actions and Schedules: No later than March 2, 2015, TAPS must submit to the FTA Region 6 Office a plan for reducing the spare ratio to a reasonable level. The plan should include a spreadsheet list for each bus type, the number of buses, the projected number of buses to be disposed of, the number of buses to be added, the projected peak requirement, and the projected spare ratio. The plan should include detailed justifications for the projected spare ratio. If TAPS' plan for reducing its spare ratio cannot be completed within 90 days, TAPS needs to report progress towards the goal in its Milestone/Progress Reports.

10. Planning/Program of Projects

Basic Requirement: The grantee must participate in the transportation planning process in accordance with FTA requirements, MAP-21, and the metropolitan and statewide planning regulations. Grantees must participate in a coordinated public transit-human services transportation planning process that identifies the transportation needs of individuals with disabilities, older adults, and people with low incomes; provides strategies for meeting those local needs; and prioritizes transportation services for funding and implementation. Each recipient of a Section 5307 grant shall develop, publish, afford an opportunity for a public hearing on, and submit for approval, a POP.

Finding No. 1: During this Triennial Review of TAPS, deficiencies were found with the FTA requirements for Planning/POP. The Sherman-Denison Metropolitan Planning Organization (MPO) Public Participation Plan dated December 6, 2006 does not include an explicit statement that TAPS is relying on the MPO public participation process to satisfy the Section 5307 Program of Projects requirements.

Corrective Actions and Schedules: No later than March 2, 2015, TAPS must work with the MPO to submit to the FTA Region 6 Office revised public participation plan language that states that the MPO's public participation process is used to satisfy the grantee's public participation process for the TAPS Section 5307 POP. After the next revision of the public participation plan, TAPS should submit a copy of the revised plan to the Region 6 Office.

Finding No. 2: TAPS relies on the Sherman-Denison MPO's public participation plan for the Transportation Improvement Program (TIP) to satisfy the public participation requirements for the TAPS Section 5307 Program of Projects (POP). An examination of the public notice for the TIP public involvement review and comment period on the TIP revealed that the notice did not state that the TIP public involvement/comment process also satisfied the public participation requirement for the POP.

Corrective Actions and Schedules: No later than March 2, 2015, TAPS must work with the MPO to include the required language in the TIP notice. Submit to the FTA Region 6 Office proposed public notice language with the required statement. After the notice is published, TAPS should submit a copy of the published notice to the Region 6 Office.

11. Public Comment on Fare Increases and Major Service Reductions

Basic Requirement: Section 5307 grantees are expected to have a written, locally developed process for soliciting and considering public comment before raising a fare or carrying out a major transportation service reduction.

Finding: During this Triennial Review of TAPS, no deficiencies were found with the FTA requirements for Public Comment on Fare Increases and Major Service Reducitons.

12. Half Fare

Basic Requirement: For service supported with Section 5307 assistance, fares charged elderly persons, persons with disabilities or an individual presenting a Medicare card during off peak hours will not be more than one half the peak hour fares.

Finding: During this Triennial Review of TAPS, no deficiencies were found with the FTA requirements for Half Fare.

13. Charter Bus

Basic Requirement: Grantees are prohibited from using federally funded equipment and facilities to provide charter service if a registered private charter operator expresses interest in providing the service. Grantees are allowed to operate community based charter services excepted under the regulations.

Finding: During this Triennial Review of TAPS, no deficiencies were found with the FTA requirements for Charter Bus.

14. School Bus

Basic Requirement: Grantees are prohibited from providing exclusive school bus service unless the service qualifies and is approved by the FTA Administrator under an allowable exemption. Federally funded equipment or facilities cannot be used to provide exclusive school bus service. School tripper service that operates and looks like all other regular service is allowed.

Finding: During this Triennial Review of TAPS, no deficiencies were found with the FTA requirements for School Bus.

15. Security

Basic Requirement: As recipients of Section 5307 funds, grantees must annually certify that they are spending at least one percent of such funds for transit security projects or that such expenditures for security systems are not necessary.

Finding: During this Triennial Review of TAPS, no deficiencies were found with the FTA requirements for Security.

16. Drug Free Workplace and Drug and Alcohol Program

Basic Requirement: All grantees are required to maintain a drug-free workplace for all employees and to have an ongoing drug-free awareness program. Grantees receiving Section 5307, 5309 or 5311 funds that have safety-sensitive employees must have a drug and alcohol testing program in place for such employees.

Finding: During this Triennial Review of TAPS, no deficiencies were found with the FTA requirements for Drug-Free Workplace and Drug and Alcohol Program.

17. Equal Employment Opportunities

Basic Requirement: The grantee must ensure that no person in the United States shall on the grounds of race, color, religion, national origin, sex, age, or disability be excluded from participating in, or denied the benefits of, or be subject to discrimination in employment under any project, program, or activity receiving federal financial assistance under the federal transit laws. (Note: EEOC's regulation only identifies/recognizes religion and not creed as one of the protected groups.)

Finding: During this Triennial Review of TAPS, deficiencies were found with the FTA requirements for Equal Employment Opportunity (EEO). TAPS met the threshold for submission of a formal EEO program to FTA during the current Triennial Review period. TAPS has

uploaded its EEO program in the TEAM system, but did not notify the RCRO that the program was ready for review

Corrective Action(s) and Schedule: No later than March 2, 2015, TAPS must notify the FTA RCRO that the required EEO program has been uploaded into TEAM for review.

V. Summary of Findings

Review Area	Finding	Deficiency	Corrective Action	Response Date	Date Closed
1. Financial Management and Financial Capacity	D-56	Excess cash problems	TAPS must submit to the FTA Region 6 Office procedures for disbursing FTA funds within three business days. TAPS also must work with the FTA Region 6 Office to determine the amount of funds overdrawn and if interest reimbursement to the Federal Treasury is owed.	3/2/15	
	D-80	Insufficient effective control	TAPS must submit to the FTA Region 6 Office a process documenting that the approving/authorized official approves each ECHO request.	3/2/15	
	D-254	Single audit submissions deficient	TAPS must submit the FY2013 single audit and 2012 and 2013 management response comments to the FTA Region 6 Office, along with a process to ensure that future audit and/or SF-SAC submissions are completed on time.	3/2/15	
	D-276	Ineligible expenses charged to grant	TAPS must work with the FTA Region 6 Office to fully account for and document the ECHO drawdown(s) of capital funds used for reimbursement of operating expenses and determine if reimbursement is due to FTA for ineligible drawdowns charged to grants.	3/2/15	
2. Technical Capacity	D-38	Late MPRs/FFRs	TAPS must enter its year-end MPR/FFR report(s) for the 4th quarter FY2014 for all active grants into TEAM and also submit procedures for submitting reports on time (quarterly for McKinney UZA grants; annually for Sherman UZA grants). TAPS must email the FTA regional office when reports are submitted.	10/30/14	
3. Maintenance	D-48	Vehicle maintenance plan incomplete or out of date	TAPS must submit to the FTA Region 6 Office a revised maintenance program/plan that includes procedures for keeping adequate and complete preventive maintenance records and submit evidence that the revised program has been implemented.	3/2/15	

Review Area	Finding	Deficiency	Corrective Action	Response Date	Date Closed
	D-88	Late vehicle preventive maintenance	TAPS must submit to the FTA Region 6 Office procedures for completing preventive maintenance inspections on time. Beginning December 10, 2014, and on the 10th of each month following, TAPS also must submit to the FTA Region 6 Office a monthly report signed by the CEO on its preventive maintenance results until the data demonstrate it has conducted at least 80 percent of its preventive maintenance on time for three consecutive months. For each vehicle that received a preventive maintenance inspection during the month, TAPS should include a report that lists the vehicle number, date of the inspection, mileage of the current inspection, mileage of the previous inspection, and the mileage interval between the two inspections. List the percentage of the inspections performed on time. TAPS also must submit back-up documentation for each bus (e.g., printout from the maintenance management system) documenting the date and mileage of the inspection.	3/2/15	
	D-273	Violation of procedures to ensure maintenance of accessible features	TAPS must revise its preventive maintenance inspection sheets to include maintenance of accessibility features and submit evidence of implementation to the FTA Region 6 Regional Civil Rights Officer (RCRO).	3/2/15	
4. ADA	D-536	ADA complementary paratransit service not provided	TAPS must submit to the FTA RCRO a plan for implementing ADA complementary paratransit service and to report quarterly on the progress in meeting the plan.	3/2/15	
5. Title VI	D-246	Title VI Service standards and/or policies lacking	TAPS must submit to the FTA RCRO a revised Title VI Program in TEAM that describes its system-wide service standards and policies.	3/2/15	
6. Procurement	D-265	Pre-award and/or post-delivery certifications lacking	TAPS must submit to the FTA Region 6 Office the certifications for the El Dorado bus procurement reviewed and procedures for completing the applicable pre-award and post-delivery audits certifications for future revenue rolling stock procurements.	3/2/15	

Review Area	Finding	Deficiency	Corrective Action	Response Date	Date Closed
6. DBE	D-327	DBE uniform reports not submitted semi-annually	TAPS must submit the Uniform Report of DBE Awards or Commitments and Payments semi-annually (due June 1 and December 1) in TEAM-Web, and submit to the FTA Region 6 Regional Civil Rights Officer (RCRO) an implemented procedure to ensure future reports are submitted on time.	3/2/15	
8. Legal	ND				
9. Satisfactory Continuing Control	D-58	Inadequate equipment records	TAPS must submit to the FTA Region 6 Office updated records with the required information.	3/2/15	
	D-161	Excessive fixed route bus spare ratio	TAPS must submit to the FTA Region 6 Office a plan for reducing the spare ratio to a reasonable level. The plan should include a spreadsheet list for each bus type, the number of buses, the projected number of buses to be disposed of, the number of buses to be added, the projected peak requirement, and the projected spare ratio. The plan should include detailed justifications for the projected spare ratio. If TAPS' plan for reducing its spare ratio cannot be completed within 90 days, TAPS needs to report progress towards the goal in its Milestone/Progress Reports.	3/2/15	
10. Planning/ POP	D-55	Elements missing in POP public participation procedures	TAPS must work with the MPO to submit to the FTA Region 7 Office a revised public participation plan that states that the MPO's public participation process is used to satisfy the grantee's public participation process for the TAPS Section 5307 POP.	3/2/15	
	D-93	POP public notice deficiencies	TAPS must work with the MPO to include the required language in the TIP notice. Submit to the FTA Region 6 office proposed public notice language with the required statement. After the notice is published, TAPS should submit a copy of the published notice to the Region 6 Office.	3/2/15	
11. Public Comment on Fare Increase and Major Service Reductions	ND				
13. Half Fare	ND				
13. Charter Bus	ND				
14. School Bus	ND				
15. Security	ND				

Review Area	Finding	Deficiency	Corrective Action	Response Date	Date Closed
16. Drug-Free Workplace/ Drug and Alcohol Program	ND				
17. EEO	D-44	EEO program not submitted or expired	TAPS must notify the FTA RCRO that the required EEO program has been uploaded into TEAM for review.	3/2/15	

VI. Attendees

Name	Title/Organization	Phone Number	E-mail Address
TAPS			
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