



# Kansas Trans Reporter

January 2000

The Newsletter for Kansas Rural and Specialized Transportation Providers • The University of Kansas Transportation Center

## The Art of Cost Allocation

Careful accounting is needed for fee-for-service transit.

by Pat Weaver

The Kansas Department of Social and Rehabilitation Services (SRS) recently modified its rules to allow federally-funded vehicles to be used in transporting Medicaid clients. This opens the door for increased funded ridership for Kansas transit agencies. However, obtaining a contract to provide these services requires careful allocation of funding resources and certification that there is no duplication of funding. Developing a sound fee-for-service con-

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## Possible Changes in CDL Legislation

by Dawn Jourdan

A top priority for Rodney E. Slater, the United States Secretary of Transportation, is reducing fatalities resulting from motor carrier-related crashes by 50 percent over the next ten years. The USDOT has been active in encouraging Congress to take action to help meet this goal. A resolution (HR 2679) requiring drivers of commercial vehicles capable of transporting more than eight passengers to obtain commercial drivers licenses was

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## Cost Allocation,

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tract, for Medicaid transportation or any other contracted services, requires adequate record-keeping and billing procedures to ensure equitable distribution of expenses among funding sources and compliance with contracting regulations.

The Kansas Department of Transportation (KDOT), SRS and the KU Transportation Center have worked together recently to provide guidance to Kansas transit agencies and area SRS managers to develop valid contracts. The purpose of this article is to outline the steps necessary for cost allocation in providing Medicaid transportation services. These procedures can be used in developing rates for any fee-for-service contract—subject, of course, to specific rules or regulations of the funding agency.

### What is cost allocation?

Cost allocation is a financial planning technique for distributing costs among funding sources or to individual routes or services. A two-variable model is recommended by AASHTO's Multi-State Technical Assistance Program (MTAP) in its publication *Comprehensive Financial Management Guidelines for Rural and Small Urban Public Transportation Providers*. This fully-allocated cost model, one which accounts for all costs of providing transportation service, is a simple equation which uses hours and miles as the two service variables.

### How much does this ride cost?

An allocation model determines the cost of services provided by an agency. Allocating costs in a fee-for-service contract requires that agencies answer two questions:

“How much does this ride cost?” and “What are the sources of payment for this service?”

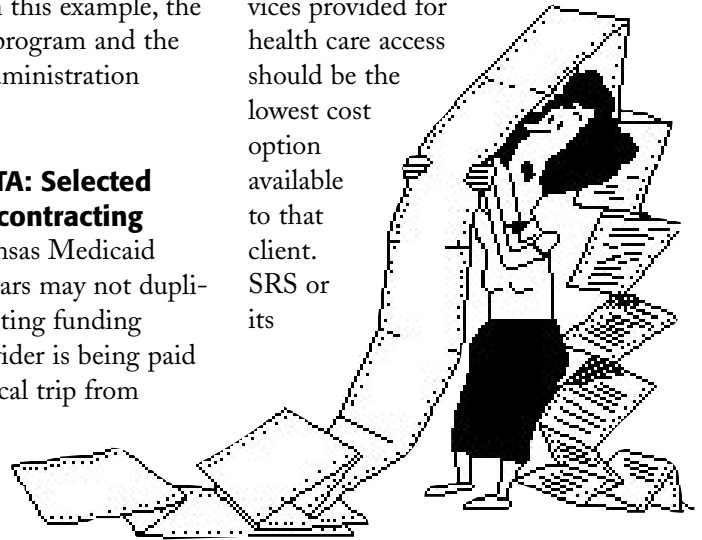
The first question requires a comprehensive revenue and expense statement along with records documenting overall miles and revenue hours of service. Answering the second question about what entities are paying for the service requires knowing the policy rules for each of the funding sources; in this example, the Kansas Medicaid program and the Federal Transit Administration (FTA).

### Medicaid and FTA: Selected policy rules for contracting

*No duplication.* Kansas Medicaid transportation dollars may not duplicate or replace existing funding resources. If a provider is being paid entirely for a medical trip from another source, additional funds are not available from the

Medicaid dollars can be used to pay for the *entire* operating cost of the trip on a Section 5311-financed vehicle *only* if those trips are not part of the provider's regular service and the provider does not receive operating funds from the Section 5311 program for that trip or service.

*Lowest cost option.* The Kansas Medicaid program also requires that the transportation services provided for health care access should be the lowest cost option available to that client. SRS or its



Detailed accounting is essential. It may be necessary to subdivide your current line items to allocate costs accurately. For example, wages and fringe benefits for personnel need to be broken down by type of position.

Medicaid program. However, some programs, such as FTA's Section 5311, do not pay for the entire trip. Section 5311 pays only 50 percent of eligible expenses associated with the operating and administrative deficit. Some costs, such as depreciation, are not eligible for reimbursement from the Section 5311 program.

Medicaid can be used to pay for the portion of regular-service trips not reimbursed by Section 5311.

agents look for the transit provider that can offer adequate service at the least cost.

*Private enterprise involvement.* If Federal Transit Administration dollars are involved, agencies must comply with FTA's private enterprise policy which requires a true cost comparison when offering service that is also provided in the service area by private for-profit agencies.

Identifying the true cost of pro-

viding rides is useful for both cost reimbursement and performance monitoring. Cost allocation determines the fair share of costs attributable to different entities or funding agencies for multi-jurisdictional or multi-purpose services. In performance monitoring, cost allocation helps to determine the revenue-to-costs ratio and overall deficit for each service.

**A quick guide to allocating costs using a two-variable cost model**

Applying a fully-allocated cost model consists of three basic steps: 1) assemble expense, revenue and operations data; 2) assign line item expense accounts, and 3) calculate average unit costs. Most of the data needed can be obtained from the revenue and expense statement from a full 12-month period. However, a detailed chart of accounts is essential to this exercise. It may be necessary to subdivide the line items in your current system to allocate costs accurately. For example, wages and fringe benefits for personnel need to be broken down by type of position—drivers, dispatchers, maintenance, and administrative. A sample chart of accounts is available in the MTAP Financial Management Guidelines. It is important to include a full 12-month cycle since all costs might not be represented in a shorter time frame.

The second step requires categorizing line item expenses. In a two-variable fully-allocated cost model, each line item expense is either a variable cost that can be linked to either hours or miles of service, or is a fixed cost. The rationale for assigning costs should be well documented.

The number of vehicle hours is closely related to driver labor costs since driver expense is a function of the amount of time that vehicles are in operation. The number of miles

represent most maintenance labor and materials costs as well as fuel expenses and depreciation. Fixed costs are expenses that do not vary with number of miles or hours of operation; rather, they are dependent on the size of the agency.

Although there are no hard rules about expense assignments, a good strategy should be logical and understood by all, defensible and able to pass scrutiny of your funders, and consistent so that it is useful for watching cost trends over time.

Finally, once line item assignments are made, it is time to calcu-

or 1.25.

To find the cost of one vehicle or a program, see the formula below. In the case of multiple funding sources, one method of allocation between sources is to use ridership statistics to estimate the required revenue from each funding source once the fully-allocated cost estimate is calculated.

**Suggestions for more help and information**

An excellent guide to cost allocation is available in *Comprehensive Financial Management Guidelines for Rural*

**How to calculate cost?**

To find the cost of one vehicle or a program, the formula is as follows:

$$\text{Annual Total Cost} = \text{Fixed Cost Factor} \times [(\text{Cost per hour} \times \text{Annual hours of operation}) + (\text{Cost per mile} \times \text{Annual miles of operation})]$$

late unit costs. First, determine the quantity of each resource variable (number of vehicle hours, number of vehicle miles, and dollar amount of fixed costs). Next divide the resource costs by the resource quantities to obtain the average unit costs.

For example, an agency with \$100,000 assigned to vehicle hours is divided by the number of service hours (10,000) to give an annual cost per service hour of \$10. The same calculation is made for service miles.

The fixed cost factor is calculated by dividing the costs assigned to fixed costs by the total expense of the service. For example, a program with \$200,000 in total expenses, \$50,000 of which are assigned to fixed costs would have a fixed cost ratio of 25 percent. The fixed cost factor is 1 plus the fixed cost ratio,

and *Small Urban Public Transportation Providers*, a handbook produced by AASHTO's Multi-State Technical Assistance Program (MTAP) in 1992. A copy of the chapters on cost allocation are available by contacting the Kansas RTAP program (see page 15). These chapters explain fully-allocated cost models, and provide sample calculations of single agency billing, multiple agency billing and multiple funding sources.

Other resources available to Kansas providers in developing a Medicaid contract are SRS area Medicaid managers, your KDOT program coordinator (to answer specific questions about your Section 5311 contract), the Kansas CTD Council for information from other

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# Getting Your Board Back in the *Groove*

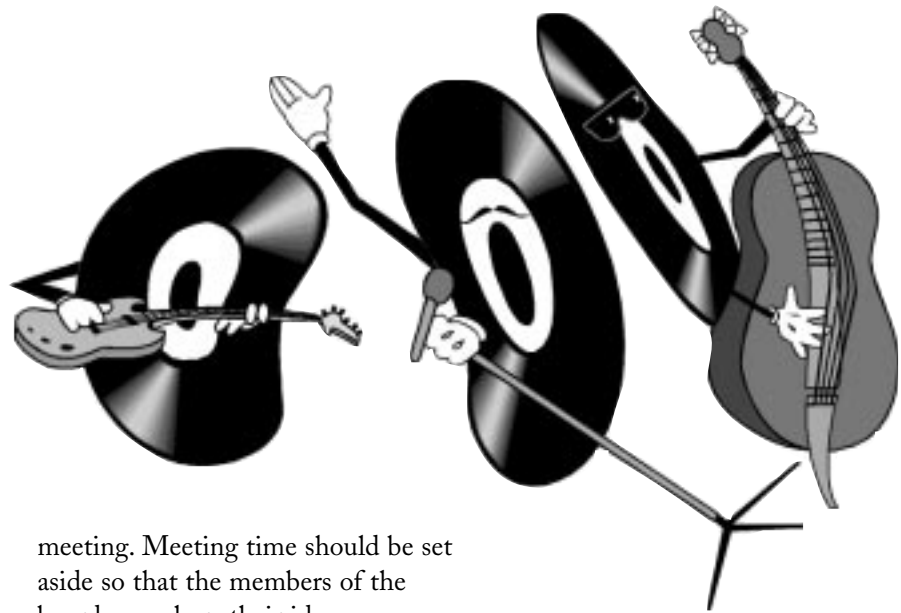
Playful ideas for rejuvenating your board of directors

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by Dawn Jourdan  
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**M**any transit agencies are governed by boards of directors. The members of these boards are usually volunteers or agency personnel. Because of the rigorous demands placed on board members, the position can be challenging, frustrating and overwhelming—and directors can sometimes feel uninspired in their work. It is essential that continuous efforts be made to reinvigorate these very important people who dedicate so much of their free time to providing effective transit service. This article provides ideas for inspiring the tired and uninspired.

In the May/June 1998 edition of *Non-Profit World*, Michael Michalko outlined seven ways the chairperson of a Board of Directors might go about energizing board meetings. These creative strategies are:

**1 Idea Ticket.** New ideas create excitement. This is why Michalko suggests that the chairperson require all members of the board to bring an idea written on a note card to each meeting. These idea “tickets” serve as the member’s pass to get into the



meeting. Meeting time should be set aside so that the members of the board may share their ideas.

**2 Everyone’s a Consultant.** This next technique proves that you do not have to hire a consultant to get good advice. At the beginning of a board meeting, ask each member to write down a problem or concern on a sheet of paper. Ask members to pass what they’ve written to the right. Have each member take a minute to write a response to the identified problem and pass it on. Once the papers are back where they started, each member should be given an opportunity to share the proposed solutions from other board members. You never know—a great solution might be right in front of you.

**3 Showtime!** It’s a fact—people like to be entertained. The more fun something is, the more likely board members are to engage in the process. Michalko suggests the selection of a thematic concept to attract the attention of the members. For example, the chairperson might choose football to emphasize the concept of teamwork. The chairperson could wear a football jersey. The boardroom might be decorated with posters containing inspirational quotations from successful football coaches. A whistle could be blown to signify a change in topics. At the conclusion of the event, each board member could be rewarded with

some sort of memorabilia to commemorate the event.

**4 The Sound of Success.** Every time we turn on our television sets, we are inundated with a vast array of sounds—from music to laugh tracks to the realistic sound of heart surgery being performed on *ER*. These sounds assist in making viewing experiences more captivating and memorable. And just as the addition of sound effects enhances television dialogue, sounds can also enhance board meetings. For example, music may be used to reduce the formality of meetings. The sound effect of a roaring crowd would be a playful way to reward a member for making a valuable contribution at the meeting. Using a laugh track may help diffuse tense situations that arise among members.

**5 Toy with Success.** Many adults have the attitude that playing with toys is for children, not serious-minded professionals. Perhaps this is why creative thinking is sometimes so difficult for members of the board of directors. The truth is, just as children learn many lessons from playing games, adults may also benefit from these activities.

Michalko suggests that the chairperson bring a toy chest to the next meeting containing various toys. The members would then given the opportunity to select and play with a toy. After the board members have begun acting a little more like children, the chairperson should call the meeting to order and have members explain what attracted them to the toy, how playing with it made them feel and how their toy is similar or different than the organization. This kind of activity can help reduce stress, at least temporarily, and can help board members think in different ways.

**6 You're Fired!** Getting fired can be a terrible blow to an individual. However, Michalko contends that sometimes it takes this sort of wake up call to “jolt people out of their complacency.” This does not mean that the chairperson actually needs to fire the members of the board. Rather, the chairperson might instead ask the board members to imagine that they have been fired from their positions and then to consider reapplying for the job. Have each member state why he or she is qualified for the position and what special skills they will bring to the job.

**7 Tell a Story.** As children, we learned many lessons of morality from the telling of Aesop's Fables and other stories. Storytelling is also a valuable way to teach and inspire adults. This concept may be used to

motivate a board of directors by having each of the members pretend that they have been voted “board member of the year.” Have each member give an acceptance speech to the group, explaining the contributions made by them. This exercise may be used as a reminder for each member about why they got involved in board service and way to check to see if they are living up to their own expectations.

Sometimes extreme measures must be taken to reinvigorate a board of directors. The ideas listed above, being more playful than some approaches, offer a release-valve that may free board members from feeling bogged down and overwhelmed.

Sources:  
*Non-Profit World*, May/June 1998,  
www.exlaw.com ▲

### **Cost Allocation**, continued from page 3

providers who have allocated costs for contracting, or Kansas RTAP for

broker to provide trips.

## Kansas may be moving toward a brokerage system for Medicaid programs.

a sample chart of accounts and examples of cost allocation.

### **The future of Medicaid contracting in Kansas**

Changes are in the works for contracting in the Kansas Medicaid program. SRS is in the process of developing a Medicaid transportation brokerage for scheduling medical trips. Instead of contracting with your SRS area office, Kansas providers would contract with the

The move to a brokerage system may produce changes in existing limitations associated with the Medicaid program. This is because the broker likely will have more discretion in developing contracts to ensure delivery of service at a cost-effective rate.

In the meantime, any Kansas transit agency that has not yet developed a fee-for-service contract for Medicaid trips, but has the capacity to do so, is encouraged to contact the SRS Area Office to explore the possibility of a contract.

Source: *Comprehensive Financial Management Guidelines for Rural and Small Urban Public Transportation Providers*, AASHTO, 1992. ▲

# IRS Form 990: How will the new disclosure rules affect your agency?

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by Stephanie M. White  
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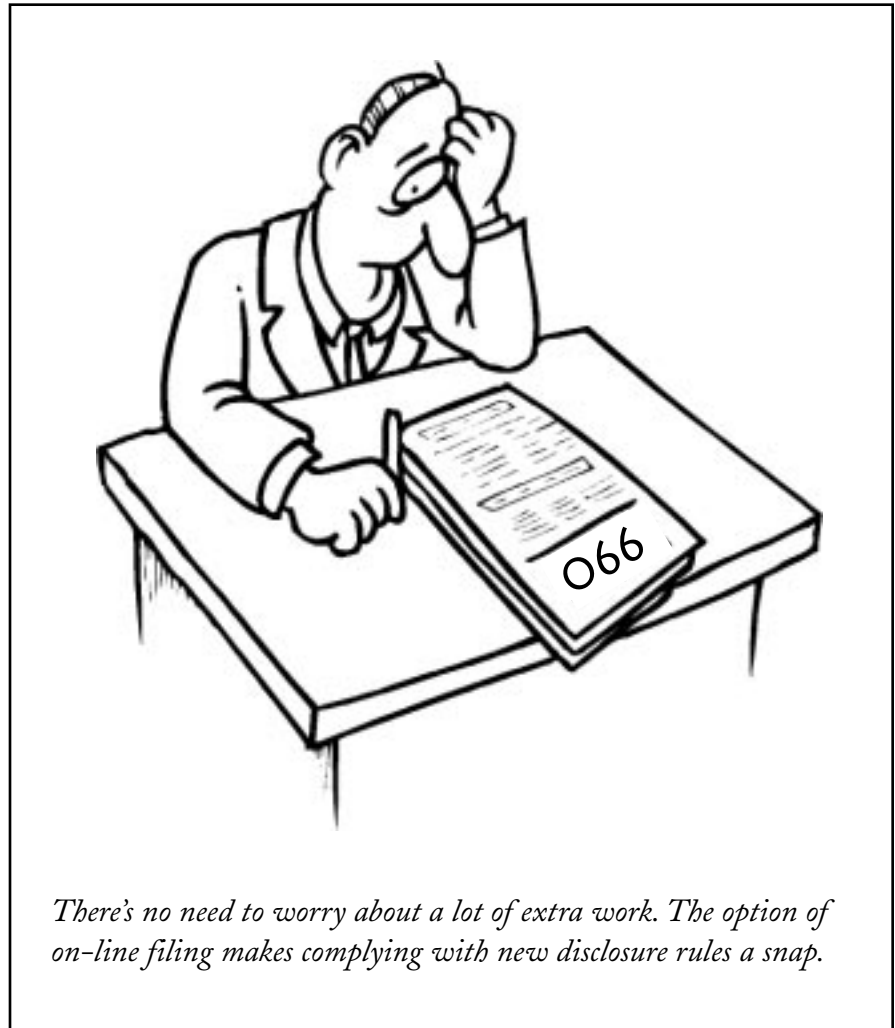
**N**onprofit agencies and donor organizations have encountered difficulties accessing information from other nonprofits, such as types of services provided, kinds of funding being sought, or types of projects philanthropic nonprofits are seeking to fund. Such information has been difficult to obtain due to vague statewide and national record-keeping procedures.

In an effort to increase the quality of reporting and to improve the flow of information, the IRS has instituted new rules for disclosure of information on Form 990. The IRS hopes to make organizational information more accessible, to increase the public knowledge of nonprofit organizations, to facilitate potential collaborations among like-minded nonprofits, to make nonprofits more accountable, and resolve problems with filing previously encountered.

## The New Rules

The new rules, which took effect on June 8, 1999, require nonprofit organizations to provide, on request from anyone in the public interested in the information, copies of their three most recent financial filings of the Form 990 and/or their tax exempt application. Previously, nonprofit organizations were only required to make the forms available for public inspection at their offices. Strict penalties for failure to comply with the new regulations are also in effect.

The new disclosure rules were



*There's no need to worry about a lot of extra work. The option of on-line filing makes complying with new disclosure rules a snap.*

made to comply with a 1996 law enacted after public complaints about the difficulties in obtaining financial information on nonprofits. They provide specific guidelines for making copies of nonprofit information available. The rules require that:

- Copies of the three most recent annual tax returns be provided immediately, upon personal request or within 30 days of a written request;

- Copies of the tax exemption application be provided immediately, upon personal request or within 30 days of a written request;

- No charge can be applied to these requests other than a reasonable fee for copying and mailing the tax documents.

## What must be disclosed?

All information on Form 990 must be disclosed, just as it had in the

past, with on-site visits. This includes asset information, a list of officers and trustees, and a list of grants or contributions. Nine sections make up the full form:

- Part I—revenue, expenses, and changes in net assets or fund balances
- Part II—statement of functional expenses
- Part III—statement of program service accomplishments
- Part IV—balance sheets, including reconciliation of revenues and reconciliation of expenses
- Part V—list of officers, directors, trustees, and key employers
- Part VI—other information, including unrelated business, inspection requirements, etc.
- Part VII—analysis of income-producing activities
- Part VIII—relationship of activities to the accomplishment of exempt purposes
- Part IX—information regarding taxable subsidiaries

### Online Option Eases Disclosure Compliance

The rules for providing information upon request are waived for any organization that chooses to post their 990 Forms and tax exemption application online. Nonprofits can include this data on their own Web site, post the information as a single page, or can provide the information on one of the large charitable-giving Web sites that provide individual organizations' financial information online. For example, The Foundation Center ([fdncenter.org](http://fdncenter.org)) and GuideStar ([www.guidestar.org](http://www.guidestar.org)) each have expansive directories that provide donor information and listings of nonprofit tax forms. GuideStar is in the process of digitizing and making 1997 Form 990s available for

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# Training Under Way

Section 5311 Providers Receive Drug and Alcohol Testing Training

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by Janet E. Blue, Drug & Alcohol Program Manager, KDOT  
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**T**im Harris and I have been busy recently. Tim is with The Consortium, Inc. (formerly The Mental Health Consortium, Inc.). Last October we held six training sessions across the state on the set-up and maintenance of Federal Transit Administration Drug & Alcohol Programs for Section 5311 Program providers. We covered Policy & Procedure Development, Communication, Drug & Alcohol Procedure, Types of Testing, Substance Abuse Professional, Training and Administrative Requirements.

There were 120 people in attendance. Checklists and forms were handed out to assist the providers in the set-up and/or maintenance of their program. The feedback we received from the providers was positive. It was obvious that all of these providers want to have their FTA Drug and Alcohol Programs in compliance. Now that all of the Section 5311 Program providers have been trained on how to comply with FTA Drug and Alcohol Regulations, I will be visiting each of them to ensure that they remain in compliance.

We were honored to have Dave Lumbert, the Drug & Alcohol Program Manager from Arkansas, attend the Dodge City training. While Arkansas has not been audited by the FTA, they have been proactive

in collecting valuable information from states that have been audited. This information was used to assist Tim and me with our training. Arkansas and Kansas will be working closely together to help other states with their audit concerns.

Staff at the specimen collection sites around Kansas will be going through training next year for FTA

### Federal Audit Update

**L**ast September, KDOT received a letter from Judy Z. Meade, Office of Safety and Security Director with the U.S. Department of Transportation. This letter informed KDOT that Kansas is in compliance with the federally-mandated Drug and Alcohol Testing Program. This cleared the October 1998 federal audit findings.

KDOT would like to thank the audited transit providers for working diligently to make this happen.

compliance. In October, I attended training to become a Certified Professional Collector Trainer, building on my 22 years of nursing experience. The Professional Collector Trainer certification allowed me to interact with professionals that have been collectors for a number of years, gaining insights from their experiences. I look forward to continued work with these individuals.

My goal for Kansas is to be in the forefront of Drug and Alcohol management. I look forward to the challenges and growth Kansas will have in the future. ▲



# Transit & Tourism

.....  
by Stephanie M. White  
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Does your bus route pass by a quaint city park or an interesting historic district? Do your customers enjoy eating at eclectic little restaurants or visiting your city's art museum? Are your current customers and potential future patrons fully aware of the amenities within your community that can be reached by public transit? By creating a community transit guide that highlights attractions accessed by public transit, you can better meet the needs of your current passengers, encourage new people to use your transit system and promote regional tourism.

## Example from Seattle Area

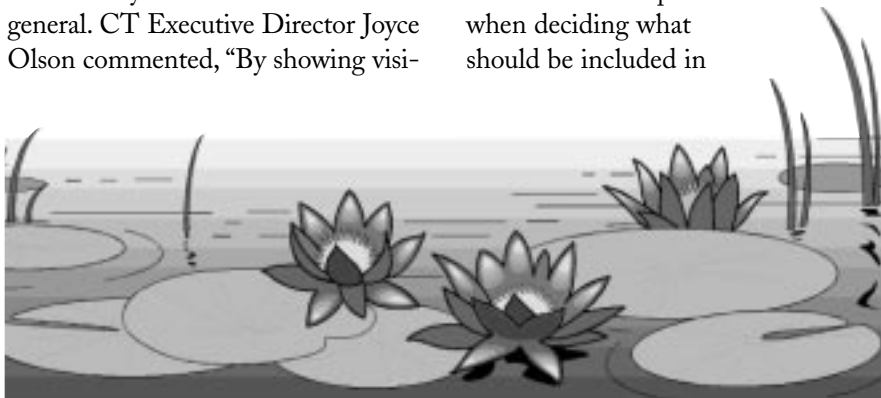
Snohomish County Community Transit (CT) in Washington is a transit agency that has developed such a guide. Community Transit, which offers fixed-routes, vanpools, rideshares, and dial-a-rides, provides services for Snohomish County including downtown Seattle and outlying rural areas. Community Transit's *A Visitor's Guide to Getting Around Snohomish County by Bus*, provides tourists and local passengers with information about how to ride the CT buses, what routes serve each community, and information about attractions in the area including a list of parks, pools, shopping, restaurants, theaters, and other highlights. To receive copies of the transit guides, riders can contact the Snohomish County Tourism Bureau

at (888) 338-0976, pick up the guide at various distribution sites in the county including tourism offices and hotels, or they can get a copy on any Community Transit bus.

The transit guides have proven to be a successful marketing tool to increase the visibility of Snohomish Community Transit and transit in general. CT Executive Director Joyce Olson commented, "By showing visi-

museums, shopping centers, lakes, theaters, historic sites, hotels, public offices and other destinations typically frequented by tourists.

Ask your riders about their favorite places within the community that they can either reach by bus or would like to be able to access by bus. Consider their input when deciding what should be included in



*A transit guide should include places on your routes, like restaurants, historic sites and parks that people would enjoy visiting.*

tors how they can get to Snohomish County attractions conveniently and comfortably, the brochure promotes regional tourism and encourages more people to use transit."

While the guide is primarily designed for tourists, the guide also alerts local people about community attractions, businesses, and services of the agency.

## Designing a Brochure

Once you have decided that a community transit brochure would be beneficial for your community and your transit agency, start by outlining the specific amenities you wish to highlight. Specific target areas should include: parks, restaurants,

your transit brochure. Also, contact the office of tourism or the chamber of commerce for your city or county for additional information and ideas for other attractions that you may have overlooked.

When deciding what to include, consider the timespan you want the brochure to cover. Will you periodically update your brochure to include new amenities or do you want to emphasize attractions that are likely to be permanent spots like parks, lakes, and large shopping areas? If you are not interested in periodic updates, you may want to consider whether or not you want to include shops and restaurants that may not be around in the future.



### Importance of Partnering

Neil Neroutsos, Public Information Coordinator for Community Transit, suggests that an essential component when developing a transit guide is to collaborate with your visitor center, tourism bureau, Chamber of Commerce, and local businesses.

Partnering with these agencies ensures that the guide will contain all the necessary information and will be well distributed after its publication.

Community Transit strives to work with businesses to build “campaigns” together, promoting both the business and transit services. A creative example is how Community Transit packages theme-based campaigns with area businesses. For instance, CT promotes specific summer festivals by offering specials for individuals who ride the bus to the festival on a certain day of the week. The rider is either given a reduced bus fare for the ride or a reduced festival admission. Festival advertising and the transit guide then advertise the special, promoting commerce in the community and the use of public transportation.

### Organization and Design

Once you know what should be included in your transit guide, you need to decide whether your agency has the expertise needed to design the guide in-house or whether it would be more efficient to contract with an outside agency to design the brochure for you. If you have the computer technology and personnel to design the brochure within the agency, you can cut costs somewhat. However, hiring an outside individual to create the brochure might prove to be more effective while also still being relatively inexpensive.

The brochure should include not only a list and description of amenities that can be reached by public transit, but it should also include

how to use the transit system, the cost of riding the bus, a map of the routes with the amenities displayed along the routes, and schedule information. If space permits, it is also a nice touch to include some historic information about the town or the county and the transit system.

An essential part of designing the brochure is to remember the guide must be easy for riders to read and understand. Include addresses and phone numbers for information and any other technical assistance information that may be needed, i.e., for disabled access. Also, strive to make the brochure as visually appealing as possible. Consider putting a picture of your bus or your logo on the cover so people can recognize it when they see it.

### Cost Considerations

The cost of producing the transit guide is minimal considering the amount of marketing and advertising that it can provide for your agency, especially if it is produced in-house. To further cut costs, you can consider having a few advertisers or co-sponsors for your guide. One option is to charge a minimal fee for restaurants or shopping centers wishing to be highlighted in the guide. But remember, the guide should be small and convenient to carry, so you will want to keep advertisers and sponsors at a minimum.

To reduce their production costs, Snohomish Community Transit partnered with the Snohomish County Tourism Bureau to produce their guide. The total budget for their guide was \$10,000—\$8,000 for printing and development and \$2,000 for labor. Community Transit received a 50 percent grant from the county for printing and develop-

ment, so CT’s expenses for the project were \$6,000. CT is considering including advertisements in the future when they update the guide.

### Marketing and Distribution

Distributing and marketing your transit guide are relatively easy. Like Snohomish County, you can distribute the guide on buses, in tourism offices, at restaurants and shopping centers, or by answering phone

Think about how often  
you’ll update the  
brochure in deciding  
what features to include.

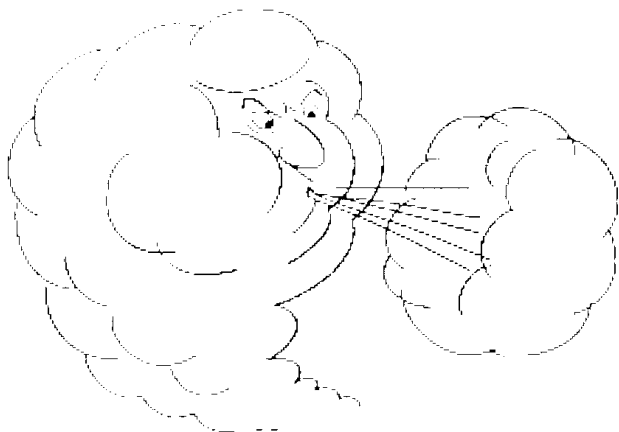
requests received by your agency and your community’s office of tourism. If your agency or community has a web site, you can provide the information about the transit guide on the Internet. Some agencies choose to provide all of the information in their transit guide on the Internet while others choose only to say how to obtain a copy of the guide. Whichever you choose, the Internet is becoming a good resource for distributing information and marketing transit agencies.

For more information on the Snohomish Community Transit guide, contact CT at (425) 348-7100 or the Snohomish County Tourism Bureau at (888) 338-0976.

### Sources

“Community Transit Guide Highlights Attractions Within Reach by Bus,” *Grass Routes*, Washington State Rural Transportation Newsletter, May-June 1999, page 4.

CT’s Web Page, [www.wsdot.wa.gov/pubtran/getthere/Ctbus.htm](http://www.wsdot.wa.gov/pubtran/getthere/Ctbus.htm) ▲



# Brrrrr!

## If your vehicle breaks down in the cold, don't lose your cool.

by Dawn Jourdan

**F**ew things are inevitable, but Kansans can count on this: Just as Kansas summers are hot, the winters will be cold. Transit vehicles are sensitive to extreme weather conditions—and so are their passengers. For this reason, drivers must prepare to deal with weather-related problems, such as a vehicle breakdown when the temperature has dropped below freezing.

Most breakdowns can be prevented if the vehicle is properly inspected and maintained on a daily basis. However, some problems elude even the most diligent drivers. Your must have a plan of action to enable you to “keep their cool” when it is cold outside.

Your primary concern should be the safety the passengers. Therefore, the first step in dealing with a vehicular malfunction is removing the vehicle from the flow of traffic. Slowly pull over onto the shoulder of the road or other location out of the way of traffic. Put the vehicle in “park,” apply the emergency brake and turn on the hazard lights. Then radio your agency’s dispatcher to report the problem. Depending on the malfunction, you may wish to ask for assistance immediately or wait until the problem has been

thoroughly assessed.

If you choose to assess the problem before seeking assistance from the dispatcher, a number of important steps must be taken before you leave the vehicle. First, tell the passengers why you have pulled over and the steps you are taking to address the problem. Tell passengers to remain inside the vehicle and in their seats, for the time being. Next, check to make sure that each passenger is wearing a coat, hat and gloves. The vehicle should be equipped with additional hats and gloves and enough warm blankets to have enough for each passenger.

You should also be able to instruct passengers on a few simple exercises that they may do while seated to keep themselves warm. Hand clapping and foot stomping are the easiest and most effective ways to help keep warm.

Once the passengers have been adequately advised about the situation and their warmth is assured, you should let the passengers know that you will be momentarily exiting the vehicle so that the problem may be assessed. Be aware of traffic and weather conditions when exiting the vehicle. The door of the vehicle should be closed immediately to protect passengers from the cold.

The vehicle assessment must be conducted as quickly as possible.

Don't attempt to fix any malfunction that would take more than a few minutes. A few minutes out in the elements can be detrimental to your health.

Unless a quick fix is possible, your next step should be to get help. Most transit vehicles are equipped with a radio or cell phone. Once contacted, the dispatcher can send help immediately. If these fail to function, you may be tempted to seek help on foot. However, leaving the vehicle and its passengers unattended is not recommended for safety reasons. The best option is to flag down a passerby willing to telephone the dispatcher or the police.

Upon summoning assistance, return to the vehicle and check on the passengers. Begin by telling passengers the steps that have been taken to secure assistance. Then assess the comfort of your passengers by asking them how they feel. Often older passengers, passengers with disabilities or those taking medications will not be as aware of the cold. This does not mean that they are not at risk. Rather, some passengers are slow in realizing that they are being affected by the change in temperature.

The effects and quick onslaught of hypothermia on stationary passengers should not be underestimated. Join the passengers in foot-stomping

and hand-clapping exercises. Passengers that are unable to perform such movements should be carefully monitored for signs of cold such as shivering or numbness. Cover them with extra blankets to ensure their health and safety.

While this plan of action is highly detailed, the steps contained in it will happen quickly in the case of a breakdown. All drivers in your agency should be instructed on these or similar procedures and have the opportunity to practice them so that they are well equipped to deal with winter breakdowns if, and when, they occur.

*Sources:*

www.commuter-register.org;  
www.theautochannel.com;  
*Nevada Milepost*, Winter 1995;  
*Kansas LTAP Winter Fact Sheet*,  
Fall 1999. ▲

## Winter Emergency Kit

The Scotti School of Defensive Driving, Medford, Mass., encourages drivers to carry the following:

- \* windshield scraper
- \* booster cables
- \* small snow shovel
- \* boots and heavy socks
- \* sand or cat litter (for traction)
- \* wire-drying spray for moisture problems under the hood
- \* a blanket for yourself (as well as those for passengers)
- \* snow brush
- \* de-icing spray
- \* tire chains

Also helpful are: flashlights, rope, a first aid kit, extra fuses, a fire extinguisher, flares or reflective emergency triangles, a pocket knife, extra chains and a CB radio or cellular phone. Waterproof winter clothing, high-calorie food and a jug of water can come in handy, too.

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### CDL Legislation, continued from page 1

passed by the House of Representatives in October, 1999 as one strategy to improve motor carrier safety. A similar bill entitled the "Motor Carrier Safety Improvement Act of 1999" is pending before the Senate.

#### Program Changes Proposed

##### *New Motor Carrier Safety Administration.*

A purpose of this proposed legislation is to improve the Commercial Drivers License (CDL) Program, as presently set forth in 49 U.S.C. 31311(a). If adopted, the bill would establish a separate Motor Carrier Safety Administration within the Department of Transportation. According to an August 5, 1999 press release sent out by the office of Senator John McCain (R-AZ), this new agency would be charged with carrying out the Federal motor carrier

safety enforcement and regulatory responsibilities currently held by the FHWA. The agency would be headed by an administrator, appointed by the President and approved by the Senate.

##### *CDLs Needed to Drive Smaller Vehicles.*

The legislation, if passed, also would change certain elements of the current CDL Program. One key change for Kansas transit providers is a proposed requirement that drivers of commercial vehicles capable of holding eight or more passengers obtain a commercial driver's license. The current law applies to drivers of vehicles designed to transport 16 or more passengers. The potential implications of this legislation is that agencies may have difficulty finding drivers with

CDLs, agencies may bear the cost of re-licensing in order to attract or retain drivers, and agencies will have additional costs of testing for drug and alcohol now required of CDL-licensed drivers of larger vehicles.

This bill is currently being examined by the Senate Surface Transportation Subcommittee and has not been slated for hearing. Its status may be monitored by contacting Senator McCain's office by telephone at (202) 224-2235. The text of the bill is accessible on the Web at: <http://thomas.loc.gov>

*Sources:* www.fhwa.dot.gov/contactus/press/1999/101499.htm; "Commercial Driver License in Kansas," *RTAP Fact Sheet*, April 1990; and *Kansas Trans Reporter*, May 1990. ▲



# MayDay!

by Stephanie M. White

“Help! I’ve been in an accident! Please send an ambulance!!”

“I will, sir, as soon as you tell me your location.”

“I’m not really sure. We’re somewhere on Highway 50, west of Holcomb.”

Similar scenarios happen all too often making it difficult for injured motorists or disabled vehicles to get the emergency help they need. Consider a bus filled with passengers stranded on a rural Kansas road during the middle of the winter. If the driver is unable to successfully contact a source of emergency assistance, a minor problem could become a major emergency in a matter of minutes.

In efforts to improve the ability of emergency teams to locate and assist motorists in crises, Mayday Systems, have been developed to determine the exact location of an accident or distressed vehicle—and then pass that information on to emergency response teams. As reported by Dr. Eric Meyer, Assistant Professor of Civil and Environmental Engineering at the University of Kansas, “Mayday Systems represent an integration of technologies that can reduce highway crash notification time to about one minute.”

One of the first Mayday Systems to be installed on a vehicle was the RESCU System on the Ford

1996 Lincoln Continental. Since then, about six auto manufacturers including General Motors, Lexus, Infiniti, Mercedes-Benz, BMW, and Jaguar have begun offering Mayday Systems as options on several of their models. Currently, GM has over 70,000 users of their OnStar Mayday System. Individual vendors have also begun offering “after-market” Mayday Systems that can be installed in any existing vehicle.

## How Does it Work?

A Mayday System notifies the proper authorities of emergency situations quickly, relying on automatic mechanisms to convey information about the location and nature of the incident. For example, if an individual is having car trouble and needs a tow truck or if they are lost and need to get directions, they can use the Mayday System to call for assistance without personally needing to know their location.

In non-collision incidents, the individual would generally use a cellular phone (included in most Mayday packages) to request assistance. When the driver pushes a special button, the Mayday device installed in the car would send a signal that would provide the authorities with information concerning the location (latitude and longitude, and elevation) or condition of the vehicle. Or when a vehicle is involved in a collision, the Mayday System

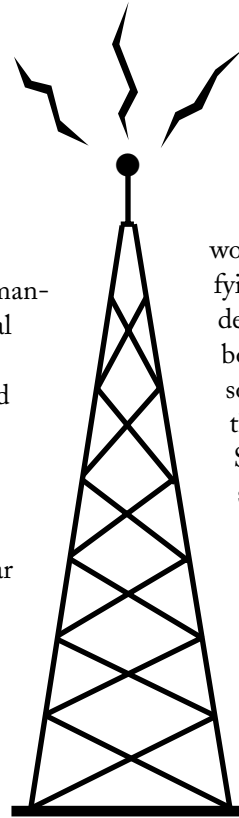
would work automatically, notifying authorities that an accident has occurred, providing both a location as well as some idea of the severity of the accident. In most Mayday Systems, when the driver’s side airbag deploys, the impact of the airbag triggers a device which in turn initiates the Mayday System and the distress signal is sent. However, not all accidents will cause the driver’s side airbag to deploy. As the systems become more sophisticated, developers are producing ones

that will be triggered by accelerometers that can detect any type of crash including rollovers. These more sophisticated systems exist, though they are not yet commercially available.

## Five Components of Mayday

*In-Vehicle Activation System.* Some Mayday Systems have the ability to automatically detect when a collision has occurred. Those systems that do not have this feature require a driver or passenger who is not incapacitated to press a button on the dashboard or overhead console to activate the response system.

*Vehicle Location System.* Various technology exists that can relay vehicle location information via satellite to the appropriate authorities. The Global Positioning System (GPS) is a “system of satellites which broadcast signals from which a special



receiver can determine its location, according to the Mayday for Kansas Web site.

*Communication System.* The vehicle is equipped with a special device that can contact authorities with pertinent information. Various transmitters are on the market ranging from devices that are automatically triggered upon impact to transmitters that require an individual to activate them. All the systems marketed to the general public use cellular phones for both data transmission and voice communication between the emergency response team and the caller.

*Mayday Response Center.* The distress call is received at a facility equipped to pinpoint the accident on a map. The response center can then call the closest appropriate responder and provide the responder (ambulance, police, etc.) with directions to the incident location.

*Emergency Response Team.* Once the system has helped to alert the appropriate emergency response personnel, the emergency team can quickly and more effectively meet the needs of those in need.

### **Are Mayday Systems Feasible in Rural Kansas?**

Definitely! Rural areas need Mayday Systems more than any other areas due to the relative isolation of rural roads and available emergency response teams. Mayday Systems are being offered relatively inexpensively and can be easily installed on transit vehicles. Currently, the cost of the system is generally less than \$1000. It is expected that as the technology becomes standard and access improves, the system cost will be reduced.

As Mayday systems are becom-

ing more popular, subscriber services are being offered much like for cellular phones. For example, General Motors has recently run an offer to install their OnStar system for free, as long as the customer commits to a year's subscription, paying a monthly rate of \$20 to \$25. Considering that all systems marketed to the public use cellular phones for data transmission, you can get the cellular phone and the Mayday System for about the same cost as a cellular phone alone.

Though Dr. Meyer doubts that the Mayday System will ever become standard or required on vehicles, he does believe that they will become increasingly common options. He suggests that the devices have future insurance implications and benefits as well. It is expected that once insurance companies are able to see the safety benefits from such systems, they will offer reduced rates to individuals and agencies that use the Mayday technology.

### **Establishing a Mayday System in Your Agency**

Mayday Systems are relatively easy to establish in transit agencies. The first step is to contact one of the after-market vendors like ATX Technologies, RoadTrac or Advanced Wireless Technologies. For a list of vehicle security service providers, check out Fall Creek Consultants' Web site at [www.comm-nav.com/security.htm](http://www.comm-nav.com/security.htm). This site provides links to over 35 different vendors that offer different types of security services, including Mayday Systems. Compare the various services that they provide and determine which company has the services that meet your needs at the best price.

The General Motors' site, [www.onstar.com](http://www.onstar.com), describes the various services that they provide and

allows you to search for the closest dealer. GM's OnStar Mayday System's motto is "Wherever you go, here we are."

If your agency has a radio dispatch system, a Mayday-related component could be integrated into the radio system that would allow the driver to contact the agency for assistance. The Kansas Highway Patrol has implemented a pilot radio system in eastern Kansas that has worked well. They are considering implementing it throughout the state. The system has a console with status buttons that a driver can push to notify a dispatch center of any activity. For example, a bus driver could push a button that would signal vehicle trouble or a button that would suggest delays. The transit agency would then need to contact the necessary authorities for assistance to be provided. Radio systems, while offering some Mayday features, do not deploy automatically in the case of an accident.

For more information on Mayday Systems, search the Internet with key word "Mayday" or link to the Mayday for Kansas Web site at <http://129.237.114.62/mayday/components.html>.

### **Sources**

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"Rural Highway Deployment Plan," Arizona Transportation Research Center, May 1999.

[www.comm-nav.com/security.htm](http://www.comm-nav.com/security.htm)

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Meyer, Eric. "Assessment of Mayday-Related Technologies," a paper presented to KDOT, Oct, 20, 1999. ▲

## Rural Transit Conferences and Workshops

### January 9-13, 2000

79th Transportation Research Board Annual Meeting, Washington, D.C. For more information, contact Patricia McLaughlin at (202) 334-2934 or access the TRB homepage at [nas.edu/trb/meeting/index.html](http://nas.edu/trb/meeting/index.html).

### January 29-February 2, 2000

APTA General Managers' Seminar. For more information, contact Tom Urban at (202) 898-4053.

### January 30-February 1, 2000

SWTA 20th Annual Conference and 2000 EXPO, San Antonio, Texas. For more information, contact SWTA at (210) 967-6446.

### February 27-29, 2000

FTA Compliance Workshop, Kansas City, Missouri. For more information, contact FTA at (202) 366-0201.

### March 26-29, 2000

Transit Trainers' Workshop 2000, Portland, Oregon. For more information, contact the National Transit Institute at (732) 932-1700, ext. 23.

### April 2-4, 2000

APTA Risk Management Seminar, Long Beach, California. For more information, contact Vivienne Williams at (202) 898-4057.

### June 3-June 9, 2000

CTAA EXPO 2000 Annual Conference, Ft. Lauderdale, Florida. For more information, contact Charles Dickson at (202) 661-0208 or at [dickson@ctaa.org](mailto:dickson@ctaa.org).

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Editor's Note: To include meetings or workshops in our calendar section, please send information to Kansas Transit Reporter, KUTC, 2011 Learned Hall, Lawrence, KS 66045.

## New Disclosure Rules for IRS Form 990, continued from page 7

over 200,000 organizations on its Web site. GuideStar and The Foundation Center provide descriptive information about the 990 Form so visitors to the sites can better understand the nine sections of the form. On GuideStar's site, nonprofits will eventually be able to link their sites to their 990 form on GuideStar, providing easy access to information seekers just one link away.

In order to reduce IRS' costs of providing forms as well as individual agencies' costs of making the forms available, it is anticipated that agencies will eventually be required to file IRS forms electronically. While William Levis, director of the "990 in 2000" Project, says that "There's a lot of hurdles to go over before there's mandatory filing," he expects electronic filing to be in place within ten years.

### Benefits of Electronic Filing

Electronic filing not only provides easier access to tax information but it makes it easier and more efficient for donors to give to charitable organiza-

tions. It also guards against charitable fraud. Requiring that the Form 990 be made readily available for the preceding three years allows donors to chart the effectiveness of an organization while also allowing them to discern specific target areas for funding needs. Electronic access makes this task even easier.

Growth in the philanthropic sector can also be charted. Nonprofit organizations seeking funding can chart the giving of donors in order to gain insight into the specific areas that donors are willing to fund. Nonprofit agencies can search the GuideStar and The Foundation Center Web sites for donors who give to certain types of agencies or who target specific types of services.

Realizing that a major obstacle for nonprofit organizations is the lack of across-agency communication, nonprofit organizations and Internet site designers hope that electronic filing and the new Form 990 will provide the basis for organizing a national nonprofit collaboration. By providing the information

online, nonprofits will have a resource to connect with other similar agencies for advice and will begin a dialogue to work toward more effective delivery of services.

### Sources

"The Form 990: New Accountability has its Price," *The Nonprofit Times*, August 1999. Page 31.

"The IRS Form 990-PF," *The Foundation Center Online Orientation to the Grantseeking Process*, found on [www.fdncenter.org](http://www.fdncenter.org).

"IRS Releases Regulations on Disclosure of Nonprofit Financial Reporting," *The Foundation Center Online Orientation to the Grantseeking Process*, found on [www.fdncenter.org](http://www.fdncenter.org).

Form 990, "Return of Organization Exempt from Income Tax," OMB No. 1545-0047, IRS. ▲

## Resources Order Form



THESE RESOURCES are distributed free of charge, unless noted otherwise, as a service of the Kansas Rural Transportation Assistance Program. Please use the order form on this page to order the publications and videos described here. Videos are available for two-week loans; please request no more than two videos at a time.

### Publications

- Complying with Federal Regulations: A Primer for Rural Transit Providers.** (7 pages). RTAP Technical Assistance Brief, 1996. Discusses Federal requirements most likely to affect rural transit systems.
- Estimation of Operating and Maintenance Costs for Transit Systems.** (150 pages). USDOT/FTA/KPMG Peat Marwick, 1992.
- Public Transportation Marketing Evaluation Manual.** (82 pages). UMTA, 1997.
- Chapters on cost allocation from: **Comprehensive Financial Management Guidelines for Rural and Small Urban Public Transportation Providers**, AASHTO, 1992.

### Videotapes

- Mayday! Emergency Notification System.** (10 min.). The Enterprise Group, 1996. This video provides a good introduction to the Mayday System, which notifies authorities of an incident quickly and conveys important information about the nature and location of the incident.
- Ready...Set...Winter! Driving Safely on Ice and Snow.** (10 min.). AAA and General Motors, 1996. This video provides an overview of how to prepare the vehicle for winter weather, describes several driving situations requiring special attention and explains how to handle common winter driving problems.

### Video Cassette Recorder Loan Program

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The *Kansas Trans Reporter* is an educational publication published quarterly by the Kansas University Transportation Center. The newsletter is distributed free to rural and specialized transit providers and others with an interest in rural and specialized service.

The *Kansas Trans Reporter* is co-sponsored by the Federal Transit Administration under its Rural Transportation Assistance Program (RTAP) and the Kansas Department of Transportation. The purposes of the program are to: 1) educate transit operators about the latest technologies in rural and specialized transit; 2) encourage their translation into practical application; and 3) to share information among operators.

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- Program planning assistance

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