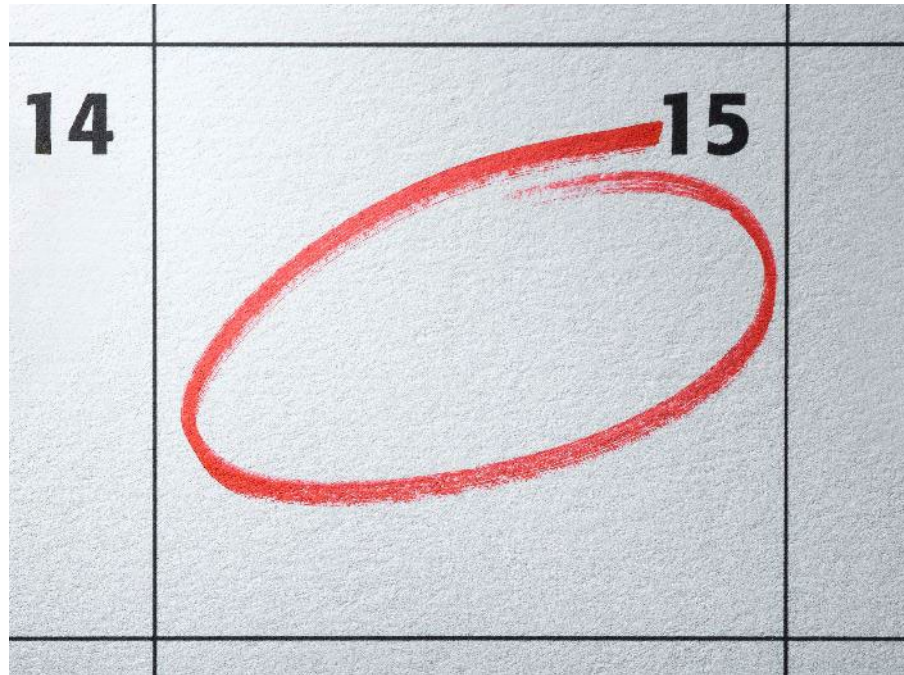


Iowa DOT Presents Transit Tidbits



Updated Delinquent Reporting and Contract Non-Performance Penalties Policy - Explaining the Why behind the Change

Deadlines, Due Dates, Time Limits...

State Fiscal Year (July 1 – June 30)

July

- 1** Fiscal Year Begins
- 1** Record Odometer Readings for each transit vehicle prior to start of service (Unless recorded after end of service on June 30)
- 1** Contingency Fleet Plans due, if applicable
- Within 90 Days of Contract Start** Copy of Transit Service Contracts due
- 25** Regional/Small Urban System Quarterly Charter Report due
- 30** 4th Quarter Fuel Tax Report due
- 30** Large Urban System Quarterly Charter Report due *to FTA*
- 30** Large Urban Quarterly TrAMS Reports (if in TMA) due *to FTA*

August

- 1** Large Urban System DBE (Next FFY) Goals due *to FTA*
- 15** 4th Quarter Statistical Report or Year End Statistical Report due
- 15** Year End Odometer Report due

September

October

- 1** Intercity Bus Applications due
- 1** ICAAP Applications due *to Systems Planning Bureau*
- 1** STA Special Project applications due
- 25** Regional/Small Urban System Quarterly Charter Report due
- 30** 1st Quarter Fuel Tax Report due
- 30** Regional/Small Urban System DBE (April-September) Semi-Annual Reports due
- 30** Large Urban System Quarterly Charter Report due *to FTA*
- 30** Large Urban Quarterly TrAMS Reports (if in TMA) due *to FTA*
- 30** Large Urban Annual TrAMS Reports (if in 50,000-200,000 UZA) due *to FTA*

November

- 15** 1st Quarter Statistical Report due
- 30** Large Urban NTD Reports due *to NTD*

Found in the Transit Manager's Handbook and Policy Manual,
<https://iowadot.gov/modes-travel/transit/policy-regulation-legislation/transit-manager-handbook>

Delinquent Reporting and Contract Non-performance Penalties Policy

✓ In effect since July 1, 2018

✓ Found in Chapter 6 of the Transit Manager's Handbook

Delinquent Reporting and Contract Non-performance Penalties Policy

Part II of the Iowa DOT's Joint Participation Agreement with Iowa's public transit agencies allows for withholding of state and federal transit funding payments until the agency complies with requirements or until reports or loan payments are current. To ensure compliance with rules, regulations, requirements, and deadlines, the Iowa DOT Public Transit Team will impose the following penalties:

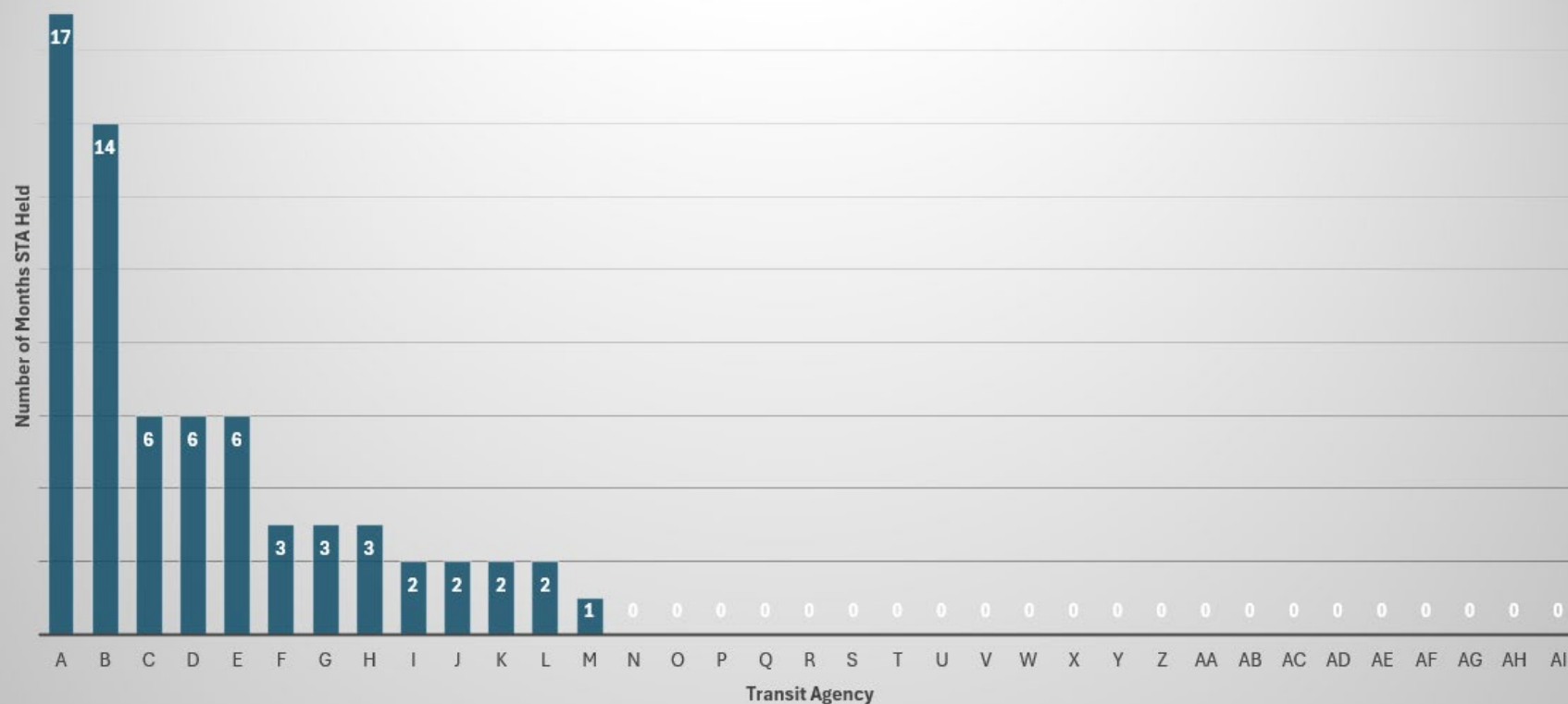
- First business day of month following deadline – Monthly State Transit Assistance (STA) formula funding withheld. STA funds released without further action if delinquency is rectified within this calendar month.
- First business day of second month following deadline – Monthly State Transit Assistance (STA) formula funding withheld. Letter sent to transit agency board of directors or governing body. STA funds released without further action if delinquency is rectified within this calendar month.
- First business day of third and subsequent months following deadline – Monthly State Transit Assistance (STA) formula funding withheld. All requests for FTA funding reimbursement withheld, including but not limited to Sections 5307, 5310, 5311, and 5339. All requests for STA Special Project funding withheld. Funds released without further action if delinquency is rectified within this calendar month.

Any late fees or other penalties resulting from the withholding of STA, FTA, or STA Special Project funding will be the sole responsibility of the transit agency. This policy applies to, but is not limited to, submittal of the following reports: quarterly statistical, annual consolidated funding applications, yearend statistical, yearend odometer, semiannual DBE, Title VI Programs, EEO Programs, compliance review responses, quarterly charter, annual drug and alcohol MIS, and TAM data requests.

This policy effective July 1, 2018.

STA funds withheld, last 18 months

STA Withholdings 7/1/2024 - 12/1/2025



UPDATED Delinquent Reporting and Contract Non- performance Penalties Policy

✓ To go into effect
January 1, 2026

✓ Sent to all Transit
Managers via email
on November 19,
2025

✓ Applies to any reports
or data deadlines

Delinquent Reporting and Contract Non-performance Penalties Policy

Part II of the Iowa DOT's contracts with Iowa's public transit agencies allows for withholding of state and federal transit funding payments until the agency complies with requirements or until reports, loan payments, or federal interest payments are current. To ensure compliance with rules, regulations, and deadlines, the Iowa DOT Public Transit Team will impose the following penalties:

- First business day of the month following the deadline – Monthly State Transit Assistance (STA) formula funding withheld. STA funds released without further action if delinquency is rectified within this calendar month.
- First business day of second month following the deadline – Monthly STA formula funding withheld. Letter sent to via email to transit agency's board of directors or governing body. STA funds released without further action if delinquency is rectified within this calendar month.
- First business day of third month following the deadline – Monthly STA formula funding withheld. All requests for Federal Transit Administration (FTA) funding reimbursement withheld, including but not limited to Sections 5307, 5310, 5311, and 5339. All requests for STA Special Project and Public Transit Infrastructure Grant (PTIG) funding withheld. A certified letter will be sent to all board members indicating the transit system is subject to permanent loss of STA funds being withheld to date if prompt action is not taken. Funds released without further action if delinquency is rectified within this calendar month.
- First business day of the fourth and subsequent months following the deadline – All STA formula funds withheld to date will be distributed to Iowa transit systems the following fiscal year using the STA formula allocation. This is a permanent loss of STA formula funds for the transit system. Iowa DOT will continue holding FTA Sections 5307, 5310, 5311, 5339, STA Special Project, and PTIG funds until delinquency is rectified.

The transit system should work with their designated Transit Programs Administrator or the Compliance Specialist to rectify or remediate the delinquency and return to good standing.

Any late fees or other penalties resulting from the withholding of STA, FTA, STA Special Project or PTIG funding will be the sole responsibility of the transit agency. This policy applies to, but is not limited to, submittal of the following reports: quarterly statistical, annual consolidated funding applications, yearend reporting, yearend odometer, semiannual Disadvantaged Business Enterprise (DBE), quarterly charter, annual drug and alcohol Management Information System (MIS), compliance review responses, Title VI Programs, transit service contracts, repayment to FTA through pay.gov, and Transit Asset Management (TAM) data requests.

What's changed?

- First month following deadline – no changes.
- Second month following the deadline – rather than a letter, an email will be sent to the transit agency's board of directors or governing body.
- Third month following the deadline – a certified letter will be sent to all public transit agency board members indicating the transit system is subject to a permanent loss of STA funds being withheld to date if prompt action is not taken.
- NEW: Fourth and subsequent months following the deadline – All STA formula funds withheld to date will be distributed to all Iowa transit systems in the following fiscal year using the STA formula allocation. This is a permanent loss of STA formula funds for the delinquent transit system. The withheld FTA, STA Special Project, and PTIG funds will be released to the transit system once the delinquency is rectified.

In Conclusion, this is a policy we hope to never need

- No funding is permanently taken away until four months after the deadline
- With the effective date of January 1, 2026, the earliest STA formula funds would be permanently withheld would be May 1 if a small urban or regional transit agency neglects to submit their quarterly charter report to Iowa DOT by January 25. As an example:
 - Charter report due January 25
 - February 1, STA formula funding withheld, but returned once compliant
 - March 1, STA formula funding withheld, but returned once compliant, and email to transit agency board of directors
 - April 1, STA formula funding withheld, but returned once compliant, and certified letter sent to transit agency board of directors alerting them of permanent loss of funds if report not submitted by May 1
 - May 1 and beyond until compliant, STA formula funding withheld to date will not be returned to the transit agency and will be distributed via STA formula to all transit agencies the following fiscal year

Questions – Contact

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Want to know more on a specific transit topic? Submit it for a future Transit Tidbits!