

15 Minute Manager

Financial Management

Training Finance Staff whose responsibilities include transit/transportation funding are often overlooked in training programs. In this training, information and materials are specifically for persons providing financial management for the 5310, 5311, or other federally funded transportation program. This training is not all-encompassing but rather a guide to the most common financial responsibilities for small transit programs.

The [AZDOT 2018 5310 Program Guide](#) contains several pages of financial management requirements. Additional resources include [2 CFR 200](#), FTA's [5310 Guide 9070.1G](#), and FTA's [Grant Management Guide](#).

The requirements in each of these is more than can be covered in a 15-minute training, however, a good use of the short time is to remind people of the requirements and where to find guidance. You may also wish to discuss with these employees the best way to make sure that all the requirements are being met. (i.e., regular meetings, more in-depth training, items placed on to-do list/calendars, etc.)

The following categories of financial oversight cover most of the requirements and should be discussed as part of your training program. It is imperative that state and federal guidance be monitored for changes and updates which happen somewhat regularly.

- State and Federal Guidance;
- Egrants;
- Budget;
 - Development
 - YTD comparisons
- Expense Records;
- Fare Income and other revenues and funding sources
- Performance measures (cost per mile, hour, passenger, etc.);
- Matching and in-kind funds;
- Procurement;
- DBE LPA reporting;
- Expenses tied to grant sources;
- Continuing control of cash;
- Financial reporting;
- Maintenance and repair cost tracking;
- Internal controls (software, federally approved accounting processes);
- Reimbursements and backup documentation; and
- Audit.

Training for financial management should include all staff working with transit/transportation finances including accounts receivable, accounts payable, payroll, oversight/management, procurement, audit, and budget development.

Your financial to-do list should be added to a group calendar that can be shared. Using a group calendar, like Google Calendar, allows you to share and also to color code or put into categories the events on the

calendar. For instance, if you put all the finance related events for transit on the calendar in green, then people in finance will be able to see those items that pertain to them directly. You can apply different color codes to Maintenance, Data collection, etc.

Your training materials should be accompanied by a cover sheet that lists the various topics of discussion (agenda) and has a place where the employee can sign certifying they received the training and are aware of your agency's policies. This form should be collected and placed in individual employee files and/or training files.

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Guidance

Managing state and federal funds for transit/transportation can be daunting as there are at least four different guidelines that must be adhered to. These documents and policies change periodically so they must be monitored to determine that you are working from the latest rules and regulations. They are:

- [AZDOT 2018 5310 Program Guide](#);
- [2 CFR 200](#);
- FTA's [5310 Guide 9070.1G](#);
- FTA's [5311 Guide 9040.1G](#); and
- FTA's [Grant Management Guide](#).

A list of events, deadlines, and tasks regarding financial management will be added to a shared calendar concerning transit. You can access this calendar by going to [\(add URL where calendar can be located along with username and password\)](#). This calendar will show all financial tasks and deadlines regarding transit/transportation in green. You will need to add tasks not presently on the calendar along with any notes on materials needed from sources outside your office.

The financial management and oversight for transit/transportation includes the following:

- Egrants;
 - You will need a username and password to access Egrants. You can get that from [XXXX](#).
 - Egrants is the State application program and also is where reimbursement requests are made.
- Budget;
 - Development of the upcoming fiscal year transit/transportation budget should begin in October when the previous fiscal year is complete. It needs to be developed prior to application for funding which typically begins in early spring.
 - YTD comparisons – All transit/transportation expenses must be monitored and compared to the proposed budget using budget/actual/YTD formatting
- Expense Records;
 - All expenses must have supporting documentation including timesheets, invoices, and proof of payment. Expenses must be allocated to their funding source and follow 2 CFR 200 Rules for allocation.
- Fare Income;
 - There must be policies for handling fare income including those that show continued control of cash, deposits, and subsequent reporting. Fare income should be tracked by month and source (if using more than one type of service, i.e., fixed route, dial-a-ride, paratransit, etc.)
- Performance measures (cost per mile, hour, passenger, etc.);
 - Systems should generate performance measures based on costs-per including but not limited to mile, hour, passenger, maintenance per vehicle, etc.
 - These measures should be tracked monthly and used in monthly or quarterly reports to ADOT.
 - Charts showing trends are useful in catching problems.

- Matching and in-kind funds;
 - Source of matching and in-kind funds must be tracked
 - Eligibility of matching and in-kind funds must be verified
 - YTD collection or payment of matching or in-kind funds must be documented (see Budget) as well as matching or in-kind funds still due to receive
 - Values for in-kind services must be documented (see federal volunteer value structure).
- Procurement;
 - Procurement policies must be in place and followed for each agency. Policies must adhere to 2 CFR 200 and FTA requirements (5010.1E and 9070.1G or 9040.1G)
- DBE LPA reporting;
 - DBE LPA reporting must be current.
 - Training documents for how to submit DBE LPA reports is on ADOT website under planning.
- Expenses tied to grant sources;
 - Allocations must be made to accounts that are linked to grant funds (if grant funds are paying for the expense. This allows the agency to track the source of funds paying the expense and prevents double-dipping.
- Continuing control of cash;
 - Must have and adhere to policies for receiving fares (cash, tokens, etc.) holding, depositing and reconciling those deposits.
 - These policies must be part of the driver training
- Financial reporting;
 - The ADOT Contract has specific financial reporting requirements for each of its funding programs (5307, 5310, 5311). All reports must be made in compliance of these contract requirements.
- Maintenance and repair cost tracking;
 - All maintenance and repairs to vehicles must be tracked for each vehicle
 - Files of financial outlays for each vehicle must be kept
- Internal controls (software, federally approved accounting processes);
 - All financial functions must be carried out in compliance with 2 CFR 200 and appropriate FTA guides (5311, 5310, 5010).
 - Creating separate tables or task lists for each requirement may assist in keeping track of what needs to be done and when it's due.
- Reimbursements and backup documentation;
 - All reimbursement requests must be accompanied by a software-based report of expenses.
 - If accounts are managed without software, all backup documentation must accompany the reimbursement request.
- Audit
 - A Single Audit must be conducted for any agency receiving \$750,000 or more in federal funding including but not limited to FTA funding.

You may want to develop a table (see sample) and pass it out (electronically and hard copy) to each employee. The table should include each requirement for this section. Dates for deadlines or timelines should be included in your group calendar.

Requirement	Form link	Who fills out	Who reviews	Send to	Deadline or timeline	Where stored (folder link)
Audit	Audit RFP or contract	Finance Director	ED or Manager	Board, COG, ADOT	Check in ADOT guide for deadline	Put url here.