

Alaska Community Transit  
Division of Program Development, DOT&PF  
PO Box 112500  
Juneau, AK 99811-2500

**RE: Public Comment-Proposed Distribution of SFY12 state match for public transportation**

The successful achievement for the formation of our state's historic first public transportation fund is the result of long and arduous multi-years work by many people and organizations. As such, the efforts of those dedicated to seeing its achievement necessitate very careful stewardship of the valuable and limited funds.

Distribution of the state's transportation fund monies should only be to public transportation organizations that meet strict and solid independent oversight/directorship criteria, and whose use of the matching state fund monies will solely benefit public citizenry, without benefit to any private interest of any of the organization's directing parties. As such, I recommend the following type criteria for any organization considered for funds receipt:

- 1) Most recent required annual independent audit and Form 990 completed, and copies provided to AKDOT&PF officials. Documents must confirm organization is in compliance with required public transit stipulations and financial accounting rules. An organization should not be eligible for state funding until it's operated long enough to fulfill audit and Form 990 requirements.
- 2) The auditors selected by all public transportation organizations must be certified as totally independent, and in no way associated with any private business, or personal financial interest associated with any director, manager, and/or person of influence affiliated with the public transportation organization.
- 3) All non-profit public organizations receiving state funds must have a transparent and duly formed/operating board of directors, with proof that it is meeting publically regularly (at least quarterly), with recorded minutes. It should be clear that the board is the governing body for the organization, is accessible to the public, and is not controlled or operated as an extension of a private enterprise
- 4) There should be no perceived or actual benefit to any private enterprise associated with any director, manager, and/or person of influence involved with a public transportation organization receiving state monies. If such an affiliation exists, there should be no payments/financial credit of any type allowed for that private enterprise, including any "shared" personnel associated costs, building use charges/rents, service fees, etc.
- 5) Annually, any public transportation organization receiving state monies must certify that they have properly reported/recorded all accidents to proper authorities, regardless of declared fault, and that for all accidents involving active in-service buses, the required driver drug testing was accomplished.

There is public transportation organizations which do/have operated as a private business, or as an outgrowth of such. The motivation/intent for branching into the public transportation arena is good and noble and is not called to question. However, it is important that there be clear and unequivocal separations to guard against the use of state monies to benefit personal/private financial interests, including even the appearance of possible conflicts of interest.

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Public Transportation Interested Citizen  
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