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STATE MANAGEMENT PLAN

FOR THE ADMINISTRATION OF FEDERAL TRANSIT GRANTS

Prepared by:
New Mexico Department of Transportation
Transit and Rail Division
(505) 827-3248

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Federal Programs Overview

New Mexico Department of Transportation (NMDOT) administers the Federal Transit Administration (FTA) programs for public and specialized transportation using. The State Management Plan (SMP) describes the policies regarding administration of the following FTA programs:

- [Metropolitan & Statewide Planning and Non-Metropolitan Transportation Planning \(Section 5303, 5304, 5305\)](#) provides formula funding and procedural requirements for multimodal transportation planning in metropolitan areas and states.
- [Urbanized Area Formula Grants \(Section 5307\)](#) provides formula funding governors and other recipients for transit capital and operating assistance and transportation-related planning in urbanized areas.
- [Flexible Funding Programs](#) make Federal-Aid Highway Program funding available for public transportation projects.
- [Enhanced Mobility of Seniors and Individuals with Disabilities Program \(Section 5310\)](#) provides formula funding to improve accessibility and mobility for seniors and individuals with disabilities.
- [Formula Grants for Rural Areas \(Section 5311\)](#) provides formula funding to states for the purpose of supporting public transportation in areas with populations of less than 50,000 people.
- [Intercity Bus Program \(Section 5311\(f\)\)](#) provides formula funding to states for the purpose of supporting intercity bus service in rural areas.
- [Rural Technical Assistance Program \(RTAP\) \(Section 5311\(b\)\(3\)\)](#) provides funding to states to support transportation research, technical assistance, training, and related support services in rural areas.
- [Buses and Bus Facilities Program \(Section 5339\)](#) provides formula and competitive funding to states and direct recipients to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities.

Table of Acronyms

| Acronyms | Definitions |
|----------|------------------------------------------------|
| A&E | Architect and Engineering |
| ADA | Americans with Disabilities Act |
| BABA | Build America Buy America |
| BAR | Budget Authority Request |
| CAA | Clean Air Act |
| CAFR | Comprehensive Annual Financial Report |
| CDL | Commercial Driver's License |
| CE | Categorical Exclusion |
| CFR | Code of Federal Regulations |
| CMAQ | Congestion Mitigation and Air Quality |
| DAMIS | Drug and Alcohol Management Information System |
| DBE | Disadvantaged Business Enterprise |
| ECHO | Electronic Clearinghouse System |
| EEO | Equal Employment Opportunity |
| EIS | Environmental Impact Statement |
| FCD | Financial Control Division |
| FEMA | Federal Emergency Management Agency |
| FFR | Federal Financial Report |
| FHWA | Federal Highway Administration |
| FMCSA | Federal Motor Carrier Safety Administration |
| FTA | Federal Transit Administration |
| GAAP | Generally Accepted Accounting Principles |
| IFB | Invitation for Bids |
| MOA | Memorandum of Agreement |
| MPO | Metropolitan Planning Organization |
| MPR | Milestone Progress Report |
| NMDOT | New Mexico Department of Transportation |
| NMSA | New Mexico State Act |
| NTD | National Transit Database |

| Acronyms | Definitions |
|----------|----------------------------------------------------------------------------------|
| OMB | Office of Management and Budget |
| RFP | Request for Proposals |
| RFQ | Request for Quotes |
| RTAP | Rural Technical Assistance Program |
| RTPO | Regional Transportation Planning Organization |
| SAM | System of Award Management |
| SBD | State Budget Division |
| SF-LLL | Lobbying Disclosure Form |
| SHARE | State Human Resources, Accounting, and Reporting Enterprises |
| SIP | State (air quality) Implementation Plan |
| SMP | State Management Plan |
| SSEPP | Safety, Security and Emergency Preparedness Plans |
| TAM | Transit Asset Management |
| TOPSS | Transit Operating Procedures for Safety and Security |
| TrAMS | Transit Award Management System |
| URA | Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 |
| USC | United States Code |
| USDOT | United States Department of Transportation |

NMDOT's Roles and Responsibilities

The NMDOT Transit and Rail Division was designated by the Governor as administrator and recipient pursuant to the provisions of 49 USC Sections 5303, 5304, 5307 (governor's apportionment), 5310, 5311, and 5339. The legal authority for NMDOT's ability to carry out capital, administrative, and operating assistance; or technical assistance projects directly, by lease, contract or otherwise is set forth below.

NMDOT is authorized under [New Mexico's Public Mass Transportation Act Sections 67-3-67 to 67-3-70 New Mexico State Act \(NMSA\) 1978 \(as amended by Sections 37, 37-8, and 39, Chapter 268, Laws of 1987\)](#), to enter into agreements with any bureau, department, or agency of the United States government dealing with or concerning the planning, design, acquisition, construction, maintenance or supervision of any public mass transportation program or system, or the operation thereof. Additionally, NMDOT may enter into agreements with any other bureau, agency or department of the state; any city/municipality, county, school district or other political entity of this state; or any individual, firm, partnership, corporation, association or other organization to carry out the foregoing.

State Management Plan Development and Update

NMDOT is responsible for developing a document that describes its policies and procedures for administering the State-managed portions of FTA's Section 5310, 5311, and 5339 programs. NMDOT is required to have an approved plan on file with the FTA Regional Office and to update it regularly to incorporate any changes in program management or new requirements. With the initial development and each significant revision, NMDOT provides an opportunity for review by stakeholders. The plan is intended to:

- include the State's objectives, policies, procedures, and administrative requirements
- provide public information on the State's administration of FTA programs
- serve as the basis for FTA State-level management reviews of the program
- be useful to the State and subrecipients, as well as to FTA
- be used internally by the State as a program guide for local project applicants

Annual Program of Projects Development and Approval Process

NMDOT's grant applications to FTA are prepared each year and submitted electronically via FTA's electronic grant system for Sections 5305, 5307, 5310, 5311 and 5339. Once notification is received from FTA of New Mexico's forthcoming year of program apportionment and state approval of grant awards for the upcoming fiscal year, the State's FTA grant application begins.

Cities, counties, tribal governments, and other agencies which serve seniors and individuals with disabilities are notified of the beginning of the funding process through the regional transportation planning organizations (RTPOs), metropolitan planning

organizations (MPOs), and the NMDOT distribution list. NMDOT also places a notice on its website.

NMDOT has an established timeline of tasks and responsibilities which it follows during the fiscal year to administer federal transit grants.

A comprehensive description of NMDOT's grant application and annual program of projects development and approval process as it relates to Section 5310, 5311, and 5339 programs is captured in its annual application guide.

Coordination

NMDOT leads the coordination effort statewide through multiple avenues. NMDOT supports projects such as:

- Collaboration with other State agencies namely the New Mexico Health Care Authority, New Mexico Department of Veterans' Services, New Mexico Aging and Long-Term Services, New Mexico Developmental Disabilities Supports Division, and the New Mexico Department of Health to identify a range of transportation services provided, identify gaps, and establish partnerships
- Prioritization of transit applications through a public participation forum where applicants provide a brief presentation to the local RTPO/MPO board on their proposed services in their respective region
- Coordination with the public, RTPOs, and MPOs in the development of the coordinated public transit-human services transportation plan
- Implementation of planning studies to provide further coordination and interconnectivity across the State

NMDOT also requires all applicants to coordinate with other existing community partners. This may include other transportation service providers, health and human service providers, healthcare providers, for-profit and non-profit agencies and other community agencies and local governments.

Private Sector Participation

NMDOT requires subrecipients or potential subrecipients to contact existing public and private transit providers. The reasons for this policy are to:

- Provide early involvement of private operators in the planning of services
- Evaluate private operators' ability to meet service needs in the marketplace without subsidy
- Create opportunities for the private sector to present service proposals for new or restructured services developed by the public
- Provide fair comparisons of costs

Transit Asset Management (TAM) Plan

NMDOT develops a TAM group plan for its Section 5310 and 5311 public transportation providers. Subrecipients that choose to exercise the option to opt out of the plan must submit a letter indicating their desire to opt out and a copy their plan to NMDOT.

NMDOT provides technical assistance to Tier II providers in the development of TAM plans.

The TAM Plan contains more information about preparation and maintenance processes and is available on the website.

Project Closeout

NMDOT closes out grants with subrecipients within 90 days of completion of project activity. NMDOT performs a final reconciliation of internal financial worksheets and Transit Award Management System (TrAMS). NMDOT makes any needed final adjustments and then submits the final reimbursement request in the electronic clearinghouse system (ECHO). If needed, NMDOT updates the program of projects, budget worksheets and fixed asset listing. A final closeout amendment is created in TrAMS within 120 days of completion of all project activities statewide.

FTA Programs Administered by NMDOT

Section 5303 – Metropolitan Planning Program and Section 5304 – Statewide Planning and Nonmetropolitan Planning Program

NMDOT is the designated recipient for Sections 5303 and 5304 funds.

NMDOT provides Section 5303 funds annually to five MPOs to support metropolitan planning projects using a formula that considers factors such as population and equity. Section 5303 funds are available to assist with: preparing transportation plans and programs; planning, engineering, designing and evaluating public transportation projects; and conducting technical studies related to public transportation.

Section 5304 funds are available for statewide transportation planning and technical assistance activities. NMDOT either uses the funds for its own projects or awards it to subrecipients on a discretionary basis.

Section 5307 - Urbanized Area Formula Program

NMDOT is the designated recipient for urbanized areas with populations of less than 200,000 (governor's apportionment funds). NMDOT suballocates the funds to small urbanized areas to allow them to apply directly to FTA for the funds. NMDOT adopts the FTA suggested apportionment but reserves the right to re-apportion funds when necessary. For areas with multiple providers, NMDOT relies upon the local providers to determine the suballocation.

The small urbanized areas are the cities of Farmington, Las Cruces, Santa Fe, and Los Lunas.

Flexible Funding Programs

NMDOT also utilizes and manages transfers of Federal Highway Administration (FHWA) Congestion Mitigation and Air Quality (CMAQ) and Transportation Alternatives Program funding flexed to FTA for specific transit projects.

For more information on Flexible Funding Programs and requirements, refer to the link in Program Overview.

Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities

Goals

The program's goal is to improve mobility for seniors and individuals with disabilities by removing barriers to transportation services and expanding mobility options.

Objectives

The objectives of NMDOT's Section 5310 program include:

- Ensuring that seniors and individuals with disabilities have the same rights as all people to utilize transportation facilities and services
- Making special effort in the planning and design of transportation facilities and services to assure seniors and individuals with disabilities the availability of transportation which they can effectively utilize
- Continuing to provide for the special needs of seniors and individuals with disabilities for which transportation services are unavailable, insufficient, or inappropriate

NMDOT provides capital and operating financial assistance for transportation services planned, designed, and carried out to meet the special transportation needs of seniors and individuals with disabilities in the large urbanized, small urbanized, and rural areas. The funding is distributed to each geographic area based on the published FTA annual apportionment.

Eligible Subrecipients and Projects (Traditional)

Eligible subrecipients are private nonprofit organizations and local governmental authorities approved by the state to coordinate services for seniors and individuals with disabilities. Approval of an application constitutes approval to coordinate service.

Projects may include rolling stock and related equipment (including technology) and the rehabilitation of rolling stock. All rolling stock must be accessible.

Eligible Subrecipients and Projects (Non-traditional)

Eligible subrecipients are local governmental authorities and public transportation providers. NMDOT provides operating assistance under this program.

All subrecipients must have adequate legal, financial, and technical capacity to receive funds and operate the program. To remain eligible to participate in the NMDOT program, subrecipients must maintain compliance with the Memorandum of Agreement (MOA).

Local Share and Local Funding Requirements

The local share for eligible capital projects is 20 percent. The local share for eligible operating assistance is 50 percent.

The matching share for capital and operating costs may be from a source that includes local government, unrestricted federal, private or local cash funds. Contract revenue may be used as local match if the funds used to purchase the service are from non-non-

United States Department of Transportation (USDOT) federal sources. NMDOT does not allow in-kind contributions to be used as local match for Section 5310 grants.

Eligible operating assistance is determined by the net operating deficit after fares and ineligible expenses are deducted from total expenses. The MOA will identify the required percentage of local share. Some examples of sources of local match that may be used for any or the entire local share include: state or local appropriations; dedicated tax revenues; private donations; net income generated from advertising and concessions; and non-emergency medical transportation.

Applicants must provide a budget and the source of funding in the application and submit a board resolution supporting the application and committing the local resources.

Method of Distributing Apportionment

NMDOT may set aside 10 percent for state administration based on need.

NMDOT administers the remaining 90 percent of its annual apportionment to fund projects in the rural, small urban, and large urban areas.

Project Selection Criteria

NMDOT distributes funds through an annual competitive application process such that funds are distributed in a nondiscriminatory way. NMDOT provides funding opportunity notices to current subrecipients, state and local agencies, tribal organizations, city and county officials, agencies that serve seniors and individuals with disabilities, economic and workforce development organizations, and RTPOs/MPOs. NMDOT has an established timeline of events outlined in the application guide. Every attempt will be made to fund eligible applicants.

Locally Developed Coordinated Plan

As the statewide designated recipient of Section 5310 funds, NMDOT coordinates with transit and human services transportation providers, RTPOs, MPOs, and the general public to develop the coordinated public transit - human services transportation plans. The main purpose of the plans is to analyze the transit services currently available in the plan area and recommend strategies for transit program and mobility coordination. The plan identifies the transportation needs of individuals with disabilities, seniors, and people with low incomes; provides strategies for meeting those local needs; and prioritizes transportation services for funding and implementation.

NMDOT has developed six coordinated plans based on the State's RTPO boundaries. The Mid-Region MPO develops its own plan. Where MPO and RTPO boundaries fall within one another, the plan is completed for the MPO, as well as the RTPO. The seven coordination plans for New Mexico are:

- Northern Pueblos Regional Transportation Planning Organization/Santa Fe Metropolitan Planning Organization Coordination Plan
- Northeast Regional Transportation Planning Organization Coordination Plan
- Northwest Regional Transportation Planning Organization/Farmington Metropolitan Planning Organization Coordination Plan

- South Central Regional Transportation Planning Organization/Las Cruces Metropolitan Planning Organization/ El Paso Metropolitan Planning Organization Coordination Plan
- Southeast Regional Transportation Planning Organization Coordination Plan
- Southwest Regional Transportation Planning Organization Coordination Plan
- Mid-Region Council of Governments Coordination Plan

The coordination plans are located electronically on the NMDOT website.

To be considered for funding, proposed projects must be included in the locally developed coordinated plan. Applicants are required to commit to coordinate transportation services as outlined in the locally developed coordinated plan covering their area of existing/proposed service.

Program Measures

For traditional projects, subrecipients must submit quarterly ridership reports that address the following program measures:

- **Gaps in service filled** – provision of transportation options that would not otherwise be available for seniors and individuals with disabilities measured in number of seniors and people with disabilities afforded mobility they would not have without program support as a result of traditional Section 5310 projects implemented in the current reporting year.
- **Ridership** – actual or estimated number of rides (as measured by one-way trips) provided annually for individuals with disabilities and seniors on Section 5310–supported vehicles and services as a result of traditional Section 5310 projects implemented in the current reporting year.

For non-traditional transportation projects, the program measures are:

- **Increases or enhancements** related to geographic coverage, service quality, and/or service times that impact availability of transportation services for seniors and individuals with disabilities as a result of other Section 5310 projects implemented in the current reporting year
- **Additions or changes** to physical infrastructure (e.g., transportation facilities, sidewalks, etc.), technology, and vehicles that impact availability of transportation services for seniors and individuals with disabilities because of other Section 5310 projects implemented in the current reporting year
- **Actual or estimated number of rides** (as measured by one-way trips) provided for seniors and individuals with disabilities as a result of other Section 5310 projects implemented in the current reporting year

Funds Transfer

If the need arises to transfer funds between small urban and rural areas, NMDOT reserves the right to transfer funds between the two geographic areas based on funding demand and needs.

For more information on Section 5310 funding and requirements, refer to the link in Program Overview.

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Section 5311 Formula Grants for Rural Areas

Goals

The program's goal is to provide access to people in non-urbanized areas to health care services, shopping, education, employment, public services, and recreation.

Objectives

The objectives of the NMDOT Section 5311 program include:

- Assisting in the maintenance, development, improvement, and use of public transportation systems in rural areas
- Encouraging and facilitating the coordination of programs and services to ensure the most efficient use of funds
- Providing for the participation of private transportation providers in rural transportation to the maximum extent feasible

Eligible Subrecipients

Eligible subrecipients include local governmental authorities, private nonprofit organizations, and federally recognized Indian tribes.

All subrecipients must have adequate legal, financial, and technical capacity to receive funds and operate the program. To remain eligible to participate in the NMDOT program, subrecipients must maintain compliance with the MOA.

Eligible Projects

Eligible projects include operating expenses, project administration, and capital.

Eligible Services and Service Area

NMDOT provides funding for public transit in rural areas of the State. The eligible service area includes service beginning and/or ending in nonurbanized (rural) areas of the State. Transportation services must be available to the general public on a regular and continuing basis and have publicly advertised and posted service hours.

Local Share and Local Funding Requirements

Operating: The federal share is 50 percent of the net operating deficit. Of the remainder of the deficit, 50 percent must be financed from sources other than Federal funds or revenues of the system.

Capital and Project Administration: The federal share of eligible capital and project administrative expenses may not exceed 80 percent of the net cost of the project.

All of the local share must be provided from sources other than federal funds except where specific legislative language of a federal program permits its funds to be used to match other federal funds.

Some examples of sources of local match which may be used for any or the entire local share include: state or local appropriations; dedicated tax revenues; private donations; net income generated from advertising and concessions; and non-emergency medical

transportation. For Section 5311 grants, in-kind contributions may be used as local match with approval of NMDOT. Consideration will be given to hardship circumstances.

Farebox revenue cannot be used as local match. It must be used to reduce the net operating deficit. Farebox revenue is defined as any payment made by an individual passenger.

Income from contracts to provide human services transportation may be used to provide local match for Section 5311 operating assistance.

Applicants must provide a budget and the source of funding in the application and submit a board resolution supporting the application and committing the local resources.

Method of Distributing Apportionment

The apportionments are allocated as follows:

- Ten percent is allocated for state administration
- Fifteen percent of the funds are reserved to support intercity bus service
- Remaining funds are allocated to rural public transportation providers based on administrative, operating or capital requests

Project Selection Criteria

NMDOT administers a competitive application process such that funds are distributed in a nondiscriminatory way. Quantitative and standard performance measures of current transit providers will be assessed and placed into a funding distribution index. Budget recommendations will be made on past performance and proposals for improvement.

- a. Rural transit subrecipients are ranked in each of seven performance indicators and the ranks are tallied to create a composite Section 5311 Transit Funding Index Rank. The seven performance indicators are calculated on the most recently completed award year at the time of application. They are:
 - ridership
 - administrative/operating ratio (A:O)
 - cost per passenger trip
 - total prior administrative/operating cost per vehicle mile
 - RPTO prioritization
 - percent of prior year administrative/operating total award expended
 - percent of total statewide ridership
- b. The Section 5311 Transit Funding Index Rank places the transit providers into groups that reflect their performance and factor into funding decisions, based on available funding.
- c. All subrecipients are targeted at a maximum A:O ratio based on the size of their respective vehicle fleets regardless of funding source for the vehicles.
 - 10 transit vehicles or less: Maximum A:O ratio of 0.55
 - 11 to 20 transit vehicles: Maximum A:O ratio of 0.50
 - 21 to 30 transit vehicles: Maximum A:O ratio of 0.45

- 31 to 40 transit vehicles: Maximum A:O ratio of 0.40
 - 41 transit vehicles or more: Maximum A:O ratio of 0.35
- d. Subrecipients receiving a total award over \$750,000, but less than \$1,500,000 will be limited to a maximum A:O ratio of 0.35.
- e. Subrecipients receiving a total award of \$1,500,000 or more will be limited to a maximum A:O ratio of 0.25.
- f. Subrecipient awards will not exceed the amounts requested and/or will be adjusted based on expenditures over the past three years.
- g. Subrecipients with incomplete data due to late invoicing will be held at a flat budget and a vehicle fleet size appropriate A:O ratio.

NMDOT prioritizes the distribution of Section 5311 funds to operating projects. Applications and grants under Section 5311 are based on the Federal fiscal year and awards are made for one year, at minimum.

Transfer of Funds

NMDOT transfers FHWA flexible funds to the Section 5311 program.

Intercity Bus Transportation

NMDOT will allocate up to 15 percent of the annual Section 5311 apportionment to support intercity bus services for capital and operating projects. Private for-profit companies, not-for-profits, and public entities providing intercity bus service are eligible subrecipients.

Intercity bus providers must abide by the same rules and regulations as other Section 5311 providers.

For more information on Section 5311 funding and requirements, refer to the link in Program Overview.

Section 5339 Bus and Bus Facilities Formula Program

The program's goal is to provide capital assistance for buses and bus facilities to support the continuation and expansion of public transportation services in rural and small urbanized areas.

Transfer of Funds

NMDOT suballocates funds to small urbanized areas and allows them to apply directly to FTA for the funds. The small urbanized areas include the cities of Farmington, Las Cruces, Santa Fe, and Los Lunas.

Project Selection Criteria and Method of Distributing Fund

NMDOT administers a competitive application process such that funds are distributed in a nondiscriminatory way.

Eligible Subrecipients

Eligible subrecipients include Section 5311 subrecipients and federally recognized Indian tribes that receive direct awards from the state or FTA.

All subrecipients must have adequate legal, financial, and technical capacity to receive funds and operate the program. To remain eligible to participate in the NMDOT program, subrecipients must maintain compliance with the MOA.

Eligible Projects

Eligible projects include:

- Purchase of rolling stock for expansion, replacement or rehabilitation
- Purchase, construct, and rehabilitate real property and bus related facilities
- Purchase of facility related equipment
- Purchase of vehicle related equipment
- Purchase of technology, including software and hardware

NMDOT works with subrecipients to ensure that eligible projects are included in the Statewide Transportation Improvement Plan to support the federal grant application.

Local Share and Local Funding Requirements

The federal share of eligible expenses may not exceed the required federal/local share ratio identified in the MOA.

All of the local share must be provided from sources other than federal funds except where specific legislative language of a federal program permits its funds to be used to match other federal funds.

Some examples of sources of local match which may be used for any or the entire local share include: state or local appropriations; dedicated tax revenues; private donations; net income generated from advertising and concessions; and non-emergency medical transportation.

Applicants must provide a budget and the source of funding in the application and submit a board resolution supporting the application and committing the local resources.

For more information on Section 5339 funding and requirements, refer to the link in Program Overview.

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Rural Transportation Assistance Program (RTAP)

The goal of this program is to provide instruction designed to fulfill the training needs of subrecipients. NMDOT has broad discretion in selecting the best manner by which to provide assistance and implement projects. NMDOT may use RTAP funds as follows:

- Contracts with the state transit association or other industry organizations
- Scholarships or tuition and expenses for individuals to attend training courses or Workshops

Program Management

Procurement

The procurement procedures used for federally funded purchases comply with applicable State law ([Procurement Code Chapter 13](#)), NMDOT standard operating procedures, federal requirements contained in the Code of Federal Regulations (CFR) at [2 CFR Part 180](#) (Office of Management and Budget (OMB) guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement)), [2 CFR Part 200](#) (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards), [49 CFR Part 20](#) (New Restrictions on Lobbying), [49 CFR Part 661](#) (Buy America), [49 CFR Part 663](#) (pre-award and post-delivery audits), [49 CFR Part 665](#) (bus testing), [FTA Circular 4220.1](#) (Third Party Contracting Guidance) all other applicable federal requirements.

For direct procurements, NMDOT develops procurement documents and includes all federally required clauses and certifications. The State General Services Administration prepares solicitations, advertises and awards procurements. NMDOT reviews procurements for compliance with federal and state requirements.

Subrecipient Procurement

NMDOT provides subrecipients with a model procurement template that address FTA requirements. Subrecipients may deviate from State procurement procedures but are still required to comply with all State and federal laws.

NMDOT monitors its subrecipients' purchases through pre-solicitation and pre-award review of procurement documents. In addition to the model procurement template, NMDOT requires subrecipients to follow the State's standard operating procedures for purchasing revenue rolling stock.

Construction Management

For subrecipient construction projects, NMDOT may require subrecipients to retain project management expertise, if not in-house, through a third-party contract. If project management oversight is required, the subrecipient can allocate and request costs through the FTA award as a part of the project. If these costs are not funded in the FTA project award, NMDOT will use statewide administration funds to reimburse the subrecipient. The project manager is required to oversee compliance with contract terms and conditions, and federal and State requirements, including, but not limited to, environmental requirements, prompt payment, Build America Buy America (BABA), and Americans with Disabilities Act accessibility requirements.

NMDOT assigns a program manager to each capital construction project to monitor the project. This individual receives monthly progress reports and evaluates if additional support is needed to ensure federal requirements are met. NMDOT may also attend monthly progress meetings. NMDOT also retains a bench of consultants with project-specific expertise to support subrecipient projects.

NMDOT reviews all requests for quotes (RFQs)/ request for proposals (RFPs)/ invitation for bids (IFBs) before publication and oversees the evaluation process before the subrecipient awards a contract. In the case of solicitation for A&E services, State statute must be followed as set out in [NMSA §13-1-119 through §13-1-124](#). NMDOT will review the evaluation process prior to price negotiations.

NMDOT reviews invoices to confirm that project activities conducted and completed are appropriately invoiced and are adequately supported. At the conclusion of the project, before final payment, subrecipients must submit the certification of substantial completion that is provided by the A&E for the project. Subrecipients must also submit the certificate of occupancy from the State of New Mexico Regulation and Licensing Department.

Financial Management

NMSA 1978 created the Financial Control Division (FCD) of the New Mexico Department of Finance and Administration. [NMSA §6-5-1 through §6-5-6](#) requires State agencies to:

- implement internal controls designed to prevent accounting errors and violations of state and federal law and rules related to financial matters
- determine the authority for all proposed expenditures and to encumber the appropriate funds
- determine that any disbursement of funds does not exceed the appropriation made to the agency, its periodic allotment, or the unencumbered funds at its disposal

Under the authority granted by statute, FCD maintains a central system of State accounts and devises, formulates, approves, controls, and sets standards for the accounting method and procedures of all state agencies. FCD also prescribes procedures, policies, and processing documents for use by State agencies in connection with fiscal matters.

Budgeting

NMDOT's budget is designed to support a safe, reliable, and efficient transportation system while promoting economic development and preserving the environment of New Mexico. In July each year, the Budget and Revenue Division sends a budget request to NMDOT for the upcoming fiscal year. NMDOT then develops a budget based on the previous fiscal year's data, while also considering any additional anticipated expenses. The budget is submitted to the Budget and Revenue Division in August or September for review and incorporation into the state legislature. Once the legislature approves the fiscal year budget, the Budget and Revenue Division prepares the line-item expenditures by NMDOT Division. Following this, NMDOT is authorized to incur expenditures.

If any adjustment to the budget is required due to additional transit needs, NMDOT submits a Budget Authority Request (BAR) to the Budget and Revenue Division. The Budget and Revenue Division must then authorize and schedule a presentation to the

State Transportation Commission so that NMDOT can present its request. The State Transportation Commission typically meets every two months beginning in July of the fiscal year. Once approved, NMDOT works with the Department of Finance and Administration to increase its budget authority. The Department of Finance and Administration will notify NMDOT that the budget has been increased and it can begin incurring expenditures. If the request is not approved, NMDOT must prioritize its expenditures for the period.

State Human Resources, Accounting, and Reporting Enterprises (SHARE)

To integrate the data and processes of the State into a unified system, the State adopted an enterprise resource planning system, SHARE. The system consists of several integrated modules including general ledger, payroll, human capital management, and fixed assets. NMDOT uses SHARE and internal worksheets to track and account for FTA funds. NMDOT performs monthly reconciliations between the balances in FTA's electronic grants system and SHARE.

Transit Data Management System (BlackCat)

NMDOT uses its web-based transit data management system, BlackCat, to facilitate management of its subrecipient program. This system allows for the automation of the following functions:

- Applications
- Grants
- Fixed Asset (including Real Property)
- Invoicing
- Procurement
- Reporting
- Technical Assistance
- Oversight
- Closeout

Subrecipient Financial Management

NMDOT requires that all subrecipients have financial management systems that:

- include records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award
- are sufficient to permit the preparation of reports required by the terms and conditions
- can track expenditures to establish that funds have been used in accordance with Federal statutes, regulations, and the terms and conditions of the Federal award

Indirect Cost/Cost Allocation Plans

NMDOT does not charge indirect costs to FTA awards. Subrecipients charging indirect costs must do so at the approved rate on file with NMDOT. Subrecipients without a cognizant federal agency must submit the rate determined by an independent auditor for NMDOT approval. Subrecipients that do not have an indirect cost rate may, with NMDOT approval, adopt the de minimis rate of 15 percent.

Audits

NMSA §6-5-4.1 requires FCD to compile a comprehensive annual financial report on behalf of all state agencies. The Transit and Rail Division is included in the annual NMDOT single audit performed by an independent accounting firm. Completed audits are submitted to the Federal Audit Clearinghouse as required. Single audits, Comprehensive Annual Financial Reports (CAFR), and other financial related reports and information are available at the State's Auditor's Office's website and the Single Audit Clearinghouse.

Subrecipients must submit a report prepared by an independent auditor in accordance with the [2 CFR Part 200 Subpart F Audit Requirements](#). NMDOT requires reports to be submitted with the annual application for projects. Compliance with the Single Audit requirements is also reviewed as part of the oversight process.

Real Property Management

Real property means land, including land improvements, structures and appurtenances thereto, and legal interests in land, including fee interest, licenses, right of way, and easements. Real property excludes movable machinery and equipment. Any NMDOT-funded real property must be used for the designated program. NMDOT maintains control over real property and related equipment that it provides federal funds for through BlackCat, the annual application process, insurance requirements, and compliance visits.

Acquisition

Real property must be acquired in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended; [42 U.S.C. 4601](#) et seq.; and [49 CFR Part 24](#), the implementing regulation. Subrecipients intending to use an NMDOT-funded grant, including non-NMDOT matching funds, to acquire real property or provide relocation assistance necessary to secure property for the grant, must comply with the requirements in the URA, as amended. NMDOT has a responsibility to monitor and ensure compliance with the URA. Therefore, subrecipients must involve NMDOT in the acquisition process and obtain its concurrence in order to move to the next step, some of which may include appraisal, appraisal review, offer, administrative settlements, relocation assistance, etc. NMDOT will work with FTA to obtain concurrence in the acquisition process as required.

Insurance

All real property purchased or improved upon with FTA funds are operated by subrecipients. Subrecipients either receive FTA funds from NMDOT or through awards received directly from FTA. As these properties may at times house other NMDOT federally-funded assets, NMDOT ensures that the federal investment is protected. Moreover, [NM Stat § 13-5-3](#) requires that local public bodies purchase insurance for public buildings under their control against loss or damage by fire, windstorm, hail, smoke, explosion, riot or civil commotion in an amount not less than eighty percent of the replacement cost or actual cash value of the building.

If determined that any building and its contents (as defined in FTA's Emergency Relief rule, [49 CFR Part 602](#)) are located in a special flood hazard area, subrecipients must obtain flood insurance and, as part of its annual application, submit Certificates of Insurance for any FTA-funded property in a flood hazard area. The building and its contents must be covered by flood insurance in an amount at least equal to its development or project cost (less estimated land cost) or equal to the maximum limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, whichever is less. Current limits are \$500,000 per building and \$500,000 for the contents of each building.

NMDOT confirms that subrecipients maintain sufficient flood insurance by reviewing the Federal Emergency Management Agency (FEMA) flood maps. Moreover, in line with the oversight compliance visit cycle, NMDOT confirms that any FTA-funded property is sufficiently maintained and protected.

Records

NMDOT maintains a comprehensive, permanent listing of its subrecipient real property for which there is federal investment. The listing identifies elements outlined in [FTA Circular 5010.1](#) (Award Management Requirements):

- Parcel Number
- Property Address / Location
- Recipient Unique Identification Number (UEI),
- Date of Property Acquisition
- Type of Insurance Coverage,
- Description of Real Property and Improvements
- Minimum Useful Life of the Improvements and Years Installed
- Real Property Ownership Type
- Size: Acreage, Square, or Linear Units
- Real Property Cost (acquisition, relocation, renovation, railroad easement cost / period of the easement)
- FTA Funding Type and Share Percentage of Property and Improvement Costs
- FTA Award Numbers that funded the acquisition or improvement of the property, among others.

All subrecipients are required to maintain supporting documentation for all federally funded real property included in NMDOT's listing.

NMDOT reviews the status of federally funded facilities with subrecipients. Elements reviewed include, but are not limited to, use and condition, improvements, expansions or retrofits, date placed in service, insurance coverage, disposition actions, eligible incidental use, and revenue earned from any incidental use.

Maintenance

All subrecipients of federally funded real property, which includes real property (facilities and improvements), must develop a maintenance plan and upload a copy to BlackCat.

For the long-term operational success and viability of real property, asset management requires early attention and development, prior to transitioning from construction to operations. Prior to acceptance, subrecipients must validate that the systems and equipment are operating as designed. Subrecipients are to ensure that staff are sufficiently trained and obtain the necessary skills to operate the real property during the transition.

Prior to final acceptance, subrecipients are expected to either work with the construction team to obtain or develop a comprehensive maintenance plan that addresses the ongoing management of the various elements of the property, including machines, equipment, building systems, and structural parts. The maintenance plan should address the preventive maintenance program (routine checking of the property and equipment contained therein), inventory management, and work order activities to ensure all assets are kept in working order and to reduce the risk of unexpected breakages or failures. It should also address who is responsible for performing each maintenance responsibility.

Warranty Program

NMDOT requires that subrecipients have a system for tracking warranty issues and recovering warranty claims. Subrecipients are responsible for establishing and maintaining a system for recovering warranty claims. This system should provide information needed by the subrecipient on the extent and provisions of coverage and on claims processing procedures.

During its technical assistance and compliance reviews, NMDOT will confirm that subrecipients have developed and implemented a warranty program for NMDOT federally funded assets under warranty. In addition, NMDOT will review a sample of warranty claims submitted.

Incidental Use

Subrecipients seeking to make incidental use of federally funded real property must first seek and obtain NMDOT's approval in writing. Incidental uses must be compatible with the approved purposes of the original award and not interfere with either the intended uses of the property or the subrecipient's ability to maintain satisfactory continuing control. Subrecipients must reinvest any income generated from the incidental use back into the transit program.

Useful Life

While the useful life of land is indefinite, real property improvements on land such as construction, buildings, and other fixtures may have a minimum useful life similar to personal property. NMDOT has established minimum useful life standards for its federally funded facilities that align with the TAM Plan of 40 years. NMDOT's interest in real property does not end until disposition.

Disposition and Proceeds

Subrecipients are required to notify NMDOT and obtain instructions on how to dispose of federally funded real property in accordance with the URA. NMDOT will work with

FTA to provide final approval of real property dispositions after verifying that the disposition records demonstrate compliance with federal, state, and local requirements and how the proceeds will be treated.

Vehicles and Equipment

Title

Each vehicle will be titled to the subrecipient to ensure the ability to obtain insurance. NMDOT must be listed as the lien holder on the title for all vehicles purchased with funds administered by NMDOT. NMDOT will remain the lien holder on the title to any vehicles purchased with FTA funds until its final disposition.

Insurance

NMDOT requires subrecipients to ensure they have adequate liability and property coverage per occurrence for the NMDOT funded program.

In the event of loss due to casualty, fire or theft, the insurance settlement will be used toward the replacement of lost assets. The full insurance settlement must be remitted to NMDOT. NMDOT will issue a check for the proportionate share of the subrecipient's investment in the lost asset. NMDOT will use the federal share of the proceeds for future capital purchases.

Records

NMDOT maintains a complete listing of all subrecipient vehicles and equipment records in BlackCat. NMDOT defines equipment as capital purchases with an original unit cost of \$10,000 or more and a useful life of one year or more. Subrecipients are required to maintain their own vehicle and equipment inventory in BlackCat in accordance with the MOA and the NMDOT operating procedures.

NMDOT reserves the right to retain payment for capital purchases until the subrecipient creates the inventory record in BlackCat.

Maintenance

NMDOT requires its subrecipients to maintain equipment and vehicles in sound operating condition and to follow manufacturers' minimum requirements for preventive maintenance policies and procedures. A maintenance plan is required for all vehicles and equipment purchased using federal funds.

Maintenance records must be kept in accordance with the terms of the subrecipient agreement. The records should include both routine (preventive) and corrective maintenance.

Warranty Program

NMDOT requires that subrecipients have a system for tracking warranty issues and recovering warranty claims. Subrecipients are responsible for establishing and maintaining a system for recovering warranty claims. This system should provide

information needed by the subrecipient on the extent and provisions of coverage and on claims processing.

During its technical assistance reviews, NMDOT will confirm that subrecipients have developed and implemented a maintenance plan and warranty program for NMDOT federally funded assets.

Incidental Use

Subrecipients seeking to make incidental use of federally funded vehicles and equipment must first seek and obtain NMDOT's approval. Incidental use may not interfere with either the intended uses of the asset or the subrecipient's ability to maintain satisfactory continuing control. Subrecipients must reinvest any income generated from the incidental use back into the transit program.

Useful Life

NMDOT has established minimum useful life standards for its federally funded assets in accordance with FTA guidelines. The minimum useful life standards for all capital purchases are noted below.

1. Rolling stock

Vehicles will be eligible to be considered for replacement or disposal when the minimum useful life has been met (in years or miles). NMDOT defines useful life for each vehicle type as follows:

| Vehicle Category | Typical Characteristics | Minimum Life | |
|--------------------------------------------------|-------------------------|--------------|---------|
| | Approx. GVW | Years | Miles |
| Heavy-Duty Large Bus | 33,000 to 40,000 | 15 | 625,000 |
| Heavy-Duty Small Bus | 26,000 to 33,000 | 13 | 455,000 |
| Medium-Duty and Purpose-Built Bus | 16,000 to 26,000 | 10 | 285,000 |
| Light-Duty Mid-Sized Bus | 10,000 to 16,000 | 8 | 240,000 |
| Light-Duty Small Bus, Cutaways, and Modified Van | 6,000 to 14,000 | 7 | 175,000 |

2. Equipment

Equipment, including non-revenue vehicles, will be eligible to be considered for replacement or disposal when the minimum useful life has been met. The useful life of equipment should be determined based on its capitalizable value, in accordance with generally accepted accounting principles (GAAP).

Disposition and Proceeds

Under normal circumstances, NMDOT will only consider the disposition of assets in any category that has met the minimum useful life either in years or miles (which ever happens first) and if they are no longer in a state of good repair or can no longer be maintained to a state of good repair within reasonable measures. Meeting the useful life minimum requirements (in years or miles) will not guarantee release of title and

disposal of the asset. NMDOT will consider earlier disposition for documented and unusual circumstances and will review these requests on a case-by-case basis.

NMDOT has developed standard operating procedures for the disposition of assets. Refer to the “Vehicle Disposition Procedures” for additional guidance.

Transfer of Equipment

NMDOT may transfer assets to another subrecipient. NMDOT remains the first lien holder to retain the federal interest in vehicles. For the procedures related to the transfer of assets, refer to the “Vehicle Disposition Procedures”.

Technical Assistance, Training, and Oversight

NMDOT provides technical assistance and training to recipients of FTA funds. This assistance is focused on the development of competent transit management and improving the effectiveness of transit operations.

A variety of technical assistance services, such as planning and project development, vehicle and equipment procurement, project management, and governance, is provided. A technical assistance and compliance review is conducted with each subrecipient with a follow-up report. A resource library is also maintained in BlackCat. Another vital service offered is driver and passenger assistance training. These areas of assistance are described in more detail below.

Technical Assistance

1. Planning and Project Development

Statewide planning and other technical assistance are provided under Section 5304. Activities include planning support for small urban and rural areas, including service plan updates, fleet transition plans, wage studies, etc.; research, development, and demonstration projects; and university research.

2. Vehicle and Equipment Procurement

NMDOT assists subrecipients in the procurement of vehicles and equipment. Subrecipients may purchase vehicles from state price agreements and directly. For all vehicle and equipment purchases, prior approval by NMDOT is required.

3. Safety and Security

Consistent with requirements established by NMDOT to address safety, security and emergency preparedness in all aspects of transit system development, individualized Safety, Security, and Emergency Preparedness Plans (SSEPP) are developed for Section 5311 subrecipients and Transit Operating Procedures for Safety and Security (TOPSS) are developed for all subrecipients. The SSEPP and TOPSS documents are designed to be utilized in conjunction with one another.

- SSEPP outlines the process used by the transit system agency to make informed decisions that are appropriate for its operations, passengers, employees and communities regarding the development and implementation of a comprehensive security and emergency preparedness program.

- TOPSS provides guidelines for each subrecipient in terms of standard safety operating procedures, emergency operating procedures and transit security. It is referenced in the all-hazards SSEPP (consistent with FTA guidelines) and supports the SSEPP in terms of day-to-day and crisis management decision-making.

The SSEPP references the TOPSS document in terms of specific content on planning, preparing and responding to the system's mission; and the two documents together are bookend tools used to enhance the safety, security, and emergency preparedness of individual transit systems.

NMDOT also provides technical assistance to small urban providers that are required to develop and update a Public Transportation Agency Safety Plan, including the Safety Management System Plan.

Training

NMDOT provides training for transit staff. NMDOT's standard operating procedures address these trainings.

Oversight

1. Risk Assessment

NMDOT has developed a risk assessment process that is integrated into the design and implementation of its management of the FTA programs. When assessing risk, NMDOT considers the following criteria:

- Financial capacity
- Program management
- Reporting history
- Complaints (civil rights, including Americans with Disabilities Act (ADA), and service)
- Technical assistance and compliance reviews

Additional information on this process can be found in NMDOT's standard operating procedures.

2. Technical Assistance and Compliance Reviews

A technical assistance and compliance review is conducted with each Section 5311 subrecipient biennially and Section 5310 subrecipient triennially. More or less frequent reviews may be scheduled based on risk. Reviews may also be completed remotely if:

- a subrecipient's risk assessment supports such
- a public health emergency precludes onsite visit

The purpose of the technical assistance and compliance review is to assure compliance with applicable State and federal requirements and the MOA. These reviews are intended to assist subrecipients to build technical capacity, maintain a state of good repair, and provide technical assistance. NMDOT also uses findings from the reviews to develop its annual training program, including training sessions at the annual New Mexico Transit Association conference.

For Section 5310 subrecipients, these technical assistance and compliance reviews identify corrective actions and provide recommendations on:

- Transportation Policies and Procedures
- Federal Requirements
- Driver Training
- Fleet Management
- Safety

For Section 5311 subrecipients, these technical assistance and compliance reviews identify corrective actions and provide recommendations on:

- Governance, Leadership and Administration
- Federal Requirements
- Human Resource Management
- Driver Training and Development
- Service Design and Delivery
- Passenger Relations and Standards
- ADA Complementary Paratransit Service, as applicable
- Marketing
- Fleet Management
- Facilities
- Scheduling, Dispatching and Communications
- Safety and Security
- Emergency Preparedness
- Section 5307, as applicable

Subrecipients must respond to corrective actions and recommendations noted in reports within the stated timeframes. Subrecipients may request extensions.

For more information refer to Subrecipient Compliance Oversight Standard Operating Procedures.

Other Regulations and Guidance Areas

ADA

NMDOT ensures compliance with all civil rights programs, including Section 504 of the federal Rehabilitation Act and ADA, through review of bus and construction procurements and technical assistance and compliance reviews.

Under USDOT regulations concerning administration of the ADA, all subrecipients must comply with [49 CFR Parts 27, 37, and 38](#) implementing the ADA. ADA provisions require public and private transportation providers to operate services in a way that does not discriminate against persons with disabilities.

Subrecipients must develop and publicize procedures for addressing ADA complaints that incorporate due process standards and provide for prompt equitable resolution. Subrecipients must advertise the process for filing ADA-related complaints through

means such as the website and communicate a response promptly to complainants. Subrecipients must also designate an employee to coordinate the ADA complaint process and advertise their name or title, phone number, physical, and email address on the website. Copies of complaints must be retained for one year. A summary of complaints must be kept for five years.

Passengers with disabilities may request modifications to current service procedures to access the service. Subrecipients will not charge additional fees for passengers requiring reasonable modifications. NMDOT developed a model reasonable modification policy.

New and rehabilitated facilities must be accessible.

Civil Rights - NMDOT Programs

NMDOT is committed to creating a level playing field for employment, funding, and contracting opportunities. NMDOT is responsible for implementing applicable FTA civil rights programs, with support from the Construction and Civil Rights Bureau.

The Construction and Civil Rights Bureau is responsible for developing and implementing the Disadvantaged Business Enterprise (DBE) Program Plan. The Transit and Rail Division develops the triennial FTA goal.

The Transit and Rail Division develops and updates the FTA Title VI Program.

As the Transit and Rail Division does not meet the threshold for developing an FTA Equal Employment Opportunity (EEO) program, the responsibility for developing and implementing a DOT-wide program rests with the Construction and Civil Rights Bureau.

Civil Rights - Subrecipient Programs

1. DBE

Subrecipients are required to comply with the Construction and Civil Rights Bureau DBE program developed in accordance with [49 CFR Part 26](#). In setting its triennial goal, the Transit and Rail Division reviews whether there will be any contracting opportunities with the funds awarded to subrecipients. As part of grant award, Construction and Civil Rights Bureau works with the Transit and Rail Division to determine if it will require a subrecipient to establish and meet DBE goals with those funds. The Transit and Rail Division works with subrecipients to implement this process in areas such as outreach, monitoring, and enforcement. The subrecipients implementation of program requirements is also reviewed during the technical assistance and compliance reviews.

2. Title VI Programs

Subrecipients are required to develop and implement a Title VI program that addresses the applicable required elements under FTA's [Title VI Circular 4702.1](#) (Title VI Requirements and Guidelines for Federal Transit Administration Recipients). The Transit and Rail Division reviews implementation of the plans during technical assistance and compliance reviews. NMDOT uses the reviews to determine if plans need to be updated. As part of the review of Section 5311 subrecipients, NMDOT

reviews current Census data to determine whether subrecipients must translate documents into Spanish.

FTA requires subrecipients who are also its direct recipients to submit a Title VI Program to both FTA and NMDOT.

3. EEO Programs

Subrecipients are required to develop abbreviated or full EEO programs if they have 50 or more transit-related employees and receive more than \$1 million in FTA capital and/or operating funds or more than \$250,000 in planning funds in a year.

Subrecipients update their program at a minimum every four years, as required by NMDOT, and submit it to NMDOT for review and approval. Implementation of the EEO Program is verified as part of NMDOT technical assistance and compliance reviews.

[FTA Circular 4704.1](#) (Equal Employment Opportunity (EEO) Act Guidance) requires subrecipients who are direct recipients who cross the threshold for a plan to submit an EEO Program to FTA and NMDOT, and states that FTA is charged with ensuring that recipients develop and implement an effective EEO Program that will prevent discrimination against employees or applicants for employment based on a protected class.

Reporting

Annual Program of Projects Status Report

At least annually for Sections 5303/5304, 5307, 5310, 5311, and 5339 grants, NMDOT submits program of projects status reports. The reports include:

- Updated programs of projects that contain active projects reflecting revised project descriptions, changes in projects from one category to another and adjustments within budget categories
- Budget revisions that reflect changes in line-item budgets
- Significant civil rights compliance issues, such as Title VI, EEO, or DBE complaints against the State or subrecipients
- Notable accomplishments or problems involving subrecipients

Federal Financial Reports and Milestone Progress Reports

NMDOT, on an annual basis, provides a Federal Financial Report (FFR) and a Milestone Progress Report (MPR) for each active/open grant to the FTA Region VI Office via the FTA's electronic grant management system.

Section 5310 Program Measure Reports

NMDOT submits program measures to the FTA annually. NMDOT reports on gaps in service filled, ridership, increases or enhancements related to geographic coverage, service quality or services times, and actual or estimated number of rides.

DBE Triennial Goal and Semi-Annual Report

Every three years, NMDOT submits an overall goal for the utilization of DBEs. The goal covers the contracting opportunities of the State and its subrecipients.

NMDOT submits a Uniform Report of DBE Awards or Commitments and Payments by June 1 and December 1. The June 1 report covers the period October 1 through March 31. The December 1 report covers the period April 1 through September 30. The report includes the contracting activities of the state and its subrecipients. Subrecipients submit information monthly on their third party contract awards, commitments, and payments as part of their invoice for inclusion in the semi-annual uniform report.

National Transit Database (NTD)

NTD is the FTA's primary national database for statistics on the transit industry. The NTD was established by Congress to be the Nation's primary source for information and statistics on the transit systems of the United States. Recipients of Section 5311 grants are required by statute to submit data to NTD. The legislative requirement for the NTD is found in the United States Code (USC) at [Title 49 USC 5335\(a\)](#).

NMDOT collects all required data from subrecipients that are not also direct recipients of FTA Section 5307 funds and submits the report to NTD.

Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS)

NMDOT reports subaward information to the system of award management (SAM) at SAM.gov by the end of the month after the month in which a subaward of over \$30,000 is made to other public agencies, private nonprofit organizations or, where eligible as subrecipients, private providers of transportation.

Drug and Alcohol Management Information System (DAMIS)

In addition to meeting the requirements of the CFRs, NMDOT also requires its subrecipients to complete and provide to NMDOT DAMIS reports for itself and contractors with safety-sensitive employees. The reports must be submitted to FTA by March 15.

Other FTA Requirements

Mandatory Disclosures

Subrecipients must promptly notify NMDOT whenever, in connection with the grant, it has credible evidence of the commission of a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code or a violation of the civil False Claims Act (31 U.S.C. 3729-3733).

Subrecipients must also report to NMDOT information on civil, criminal, or administrative proceedings in accordance with [Appendix XII to Part 200—Award Term and Condition for Recipient Integrity and Performance Matters](#).

The disclosure must be made in writing to NMDOT. NMDOT will promptly disclose such matters to the FTA and FTA's Office of Inspector General.

Lobbying

Subrecipients must also comply with [Byrd Anti-Lobbying Amendment \(31 U.S.C. 1352\)](#), restrictions on lobbying requirements.

If a subrecipient uses non-federal funds for lobbying, NMDOT obtains and submits to FTA an initial disclosure form (SF-LLL). NMDOT obtains and submits updated disclosure forms in any quarter in which an event occurs that requires disclosure, or that materially affects the accuracy of the information contained in any disclosure form previously filed.

Suspension/Debarment

To prevent fraud, waste and abuse in federal transactions, persons or entities, which by defined events or behavior potentially threaten the integrity of federally-administered non-procurement programs, are excluded from participation in FTA-assisted programs.

For agreements or contracts over \$25,000, subrecipients must certify that it is not excluded from federally-assisted transactions and ensure that none of its principals (as defined in the governing regulation, [2 CFR Part 180](#)), subrecipients, or third-party contractors or subcontractors are debarred, suspended, ineligible or voluntarily excluded from participation in Federally-assisted transactions.

Whistleblower Protections

Subrecipients must inform their employees in writing of employee whistleblower rights and protections under [41 U.S.C. 4712](#).

Charter Bus Service

All subrecipients who are considering charter service are responsible for complying with the requirements of [49 CFR Part 604](#). Prior to providing charter service, subrecipients must obtain pre-approval from NMDOT and submit reports regarding the service in compliance with requirements.

School Bus Operations

Subrecipients of FTA funds may not provide exclusive school bus transportation. School bus operations are defined by FTA as transportation by bus exclusively for school students or personnel. Tripper service is authorized under the FTA definition provided under [49 CFR Part 605.3](#). Tripper service means regularly scheduled mass transportation service which is open to the public, and which is designed or modified to accommodate the needs of school students and personnel, using various fare collections or subsidy systems. Buses used in tripper service must be clearly marked as open to the public and may not carry designations such as “school bus” or “school special.” These buses may stop only at the subrecipient’s or operator’s regular service stops. All routes traveled by the tripper buses must be within the subrecipient’s or operator’s regular route service as indicated in its published route schedules.

NMDOT monitors its subrecipients for compliance with the school bus regulations during its technical assistance and compliance reviews.

Drug and Alcohol Program

Subrecipients of Sections 5307, 5311, and 5339 funds are required to comply with the requirements of [49 CFR Part 655](#) "Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations."

Subrecipients of Section 5310 funds with vehicles that require a commercial driver's license (CDL) must comply with the requirements of [49 CFR Part 382](#) "Controlled Substances and Alcohol Use and Testing."

Subrecipients with Federal Motor Carrier Safety Administration (FMCSA) and FTA drug and alcohol programs are required to comply with the requirements of [49 CFR Part 40](#) "Procedures for Transportation Workplace Drug and Alcohol Testing Programs."

NMDOT provides technical assistance in the area of drug and alcohol policy development to subrecipients, including training provided through contractors. A drug and alcohol review of each subrecipient's program, including a visit to the collection site(s), is conducted annually to ensure continued compliance. Subrecipients that demonstrate compliance with drug and alcohol program requirements may receive a drug and alcohol review every other year.

Environmental Protection

1. Clean Air Act (CAA)

The principal requirement affecting subrecipients is the transportation/air quality conformity review process. In general, transportation plans, programs and projects shall be found to conform to approved State (air quality) Implementation Plans (SIP) before they can be funded by FHWA or FTA.

2. Alternative Fuels

The federal government encourages the State to investigate the use of alternative fuels, including propane, compressed natural gas or electricity. NMDOT encourages its Section 5310 and 5311 subrecipients to use alternative fuels where appropriate. NMDOT recognizes that alternative fuels may not be available in all areas of the State.

3. Environmental Impact Statements

Activities and projects which have very limited or no environmental effects, such as planning and technical studies, program administration, operating assistance and transit vehicle purchases, are viewed as having a categorical exclusion (CE) from preparing an Environmental Impact Statement (EIS). NMDOT must submit an assurance to the FTA that such projects are categorically excluded under FTA's regulations.

References

| References | Hyperlinks |
|------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 29 U.S.C. Section 504 of the Rehabilitation Act of 1973 | https://www.govinfo.gov/content/pkg/CFR-2002-title28-vol1/html/CFR-2002-title28-vol1-sec35-104-.htm |
| 31 U.S.C. 3729 False Claims | https://uscode.house.gov/view.xhtml?req=granuleid:USC-1999-title31-section3729&num=0&edition=1999 |
| 31 U.S.C. 3730 Civil Actions for False Claims | https://uscode.house.gov/view.xhtml?req=granuleid:USC-2000-title31-section3730&num=0&edition=2000 |
| 31 U.S.C. 3731 False Claims Procedure | https://uscode.house.gov/view.xhtml?req=granuleid:USC-1999-title31-section3731&num=0&edition=1999 |
| 31 U.S.C. 3732 False Claims Jurisdiction | https://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title31-section3732&num=0&edition=prelim |
| 31 U.S.C. 3733 Civil Investigative Demands | https://uscode.house.gov/view.xhtml?req=(title:31%20section:3733%20edition:prelim) |
| 41 U.S.C. 4712 Enhancement of contractor protection from reprisal for disclosure of certain information | https://www.gpo.gov/fdsys/pkg/CFR-2010-title49-vol7/pdf/CFR-2010-title49-vol7-part604.pdf |
| 42 USC 4601 Uniform Relocation Assistance and Real Property Acquisition Policies for Federal and Federally Assisted Programs | https://uscode.house.gov/view.xhtml?req=(title:42%20section:4601%20edition:prelim) |
| 49 U.S.C. 5334(i)(1) Transfer of Amounts and Non-Government Share | https://www.transit.dot.gov/funding/grants/grant-programs/flexible-funding-transit-and-highway-improvements |
| 49 U.S.C. 5335, National Transit Database | https://www.govinfo.gov/content/pkg/USCODE-2011-title49/html/USCODE-2011-title49-subtitleIII-chap53-sec5335.htm |
| 2 CFR Part 180 OMB Guidelines to Agencies on Government-Wide Debarment and Suspension (Nonprocurement) | https://www.ecfr.gov/current/title-2/subtitle-A/chapter-I/part-180 |
| 2 CFR Part 200, Uniform Administrative Requirements, Cost | https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200?toc=1 |

| References | Hyperlinks |
|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Principles, and Audit Requirements for Federal Awards | |
| 2 CFR Part 200, Subpart F Audit Requirements | https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-F |
| 49 CFR Part 20 New Restrictions on Lobbying | https://www.ecfr.gov/current/title-49/subtitle-A/part-20 |
| 49 CFR Part 24 Uniform Relocation Assistance and Real Property Acquisition Policies for Federal and Federally Assisted Programs | https://www.ecfr.gov/current/title-49/part-24 |
| 49 CFR Part 26, Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs | https://www.ecfr.gov/current/title-49/subtitle-A/part-26?toc=1 |
| 49 CFR Part 27, Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance | https://www.ecfr.gov/current/title-49/subtitle-A/part-27?toc=1 |
| 49 CFR Part 37, Transportation Services for Individuals with Disabilities | https://www.ecfr.gov/current/title-49/subtitle-A/part-37 |
| 49 CFR Part 38, ADA Accessibility Specifications for Transportation Vehicles | https://www.ecfr.gov/current/title-49/subtitle-A/part-38?toc=1 |
| 49 CFR Part 40, Procedures for Transportation Workplace Drug and Alcohol Testing Programs | https://www.ecfr.gov/current/title-49/subtitle-A/part-40 |
| 49 CFR Part 382, Controlled Substances and Alcohol Use and Testing | https://www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-382 |
| 49 CFR Part 602, Emergency Relief | https://www.ecfr.gov/current/title-49/part-602 |
| 49 CFR Part 604, Charter Service | https://www.govinfo.gov/content/pkg/CFR-2010-title49-vol7/pdf/CFR-2010-title49-vol7-part604.pdf |
| 49 CFR Part 605, School Bus Operations | https://www.ecfr.gov/current/title-49/part-605 |

| References | Hyperlinks |
|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 49 CFR Part 655, Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations | https://www.ecfr.gov/current/title-49/subtitle-B/chapter-VI/part-655 |
| 49 CFR Part 661 Buy America Requirements | https://www.ecfr.gov/current/title-49/subtitle-B/chapter-VI/part-661 |
| 49 CFR Part 663 Pre-award and Post-delivery Audits of Rolling stock Purchases | https://www.ecfr.gov/current/title-49/subtitle-B/chapter-VI/part-663 |
| 49 CFR Part 665 Bus Testing | https://www.ecfr.gov/current/title-49/subtitle-B/chapter-VI/part-665 |
| Appendix XII to Part 200—Award Term and Condition for Recipient Integrity and Performance Matters | https://www.ecfr.gov/current/title-2/part-200/appendix-Appendix XII to Part 200 |
| Buses and Bus Facilities Program (Section 5339) | https://www.transit.dot.gov/bus-program |
| Congestion Mitigation-Air Quality | https://www.transportation.gov/sustainability/climate/federal-programs-directory-congestion-mitigation-and-air-quality-cmaq |
| Enhanced Mobility of Seniors and Individuals with Disabilities Program (Section 5310) | https://www.transit.dot.gov/regulations-and-guidance/fta-circulars/formula-grants-rural-areas-program-guidance-and-application |
| Federal Emergency Management Agency Flood Maps | https://msc.fema.gov/portal/home |
| Flood Disaster Protection Act of 1973, 42 U.S.C. § 4012a(a) | https://www.govinfo.gov/content/pkg/COMPS-1039/pdf/COMPS-1039.pdf |
| Formula Grants for Rural Areas (Section 5311) | https://www.transit.dot.gov/rural-formula-grants-5311 |
| FTA Circular 4220.1, Third Party Contracting Guidance | https://www.transit.dot.gov/sites/fta.dot.gov/files/2025-01/Third-Party-Contracting-Guidance-%28Circular-4220.1G%29.pdf |
| FTA Circular 4702.1, Title VI Requirements and Guidelines for FTA Recipients | https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FTA_Title_VI_FINAL.pdf |
| FTA Circular 4704.1 Equal Employment Opportunity (EEO) Act Guidance | https://www.transit.dot.gov/regulations-and-guidance/civil-rights-ada/eo-circular |

| References | Hyperlinks |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FTA Circular 5010, Award Management Requirements | https://www.transit.dot.gov/regulations-and-programs/fta-circulars/award-management-requirements-circular |
| Intercity Bus Program (Section 5311(f)) | https://www.transit.dot.gov/rural-formula-grants-5311 |
| New Mexico's Public Mass Transportation Act Sections 67-3-67 to 67-3-70 New Mexico State Act (NMSA) 1978 (as amended by Sections 37, 37-8, and 39, Chapter 268, Laws of 1987) | https://law.justia.com/codes/new-mexico/2018/chapter-67/article-3/ |
| NMDOT Transit Asset Management | https://www.dot.nm.gov/planning-research-multimodal-and-safety/modal/transit-rail/transit-bureau/ |
| National Environmental Policy Act | https://www.transit.dot.gov/regulations-and-programs/environmental-programs/legislation-regulation-and-guidance |
| National Flood Insurance Act of 1968 | https://uscode.house.gov/view.xhtml?path=/prelim@title42/chapter50&edition=prelim |
| NMSA §6-5-1 through §6-5-6 | https://www.nmlegis.gov/Sessions/03Regular/FinalVersions/HB0219.html |
| NMSA §13 Procurement Code Regulations | https://law.justia.com/codes/new-mexico/chapter-13/article-1/ |
| NM Stat § 13-5-3 New Mexico Statutes, Chapter 13 - Public Purchases and Property, Article 5 - Insurance on Public Buildings | https://law.justia.com/codes/new-mexico/chapter-13/article-5/section-13-5-3/ |
| Rural Technical Assistance Program (RTAP) (Section 5311(b)(3)) | https://www.transit.dot.gov/funding/grants/rural-transportation-assistance-program-5311b3 |
| Statewide Planning and Non-Metropolitan Transportation Planning (Section 5304) | https://www.transit.dot.gov/funding/grants/metro-politan-statewide-planning-and-nonmetropolitan-transportation-planning-5303-5304 |

Revision History

Revision 1: 2015

Amended to add most recent updates to the CFRs and FTA's implementing guidance.

Revision 2: 2018

Amended to incorporate FTA's updates to its guidance documents.

Revision 3: 2020

Amended to address any requirements not incorporated that were effective as of this date.

Revision 4: 2025

Amended to accomplish the following objectives:

- Organize the plan into three (3) main topic areas:
 - NMDOT's Roles and Responsibilities
 - FTA Programs Administered by NMDOT
 - Program Management
- Restructure the plan and discussion by the below FTA program areas:
 - Sections 5303 & 5304
 - Section 5307
 - Section 5310
 - Section 5311/RTAP
 - Section 5339
- Streamline the plan to only address NMDOT-specific policies and any changes resulting from grantor requirements
- Remove redundancy and inconsistency in program policies and align with FTA required plan contents.
- Reference external documents that outline NMDOT procedures for implementing its policies and/or to support various elements of the plan.
- Include the most recent updates to the CFRs and FTA's implementing guidance provided in the updates to the following circulars:
 - FTA C. 4220.1 Third Party Contracting Guidance
 - FTA C. 5010.1 Award Management Requirements
 - FTA C. 9040.1 Rural Areas Formula Grants Program Guidance
 - FTA C. 9070.1 Enhanced Mobility of Seniors and Individuals with Disabilities Program Guidance
- Update policies affected by the requirements associated with the Infrastructure Investment and Jobs Act (IIJA).
- Incorporate edits and corrections to promote clarity.

No other significant changes were made.