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*Per SC Code of Laws, Title 30, Chapter 4, Section 30-4-80 - All public bodies shall notify persons or organizations, local news media, or such other news media as may request notification of the times, dates, places, and agenda of all public meetings, whether scheduled, rescheduled, or called, and the efforts made to comply with this requirement must be noted in the minutes of the meetings. The COMET complied with the notification of this meeting on **Wednesday, January 20, 2021 at 9:00 AM.***

**Central Midlands Regional Transit Authority
Finance Committee Meeting
Wednesday, January 20, 2021 – 9:00 a.m.
3613 Lucius Road, Columbia, SC 29201 – Conference Room A**

Members Present:

Mike Green*
Representative Leon
Howard* (joined at 9:12
a.m.)
Christopher Lawson*
Dr. Robert Morris*
Andy Smith, Chair*

**indicates
participation
by phone*

Guests Present:

Pam Baker, Attorney, Burr & Forman
John Lay, Legal Counsel, RATP Dev*
Steve Shearer, RATP Dev, Regional Vice President
Robert Smith, RATP Dev

Members Absent:

Joyce Dickerson

The COMET Staff Present:

John Andoh, Executive Director/CEO
Rosalyn Andrews*, Director of Finance/CFO
Leroy DesChamps, Director of Administration Operations/COO
Tanisha Gibbons*, Customer Experience & Contract Compliance Manager
Crystal Willis*, Accountant

1. CALL TO ORDER AND DETERMINATION OF QUORUM



Mr. Smith called the meeting to order at 9:01 a.m. at the determination of a quorum.

2. **ADOPTION OF AGENDA**

Motion:

A motion was made by Dr. Morris and seconded by Mr. Lawson to adopt the agenda.

Approved: Smith*, Morris*, Lawson*, Green*

Absent: Howard, Dickerson

Motion passed.

3. **DISCUSSION AND ACTION ITEMS**

A. Revisions to CMRTA Policies and Procedures

Mr. Andoh said that over the past couple years, we have been going over our policies and procedures to update them and ensure that we are compliant with current federal and state regulations. He mentioned that these policies and procedures demonstrate our fiscal, legal, and technical capacity to manage state and federal grants and to demonstrate our capabilities in managing the transit operation.

Mr. Andoh said that in this document, there is a series of policies and procedures that relate the FTA Master Agreement that is updated annually. He continued that these policies and procedures were created during the formation of The COMET in 2002 but have not been updated since 2002. He stated that we are getting ready to go through a triennial review with FTA this year as result, we have to submit FTA Master Agreement electronically. He continued to state that the Staff is requesting that this Committee update and approve some of the minor changes and elimination of some policies that are duplicative within existing Board policies.

Mr. Andoh referred to Pages 3 and 4, an index of all the policies. He advised that we have struck out policies that have already been approved by the Board in separate actions in the past. He said Page 5, Policy A 10 relates to implementation of federal access for persons with disabilities, and there is a minor change to reflect what is in the Master Agreement.

Mr. Andoh said Policy A 20 relates to accounting records and has no changes.

Mr. Andoh referred to Page 9, this policy was deleted because the Board adopted an advertising policy in June 2018 that is incorporated in the Policy and Procedures Manual already.

Mr. Smith asked where the advertising policy is now?



Mr. Andoh said there is another document that the Board created in 2006 and the advertising policy is in that document.

Mr. Smith asked how that document interacts with this Policies and Procedures.

Mr. Andoh explained the goal is to merge these Policies and Procedures from the formation of The COMET into the Master Policy and Procedures Manual that was created in 2006.

Dr. Morris said the advisor shall be responsible for all costs associated with the design, preparation, etc., and asked if that is in the new advertising policy.

Mr. Andoh said we have a contractor who is responsible for selling the ads, and that advertiser pays for all costs, and we get a portion of the revenue to The COMET.

Dr. Morris said A25 states the Chair of the Board shall appoint a five-member Advertising Standards Committee, and he asked if this is part of the new policy.

Mr. Andoh said that is in the 2018 policy and it is the use of the Service Committee instead of the Committee appointed by the Chair. He continued that we only bring advertisements to the Service Committee in case of advertisements that conflict with the policy. For example, if they are controversial in nature or that could, in theory, challenge First Amendment rights.

Dr. Morris said A25 states the advertiser shall be responsible for all costs associated with the design, preparation, etc. He asked if this is part of the new policy. Mr. Andoh said that it is.

Mr. Smith asked, if we recommend these changes to the Board, whether Mr. Andoh will merge the two policy documents, before or whether they will be merged at a later time.

Mr. Andoh said we could merge them but advised that the entire document would be more than 300 pages because it has every policy and procedure relating to financial, accounting, safety, etc.

Mr. Smith advised Mr. Andoh to clarify to the Board that we are not eliminating the advertising policy, but that we are replacing it with a new one. Mr. Andoh concurred.

Dr. Morris asked how individuals will have access to the full policy and



procedure manuals. Mr. Andoh said he could send that out to the Board. Dr. Morris stated that he is simply concerned that the document states that manuals will not be attached. It was clarified that each of these items will be discussed in the order of the document.

Mr. Andoh said there are no changes to Policies A30 and Page 14 B5.

Mr. Andoh said that for B10, the words CM were added to RTA. He said that previously, the Authority created a Buy America Manual which is now severely out of date in relation to FTA's current Buy America Manual. He recommended discarding the manual and referring to a link on the FTA's website. He added that this policy states that we will comply with FTA's Buy America Manual instead of creating our own manual that duplicates what FTA has already written. He said that would relieve us of the burden of continually updating our own manual. It was clarified that this is a common practice.

Representative Howard joined the meeting at 9: 21a.m.

Mr. Smith expressed concern that the FTA could change their link in the future, so he, Mr. Andoh, and Dr. Morris concurred to the following phrasing (which would be followed by a link):

"The authorities shall comply with the FTA Buy America Manual, currently available here."

Mr. Andoh clarified that if FTA were to make changes, we're still saying we comply with their Buy America Manual, and in a future update, we'll just change the link, if needed.

Moving on to C5, Mr. Andoh said the Board adopted a completely new policy in October 2018, so that's why this policy was deleted. He said the Board previously had a Charter Service Manual that was very out of date, since FTA adopted a new Charter Service Policy in 2018. He said we struck that out and stated that the Authority will comply with the FTA Charter Service Policy.

Dr. Morris asked if it would be necessary to share this with the Service Committee.

Mr. Andoh said this change went through the Service Committee in September 2018, and that is why the Board adopted a new policy in October 2018.

Mr. Smith and Mr. Andoh clarified that we are only eliminating the old policy because we have already adopted something more current.



Mr. Andoh said that when these adoptions were made, it was relevant to the situation that was occurring at the time. For example, in Advertising, we received a request from Dr. Morris, asking how we can generate more revenue by selling advertisements on buses, so we came to the Board in July 2018, asking to create an Advertising Policy. Mr. Andoh said that in September, we had a request from another Board member to run a football shuttle between Allen University and Irmo High School. He continued that therefore we came back to the Board to create a new, revised policy to ensure that in compliance with FTA's Charter Regulations.

Moving on to item C10, Mr. Andoh explained that because FTA does not allow transit agencies to charter its vehicles, we asked the Board in October 2018 to delete C10 and only focus on C5. For C18, Mr. Andoh said the only change was deleting the zero. He said the circular is actually 4702.1, as it relates to Title VI.

Regarding C20, Mr. Andoh indicated no changes.

For D10, he said there were only minor changes to FTA, as it relates to disadvantaged enterprise, and that there is no need for a DBE program manual, because the Board adopts a DBE program every three years, which needs to be submitted to the FTA. The last time the Board adopted a DBE program was in June 2018. He said that this year, we'll start the process to update that document and have public participation, consultation with the community, and analyze our effects of our DBE program for the past three years.

Mr. Smith asked if this is part of what Dr. Prince is doing, where we are relying on a manual that is indefinite, and we are updating our program every three years. Mr. Andoh said, yes, because the program basically acts as the manual. The program spells out how we will comply with FTA DBE requirements, and our methodology is discussed in the goal setting.

Mr. Andoh said B20 changes Section 44 to Section 39 of the Master Agreement, as it relates to federal dispute requirements. He said that in Paragraph E, where it says, "FTA encourages the Authority to use alternative dispute resolution procedures, as appropriate," we added, "as defined in the Procurement and Contract Administration Policy."

Mr. Smith asked what some of those alternative procedures are. Mr. Andoh said that is basically what we are going through right now. He said it discusses, when there is a dispute in relation to contract and the process of how we resolve the dispute through the Procurement Appeals Panel and so forth.

Mr. Andoh said that for D30, Drug and Alcohol, there is a minor change to add



the words, “contract service provider employee.”

Mr. Andoh said that E20 has been updated to reflect that the Environmental and Energy Policy, in relation to the FTA Master Agreement, is only Section 26. He said E30 has been updated to reflect that this is Section Four of the FTA Master Agreement versus Sections 3, A through F. He said E40 was deleted because the Board adopted a new policy in October 2018, in relation to how we would implement special service when requested by a community group. He said this goes in hand with the Charter Service Policy.

Mr. Lawson asked whether the formula for the fuel upcharge in E40 has been updated since 2004, when this was initially implemented, since we have more efficient vehicles now.

Mr. Andoh said the formula is average price per gallon for the previous fiscal year, and we have fuel rates for propane, biodiesel, and gasoline, depending on the vehicle type used. He said the reason for this is because fuel rates are volatile, and it is hard to calculate, at the time of the request, what the fuel charge should be, so using the averages accounts for the fluctuating fuel prices.

Mr. Lawson expressed concern that fuel prices are low right now because of the pandemic, and that they could spike quickly in the near future.

Mr. Andoh said we can review that, to consider ensuring that the average price we're charging is accurate.

Dr. Morris asked what is replacing the Policy and Procedures for the adoption of express shuttle service.

Mr. Andoh clarified that the Board adopted a revised policy in October 2018, which has been incorporated in the Master Policy and Procedure Manual, the 300+ page document the Board already adopted. Dr. Morris said we should indicate that this is in the Board manual. Mr. Andoh said that in E40, Page 2, there's a comment, “Replaced by a new Policy in October of 2018.”

Mr. Smith suggested that wherever we're eliminating a policy and making reference to a new one we've already adopted, that be included in the packet, so we know what we're replacing it with. Mr. Andoh said we can do that.

Mr. Smith said he does not think E20 should be eliminated. He said E40 probably should be eliminated. Mr. Andoh concurred.

For F10, Mr. Andoh said this is a policy that was drafted by Legal and adopted



by the Board in November 2017 in a separate form, so we just merged what the Board adopted in 2017, into this format to supersede the previous policy.

For G10, Mr. Andoh said this is the policy for how we apply for grants and approval. He said historic practice has been that grant applications are approved by the Executive Director and then advertised, submitted to and approved by the FTA, and so we just struck out “Board of Directors,” since that practice has never been implemented.

Mr. Smith asked whether a lot of these grants are approved through the budget process. Mr. Andoh said that is correct, but clarified that he doesn't come to the Committee for each individual grant; for example, there are months with four or five grants ranging from \$2,000 to \$10,000 each, to cover specific programs of service. He said the Board's directive has been to pursue any funding opportunity possible to operate and maintain the transit system, so we have been operating in that manner.

Mr. Andoh said that for I10, the Master Agreement changed it from Section 20 to Section 21. He said I20 has been deleted because this policy is no longer reflected in the FTA Certifications and Assurances, so it's no longer relevant.

Mr. Smith asked whether we have an IGA policy there. Mr. Andoh said that since it is no longer in the Certifications and Assurance list, and this policy referenced that, then there's no need to have this policy. Mr. Smith asked if we just enter into IGAs on a one-off basis, and each one stands alone. Mr. Andoh confirmed that this is correct and clarified for Mr. Smith that all of that will have legal review.

For L10 and L20, Mr. Andoh said we updated our terminology to reflect FTA changes. Specifically, the term “grantee” is now “recipient,” and “local” is now “non-federal.” He said that for N10 Master Agreement is now Section 5, and we have adopted the FTA's decision to change the phrase “approved project budget” to “award budget.”

Mr. Andoh said there were no changes to P10. For P20, he said this has been updated to Master Agreement Section 7, and the term “grantee” has again been changed to “recipient,” and “approved project budget” changed to “award budget.” For P25, Mr. Andoh said the Board adopted an amended policy in September 2018, and that went through the Service Committee.

For P30, Mr. Andoh said the Board updated the Procurement and Contract Administration Policy in September 2020. He said it went through the Finance Committee, to update that policy in relation to state law changes and to lower the procurement threshold for local and state procurements to \$100,000 for



executive director and to retain \$250,000 for federal-related procurements only. He said that as a result, there's no need for a separate procurement policy manual, since that is Procurement and Contract Administration Policy, which is about 65 pages and very comprehensive and is in accordance with FTA Circular 4221E.

Mr. Andoh said that for P40, it's been updated to reflect FTA terminology of "grantee" to "recipient." He said we do our Financial Status Reports, which is Standard Form 269A, in what is called FTA's Transit Award Management System or TRAM, so we do not file a separate Standard Form 269A, even though that form does exist. He said ONB Circular A133 no longer exists and has been replaced by 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards. He said we also added, "and generally accepted accounting principles through the Government Accounting Standards Board," which is what we follow. He said any references to the former ONB Circulars has been replaced by 2CFR Part 200.

As it relates to the Master Agreement, Mr. Andoh said it's now Section 10, Subsection C instead of Section 9.

For P50, Mr. Andoh said it is merely updating to FTA's new terminology of "award budget." He said Subsection D was added to Master Agreement Section 23. For P70, he said this was updated by the Board in October 2018, and that policy went through the Service Committee.

Dr. Morris asked where the update is. Mr. Andoh said that is in Master Policy and Procedure Manual. Dr. Morris asked if we should indicate that here. Mr. Andoh said that was noted in P70 Page 2.

Mr. Andoh said there were no changes to Policy R10. For R20, he said this was updated to state, "Compliance with 49 CFR Part 24, Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs," and that we would comply with that instead of having a separate Relocation and Real Property Acquisition Manual. He said we also put a link to where that CFR is located. He said staff was unable to locate this manual, and it is in question, whether this internal manual was ever even prepared. He said we will comply with CFR, which is subject to amendment from time to time.

Mr. Andoh indicated no changes to R30. For R40, there was an update to the phrasing of Master Agreement which is Section 8, Subparagraph C, from "project" to "grants programs." He said this relates to our compliance with reporting to the National Transit Database every year.

For R50, Mr. Andoh said there is no longer a separate section in the Master



Agreement, regarding federal funds for operating assistance, so we struck that and changed it to Circular 930 1E, as amended. He said that in 2013 under Mass21 FTA started to allow urbanized transit operators that run less than 100 buses to use federal funds for operating assistance. This is just stating that we will comply with the Circular 9031E, as amended in relation to using federal funds for operating assistance, as long as we comply with requirements in that circular. He said it's also updating to new FTA terminology.

Mr. Andoh said that for S10, we are updating it to the Master Agreement Section 23 instead of Section 14 and Subparagraph B, and then we're capitalizing the words "DOT." For S30, he said this was updated by the Board in October 2018, and that policy went through the Service Committee, and the notation stating that is in Section S30, Page 2 or Page 76.

Dr. Morris asked whether Mr. Andoh makes a note of it, when he deletes these policies. Mr. Andoh said we made a note on S30 Page 2, but he offered to extract the policy from the master document and just show that this is the replacement policy. Dr. Morris suggested just indicating that it's in the master document. Mr. Andoh said we'll make it more prominent in the Board packet, so that the Board can see.

For T10, Mr. Andoh indicated no changes other than changing "chairman" to "chair." He said that for T20, the only changes were capitalizing the letter "P" in "Policy" and adding "CM" to "RTA." He said there is no section about this in the Master Agreement, so we just mentioned Circular 9030 1.E, as amended, and it just states that we will comply with spending at least 1% of our federal funds on security.

Mr. Smith asked whether that is an FTA recommendation or requirement. Mr. Andoh said it is a requirement in Circular 9030 1.E.

Mr. Andoh said that for T30, we updated this to coincide with the existing Board policy that was adopted in 2017. He said we found that the policy is still relevant because it just makes sure that we are complying with Fly America Act, and this policy did not align properly with the Board adopted travel policy from 2017.

Dr. Morris asked, to whom does this go to, if we delete the chairman of the Board. Mr. Andoh said this is saying that the executive director will report monthly to the Board of Directors and list all travel, entertainment, and expenses, which we are presently doing in the financial report. He said this is saying that in the past, the chairman of the Board was supposed to report to the Board, all travel, entertainment, and expenses, as it relates to the Board of Directors, but that's never been implemented. He said that when the Board travels, they submit all their documents to the executive director who then



reports on all travel expenses, whether it's made by staff or by Board members.

Dr. Morris suggested we should have both the Chair and the Board of Directors there, because sometimes we don't meet for a month or two, and someone on the Board should be aware of these expenses. Mr. Andoh pointed out that when the Board doesn't meet, staff is not authorized to pay any expenses without some action from the Board or the Executive Committee. He said that under current policies, we can't reimburse and just pay things, unless we have some action from the Board. He said the chair doesn't have authority to authorize reimbursement by himself or herself. After discussion, the following wording was suggested:

"The Executive Director's report monthly, to the Board of Directors and/or the Chair of the Board shall list all travel, entertainment, and subsistence expenses."

After further discussion it changed to the following wording:

The Executive Director's report monthly to the Board of Directors and/or the Executive Committee, in cases that the Board doesn't meet."

Dr. Morris' approved this wording.

Mr. Andoh said that in addition, the Chair, the Finance Committee Chair, the Service Committee Chair, the Vice Chair, and the Secretary will also see that report.

Mr. Lawson asked a question about T30, Section 1. He asked if the reimbursement mileage has been updated in our current policy to reflect the current rate. Mr. Andoh said, yes, we use the IRS reimbursement rate, which is currently \$.56 cents, which has gone down, but we do not mention that in this policy, because it does change, so we just say, "At the rate established by the IRS."

Mr. Lawson asked about T30, Section 3. He said the following text was struck out: "That no greater than ticket price of \$600 shall be approved by the Board of Executive Directors, prior to purchase." He asked if there is a new, no-greater-than price, and if so, what is the limit? He also asked who now approves it? Does this still go the Board for approval prior to purchase?

Mr. Andoh said that in the Travel Policy that the Board adopted in 2017, it doesn't mention a cap, but it just mentions that all airline reservations shall be coach or economy class. He said this was not included in the 2017 policy because, as of back then, one cannot obtain a roundtrip ticket for those prices



anymore, since this was written in 2004. He said the text was struck out to ensure that it is consistent with the 2017 policy the Board adopted.

Mr. Lawson suggested that a big-ticket item like that should also require Board approval because everything has to be submitted to the Board anyway. Mr. Andoh asked Mr. Lawson to define a big-ticket item. Mr. Lawson suggested, a \$3,500 ticket to Hawaii.

Mr. Smith said some of this is covered in budget approval, that we approve budget line items for travel for departments, so granting departments the discretion to allocate that, as they see fit, with the director signing off, is what we're currently doing. Mr. Andoh concurred. It was confirmed that the last travel the Board approved was when Mr. Andoh went to Las Vegas to look at the refurbished buses. Mr. Smith asked what the process was for approving that.

Mr. Andoh explained that all travel expenses are listed when the financials are presented. It was confirmed that Mr. Andoh had the discretion to take such a trip, as long as it's within the budget amounts the Board has previously approved. Mr. Smith said that we contemplate a certain amount of travel every year in the budget process. Mr. Smith added that, conceivably, someone could buy an expensive plane ticket and stay within a line item, but that would then preclude them from traveling elsewhere. It was confirmed that buying a plane ticket must be approved by Mr. Andoh and then ultimately also the Board through the review process.

Mr. Smith asked whether we want to leave that structure in there and include a new cap on travel expenses, or rely on the budget process and the reporting, after the fact. Mr. Lawson and Dr. Morris agreed that we need a cap. Dr. Morris asked Mr. Andoh what a reasonable amount for the cap would be. Mr. Andoh suggested a cap of \$750, roundtrip. He said the current language indicates that anything above that would need to be approved by the chair of the Board, but he said that with the way the current bylaws are written, he doesn't think the chair has that exclusive authority, so it should probably be approved by the Executive Committee.

It was agreed that \$750 roundtrip would be the cap both for employees reporting to the Executive Director, as well as the Executive Director reporting to the Executive Committee or Board. Mr. Andoh said he would adjust the language to reflect this and add justification for it as well.

For B10, Mr. Andoh said we should delete it. He said there is a policy included in the Master Policy and Procedure Manual that was updated in September 2006 that talks about what our vehicle maintenance standards are. He added that every year, our contractor is supposed to prepare a manual, a Maintenance



Plan that coincides with those policies from September 2006, so this is redundant. He said there's no reference in the Master Agreement about having a vehicle maintenance standard or policy.

Mr. Smith asked if we are jeopardizing our FTA compliance by deleting this section. Mr. Andoh said, no, because that requirement is now in Circular 5010, 1.E, and it is not in the Master Agreement anymore.

Dr. Morris asked for clarification on Page 73, the information given at the last Finance Committee meeting, stated that employees must submit the following to Human Resources within (thirty) 30 calendar days after the end of the semester, for course reimbursement. He asked if that is a part of this portion. Mr. Andoh replied that that is in the Master Policy and Procedure Manual adopted by the Board in 2018. Dr. Morris asked if this applied during summer, and Mr. Andoh confirmed that it applies all year.

Mr. Andoh asked the Committee to make a motion to recommend to the Board, the changes to these policies and procedures, with the revisions as spelled out by this committee today. He said he will highlight in the Board document, the requested changes in yellow, so that the Committee can see that those changes were made.

Motion:

A motion was made by Dr. Morris and seconded by Mr. Lawson to recommend to the Board, the changes to these policies and procedures, with the revisions as spelled out by this Committee today.

Approved: Howard*, Morris*, Lawson*, Smith*

Absent: Dickerson

Motion passed.

8. ADJOURN

Motion:

A motion was made by Dr. Morris and seconded by Mr. Lawson to adjourn.

Approved: Howard*, Lawson*, Morris*, Smith*

Absent: Dickerson

The meeting adjourned at 10:20 A.M.

CENTRAL MIDLANDS REGIONAL TRANSIT AUTHORITY

Adopted this _____ 2021

Prepared by:

Frances

Von



Korff

Reviewed by:

— Paige Jernigan, Administrative & Customer Service Specialist

Approved by:

Christopher Lawson

— Christopher Lawson, Secretary