


2012 GRANT Pre-Application

GENERAL INSTRUCTIONS:

- I. Complete all pages and enter responses in all fields.
- II. Required fields are marked with *

Section A - Organization Information

1 - Short Name or Common Acronym*	SMS		
2 - Operating Name*	Special Mobility Services		
3 - Legal Name*	Special Mobility Services, Inc.		
4 - Physical Address #1*	2101 NE Flanders		
5 - Physical Address #2			
6 - Physical City*	Portland		
7 - Physical State*	OR		
8 - Physical Zip*	97232		
9 - Mailing Address same as Physical Address?*	YES		
10 - Mailing Address #1			
11 - Mailing Address #2			
12 - Mailing City			
13 - Mailing State			
14 - Mailing Zip			
15 - Business Phone #1*	503-232-1440		
16 - Business Phone #2			
17 - Business Fax	503-232-2230		
18 - Business E-Mail	bethm@sms1.org		
19 - Home Page / Web Address			
20 - What date was this organization formed?	9/1/1973		
21 - Established RPTA?*	NO		
22 - What counties does this organization currently serve?	Bonner		
23 - What FTA Programs are associated with each county?	5311		
24 - Congressional District Entity Resides in*	<<Select>>		
25 - Congressional District Served*	1ST DISTRICT		
26 - List the Local Mobility Networks (LMMN) you are currently serving?*	1A		
27 - DUNS Number*	15-403-1389		
28 - Employer ID # EIN*	93-0623709		
29 - Current By Laws?*	YES	Upload a copy with your Pre-application	
30 - Current Audit?*	YES	Upload a copy with your Pre-application	
31 - Current Drug/Alcohol Policy?*	YES	Upload a copy with your Pre-application	
32 - Do you Use a Cost Allocation Methodology?	YES		
Describe the Methodology (500 Characters Maximum)	SMS bills ITD for marginal costs associated with operating Idaho portion of the service. Marginal costs include driver wages and benefits, vehicle costs (fuel, maintenance, and insurance) and administrative costs. SMS uses time studies to determine the portion of driver time the Idaho serv represents then applies that portion to all actual driver time to determine driver wages and benefits. SMS calculates vehicles costs by multiplying the average operating cost per mile to the number of miles driven in the Idaho service. Administrative costs are allocated based on the ratio of Idaho service wages to total administrative costs.		
33 - Do you have a Board of Directors?	YES	Upload a list of your Board members and meeting schedule with your Pre-application	
34 - Do you currently have a Vehicle Replacement Plan?	NO		
35 - Agency Type*	Private Non-Profit		
 *Mandatory!! Private non-profit applicants must attach a copy of their IRS Letter of Determination for 501(c)3 non-profit status to their submitted Pre-Application			
35 - Number of volunteer drivers (annual total)	0		
36 - Number of personal vehicles in service (annual total)	0		
37 - Average Trip Length (miles)	15		
38 - TEAM Recipient ID#			

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39 - Description of products/services currently provided by this organization.* (500 Characters Maximum)	In Idaho, SMS currently provides deviated route transportation between Priest River and Newport (WA), with continuing service to Spokane. In Washington, SMS acts as the Medicaid transportation broker for Spokane and surrounding counties and brokers interpreter services in the same area. SMS also operates rural fixed route services in Eastern Washington. In Oregon, SMS provides job training for low income seniors in Portland and serves as the Medicaid transportation broker in Lane County, as well as provides ADA and other social service transportation in Eugene.
40 - Governing Board Meeting Schedule* (500 Characters Maximum)	The Board of Directors meets quarterly, generally during the first month of each quarter: January, April, July, and October. Meeting dates have not been set for 2013.

Section B - CERTIFICATIONS AND ASSURANCES

Instructions:

There are Certifications and Assurances that apply to sub-recipients receiving federal funding. The Sub-recipient's Board Chair or designated individual must indicate the organization is willing to comply with the applicable certifications, assurances, and procedures in order to receive federal funding. These documents are available for download from the internet at: <http://i-way.org/Tool%20Box/documentlibrary> under the heading of **Federal Transit Administration (FTA) Documents & Links**

1 - Will the organization comply with applicable certifications, assurances, and procedures?

YES, the organization is willing to comply with any applicable certifications, assurances, and procedures.

NO, the organization is NOT willing to comply with the applicable certifications, assurances, and procedures.

(NOTE: NO means you will not be eligible to receive funding.)

YES

Please note: a subrecipient of the State of Idaho is required to comply with certain pass-through requirements. Here are the references:

Audits (Procedure M-2010-20), **Open Meeting** (Procedure M-2010-19) <http://i-way.org/Mobility%20Funding/procedures>

Procurement <http://adm.idaho.gov/adminrules/rules/idapa38/0501.pdf>

http://www.fta.dot.gov/funding/grants_financing_6036.html

State Meeting and Travel <http://www.sco.idaho.gov/web/sbe/sbeweb.nsf/pages/trvlpolicy.html>

Section C - RESOURCE & COMMUNITY COORDINATION

1 - Do you share resources in any significant way with other agencies (e.g., maintenance/ mechanics, vehicles, staff/drivers, facilities, marketing, insurance, fuel purchases, training, bilingual programs, etc.)? If yes, provide a brief description.*

YES

Description
(700 Characters Maximum)

SMS has a certified PASS trainer and offers PASS training at no cost to community transportation providers. SMS also participates in the Oregon and Washington State purchasing cooperatives, allowing SMS to purchase supplies and services at a reduced cost for items such as vehicle tires and office supplies.

2 - Have you realized any measurable or quantifiable savings in costs directly through, or as a result of, your coordination efforts? If yes, provide a brief description.*

YES

Description
(700 Characters Maximum)

The project is budgeted on a marginal cost basis so no direct cost savings can be attributed to the service; however, group purchasing has reduced overall costs.

3 - Describe your efforts to work with other organizations, agencies, businesses, and other appropriate community interests in order to provide service (e.g., employers, medical centers, social service agencies, visitor services, activity centers, etc.).(Enter N/A if not applicable)

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Description (500 Characters Maximum)	SMS has met with staff at the Veteran's Administration to determine how the agency can utilize the transportation services. SMS staff has also met with Priest River Senior Center staff to coordinate transportation services with Center activities. During the February 1, 2012, District 1 Coordination Meeting, it was suggested that SMS extend its Priest River Shuttle to Sandpoint. Included in the discussion was the provider of Sandpoint's in-town bus service, Selkirks-Pend Oreille Transit (SPOT).
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Section D - PROJECT INFORMATION

1 - In which state(s) will your project provide service? *	<input checked="" type="checkbox"/> Idaho <input type="checkbox"/> Montana <input type="checkbox"/> Nevada
	<input type="checkbox"/> Oregon <input type="checkbox"/> Utah <input checked="" type="checkbox"/> Washington
	<input type="checkbox"/> Wyoming
2 - Strategy Number*	1A.L0011
3 - Strategy Name*	Provide service connecting Old Town/Priest River to Sandpoint.
4 - Project Name*	Sandpoint Shuttle
5 - Please describe your project* (500 Characters Maximum)	Deviated fixed route service from Sandpoint to Newport along Route 2, with stops in Priest River and with continuing service funded by WSDOT from Newport to Spokane. Upon request, vehicle will deviate from route up to two miles to accommodate passengers with disabilities. Vehicle is wheelchair lift equipped. Operates weekdays, except Tuesdays, with stops twice a day in Priest River and Sandpoint. Spokane stops include airport, bus mall, Veteran's Hospital and other stops requested by passengers as time allows.
6 - What mode will this project use?*	Deviated Fixed Route
7 - Which funding program do you intend to apply for?	5311
8 - List the Districts this project will serve.*	1A
9 - List the Local Mobility Networks (LMMN) this project will serve.*	LMMN 1
10 - Is this project dependent on any of your other projects?	YES
Identify the other projects that are dependent on this one. (500 Characters)	This project depends upon Washington State DOT funding of the Newport-Spokane portion of the service. Current Washington DOT funding is secure through June 30, 2013.
11 - Are you submitting other projects as options for this strategy?	NO
Identify the other projects that are options to this strategy. (500 Characters)	
12 - Does this project directly interconnect with other mobility options?	YES

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Identify the other mobility options.
(500 Characters)

In Sandpoint, the service allows passengers to connect with city bus service provided by Selkirks-Pend Oreille Transit (SPOT). In Newport, the Shuttle connects to service SMS operates with Washington State DOT funding that provides service between Newport and Spokane. In Spokane, the vehicle makes stops at the bus mall to provide access to Spokane Transit Authority (city bus), the Spokane Intermodal Center that serves intercity bus and train, and at the Spokane Airport. SM SPOT, and Spokane Transit Authority vehicles are equipped with bike racks.

Section E - Required Documents to Be Submitted With Application - Checklist

Instructions:

Update the entry for each document to show a status of 'Included' as documents are prepared for uploading.

1 - Current Bylaws	<ul style="list-style-type: none"> • If Applicable 	Included
2 - Current Audit	<ul style="list-style-type: none"> • For any companies which historically have received Federal funds - most recent audit. • For all other companies, audit report will be provided on anniversary data of grant agreement. 	Included
3 - Drug Alcohol Policy	<ul style="list-style-type: none"> • If Applicable - You will need this if you are applying for 5311 funds. 	Included
4 - Board of Directors Information	<ul style="list-style-type: none"> • Meeting Schedule • Board Contact Information 	Included
5 - Vehicle Replacement Plan	<ul style="list-style-type: none"> • If you are purchasing a new vehicle, you will need to have a replacement plan. 	Not Included
6 - IRS Letter of Determination for 501(C)3 non-profit status	<ul style="list-style-type: none"> • If Applicable 	Included

Section F - Signature

By typing your initials in the box to the right you are verifying that you have read, understood, and agreed to all the requirements of this pre-application. This mark will act as your electronic signature:

FVS

Name and Title	Fred V. Stoffer, General Manager	Date	2/2/2012
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AMENDED AND RESTATED BYLAWS
OF
SPECIAL MOBILITY SERVICES, INC.

ARTICLE I
MEMBERS

The Corporation shall have no members.

ARTICLE II
BOARD OF DIRECTORS

2.1 Duties of Board of Directors. All corporate powers of the Corporation shall be exercised by or under the authority of its Board of Directors; the business and affairs of the Corporation shall be managed under the direction of its Board of Directors.

2.2 Number, Appointment, Term and Qualification. The number of directors of the Corporation shall be at least three and no more than seven. Within this range, the number of directors shall be determined from time to time by the Board of Directors. Directors shall be elected by the Board of Directors at the regularly scheduled annual meeting. The term of a director shall expire at the next annual meeting of the Board of Directors after his or her election. No reduction in the number of directors shall shorten the term of any incumbent director. Despite the expiration of a director's term, the director shall continue to serve until the director's successor is elected and qualified or the number of directors is decreased. Directors need not be residents of Oregon.

2.3 Annual Meeting. The annual meeting of the Board of Directors shall be held during the month of December of each year, at the time and place designated by the Board of Directors, for the purpose of electing directors and transacting such other business as may come before the meeting.

2.4 Regular Meetings. Regular meetings of the Board of Directors shall be held without notice at such times and places as are regularly scheduled by the Board of Directors. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings in or out of Oregon without notice other than the resolution.

2.5 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President

and Executive Director or by a majority of the directors then in office. The person or persons authorized to call special meetings of the Board of Directors may fix any place in or out of Oregon as the place for holding any special meeting of the Board of Directors called by them.

2.6 Notice. Notice of the date, time and place of any special meeting of the Board of Directors shall be given at least 24 hours prior to the meeting by notice communicated in person, by telephone, telegraph, teletype, other form of wire or wireless communication, mail or private carrier. If written, notice shall be effective at the earliest of (a) when received, (b) three days after its deposit in the United States mail, as evidenced by the postmark, if mailed postpaid and correctly addressed, or (c) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested and the receipt is signed by or on behalf of the addressee. Notice by all other means shall be deemed effective when received by or on behalf of the director. Notice of any regular or special meeting need not describe the purposes of the meeting unless required by law or the Articles of Incorporation.

2.7 Waiver of Notice. A director may at any time waive any notice required by law, these Bylaws or the Articles of Incorporation. Except as set forth below, the waiver must be in writing, be signed by the director entitled to the notice, specify the meeting for which notice is waived and be filed with the minutes or corporate records. A director's attendance at or participation in a meeting waives any required notice to the director of the meeting unless the director at the beginning of the meeting, or promptly upon the director's arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

2.8 Quorum. A majority of the number of directors fixed in accordance with Section 2.2 of these Bylaws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If less than a quorum is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

2.9 Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a different number is provided by law, the Articles of Incorporation or these Bylaws.

2.10 Meeting by Telephone Conference; Action Without Meeting.

(1) Directors may participate in a regular or special meeting by, or conduct the meeting through, use of any means of communications by which all directors participating may simultaneously hear each other during the meeting. Participation in a meeting by this means shall constitute presence in person at the meeting.

(2) Any action that is required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if one or more written consents describing the action taken are signed by all of the directors entitled to vote on the matter and included in the minutes or filed with the corporate records reflecting the action taken. The action shall be effective when the last director signs the consent, unless the consent specifies an earlier or later effective date.

2.11 Vacancies. Any vacancy on the Board of Directors, including a vacancy resulting from an increase in the number of directors, may be filled by the Board of Directors, the remaining directors if less than a quorum (by the vote of a majority thereof) or by a sole remaining director. A vacancy that will occur at a specified later date, by reason of a resignation or otherwise, may be filled before the vacancy occurs, but the new director may not take office until the vacancy occurs.

2.12 Compensation. By resolution of the Board of Directors, the directors may be paid reasonable compensation for services as directors and their expenses of attending meetings of the Board of Directors.

2.13 Presumption of Assent. A director who is present at a meeting of the Board of Directors or a committee of the Board of Directors shall be deemed to have assented to the action taken at the meeting unless (a) the director's dissent or abstention from the action is entered in the minutes of the meeting, (b) the director delivers a written notice of dissent or abstention to the action to the presiding officer of the meeting before any adjournment or to the Corporation immediately after the adjournment of the meeting or (c) the director objects at the beginning of the meeting or promptly upon the director's arrival to the holding of the meeting or transacting business at the meeting. The right to dissent or abstain is not available to a director who voted in favor of the action.

2.14 Removal. The Board of Directors may remove one or more directors with or without cause, at a meeting called expressly for that purpose, by the vote of two-thirds of the

directors then in office, unless the Articles of Incorporation provide for removal for cause only.

2.15 Resignation. Any director may resign by delivering written notice to the Board of Directors, its presiding officer or to the President and Executive Director or Secretary of the Corporation. Unless the notice specifies a later effective date, a resignation notice shall be effective upon the earlier of (a) receipt, (b) five days after its deposit in the United States mails, if mailed postpaid and correctly addressed, or (c) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by addressee. Once delivered, a resignation notice is irrevocable unless revocation is permitted by the Board of Directors.

ARTICLE III

COMMITTEES OF THE BOARD

3.1 Committees. The Board of Directors may create one or more committees and appoint members of the Board of Directors to serve on them. Each committee shall have two or more members. The creation of a committee and appointment of members to it must be approved by a majority of all directors in office when the action is taken. Subject to any limitation imposed by the Board of Directors or by law, each committee may exercise all the authority of the Board of Directors in the management of the Corporation. A committee may not take any action that a committee is prohibited from taking by the Oregon Nonprofit Corporation Act.

3.2 Changes of Size and Function. Subject to the provisions of law, the Board of Directors shall have the power at any time to change the number of committee members, fill committee vacancies, change any committee members and change the functions and terminate the existence of a committee.

3.3 Conduct of Meetings. Each committee shall conduct its meetings in accordance with the applicable provisions of these Bylaws relating to meetings and action without meetings of the Board of Directors. Each committee shall adopt any further rules regarding its conduct, keep minutes and other records and appoint subcommittees and assistants as it deems appropriate.

3.4 Compensation. By resolution of the Board of Directors, committee members may be paid reasonable compensation for services on committees and their expenses of attending committee meetings.

ARTICLE IV

OFFICERS

4.1 Appointment. The Board of Directors, following its election at its annual meeting, shall appoint a President and Executive Director, a Secretary and a Treasurer. The Board of Directors or the President and Executive Director may appoint any other officers, assistant officers and agents. Any two or more offices may be held by the same person.

4.2 Compensation. The Corporation may pay its officers reasonable compensation for their services as fixed from time to time by the Board of Directors.

4.3 Term. The term of office of all officers commences upon their appointment and continues until their successors are appointed or until their resignation or removal.

4.4 Removal. Except as otherwise provided herein, any officer or agent appointed by the Board of Directors may be removed by the Board of Directors at any time with or without cause. The President and Executive Director may be removed from office only by the affirmative vote of two thirds of all of the directors then in office, at any regular or special meeting held for that purpose, and only for non-feasance, malfeasance or misfeasance, for conduct detrimental to the interests of the Corporation, for lack of sympathy with its objects, or for refusal to render reasonable assistance in carrying out its purposes. Written notice of the date, time and place of any such meeting of the Board of Directors shall be given to the President and Executive Director at least five days prior to the meeting by certified mail, return receipt requested. The President and Executive Director shall be entitled to appear before and be heard by the Board of Directors at such meeting.

4.5 President and Executive Director. Unless otherwise determined by the Board of Directors, the President and Executive Director shall be the chief executive officer of the Corporation and, subject to the control of the Board of Directors, shall be responsible for the general operation of the Corporation. The President and Executive Director shall have any other duties and responsibilities prescribed by the Board of Directors.

4.6 Secretary.

(1) The Secretary shall record and keep the minutes of all meetings of the directors and shareholders in one or more books provided for that purpose and perform any duties

prescribed by the Board of Directors or the President and Executive Director.

(2) Any assistant secretary shall have the duties prescribed from time to time by the Board of Directors, the President and Executive Director or the Secretary. In the absence or disability of the Secretary, the Secretary's duties shall be performed by an assistant secretary.

4.7 Treasurer. The Treasurer shall have charge and custody and be responsible for all funds and securities of the Corporation and shall have other duties as prescribed from time to time by the Board of Directors or the President and Executive Director.

ARTICLE V

INDEMNIFICATION

The Corporation shall indemnify to the fullest extent not prohibited by law, any person who is made, or threatened to be made, a party to an action, suit or proceeding, whether civil, criminal, administrative, investigative or other (including an action, suit or proceeding by or in the right of the Corporation) by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation or a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 with respect to any employee benefit plan of the Corporation, or serves or served at the request of the Corporation as a director, officer, employee or agent, or as a fiduciary of an employee benefit plan, of another corporation, partnership, joint venture, trust or other enterprise. The Corporation shall pay for or reimburse the reasonable expenses incurred by any such person in any such proceeding in advance of the final disposition of the proceeding if the person sets forth in writing (i) the person's good faith belief that the person is entitled to indemnification under this Article and (ii) the person's agreement to repay all advances if it is ultimately determined that the person is not entitled to indemnification under this Article. No amendment to these Bylaws that limits the Corporation's obligation to indemnify any person shall have any effect on such obligation for any act or omission that occurs prior to the later to occur of the effective date of the amendment or the date notice of the amendment is given to the person. This Article shall not be deemed exclusive of any other provisions for indemnification or advancement of expenses of directors, officers, employees, agents and fiduciaries that may be included in the Articles of Incorporation or any statute, bylaw, agreement, general or specific action of the Board of Directors or other document or arrangement.

ARTICLE VI

CONTRACTS, LOANS, CHECKS AND OTHER INSTRUMENTS

6.1 Contracts. Except as otherwise provided by law, the Board of Directors may authorize any officers or agents to execute and deliver any contract or other instrument in the name of and on behalf of the Corporation, and this authority may be general or confined to specific instances.

6.2 Loans. The Corporation shall not borrow money and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. This authority may be general or confined to specific instances.

6.3 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money and notes or other evidences of indebtedness issued in the name of the Corporation shall be signed in the manner and by the officers or agents of the Corporation designated by the Board of Directors.

6.4 Deposits. All funds of the Corporation not otherwise employed shall be deposited to the credit of the Corporation in those banks, trust companies or other depositaries as the Board of Directors or officers of the Corporation designated by the Board of Directors select, or be invested as authorized by the Board of Directors.

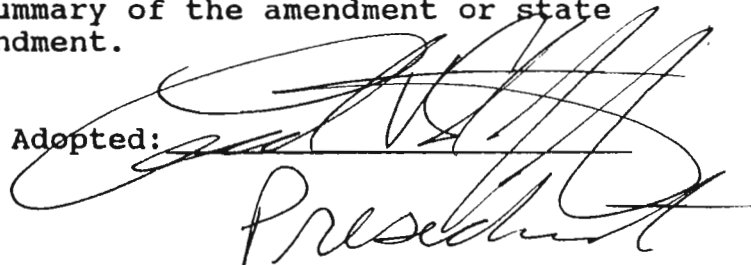
ARTICLE VII

MISCELLANEOUS PROVISIONS

7.1 Severability. A determination that any provision of these Bylaws is for any reason inapplicable, invalid, illegal or otherwise ineffective shall not affect or invalidate any other provision of these Bylaws.

7.2 Amendments. These Bylaws may be amended or repealed and new Bylaws may be adopted by the Board of Directors of the Corporation. If an amendment to these Bylaws is to be approved at a meeting of directors, the Corporation shall provide notice of the meeting in accordance with Section 2.6 stating that the purpose or one of the purposes of the meeting is to consider a proposed amendment to the Bylaws. Such notice shall contain or be accompanied by a copy or summary of the amendment or state the general nature of the amendment.

Adopted:



President

SPECIAL MOBILITY SERVICES, INC. DRUG AND ALCOHOL ABUSE POLICY

Effective: January, 1996
Amended: November, 1996
Revised: September, 1997
Revised: May, 2002
Revised: September, 2002
Revised: December, 2006

Revised: July, 2007
Revised: July, 2008
Revised: March, 2009
Revised: July, 2009
Revised: December, 2009
Revised: April, 2010

Objective

Special Mobility Services (SMS) is committed to providing and maintaining a safe and healthy work environment for its employees and a safe and dependable transportation system for the public. The use of drugs and/or alcohol can adversely affect the ability to perform safely and may constitute a threat to the health and safety of the public and other SMS employees and to the efficient operation of SMS. Therefore, SMS shall establish a work environment where its employees are free from the effects of drugs and/or alcohol.

It is the intent of this policy to achieve a drug and alcohol free work force in the interest of the health and safety of employees and the public, to enhance worker productivity and safety, and to encourage employees to seek assistance and treatment for drug and/or alcohol related problems before such problems affect performance and safety.

This policy is also intended to comply with all applicable federal regulations governing drug and alcohol misuse prevention programs in the transit industry. The Department of Transportation published rules mandating the establishment of drug and alcohol abuse prevention programs and of alcohol and drug testing of safety-sensitive employees (49 CFR, Part 655). 49 CFR Part 40 governs the procedures for transportation workplace Drug and Alcohol Testing Programs.

The objectives of this policy are to:

- Maintain a safe, drug and alcohol free transportation system
- Maintain safe, efficient working conditions for SMS employees
- Maintain SMS' compliance with applicable Federal regulations
- Encourage SMS' employees to seek help with problems related to drugs and alcohol.

Application

This policy applies to all covered employees as defined herein. Covered employees shall include applicants for employment in positions that require the performance of a safety-sensitive function, contractors (except maintenance contractors) performing a safety-sensitive function for SMS, and volunteers who operate a vehicle for SMS which requires the driver to hold a Commercial Driver's License (CDL) (sometimes referred to hereafter as FTA-covered employees because they are covered by authority of the Federal Transit Administration regulations). In addition, it is SMS' policy to cover other employees who, owing to their position within SMS, serve as exemplars to their coworkers and the community (sometimes referred to hereafter as SMS-covered employees because they are covered under the authority of SMS as an employer). For the purposes of this policy, covered employees include those who are incumbents in the positions listed in Attachment C which is attached hereto. Participation in SMS' Drug and Alcohol program is a requirement of each safety sensitive employee, and therefore, is a condition of employment.

Employee Assistance

It is the purpose of this policy to provide assistance to covered employees who experience personal problems, including problems involving drug use and/or alcohol misuse, which may adversely affect job performance and/or result in activity that is in violation of this policy. Covered employees are encouraged to voluntarily seek assistance in dealing with emotional, physical, or mental health problems, including drug use and/or alcohol misuse.

If a covered employee requests assistance from SMS for a drug and/or alcohol problem before the problem affects job performance (a self-referral), he/she will not jeopardize his/her employment solely by requesting assistance to deal with a drug and/or alcohol problem. Under this policy, SMS will not consider an employee to be making a self-referral if an employee discloses a drug and/or alcohol problem at the time he or she is notified to report for a test or at the time a positive test result is received. Covered employees undergoing drug and/or alcohol treatment will be removed from safety sensitive duties until released for duty by a Substance Abuse Professional (SAP). If a covered employee does not seek treatment for a drug and/or alcohol problem, and it is found that his/her performance is being affected and/or his/her actions violate this policy, the covered employee may be subject to discipline, up to and including discharge.¹

The community service hot-line for drug and alcohol information and/or assistance in Spokane is 509-922-8383 and in Eugene, 1-800-729-6686. In addition, counseling and information is also available from SMS' Employee Assistance Program, "Direction", at 1-800-535-1347.

¹ Throughout this policy underlining indicates provisions that are enacted under SMS' own authority. Provisions that are not underlined are enacted under FTA authority.

Prohibited Conduct

SMS expects and requires all covered employees to report to work in an appropriate mental and physical condition to work safely and effectively. No covered employee shall report to work or engage in work while having the presence of alcohol, illegal drugs, or any other disabling substance in his/her system. A breath alcohol concentration level of 0.02 or greater, or a verified positive result on a drug test will be considered to be evidence of the presence of alcohol or a prohibited drug in one's system. Compliance with this policy is a condition of employment. Any violation of this policy may subject the covered employee to discipline, up to and including discharge.

Covered employees are prohibited from engaging in the possession, sale, transporting, distribution, manufacture or use of alcohol, illegal drugs or any other disabling substance at any time while on duty and/or on SMS premises, which include vehicles or other SMS-owned or operated vehicle(s) or facilities.

Federal Transit Administration (FTA) regulation 49 CFR part 655, "Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations," prohibits a covered employee from performing a safety-sensitive function while having a breath alcohol concentration level of 0.02 or greater. In addition, a covered employee must not consume alcohol while performing a safety-sensitive function and must not consume alcohol four (4) hours prior to performing a safety-sensitive function and up to eight (8) hours following an accident or until the covered employee undergoes a post-accident drug and/or alcohol test, whichever occurs first. FTA regulation 49 CFR part 655, prohibits the use and ingestion of prohibited drugs at all times.

Prohibited Drugs:

- Marijuana
- Cocaine
- Amphetamines
- Opiates
- Phencyclidine

Federal regulations require SMS to test for prohibited drug use and alcohol misuse for FTA-covered employees. SMS also requires participation in the testing program for SMS-covered employees. Participation in SMS' drug and alcohol testing program is a condition of employment for all covered employees. A covered employee who refuses to submit to a drug or alcohol test will be in violation of this policy and may be subject to discipline, up to and including discharge.

Scheduled On-Call Employees:

Any covered employee who is scheduled to be on-call for a specific time period and who is required to report to work immediately upon notification, is considered a scheduled on-call employee. Scheduled on-call employees must not consume alcohol during their scheduled on-call shift and must not consume alcohol during the four hours preceding their on-call shift. A scheduled on-call employee who is requested to report for duty must inform SMS if he/she has consumed alcohol within four hours of the requested report time. A scheduled on-call employee who informs SMS of his/her alcohol use will not be permitted to report for duty and may be subject to discipline, up to and including discharge.

Off Duty Employees:

Any covered employee who is requested to report for duty when he or she is not regularly scheduled to work is considered an on-call covered employee. An on-call covered employee who is requested to report for duty less than four hours prior to the requested report time must inform SMS if he/she has consumed alcohol within four hours of the requested report time.

If an on-call covered employee informs SMS of his/her use of alcohol and claims he/she has the ability to safely perform his/her safety-sensitive function, the covered employee must submit to a breath alcohol test before performing safety-sensitive duties. If the covered employee's breath alcohol concentration level measures less than 0.02, the covered employee will be allowed to perform his/her safety-sensitive function.

An on-call covered employee who informs SMS of his/her use of alcohol and fails the breath alcohol test will not be permitted to report for duty and will not be considered to be in violation of this policy. If an on-call covered employee who does not inform SMS of his/her use of alcohol and exhibits signs of alcohol misuse, he/she may be subject to reasonable suspicion testing. If the test indicates a breath alcohol concentration level of 0.02, or greater, he/she will be in violation of this policy.

A regularly scheduled covered employee or a covered employee who is given more than four hours notice of the requirement to report for duty must not consume alcohol four hours prior to performing a safety-sensitive function. The option of claiming ability to perform a safety-sensitive function and being tested to prove the ability does not apply.

Prescription/Over-the Counter Drug Use

It is SMS' policy that all employees performing safety-sensitive duties may possess and use medically authorized prescription or over-the-counter drugs at work as long as the prescription or over-the-counter drugs do not have disabling effects or otherwise affect

the covered employee's fitness for duty or job performance. SMS requires that covered employees report the use of prescription or over-the-counter drugs, which could have a disabling effect or otherwise adversely affect the covered employee's fitness for duty or job performance to his or her immediate supervisor or the Program Manager. It is the covered employee's responsibility to determine from the physician, pharmacist, or other health care professional whether or not the prescribed or over-the-counter drugs could affect the covered employee's fitness for duty or impair job performance. Upon reporting the use of prescription or over-the-counter drugs, covered employees may be required to provide a written medical authorization to work from a physician. Under SMS' authority, failure to report the use of prescription or over-the-counter drugs which have disabling effects or otherwise affect the covered employee's fitness for duty while at work and failure to provide proper evidence of medical authorization to work may result in discipline, up to and including discharge.

Work Performance

The presence or treatment of a substance abuse problem does not excuse a covered employee from meeting performance, safety, or attendance standards or following other SMS instructions. In no circumstances may a covered employee invoke protection under this policy as a means to avoid disciplinary actions resulting from poor work performance, misconduct at work, or a positive test result. A voluntary request for assistance will not shield a covered employee from disciplinary action resulting from on-the-job conduct or work performance. Covered employees remain responsible for their on-the-job conduct and work performance.

Covered Employee Responsibility

SMS expects and requires the support of all covered employees in meeting its commitment to providing a drug and alcohol free work environment. Each employee who observes or has knowledge of a covered employee in a condition which impairs his/her ability to perform his/her job duties or who poses a serious hazard to the safety and welfare of others has an assertive responsibility under SMS' policy to report the information to his or her immediate supervisor or the Program Manager.

Workplace Employee Responsibility

The Drug Free Workplace Act of 1988 prohibits the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance in the workplace and requires covered employees, as a condition of employment, to report any criminal activity to SMS no later than five days after a conviction. SMS shall inform its federal contracting agency of such convictions within 10 days of learning about a conviction. Covered employees convicted of workplace drug-related crimes will be subject to suspension and/or discharge. Disciplinary action will be imposed within 30 days of SMS being notified of the conviction.

Training

All covered employees will receive training regarding the SMS drug and alcohol policy, the effects and consequences of substance abuse use on personal health and safety, and the work environment. Training will also be provided regarding the manifestations and behavioral cues indicating substance abuse. The training must be at least 60 minutes in length.

All supervisors who will be responsible for determining when it is appropriate to administer reasonable suspicion drug and/or alcohol tests will receive training on the physical, behavioral, and performance indicators of probable drug use and alcohol misuse. The reasonable suspicion training must be at least 60 minutes for the alcohol program and 60 minutes for the drug program.

Testing

Participation in SMS' drug and alcohol testing program is a requirement of each covered employee. Applicants for employment in a safety-sensitive position, employees requesting transfer into a safety-sensitive position, and covered employees in a position that requires the performance of a safety-sensitive function are required to submit to drug and alcohol testing, as mandated by Federal regulations and SMS policy, as a condition of employment with SMS. The Department of Transportation (DOT) regulation 49 CFR part 40, "Procedures for Transportation Workplace Drug and Alcohol Testing Programs," prescribes the testing methods that will be used. A copy of the regulation is available from the Program Manager.

A drug test can be performed any time a covered employee is on duty. An alcohol test can be performed just before, during, or after the performance of a safety sensitive job function.

All drug and alcohol testing will be conducted in a manner which assures a high degree of accuracy and reliability by using the techniques, chain of custody procedures, and equipment and laboratory facilities which have been approved by the U.S. Department of Health and Human Services (HHS) and DOT. To ensure that test results are correctly attributed to the employee, a unique chain of custody number is assigned to each specimen. The number is marked on both the DOT chain of custody form (for employees covered under SMS' own authority, a non-DOT form will be used) and the specimen bottle, which the employee checks at the time of collection and verifies with his signature. The employee name and chain of custody number is verified at each step of the testing and reporting process.

All drug and alcohol testing will be conducted in an environment that affords maximum privacy practicable for the covered employee being tested. SMS will adhere to all standards of confidentiality, maintaining the confidentiality of the covered employee

throughout the drug and/or alcohol testing process and releasing testing records and results only to those authorized by the Federal Transit Administration (FTA) rules and state law to receive such information.

Except as provided herein, SMS will be responsible for all costs directly associated with the drug and alcohol testing specified in this policy.

Types of Testing

Pre-employment: (revised 4-2010)

All applicants for employment in safety-sensitive positions or individuals requesting to be transferred or promoted into safety-sensitive positions must submit to and pass urine testing for drugs prior to being hired or assigned to a safety-sensitive position. In addition, all applicants for or transfer to positions covered under SMS authority must submit to and pass urine testing for drugs prior to being hired or assigned to a position listed in Attachment C (2). Pre-employment tests are required of any covered employee who has been absent from work for more than ninety consecutive days and has not been in the random pool during that period. Covered employees performing non-safety sensitive light duty work as a result of an on-the-job injury will remain in the random pool if their return to safety sensitive duties is expected within ninety days.

Failure of a drug test will disqualify an applicant for employment in or transfer to a safety-sensitive position. A verified positive result on a drug test is considered to be a failure of the drug test. A refusal-to-test is considered a failure of the drug test (see Refusal to Submit to a Test, page 15). An applicant who has failed a pre-employment drug test will be referred to a Substance Abuse Professional (SAP), but is not eligible for evaluation under SMS' Employee Assistance Program. Unless otherwise provided by law, an applicant who has failed a pre-employment drug test for SMS or any drug and/or alcohol test for any other DOT-regulated employer will be ineligible to submit another application for employment with SMS, unless the applicant documents that he/she:

- Has been evaluated by an acceptable SAP;
- Successfully completed the education and/or treatment plan recommended by the SAP;
- Has been reevaluated by the SAP; and
- The SAP has determined the applicant is able to perform safety-sensitive functions in compliance with DOT and FTA regulations.

A cancelled (except a test result considered "invalid-cancelled" with adequate medical explanation) or dilute-negative pre-employment test will result in SMS requiring the applicant to submit to a second pre-employment test. Should the second test after a dilute-negative test also produce a dilute-negative result then no additional testing will be required and it will be considered a negative test result. The inability, without a valid medical reason, of an applicant for employment for a position listed in Attachment C attached hereto to provide an adequate specimen for a pre-employment drug test will

be considered to be a failure of the test. The applicant will be eligible for a referral by SMS Medical Review Officer (MRO) for a medical evaluation to determine if the inability to provide a specimen is for a valid medical reason.

Reasonable Suspicion:

Covered employees will be required to submit to urine testing for drugs and/or alcohol breath testing when there is a reasonable suspicion that the covered employee is under the influence of a prohibited drug or has used alcohol in violation of SMS' policy. The authorization to administer a reasonable suspicion test will be made by a supervisor trained to identify the signs and symptoms of drug use and alcohol misuse. The authorization will be based on the supervisor's specific, contemporaneous observations concerning the appearance, behavior, speech, or body odor of the covered employee. Drug testing is authorized only if the observations are made while the covered employee is on duty. Alcohol testing is authorized only if the observations are made during, just preceding, or just after the period of the workday that the covered employee is required to be performing safety sensitive functions.

When a covered employee has been notified that he/she will be required to submit to reasonable suspicion drug and/or alcohol testing, he/she must report immediately to the collection site designated by SMS. An SMS staff person will transport and accompany the employee to the collection site. Should an alcohol test be delayed for more than two hours, the reasons for the delay must be documented.

The SMS staff member initiating a reasonable suspicion test will be responsible for documenting the reasons for the suspicion and the facts or circumstances of the incident which precipitated the reasonable suspicion testing. All documents generated in connection with decisions to administer a reasonable suspicion drug and/or alcohol test will be maintained by the Designated Employer Representative (DER).

Post-accident:

Post-accident drug and alcohol tests required by this policy are in addition to and/or separate from any tests conducted for law enforcement purposes.

An accident is defined as an occurrence associated with the operation of a vehicle² in which:

- An individual dies (testing is always done if there is a fatality, even if the covered employee is determined not to have contributed to the accident), or

² “ ‘An occurrence associated with the operation of the vehicle’ means that the accident or incident must be directly related to the manner in which the driver applies the brake, accelerates, or steers the vehicle. Operation of a vehicle does not include operation of the lift. An accident could be the result of a collision with another vehicle or pedestrian or could be associated with an incident that occurs on the vehicle without any contact with another vehicle (i.e. a passenger falls on the bus due to the manner in which the vehicle is operated.)” *FTA Drug and Alcohol Updates Issue 20, page 4.*

- An individual involved in the accident suffers a bodily injury and immediately receives medical treatment away from the scene of an accident, or
- One or more of the vehicles involved incurs disabling damage is towed away from the scene (disabling damage does not include a vehicle towed away at night for convenience for repairs that could otherwise have been completed on-site during daylight hours).

Following a fatal accident, the surviving covered employee operating the vehicle at the time of the accident must be tested. Covered employees, not on the vehicle, whose performance could have contributed to the accident must also be tested, as determined by the Regional Manager, Program Manager or designee using the best information available at the time of the decision.

Following a nonfatal accident, the covered employee who is operating the vehicle at the time of the accident will be subject to drug and alcohol testing unless SMS determines, using the best available information at the time of the decision, that said covered employee's performance could be completely discounted as a contributing factor to the accident. In addition, any covered employee not on the vehicle whose performance could have contributed to the accident, as determined by the Regional Manager, Program Manager, or designee using the best information available at the time of the accident, will be subject to drug and alcohol testing.

The supervisor's decision-making process to test or not to test will be documented and maintained as part of the accident file.

Post-accident drug and alcohol tests should be performed within 2 hours of the accident, or as soon as possible, but no longer than 8 hours following the accident for alcohol and 32 hours for drugs. If tests are not completed within 2 hours, the reasons for the delay should be documented. If an alcohol test is not conducted within 8 hours, or a drug test within 32 hours, all attempts to test should cease and the reason for the delay should be documented.

If the covered employee to be tested was injured in the accident, the requirement to test for drugs and alcohol should not delay necessary medical attention, but said testing could be administered simultaneously to the covered employee receiving necessary medical attention. In order for testing to proceed, the injured employee must be conscious and able to provide a urine sample in the normal way he/she would if not injured.

The requirement to test for drugs and alcohol following an accident should in no way delay or prohibit a safety-sensitive employee from leaving the scene of an accident to obtain assistance in responding to the accident or to obtain necessary emergency medical care for him/herself or others.

When a covered employee has been notified that he/she will be required to submit to post-accident drug and/or alcohol testing, he/she must report immediately to the collection site designated by SMS. Any covered employee involved in an accident must remain readily available for alcohol testing for up to eight (8) hours after the accident and should refrain from using alcohol for eight hours following an accident or until the employee has submitted to the required post accident tests (whichever comes first). Any covered employee involved in an accident must remain readily available for drug testing for up to 32 hours after the accident. The covered employee is responsible for notifying SMS of his or her location if he or she leaves the scene of the accident prior to submission to testing. Failure by the covered employee to remain readily available may be determined to be a refusal to submit to testing.

Random:

All covered employees will be subject to random and unannounced drug and/or alcohol testing. When a covered employee has been notified that he/she has been selected for testing, he/she must report immediately to the collection site designated by SMS. Random alcohol testing will only be conducted just before, during, and just after performing a safety sensitive function.

The random selection will be by a scientifically valid method, such as a random number table or a computer based random number generator. Tests will be reasonably spread throughout the year. All covered employees will have an equal chance of being selected for testing and will remain in the random selection pool even after being tested. For example, it is possible for some covered employees to be tested several times in one year, and other covered employees not to be tested for several years. The FTA sets the testing rates for drugs and alcohol annually and SMS will comply with those testing rates.

Return to Duty:

A covered employee who has engaged in an activity that violates this policy may, in certain cases, be permitted to continue his/her employment. In these cases, prior to being permitted to perform safety sensitive functions, the employee must meet with a Substance Abuse Professional (SAP) who is satisfactory to SMS. The SAP will conduct a face to face interview to evaluate the employee's need for education and/or treatment for drug and/or alcohol abuse. The SAP may refer the employee to complete an education or treatment program. Following completion of the recommended program, the employee must meet again with the SAP to determine whether the covered employee has successfully followed the recommendations for action by the SAP. The SAP will report his findings to SMS.

Based on a favorable SAP report, SMS will make the decision whether to allow the employee to return to work. Following an SMS decision to return the employee to work, the employee must pass a return to duty drug test and/or submit to a breath alcohol test with a result showing an alcohol concentration level of less than 0.02. In accordance

with federal regulations, observed collections are required for return to duty drug tests. Cancelled tests will require a submission of a second sample for drug testing.

Follow-up:

A covered employee who has been permitted to return to duty will be subject to unannounced follow-up drug and/or alcohol testing. In accordance with federal regulations, observed collections are required for follow-up drug tests. The frequency and duration of the follow-up testing will be recommended by the SAP and will follow FTA regulations. At the minimum, FTA regulations require at least six (6) unannounced follow-up tests during the first twelve (12) months that an employee is performing safety sensitive functions. Follow-up testing is separate from and in addition to any random tests the employee may be selected for.

When a covered employee has been notified that he/she has been selected for testing, he/she must report immediately to the collection site designated by SMS. The follow-up test must, in all cases, be a negative test. Cancelled tests will require a submission of a second sample for drug testing.

Drug Testing Procedures

Drug testing will be conducted using laboratory testing of urine specimens for the following drugs:

- Marijuana Metabolites
- Cocaine Metabolites
- Opiate Metabolites
- Phencyclidine
- Amphetamines

All urine specimens will be collected at a collection site, designated by SMS, which meets the guidelines established by the Department of Transportation under 49 CFR Part 40 as revised. Validity testing will be conducted on all urine specimens provided for testing under DOT authority. The collection site personnel will be responsible for maintaining the integrity of the specimen collection and transfer process and for protecting the dignity and privacy of the covered employee providing the sample. The process includes separating the specimen into two bottles and sealing them in the employee's presence.

Chain of custody procedures, using DOT urine custody and control forms, will be used throughout the collection and analysis process to ensure that test results will be attributed to the correct covered employee. The DOT "Urine Custody and Control Form" (CCF) documents the chain of custody and is legal evidence that the reported test results apply to the donor. For employees tested under SMS authority, a non-DOT custody and control form will be used.

Observed Collection

Under some circumstances, an observed collection is required. The observer must be the same gender as the employee. Refusal to allow a direct observation collection is considered a refusal-to-test.

The collector **must** do a direct observation if:

- The employee attempts to tamper with his or her specimen at the collection site (examples: the specimen temperature is out of range, the specimen shows signs of tampering such as an unusual color or odor, or the collector observes employee conduct suggesting tampering).
- The Medical Review Officer (MRO) orders direct observation because the employee's original specimen was found by the lab to be invalid and the MRO finds that there was no adequate medical explanation for the results, or the original positive, adulterated or substituted test result had to be cancelled because the test of the split specimen could not be performed.
- The test is a follow-up test.
- The test is a return-to-duty test.

Return to Duty After Specimen Collection

A covered employee who is required to submit to random or follow-up drug testing may be returned to duty immediately following specimen collection. If the covered employee is subject to random or follow-up alcohol testing, the covered employee's return to duty will be dependent upon the outcome of the breath alcohol testing.

A covered employee who is required to submit to a reasonable suspicion drug test will not be permitted to return to duty and will be placed on a paid leave pending the receipt by SMS of a verified test result.

Drug Test Results

All drug test results will be reported by the testing laboratory to a qualified MRO designated by SMS. The MRO will be responsible for verifying drug test results. The MRO will review and interpret a covered employee's confirmed positive drug test by reviewing the individual's medical history and affording the covered employee an opportunity to offer any clarifying information that would explain a positive test result. The MRO will report each verified positive test result to SMS and will notify each covered employee who has a verified positive test result.

Dilute Test Results (added 4/2010)

Urine specimens are routinely tested for dilution by measuring creatinine levels and the specific gravity of the sample. Dilution can be caused by an individual adding water or other liquids to a sample, or by an individual consuming large quantities of liquids, especially those containing diuretics (coffee, soda, tea, etc.).

When SMS is notified by the MRO that a test result is positive-dilute, the test will be treated as a verified positive test.

Under SMS authority, employees with negative-moderately dilute results (creatinine level greater than 5mg/dL and less than 20mg/dL) will be required to submit to a re-test. In cases where the specimen is negative-very dilute (creatinine level greater than or equal to 2mg/dL and less than or equal to 5mg/dL), the employee will be required to submit to a re-test under direct observation. The result of the second collection will be the test result of record. If the second collection is also negative-dilute, unless directed by the MRO to perform another observed collection, the test result will stand as negative-dilute. If an employee declines to take a second test as requested, the employee has refused testing.

Positive Drug Test Results

A covered employee who has a verified positive drug test result, including dilute specimens testing positive, will be immediately removed from his or her safety-sensitive position, referred to a SAP for evaluation and advised of resources available to evaluate and resolve problems associated with drug abuse. **It is SMS policy that the covered employee who has a verified positive drug test will be subject to discipline, up to and including termination.**

If the MRO verified a drug test as positive for a drug or drug metabolite, or as a refusal-to-test because of adulteration or substitution, the employee must be notified of his/her right to have the split specimen tested. A covered employee will have 72 hours, including holidays and weekends, from the time of notification to the employee by the MRO in which to request that the split specimen be analyzed at a different HHS-approved laboratory. Employees do not have access to a test of their split specimen following an invalid result. The covered employee will be responsible for paying the cost of the split sample testing.

If the result of the test of the split specimen fails to confirm the presence of the drug(s) or drug metabolite(s) found in the primary specimen or fails to confirm the finding of an adulterated or substituted specimen, the MRO will cancel the test, and report the cancellation and the reasons for it to SMS and the covered employee. **The covered employee will be returned to duty and will be compensated for time or benefits lost as a result of the positive drug test result. SMS will reimburse the employee for the cost of the split sample testing.**

The request by a covered employee for an analysis of the split specimen will not delay the removal of the covered employee from his/her safety-sensitive position.

Breath Alcohol Testing Procedures

All breath specimens must be collected through the use of an evidential breath testing device (EBT) approved by the National Highway Traffic Safety Administration (NHTSA). The breath alcohol tests will be conducted by a trained breath alcohol technician (BAT) at a site that provides privacy to the covered employee being tested to the greatest extent practicable. Prior to specimen collection, the covered employee and the BAT must complete, date, and sign a DOT Alcohol Testing Form (ATF) indicating that the covered employee is present and providing a breath specimen. For employees covered under SMS' own authority, a non-DOT form will be used. Refusal to sign the ATF is considered a refusal-to-test.

The BAT will conduct an initial screening test, requiring the covered employee to blow forcefully into a disposable mouthpiece, attached to the EBT, for at least six seconds or until an adequate amount of breath has been obtained. Following the initial screening test, the BAT will show the covered employee the result displayed on the EBT, or the printed result.

If the result of the initial screening test is an alcohol concentration of 0.02 or greater, a confirmation test will be conducted. The confirmation test will be conducted at least 15 minutes, but not more than 30 minutes, after the completion of the initial screening test. The covered employee must remain in the presence of the BAT during the waiting period. The confirmation test will be conducted using the same procedures as the initial screening test. A new mouthpiece will be used. Before the confirmation test is administered, the BAT will conduct an air blank test on the EBT.

If the results of the initial screening test and the confirmation test are not identical, the confirmation test result will be deemed to be the final result.

Following the completion of a breath alcohol test, the BAT and the covered employee will be required to sign and date the breath alcohol testing form certifying that the results shown belong to the covered employee being tested. The BAT will be responsible for transmitting all test results to SMS in a confidential manner.

If a covered employee attempts and fails to provide an adequate amount of breath, the BAT will note this on the alcohol testing form and notify SMS' DER. The DER will direct the employee to obtain, within five (5) days, an evaluation from a licensed physician, who is acceptable to the employer, who has expertise in the medical issues raised by the employee's failure to provide a sufficient specimen.

Breath Alcohol Test Results

If the results of the breath alcohol test are below 0.02, the covered employee may be returned to work immediately.

Under SMS authority, a confirmed alcohol concentration of 0.02 or greater will be considered a positive breath alcohol test result and a violation of this policy.

As required by the FTA, if the results of the breath alcohol test are 0.02 or greater, but less than 0.04, the employee will not be permitted to return to duty until the start of his/her next regularly scheduled shift and not less than eight hours following the test. Under SMS authority, the employee may be subject to discipline, up to and including suspension and/or discharge.

As required by the FTA, if the results of the breath alcohol test are 0.04 or greater, the employee will be immediately removed from his/her safety-sensitive position, advised of the resources available to evaluate and resolve problems associated with alcohol misuse, and be evaluated by an SAP. Under SMS authority, the employee will be subject to discipline, up to and including suspension and/or discharge.

A covered employee with a breath alcohol concentration level of 0.02 or greater will be provided transportation to his/her residence. If the covered employee insists on driving and has a blood alcohol level above the legal limits, law enforcement will be notified.

Refusal to Submit to a Test (revised 4-2010)

Any covered employee who refuses to submit to a drug or alcohol test will be considered to be in violation of this policy and, under SMS authority, will be subject to discipline, up to and including discharge.

As an *applicant* or employee, you have refused to test if you:

- Fail to appear as directed for any test within a reasonable time, as determined by SMS, *except in pre-employment testing.*
- Fail to remain at the collection site until the collection process is complete, *except in pre-employment testing.*
- Abort the collection before the commencement of test, *except in pre-employment testing.*
- Fail to provide sufficient quantities of breath or urine to be tested without a valid medical explanation for the failure.
- Fail to undergo a medical examination or evaluation, as directed by the MRO as part of the testing process.
- Refuse to sign the certification on the Alcohol Testing Form (ATF).
- Fail to cooperate with any part of the testing process.

- Decline or fail to take a second test as directed by SMS or the collector.
- Tamper with or attempt to adulterate the specimen or collection procedure.
- Fail or decline to report to the testing facility for a post accident test, when directed to do so by SMS.
- In the case of a required directly observed or monitored collection in a drug test, fail to permit the observation or monitoring of your provision of a specimen.
- Fail or decline to take a second test SMS or the collector has directed you to take.
- Failure to follow the observer's instructions during an observed collection including instructions to raise your clothing above the waist, lower clothing and underwear, and to turn around to permit the observer to determine if you have any type of prosthetic or other device that could be used to interfere with the collection process.
- Possess or wear a prosthetic or other device that could be used to interfere with the collection process.
- Admit to the collector or MRO that you adulterated or substituted the specimen.

A refusal to submit to a drug or alcohol test is considered a positive test under USDOT and FTA regulations, and SMS policy. The employee will be referred to a SAP for evaluation and advised of the resources available to evaluate and resolve problems associated with drug and alcohol abuse. The employee will be subject to discipline up to and including termination. The employee will be provided transportation to his/her residence.

Discipline

The FTA regulations do not mandate any specific disciplinary action; all discipline is applied under SMS' authority and discretion. Compliance with SMS' Drug and Alcohol Policy is a condition of employment for all covered employees. For covered employees, a violation of any part of SMS' Drug and Alcohol Policy may result in discipline, up to and including discharge.

In the following circumstances, violation of the policy will automatically result in discharge:

- Any failure of a return-to-duty drug or alcohol test
- Any failure of a follow-up drug or alcohol test
- Any second failure of any drug or alcohol test not listed above
- Failure to sign a return-to-duty agreement with SMS
- Failure to cooperate fully with the Substance Abuse Professional and any plan for treatment or education
- Refusal to submit to a drug or alcohol test as defined in this policy

- Failure to notify SMS of a conviction for any violation of a criminal drug statute within five (5) days or a conviction for any violation of a criminal drug statute committed in the workplace

In the case of positive drug or alcohol tests not listed above, SMS may chose to allow the employee to continue his employment (under specified conditions identified in a return to work agreement), and may offer the employee a “second chance.” SMS may consider the covered employee's work record regarding the offer of a “second chance.”

Covered employees who are discharged as a result of violating the Drug and Alcohol policy will be given information about treatment programs available in the community and referred to a Substance Abuse Professional (SAP) for evaluation.

Required Treatment

In the event that a continuing covered employee is referred for treatment by a SAP, said covered employee may be required to satisfactorily complete an approved drug or alcohol treatment program and aftercare as a condition of continuing employment.

Work absences for treatment purposes may qualify for available sick leave and vacation benefits, provided the covered employee is following the prescribed treatment program. If sick leave and vacation leave have been exhausted, the covered employee will be placed on a medical leave of absence without pay. Covered employees working under an agreement that they satisfactorily complete an approved program of drug and/or alcohol dependency treatment will be required to submit to follow-up drug and/or alcohol testing to verify continued abstinence from drugs and/or alcohol for at least 12 but not more than 60 months. The frequency and duration of the follow-up testing will be recommended by the SAP, with a minimum of 6 tests during the first 12 months after the covered employee has returned to duty.

Return to Work Agreement

Covered employees who are permitted to return to work after having violated this policy, or who have voluntarily obtained treatment prior to a violation of this policy will be required to sign a return to work agreement prior to being permitted to return to his/her safety-sensitive position. The agreement may include, but is not limited to the following requirements:

- A release to work statement from an approved Substance Abuse Professional.
- A negative test for drugs and/or alcohol.
- An agreement to follow-up testing.
- A statement of expected work-related behaviors.
- An agreement to follow specified aftercare requirements.

- An expressed understanding that violation of the return to work agreement may result in discipline, up to and including discharge.

The return to work agreement is not a guarantee of continued employment. Covered employees working under a return to work agreement must also follow all other SMS policies and procedures.

Confidentiality and Record Release

SMS will maintain all records regarding the drug and/or alcohol testing of covered employees in a secure manner so that the disclosure of information to unauthorized persons does not occur. SMS will only release information regarding the drug and/or alcohol testing of covered employees to those individuals, and in those circumstances, as specified in the Federal regulations.

Drug/alcohol testing records will be maintained by the Drug and Alcohol Program Manager and, except as provided below or by law, the results of any drug/alcohol test will not be disclosed without express written consent of the tested employee.

- The employee, upon written request, is entitled to obtain copies of any records pertaining to their use of prohibited drugs or misuse of alcohol including any drug or alcohol testing records. Covered employees have the right to gain access to any pertinent records such as equipment calibration records, and records of laboratory certifications. Employees may not have access to SAP referrals and follow-up testing plans.
- Records of a verified positive drug/alcohol test result will be released to the Drug and Alcohol Program Manager and other SMS personnel on a need-to-know basis.
- Records will be released to a subsequent employer only upon receipt of a written request from the employee.
- Records of an employee's drug/alcohol tests will be released to the adjudicator in a grievance, lawsuit, or other proceeding initiated by or on behalf of the tested individual arising from the results of the drug/alcohol test. The records will be released to the decision-maker in the proceeding. The information will only be released with binding stipulation from the decision-maker that the information will be available only to the parties in the proceeding.
- Records will be released to the National Transportation Safety Board during an accident investigation.
- Records will be released to the DOT or any DOT agency with regulatory authority over SMS or any of its employees.
- Records will be released if requested by a Federal, state or local safety agency with regulatory authority over SMS or the employee.

- If a party seeks a court order to release a specimen or part of a specimen contrary to any provision of Part 40, as amended, necessary legal steps to contest the issuance of the order will be taken.
- Records will be released when requested by SMS's funding agencies that must certify compliance with the federal drug and alcohol regulations to the FTA.

All applicants or transferees are required to sign a release of information directed to their previous DOT-regulated employers that requires the provision of the individual's Drug and Alcohol testing records for the prior two years. The applicant or transferee is required to inform SMS of any positive drug pre-employment tests or refused-to-test for pre-employment drug tests for any DOT-regulated potential employer. If the applicant has a positive pre-employment drug test for another DOT-regulated potential employer or a positive drug test for a DOT-regulated employer, the application will be rejected by SMS, unless the applicant has successfully completed return-to-duty procedures.

ATTACHMENT A

Special Mobility Services Drug and Alcohol Abuse Policy

Additional Information

Questions about this policy or SMS' testing program can be directed to the General Manager, Fred Stoffer (1-800-452-2085) or the following SMS employees:

Designated Employer Representative (DER) and Drug and Alcohol Program Manager
Beth Mulcahy
2101 NE Flanders
Portland OR 97232
1-800-452-2085

Program Manager, Eugene
David Braunschweiger
240 Garfield
Eugene, OR 97402
(541) 682-6465

Regional Manager, Spokane
Rusty Koontz
N. 728 Fiske
Spokane, WA 99202
(509) 534-9505

ATTACHMENT B***Special Mobility Services Drug and Alcohol Abuse Policy*****Terms and Definitions**

Alcohol: As defined by the FTA, the intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohols including methyl or isopropyl alcohol.

As defined by SMS, alcohol means any alcoholic beverage containing more than one half of one percent alcohol by volume, and every liquid or solid, patented or not, containing alcohol, and capable of being consumed by a human being.

Alcohol Use: The consumption of any beverage, mixture, or preparation, including any medication, containing alcohol.

Breath Alcohol Technician (BAT): An individual who instructs and assists individuals in the alcohol testing process and operates an EBT.

Chain of Custody: Procedures to account for the integrity of each urine specimen by tracking its handling and storage from point of specimen collection to final disposition. These procedures require that a DOT drug testing control and custody form be used at the time of collection to receipt by the laboratory and that upon receipt by the laboratory (an) appropriate chain of custody form(s) account(s) for the sample within the laboratory.

Controlled Substance: As defined by SMS, controlled substance means any drug or its immediate precursor classified in Schedules I through V under the Federal Controlled Substances Act, 21 USC Sections 811 to 812, as modified under ORS 475.035. The use of the term "precursor" in this subsection does not control and is not controlled by the use of the term "precursor" in ORS 475.940, 475.950, and 475.955. In addition, manufactured drugs recognized by health and law enforcement agencies that are not included in Schedules I through V under the Federal Controlled Substances Act, 21 USC Sections 811 to 812, as modified under ORS 475.035 are considered to be controlled substances.

Covered employee: Any employee who is employed in a position covered by this policy. Said positions are listed in Attachment C attached hereto.

Designated Employer Representative (DER): The employer's representative that is responsible for administering the employer's DOT and FTA drug and alcohol testing program.

Department of Transportation (DOT): The U.S. Department of Transportation which oversees the rules regarding the Drug and Alcohol Testing programs of the operating agencies, e.g. the FTA, etc.

Drug Test Results: All drug test results will be reported by the testing laboratory to a qualified MRO designated by SMS. Laboratories report to the MRO the following results:

- Negative
- Negative – dilute
- Rejected for testing, with remarks
- Positive – with drug(s)/metabolite(s) noted
- Positive – with drug(s)/metabolite(s) noted – dilute
- Adulterated, with remarks
- Substituted, with remarks
- Invalid result, with remarks

Federal Transit Administration (FTA): An operating agency of the U.S. Department of Transportation. The FTA has specific rules that a recipient of Federal Transportation funds must follow regarding the requirements for a drug and alcohol testing program.

Medical Review Officer: A licensed physician (medical doctor or doctor of osteopathy) responsible for receiving laboratory results generated by an employer's drug testing program who has knowledge of substance abuse disorders and has appropriate medical training to interpret and evaluate an individual's confirmed positive test results together with his/her medical history and any other relevant biomedical information.

Over-The-Counter-Drugs/Medications: Those drugs/medications which are legally available without a prescription.

Performing a Safety-Sensitive Function: A covered employee is considered to be performing a safety-sensitive function and includes any period in which he or she is actually performing, ready to perform, or immediately available to perform such functions.

Prescription Drugs/Medications: Those drugs/medications which are used in the course of medical treatment and have been prescribed and authorized for use by a licensed practitioner/physician or dentist.

Safety-Sensitive Function:

Any of the following duties:

- Operating a revenue service vehicle, including when not in revenue service
- Operating a non-revenue service vehicle, when required to be operated by a holder of a Commercial Driver's License
- Controlling dispatch or movement of a revenue service vehicle
- Maintaining a revenue service vehicle or equipment used in revenue service except for contractors to Section 5311 (Formerly Section 18) transit agencies
- Carrying a firearm for security purposes

Safety Sensitive Positions: A position or job category that requires the performance of a safety-sensitive function. A list of safety-sensitive positions at SMS, as defined by the Federal regulations and SMS policy, is attached to this policy.

Substance Abuse Professional: A licensed physician (medical doctor or doctor of osteopathy), or a licensed or certified psychologist, social worker, employee assistance professional, or addiction counselor (certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission or by the International Certification Reciprocity Consortium/Alcohol and other Drug Abuse) or a state licensed or certified marriage and family therapist. All must have knowledge of and clinical experience in the diagnosis and treatment of controlled substances-related disorders.

Split Specimen Outcomes:

- Reconfirmed – The split specimen tested as a positive. The MRO informs the employee and the DER that the second test confirmed the results of the first test. If an adulterated or substituted specimen is reconfirmed, the MRO reports a “refusal to test” to the employee and DER.
- Failed to Reconfirm: Drug(s)/Drug Metabolite(s) Not Detected – The MRO reports to the employee and DER that both tests are cancelled.
- Failed to Reconfirm: Adulteration or Substitution Criteria Not Met – The MRO reports to the employee and DER that both tests are cancelled.
- Failed to Reconfirm: Specimen Not Available for Testing – The MRO reports to the employee and DER that both tests are cancelled. The MRO directs the DER to send the employee for immediate recollection under direct observation.

ATTACHMENT C
Special Mobility Services Drug and Alcohol Abuse Policy

This policy shall be applied to the following positions:

Safety-Sensitive Positions

1. The following positions perform safety-sensitive functions and are covered under **federal** authority:

Program Manager

Operations Manager

Driver Supervisor

Dispatcher/Scheduler

Driver (Eugene-all drivers; Spokane-federally-funded program drivers)

Mechanic I

Mechanic II

2. *The following positions are covered under **SMS**' authority:*

Volunteer Coordinator (Eugene)

Customer Service Representative (Eugene)

Driver (non-federal service in Spokane)

Brokerage Manager

Billing Clerk

Lead Customer Service Representative (Eugene)

**Special Mobility Services
Drug and Alcohol Abuse Policy
Employee Certification Form**

*I hereby certify that I have received, read and understand Special Mobility
Services' Drug and Alcohol Abuse Policy on this _____ day of _____
_____, 200_.*

Employee's Signature

Special Mobility Services

Cost Allocation Plan

Purpose

The purpose of this cost allocation plan is to summarize, in writing, the methods and procedures that this organization will use to allocate costs to various programs, grants, contracts and agreements.

OMB Circular A-122, "Cost Principles for Non-Profit Organizations," establishes the principles for determining costs of grants, contracts and other agreements with the Federal Government. These principles also apply, by reference, to certain contracts. Special Mobility Services' Cost Allocation Plan is based on the Direct Allocation method described in OMB Circular A-122. The Direct Allocation Method treats all costs as direct costs except general administration and general expenses.

Direct costs are those that can be identified specifically with a particular contract or program. Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular contract or program.

Only costs that are allowable, in accordance with the cost principles, will be allocated to programs or contracts.

General Approach

The general approach of Special Mobility Services in allocating costs to particular grants and contracts is as follows:

- A. All allowable direct costs are charged directly to programs, grants, contracts, etc.
- B. Allowable direct costs that can be identified to more than one program are prorated individually as direct costs using a base most appropriate to the particular cost being prorated.
- C. All other allowable general and administrative costs (costs that benefit all programs and cannot be identified to a specific program) are allocated to programs, grants, etc. using a base that results in an equitable distribution.

ALLOCATION OF COSTS

The following information summarizes the procedures that will be used by Special Mobility Services beginning July 1, 2006:

- A. Personnel. Documented with timesheets showing time distribution for all employees and allocated based on time spent on each program, salaries and wages are charged directly to the program for which work has been done. Personnel costs that benefit more than one program will be allocated to those programs based on time studies for management and dispatch positions and on vehicle usage (mileage) for the Mechanic (see Examples 1 and 2).
 - 1. Fringe benefits (FICA and Worker's Compensation) are allocated in the same manner as salaries and wages. Health insurance, dental insurance, and other fringe benefits are also allocated in the same manner as salaries and wages.
 - 2. Vacation pay is accrued as earned and is allocated in the same manner as salaries and wages.

- B. Vehicle-related costs (including fuel, vehicle parts, vehicle supplies, shop supplies, etc). Allocated directly to the program for which the cost was incurred, if identifiable. Vehicle costs that benefit more than one program will be allocated to those programs based on the ratio of each program's vehicle miles to the involved programs' total vehicle miles. (See examples 1 and 2).

- C. Insurance. Vehicle insurance costs are tied directly to each vehicle and charged to the appropriate program. Other insurance needed for a particular program is charged directly to the program requiring the coverage. Insurance costs that benefit all programs are allocated as part of the indirect cost rate.

- D. Rent, Utilities and Office Supplies (including telephone and postage). Allocated based on usage. Expenses used for a specific program will be charged directly to that program. Postage and telephone expenses are charged directly to programs to the extent possible. Where vehicle operations programs have a dedicated facility, and more than one vehicle operations program is operated from that facility; costs that benefit more than one program will be allocated to those programs based on the ratio of each program's number of vehicles to the total of the involved programs' vehicles (see Example 3).

- E. **Equipment.** Special Mobility Services depreciates equipment when the initial acquisition cost exceeds \$2,500 and it has a useful life of over one year. Items below \$2,500 are reflected in the supplies category and expensed in the current year. Unless disallowed by the awarding agency, equipment purchases funded solely through SMS funds are recovered through depreciation and are charged directly to the program using the equipment. If SMS-funded equipment is fully depreciated, “use fees” may be negotiated at a rate up to 6 2/3 percent of the cost of SMS-funded equipment. If the equipment is used in more than one program, the use fee will be charged based on the ratio of each program’s vehicle miles to total miles driven. Neither depreciation nor use fees are charged to grants if the equipment was purchased using federal funds.

- F. **Other Costs** (including travel, training, professional services, dues, licenses, fees, etc.) – Where possible, costs are allocated directly to the program generating the cost. Costs that benefit more than one program will be allocated to those programs based on the ratio of each program’s number of vehicles to the total of the involved programs’ vehicles (see Examples 3 and 4). In cases where allocating costs on the basis of the number of vehicles is not appropriate, joint costs will be allocated on a basis determined to be appropriate to the particular costs.

- G. **Unallowable Costs.** Costs that are unallowable in accordance with OMB Circular A-122, include alcoholic beverages, contributions, fines, and penalties.

Examples of Allocation Methodology

Example 1

Expense Amount = \$5,000

Costs that benefit two or more specific programs, but not all programs, are allocated to those programs based on the ratio of each program’s vehicle miles to the total of the involved programs’ total number of vehicle miles, as follows:

Grant	Mileage	%	Amount Allocated
A	20,000 miles	20%	\$1,000
C	30,000 miles	30%	\$1,500
E	50,000 miles	50%	\$2,500
Total	100,000 miles	100%	\$5,000

Example 2

Expense Amount = \$10,000

Costs that benefit **all** programs are allocated based on a ratio of each program's vehicle miles to total vehicle miles, as follows:

Grant	Mileage	%	Amount Allocated
A	20,000 miles	13%	\$1,300
B	10,000 miles	7%	\$ 700
C	30,000 miles	20%	\$2,000
D	40,000 miles	27%	\$2,700
E	50,000 miles	33%	\$3,300
Total	150,000 miles	100%	\$10,000

Example 3

Expense Amount = \$4,000

Costs that benefit two or more specific programs, but not all programs, are allocated to those programs based on the ratio of each program's number of vehicles to the total of the involved programs' number of vehicles, as follows:

Grant	Number of Vehicles	%	Amount Allocated
A	12 vehicles	30%	\$1,200
C	13 vehicles	33%	\$1,320
E	15 vehicles	37%	\$1,480
Total	40 vehicles	100%	\$4,000

Example 4

Expense Amount = \$8,000

Costs that benefit **all** programs will be allocated based on a ratio of each program's salaries to total salaries as follows:

Grant	Program Wages	%	Amount Allocated
A	\$67,500	18%	\$1,440
B	\$63,750	17%	\$1,360
C	\$75,000	20%	\$1,600
D	\$82,500	22%	\$1,760
E	\$86,250	23%	\$1,840
Total	\$375,000	100%	\$8,000

Indirect Costs

Special Mobility Services treats those allowable expenses that cannot be allocated directly to programs (grants or contracts) as indirect costs. The allocation base for the indirect cost rate is wages only. Indirect costs include general and administrative costs, such as administrative overhead and salaries. These costs are allocated based on the ratio of the total of program wages only to total administrative costs. This percentage is then applied to each program's total direct costs.

For example, if wage costs total \$555,000 and total administrative costs equal \$115,000, the indirect cost ratio would be 20.7 percent. Each program is allocated 20.7% (indirect cost rate) of its direct expenses.

Program	Program Wage Costs	20.7% of Direct Costs
A	\$41,000	\$8,495
B	\$103,000	\$21,342
C	\$411,000	\$85,163
Total	\$555,000	\$115,000

Board of Directors
Special Mobility Services, Inc.

Board Member	Address	Position
Fred Stoffer	2309 NE Brazee Portland, OR 97212	President
Cynthia Parnell	PO Box 250 Gleneden Beach OR 97388	Recording Secretary
Sam Gillette	Carman Oaks 3800 Carman Dr. #138 Lake Oswego, OR 97035	Secretary/Treasurer
Claude Garvin	3730 SE Alder Portland, OR 97215	Chairman
George Meier	Box 452 New Denver, BC Canada V0G 1S0	Member

The Board of Directors meets quarterly, usually during the first month of the quarter.

Internal Revenue Service

FEB 07 2000

Date: February 3, 2000

Special Mobility Services Inc.
Odyssey Club
2101 NE Flanders
Portland, OR 97232-2811

Department of the Treasury

P. O. Box 2508
Cincinnati, OH 45201

Person to Contact:

Patty Dennis (31-01944)
TE/GE Customer Service Rep.

Telephone Number:

877-829-5500

Fax Number:

513-263-3756

Federal Identification Number:

93-0623709

Dear Sir or Madam:

This letter is in response to your correspondence dated December 22, 1999 requesting a copy of your organization's determination letter. This letter will take the place of the copy you requested.

Our records indicate that a determination letter issued in January 1985 granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Special Mobility Services Inc.
Odyssey Club
93-0623709

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. You are also required to make available for public inspection a copy of your organization's exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,



Robert C. Padilla
Manager, Customer Service

**PUBLIC TRANSPORTATION
CURRENT SERVICE LEVEL COLLECTION FORM
FOR THE PERIOD OCTOBER 1, 2010 THROUGH SEPTEMBER 30, 2011**

Instructions: Prepare a separate form for each route or service segment. Save file under a unique name for each route.

PROVIDER NAME:		SPECIAL MOBILITY SERVICES					
SERVICE AREA:		PRIEST RIVER					
TYPE OF SERVICE: (Check One)	<input type="checkbox"/>	Fixed Route Bus: transit service that operates on fixed routes and schedules regardless of whether a passenger actively requests a vehicle					
	<input checked="" type="checkbox"/>	Deviated Fix Route Bus: transit Service that operates along a fixed alignment or path at generally fixed times, but may "deviate" from the route to collect or drop off passengers who have requested the deviation.					
	<input type="checkbox"/>	Demand Response: transit service comprised of passenger cars, vans or buses operating in response to requests from passengers or their agents who then dispatch a vehicle to pick them up and transport them to their destinations.					
	<input type="checkbox"/>	Intercity Bus: regularly scheduled service using a bus that operates with limited stops between two urbanized areas or connecting rural areas to an urbanized area.					
NAME OF ROUTE OR SERVICE SEGMENT (e.g. Blue Route):			Priest River Shuttle				
DAYS OF WEEK (M,T,W,Th,F,Sa,Su):		M, W, Th, F		HOURS OF DAY:		8:45 AM AND 4:45 PM	
PRIMARY/ TARGET RIDER(s)	General Public		OTHER RIDERS ALLOWED TO USE THIS SERVICE		Elderly, Disabled		
BRIEF DESCRIPTION OF ROUTE OR SERVICE SEGMENT (e.g. "service along Main Street to shopping mall and City Hall"):			Service from Priest River to Newport via Hwy 2 with continuing service to Spokane				
LOCAL MOBILITY MANAGEMENT NETWORK STRATEGY NUMBER(S) CORRESPONDING TO THIS SERVICE DESCRIPTION:						1A.L004	
PROVIDE TOTALS FOR THE 12-MONTH PERIOD OCTOBER 1, 2010 THROUGH SEPTEMBER 30, 2011 FOR EACH OF THE FOLLOWING DESCRIPTORS FOR THIS ROUTE OR SERVICE SEGMENT WITHIN THE PROVIDER'S SERVICE AREA							
Days with Service	198	Passenger Trips	340	Vehicle Revenue Hours	132	Vehicle Revenue Miles	4,752
PROVIDE THE AGGREGATED PEAK CAPACITY FOR ALL VEHICLES SERVING THIS ROUTE OR SERVICE SEGMENT ON A "TYPICAL" DAY							
Passenger Seating Capacity	14	Wheelchair Station Capacity	4	Peak No. of Vehicles	1	Peak Headway / Service Frequency	0

DIRECTIONS FOR FORM

Introduction:

This form is used to develop a baseline that defines and describes the current level of services provided by your organization to stakeholders within the local mobility management network(s) in your area. This information will be included within the local mobility coordination plans for the LMMN's as an addendum. Information must be provided for each of routes or service segments.

Information provided includes the following:

- | | | |
|------------------------------------|----------------------------------|---|
| 1. Provider name | 2. Service area | 3. Type of service |
| 4. Name of route | 5. Days of the week for services | 6. Hours of the day for services |
| 7. Primary/target ridership | 8. Other ridership | 9. Brief narrative description of the route |
| 10. LMMN strategy for this service | 11. Numerical data | |

Numerical data is described below and must be provided in total by route or service segment for the 12-month period October 1, 2009 - September 30, 2010.

SERVICE DESCRIPTOR	DEFINITION	CALCULATION
Days with Service	The number of days when service was actually operated.	By route or service segment, the number of days out of 365 during which service was provided. For demand response services, the number of days out of 365 when services are available.
Passenger Trips	The number of passengers where the riders are counted every time they board a vehicle.	The annual count by route or service segment of all one-way boardings. Return trips count as additional boardings.
Vehicle Revenue Hours	The hours driven when the vehicle is "in service" and there is an expectation of carrying passengers whether or not fares are charged. It excludes the hours the vehicle travels from the garage to start of the route and from the end of the route to the garage.	Calculate the number of revenue hours during the 12-month period for <u>all</u> vehicles serving this route or service segment.
Vehicle Revenue Miles	The miles driven when the vehicle is "in service" and there is an expectation of carrying passengers whether or not fares are charged. It excludes the miles the vehicle travels from the garage to start of the route and from the end of the route to the garage.	Calculate the number of revenue miles during the 12-month period for <u>all</u> vehicles serving this route or service segment.
Peak Vehicle Capacities	Total peak passenger capacity of vehicles in daily service on the route or service segment. Data is reported for i) Total Seating Capacity; ii) Total Wheelchair Capacity; and iii) Peak Number of Vehicles.	i) Calculate the maximum aggregate total number of seats available on all vehicles concurrently serving a specific route or service segment during the peak service interval on a 'typical' day during the 12-month reporting period. ii) Calculate the maximum aggregate total number of wheelchair stations available on all vehicles concurrently serving a specific route or service segment during the peak service interval on a 'typical' day during the 12-month reporting period. iii) Calculate the maximum aggregate total number of vehicles providing service on a specific route or service segment during the peak service interval on a 'typical' day during the 12-month reporting period.
Peak Headway / Service Frequency (for scheduled services only)	The time interval between transit revenue vehicles moving in the same direction passing a specified location during the peak service period.	Calculate the time interval in minutes between transit revenue vehicles serving the route or service segment in one direction passing a specified location during the peak service interval on a 'typical' day during the 12-month reporting period.

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return) Special Mobility Services	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input checked="" type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input checked="" type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶ _____ 501c3 Not for Profit	
	Address (number, street, and apt. or suite no.) 2101 NE Flanders Street	Requester's name and address (optional)
	City, state, and ZIP code Portland, Oregon 97232	
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number

			-			-				
--	--	--	---	--	--	---	--	--	--	--

Employer identification number

9	3	-	0	6	2	3	7	0	9
---	---	---	---	---	---	---	---	---	---

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here Signature of U.S. person ▶ Kim Jarema Date ▶ 1-30-12

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.