

GREATER LYNCHBURG TRANSIT COMPANY

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Board of Directors Meeting Agenda

Wednesday, May 7th, 2025
8:30 a.m. – 10:30 a.m.

Meeting Location: GLTC Transfer Station – 800 Kemper St., Lynchburg, VA 24501

Board President: Cameron Howe
Board Vice President: Tab Sprouse
Secretary-Treasurer: Ben Blanks
Members: Gary DuPriest; Christopher Hackman; Valerie Holmes;
Brian Landergan; Andre Miller, Greg Patrick

#1	Call to Order – 8:30 a.m.	GLTC Board President
#2	Consideration of Meeting Minutes Approval April 2 nd , 2025, Board Meeting	All
#3	Committee & Partner Reports a) Central Virginia Commuter Services b) CVPDC Transportation Planner	Ada Hunsberger Kelly Hitchcock
#4	Staff Reports a) Staff Reports b) Financials c) Ridership & Operating Statistics d) Capital Projects Report	Natalie Wilkins
	Public Comment a) Speakers should state their name for the official record b) Speakers will be allotted a maximum of 3 minutes	GLTC Board President
	Speakers representing a group will be allotted a maximum of 5 minutes and should state the name of the group they are representing for the official record	
#5	Old Business a) No Old Business	
#6	New Business a) CTAV Roadeo Winners b) GLTC Financial Management and Procurement Policy Drafts c) Updates on Statewide Contracts and Supply Chains	Natalie Wilkins Josh Moore Josh Moore
#7	President's Report	GLTC Board President
#8	Next Meeting Dates & Adjournment Board Meeting: June 4 th , 2025 @ 8:30 am – GLTC Board Room Work Session: May 22 nd , 2025 @ 8:30 am – GLTC Board Room	All





GLTC Board Agenda Detail

Item #: 2

Item Title: March 5th, 2025, Meeting Minutes

Action: Consideration of Approval

Board of Directors

Meeting Minutes

Wednesday, April 2nd, 2025

8:30 AM – 10:30 AM

A meeting of the Board of Directors of the Greater Lynchburg Transit Company was held on April 2nd, 2025, at GLTC's Transfer Station, 800 Kemper Street, Lynchburg, Virginia.

Attendance

Board President: Cameron Howe

Board Vice President: Tab Sprouse

Secretary-Treasurer: Ben Blanks

Members: Valerie Holmes; Brian Landergan; Greg Patrick Absent: Christopher Hackman; Andre Miller; Gary DuPriest

Staff: Josh Moore, Natalie Wilkins, Chris Poindexter, John Yauger, Donna Klein, Scott Poindexter, and Steve Overstreet

Staff via ZOOM: Doressa Chilton

Guest: Kyle Trissel of the Department of Rail and Public Transportation (DRPT).

Guest via ZOOM: Ada Hunsberger of Central Virginia Commuter Services.

CALL TO ORDER – PUBLIC COMMENT

At 8:30 a.m., Ms. Howe began the board meeting and asked for public comment. No comment recorded.

CONSIDERATION OF MEETING MINUTES APPROVAL MARCH 5TH, 2025.



Ms. Howe requested that future meeting minutes specify which board members are participating remotely.

She also proposed a correction to the March 5, 2025, minutes under the section titled “Health Insurance Partnership.” The minutes incorrectly stated that the letter was passed unanimously. The board discussed the final sentence of the letter’s second paragraph, noting that the language lacked clarity. Ms. Howe requested an amendment to the motion to allow Mr. Moore to revise that sentence for clarity before the letter is submitted to City Council.

Ms. Howe asked for approval of the minutes with the noted adjustments. Mr. Patrick made a motion to approve the minutes with edits, Mr. Blanks seconded, and the motion carried.

COMMITTEE & PARTNER REPORTS

CENTRAL VIRGINIA COMMUTER SERVICES - CVPDC TRANSPORTATION PLANNER

Ada Hunsberger presented updates:

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Wednesday, April 2nd, 2025

8:30 AM – 10:30 AM

- Central Virginia Safety Action Plan: Consultants are currently drafting the plan. It will be presented to the project workgroup in April. A public comment period is scheduled from May 19 to June 20, with the final adoption targeted for July 17 at the Central Virginia Transportation Planning Organization (CVTPO) meeting.
- Lynchburg Multimodal Plan Steering Committee: A meeting was held on March 27 to review GIS layers and evaluate prioritization methodologies. Upcoming public input sessions will take place in June and July, with coordination from GLTC.
- FY26 Urban Work Program: The CVTPO is finalizing the program, which includes FTA 5303 funding. Major projects include the Lynchburg Multimodal Plan, the 12th Street Transit-Oriented Development project (US DOT Thriving Communities), a bus



stop inventory and facility recommendation plan, and a service expansion accommodation for Timberlake. The work program will be voted on in May.

- Central Virginia Commuter Services: Ada is supporting DRPT's "Connecting Commuters" campaign running March 17–May 2, promoting the Connecting VA app and employer commuter benefits. She is also participating in outreach events like the Bedford Area Chamber of Commerce Fair and the Campbell County Earth Day Celebration. For May Bike Month, there will be a statewide cycling contest via the Connecting VA app and a local bike photo contest offering gift cards as prizes.

STAFF REPORTS

Mr. Moore reported that GLTC will host the Community Transit Association of Virginia (CTAV) first annual combined paratransit and bus rodeo on April 26th, 2025. GLTC operators and maintenance teams competed in the Bus Rodeo in Fairfax, VA with the maintenance team placing second. One operator won Rookie of the Year, and another won Safest Operator. The Commonwealth Transportation Board (CTB) will hold a public comment meeting in Lynchburg on April 23 at 4:00 PM at the Ramsey Auditorium on VDOT's campus. This meeting will collect public input before final budget approvals.

FINANCIAL UPDATE

February presented a financial deficit of \$21,000 primarily due to severe winter weather. Despite

the deficit, GLTC remains \$76,000 ahead for the fiscal year. Mr. Moore noted growing concerns

around supply chain volatility, particularly with increasing prices for essential parts. GLTC's financial position remains stable and is being closely monitored.

RIDERSHIP AND OPERATIONS



- February recorded the lowest ridership of the year, with one day showing only 500 riders. Flex service logged 1,560 rides and remains steady. These figures are included in overall reporting to state and federal agencies.

- Missed trips were limited to 2.3% and on-time performance continues to improve. Shuttle services were also successfully operated to accommodate elevator outages for the City

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CAPITAL PROJECTS REPORT

Mr. Moore stated that March and April will reflect increased capital activity, especially in pavement projects, with expenses reported in phases as work progresses.

OLD BUSINESS

Board Retreat Follow-Up

Mr. Overstreet led a creative team-building transit simulation exercise.

NEW BUSINESS

DBE POLICY UPDATE

Ms. Wilkins presented the updated Disadvantaged Business Enterprise (DBE) policy explaining that the revision was prompted by recent changes in Federal Transit Administration (FTA) guidelines. The revised policy reflects GLTC's ongoing compliance with federal funding requirements under 49 CFR Part 26. Only minor changes were required to maintain compliance. Key revisions included the enhancement of data collection methods for identifying disadvantaged business status, the formal inclusion of a bidders list, and the addition of a "Commercially Useful Function" form to ensure vendors meet functional participation standards under the DBE program.

Mr. Landergan asked why is DBE policy important to GLTC operations? Mr. Moore Josh contrasted the DBE program with Virginia's SWaM (Small, Women, and Minority-owned) initiative, which features less burdensome eligibility requirements. While many local vendors



qualify under SWaM, their certifications do not satisfy federal DBE standards and thus cannot be counted toward GLTC's DBE goals.

Ms. Howe identified a document edit replacing references to "Brian Booth" on the policy statement page.

Ms. Holmes made a motion to approve the revised DBE policy with the identified corrections. Mr. Landergan seconded the motion. The motion carried to adopt the updated policy.

FINANCIAL MANAGEMENT AND PROCUREMENT POLICY DISCUSSION

Mr. Moore reviewed the financial management guidelines. He provided updates to the accounting policies and procedures, with no immediate vote requested. Key changes included adjusting the depreciation schedule for heavy-duty buses from 12 to 12–14 years to reflect federal guidance. Updates were also made to supply/service thresholds, position titles, and monthly audit procedures to align with current practices. The record retention policy was revised

Board of Directors

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8:30 AM – 10:30 AM

to follow stricter federal standards. A new section was introduced for the purpose of handling delinquent accounts.

Mr. Moore presented updates to GLTC's Financial Management and Procurement Policies. He explained that these documents govern the organization's internal procedures for managing finances and procurement, with clearly defined thresholds that guide how purchases are initiated and approved.

One key revision involved protest procedures. This section was updated to ensure consistency across GLTC's documents and compliance with federal regulations. It clarifies that procurement protests may be filed either prior to the opening of bids or the proposal due date, or after an award has been made—but not during the deliberative evaluation process. The policy now also includes Section 11.23 and 11.24, which provide guidance on the Request for Proposal (RFP) process. Language was added to permit up to two members of the Board of Directors to participate in the RFP review.

Mr. Howe recommended that the policy explicitly state that board members have the option to review all submitted proposals when procurements exceed the financial threshold requiring board approval. She stated that this practice had served the board well in previous instances and supported the principle of transparency.



Mr. Patrick expressed concern that board members participating in detailed procurement reviews might be crossing over into staff responsibilities. He questioned the need for direct board engagement except in oversight review. Ms. Howe asserted that \$150,000 threshold was an appropriate standard for GLTC. Ms. Howe voiced her concern with minimizing the board's role with the RFP process.

Mr. Patrick maintained his opinion that GLTC staff are best positioned to select vendors and that the board should avoid unnecessary involvement in service selections. Mr. Patrick stated that he personally trusted staff recommendations and did not feel the need to read each proposal but agreed that other board members should have access if they desired.

Mr. Moore emphasized that board members involved in RFP evaluations would be non-voting participants, with staff comprising the primary review committee. The updates aim to align policy with current practices and clarify procedures and federal requirements. The board agreed to revisit the policy at a future work session.

AUDIT SERVICES

Ms. Chilton reported on the audit procurement process. Only one bid was received, from Brown Edwards, a local firm with a history of service to the organization. The single bid was justified through a market survey, which revealed reluctance from other firms due to Brown Edwards' existing relationship and competitive pricing. Brown Edwards offered a significant discount from

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prior rates, helping to position their pricing competitively within the market. The proposed agreement outlines a gradual cost increase over a three-year term.

Ms. Sprouse made a motion to accept the bid with Mr. Patrick seconding the motion. The motion carried unanimously to approve the continuation of audit services with Brown Edwards.

PRESIDENT'S REPORT

Mr. Moore and Mr. Trissell voiced concerned over potential cost increases due to tariffs, vendor contract limitations, and state capital budgets. Vendor New Flyer's decision to halt new contracts may influence pricing by competitors like Gillig.

As there was no further discussion, Ms. Howe ended the meeting at 10:02 a.m.



Secretary/Treasurer

NEXT MEETING DATES

Board Meeting: May 7th, 2025 at 8:30 am – GLTC Conference Room

Work Session: April 24th, 2025 at 8:30 am – GLTC Conference Room





GLTC Board Agenda Detail

Item #: 3
Item Title: Committee & Partner Reports
Action: None

Committee Reports

- a) Central Virginia Commuter Services

Partner Reports

- a) CVPDC Transportation Planner

Contacts: Josh Moore
Attachments: None
Action Required: None





GLTC Board Agenda Detail

Item #: 4a
Item Title: Staff Reports
Action: For Your Information

The General Manager's report for the previous month below:

- Working with CVPDC on the Multimodal Plan and Thriving Communities/TOD Plans
- Working with DRPT staff on navigating potential tariff disruptions to vehicles and supplies
- Attended the Commonwealth Transportation Board (CTB) at VDOT's Lynchburg offices on April 23rd

The Assistant General Manager's report for the previous month is provided below:

- Working on rollout for new Board Packet and Orientation packet
- Met with VIA for Executive Review on Microtransit operations
- Coordinated and attended the CTAV Rodeo
- Planning for holiday and community events upcoming

The Transportation Manager's report for the previous month is provided below:

- Now fully staffed in Supervision
- New Operator class has started with 3 employees
- Operators competed in the CTAV Rodeo with Moveeta Hairston winning 3rd place and Crystal Gardner winning 1st place

The Maintenance Manager's report for the previous month is provided below:

- Worked with staff to ensure the facility was ready for the CTAV Rodeo
- Preparing for the ordering of new bus shelters
- Working on the disposal of surplus vehicles and equipment

The Finance and Grants Manager's report for the previous month is provided below:

- Completed March financial statements and reports
- Learning new systems and updating policies and procedures
- Working with our new Payroll/AP Tech, Vickie Hefley

The IT Manager's report for the previous month is provided below:

- Swapped Defective Platform Monitor
- Selected and purchased new backup software
- Coordinated cutover from Millie Martin to Donna Klein for Finance Director
- Set up laptops and workstations for new position hires
- Repaired Symmetry (Access Control) and migrated to a virtual server

The HR Manager's report for the previous month is provided below:

- Hired and onboarded three new operators
- Hired and onboarded new AP/Payroll Tech
- Assisted with CTAV Rodeo

The Marketing Manager's report for the previous month is provided below:



- Met with Tru/Home2 Suites management to demonstrate Flex service
- Met with University of Lynchburg to demonstrate Flex service and discuss the group pass program
- Attended CTAV Roadeo





GLTC Board Agenda Detail

Item #: 4b

Item Title: Financials

Action: For Your Information

The March 2025 Financial Statements will be sent under separate cover.

Contacts: Donna Klein

Attachments: March 2025 Financials

Action Required: None





GLTC Board Agenda Detail

Item #: 4c

Item Title: March 2025 Ridership & Operational Statistics

Action: For Your Information

Summary:

Maintenance Activities are summarized below with associated graphs depicting the year-over-year statistics following.

Ridership was up in March 23.87% compared with our monthly average and was up 12.54% from the previous month.

Ridership:

Fixed Route ridership for the month of January was 55,238

Paratransit ridership for January was 1,931

Flex ridership for the month of January was 1,774

For FTA and NTD Ridership statistics, Fixed Route and Flex are reported together

Service Impacts:

System-wide on-time performance was 83.5% in March.

3.96% of the service was lost due to missed trips in March.

Routes not listed have on-time performance greater than 85%.

Route	1B	3A	4	5	9	11	12X
On-time	75.8%	83.6%	76.2%	79.0%	80.6%	70.7%	79.2%

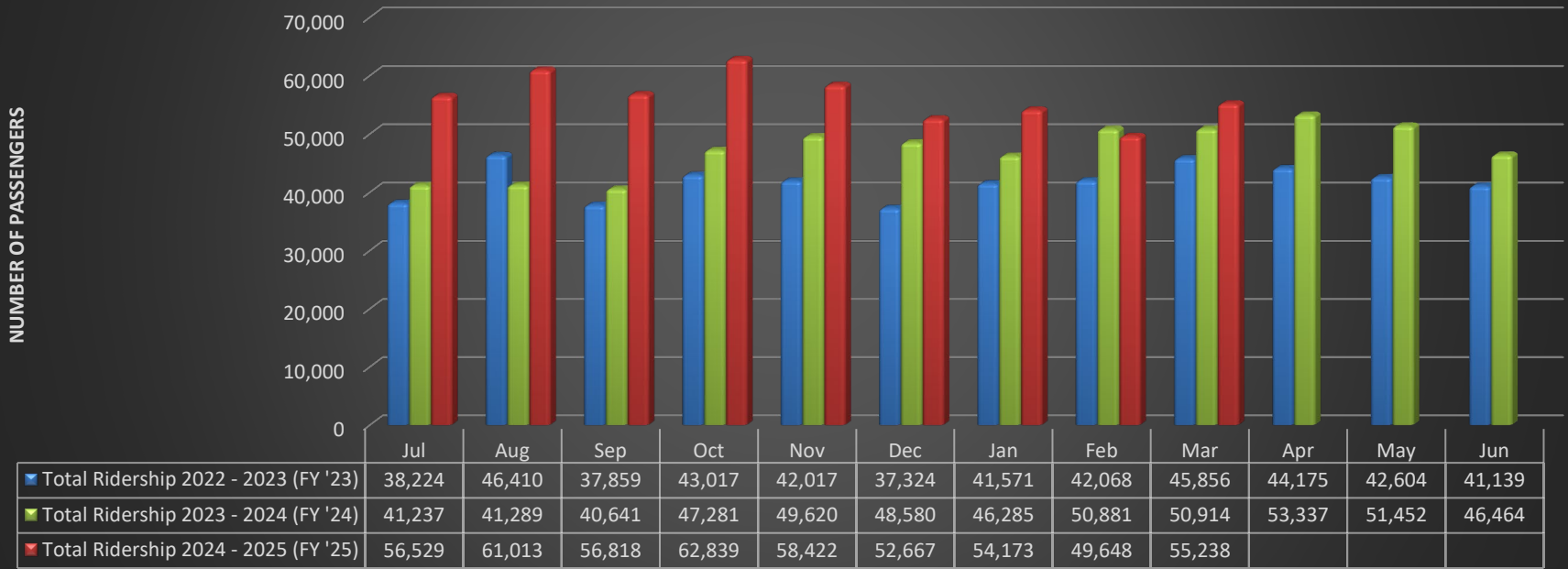
Maintenance:

Maintenance activities are reported as follows for March 2025:

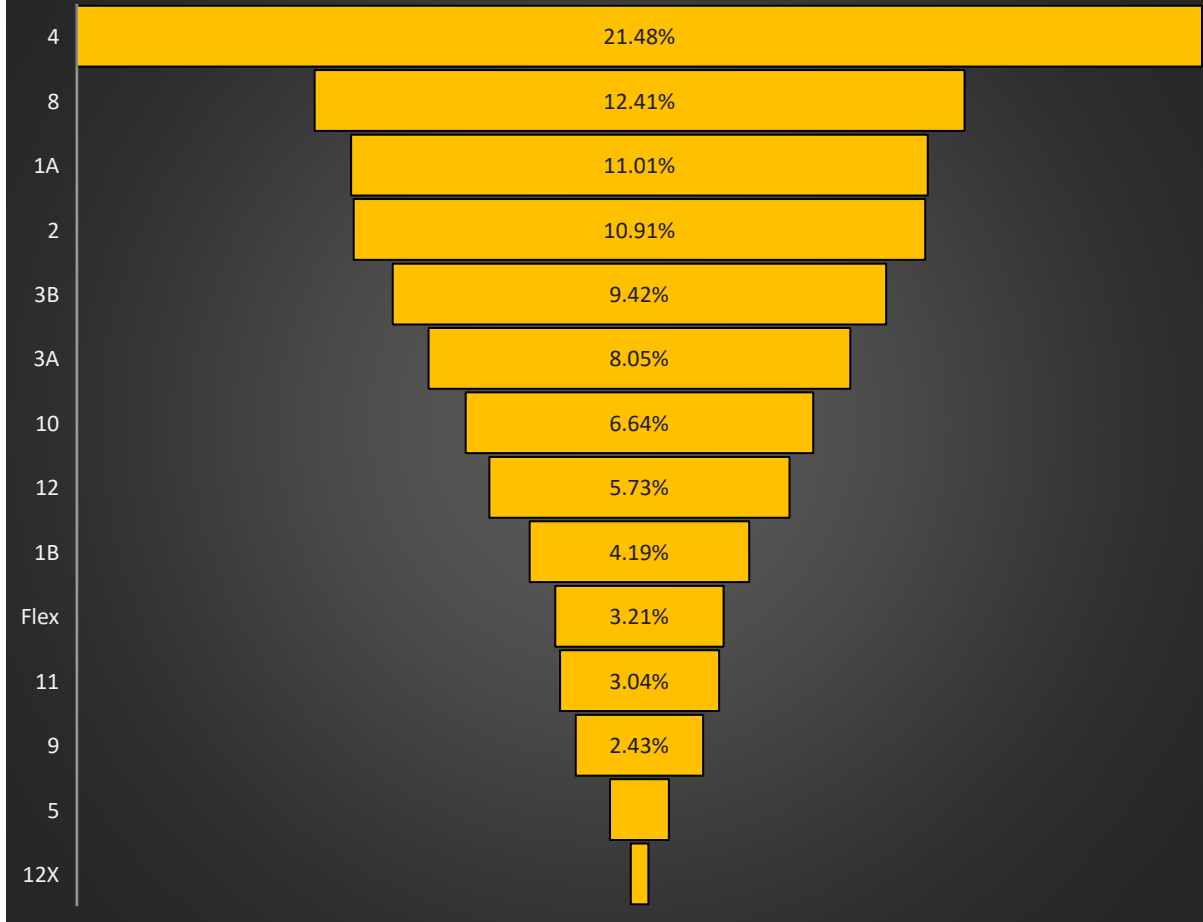
- Total mileage for fixed route – 69,846
- Paratransit total mileage – 16,864
- On-time performance for preventative maintenance activities – 90%
- Fleet downtime – 1.65%



Monthly System Ridership FY23 - FY25



Ridership Percentage by Route

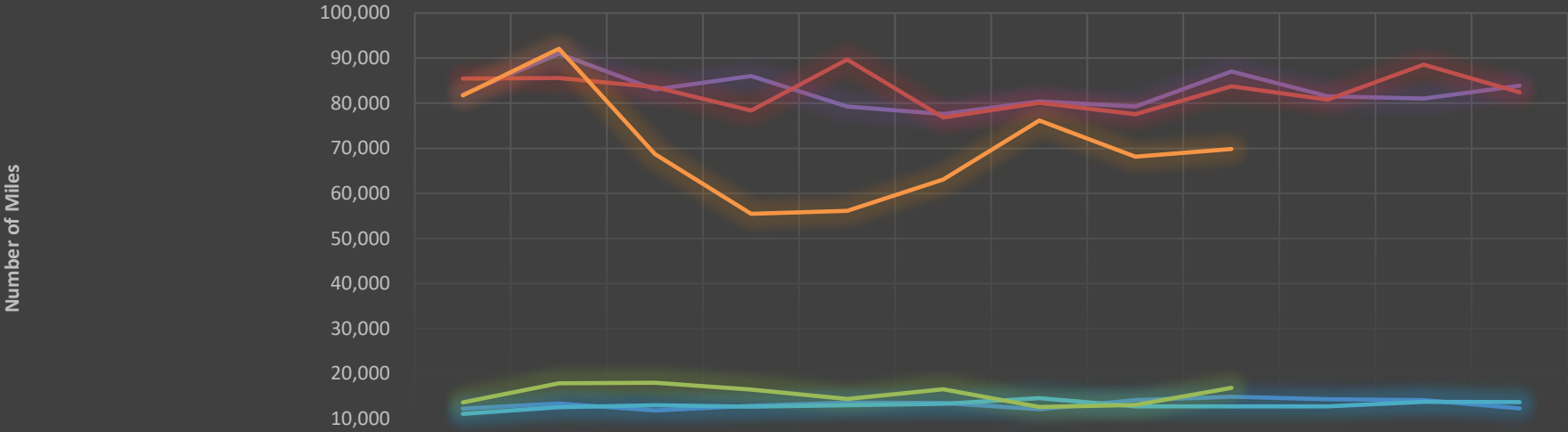


Mar-25

Route	Ridership	Percentage
4	11,867	21.48%
8	6,856	12.41%
1A	6,082	11.01%
2	6,027	10.91%
3B	5,203	9.42%
3A	4,448	8.05%
10	3,668	6.64%
12	3,166	5.73%
1B	2,316	4.19%
Flex	1,774	3.21%
11	1,678	3.04%
9	1,344	2.43%
5	623	1.13%
12X	186	0.34%
Total	55,238	100.00%



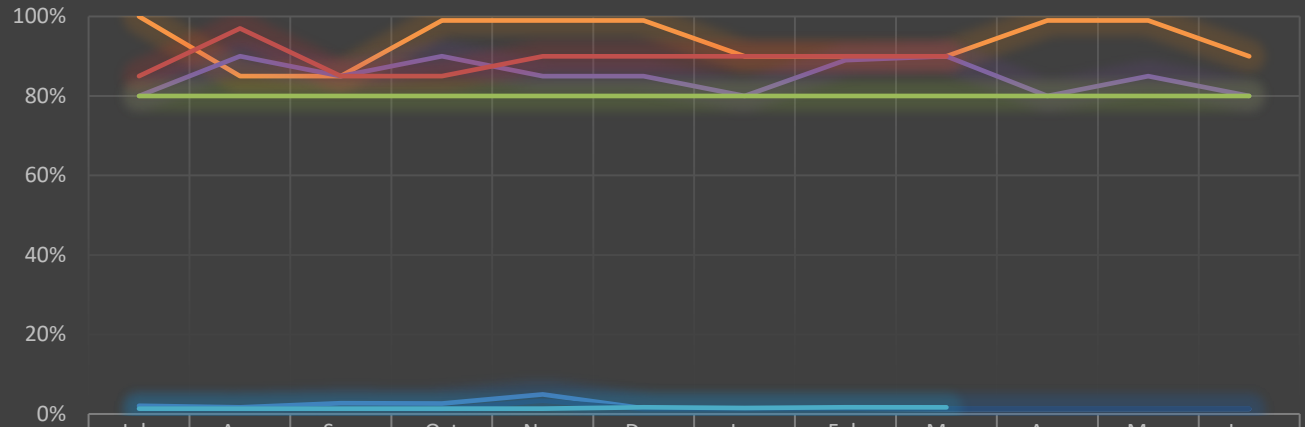
GLTC Mileage FY23, FY24, FY25



	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Fixed Route Mileage 2022-2023 (FY-23)	81,923	90,977	83,050	86,014	79,276	77,601	80,415	79,252	87,060	81,566	81,019	83,870
Fixed Route Mileage 2023-2024 (FY-24)	85,467	85,585	83,593	78,407	89,692	76,838	80,107	77,564	83,742	80,800	88,567	82,439
Fixed Route Mileage 2024-2025 (FY-25)	81,713	92,082	68,707	55,474	56,154	63,064	76,195	68,153	69,846			
Paratransit Mileage 2022-2023 (FY-23)	12,280	13,397	11,857	12,872	13,596	13,508	12,158	14,142	14,905	14,369	14,161	12,298
Paratransit Mileage 2023-2024 (FY-24)	11,107	12,583	13,042	12,714	13,035	13,353	14,586	12,780	12,744	12,780	13,766	13,698
Paratransit Mileage 2024-2025 (FY-25)	13,671	17,914	18,006	16,516	14,416	16,545	12,632	13,050	16,864			



Maintenance Performance FY23, FY24, FY25



	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
On Time Performance FY'23 (FTA Requires 80%)	100%	85%	85%	99%	99%	99%	90%	90%	90%	99%	99%	90%
On Time Performance FY'24 (FTA Requires 80%)	80%	90%	85%	90%	85%	85%	80%	89%	90%	80%	85%	80%
On Time Performance FY'25 (FTA Requires 80%)	85%	97%	85%	85%	90%	90%	90%	90%	90%			
FTA Required On Time Performance	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
Fleet Downtime FY'23 (Industry Average 5%)	2.07%	1.69%	2.70%	2.59%	4.92%	1.41%	1.34%	1.36%	1.24%	1.24%	1.24%	1.27%
Fleet Downtime FY'24 (Industry Average 5%)	1.30%	1.30%	1.35%	1.30%	3.33%	1.23%	1.23%	1.31%	1.31%	1.34%	1.34%	1.33%
Fleet Downtime FY'25 (Industry Average 5%)	1.34%	1.37%	1.34%	1.34%	1.35%	1.68%	1.53%	1.68%	1.65%			





GLTC Board Agenda Detail

Item #: 4d
Item Title: Capital Projects
Action: For Your Information

Summary:

The March 2025 Capital Report is attached with the March Financial Statements.

Contacts: Josh Moore
Attachments: March 2025 Capital Report
Action Required: None





GLTC Board Agenda Detail

Item #: 5a
Item Title: Old Business
Action: Discussion

No Old Business

Contacts: None

Attachments: None

Action Required: None





GLTC Board Agenda Detail

Item #: 6a

Item Title: New Business

Action: Discussion and Approval

2025 CTAV Rodeo Winners

GLTC is pleased to announce that Operator Crystal Gardner won 1st Place and Operator Moveeta Hairston won 3rd Place in the 2025 Community Transportation Association of Virginia (CTAV) 1st Annual Combined Bus and Paratransit Rodeo for 35' buses.

Crystal will go on to represent the State of Virginia in the national competition at the Community Transportation Association of America, May 31st and June 1st in San Diego, CA.

Contacts: Natalie Wilkins

Attachments: None

Action Required: None





GLTC Board Agenda Detail

Item #: 6b

Item Title: New Business

Action: Discussion and Approval

GLTC Financial Management and Procurement Policy Drafts

Attached are copies of the draft Financial Management Policy and Procurement Policy for review and approval. These updates incorporate changes from the most recent FTA circular release, changes to the procurement policy for RFP's and large purchases, and language and procedure updates to match current job functions and evolving practice.

Contacts: Josh Moore

Attachments: GLTC Financial Management Policy and Procedures; GLTC Procurement Policy and Procedures

Action Required: Discussion and Approval



GREATER LYNCHBURG TRANSIT COMPANY



Central Virginia Transit Management Co., Inc.

ACCOUNTING POLICIES & PROCEDURES MANUAL

Version: 6.0
Last Revision: 5/7/2025

General Manager:	Joshua A. Moore	(434-455-5084)
Assistant General Manager:	Nataligene Wilkins	(434-455-5085)
Finance & Grants Manager:	Donna Klein	(434-455-5083)

Greater Lynchburg Transit Company
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NOTICE: This manual is the master governing document for the departmental policies and procedures (for the department indicated in the title) of the Greater Lynchburg Transit Company / Central Virginia Transit Management Company, Inc. All employees are responsible for reading and understanding the policies in this document. All policies are subject to change at any time through the issuance of an official company memorandum and/or a new version or revision of this document. Only official notices or memorandums as signed by the General Manager are considered official addendums to this document.

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A message from the General Manager



Dear Employee,

On behalf of the Entire Management Team and Board of Directors, welcome to the Greater Lynchburg Transit Company (GLTC). You are a member of one of the greatest Transit systems in the country, a company with a long and impressive history. GLTC as it stands today was formed in 1974 however the organization dates as far back as the 1880's originating as a privately owned horse-drawn streetcar/trolley-car company and then a private Bus Company.

GLTC is operated by the employees of the Central Virginia Transit Management Company (CVTMCI), a non-profit sub-corporation of Transdev. The sole stockholder of GLTC is the City of Lynchburg and the company is governed by a nine (9) member Board of Directors appointed by the Lynchburg City Council.

As an employee of CVTMCI you are part of an organization directly affecting the citizens of the Greater Lynchburg area every day of the year. I hope that you will find your responsibilities here interesting, challenging and ultimately rewarding. The mission of GLTC is to provide safe, dependable, affordable and high-quality public transportation to the Central Virginia Community. This helps to form a basis by which you need to live every day in the performance of your job duties.

In addition to our mission, our Financial Management Policies are impacted by our strategic plan goals to: Become a transportation option of choice; and Be financially stable & sustainable and responsive & accountable to our stakeholders. The way you do your work and your personal drive in serving our customers is central to our success and effectiveness as an organization. In the performance of your duties, it is important that you understand what is expected of you and what our policies and procedures are throughout the entire organization. It is important that you take the information in this handbook seriously and always ask questions anytime you might have them throughout any point of your career here with us. Remember, the policies of the organization apply to all of us and ultimately affect you directly or indirectly.

With all of that said, if we aren't changing, we're not succeeding and ultimately may miss out on our responsibilities to our customers. Therefore, I ask that anytime you have any ideas, comments, or feedback for us do not hesitate to let me or any member of my management team know. Remember that no policy manual can cover every circumstance or situation, thus no manual is all-inclusive. Management reserves the right to modify any policies and procedures throughout the organization with 14-day notice unless the change is immediate due to safety or regulatory considerations.

Thank you for taking the time to review this information and always let your supervisor if you have any questions about the policies under which GLTC operates.

Sincerely,

Joshua A. Moore

General Manager

Greater Lynchburg Transit Company / Central Virginia Transit Management Co., Inc.

1.00 BACKGROUND INFORMATION

1.01 Tax Status & Purpose

The following manual is a description of the accounting system and responsibilities for GREATER LYNCHBURG TRANSIT COMPANY (“GLTC”). GLTC is organized as a not-for-profit stock corporation with the City of Lynchburg as the sole stockholder.

GLTC is a component unit of the City of Lynchburg. The financial statements include the Company’s capital accounts and the accounts of the Central Virginia Transit Management Company (CVTMC), which has been organized for the purpose of managing the transit system under the direction of the Company’s Board of Directors.

The capital for the purchase of the GLTC’s assets is provided by federal, state, and local grants, and GLTC is dependent on various operating grants to subsidize operations.

1.02 Service Area

GLTC was created in 1974 to serve the City of Lynchburg with public bus and paratransit transportation. GLTC currently serves the City of Lynchburg, a portion of the Campbell and Bedford County urbanized areas, and the Madison Heights section of Amherst County.

2.00 CENTRAL VIRGINIA TRANSIT MANAGEMENT CO. CHART OF ACCOUNTS

2.01 Assets

Assets	1##.##.##.###
Cash Accounts	101.##.##.###
Receivable Accounts	102.##.##.###
Inventory	103.##.##.###
Property and Equipment	111.##.##.###
Prepays	151.##.##.###

2.02 Liabilities

Liabilities	2##.##.##.###
Current Accounts Payable	201.##.##.###
Accrued Payroll & Payroll	
Taxes Payable	202.##.##.###
Accrued Liabilities	203.##.##.###
Note Payable	204.##.##.###
Other Current Liabilities	205.##.##.###
Advance Payables	211.##.##.###

2.03 Retained Earnings

Retained Earnings	3##.##.##.###
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2.04 Revenues

Revenues	4##.##.##.###
Passenger Fares	401.##.##.###
Contract Fares	405.##.##.###
Registration Fees	406.##.##.###
Non-transportation Revenue	407.##.##.###
City/County Assistance, State Aid	409.##.##.###
Operating Assistance	41#.##.##.###

2.05 Expenses

Expense	5##.##.##.###
Payroll Expenses	501.##.##.###
Benefits and Taxes	502.##.##.###
Office Expenses	503.##.##.###
Operation Expenses	504.##.##.###
Utilities Expense	505.##.##.###
Insurance Expense	506.##.##.###
Property Tax	507.##.##.###
Other Expenses	509.##.##.###
Depreciation Expense	513.##.##.###
Restricted Accounts	516.##.##.###

2.10 GREATER LYNCHBURG TRANSIT COMPANY CHART OF ACCOUNTS

2.11 Assets

Assets	1##.##.##
Cash Accounts	100.##.##
Receivable Accounts	110.##.##
Property and Equipment	140.##.##
Accumulated Depreciation	150.##.##

2.12 Liabilities

Liabilities	2##.##.##
Current Accounts Payable	200.##.##

2.13 Retained Earnings

Retained Earnings	320.##.##
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2.14 Revenues

Revenues	4##.##.##
Assistance, sale of equip	400.##.##
Grants	401.##.##

2.15 Expenses

Expense	5##.##.##
Depreciation Expense	500.##.##

3.00 ACCOUNTING PRINCIPLES & PROCEDURES

3.10 Policies

The accounting principles of GLTC will be consistent with all Generally Accepted Accounting Principles. These policies also comply with FTA Circulars governing grants and fund expenditures including 5307, 5010.1F; 9050.1A, CFR Part 200, *et al*, and DRPT Purple and Blue books.

Certain procedures resulting from these accounting pronouncements and releases are discussed below.

3.20 Procedures

3.21 Revenue Recognition

Revenue will be recorded in the period earned.

Grant revenues come from the federal, state and City of Lynchburg governments, as well as a small amount from Amherst County. Grants will be recognized as revenue when the grant money is earned. Each restricted grant will be set up as a separate account to allow for accurate and consistent recording of the expenses of each grant.

3.22 Matching of Revenues and Expenses

In order to present accurate and consistent financial statements, the revenues and expenses attributable to each period will be reflected in that period to the degree possible. Generally, all entries required to accurately reflect the revenues and expenses of each period will be made in that period.

The organization records transactions on the accrual basis of accounting.

3.23 Fixed Assets and Depreciation

The general capitalization policy is that all equipment and other fixed assets costing in excess of \$5,000 will be recorded as an asset. To determine if a repair or improvement will need to be capitalized, the following additional factor needs to be considered: does the expenditure extend the useful life of the asset repaired or improved? For example, painting would not be capitalized, but replacing the boiler or repairing the roof would be capitalized, if the dollar value was in excess of \$5,000.

All capital assets will be depreciated over their estimated useful lives. The straight-line basis will be used, with depreciation charged beginning in the month that the asset is placed in service. Detailed lists for the useful life of assets are contained in the Virginia Department of Rail and Public Transportation's (DRPT) Transit Asset Management (TAM) Plan as required by Section 5307 contained in Circular 9050.1A. Some sample estimated lives are:

Office equipment and information systems	4-10	years
Shop and garage equipment	2-15	years
Land improvements and buildings	10-40	years
Signs, shelters and terminals	3-20	years
Body-on-Chassis Vehicles	7-10	years
Heavy-Duty Buses	12-14	years
Vans	4-5	years

All capital assets purchased with grant or other restricted funds will be cataloged.

See Section 20.00 for property and equipment inventory and management

3.24 Data Cutoff

In order to meet the deadlines for producing reports discussed in Section 7 & 8, the gathering of information to use in making the month end entries must be cutoff by a certain date.

The monthly financial statements are due to the Board by three weeks after the month end. For these reports a cutoff of two weeks will be used. Any payables or other information not available by two weeks after a month end will be classified in the next period. The Accountant may need to use estimates if final information is not available on a significant additional transaction.

The year-end financial statements are presented to the Board at the stockholder meeting following the completion of the annual audit.

4.00 CASH DISBURSEMENTS

4.10 Policies

The General Manager, Assistant General Manager, and HR Manager are authorized to sign checks. Only one signature will be required on checks. Anyone signing a check must review the previously approved supporting invoice or other documentation. Individuals may not sign a check payable to themselves which has not previously been approved by the President of the Board of Directors.

The Financial Technician will maintain the accounts payable system. Prior to payment, the Finance Manager will review the coding of each invoice and notify the Financial Technician to prepare the checks and organize the documentation.

The Financial Technician will determine payroll amounts based on timesheets and authorized rates. The Financial Technician will prepare the payroll and transmit to Transdev for processing in ADP.

4.20 Procurement Procedures

All purchases are made in accordance with the fundamental procurement principles and applicable laws and regulations to meet the requirements of the Federal Transit Administration (“FTA”).

Procurement details are outlined in the GLTC Procurement Policy & Procedures

4.21 Capital Acquisitions

Any single item with a cost of \$5,000 or more is capitalized and recorded as a fixed asset.

4.22 Supplies, Services, and Other Invoices

All purchase orders must be issued prior to placing the order. Purchase orders must be approved by a senior management team member. All purchases over \$2,500 must be approved in advance by the General Manager. The exception of this is those purchases for the Maintenance Department where a dedicated Parts Clerk handles all procurement with approvals by the Maintenance Manager. Once approved, purchase orders are given to the Financial Technician and filed in the open order file.

The Financial Technician will maintain and provide purchase order numbers for those purchases outside of the Maintenance Department. Financial Technician will check for completeness and appropriate approval on purchase orders before assigning a purchase order number. Purchase order numbers and other pertinent information will be maintained in an electronic file on the Finance drive. The requestor for the purchase order will be notified with the number assigned by phone or through email. (See Appendix B for the Purchase Order Process Flowchart.)

Most of the large purchases are from the maintenance department. These are initiated by the Parts Clerk when parts, fuel, etc. are needed. A purchase order is initiated from the maintenance department's Ron Turley Associates (RTA) software system—this software is used to track buses, bus maintenance, and parts inventory. Below the \$2,500 dollar threshold PO's can be issued directly by the maintenance department prior to placing the order.

When the parts are received, maintenance compares the packing slip with the purchase order. The Maintenance Manager marks the packing slip for approval and writes the G/L code on the purchase order. The packing slip and approved purchase order is sent to the Financial Technician.

All invoices are kept with the Financial Technician. When invoices are received, the Financial Technician matches the invoice to the packing slip/purchase order information. This package (invoice, packing slip, and purchase order) is then forwarded to Finance Manager, who also reviews and approves before sending to the Financial Technician to prepare a check for payment. (Please see Appendix B for the Invoice Process Flowchart.)

Other items around the office are approved for purchase on a more informal basis. When these goods or services are received by a department director, the Financial Technician pulls the purchase requisition and compares the order received to the packing slip and the purchase requisition for accuracy. The packing slip is attached to the purchase requisition and returned to the open order file until the invoice is received.

Billing and Payment mail is received and opened by the Administrative Assistant, the Assistant General Manager, or the General Manager. All invoices are routed to the Financial Technician, who matches the invoice to the approved purchase requisition and the packing slip. The Financial Technician gives the invoice and support documentation to the Finance Manager to review, indicate the expense account code, and then initial for approval to pay. The Financial Technician enters the approved invoice into the A/P computer module and files all documents in the open invoice file until they are paid.

The Financial Technician can set up new vendors or alter existing vendor information in the A/P module only after written approval is obtained from the Assistant General Manager. Supporting documentation must be presented to the AGM before altering existing vendor information.

4.23 Invoice Payment Procedures

Invoices are normally paid each week for CVTMC and on an as needed basis for GLTC. Prior to generating checks, a pre-check report is generated which lists all outstanding payables with the due dates and amounts. The Financial Technician will indicate which invoices need to be paid. This pre-check report will be reviewed and approved by the Finance Manager. Based on the approved pre-check report, the checks are printed from the A/P computer module, attached to the approved support documentation from the open invoice file, and given to the General Manager or check signer designee for signature. Once the checks are signed, they are returned to the Administrative Assistant who prepares them for mailing. The support documents are returned to the Financial Technician to be filed alphabetically by vendor. Checks that are for amounts greater than \$100,000 may be sent with additional tracking as needed. Checks greater than \$200,000 must be sent certified, or through a courier service so that they may be tracked to ensure delivery.

Blank checks are kept in a locked file cabinet in the O & M Facility Transaction Room. The Financial Technician maintains the key to this cabinet. No Finance employees have access to the Transaction room without a third-party granting access.

Company issued credit cards are used for small expenditures that are paid directly by the company or for official travel. Specific policies for employee travel and reimbursements are contained in the GLTC Travel Policy. The Finance Manager receives the control account bill and the General Manager receives individual bills, stamps them with the date, and distributes them to the cardholder. Cardholders match their receipts to the bill, ensure that only the appropriate applicable taxes are included, and forward the bill to the General Manager for approval. After approval, the bill is forwarded to the Finance Manager who reconciles them to the control bill and maintains them in the vendor file. A meal receipt must be the itemized receipt along with the Business Meal Authorization form which lists parties in attendance and the reason for the meal. As a general rule, meals for travel are paid as a per diem derived from the current General Services Administration (GSA) Per Diem rates and not charged onto company cards. Questionable amounts or items with no receipts must be addressed in writing to the satisfaction of the General Manager. The payment is automatically drafted from the bank account on the due date. The administrator on the account is the Finance Manager. They have the authority to increase limits after approval by the General Manager, however, the total limit on the account cannot exceed \$50,000.

General Manager - \$7,500 limit

Assistant General Manager	-	\$5,000 limit
Marketing Manager	-	\$2,500 limit
Maintenance Manager	-	\$2,500 limit
HR Manager	-	\$2,500 limit
IT Manager	-	\$2,500 limit
Transportation Manager	-	\$2,500 limit

Travel expense reports are prepared by the person traveling and reviewed/approved prior to the distribution of a reimbursement check. Expense reports for the General Manager are reviewed by the Board Chair. Detailed travel instructions are included in the Travel Policy and Travel Request Form.

GLTC also has a revolving credit account with Lowe's. Only individuals authorized by the General Manager or Maintenance Manager can make purchases using this revolving credit account. The account is settled in full each month after the submission of an itemized bill.

Any unusual or questionable purchases must be brought to the attention of the General Manager, or Assistant General Manager or in their absence to the Finance Manager.

4.24 Payroll Procedures

GLTC processes payroll through Transdev/ADP. The HR Manager forwards the set-up information on new employees, COLA raises, other raises approved by the General Manager, and termination papers to Transdev/ADP.

New employees are interviewed by panel interviews; each must pass a drug test and a background check. When an employee is hired, the employee information as well as the pay rate information, which must be approved by the General Manager, is forwarded to the HR Manager. The HR Manager sets up the employee and submits the New Hire Profiles to Transdev.

Raises to all hourly employees (COLA raises under the union contract) can be applied directly by the HR Manager across the employee group. Other raises (merit raises to non-union employees) must be approved by the General Manager, who forwards the paperwork to the HR Manager who transmits to Transdev.

The HR Manager prepares termination papers and works in conjunction with the Financial Technician to ensure the employee gets a final paycheck; and then the employee is inactivated by the HR Manager who submits the termination to Transdev.

Payroll is prepared by Financial Technician every two weeks. This includes both salaried and hourly employees. The Financial Technician does not write the checks to the General Manager and Assistant General Manager—they are the only two employees employed by Transdev.

Hourly employees (including bus operators, maintenance, para-transit drivers, and the transportation supervisors) use a time-card /time-punch system. Employees punch in and out each day; at the end of each pay week supervisors review and approve the time posted within the system and let the Financial Technician know that they've approved the time. Salaried and administrative employees turn in manual time sheets which are used to track vacation/holiday/sick time, etc.

All of the time records for the operators are then entered into an Excel spreadsheet for both weeks and the totals are put in a file setup by Transdev and then exported to ADP.

The Financial Technician prepares payroll information which is sent to Transdev/ADP for processing. The administrative salary staff is set up as auto-pay. Any changes for vacation, sick, or bereavement are provided to Transdev/ADP. Hourly employees' time captured in the timeclock system is combined in an ADP file. Vacation, Bereavement, and other different pay codes other than regular and overtime hours are added to the ADP file as needed. The HR Manager or the Finance Manager should review the file prior to uploading to Transdev/ADP verifying hours recorded. This file is then sent to Transdev/ADP who uploads the file into ADP software. Once the processing is done, the Financial Technician downloads a preview and advise Transdev of any changes that need to be made. ADP then processes the checks and direct deposits. Most employees receive funds via direct deposit, but physical checks that are received from ADP are distributed by the Financial Technician.

The payroll register and the employee change report for each payroll are approved by the General Manager.

5.00 CASH RECEIPTS

5.10 Policies

Cash receipts can be generated via the fare boxes, purchase of prepaid fare cards, checks received in the mail, and/or electronic remittances.

The complete cash handling procedures are covered in the **Cash Handling and Vaulting Policy**.

The Administrative Assistant will receive and open the mail and will restrictively endorse all checks when received. The bank deposit ticket will be made daily by the Administrative Assistant.

If the Administrative Assistant is unavailable to perform these duties, the General Manager will assign an employee other than the Finance Manager to carry them out.

Pre-numbered receipts will be used for any monies received directly from an individual.

5.20 Procedures

All checks are restrictively endorsed, photocopied and entered onto a daily cash receipts log when the mail is opened. Both the CSR and a second person will sign the cash receipts log verifying its accuracy.

Payments made in person will be added to the cash receipts log. A photocopy of these checks and a copy of the pre-numbered receipt will be attached to the daily cash receipts log. The cash receipts log is totaled by the CSR and given with the check copies to the Finance Manager to determine account coding and to enter the cash receipts into the computer.

The Finance Manager will use the cash receipts log to assist in reviewing the bank statements (see Section 6).

6.00 BANK RECONCILIATION

6.10 Policies

The bank statements are forwarded to the General Manager unopened.

Upon opening the statements, the General Manager reviews and checks for unusual items or changes. The General Manager periodically compares selected deposits on the bank statement to the copy of cash receipts logs and reviews any account transfers. The General Manager will initial the bank statement and forward to the Finance Manager.

The bank statements are to be reconciled by the Finance Manager on a monthly basis no more than one week after receipt of the statement. The general ledger and the reconciled bank statements will be adjusted to agree monthly. The Assistant General Manager or designee will review, sign off, and date the reconciled statements.

Grant revenues are recorded in the "GLTC" account and transferred to the CVTMC account. The Finance Manager prepares the transfer form and goes online to initiate the transfer. The General Manager, Assistant General Manager, or HR Manager signs off on the transfer form and goes online to approve the transfer. Cash transfers require dual authorization. No one person can enter a transfer and approve the transaction.

6.20 Procedures

Upon receiving the bank statement from the General Manager, the Finance Manager prepares the monthly bank reconciliation using the Bank Reconciliation module in Great Plains (GP). The bank reconciliations will reconcile the bank balance to the general ledger balance. A journal entry will need to be posted each month for items on the bank statements which are not already recorded in the general ledger. These reconciling items may include: interest earned, service charges, NSF checks, direct deposits and other debit or credit memos.

After the general ledger is reconciled to the bank statement, the monthly bank statement and cancelled checks and other forms and the actual reconciliation form are filed in the bank reconciliation file.

7.00 END OF MONTH ACCOUNTING PROCEDURES

7.10 Policies

The Finance Manager prepares the monthly financial statements.

The General Manager approves the financial statements before being sent to the Board of Directors. The financial statements should be submitted to the General Manager at least two days prior to the mailing of Board packets in order to facilitate this review.

The Board of Directors reviews the monthly financial statements.

7.20 Procedures

The cutoff for information in the monthly statements is two weeks after the month end.

Upon completion of the monthly bank reconciliations, the Finance Manager will formulate the monthly journal entries. There are two types of monthly journal entries, those that remain consistent from month to month (recurring) and those that are specific to that month. These include the expensing of prepaid insurance. The specific journal entries include interest and dividend income, bank transfers, bank charges, accrued wages and payroll taxes, receivables, etc.

The Finance Manager will maintain a file for each month which includes work papers which document the balance of each balance sheet account. All balance sheet accounts will be reconciled monthly to help ensure that accurate statements are provided to management and the Board.

Once the final general journal entries are posted, the monthly financial statement is printed for that month. There is one statement for GLTC and one for CVTMC.

The completed financial statements are to be delivered to the Board of Directors at the next monthly meeting after the close of the month.

The Finance Manager prepares a budget to actual expense report for the General Manager and the Board of Directors to be included with the monthly financial statements.

The year-end financial statements will be delayed for additional procedures (see Section 8.0).

8.00 END OF YEAR ACCOUNTING PROCEDURES

8.10 Policies

The Finance Manager prepares the year-end financial statements.

The Finance Manager is responsible for preparing for the annual financial statements and for working with the outside accounting firm to complete the audit.

The General Manager approves the financial statements before being sent to the Board of Directors. The financial statements should be given to the General Manager at least one week prior to the mailing of the Board packet or the Annual Meeting in order to facilitate this review.

The Board of Directors approves the year-end financial statements.

The Finance Manager will arrange to move all records from the year which is closing to storage.

8.20 Procedures

The cutoff for June financial statements is extended to four weeks after year end.

Upon completion of the June financial statements, the preliminary year-end report is run by the Finance Manager and given to the General Manager for review.

The Finance Manager calculates the recurring entries (*with the help of the CPA firm if needed*) for the new fiscal year.

8.21 Financial Audit

The independent auditing firm will contact GLTC as soon as the General Manager signs the audit engagement letter to begin planning the scheduling and work needed to complete the audit. The Finance Manager will ensure that adequate space is provided for the independent auditors to work in GLTC's offices. This would include one or more large tables, space to keep our records provided to the independent auditors, light and electrical outlets.

The Finance Manager will work with the independent auditors to determine what confirmations will be required. This process will be completed as soon after year end as possible. The Finance Manager will oversee preparing the confirmations. The General Manager will sign the confirmations. The Finance Manager will deliver the confirmations to the independent auditors.

The Finance Manager will be responsible for preparing as many of the schedules which the auditors will use as possible. The completed monthly reconciliations for June will partially fulfill this requirement.

The Finance Manager will be available at all times throughout the audit to facilitate the work of the independent auditors. The General Manager will schedule time to meet with the independent auditors as needed during the audit. The Financial Technician, Procurement Technician, and HR Manager will also be available for any work which the Finance Manager may delegate to them.

The Finance Manager and General Manager will plan a meeting with the independent auditors at the end of the audit to discuss any issues raised, review the audit journal entries, evaluate the audit process and plan improvements for the following year.

9.00 COST ALLOCATIONS

9.10 Policies

GLTC allocates certain costs to distinguish between PTS and Fixed Route expenses. The cost allocation is calculated monthly and journal entries are prepared to reflect the expenses allocated. Microtransit expenses are classified as fixed route based on guidance from the FTA and following NTD protocols.

10.00 DEBT

10.10 Policies

Board approval is required for incurring any debt of GLTC other than operating trade payables and budgeted payroll payables. The General Manager will be authorized to negotiate such debt as needed by the Board of Directors.

Any loan covenants and restrictions will be reported to the Board when the debt is authorized. The Finance Manager will periodically review these covenants and report to the General Manager if there are any violations or potential violations of the covenants.

GLTC has a reserve with the City of Lynchburg. GLTC may draw on this fund interest free with amounts to be repaid within in 90 days, up to a maximum of \$500,000.

10.20 Procedures

The General Manager and Board President or Treasurer will sign any debt agreements after receiving full Board approval.

The Finance Manager will reconcile the general ledger debt balances to statements or amortization schedules each month. In addition, accrued interest will be recorded in the general ledger as needed.

11.00 RESERVES

11.10 Policies

GLTC will build and maintain an operating reserve to assist in maintaining financial stability. The target for the operating reserve will be the amount designated by the Board of Directors in accordance with the Memorandum of Understanding (MOU) with the City of Lynchburg. This will be a cash reserve held separately from other funds of GLTC at the City of Lynchburg. The reserve may be invested consistent with the investment policy of the City of Lynchburg. Any income of the reserve fund will stay in the reserve fund.

The Board of Directors may also designate portions of the net assets of GLTC for specific purposes.

11.20 Procedures

During the annual budget preparation, the Board will review the operating reserve and set a target for funds to be set aside that year. The General Manager will establish and maintain the operating reserve bank account as directed by the Board.

Designation of net assets will be made by resolution of the Board. A purpose and timeline must be specified for each designated fund. The designation may also specify whether a separate cash fund is to be used.

12.00 INTERNAL CONTROLS AND FINANCIAL AUDIT

12.10 Policies

The review of internal controls and the annual audit are two of the most important procedures the Board has for fulfilling its fiduciary responsibilities to GLTC.

Internal controls pertaining to the accounting records are established by the General Manager and Board Treasurer in consultation with the Finance Manager.

The Board of Directors selects the public accounting firm which will perform the year-end financial audit. The financial audit report is presented to the Board of Directors who has the authority to approve the audit.

12.20 Procedures

Whenever there is a change in administrative personnel or a change in the operating structure of the organization, the Treasurer and General Manager will meet to determine that the internal control system continues to meet the needs of GLTC. If appropriate, the changes will be reflected in this accounting procedures manual.

The key features of the internal control system are that the Finance Manager, who maintains the general ledger, is not involved in handling checks and cash received, signing checks, transferring money (without 2nd level approval by GM, AGM, or HR Manager) or establishing cash accounts or investments, and does not receive the unopened bank statement. The other aspect of this is that the Finance Manager reviews the transactions of the other employees and is responsible for noting any problems to the General Manager or directly to the Board Treasurer or President.

The Board of Directors will approve, as part of the budget process, the public accounting firm to perform the annual audit. The public accounting firm will present the audit to the Board each year. The Board will review and approve the financial audit.

The Finance Manager and General Manager will be responsible for scheduling the audit, preparing the information needed by the auditors and answering questions during the audit.

13.00 COMPLIANCE

13.10 Policies

In order to continue receiving government grants and restricted donations, GLTC must have systems in place to ensure compliance with the restrictions imposed by those grants and restricted donations.

The General Manager will be responsible for communicating the nature of all restrictions to the Finance Manager. This information will be used to ensure that the General Ledger restricted revenue accounts will reflect the restricted funds and the spending of those restricted amounts, as appropriate.

The Finance Manager is responsible for overseeing the compliance with all applicable grant restrictions.

13.20 Procedures

A compliance committee will consist of the General Manager, the Finance Manager and primary program personnel. The General Manager will be responsible for discussing new compliance requirements in the grants which fund the programs with the committee. The Finance Manager will be responsible for preparing a report documenting how GLTC is ensuring compliance with grant rules in each grant program. The Finance Manager will also produce, when needed, similar reports for overall compliance by the agency to external parties. These reports, plus any correspondence with granting agencies regarding compliance issues, will be kept in a central compliance file.

The compliance committee will also oversee the maintenance of grant files. The grant files will contain the final signed copy of the grant, any addenda, and correspondence.

14.00 BUDGETING

14.10 Policies

The Board of Directors is responsible for approval of the annual budget.

- (1) The General Manager and Finance Manager will be responsible for preparing the proposed budget. Each department head will prepare a budget for each account that they are responsible for along with proper documentation to support the amounts. Discussion of what are allowable costs and vendor disbursement are reviewed. Office of Management and Budget (OMB) cost principles and the terms and conditions will be followed in determining whether costs are reasonable, allowable, and properly allocated. Allowable costs will be in accordance with 2 CFR Part 200 Subpart E – Cost Principles. It is the responsibility of the General Manager and Finance Manager to ensure that costs are allowable and properly allocated.

14.20 Procedures

The Operating budgeting process will begin in September for the following fiscal year. This will allow for three months of results to be used in planning the budget. The Capital budgeting process will begin in August for for the following fiscal year. The Capital budget will be reviewed in September to be approved by the Board of Directors in October.

All budget documents will be submitted to the Finance Manager by September 30th for consolidation into an overall agency budget. The General Manager and Finance Manager will then review this to determine if there are any obvious areas which may need to be reworked. The draft proposed budget will be submitted to the Board of Directors by November, and a final proposed budget is presented to the Board of Directors at the December meeting for approval.

After the completion of Federal, State, and Local budgets in May, the Genral Manager will amend the Capital and Operating budgets as needed to comply with funding amounts and present an appropriated combined budget to the Board of Directors in June, or as soon as possible pending legislative delays for ratification or the upcoming fiscal year.

The responsibility for each area of the budget is as follows:

General Manager -- Program revenues and expenses, operations expenses, and capital budget.

Finance Manager -- Accounting expenses, investment income, projected balance sheet.

Board Treasurer -- Board and committee expenses if applicable.

Directors/Managers – Expenses accounts related to their area of responsibility.

After completion and approval of the budget by the Board of Directors, the budget will not be modified for subsequent activities unless amended by the Board of Directors.

15.00 COMPUTER AUTHORIZATION AND BACKUP

15.10 Policies

The accounting software used by GLTC is Great Plains (GP). The accounting software will have access controlled by passwords. The IT Manager will control the master password. The Finance Manager will submit for approval requests to alter accounting system access. Approval will be granted by the General Manager or Assistant General Manager (in his/her absence). Once approval is provided the IT Manager will make the appropriate changes.

The accounting server will be backed up regularly. The IT Manager is responsible for carrying out this backup.

The IT Manager is responsible for maintaining the disaster recovery plan for the accounting software and for periodically testing the plan.

15.20 Procedures

15.21 Passwords

The IT Manager will maintain a record of all authorized users and the level of password access each user has. Passwords will be changed periodically in accordance with IT System Policies.

15.22 Backup

The backup procedures are designed to maintain records of various periods until that period is closed.

Automatic daily, weekly, and monthly backups are made by GLTC's backup vendor and uploaded to offsite servers. GLTC IT staff can initiate a back-up manually as needed.

Back-ups can be restored generally within 24 hours after the process is initiated by the IT Manager.

The IT Manager will ensure that the appropriate backups are made at the end of each day.

15.23 Disaster Recovery

In the event of the serious damage to the offices of GLTC arrangements have been made to process certain accounting records at the offices of the City of Lynchburg located across town. Since the disasters we are anticipating would be localized in nature, such as fire or tornado damage, we have not set up recovery plans with other agencies in another part of the State.

The City of Lynchburg has agreed to provide us with one workstation and desk with access to their printers. In exchange we have agreed to provide them with the same services in the event of disaster at their offices. We are required to provide one business days' notice so that they may arrange the items we will need to use.

16.00 ACCESS TO RECORDS AND RECORD RETENTION

16.10 Policies

The records of GLTC are generally open to public inspection due to IRS rules, open records laws and the spirit of public service. However, certain information is not open to public examination and may only be released with the permission of the General Manager. Questions in this area are to be resolved by the General Manager. If the answer to a request is unclear the General Manager may contact GLTC's attorney for a consultation.

Record retention is governed by various rules, statutes of limitations and common sense. Certain documents must be retained indefinitely, while others may have little use after 3 years.

16.20 Procedures

16.21 IRS Forms

Payroll tax forms are not public information and will not be released.

GLTC is an instrumentality of the City of Lynchburg, and is exempt from all federal, state and local income taxes.

16.22 FTA Required Reports

GLTC is required to report to the FTA and other transportation agencies certain information. These reports are uploaded to their respective websites when due.

16.23 Personnel Records

All requests for personnel records, job references and credit inquiries will be referred to the HR Manager.

16.24 Financial Information

Certain financial information is regularly distributed to the public which is included in the annual report each year. The General Manager prepares the report each year along with the Board President.

16.25 Records Retention

A schedule of record retention follows. Any discarding of records should follow this schedule. However, prior to discarding of records, the permission of the General Manager and the Finance Manager are required to ensure that they have no reason that an exception should be made to the policy. All discarded documents are to be shredded or sent to our recycling company, which has a confidentiality agreement with us.

For tax purposes, records should be maintained until the expiration of the statute of limitations. Generally, that period expires three years after the later of the due date of the return or the date filed. While there are a few exceptions to this rule, the three-year period normally should be adequate.

For non-tax purposes, records should be maintained only as long as they serve a business purpose or until all legal requirements are met. Unfortunately, there are not specific standards that will cover all situations. The following are some of the factors that should be considered:

- Federal, state, and local statutes and regulations
- Industry requirements or standards
- Potential claims or litigation
- Contract requirements

16.26 GLTC Record Retention Schedule

Type of Record	Retention Period in Years	Type of Record	Retention Period in Years
Accident reports & claims	7*	Appraisals	Permanent
Articles of incorporation, by laws	Permanent	Assets records	7*
Bank statements, reconciliations	4	Bills of sale-assets	7*
Budgets & projections	2	Cancelled checks – general	4**
Capital stock & bond records	Permanent	Charts of accounts	Permanent
Check vouchers, stubs	4	Contracts & agreements	7*
Correspondence		Credit and collection	7
Routine with customers or vendors	1	Other	4***
Credit memos	4	Damage and theft reports	7
Deeds	P	Deposit slips	4
Depreciation schedules	7*	Employee records	
Contracts	7*	Disability, unemployment claims	7
Employment applications	4	Expense reports	4
Personnel files	7*	Time reports, earnings records	4
Withholding & exemption certificates (W-2, W-4, etc.)	4*	Interim Financial reports	4
Annual, audited	Permanent		
Freight bills, bills of lading	4	Insurance policies & records	4
Internal reports, memos, work		Orders, etc.	2
Inventory records	4	Invoices	
Fixed assets	7	Sales & general expenses	4
Leases	7*	Ledgers & journals	
Cash receipts & disbursements	Permanent	General ledger, journal entries	Permanent
Payroll journal	4	Purchases & sales	7
Subsidiary ledgers (receivables, payables, etc.)	7		
Licenses	4*	Minute books	Permanent
Mortgages	7*	Notes	7*
Pension & profit-sharing records	Permanent	Petty cash records	4
Purchase orders, invoices	4	Receiving reports	4
Repair & maintenance records	4	Sales records & cash register tapes	4
Shipping reports	4	Tax returns and related records	
Income	Permanent	Payroll	4
Sales and use	4	Union contracts	Permanent

Key:

* Retention period begins with settlement of claims, disposal of asset, termination of contract, etc.

** Some should be kept longer, e.g. checks for tax payments should be kept with the tax returns, checks for asset acquisitions should be kept with bill of sale, etc.

*** Legal and important correspondence should be kept as long as the documents to which they relate.

17.00 SAMPLE ACCOUNTING FORMS

Please see Appendix A for sample accounting forms.

18.00 MAINTENANCE OF ACCOUNTING POLICIES AND PROCEDURES MANUAL

18.10 Policies

The accounting policies and procedures manual is critical to the accounting function of GLTC. The Finance Manager is responsible for maintaining the manual.

All proposed changes must be approved by the Finance Manager and by the General Manager.

The policies and procedure manual will be dated with the date of each approved revision.

18.20 Procedures

Every other year, unless required by regulatory changes, the Finance Manager will review the manual and formulate proposed changes. All changes must be approved by the Board of Directors. If there are no changes, the Board must still review the policy and certify that there are no changes to the current version.

The revised manual will be distributed to the General Manager, Assistant General Manager, Finance Manager, accounting team members, and any employees who procure or order parts, supplies, or materials.

19.00 PREPARATION OF INFORMATIONAL RETURNS

19.10 Policies

FTA required reports:

- The preparation of these reports will generally be completed by GLTC staff as required.
- The Finance Manager will be responsible for providing the information needed to prepare the report.
- The Finance Manager and General Manager will review the reports prior to filing them to ensure that they are accurate and do not indicate any potential problems with the tax status or fundraising license of GLTC.

19.20 Procedures

These forms will be prepared primarily from the final audited financial statements. The Finance Manager will be responsible for gathering this information and providing it to the independent auditors.

The Finance Manager and General Manager will review the activity of the prior.

20.00 PROPERTY AND EQUIPMENT INVENTORY

20.10 Policies

An inventory of all property, including maintenance supplies, and equipment will be maintained. The inventory document will contain sufficient information for insurance and grant requirements. GLTC will also maintain a database of capital assets in the Virginia TransAM TAM database in accordance with

20.20 Procedures

The Finance Manager will maintain a database of all property and equipment owned by GLTC. The database will include: tag number, description, serial number, acquisition date, cost, vendor, location and any grant or other restrictions.

All equipment will have a tag affixed with a unique identifying number.

The property and equipment database will be consulted prior to sale of any item to determine if there are restrictions. Grant purchased equipment may generally not be sold without the grantor's permission.

An annual inventory will be taken to verify the existence of the property and equipment listed in the database.

Equipment will be included in the database using the definitions for capitalization in **Section 3.00**

Parts inventory is maintained in the RTA system. When parts are ordered and received the information is entered into the system by the Parts Clerk. The part is put in the proper bin location. The Maintenance Manager codes and approves purchases.

When a mechanic needs a part, a work order is completed and the foreman on duty pulls the part from the inventory. It is the foreman's responsibility to pull the part and to ensure the work order has the correct part information. The Parts Clerk enters the work orders in the system. He also reviews the work orders, making sure they were completed correctly. Upon entering the handwritten work order into the system, the work orders are then forwarded to the Maintenance Manager, who reviews both copies (final in RTA and handwritten), approves the work order, and then files them in his office according to the type of repair: PM-preventive maintenance or CM- corrective maintenance.

The Maintenance Manager oversees the process of detecting and accounting for obsolescence. He reviews the parts inventory reports to identify all obsolete parts that have been pulled from the inventory and housed in the old parts room. GLTC has plans to sell at Auction and hopefully dispose of anything that cannot be sold.

The Maintenance Manager conducts full inventory counts twice a year, December 31 and June 30, with periodic cycle counts performed by Parts Clerk. Count sheets are reviewed by the Maintenance Manager for discrepancies in counts. The Maintenance Manager is the only individual who can adjust or write-off inventory and only after the discrepancy is investigated. Inventory adjustment reports are run and reviewed by the Assistant General Manager. In most instances, it is not necessary to do a write-off. Usually, research shows that originally the incorrect part number was used. Two reports that have proved useful in this type of research are the Parts Usage report and the Parts Adjustment report.

Inventory accounts are adjusted monthly by the Finance Manager based on usage, purchases, etc. on a report provided by the Maintenance Manager.

21.00 GRANTS

21.10 Grants Introduction

Funds for capital asset procurement originate from three sources: Federal, State, and Local Governments. Federal and State funding is initiated by a signed contract between GLTC and the funding agency. Local funding has not been subject to a formal contract, but local participation is defined in the Federal contracts.

Based on a signed contract at the Federal level (FTA), an accounting for the value of the contract is immediately necessary on the accounts established for the GLTC entity.

Funds for capital assets are accounted for in a separate structure of accounts, not related to the operating accounts of GLTC. This separation of capital asset accounts is accomplished by use of a separate entity. In addition, there are accounts for each grant. All operating expenses are recognized in the Central Virginia Transit Management Company, Inc. entity.

Yearly, the General Manager compiles a Capital Improvement Plan (See Attached) that is the beginning of the Budget Process and used to define the Projects that will be used for Federal, State, and local funding. This plan is approved by the GLTC board of Directors, generally in October of each year prior to submission to the City of Lynchburg. When the Federal Register publishes the federal apportionment, and after the Commonwealth Transportation Board approves the state allocation, we modify the Capital Improvement Plan to reflect the allocated funds for the previously proposed projects.

Advertisement of our Program of Projects (POP) using our approved Capital Improvement Plan are done by the MPO. All capital items are listed in the TIP.

Grant application are then submitted to FTA and DRPT. If the grants are funded, FTA or DRPT will send notification that the grant has been awarded. The General Manager will then go into TrAMS (FTA) or Webgrants (DRPT) and execute the grant. Once this is completed, drawdowns for the projects can be made and a grant folder for file retention is created.

21.20 Policies

GLTC has the responsibility to comply with all federal, state, and local statutory and regulatory requirements associated with the management of grants. To ensure compliance, GLTC focuses on the following standards:

- (1) Financial Management
- (2) Internal Controls
- (3) Procurement
- (4) Audit
- (5) Reporting

Financial management consist of:

- (2) Maintains accounting structures within Great Plains (GLTC's accounting software) that provide accurate and complete information of transactions related to each grant. This includes grant expenditure records with actuals being compared to budget amounts. It is the responsibility of the Finance Manager to ensure that all grant expenditures are properly recorded and compared to budget amounts.
- (3) Accounting records being maintained on a current basis and balanced monthly. It is the responsibility of the Finance Manager that the records are supported by source documentation such as cancelled checks and invoices. It is the responsibility of the Procurement Technician and Maintenance Manager to obtain the proper procurement documentation and provide to the Finance Manager. The records will be maintained following the Record Retention policy.
- (4) OMB cost principles and the terms and conditions of the grant award will be followed in determining whether costs are reasonable, allowable, and properly allocated. Allowable costs will be in accordance with 2 CFR Part 200 Subpart E – Cost Principles. It is the responsibility of the General Manager and Finance Manager to ensure that costs are allowable and properly allocated.

Internal Controls consist of:

- (1) Transactions that are conducted in compliance with federal statutes, regulations, and the terms and conditions of the grant award. It is the responsibility of all GLTC project managers, General Manager, Procurement Technician, and Finance Manager that all grant awards are in compliance.
- (2) Funds, property, and other assets are safeguarded against loss from unauthorized use or disposition. It is the responsibility of the Maintenance Manager, IT Manager, General Manager, and Finance Manager that all assets are properly safeguarded.
- (3) Transactions are properly recorded and accounted for in order to permit the preparation of reliable financial statements including federal reports; maintain accountability over assets; and demonstrate compliance with federal statutes,

regulations, and the terms and conditions of the grant award. It is the responsibility of the Finance Manager to ensure that these are in compliance.

Procedures for procurement is outlined the *GLTC Procurement Policy and Procedures*.

Audit standards consist of:

- (1) Requirement of a “single Federal audit” (A-133 audit) conducted by an independent public accounting firm in accordance with the provisions 2 CFR 200.501. This requirement is made by The Office of Management and Budget (OMB) for all organizations that expend \$750,000 or more in a year in Federal awards.
- (2) The purpose of the single annual audit report is to determine whether GLTC has prepared financial statement that fairly present its financial operations in accordance with generally accepted accounting principles; has in place internal controls that provide reasonable assurance that GLTC is managing its grants in compliance with federal, state and local laws and regulations; and complied with the laws and regulations that may have material effect on the financial statements.
- (3) Resolution of Audit Findings. If there are audit findings, the General Manager and the Finance Manager is responsible to determine the appropriate follow-up actions and establish a completion date. In addition, all required actions must be completed within the time period.

Reporting standards consist of:

- (1) Federal Financial Reports (FFR) which are used to monitor project funds. Required to file within 30 days after calendar quarter end.
- (2) Milestone/Progress Reports (MPR) which provide the status of all open projects. Required to file within 30 days after calendar quarter end.

The staff that will be responsible for grants must meet certain qualifications. The Finance and Grant Manager will be required to have a bachelor degree in accounting or finance or proven experience in these fields with at least five years of experience and supervisory experience. In addition, the Finance/Grant Manger will be required to obtain annual training related to grants. The Procurement/Financial Technician will be required to have a bachelor degree or proven experience, and preferably be trained in all four of the FTA Procurement series classes. In addition, annual training related to grants will be required. Annual evaluations of the grant staff will be conducted following the Human Resources guidelines.

21.30 Procedures

Federal grants are awarded annually. GLTC applies for federal operating and capital funds during February or March each year, for the fiscal year beginning July 1. State grant applications are prepared by February 1. Local grant applications are required by October of the previous year for the upcoming fiscal year. Once the STIP is approved, the contract is sent to GLTC for the signature of the General Manager. The actual amount is not known until the contract is received. State operating funds vary from year to year. Once the contract is complete the funds are sent to GLTC on a schedule of 4 payments per year.

Before any payment request is made to FTA, the Finance Manager should verify the availability of the federal assistance. This verification will be done by going into TrAMS and verifying that the amount is available for the award. In addition, to prevent duplicate and overbilling, the Finance Manager will verify that the invoice has not been previously submitted by reviewing the grant reconciliation. It is also the responsibility of each project manager to maintain a log of all expenditures related to their projects and review all invoices against the log to ensure that duplicate invoices are not submitted.

The Finance Manager prepares a request for FTA funds (which represents no more than 50% of the operating losses) based on the approved STIP. The General Manager approves the ECHO request. This request is usually prepared within 30 days of month end and the Finance Manager enters the ECHO request through the ECHO online system. The funds are normally received electronically within 1-2 business day. The Finance Manager completes a cash transfer form which will transfer the funds from the GLTC public fund account (where the ECHO request is electronically sent) to the Operating account and initiates the transfer online in Truist OneView. A copy of the unapproved transfer along with the cash transfer form is provided to the General Manager, Assistant General Manager, or HR Manager for approval. The General Manager, Assistant General Manager, or HR Manager will go into Truist OneView and approve the transfer online. It should be noted that the transfer is setup requiring dual authorization. No one person can enter a cash transfer and approve it. The Finance Manager can only initiate a transfer. Whereas, the General Manager, Assistant General Manager, or HR Manager can only approve a transfer.

For capital grants, the Finance Manager will verify the invoice is within the grant project description and allowable. The Finance Manager will also check the grant reconciliation to ensure that the invoice has not been submitted for payment

previously. Once verification of the invoice is made, the ECHO request form is submitted to the General Manager for approval. After the General Manager approves the ECHO request form, the Finance Manager will go into ECHO and request the funds. The funds are normally received electronically within 1-2 business days and disbursed by GLTC with the 3 days allowed by FTA.

The Finance Manager completes a cash transfer form which will transfer the funds from the GLTC public fund account (where the ECHO request is electronically sent) to the Capital account and initiates the transfer online in Truist OneView. A copy of the unapproved transfer along with the cash transfer form is provided to the General Manager or Assistant General Manager for approval. The General Manager, Assistant General Manager, or HR Manager will go into Truist OneView and approve the transfer online. It should be noted that the transfer is setup requiring dual authorization. No one person can enter a cash transfer and approve it. The Finance Manager can only initiate a transfer. Whereas, General Manager, Assistant General Manager, or HR Manager can only approve a transfer. Once requested funds are received, they are disbursed within the 3 days allowed by FTA. The Finance Manager provides the Financial Technician with the approved invoice and all supporting documentation for payment. The Financial Technician will enter the invoice and print the check. The check is then given to the General Manager, Assistant General Manager, or HR Manager along with all documentation. The General Manager, Assistant General Manager, or HR Manager will sign the check. The checks are then given to the Administrative Assistant to mail. The backup documentation and a copy of the check are given to the Finance Manager to maintain.

Once a grant is active, GLTC must comply with reporting requirements. GLTC is required to prepare and submit Federal Financial Reports and Milestone/Progress Reports quarterly. These reports are due to FTA within 30 days after the end of each calendar quarter (i.e. January 30, April 30, July 30, and October 30). GLTC must submit a Federal Financial Report (FFR) for each active grant. These reports are used to monitor project funds. The Finance Manager currently is responsible for accepting the task in TrAMS and completing the FFR reports by the due dates. These reports are on an accrual basis of accounting which records income when earned and expenses when incurred. The Procurement Technician is responsible for accepting the task in TrAMS and completing the Milestone/Progress Reports. A Milestone/Progress Report (MPR) must be submitted for all active grants. This report provides the status of all open projects and shows completion dates where applicable. Before submission of these reports, the Procurement Technician is responsible for obtaining approval of all MPR's from the Finance Manager. The Finance Manager is responsible for obtaining approval of FFR and MPR from the General Manager.

Grant records are retained based on the type of grant and the specific requirements for record retention. Many grants are maintained for only three years, but grants may be retained for longer for items such as buses or facilities. Please see the Record Retention Policy for further guidelines.

22.00 CONTRACTS

22.10 Policies

Contract billings will be prepared and filed timely. Adequate documentation will be maintained to support all billings. Notable contracts include: Central Virginia Community College (CVCC); City of Lynchburg Housing Authority; City of Lynchburg Social Services; ParkView Community Mission; Lynchburg City Schools, and advertising purchasers. Complete contract files will be maintained showing usage, billing, and any agreements governing services.

Procedures for contract administration is outlined the *GLTC Procurement Policy and Procedures*.

22.20 Procedures

Contract billings will be prepared monthly or as needed. Billing will be done according to funding source requirements based on reimbursements of expenses, units of service or as required by the contract.

Documentation of billings will be prepared and maintained. For billings based on a reimbursement of expenses, a copy of the program expenses from the software and any reconciliations to the billing will be maintained. For billings based on units of service, a copy of the detailed units of service will be maintained.

The Finance Manager and General Manager will each approve billings prior to issuance.

Billings will be recorded as accounts receivable in the appropriate accounting period.

Contract files will contain at least the following documents: signed copy of contract, application and budget, correspondence, periodic billings and the documentation supporting the billings. Contract files will be monitored for payment. If the contract becomes more than 60 days past due, notification will be sent either by electronic mail or certified mail to the contract contact. If the payment has not been received within 30 days of the delivery of the notice, Contracts may be referred to collections or legal action as summarized in the chart below.

Tiers for Collection and Writing off of Receivables		
Tier		
1	\$249.99 or less	If multiple collection attempts have been made and account is then deemed uncollectible, write off the outstanding customer account. Any amount \$249 or less is deemed insignificant and can be written off with the approval of a designated GLTC supervisor or officer. This step does not require the approval of The Board of Directors.
2	\$250.00-\$1,999.99	<ol style="list-style-type: none"> 1. In cases where the amount is between \$250-\$1,999 and initial collection attempts have been exhausted, a certified demand letter will be sent to the appropriate customer upon approval from the Board of Directors. 2. If collection by letter of demand proves unsuccessful, the account may be referred to a collection agency upon approval from the Bard of Directors. 3. If attempts to collect by way of demand letter and collection agency prove unsuccessful, the customer account will be brought before the Board Directors to be approved for a write off.
3	\$2,000.00-\$4,999.99	<ol style="list-style-type: none"> 1. If an account is between \$2000-\$4,999 and initial collection attempts have been exhausted, a certified demand letter will be sent to the appropriate customer upon approval from the Board of Directors. 2. If collection by letter of demand proves unsuccessful, the account may be referred to a collection agency upon approval from the Board of Directors. 3. If attempts to collect by way of demand letter and collection agency prove unsuccessful and if it has not been five years since the last transaction with the customer, then collection via a Warrant in Debt (Small Claims) will be pursued. GLTC's attorney is not required.
4	\$5,000-\$25,000.00	<ol style="list-style-type: none"> 1. If an account is between \$5,000-\$25,000 and initial collection attempts have been exhausted, a certified demand letter will be sent to the appropriate

		<p>customer upon approval from the Board of Directors.</p> <p>2. If collection by letter of demand proves unsuccessful, the account may be referred to a collection agency upon approval from the Board of Directors.</p> <p>3. If attempts to collect by way of demand letter and collection agency prove unsuccessful and if it has not been five years since the last transaction with the customer, a Warrant in Debt (Civil Claim for Money) will be pursued. GLTC's attorney will be involved during this process</p>
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Timeline for Collection

Step	Days from Billing	Procedure
1	30	Send first letter to customer
2	60	Send second letter to customer and call (if option is available and appropriate).
3	90	<p>1. Get advertising company to collect (if applicable).</p> <p>2. Do not provide customer additional credit until the outstanding balance is paid off.</p> <p>a. In the cases where the customer consistently fails to pay on time and requires staff to take additional collection steps, it will be suggested that the particular customer be required to participate in a prepayment plan.</p> <p>3. If customer account meets criteria for Tier 2, 3, or 4, a certified letter will be sent to the customers associated address.</p>
4	120	Refer account to collection agency if account matches requirements for Tier 2, 3, or 4
5	360	If the collection agency is unsuccessful, the delinquent customer account will be returned.
6	360	<p>If the customer account meets the criteria for Tier 1, the customer account will be considered uncollectible and will be written off from the accounting records.</p> <ul style="list-style-type: none"> • If the customer account meets criteria for Tier 2, the customer account will be brought before the Board of Directors to be submitted for a write off. • If the customer account meets criteria for Tier 3 and 4, the customer account will be brought before the Board of Directors for consideration of litigation.
7	390	Pursue appropriate litigation to collect on the delinquent customer account.

Appendix A: Sample Accounting Forms

Appendix B

GREATER LYNCHBURG TRANSIT COMPANY



Central Virginia Transit Management Co., Inc.

PROCUREMENT POLICY & PROCEDURES

Version: 7.0
Last Revision: 05/07/2025

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NOTICE: This manual is the master governing document for the departmental policies and procedures (for the department indicated in the title) of the Greater Lynchburg Transit Company / Central Virginia Transit Management Company, Inc. All employees are responsible for reading and understanding the policies in this document. All policies are subject to change at any time through the issuance of an official company memorandum and/or a new version or revision of this document. Only official notices or memorandums as signed by the General Manager are considered official addendums to this document.

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A message from the General Manager



Dear Employee,

On behalf of the Entire Management Team and Board of Directors, welcome to the Greater Lynchburg Transit Company (GLTC). You are a member of one of the greatest Transit systems in the country, a company with a long and impressive history. GLTC as it stands today was formed in 1974 however the organization dates as far back as the 1880's originating as a privately owned horse-drawn streetcar/trolley-car company and then a private Bus Company.

GLTC is operated by the employees of the Central Virginia Transit Management Company (CVTMCI), a non-profit sub-corporation of Transdev. The sole stock-holder of GLTC is the City of Lynchburg and the company is governed by a nine (9) member Board of Directors appointed by the Lynchburg City Council.

As an employee of CVTMCI you are part of an organization directly affecting the citizens of the Greater Lynchburg area every day of the year. I hope that you will find your responsibilities here interesting, challenging and ultimately rewarding. The mission of GLTC is to provide safe, dependable, affordable and high-quality public transportation to the Central Virginia Community. This helps to form a basis by which you need to live every day in the performance of your job duties.

In addition to our mission, our Financial Management Policies are impacted by our strategic plan goals to: Become a transportation option of choice; and Be financially stable & sustainable and responsive & accountable to our stakeholders. The way you do your work and your personal drive in serving our customers is central to our success and effectiveness as an organization. In the performance of your duties, it is important that you understand what is expected of you and what our policies and procedures are throughout the entire organization. It is important that you take the information in this handbook seriously and always ask questions anytime you might have them throughout any point of your career here with us. Remember, the policies of the organization apply to all of us and ultimately affect you directly or indirectly.

With all of that said, if we aren't changing, we're not succeeding and ultimately may miss out on our responsibilities to our customers. Therefore, I ask that anytime you have any ideas, comments, or feedback for us do not hesitate to let me or any member of my management team know. Remember that no policy manual can cover every circumstance or situation, thusly no manual is all-inclusive. Management reserves the right to modify any policies and procedures throughout the organization with a 14-day notice unless the change is immediate due to safety or regulatory considerations.

Thank you for taking the time to review this information and always let your supervisor if you have any questions about the policies under which GLTC operates.

Sincerely,

Josh Moore

General Manager

Greater Lynchburg Transit Company / Central Virginia Transit Management Co., Inc.

1.0 PROCUREMENT POLICY

All contracts executed with Federal, State and Local funds are subject to the requirements of fundamental procurement principles and applicable laws and regulations. Greater Lynchburg Transit Company (GLTC) has established a uniform system of purchasing policies and procedures, which is to be followed by all GLTC personnel. The guidelines have been developed in order to:

1. Ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. Awards are only made by GLTC to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement.
2. Determine GLTC's current and reasonable need for the property or services and ones that avoid unnecessary reserves.
3. Consider the use of lease or purchase alternatives to achieve an economical and practical procurement.
4. Accept, to the extent practicable and economically feasible, products and services dimensioned in the metric system of measurement.
5. Establish, to the extent practicable and economically feasible, a preference for products and services that conserve natural resources, protect the environment, and are energy efficient.
6. GLTC will ensure that all solicitations incorporate a clear and accurate description of the material, product, or services being procured, as well as identify all requirements that the offerors must fulfill and all other factors to be used in evaluating bids or proposals. Descriptions must not contain features that unduly restrict competition. Detailed product specifications should be avoided. If it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equal" description may be used as a means to define the performance or other relevant characteristics of a procurement.
7. All procurement transactions will be conducted in a manner providing full and open competition. Some of the situations considered to be restrictive of competition include, but are not limited to:
 - a. Unreasonable requirements placed on firms in order for them to qualify to do business;
 - b. Unnecessary experience and excessive bonding requirements;
 - c. Non-competitive pricing practices between firms or between affiliated companies;
 - d. Non-competitive awards to any person or firm on retainer contracts;
 - e. Organizational conflicts of interest. An organizational conflict of interest means that because of other activities, relationships, or contracts, a contractor is unable, or potentially unable, to render impartial assistance or advice to the grantee; a contractor's objectivity in performing the contract work is or might be otherwise impaired; or a contractor has an unfair competitive advantage;
 - f. The specification of only a "brand name" product without listing its salient characteristics and not allowing "an equal" product to be offered; and
 - g. Any arbitrary or exclusionary action in the procurement process.
 - h. In-State or local geographic restrictions, except for architectural and engineering services; State licensing requirements, provided they do not conflict with Federal law; and major disaster or emergency relief efforts.
8. Protect public funds against misappropriation and misallocation.
9. Maintain proper ethical business relationships between GLTC personnel and all vendors, suppliers, etc.
10. Provide for a review of proposed procurement to avoid purchase of unnecessary or duplicative items, and where appropriate.
11. Maximize the value GLTC receives for the public funds it spends. To foster greater economy and efficiency, GLTC utilizes state and local intergovernmental agreements for procurement or use of common goods and services. To the extent possible, GLTC utilizes excess and surplus property in lieu of purchasing new equipment and property, whenever such use is feasible and reduces project cost. In addition, value-engineering clauses are utilized in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions.
12. GLTC will perform a cost or price analysis in connection with every procurement action greater than the simplified acquisition threshold (currently \$150K), including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation. Cost analysis must be performed for procurements requiring the offeror to submit estimates for labor hours, overhead, and materials; procurements where adequate price competition is lacking; and sole source procurements unless price reasonableness can be established based on market prices. Price analysis (i.e., catalog or market prices) may be performed for all other procurements.
13. Encourage the use of Disadvantaged Business Enterprises whenever possible.
14. GLTC will abide by the 2 CFR Part 200 expressly prohibiting the use of the cost plus a percentage of cost method of contracting.
15. Time and Materials contracts are restricted. The 2 CFR Part 200 for governmental recipients permits the use of time and material contracts only:
 - a. After determining that no other contract type is suitable, and
 - b. If the contract specifies a ceiling price that the contractor may not exceed except at its own risk
16. Comply with "Buy America" regulations as stated in 49 CFR Parts 661 and 663
17. Maintain historical records of procurement activities for a period of not less than three years after GLTC or sub-recipients, if any, have made final payment and all other pending matters are closed and will include irrational for method of procurement including a sole source justification for any acquisition that does not qualify as competitive, reasons for the selection of contract type, reasons for contractor selection or rejection, written responsibility determination for the successful contractor, and basis of and justification for contract cost or price.

When purchasing buses, GLTC will certify to FTA that any new bus model has been tested at the FTA sponsored test facility in Altoona, Pennsylvania. A new bus model is a bus design or variation of a bus design (usually designated by a manufacturer by a specific name and/or model number) that has not been in use in U.S. mass transit service prior to October 1, 1988, or that has been in

service prior to that date but is being procured with a major change in configuration or components. Bus testing requirements apply to different mass transit vehicles including small vehicles, medium- and light- duty midsize buses, and heavy-duty small and large buses. A test must be conducted and a report received before the final acceptance of the first bus and the expenditure of FTA funds. Bus testing does not apply to unmodified mass-produced vans, bus prototypes, electric buses, or trolleybuses (meaning genuine trolleys, not replica trolleys popularly in use today).

18. Provide procedures to address protest relating to procurement, to address third party contracting issues and maintain records of such for FTA review.
19. Specify that third party contract provisions required for each third-party contract includes requirements that each third-party contractor extend those provisions to its subcontractors to the extent required.
20. Conform with 49 U.S.C. Chapter 53, 49 CFR Part 18, 2 CFR Part 200, and FTA Circular 4220.1F as amended.
21. Pursuant to SAFETEA-LU amended 49 U.S.C. Section 5325, GLTC will award contracts only to "responsible" contractors possessing the ability, willingness, and integrity to perform successfully under the terms and conditions of the contract. Responsibility is a procurement issue that is determined after GLTC receives bids or proposals and before making contract award. The prospective contractor must demonstrate affirmatively to GLTC that it qualifies as "responsible" and that its proposed subcontractors also qualify as "responsible."

Factors to consider when making responsibility determinations include:

- Integrity and Ethics
 - Has a satisfactory record of integrity and business ethics, in compliance with 49 U.S.C. Section 5325(j)(2)(A).
- Debarment and Suspension
 - Is neither debarred nor suspended from Federal programs under U.S. Department of Transportation (DOT) regulations, "Non-procurement Suspension and Debarment," 2 CFR Parts 180 and 1200, or under the FAR at 48 CFR Chapter 1, Part 9.4.
- Affirmative Action and DBE
 - Is in compliance with the 2 CFR Part 200 affirmative action and DOT's Disadvantaged Business Enterprise requirements.
- Public Policy
 - Is in compliance with the public policies of the Federal Government, as required by 49 U.S.C. Section 5325(j)(2)(B).
- Administrative and Technical Capacity
 - Has the necessary organization, experience, accounting, and operational controls, and technical skills, or the ability to obtain them, in compliance with 49 U.S.C. Section 5325(j)(2)(D).
- Licensing and Taxes
 - Is in compliance with applicable licensing and tax laws and regulations.
- Financial Resources
 - Has, or can obtain, sufficient financial resources to perform the contract, as required by 49 U.S.C. Section 5325(j)(2)(D).
- Production Capability
 - Has, or can obtain, the necessary production, construction, and technical equipment and facilities.
- Timeliness
 - Is able to comply with the required delivery or performance schedule, taking into consideration all existing commercial and governmental business commitments.
- Performance Record
 - Is able to provide a satisfactory current and past performance record.

2.0 TYPES OF PROCUREMENT

GLTC utilizes the following methods of procurement for all operating and capital projects including preventive maintenance contracts, revenue contracts, joint development contracts and public-private partnerships, as appropriate:

2.1 Micro-Purchases (≤ \$10,000)

Purchases below this threshold may be made without obtaining competitive quotations if the price is determined as fair and reasonable. There will be equitable distribution among qualified suppliers (in the local area) and there will not be splitting of procurements to avoid competition. The Davis-Bacon Act applies to construction contracts that exceed \$2,000 and will be applied. Approval for all micro purchases in excess of \$100 must be given by the General Manager prior to the purchase order being issued. The only documentation required in the procurement file for this type of procurement is the Fair & Reasonable form found in [Appendix B](#).

2.2 Small Purchases (> \$10,000 and ≤ to \$149,999)

For purchases of services, supplies, or other property costing not more than \$149,999 in aggregate. Price competition is ensured by following GLTC's internal purchasing procedures and there will not be splitting of procurements to avoid competition. At least two or more written quotes are solicited for all purchases by the employee conducting the purchase. All vendors shall be provided with the same scope and requirements for the service or product being procured. Approval for all small purchases must

be given by the General Manager prior to the purchase order being issued. The Small Purchase checklist to be included in the procurement file can be found in [Appendix C](#).

2.3 Large Purchases by Sealed Bids (Invitation for Bid/IFB) (>\$149,999)

Procurement by Sealed Bids (Invitation for Bid/IFB). For purchases costing over \$149,999 in the aggregate, bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming in all material terms and conditions of the invitation for bid, is the lowest in price. GLTC utilizes this method of procurement if the following conditions are present:

1. A complete, adequate, and realistic specification or purchase description is available.
2. Two or more responsible bidders are willing and able to compete effectively for the business.
3. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

2.4 Procurement by Competitive Procurement (Request for Proposals/RFP) (>\$149,999)

GLTC utilizes this method of procurement if the following conditions are present:

1. The property or services to be acquired are described in a performance or functional specification; or if described in detailed technical specifications, other circumstances such as the need for discussions or the importance of basing the contract award on factors other than price alone are present.
2. Uncertainty about whether more than one bid will be submitted in response to an invitation for bids and the recipient lacks the authority or flexibility under State or local law to negotiate the contract price if it receives only a single bid.
3. Due to the nature of the procurement, contract award need not be based exclusively on price or price-related factors. In different types of negotiated acquisitions, the relative importance of cost or price may vary. When GLTC's material requirements are clearly definable and the risk of unsuccessful contract performance is minimal, cost or price may play a dominant role in source selection. The less definitive the requirements, the more development work required, or the greater the performance risk, the more technical or past performance considerations may play a dominant role in source selection and supersede low price.
4. Separate discussions with individual offeror(s) are expected to be necessary after they have submitted their proposals. This contrasts with Sealed Bids (Formal Advertising) procedures in which discussions with individual bidders are not likely to be necessary, as award of the contract will be made based on price and price-related factors alone.

RFP checklist to be included in procurement file can be found in [Appendix D](#).

2.5 Procurement of Architectural and Engineering Services (A&E)

GLTC shall use procedures based on the Brooks Act when contracting for A&E services as defined in 40 U.S.C. §1101 also known as Qualifications Based Selection (QBS). Other types of services considered A&E include program management, construction management, feasibility studies, preliminary engineering, design, surveying, mapping, and services which require performance by a registered or licensed architect or engineer.

The Brooks Act requires that:

1. An offeror's qualifications be evaluated;
2. Price be excluded as an evaluation factor;
3. Negotiations be conducted with only the most qualified offeror; and
4. Failing agreement on price, negotiations with the next most qualified offeror are conducted until a contract award can be made to the most qualified offeror whose price is fair and reasonable to the grantee.

2.6 Procurement by Noncompetitive Negotiation (Sole Source)

Sole source procurement is accomplished through solicitation or acceptance of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate. GLTC rarely utilizes this procurement method. The steps listed below are followed:

- This method is used only when the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposal and at least one of the following apply:
 - a. The item is available only from a single source due to unique/innovative concepts or patents/restricted data rights;
 - b. The item would incur substantial duplication costs;
 - c. The public exigency or emergency for the requirement will not permit a delay resulting from a competitive solicitation. An emergency shall be deemed to exist when a failure to provide essential service would occur due to this procurement. Under such conditions it is necessary for the department to make the purchase

- directly. Purchases made under emergency conditions that exceed the authorized delegated purchase limit will be reported to the General Manager, immediately;
- d. FTA authorizes non-competitive negotiations;
 - e. After solicitation of a number of sources, competition is determined inadequate; or
 - f. The item is an associated capital maintenance item as defined in FTA Circular 9030.1E (49 USC 5307) that is procured directly from the original manufacturer or supplier of the item to be replaced. GLTC will first certify in writing to the FTA that such manufacturer or supplier is the only source for such item, and that the price paid for such item is no higher than the price paid for such item by like customers.
- GLTC prepares a cost analysis verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of the costs and profits.
 - GLTC submits the proposed procurements by noncompetitive negotiation to FTA for pre-award review.
 - GLTC completes the Sole Source Justification form found in [Appendix G](#). Form should also include any attached documentation supporting sole source reasoning. Sole Source checklist found in [Appendix F](#). This documentation should be included in procurement files.

3.0 ETHICS

It is the policy of GLTC to adopt an arm's length relationship in regard to all suppliers, vendors, service companies, passengers, etc., with who GLTC may have a relationship as part of its normal daily operations. It is important not only to remain free from all conflict of interest situations, but also to remain free from the appearance of a conflict of interest.

In all matters pertaining to GLTC operations, no employee, officer or agent, or GLTC Board member or his or her immediate family member, partner, or organization that employs or is about to employ any of the foregoing individuals shall have any relationship or engage in the selection, award, or administration of a contract if a conflict of interest, real or apparent, would be involved or in any activity that might:

- Involve or lead to personal obligation that could impair the objectivity of such employee's or Board member's judgment.
- Imply to others that favoritism or obligations exist between the employee or Board member and any other party.

Such a conflict would arise when any of those individuals previously listed has a financial or other interest in the firm selected for award.

3.1 Gifts or other Gratuities

Gifts or any other gratuities from any party having or seeking to establish a business relationship with GLTC are prohibited and contrary to this declared policy. This policy is not intended to prohibit the ordinary and accepted courtesies of business, such as promotional calendars, pens, and pencils, etc., or other gifts of nominal intrinsic value but is intended to prohibit receipt of valuable gifts or extended or expensive hospitality.

Proper personal conduct requires that:

1. Gifts or other gratuities that might adversely affect the exercise of an employee's, officers, agents or Board Members judgment in matters pertaining to GLTC or tend to impair public confidence in GLTC must never be accepted.
2. Entertainment in any form must not be accepted if either party might feel obligation, or if a third party might infer that an obligation exists.
3. Employees, officers, agents or Board Members shall neither solicit nor accept gratuities discounts, favors, or anything of monetary value from contractors or potential contractors.

3.2 Conflict of Interest

Because situations involving conflict or personal interest can also impair judgment, no GLTC employee, officer, agent or Board member shall:

1. Have a financial interest in any other organization that might profit either from the decisions he/she makes in carrying out GLTC responsibilities, or from his/her knowledge of GLTC actions or future plans.
2. Make investments or act for personal gain based upon special knowledge obtained directly or inadvertently as a result of his/her position as a GLTC employee.

GLTC will analyze each planned acquisition in order to identify and evaluate potential organizational conflicts of interest as early in the acquisition process as possible, and to avoid, neutralize, or mitigate potential conflicts before contract award.

An organizational conflict of interest occurs when any of the following circumstances arise:

- Lack of impartiality or impaired objectivity. When the contractor is unable, or potentially unable, to provide impartial and objective assistance or advice to the grantee due to other activities, relationships, contracts, or circumstances.
- Unequal access to information. The contractor has an unfair competitive advantage through obtaining access to nonpublic information during the performance of an earlier contract.

- Biased ground rules. During the conduct of an earlier procurement, the contractor has established the ground rules for a future procurement by developing specifications, evaluation factors, or similar documents.

3.3 Violations

To the extent permitted by State or local law or regulations, such standards of conduct will provide for penalties, sanctions, or other disciplinary action for violation of such standards by the recipient's officers, employees, agents, board members, or by contractors, subcontractors, or sub recipients or their agents.

4.00 MANAGEMENT CONTRACTING

Under the direction of City officials, the Management Contract will be bid according to proper procurement procedures. All necessary third-party contracting clauses are to be included in the proposal.

For services outside the scope of the contract, the GLTC General Manager will get approval from the Board of Directors prior to awarding the contract.

5.0 DISADVANTAGED BUSINESS ENTERPRISES (DBE)

It is the policy of GLTC to encourage disadvantaged business enterprise involvement in all phases of its procurement activities, including, but not limited to, fixed price contracts, regular purchases of goods and services, and special grant procurement. Per 49 CFR Part 26 and Section 8(a) of the Small Business Act, a DBE is defined as a small business concern:

1. Which is at least 51% owned by one or more socially and disadvantaged individuals, or in the case of any publicly owned business, at least 51% of the stock is owned by one or more socially and economically disadvantaged individuals; and
2. Whose management and daily business operators are controlled by one or more of the socially and economically disadvantaged individuals who own it.

Per the same regulation, "socially and economically disadvantaged individuals" are defined as citizens of the United States, or lawfully admitted permanent residents, who are:

1. Black Americans, Hispanic Americans, Native Americans (American Indians, Eskimos, Aleuts, or Native Hawaiians), Asian-Pacific Americans, Subcontinent Asian Americans, or
2. Women, regardless of race, ethnicity, or origin, or
3. Other individuals found to be socially and economically disadvantaged by the Small Business Administration pursuant to Section 8 (a) of the Small Business Act.

DBE's must be certified with the Virginia Department of Minority Business Enterprise or the Virginia Department of Transportation before or during the bid solicitation process. If the organization is not certified before the end of the solicitation process, the organization will be considered non-DBE. The DBE must also be certified in the same category of work as the work described in the bid.

GLTC will use its best efforts to ensure that DBE's are informed of current and future procurement activities through newspapers, web site, and direct contact. In addition, GLTC encourages joint ventures among DBE's and between majority firms and DBE's in its solicitations for bidders.

6.0 "BUY AMERICA" PROVISIONS

Buy America provisions are required in all solicitations, exceeding the small purchase threshold for Federal assistance programs, currently set at \$150,000, that use steel, iron, or manufactured products, except where a general waiver exists. General waivers are listed in Appendix A to 49 CFR 661.7 microprocessor, computers, microcomputer equipment, including software, which are used solely for the purpose of processing or storing data and small purchases as defined above. Rolling stock not subject to a general waiver must be assembled in the United States and have a 60 percent domestic content (In 2020, this percentage will increase to 70)

It is the policy of GLTC to comply with the BUY AMERICA provision requirement of 49 U.S.C. Section 5323 (j) and 49 C.F.R. Parts 661 and 663 on all required solicitations.

6.1 Rolling Stock

Pre-award Review and Post Delivery Review. Each third-party contract to acquire rolling stock must include provisions for compliance with applicable requirements of 49 U.S.C. Section 5323(m) and those provisions of FTA regulations, "Pre-Award and Post-Delivery Audits of Rolling Stock Purchases," 49 CFR Part 663, that do not conflict with 49 U.S.C. Section 5323(m).

GLTC will refer to the rolling stock checklist in [Appendix I](#) for procurements of rolling stock used in revenue service – includes new buses, vans, cars railcars, locomotives, trolley cars, trolley buses, ferry boats, and vehicles used for guideways and incline planes, and intended for public transportation of passengers. Does not apply to used vehicles, non-revenue service vehicles, vehicle rehabilitations, rebuilds, repowers, overhauls undertaken on a recipient's existing vehicles, vehicle end products such as traction power distribution, signal and control systems, and communications, or the provision of services.

7.0 BONDING REQUIREMENTS

For construction or facility improvement contracts or subcontracts exceeding \$100,000, GLTC requires the following minimum bonding amounts:

1. A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documentation as may be required within the time specified.
2. A performance bond on the part of the contractor selected for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
3. A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment, as required by law, of all persons supplying labor and material in the execution of the work provided for in the contract.

For non-construction contracts, GLTC adheres to FTA's practice of not requiring performance bonding except where applicable law or regulation provides for such bonding.

8.00 OPTIONS

GLTC adheres to the FTA standards as listed in FTA Circular 4220.1F Section 7(a)(1) when options are provided for in the contract.

9.00 PAYMENTS

GLTC does not advance payment to contractors prior to the incurrence of costs by the contractor. GLTC adheres to the FTA standards as listed in FTA Circular 4220.1F Chapter IV 2(b)(5)(c) when progress payments are provided for in the contract.

10.0 PROTEST PROCEDURES

Any protest or objection to the Conditions and Specifications will be submitted for resolution to GLTC's General Manager. Each protest must be made in writing and supported by sufficient information to enable the protest to be considered. A protest or objection will not be considered by GLTC if it is insufficiently supported or if it is not received within the specified time limits. Electronic submission of protests is not acceptable; however, electronic provision of supplemental information after the initial protest submittal will be permitted.

The protest should include at a minimum:

- a) The name and address of the protesting party and its relationship to the procurement sufficient to establish that the protest is being filed by an interested party;
- b) Identity of the contact person for the protestor, including name, title, address, telephone, fax and e-mail addresses. If the contact point is a third party representing the protestor, the same information

must be provided, plus a statement defining the relationship between the protestor and the third party;

- c) Identification of the procurement;
- d) A description of the nature of the protest, referencing the portion(s) of the solicitation involved;
- e) Identification of the provision(s) of any law, regulation, or other governance upon which the protest is based;
- f) A complete discussion of the basis for the protest, including all supporting facts, documents or data;
- g) A statement of the specific relief requested;
- h) A notarized affirmation by the protestor (if an individual) or by an owner or officer of the protestor (if not an individual) as to the truth and accuracy of the statements made in the protest submittal.

Pre-bid Protest - received prior to the bid opening or proposal due date.

All protests based upon restrictive specifications, alleged improprieties, or similar situations prior to proposal opening must be submitted to GLTC's General Manager no later than ten (10) business days prior to the specified proposal opening of bids or receipt of proposals.

All protests concerning protest to an amendment to the solicitation must be received no later than five (5) business days after the date of issuance of the amendment.

Unless the GLTC General Manager determines that the protest clearly lacks substantial merit or a delay will be prejudicial to the interest of GLTC, the solicitation process will be extended pending resolution of the protest.

Should the protest be upheld in whole or in substantial part, GLTC's Procurement Specialist may either (1) amend the solicitation to correct the document or process accordingly; or (2) cancel the solicitation in its entirety. If the solicitation is amended, the time for receipt of bids or proposals shall be equitably extended to permit all participants to revise their bids or proposals to reflect the decision. If the protest is denied, the solicitation shall proceed as if the protest had not been filed.

Protests received by GLTC after the time periods specified above shall be considered untimely and may be denied on that basis unless GLTC'S General Manager concludes that the issue(s) raised by the protest involves substantial prejudice to the integrity of the procurement process.

Post-award Protest - received after award of a contract.

Protest of the award decision may be made on one or more of the following grounds:

- a) That the recommended awardee does not meet the requirements of the solicitation;
- b) That the bid or proposal recommended for acceptance does not meet the criteria of the solicitation or award;
- c) That the evaluation process conducted by GLTC is improper, illegal, or the decision to recommend award is arbitrary and capricious.

In the event that an interested party (that is, an actual or prospective bidder or offeror whose direct economic interest would be affected by the award of the contract or by failure to award the contract), wishes to protest the award decision of GLTC based on one or more of the above mentioned reasons, the following procedures are in place:

1. Within five (5) business days of the award date, the interested party must notify GLTC's General Manager of the protest. The protest must be in writing and describe in full detail the basis for the protest. Electronic submission of protests is not acceptable; however, electronic provision of supplemental information after the initial protest submittal will be permitted.
2. Protestor is required to furnish, at its own expense, a protest bond in the amount of one-half of one percent (.5%) of the total offer before GLTC will consider the protest. This protest bond will serve as a guarantee by the proposer of the validity and accuracy of the protest. Failure to provide this bond may result in GLTC denying the proposer's protest. If the Protest Review Board denies the proposer's protest, the bond will be used by GLTC to recover the costs and damages incurred because of the protest and the resulting delay in the provision of services. The bond will be either a cashier's check or certified check made payable to GLTC
3. All protests will be considered by the Protest Review Board. The Protest Review Board will consist of the General Manager, the GLTC Board of Directors, and the Legal Counsel for GLTC. The Protest Review Board will investigate the allegations. Such investigation will be completed within (15) business days of the date of the receipt of the protest.
4. If the Protest Review Board determines that the protest is received after the time periods specified, protest clearly lacks substantial merit, and/or delay of award will be prejudicial to the interest of GLTC, the contract of award will proceed as if the protest was never filed.
5. The Protest Review Board will take any corrective action it deems necessary based on the findings of the investigation along with a recommended course of action. The Protest Review Board shall provide their decision in writing and mail or otherwise furnish a copy to the Protestor.
6. In the event that the Protestor is not satisfied with the outcome of the investigation and subsequent action of GLTC. The Protestor will have (5) business days upon receipt of the original decision to provide a written rebuttal. Rebuttal must not include new issues otherwise GLTC will dismiss. After receipt of rebuttal, the General Manager will review the protest and

notify the Board of Directors. A decision will be given to Protestor within a reasonable period of time and this decision will be considered final.

7. If the Protestor does not supply GLTC with a valid reason for protest or protest is not received within required timeframe, the General Manager may subsequently dismiss the protest without response. Furthermore, if the Protestor refuses or fails to comply with a request for additional information, the final decision will be determined without consideration of the additional information if subsequently produced.
8. FTA's Role and Responsibilities: The recipient is responsible for resolving contractual and administrative issues arising from third party procurements as required by 2 CFR Part 200. FTA does not relieve the recipient of this obligation.
9. Recipients Responsibilities to FTA: GLTC's General Manager will notify the Federal Transit Administration that GLTC received a third-party contract protest as required by 2 CFR Part 200 within five (5) days from receipt of the protest and will keep FTA informed of the status of the protest including a denial of the protest by GLTC. In addition, GLTC will submit to FTA any required information requested by FTA, including a copy of these protest procedures, a description of the process followed concerning the protest in question, and any supporting documentation.

11.00 *PROCUREMENT PROCEDURES*

11.10 *Identify Need*

The need for parts or materials is guided by what is currently and reasonably required to support GLTC's mission of providing public transportation. Quantities will be limited to avoid creating unnecessary reserves.

11.20 *Quotations/Estimates*

Written quotations or estimates (documented verbal quotations in the case of micro-purchases) are meant to ensure that GLTC receives the best price for any particular item or service that it purchases. An adequate number of vendors will be maintained for each product or service so that current competitive prices will be available.

Once the need is identified, the best available price for the item is sought. To help ensure that the most competitive price is found, the following guidelines are to be followed:

1. Identify the type of procurement referencing Section 2.00.

11.21 *Micro-Purchases*

The Procurement Specialist will ensure we have obtained a fair and reasonable price either by comparing catalog prices, obtaining fax prices, or documenting telephone quotes, past purchases, familiarity of item procured, and approve all purchases.

11.22 *Small Purchases*

The Procurement Specialist will ensure that at least two or more competitive written quotes are received. An independent cost estimate is to be completed prior to quotes being received. Purchase will be given to the responsible firm whose quote is most advantageous to GLTC with price and other factors considered.

11.23 *Sealed Bids (Invitation for Bid/IFB)*

Bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming in all material terms and conditions of the invitation for bid, is the lowest in price and meets all requirements/qualifications.

When procuring by sealed bid, GLTC follows the procedures listed below:

1. Specifications are prepared by the Department Manager responsible for the acquisition or Assistant General Manager and reviewed by the General Manager.
2. The General Manager will present the proposed scope of work, scoring, selection criteria, and any ICE or pre-bid paperwork to the Board of Directors for their review and approval.
3. The invitation for bids is publicly advertised in local and/or national publications, [on the GLTC web site via "doing business with GLTC" and bids may be solicited in writing from an adequate number of known suppliers. Sufficient time prior to the date set for the opening of the bids is provided (generally 15-30 days).
4. Pre-bid conferences are held as necessary.
5. The invitation for bids includes any specifications and pertinent attachments, and defines the items or services sought in such a manner that the bidder can properly respond.

6. All bids are received by the Procurement Specialist and are held unopened until the scheduled bid opening. All bids are publicly opened (in the presence of staff and bidders) at the time and place prescribed in the invitation for bids. Bids are tabulated on a bid tabulation sheet, which is retained in the bid file.
7. GLTC will form a review committee comprised of staff members and in some cases external committee members to review the bids received and make a recommendation to the GM who will approve the award if less than \$149,998.
8. For bids exceeding \$149,999, the General Manager makes a recommendation to the Board of Directors. With the Board's approval, a fixed-price contract is awarded in writing to the lowest responsive and responsible bidder. In the event that identical bids are received, management will consider quality and deliverability in making its recommendation to the Board. Life cycle costing, the measurement of the total cost of a product over its useful life, will be applied to all purchases whenever possible.
9. Any or all bids may be rejected if there is a sound documented business reason. (For example, if grant funding is not received).

11.24 Competitive Procurement (Request for Proposals/RFP)

Procurement by RFP should be used in accordance with the criteria outlined in the Procurement Policy

When procuring by Request for Proposal (RFP), GLTC follows the procedures listed below:

1. The General Manager will present the proposed scope of work, scoring, selection criteria, and any ICE or pre-bid paperwork to the Board of Directors for their review and approval.
2. Request for proposals are advertised publicly, identifying all evaluation factors and their relative importance. Any responses to publicized requests for proposals are honored to the maximum extent possible.
3. Proposals are solicited from an adequate number of qualified sources.
4. GLTC establishes a written procedure for conducting technical evaluation of the proposals received and for selecting awardees. GLTC's Request for Proposal would include whether negotiations with all offerors in the competitive range will be allowed, or if the selection will be based on the offerors original proposals.
5. GLTC will form a review committee comprised of staff members and in some cases external committee members to review the bids received and make a recommendation to the GM who will approve the award if less than \$149,998.
6. For bids exceeding \$149,999, the General Manager makes a recommendation to the Board of Directors. With the Board's approval, a contract is awarded in writing to the responsible firm whose proposal is most advantageous to GLTC with price and other factors considered.

11.25 Architectural and Engineering Services (A&E)

Procurement of A&E services should be in accordance with the process outlined in the Procurement Policy

11.26 Noncompetitive Negotiation (Sole Source)

Procurement by Sole Source should be in accordance with the criteria and process outlined in the Procurement Policy

All price quotes specified in the procurement methods above (including written quotes) are to be documented prior to a Purchase Order being issued.

11.27 Prequalification

The recipient must ensure that all prequalified lists of persons, firms, or products that are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and full competition. Also, recipients must not preclude potential bidders from qualifying during the solicitation period. See 2 C.F.R. § 200.319, *Competition*, and FTA Circular 4220.1F, Chapter VI, paragraph 1.c. – *Prequalification*

Prequalification lists are most commonly used in procurements of property involving lengthy evaluations needed to determine whether it satisfies the recipient's standards. The 2 CFR Part 200 for governmental recipients permits a recipient to prequalify people, firms, and property for procurement purposes under the following standards:

- (1) Lists. The recipient ensures that all prequalification lists it uses are current.
- (2) Sources. The recipient ensures that all prequalification lists it uses include enough qualified sources to provide maximum full and open competition.

(3) Qualification Periods. The recipient permits potential bidders or offerors to qualify during the solicitation period (from the issuance of the solicitation to its closing date). FTA, however, does not require a recipient to hold a particular solicitation open to accommodate a potential supplier that submits property for approval before or during that solicitation. Nor must a recipient expedite or shorten prequalification evaluations of bidders, offerors, or property presented for review during the solicitation period.

Prequalification should not be confused with reviews of technical qualifications that are an essential process in two-step procurements and qualifications-based procurements.

11.30 Independent Cost Estimates (ICE)

FTA Circular 4220.1F, Paragraph 10 provides that grantees must perform a cost or price analysis in connection with every procurement action greater than the simplified acquisition threshold (currently \$150K), including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, grantees must make independent estimates before receiving bids or proposals.

An Independent Cost Estimate (ICE) is market research to determine the anticipated cost prior to initiating a procurement. It assists GLTC to determine the appropriate project budget and to evaluate the reasonableness or unreasonableness of a bid or proposal. Based on the complexity of the procurement, GLTC will either prepare the ICE in house or utilize an outside vendor with technical expertise relevant to procurement. The independent estimate will be retained in the contract file and will be used as a basis to establish the competitive range for the resulting negotiations. The independent estimate will be provided to the General Manager by the Purchasing Agent or Project Manager before proposals are received.

Independent Cost Estimates (ICE) are required for any procurement greater than the simplified acquisition threshold. An ICE form should be fully completed and comprised of all necessary documentation to support the estimated cost (ex. Catalogue pricing, invoices, another agency's pricing). The ICE is to be documented with the procurement files and retained in accordance with these procedures. A sample ICE is shown in [Appendix A](#).

11.40 Purchase Orders (PO)

Purchase Orders (PO) are the control documents used by GLTC for the purchase of most goods and services. A PO represents a commitment by GLTC to pay the vendor for the items listed on it. A PO can be issued only with the proper authorization. A PO is issued at the time the order is made.

The specific steps in the PO process are outlined below:

1. Once the listing of price quotes/estimates is completed and documented, the PO is sent to the vendor with the best qualifications and/or lowest price. The Procurement Specialist reviews the purchase order and verifies by the supporting list of quotes/estimates that the PO is sent to the best qualified and/or lowest priced vendor.
2. The Procurement Specialist may approve PO's up to a total value of \$3,500 with the exception of bulk consumables (i.e., motor oil, diesel fuel and transmission fluid). Any PO above this will be forwarded to the General Manager for review and approval. (In the absence of the General Manager the Assistant General Manager may approve PO's).
3. For emergency and/or pick up orders, list of quotes/estimates and packing slip/invoice is submitted for the PO to be generated. After the PO is generated, goods-in is done, the package is forwarded to the appropriate department.
4. PO's are generated by the Procurement Specialist each year and then assigned in sequential order as needed. The list of PO's and their uses is located on the network Finance driver, under Purchase Orders and then a spreadsheet with the year.
5. Approved PO copies will go to:
 - a. the vendor
 - b. Accounting with list of quotes/estimates, packing slip and invoice.

11.50 SAM Checks

Prior to award of any contracts or services to be rendered for GLTC a SAM check is to be completed. SAM (System for Award Management) is the official U.S. Government system that consolidates the capabilities of CCR/FedReg, ORCA and EPLS. A SAM check is for the debarment status of parties considered for business with the U.S. Government.

A SAM check is conducted by visiting the website www.sam.gov and searching records using the "Search Records" function of the website.

A SAM check must be conducted prior to any award, the results of the search are to be retained with the purchase file either in printed or PDF format. The purchasing agent is responsible for conducting the review and asserting it is retained in the Purchasing file.

11.60 Receiving Goods

Goods must be received in an orderly fashion. Condition, quantity and accuracy of the good received from an order need to be checked. Fleet repair parts need to be placed in inventory as soon as possible so as to be available to the mechanics. The process for receiving goods-in are outlined below:

1. Before signing any delivery documents, check to make sure you are signing for the number of packages actually delivered. Also check for any visible signs of damage such as crushed or torn boxes and note this on the delivery slip.
2. Open the boxes and find the packing slip. Record on the packing slip the date the boxes were received and the freight charges shown on the boxes.
3. Inspect the goods received to determine if they are what was ordered and check for obvious signs of damage. Make a physical count of the goods actually received and compare it against the quantity recorded on the packing slip. If any problems exist advise the vendor immediately, and the item is removed from active inventory until resolution.
4. Find the purchase order corresponding to the order in the "Pending Delivery" file and verify that the quantity received matches the quantity ordered. If the purchase order is complete, initial it and record the date on it and attach the packing slip. File the purchase order with the packing slip in the alphabetic "Awaiting Invoice" file.
5. Update the computer file noting the receipt of goods.
6. If items are on backorder (items not provided in initial delivery) then note the items received and on backorder on the purchase order. Make a photocopy of the purchase order with the backorder noted and place the photocopy of the PO in the "Pending Delivery" file. Attach the PO for the items received to the packing slip and file in the "Awaiting Invoice" file.
7. Check the "Awaiting Invoice" file weekly for packing slip and purchase order which have been in the file waiting for invoices for over 10 days. Check with receptionist to make sure that invoices have not been misrouted. If not, contact the vendor.

11.70 Handling of Invoices

Vendors expect to be paid in a timely manner for the goods and services they provide. GLTC's credit worthiness depends on such payment. The invoice handling process must also safeguard against double payment or payment for goods never received. The process for handling invoices is outlined below:

1. The Administrative Assistant will open the mail and stamp the date of receipt on all invoices along with the Information Square. Invoices will be routed to the appropriate department. In their absence, the General Manager may designate someone to fill this role.
2. The invoice will be matched to a copy and packing slip in the "Awaiting Invoice" file. If the goods have not been received, place the invoice in a separate alphabetic Invoice file. Invoices in this file should be matched to incoming goods on a daily basis.
3. The Department Manager will assign account number(s) to the invoice, compare the price charges on the PO against the invoice and approve if prices are the same. The vendor is called if there are any discrepancies.
4. The Department Manager will forward ALL invoices to the Finance Manager/General Manager/Assistant General Manager for final approval. After review and approval, the Finance Manager/General Manager/Assistant General Manager will forward to accounting for payment.

11.80 Other Purchasing Considerations

While the above procedures will cover the vast majority of all purchases, there will be exceptions in at least four areas: (1) utilities; (2) service contracts; (3) petty cash; and (4) capital purchases.

- (1) Utilities by their nature do not lend themselves to standard purchasing procedures. The Finance Manager/General Manager/Assistant General Manager will be responsible for the checking and approval of the invoice.
- (2) Service contracts or agreements exist for a number of services. As a practical matter it is not possible or desirable to receive price quotes each time an increment of each service is rendered. Price quotes, however, should be sought at least every two years using the micro or small purchase procedures as applicable. Some contracts such as radio maintenance and uniform rentals are for a specific amount of time usually six months to year. Price quote through the quotes/estimates process will be obtained at the necessary intervals for these services.

Accounting is responsible for developing a file for all ongoing services as well as for all service contracts. This file summarizes the services received and frequency, the contract period and other terms of the agreement if a written agreement exists. Accounting maintains an index of service contracts and issues a reminder notice, at least a month in advance of the ending of the period, to the department responsible for procuring the service.

- (3) Capital Purchases - Using Capital Fund are those purchases for items included in GLTC's Capital Improvement Plan (CIP). The CIP is prepared by the General Manager and approved by the Board of Directors. The General Manager then authorizes that the items listed in the CIP be purchase after the funds have been obligated by the funding agencies. These items are purchased using the procurement methods in the Procurement Procedures attached. These purchases will be in accordance to the requirement of FTA Circular 4220.1F as amended.

Any purchases made by the General Manager requiring reimbursement by GLTC will be reviewed and signed off by a designated member of the GLTC Board of Directors.

12.0 Purchasing Cards Policy

12.1 Card Issuance, Cancellation and Changes

Purchasing cards will be issued to individuals who have been authorized by the General Manager to procure goods and services. Eligible employees must sign an employee agreement.

The Finance Manager is the designated manager of the GLTC Purchasing Card Program. This person will have direct access to internet-based purchasing card software provided by the banking institution. This person will carry out all purchasing card actions including opening new accounts, changing account information and limits, and cancelling accounts. The Finance Manager will appoint a backup person that will be trained to use the system in the case of the Manager's extended absence.

The Finance Manager must be notified immediately of any changes in employment status, including termination or transfer. Any other changes pertinent to the status of the cardholder, such as name changes, shall also be reported.

Upon request by the General Manager or upon termination of employment, cardholders must return the procurement card to the Finance Manager. If a card is lost or stolen, replacement procurement cards will be provided to cardholders within 7-10 business days following deactivation of the old card.

12.2 Documentation

Cardholders must retain all documentation pertaining to the purchase. When the supplier delivers the order, documentation of the purchase (such as a sales receipt or packing slip) should accompany the order. This documentation must be maintained and forwarded to the Finance Manager for reconciliation to the procurement card statement.

Only itemized receipts are acceptable. An itemized receipt should state the items purchased and their quantity. The receipt should also state the vendor's name and the date/time of the transaction. If the purchase is of food, a business meal form is required to be completed. If there is also a separate credit card receipt, it should be included with the itemized receipt. If an itemized receipt cannot be produced, the card holder will be made responsible for paying the company the entire amount of the transaction. Exceptions can only be made by the General Manager or designated Board member as appropriate.

All transactions except for certain travel, tool allowances, and required taxes (9-11 Fee, Air Travel Security Fee, taxes on hotels, et cetera) should be processed as tax-exempt.

12.3 Authorized Card Users

Each card may be used only by the person whose name is on the card. Individuals not officially listed on GLTC's payroll or who are not part of the resident management team may not use, nor be granted the use of another employee's card. Procurement cards are not transferable and must be collected and canceled if the cardholder leaves the department or retires.

12.4 Surrendering Procurement Cards

If a violation of this policy is evident, the Finance Manager and/or the General Manager may temporarily suspend or terminate card privileges. If asked to do so, the cardholder must immediately relinquish the card and any associated expenditure records.

12.5 Card Restoration Procedure

Only the General Manager may restore card privilege if revoked.

12.6 Procurement Card Effect upon Cardholders

GLTC's procurement cards will have no effect upon cardholder's credit. GLTC is responsible for payment of all legitimate purchases made against the procurement cards.

12.7 Use of Procurement Card

Cards shall be used solely for official, authorized GLTC purchases. Unless authorized by the General Manager, all purchases will occur in accordance with procedures established in **Section 11.00**.

12.8 Maximum Transaction Limit

This will be set according to the purchasing power to the individual card holder. This amount can be increased or decreased at the discretion of the General Manager.

Insert the limits from the Financial Management Policy here

12.9 Telephone and Internet Ordering

The procurement card may be used to order goods by telephone or internet purchase. These orders shall be in accordance with the documentation procedures outlined in attached procedures. Cardholders are cautioned against issuing card numbers to unsolicited telemarketers and or sales persons of firms, unless comfortable the firm or company represents a legitimate interest. If approached by unsolicited firms with offers of goods or services, refer them to the Finance Manager or proper Department Manager for disposition.

12.10 Prohibited Uses

Procurement cards may NOT be used for the following:

- Cash Advances
Financial instruments of any kind such as ATM withdrawal, money orders or bank drafts.
- Alcohol and Tobacco
Under no circumstances shall a cardholder purchase alcoholic beverages or tobacco products with a GLTC procurement card. This includes bulk purchases and travel/entertainment expenses.
- Personal Purchases
Under no circumstance shall a cardholder make or allow another person to make personal purchases with a GLTC procurement card. In addition to disciplinary action, up to termination, and or criminal prosecution, the cardholder will be required to reimburse GLTC for all associated cost of such charges, including any finance charge, pay 20% interest on the amount of the purchase, and must reimburse GLTC for personnel time involved in reconciling the payment, collection and re-depositing funds to GLTC's account. GLTC may use any other means at its disposal to collect any outstanding balance owed if reimbursement is not made immediately upon demand.
- Split Orders
Orders exceeding single purchase limit may not be split to allow for payment on the procurement card.

12.11 Returns, Credits and Disputed Items

If an item needs to be returned for any reason, the cardholder should return the item to the supplier or notify the supplier to pick up the item.

Documentation of the return (such as a credit receipt) must be issued by the supplier and be retained and forwarded to the Finance Manager for reconciliation to the procurement card statement.

Problems with the deliveries or returns shall be resolved between the supplier and the cardholder. If the cardholder cannot resolve an issue, then the cardholder should contact the Finance Manager.

12.12 Reconciliation of the Procurement Card Statement

Reconciliation is defined as verifying that all purchases made against the procurement card are legitimate in relation to the procurement card statement. Each cardholder shall be responsible for retaining documentation of purchases and returns and for reconciling these transactions to the procurement card statement.

12.13 Audit Procedures

The Finance Manager and/or the General Manager or designee, will conduct unannounced departmental audits. Retained purchase documentation will be reviewed and compared with purchase procedures established in the Procurement Manual and written departmental internal control procedures.

12.14 Failure to Comply with these Procedures

Procurement Cardholders failure to follow these procedures may result in one or more of the following:

- Reporting of the violation to the Department Manager
- Revocation or Suspension of the Procurement card
- Disciplinary action up to and including termination as warranted
- Criminal credit card fraud charges as warranted
- Cardholder reimbursement to GLTC for unauthorized purchases

12.15 Administration of Procurement Card Program

The Procurement Card Program will be administered by the Finance Manager. This person, in conjunction with the General Manager, Department Managers, and this Procurement Policy, will assign credit limits, cycle spending limits, and transactions per cycle limits. The Finance Manager will be responsible for problem resolution, reconciliation of bank records, card cancellations/changes, and card-related audits. The Finance Manager will not be issued a GLTC purchasing card; however, s/he may be assigned a card temporarily, at the discretion of the General Manager, for business travel use. The General Manager will have final decision in regards to the appropriate credit limits for each employee/job position.

Department Managers will be responsible for maintaining and submitting records of employees' card use. Employees shall keep all receipts from all purchases and submit them monthly to their Department Manager. The General Manager shall keep all receipts from all purchases and submit them monthly to a designated member of the GLTC Board of Directors for review. Board members who are issued a card shall keep all receipts from all purchases and submit them monthly to the General Manager. The Department Manager, Board designee and/or General Manager, as appropriate will then submit the record of receipts and a balance sheet to the Finance Manager.

12.16 Card Limitations

Based on anticipated use, number of cards, and any other relevant factors, the department must set limitations, for each card requested. Limitations may be set at different levels for each individual card. Card limitations provide an important safeguard against card misuse. It is important that card limitations be set as close as possible to the card's actual use. The Finance Manager will work with Departments in advance of issuance to determine appropriate limits below that established by the GLTC Procurement Policy. The Finance Manager will review cardholder expenditures annually and recommend reduction or discontinuance for cardholders whose activity is below acceptable levels.

12.17 Employee Acknowledgment Disclosure Form

All card users must sign an Employee Acknowledgment Disclosure Form, before receiving their card. The form acknowledges the employee's responsibilities regarding card use and sets forth consequences for card misuse. The Human Resources Manager shall maintain the signed forms.

12.18 Records Maintenance

The Finance Manager or his/her designee must maintain all ORIGINAL receipts, invoices, and credit slips for each transaction for a period of five (5) years. These documents must be filed with the appropriate bank record (monthly statement and transaction report), the payment form and retained for review. Photocopies are generally not acceptable. If, for any reason, an original receipt is unavailable, a photocopied receipt or memorandum providing the purchase details and reason why a receipt is not available must be included with the monthly statement sent to Finance Manager. The Finance Manager must sign and date these documents.

12.19 Lost or Stolen Cards

Cardholders must report lost or stolen cards, to the bank immediately. A toll-free number is provided by the bank for this purpose and is discussed in the paperwork that accompanies each new card. The Finance Manager must also be notified immediately following bank notification.

13.00 Disposal Policy

This policy outlines the steps necessary to ensure that obsolete or surplus equipment and parts are disposed of in a timely and appropriate manner. In disposing of equipment and parts it is essential that it is at the end of its useful life, the best sales price is realized and that any potential for conflict of interest is eliminated. All property disposed of greater than a

commodity level will be accompanied by a disposal authorization form.

GLTC will use acceptable industry standards to determine service life of equipment, and service life of rolling stock following FTA Circular 5010.1F. (1)(r)(4)(a).

For assets acquired with the use of FTA funds with current market value of over \$10,000 per unit, after its service life, FTA is entitled to its share of the remaining Federal interest calculated according to FTA Circular 5010.1F Chapter IV (1)(r)(7)(b).

GLTC will reimburse the FTA any amount owed through Pay.gov

The state will be reimbursed on the same basis.

For items with current market value of less than \$10,000 per unit there will be no obligation to reimburse either FTA or VDRPT.

GLTC will follow all requirements of FTA Circular 5010.1F for disposal of equipment. Disposition of rolling stock will be communicated to FTA and DRPT as required.

13.10 Preliminary Steps

Prior to the disposal of any item an internal administrative review is made. The Department Managers with the equipment to be disposed of conducts the administrative review. The review documents the reason for disposal.

- (a) These reasons may include that the item is (1) in poor condition; (2) no longer serviceable or parts are not available; (3) technically obsolete; or (4) in excess of needed items.
- (b) The condition of the item is formally assessed as good, fair, or poor with a description of what is broken, or need to be repaired on the item.
- (c) The fair market value is estimated and the basis of that estimate is documented. A list of potential sources or means of making such an assessment is attached.
- (d) The residual or scrap value of the item is established. This value can usually be determined by finding out what a junk yard or scrap dealer is willing to pay for an item.
- (e) The Department Manager will document each of the above steps and signoff on the minimum bid level prior to forwarding to the General Manager for review and approval. Upon approval by the GM the item may be advertised for sale.

13.11 External Advertising

1. All items that are estimated to have a residual value will be offered to the general public.
2. Advertisement will be conducted by the website PublicSurplus.com
The minimum bid will be stated in the advertisement or included as part of the disposal configuration.

13.12 Sealed Bid Auction (in lieu of PublicSurplus.com)

- (a) Bids will only be accepted for in a sealed envelope addressed to GLTC with information identifying that it is a bid and what auction it is for.
- (b) Bidders will return all bids by a specified time and date.
- (c) All bids will be opened in public with staff and bidders (at the bidders' option) present. The bidders' information and their bid dollar amount will be recorded on a tabulation sheet.

13.13 Electronic Auction Services (Publicsurplus.com)

Bids will only be accepted through the electronic auction service selected by GLTC. It will be the bidder's responsibility to set up any required accounts to use the auction service. GLTC may send notices to interested parties to inform them of the items at auction.

Additional Procedures (applicable to sealed and electronic auctions):

1. The minimum bid will be greater than the residual value but at least equal the estimated fair market value. The minimum bid is established to prevent low-ball bids that result in simply giving away an item that may have some value

- if the right market is found in a second round of advertising.
2. Upon receipt of bids GLTC will award to the highest bid above the minimum bid level. If no bid is made that meets the minimum GLTC may negotiate with the highest bidder in an attempt to increase that bid to the minimum bid.
 3. If GLTC determines, in its sole discretion, that the amount bid by the highest bidder is acceptable, the property will be sold to the highest bidder. This amount must be higher than the scrap value.
 4. If no bids are received, items may be offered to non-profit organizations, or donated.
 5. If no non-profit organizations have an interest in the offer, or are willing to accept the items, the items will be scrapped.
 6. Any GLTC employee, regardless of his or her position or department, who has acquired confidential information about the property being sold, and which information is not available to the public, may not participate in the purchase from GLTC any property (about which the employee has acquired confidential information) which is sold at public auction, electronic auction, or competitive sealed bidding. Employees will be allowed to submit bids in the same manner and fashion as the general public.

13.14 City of Lynchburg Auction

GLTC may choose to dispose of surplus items through the City of Lynchburg's auction process. In this case, all advertising, bidding, etc. will be handled by the City. GLTC may send notices to interested parties to inform them of the items at auction.

13.15 Documentation

Each step in the disposal process is to be completely documented by the appropriate Department Manager. A separate file is to be maintained for each item or lot of items disposed of. Documentation should include the written evaluation of the condition of the item, and why it is being disposed of. The means and associated documentation of how the fair market value, minimum bids, and scrap value was determined should be included in the file. External advertisements, bid submission and bid award information are to be included.

13.16 Establishing Fair Market Value Estimates

Outlined below are some potential sources for helping to make fair market estimates for various types of equipment to be disposed of, this list is not all inclusive nor is specifically required for the item type. The most reliable and effective method of determining fair market value should be utilized by the Department Manager.

1. Rolling Stock
 - a. Use of an accelerated depreciation method (e.g., Sum of The Years' Digits)
 - b. Experience or documented prior sales of comparable equipment
2. Automobiles and Trucks
 - a. KBB.com, Edmunds.com, Ebay.com or NADA Used Car Guides
 - b. Used car dealers
 - c. Newspaper ads
3. Bus parts
 - a. Discount, used or refurbished parts flyers
 - b. New part cost discounted for condition and reduced market value.
4. Office Equipment
 - a. Catalogue prices of new items
 - b. Newspaper classified ads
 - c. Salespeople interested in selling replacement items

13.17 Potential Markets/Advertising Methods for Disposal

Outlined below are some potential markets and/or advertising media for disposal of items when not utilizing PublicSurplus.com:

1. Automobiles and trucks
 - a. Local Newspapers
 - b. Used car dealers
 - c. Junkyard operators
2. Bus parts
 - a. Properties using the same type of buses
 - b. APTA fleet directory
 - c. National publications
 - d. Major parts resellers
3. Office equipment
 - a. Local newspaper
 - b. Local office equipment suppliers
4. Shop Equipment

- a. Local newspaper
- b. Bus companies, charter companies, trucking companies
- c. Service stations, machine shops

14.00 Third-Party Contract Administration

On FTA Federally Funded Procurements, GLTC will include the required FTA clauses in all Invitation to Bid (IFB) and Request for Proposals (RFP) based on contract type and dollar value, as referenced in FTA C 4220.1F et seq., the FTA Best Practices Procurement Manual and the FTA Master Agreement. Clause reference can be found in [Appendix H](#).

14.10 CONTRACT ADMINISTRATION

14.11 General Manager's Post-Award Responsibilities

The General Manager's post-award contract administration responsibilities include the following responsibilities (these may be delegated to Project Managers):

1. Monitoring for Contract Compliance - The General Manager or his/her designee is responsible for monitoring contract compliance. If relying on the department head or Project Manager for contract compliance monitoring, the General Manager must assure that the department head or Project Manager gives timely notice of contract compliance problems.
2. Enforcing Contract Provisions - It is the General Manager's or his/her designee's responsibility to enforce the contract as written or amended. If not enforced, a loss of time or product quality may be incurred.
3. Issuing Timely Performance and Payment Approvals - The General Manager is the person with authority to approve contract performance so that progress payments or other authorized expenditures of funds to the contractor are made. Timely approvals enable the work to proceed on a timely basis.
4. Modifying the Contract as Necessary - As the contract work proceeds, modifications or changes may become necessary. After technical considerations are resolved (by department head/Project Officer), it is the General Manager who has authority to initiate contract changes on behalf of GLTC.
5. Closing Out the Contract - When the contract performance is completed, it is the General Manager's or his/her designee's responsibility to close-out the contract. Timely close-out enables comparison of performance to be checked against contract requirements while information is fresh and maximizes GLTC's ability to correct any deficiencies of performance against contract requirements.

14.20 Project Management

For major projects, the General Manager may designate a Project Manager for every project in excess of \$50,000 (*this excludes purchase of standard items of material exceeding \$50,000*). It is the Project Manager's responsibility to follow the contractor through the work process, providing technical direction to the contractor regarding the Scope of Work (which defines specific tasks, milestones and review procedures for the specific project).

When authorized by the General Manager, the Project Manager will respond to correspondence on technical matters from the contractor, either orally or in writing, and shall furnish the General Manager with a copy of or memorandum reflecting all correspondence with the contractor. The Project Manager shall review the progress of all the work on a periodic basis and initiate any required reviews by the General Manager.

The contractor may be required to document the amount of time and money spent on work on a periodic basis as specified by the contract. It is the Project Manager's responsibility to review the contractors' documentation and invoices in relation to the milestones, work expended, and budget, and to advise the General Manager whether the contractor is in compliance with the contract.

14.30 Contract Amendments and Change Orders

Change orders are amendments to a contract and may be required to adjust a contract quantity or performance period due to unanticipated conditions. Change orders are considered non-competitive procurements and are subject to the same requirements as noted in Section 13.0. The General Manager shall determine whether the proposed change order contains a change in scope that may be grounds for bidding the extra work. All change orders are subject to the General Manager's review and approval. If a change order, or the cumulative effect of all change orders, is to increase the original contract amount by over ten percent (10%) of the original contract amount approved by the GLTC, the General Manager shall submit it to the GLTC Board of Directors for prior approval before the change is made. Change orders are subject to the availability of funds.

A cost analysis must be performed and filed in the contract file in connection with any change order unless price reasonableness can be established based on catalog or market price of a commercial product or on the basis of prices set by law or regulation.

14.40 Contract Requirements

Contracts established by GLTC should set forth each party's responsibilities and rights clearly and completely in order to minimize the potential for conflict should set forth the directions for resolutions of disputes, if any. Contracts should include the following elements, as appropriate to the specific purchase:

- 1) Statement of Work/Scope of Work
 - a) Contract Objectives
 - b) Contract Scope
 - c) Specifications/Purchase Descriptions
 - d) Progress Report Requirements (consultant/professional services contracts and any contract containing progress payment provisions)
 - e) Delivery Schedule
 - f) Contract Period
 - g) Pricing Schedule (should include description of each line item, quantity, unit of measure, unit price and total price for each item)
 - h) Payment Schedule (including special terms such as progress payments and authorities to withhold payments)
 - i) Inspection Provisions and Acceptance Criteria
 - j) FOB Point and Delivery Instructions
- 2) Other Requirements (if appropriate):
 - a) identification of key personnel and facilities
 - b) extent of subcontracting and consulting
 - c) provision for changes by GLTC within general scope of the contract
 - d) provision for termination for default by GLTC for its convenience and, where appropriate, suspension of the contractor's work under the contract
 - e) provisions for resolution of protests (required in solicitation), contract claims and disputes
 - f) sanctions or remedies, such as liquidated damages or performance bonds, for contractor's non-performance
 - g) notice of any FTA or other federal requirements applicable to the contract

14.50 Other Provisions

14.51 Liquidated Damages Provisions

The General Manager shall determine whether or not the use of a liquidated damages provision is appropriate for each specific procurement. The amount of liquidated damages set forth must be reasonable to compensate GLTC for possible damages and not be so large as to be construed as a penalty. GLTC will not include such provisions in contracts unless:

1. the time of delivery is of such importance that GLTC can reasonably expect to suffer damage if the delivery is delinquent,
2. GLTC determines the delivery schedule is reasonable at the time of contract award, and
3. Damages would be not difficult or impossible to establish.

If the General Manager determines that a liquidated damages provision is necessary in a contract, he/she shall document the derivation of the rate of assessment and assure it is reasonable, proper, and not arbitrary.

14.52 Advance Payments

Advance payments are payments made to a contractor before the contractor incurs contract costs: GLTC does not issue advanced payments except for customary payments for utilities, insurance, etc.

If payments are advanced for other reasons, the following conditions apply.

- Use of FTA Assistance is prohibited - Federal assistance is not used to make payments to the contractor before the contractor has incurred costs for which the payments would be attributable.
- Exceptions for Sound Business Reasons – FTA does occasionally make exceptions to its advance payment prohibitions if the Company can provide sound business reasons for doing so and has obtained FTA's advance written concurrence. GLTC must contact its regional office to obtain FTA concurrence. The following guidelines apply:
 - Adequate Security for Advance Payments – FTA recognizes that advance payment may be needed for certain costs supported by sound business judgment. Adequate security for advance payment is an essential pre-condition to FTA's concurrence in the use of FTA or local share funds.

14.53 Customary Advance Payments

FTA recognizes that advance payments are typically required for, but are not limited to, public utility connections and services, rent, tuition, insurance premiums, subscriptions to publications, software licenses, construction mobilization costs, transportation, hotel reservations, and conference and convention registrations. Accordingly, GLTC may use FTA assistance to support or reimburse the costs of such acquisitions. FTA concurrence is required only when such advance payment or payments customarily required in the marketplace exceed \$100,000.

14.54 Progress Payment Provisions

Progress payments are payments for contract work that has not been fully completed, but has reached certain milestones or deliverables. The Company may use FTA assistance to support progress payment provided the Company has obtained adequate security for those payments and has sufficient written documentation to substantiate the work for which the payment is requested. The following standards relate to GLTC's use of progress payment provisions:

- Adequate Security for Progress Payments – Adequate security may include taking title or obtaining a letter of credit or taking equivalent measures to protect the Company's financial interest in the progress payment. The security should reflect the practical realities of different procurement scenarios and factual circumstances. FTA recognizes that taking title to work in progress may not be desirable in some circumstances.
- Adequate Documentation – Sufficient documentation is required to demonstrate completion of the amount of work for which the progress payments are made.
- Percentage of Completion Method – The 2 CFR Part 200 requires that any progress payments for construction contracts be made on a percentage of completion method described therein. FTA prohibits progress payments for other than construction contracts based on this percentage method.

Progress payments may be appropriate if:

- (a) the contractor won't be able to bill the first delivery of products, or other performance milestones, for a substantial time after work must begin, and
- (b) the contractor will make expenditures for contract performance during the period prior to delivery having significant impact on its working capital.

Progress payments may be appropriate for small or DBE businesses if the contractor demonstrates actual financial need or unavailability of private financing.

When progress payments are used in equipment manufacturing contracts, GLTC will obtain title to property (i.e., materials, work in progress, and finished goods) for which progress payments are made. Such title must be free of all encumbrances, or GLTC will secure a priority lien pursuant to Article 9 of the Uniform Commercial Code and applicable state law and local ordinances.

14.55 Insurance Provisions

The General Manager should determine when insurance is required and include in any solicitation and contract document a clause informing contractors of the minimum coverage requirements required by federal or State statutes. When FTA grant funds are used the minimum requirements shall be as follows:

- (a) Workers Compensation and Employers Liability - \$100,000,
- (b) General Liability - \$500,000 per occurrence,
- (c) Property Liability as required by GLTC in special circumstances,
- (d) Auto Liability for Personal Injury and Property Damage - \$200,000 per person and \$500,000 per occurrence for personal injury and \$20,000 for property damage.

Insurance specifications shall provide that an insurance certificate be provided prior to contract work beginning and that, no less than 60 days prior to expiration of the insurance policy date, the contractor shall give notice to GLTC of his/her intent to provide a new certificate. The General Manager or Project Manager shall assure a current certificate is on file at all times during performance of the contract.

14.56 Contract Termination Provisions

As required by FTA Circular 4220.1F, all contracts over \$10,000 shall contain provisions for Audit/Inspection of Records, Remedies/Sanctions for Breach of Contract, and Contract Termination Provisions.

The performance of work under a contract containing such provisions may be terminated in part or in whole when the General Manager, in consultation with counsel as necessary, determines that such termination is in the best interests of GLTC. Contracts may be terminated for convenience (i.e., a reduced need or otherwise in the best interests of GLTC) or for default (i.e., the contractor has failed to perform under the contract requirements). Contractors will not be granted the right of termination.

When the decision to terminate is made, a "Notice of Termination" shall be sent by the General Manager to the contractor by Certified Mail, with a return receipt requested. The Notice of Termination shall specify the reason for termination, the extent to which the performance of work is terminated (i.e., in whole or in part), and the day upon which such termination becomes effective. Settlement of claims shall be made as soon as possible after the issuance of a Notice of Termination/Default to protect the interests of and minimize the liability of GLTC. When settlement cannot be made, GLTC shall reserve the right to issue a determination of the amount due consistent with the termination clause and applicable cost principles, subject to appeal under the disputes provisions of the contract.

GLTC will consider a no-cost settlement instead of issuing a termination notice when it is known the contractor will accept one, GLTC's property was not furnished, and there are no outstanding payments, debts due GLTC, or other contractor obligations to GLTC.

14.60 Remedies for Breach of Contract

The 2 CFR Part 200 for governmental recipients authorizes the FTA to require remedies. According, FTA expectations are as follows:

- Liquidated Damages - FTA has determined that a recipient may use liquidated damages if the recipient reasonably expects to suffer damages through delayed contract completion, or if weight requirements are exceeded, and the extent or amount of such damages are uncertain and would be difficult or impossible to determine. The rate and measurement standards must be calculated to reasonably reflect the recipient's costs should the standards not be met and must be specified in the solicitation and contract. The assessment for damages is often established at a specific rate per day for each day beyond the contract's delivery date or performance period. A measurement other than a day or another period of time, however, may be established if that measurement is appropriate, such as weight requirements in a rolling stock purchase. The procurement file should include a record of the calculation and rationale for the amount of damages established. Any liquidated damages recovered must be credited to the project account involved unless FTA permits otherwise. Refer to FTA Circular 4200.1F, Chapter V, paragraph 5(a)(1) for a discussion of how liquidated damages can be used to encourage settlements.
- Violation or Breach. Third party contracts exceeding \$100,000 must include administrative, contractual, or legal remedies for violations or breach of the contract by the third-party contractor.
- Suspension of Work – The FTA may require provisions pertaining to suspension of work.
- Termination – Termination for cause and termination for convenience provisions must be included in contracts exceeding \$10,000.

14.70 Buy America Provisions

Section 165 of the Surface Transportation Assistance Act of 1982 (49 U.S.C. 1601), Section 337 of the Surface Transportation and Uniform Relocation Assistance Act of 1987, 49 CFR Parts 660 and 661, and the Infrastructure Investment and Jobs Act (IIJA) of 2021 impose Buy America provisions on the procurement of foreign products and materials.

All GLTC procurements are subject to the Buy America regulation, which requires that all steel and manufactured products (and cement in construction) have 100% U.S. content and be manufactured in the United States. There are special provisions relating to purchase of buses and communications equipment which require seventy percent (70%) U.S. content and final assembly in the United States. In purchasing buses, GLTC is required (49 CFR Part 663) to conduct a pre-award and post-delivery audit of the manufacturer's Buy America certification.

All vendors are required to certify that they can or cannot comply with the Buy America requirements of Section 165(a). When a vendor cannot certify, Part 661.7 of the regulation provides guidance under which GLTC may submit a request for waiver of the Buy America requirements to the FTA Administrator.

Buy America Certification forms will be included with each IFB or RFP solicitation and will be required to be executed and submitted with a bid or proposal. Purchases made using small purchase procedures are most often made under a purchase order, in order to set up the account payable. GLTC's purchase order states conditions of purchase, including Buy America requirements. It is a condition of GLTC's purchase order that when accepting the order, the vendor certifies that Buy America requirements are met by signing and returning the certification printed on the purchase order. In those few instances where a purchase order is not used, a certification form will be furnished to the vendor for execution. Once a certification is received from a vendor for a particular item, it is not necessary to require receipt of a certification for each subsequent purchase provided there is a certification on file for that item.

14.80 Federal Provisions and Required Contract Clauses

When FTA operating or capital funds are used in a purchase, certain solicitation provisions and required contract clauses must be incorporated in GLTC's solicitation and award. These requirements are stated in the FTA Master Agreement, FTA Circulars, and in the various regulations themselves. Some provisions and clauses apply only over certain contract dollar

thresholds, and some apply separately to construction and non-construction contracts, contracts for bus purchases, and so forth. Appendix H includes those provisions and required clauses. The FTA Master Agreement and procedures in Section 14.0 of this manual will be referenced in preparing for an FTA-funded construction contract

When including "boilerplate" provisions and contract clauses in an IFB or RFP, the Purchasing Agent will separately reference in bid instructions those provisions and/or clauses which are not applicable to the procurement and will cross out and initial those inapplicable sections of the "boilerplate" document which is included in the solicitation.

14.90 Contract File Documentation

GLTC will comply with the requirements of Circular 4220.1F, Chapter III, Para. 3. d., requiring maintenance of records sufficient to detail the significant history of a procurement. Contract files will be organized so as to allow a reviewer to reconstruct and understand the history of the contract in the absence of the contract administrator and will provide complete background supporting the actions taken.

The extent of file documentation will vary with the complexity of purchase. At a minimum, small procurements made under purchase order procedures will include the following file documentation:

- (a) purchase requisition including independent cost estimate;
- (b) List of sources solicited and abstract of offers received, including form of quotations received (book, telephone, fax, written, etc.);
- (c) Buy America certificate and any other required submissions;
- (d) Award and receiving documents.

Contract files for more complex procurements will contain some or all of the following, as appropriate to the procurement:

- (a) purchase requisition, acquisition planning information, and other pre-solicitation documents;
- (b) evidence of availability of funds;
- (c) rationale for method of procurement;
- (d) list of sources solicited;
- (e) independent cost estimate;
- (f) scope of work or technical specifications;
- (g) copies of published notices;
- (h) copies of solicitation and all amendments;
- (i) an abstract of offers or quotes;
- (j) contractor's certifications including a Buy America certification supporting every equipment, material or supply contract;
- (k) sole source selection documentation, if applicable;
- (l) General Manager's or his/her designee's written determination of contractor responsibility for the successful contractor;
- (m) records of contractor's compliance with labor policies, including EEO policies, as required by the contract;
- (n) determination that price is fair and reasonable including price analysis or cost analysis, with source materials of price analysis data or vendor certificates of current cost data;
- (o) required internal approvals;
- (p) notice of award;
- (q) notice to unsuccessful offerors;
- (r) bid, performance, payment or other bond documents and notices to sureties;
- (s) notice to proceed, stop orders, and any overtime premium approvals granted at time of award;
- (t) approvals or disapprovals for requests for waivers of deviations from contract documents;
- (u) Documentation regarding timely close-out or any early termination actions for which the Purchasing Agent is responsible.



Greater Lynchburg Transit Company
Central Virginia Transit Management Company, Inc.

Independent Cost Estimate (ICE)

ICE Report

Date of ICE: _____ Type of Goods: _____

Amount Budgeted for Procurement: _____

- Obtained through:
- Previous Purchase, attached
 - Internet
 - Other Transit System
 - Vendor (e-mail / fax), attached
 - Other (explain)

Attachments? Yes No

Comments:

Certification

I certify that this form has been completed prior to purchase in accordance with GLTC Purchasing Policies.

Independent Cost Estimate Amount: \$ _____

Signature: _____

Date: _____

For each method used to establish the independent cost estimate, attach written supporting documentation such as hand-written notes, e-mails, print outs of published price lists, etc.



Greater Lynchburg Transit Company
Central Virginia Transit Management Company, Inc.

FAIR AND REASONABLE PRICE DETERMINATION

Procurement: _____

<i>I hereby determine the price to be fair and reasonable based on at least one of the following:</i>			
<input type="checkbox"/>		Obtained price estimate via internet or vendor through website visit	<input type="checkbox"/> Reviewed similar item in related industry
<input type="checkbox"/>		Under \$10,000 (<i>Purchasing agent has determined price as fair based on a simple price analysis</i>)	<input type="checkbox"/> Personal knowledge or experience of item procured
<input type="checkbox"/>		Obtained from current catalog	<input type="checkbox"/> Regulated Rate (this is a Utility)
<input type="checkbox"/>		Commercial market sales price from ad	<input type="checkbox"/> Obtained cost of similar item from other Transit Company or related in industry
<input type="checkbox"/>		Other Method (describe)	
<input type="checkbox"/>		This procurement is Sole Source (describe) <i>WARNING: Sole source is highly irregular, must complete Sole Source Justification Form</i>	

Comments:

D Copy of purchase order, quotes, catalog page, price list, etc. attached.

Certification

I certify that this form has been completed prior to purchase in accordance with GLTC Purchasing Policies. To the best of my knowledge sufficient information has been compiled to ensure that the cost of this procurement is fair and reasonable for the product or services being procured.

Purchasing Agent

Date



Greater Lynchburg Transit Company
Central Virginia Transit Management Company, Inc.

PROCUREMENT CHECKLIST (MICRO / SMALL)

Checklist

Date of Submission: _____

Procurement: _____

Documentation Required for Micro Purchases: (≤ \$10,000)	
<input type="checkbox"/>	Fair and Reasonable Price Determination
Documentation Required for Small Purchases: (> \$10,000 and ≤ \$149,000)	
<input type="checkbox"/>	Method of Procurement Decision Matrix
<input type="checkbox"/>	Notice to Proceed Letter
<input type="checkbox"/>	Notice to Unsuccessful Offerors
<input type="checkbox"/>	Independent Cost Estimate [ICE Form]
<input type="checkbox"/>	Clear, Accurate, Complete Specifications
<input type="checkbox"/>	Price Quotations [2 or more]
<input type="checkbox"/>	Cost/Price Analysis
<input type="checkbox"/>	Federal Clauses
<input type="checkbox"/>	Written Record of Procurement History (2 sections)
<input type="checkbox"/>	Awarded Supplier's Proposal
<input type="checkbox"/>	SAM (Debarment Check – www.sam.gov) [2: \$25K]
<input type="checkbox"/>	Lobbying Form [2: \$100K]
<input type="checkbox"/>	Completed Purchase Order
<input type="checkbox"/>	TVM Reporting (Revenue Vehicles)
Special Circumstances for Micro Purchases:	
<input type="checkbox"/>	Approval for Advance Payments form FTA
<input type="checkbox"/>	Davis-Bacon (Construction) [> \$2K]
Special Circumstances for Small Purchases:	
<input type="checkbox"/>	Contract Modifications (in scope)
<input type="checkbox"/>	Progress Payments
<input type="checkbox"/>	Approval for Advance Payments from FTA

<input type="checkbox"/>	Notice of Protests and Resolution
<input type="checkbox"/>	Notice of Contract Claims and Resolutions
<input type="checkbox"/>	Davis-Bacon (Construction)

Certification

I certify that this form has been completed prior to purchase in accordance with GLTC Procurement Policies. To the best of my knowledge sufficient information has been compiled and complies with GLTC Procurement Policies. A copy of this documentation and all associated purchase documentation is included in the purchasing file.

Purchasing Agent: _____

Date: _____

*****ALL Procurement Files Found in Finance (F:) Procurement Projects*****

ORIGINALS: Kept in Purchasing/Finance Files



Greater Lynchburg Transit Company
Central Virginia Transit Management Company, Inc.

PROCUREMENT CHECKLIST (RFP)

Checklist

Date of Submission: _____

Procurement: _____

Documentation Required for RFP Purchases: (≥ \$150K)	
<input type="checkbox"/>	Written Selection Procedures (Included in Solicitation)
<input type="checkbox"/>	Method of Procurement Decision Matrix
<input type="checkbox"/>	Notice to Proceed Letter
<input type="checkbox"/>	Notice to Unsuccessful Offerors
<input type="checkbox"/>	Independent Cost Estimate [ICE Form]
<input type="checkbox"/>	Clear, Accurate, Complete Specifications
<input type="checkbox"/>	Emails to Potential Vendors, Proof of Ad Publication
<input type="checkbox"/>	Cost/Price Analysis
<input type="checkbox"/>	Bid Opening Sheet / Record of Proposals Submitted
<input type="checkbox"/>	Responsiveness Checklist
<input type="checkbox"/>	Bid / Proposal Rejection Explanation (if any)
<input type="checkbox"/>	Responsibility Checklist
<input type="checkbox"/>	Evaluation Rating Sheets and Summary
<input type="checkbox"/>	Sound and Complete Agreement (Signed Contract)
<input type="checkbox"/>	Buy America (Bus and Rolling Stock)
<input type="checkbox"/>	Federal Clauses
<input type="checkbox"/>	Written Record of Procurement History
<input type="checkbox"/>	Awarded Supplier's Proposal
<input type="checkbox"/>	SAM (Debarment Check – www.sam.gov) [≥ \$25K]
<input type="checkbox"/>	Completed Purchase Order
<input type="checkbox"/>	TVM Reporting (Revenue Vehicles)
Special Circumstances for RFP Purchases: (≥ \$150K)	
<input type="checkbox"/>	Documentation of Board Approval

<input type="checkbox"/>	Piggybacking
<input type="checkbox"/>	Contract Modifications (in scope)
<input type="checkbox"/>	Progress Payments
<input type="checkbox"/>	Approval for Advance Payments from FTA
<input type="checkbox"/>	Copy of Bonds(Construction)
<input type="checkbox"/>	Evidence of Negotiations with Highest Ranked Suppliers and Ranking Based on Technical Capability Only (A&E)
<input type="checkbox"/>	Notice of Protests and Resolution
<input type="checkbox"/>	Notice of Contract Claims and Resolutions
<input type="checkbox"/>	Davis-Bacon (Construction)

Certification

I certify that this form has been completed prior to purchase in accordance with GLTC Procurement Policies. To the best of my knowledge sufficient information has been compiled and complies with GLTC Procurement Policies. A copy of this documentation and all associated purchase documentation is included in the purchasing file.

Purchasing Agent: _____

Date: _____

*****ALL Procurement Files Found in Finance (F:) Procurement Projects*****

ORIGINALS: Kept in Purchasing/Finance Files



Greater Lynchburg Transit Company Central Virginia Transit Management Company, Inc.

Responsibility Determination

Checklist

Solicitation No: _____ Date: _____

Procurement _____

Vendor /Company Name of Bidder _____

	Yes	No	Comments
Appropriate financial, equipment, facility, and personnel	<input type="checkbox"/>	<input type="checkbox"/>	
Ability to meet the required delivery or performance schedule	<input type="checkbox"/>	<input type="checkbox"/>	
Qualification	<input type="checkbox"/>	<input type="checkbox"/>	
Experience	<input type="checkbox"/>	<input type="checkbox"/>	
Responsiveness	<input type="checkbox"/>	<input type="checkbox"/>	

Certification

I certify that this form has been completed prior to purchase in accordance with GLTC Procurement Policies. To the best of my knowledge sufficient information has been compiled and complies with GLTC Procurement Policies. A copy of this documentation and all associated purchase documentation is included in the purchasing file.

Purchasing Agent: _____

Date: _____



Greater Lynchburg Transit Company
Central Virginia Transit Management Company, Inc.

PROCUREMENT CHECKLIST (Sole Source)

Checklist

Date of Submission: _____

Procurement: _____

Documentation Required for Sole Source Purchases: (> \$10,000)	
<input type="checkbox"/>	Method of Procurement Decision Matrix
<input type="checkbox"/>	Independent Cost Estimate [ICE Form]
<input type="checkbox"/>	Clear, Accurate, Complete Specifications
<input type="checkbox"/>	Emails to Potential Vendors, Proof of Ad Publication (if applicable)
<input type="checkbox"/>	Cost Analysis
<input type="checkbox"/>	Responsibility Checklist [≥ \$150K]
<input type="checkbox"/>	Responsiveness Checklist [≥ \$150K]
<input type="checkbox"/>	Sole Source Justification
<input type="checkbox"/>	Buy America (Bus and Rolling Stock) [≥ \$150K]
<input type="checkbox"/>	Federal Clauses
<input type="checkbox"/>	Written Record of Procurement History
<input type="checkbox"/>	Awarded Supplier's Proposal
<input type="checkbox"/>	SAM (Debarment Check – www.sam.gov) [≥ \$25K]
<input type="checkbox"/>	Lobbying Form [2: \$100K]
<input type="checkbox"/>	TVM Reporting (Revenue Vehicles)
<input type="checkbox"/>	Completed Purchase Order
Special Circumstances for Sole Source Purchases:	
<input type="checkbox"/>	Documentation of Board Approval
<input type="checkbox"/>	Piggybacking (State Contract)
<input type="checkbox"/>	Contract Modifications (in scope)
<input type="checkbox"/>	Progress Payments
<input type="checkbox"/>	Approval for Advance Payments from FTA
<input type="checkbox"/>	Copy of Bonds(Construction)

<input type="checkbox"/>	Notice of Protests and Resolution
<input type="checkbox"/>	Notice of Contract Claims and Resolutions

Certification

I certify that this form has been completed prior to purchase in accordance with GLTC Procurement Policies. To the best of my knowledge sufficient information has been compiled and complies with GLTC Procurement Policies. A copy of this documentation and all associated purchase documentation is included in the purchasing file.

Purchasing Agent: _____

Date: _____

*****ALL Procurement Files Found in Finance (F:) Procurement Projects*****

ORIGINALS: Kept in Purchasing/Finance Files



Greater Lynchburg Transit Company
Central Virginia Transit Management Company, Inc.

SOLE SOURCE JUSTIFICATION FORM

Justification

Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposals and at least one of the following circumstances applies:

Check One:	
<input type="checkbox"/>	The item is available only from a single source (sole source justification is attached).
<input type="checkbox"/>	The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation (documented emergency condition is attached).
<input type="checkbox"/>	FTA authorizes noncompetitive negotiations (letter of authorization is attached).
<input type="checkbox"/>	After solicitation of a number of sources, competition is determined inadequate (record of source contacts is attached).
<input type="checkbox"/>	The item is an associated capital maintenance item as defined in 49 U.S.C. §5307(a) (1) that is procured directly from the original manufacturer or supplier of the time to be replaced (price certification attached).
Comments: 	

Certification

<input type="checkbox"/>	Independent Cost Estimate is attached.
--------------------------	--

Requestor: _____

Date: _____

General Manager: _____
(Required for Purchases over \$3,500)

Date: _____

PROVISIONS, CERTIFICATIONS, REPORTS, FORMS, AND OTHER -- MATRICES

A. THIRD PARTY CONTRACT PROVISIONS

(excluding micro-purchases, except Davis-Bacon requirements apply to contracts exceeding \$2,000)

PROVISION	COMMENTS	MASTER AGREEMENT REFERENCE (based on FA MA(33) 04-25-2025)
All FTA Assisted Third Party Contracts and Subcontracts		
No Federal Government Obligations to Third Parties (Use of Disclaimer)		§ 6.e
False or Fraudulent Statements or Claims – Civil and Criminal Fraud		§ 4.e
Access to Third Party Contract Records		§ 9.c and 16.s
Changes to Federal Requirements		§ 3.g
Civil Rights (Title VI, ADA, EEO (except special DOL construction clause))		§ 12a-d
Disadvantaged Business Enterprises (DBEs)	Contract awarded on the basis of a bid/proposal offering to use DBEs.	§ 12.e
Incorporation of FTA Terms	Per FTA C 4220.1F.	§ 16.d
Awards Exceeding \$10,000		
Terminations	If 49 CFR Part 18 applies.	§ 11 and § 16, which incorporate 49 CFR Part 18
Special EEO provision for construction contracts	If 49 CFR Part 18 or Part 19 indicate that the DOL EEOC regulations at 41 C.F.R. Chapter 60 apply.	§ 12.d, which incorporates 49 CFR Part 18 and Part 19
Awards Exceeding \$25,000		
Debarment and Suspension		§ 16.d(7)
Awards Exceeding the Simplified Acquisition Threshold (\$150,000) (As of February 2011, OMB has not to date adopted the FAR clause 2.101 \$150,000 standard for grants.)		
Buy America	When tangible property or construction will be acquired.	§ 15.a
Resolution of Disputes, Breaches, or Other Litigation		§ 39
Awards Exceeding \$150,000 by Statute		
Lobbying	OMB Office of Federal Financial Management has not adopted the FAR clause 2.101 \$150,000 simplified acquisition threshold standard.	§ 16.d(8)
Clean Air		§ 16.d(26)
Clean Water		§ 26.c

PROVISIONS, CERTIFICATIONS, REPORTS, FORMS, AND OTHER — MATRICES

A. THIRD PARTY CONTRACT PROVISIONS (Continued)

(excluding micro-purchases, except Davis-Bacon requirements apply to contracts exceeding \$2,000)

PROVISION	COMMENTS	MASTER AGREEMENT REFERENCE (based on FA MA(33) 04-25-2025)
Transport of Property or Persons		
Cargo Preference	When acquiring property suitable for shipment by ocean vessel.	§ 15.c
Fly America	When property or persons are transported by air between U.S. and foreign destinations, or between foreign locations.	§ 15.d
Construction Activities		
Construction Employee Protections – Davis-Bacon Act	For contracts exceeding \$2,000.	§ 16.d(3)
Construction Employee Protections – Contract Work Hours & Safety Standards Act	For contracts exceeding \$100,000. OMB Office of Federal Financial Management has not adopted the FAR clause 2.101 \$150,000 simplified acquisition threshold standard.	§ 16.d(4)
Construction Employee Protections – Sec. 1 Copeland Anti-Kickback Act – Sec. 2 Copeland Anti-Kickback Act	All contracts All construction contracts exceeding \$2,000.	§ 16.n
Bonding for Construction Activities Exceeding \$100,000	5% bid guarantee bond. 100% performance bond. Payment bond equal to: – 50% for contracts < \$1M. – 40% for contracts > \$1M – < \$5M. – \$2.5M for contracts > \$5M.	§ 16.n
Seismic Safety	Construction contracts for new buildings or for existing buildings.	§ 23.b
Nonconstruction Activities		
Nonconstruction Employee Protection – Contract Work Hours & Safety Standards Act	For all turnkey, rolling stock, and operational contracts (except transportation services contracts and open market contracts) exceeding \$100,000. OMB Office of Federal Financial Management has not adopted the FAR clause 2.101 \$150,000 simplified acquisition threshold standard.	§ 24.b
Transit Operations		
Transit Employee Protective Arrangements		§ 24.d
Charter Bus Operations		§ 28
School Bus Operations		§ 29
Drug Use and Testing	Safety sensitive functions.	§ 35.a
Alcohol Misuse and Testing	Safety sensitive functions.	§ 35.b

PROVISIONS, CERTIFICATIONS, REPORTS, FORMS, AND OTHER—MATRICES

A. THIRD PARTY CONTRACT PROVISIONS(Continued)

(excluding micro-purchases, except Davis-Bacon requirements apply to contracts exceeding \$2,000)

PROVISION	COMMENTS	MASTER AGREEMENT REFERENCE (based on FA MA(33) 04-25-2025)
Planning, Research, Development, and Demonstration Projects		
Patent Rights		§ 17
Rights in Data and Copyrights		§ 18
Special Notification Requirements for States		
Special Notification Requirement for States		§ 37
Miscellaneous Special Requirements		
Energy Conservation		§ 26.i
Recycled Products	Contracts when procuring \$10,000 or more per year of items designated by EPA.	§ 16.d(9)
Conformance with National ITS Architecture	Contracts and solicitations for ITS projects.	§ 16.1
ADA Access	Contracts for rolling stock or facilities construction/renovation.	§ 12.h(1.ii)
Assignability Clause	Procurements through assignments.	§ 16.d(5), which incorporates 49 CFR Part 18 and 49 CFR Part 19

PROVISIONS, CERTIFICATIONS, REPORTS, FORMS, AND OTHER—MATRICES

B. APPLICABILITY OF THIRD PARTY CONTRACT PROVISIONS

(excluding micro-purchases, except Davis-Bacon requirements apply to contracts exceeding \$2,000)

TYPE OF PROCUREMENT					
PROVISION	Professional Services/A&E	Operations/ Management	Rolling Stock Purchase	Construction	Materials & Supplies
No Federal Government Obligations to Third Parties (by Use of a Disclaimer)	All	All	All	All	All
False Statements or Claims Civil and Criminal Fraud	All	All	All	All	All
Access to Third Party Contract Records	All	All	All	All	All
Changes to Federal Requirements	All	All	All	All	All
Termination	>\$10,000 if 49 CFR Part 18 applies.	>\$10,000 if 49 CFR Part 18 applies.	>\$10,000 if 49 CFR Part 18 applies.	>\$10,000 if 49 CFR Part 18 applies.	>\$10,000 if 49 CFR Part 18 applies.
Civil Rights (Title VI, ADA, EEO except Special DOL EEO clause for construction projects)	All	All	All>\$10,000	All	All
Special DOL EEO clause for construction projects				>\$10,000	
Disadvantaged Business Enterprises (DBEs)	All	All	All	All	All
Incorporation of FTA Terms	All	All	All	All	All
Debarment and Suspension	>\$25,000	>\$25,000	>\$25,000	>\$25,000	>\$25,000
Buy America			>\$100,000 As of Feb. 2011, FTA has not adopted the FAR 2.101 \$150,000	>\$100,000 As of Feb. 2011, FTA has not adopted the FAR 2.101 \$150,000 standard.	>\$100,000 As of Feb. 2011, FTA has not adopted the FAR 2.101 \$150,000 standard.
Resolution of Disputes, Breaches, or Other Litigation	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
Lobbying	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
Clean Air	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
Clean Water	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
Cargo Preference			Transport by ocean vessel.	Transport by ocean vessel.	Transport by ocean vessel.
Fly America	Foreign air transp. /travel.	Foreign air transp. /travel.	Foreign air transp. /travel.	Foreign air transp. /travel.	Foreign air transp. /travel.

PROVISIONS, CERTIFICATIONS, REPORTS, FORMS, AND OTHER—MATRICES

B. APPLICABILITY OF THIRD PARTY CONTRACT PROVISIONS (Continued)
 (excluding micro-purchases, except Davis-Bacon requirements apply to construction contracts exceeding \$2,000)

TYPE OF PROCUREMENT					
PROVISION	Professional Services/A&E	Operations/ Management	Rolling Stock Purchase	Construction	Materials & Supplies
Davis-Bacon Act				>\$2,000 (also ferries).	
Contract Work Hours and Safety Standards Act		>\$100,000 (transportation services excepted).	>\$100,000	>\$100,000 (also ferries).	
Copeland Anti-Kickback Act Section 1 Section 2				All > \$2,000 (also ferries).	
Bonding				\$100,000	
Seismic Safety	A&E for new buildings & additions.			New buildings & additions.	
Transit Employee Protective Arrangements		Transit operations.			
Charter Service Operations		All			
School Bus Operations		All			
Drug Use and Testing		Transit operations.			
Alcohol Misuse and Testing		Transit operations.			
Patent Rights	R & D				
Rights in Data and Copyrights	R & D				
Energy Conservation	All	All	All	All	All
Recycled Products		EPA-selected items \$10,000 or more annually.		EPA-selected items \$10,000 or more annually.	EPA-selected items \$10,000 or more annually.
Conformance with ITS National Architecture	ITS projects.	ITS projects.	ITS projects.	ITS projects.	ITS projects.
ADA Access	A&E	All	All	All	All
Notification of Federal Participation for States	Limited to States.	Limited to States.	Limited to States.	Limited to States.	Limited to States.



Greater Lynchburg Transit Company
Central Virginia Transit Management Company, Inc.

Rolling Stock Checklist

Checklist

Date of Submission: _____

Procurement: _____

<i>Requirements for Pre-Award</i>	
<input type="checkbox"/>	Buy America Certification
<input type="checkbox"/>	Manufacturer's Certificate of Compliance or Non-Compliance with Buy America rolling stock requirements
<input type="checkbox"/>	Lobbying [2: 100K]
<input type="checkbox"/>	Purchaser's Requirements Certification
<input type="checkbox"/>	FMVSS (Certification of Compliance with or Inapplicability of Federal Motor Vehicle Safety Standards
<input type="checkbox"/>	Transit Vehicle Manufacturer (TVM) Certification
<input type="checkbox"/>	Bus Testing Certification
<input type="checkbox"/>	Altoona Bus Test http://altoonabustest.psu.edu/buses?sort_by=manufacturer
<input type="checkbox"/>	Pre-Award Audit Report (Buy America: Verification of Domestic Content [currently 65%] and Final Assembly Cost)
<i>Requirements for Post-Delivery</i>	
<input type="checkbox"/>	FMVSS (Certification of Compliance with or Inapplicability of Federal Motor Vehicle Safety Standards
<input type="checkbox"/>	Buy America Certification
<input type="checkbox"/>	Purchaser's Requirements Certification
<input type="checkbox"/>	Post-Delivery Audit Report

Certification

I certify that this form has been completed prior to purchase in accordance with GLTC Procurement Policies. To the best of my knowledge sufficient information has been compiled and complies with GLTC Procurement Policies. A copy of this documentation and all associated purchase documentation is included in the purchasing file.

Purchasing Agent: _____

Date: _____

*****ALL Procurement Files Found in Finance (F:) Procurement Projects*****
ORIGINALS: Kept in Purchasing/Finance Files



GLTC Board Agenda Detail

Item #: 6c
Item Title: New Business
Action: Discussion and Approval

Updates on State Purchasing Contracts and Transit Supply Chains

Staff will be giving an update on the status of State Purchasing Contracts and potential supply chain disruptions and their effects on GLTC procurements.

Contacts: Josh Moore

Attachments: None

Action Required: Discussion





GLTC Board Agenda Detail

Item #: 7

Item Title: Presidents Report

Action: Discussion

-- Optional Report/Comments by GLTC Board President --





GLTC Board Agenda Detail

Item #: 8

Item Title: Next Meeting & Adjournment

Action: Adjournment

-- Opportunity for any final Board Member Comments or Remarks --

The next GLTC Board Meeting is scheduled for May 4th, 2025, at 8:30 am

The next GLTC Work Session is scheduled for May 22nd, 2025, at 8:30 am

All meetings will be held at the GLTC Transfer Station, 800 Kemper Street, Lynchburg, VA

Consider Adjournment





GLTC Board Agenda Detail

Item #: N/A
Item Title: Board Roster and Attendance Log
Action: None

GLTC BOARD OF DIRECTORS MEMBERSHIP ROSTER

Ben Blanks	bblanks@gltconline.com
Gary DuPriest	
Christopher Hackman	chackman@gltconline.com
Valarie Holmes	vholmes@gltconline.com
Cameron Howe	chowe@gltconline.com
Brian Landergan	blandergan@gltconline.com
Andre Miller	amiller@gltconline.com
Greg Patrick	gpatrick@gltconline.com
Tab Sprouse	tsprouse@gltconline.com

Members may be reached by mail by addressing items to:

[Board Member]
GLTC Board of Directors
PO Box 11286
Lynchburg, VA 24506

