

**DURHAM-CHAPEL HILL- CARRBORO METROPOLITAN PLANNING
ORGANIZATION (DCHC MPO) PROGRAM MANAGEMENT PLAN (PMP)
FOR JOB ACCESS REVERSE COMMUTE (JARC) AND NEW FREEDOM (NF)
FUNDS**

Background and Overview

In accordance with the Federal Transit Administration’s Circular 9050.1, this Program Management Plan (PMP) documents and describes the methods or processes used by the City of Durham; the designated recipient of the Job Access Reverse Commute (JARC) and New Freedom (NF) funds to solicit, select, award and administer both JARC and NF funds. The funds come from the Federal Transit Administration and are awarded through the City of Durham to qualified public and private transportation service providers in the Durham Chapel Hill Carrboro Metropolitan Planning Organization’s (DCHC-MPO) urbanized area for the purpose of meeting unmet public transportation and human service needs of residents in the Durham-Chapel Hill-Carrboro area. This plan essentially serves as a guide to the annual project selection and monitoring process. A copy of this plan will be filed with FTA (Region 4) office, and also with the North Carolina Public Transportation Division.

The DCHC-MPO currently heads the development and coordination of the region’s public and human service transportation initiatives, as required by the SAFETEA-LU, with the goal of helping to improve or enhance transportation services for residents in the Durham, Orange and Carrboro metropolitan area, who may be low income dwellers, handicapped, seniors, children or transit-dependent through a better coordinated transportation plan. The DCHC-MPO is essentially the planning and administrative entity that oversees all MPO transportation planning functions. Consequently, this body will be responsible for the overall administration of the JARC and NF program.

The primary goal of the Program Management Plan is to increase personal mobility and travel options for those with special transportation needs and to enhance access to transit service through the coordination of existing and future services. FTA has defined the goal of the 5316 Job Access Reverse Commute (JARC) program, in the Circular FTA C 9050.1 JARC, “to improve access to transportation services, to employment, and employment related activities for welfare recipients and eligible low income individuals throughout the country.” Toward this goal, FTA provides financial assistance for transportation services planned, designed, and carried out to meet the transportation needs of welfare recipients, and other low-income populations. A Job Access Reverse Commute project is one that transports welfare recipients and eligible low-income individuals to and from jobs and activities related to employment. A reverse commute project is one that takes individuals from urbanized (cities/downtown areas) and non-urbanized areas to suburban employers.

FTA has defined the goal of the 5317 New Freedom program, in the Circular FTA C 9045.1 New Freedom; “to provide additional tools to overcome existing barriers facing Americans with disabilities seeking integration into the workforce and full participation in society. The New Freedom formula grant program seeks to expand the transportation

mobility options available to persons with disabilities beyond the requirement of the Americans with Disabilities Act of 1990.” Toward this goal, FTA provides financial assistance for transportation services planned, designed, and carried out to meet the transportation needs of individuals with disabilities. The 5316 and 5317 program(s) will be administered towards the goals and strategic objectives found in the DCHC MPO Human Coordinated Services Plan.

Program Purpose and Goals

FTA has defined the goal of the New Freedom program, in *Proposed FTA Circular 9045.1x New Freedom*; “to provide additional tools to overcome existing barriers facing Americans with disabilities seeking integration into the workforce and full participation in society. The New Freedom formula grant program seeks to expand the transportation mobility options available to persons with disabilities beyond the requirement of the Americans with Disabilities Act of 1990.” Toward this goal, FTA provides financial assistance for transportation services planned, designed, and carried out to meet the transportation needs of individuals with disabilities. The § 5317 program will be administered towards the goals and objectives of the DCHC MPO *Coordinated Public Transportation- Human Services Transportation Plan*.

The JARC (Section 5316) grant program is intended to fund the development and maintenance of transportation services designed to transport welfare recipients and eligible low-income individuals to and from jobs, and activities related to their employment. Similarly, the purpose of the NF Program, according to the FTA, is to provide improved public transportation services and alternatives to public transportation, for people with disabilities, beyond those required by the Americans with Disabilities Act of 1990 (ADA).

The goal of the Job Access and Reverse Commute Program (Section 5316) is intended to fund services designed to provide transportation to welfare recipients and eligible low-income individuals to and from employment and activities related to employment, and to transport residents of urbanized areas regardless of income level, to suburban employment opportunities.

The objectives of the program are:

- a. To increase access to job as a result of geographic or temporal coverage; and,
- b. To increase the number of rides provided

The goal of the New Freedom Program (Section 5317) is to provide improved public transportation services and alternatives to public transportation, for people with Disabilities, beyond those required by the Americans with Disabilities Act of 1990 (ADA).

The objectives of the program are:

- To increase or enhance geographic coverage, service quality and/or service times that impact availability of transportation services for individuals with disabilities;

- To add or change environmental infrastructure (e.g. transportation facilities, sidewalks, etc.), technology, and vehicles that impact availability of transportation services; and
- To increase the number of rides provided for individuals with disabilities

Roles and Responsibilities

The designated recipient of JARC and New Freedom funds in urbanized areas over 200,000 in population has the principal authority and responsibility for administering these programs. The designated recipient must be officially designated through a process consistent with 49 U.S.C. 5307(a) (2): “an entity designated in accordance with the planning process under Sections 5303, 5304, and 5306, by the chief executive officer of a State, responsible local officials, and publicly owned operators of public transportation, to receive and apportion amounts under Section 5336 that are attributable to transportation management areas identified under Section 5303.” The City of Durham is the designated recipient of both the JARC and New Freedom grants on behalf of the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC-MPO). On annual bases, DCHC will solicit, receive and select proposals for funding from both private and public transportation providers from across the DCHC-MPO region. Also, the Lead Planning Agency (LPA) of the DCHC MPO will assume the primary responsibilities associated with the competitive selection process, including: The LPA will take the lead role on all aspects of the competitive selection process, including, but not limited to:

- Notifying eligible local entities of funding availability
- Developing selection criteria
- Determining applicant eligibility
- Selecting projects for funding
- Ensuring that all sub-recipients comply with Federal requirements
- inclusion of the “selected” projects in the Metropolitan Transportation Improvement Program (MTIP), as well as inclusion in the State Transportation Improvement Program (STIP)

Technical Subcommittee

The DCHC MPO draws upon a technical subcommittee to assist in the development of a variety of materials, including the development and update of the *Coordinated Human Services Transportation Plan and* project evaluation criteria. The subcommittee represents a wide variety of special needs transportation interests, and is comprised of the following types of agencies:

- Human service transportation providers
- MPO Technical Coordinating Committee –transit subcommittees
- County departments of community services
- Transit agencies
- Department of Social and Health Services

Coordination

JARC and New Freedom funding must be implemented effectively and efficiently. One way to provide quality service under these constraints is to coordinate agencies and projects. As part of the application to the competitive selection process, potential applications will be asked to identify any inter-agency and/or service coordination efforts they have been engaged in, as well as any financial partnership that they may be a part of. These are important portions of the application and have the ability to either negatively impact or increase the chances that a project sponsor will secure JARC and/or New Freedom funding. The MPO Lead Planning Agency will coordinate the planning and implementation of the grant program with the Technical Coordinating Committee (TCC) and the Transportation Advisory Committee (TAC) on all transportation planning and service within the Durham-Chapel Hill-Carrboro region. Likewise, the services related to this program will be coordinated with both public and private providers including taxicabs, retirement communities, Meals-on-Wheels, and universities transportation services; public providers such as Chapel Hill Transit, DATA, Triangle Transit Authority, Human Service Agencies and County Community Service agencies.

Eligible Sub Recipients

JARC and NF are formula grant programs for member jurisdictions in the Durham, Chapel Hill–Carrboro Metropolitan Planning Organization. There are four categories of eligible sub-recipients of JARC and New Freedom funds:

- Private non-profit organizations. A non-profit organization is a corporation or association determined by the Secretary of the Treasury to be an organization described by 26 U.S.C. 501(c) which is exempt from taxation under 26 U.S.C. 501(a) or one which has been determined under State law to be non-profit and for which the designated State agency or urbanized area designated recipient has received documentation certifying the status of the non-profit organization;
- Private for profit organizations;
- State or local governmental authority; and
- Operators of public transportation services, including private operators of public transportation services

Only transportation-related programs that fall within the Metropolitan Planning Area would qualify for funding. As noted above, the funds are open to all state or local government's authorities; private non-profit organizations; private for-profit businesses, and operators of public transportation services including private operators of public transportation services.

Local Share and Local Funding Requirements

According to the FTA, funds can be used to support up to 80 percent (80/20 match) for capital projects, and no more than 50 percent (50/50 match) for projects for operating assistance. Also, the FTA stipulates that fare revenues generated from the service provided may not be used as matching funds for operating grants. JARC funds may be used to finance capital, planning and operating expenses. The Federal share of eligible

capital and planning costs may not exceed 80 percent of the net cost of the activity. The Federal share of the eligible operating costs may not exceed 50 percent of the net operating costs of the activity. Recipients may use up to 10 percent of their apportionment to support program administrative costs including administration, planning, and technical assistance, which may be funded at 100 percent Federal share. The local share of eligible capital and planning costs shall be no less than 20 percent of the net cost of the activity, and the local share for eligible operating costs shall be no less than 50 percent of the net operating costs. New Freedom funds may be used to finance capital and operating expenses. The Federal share of eligible capital costs may not exceed 80 percent of the net cost of the activity. The Federal share of the eligible operating costs may not exceed 50 percent of the net operating costs of the activity. Recipients may use up to 10 percent of their apportionment to support program administrative costs including administration, planning, and technical assistance, which may be funded at 100 percent Federal share. The local share of eligible capital costs shall be no less than 20 percent of the net cost of the activity, and the local share for eligible operating costs shall be no less than 50 percent of the net operating costs.

FOR BOTH JARC AND NEW FREEDOM FUNDS, ALL OF THE LOCAL SHARE MUST BE PROVIDED FROM SOURCES OTHER THAN FEDERAL DEPARTMENT OF TRANSPORTATION FUNDS.

Matching share requirements are flexible to encourage coordination with other federal programs that may provide transportation, such Health and Human Service or Medicaid. Some examples of sources of local match which may be used for any or the entire local shares include:

- State or local appropriations;
- Other non-DOT Federal funds that are eligible to be expended for transportation
- Private donations;
- Revenue from human service contracts;
- Net income generated from advertising and concessions.
- Non-cash share such as donations, volunteered services, or in-kind contributions is eligible to be counted toward the local match as long as the value of each is documented and supported, AND is a cost that would otherwise be eligible under the program.
- Income from contracts to provide human service transportation.

Exceptions to Local Match Requirements for JARC and New Freedom

The Federal share is 90 percent for vehicle-related equipment and facilities required by the Clean Air Act (CAA) or the Americans with Disabilities Act (ADA). It is only the incremental cost of the equipment or facility required by the CAA or ADA that may be funded at 90 percent, not the entire cost of the vehicle or facility, even if the vehicle or facility is purchased for use in service required by the ADA or CAA. Designated recipients wishing to apply for assistance at the higher match ratio should consult the FTA regional office for further guidance regarding methods of computing the incremental cost before submitting an application.

Exceptions to Local Match Requirements

The federal share is 90% for vehicle-related equipment and facilities required by the Clean Air Act Amendments of 1990 (CAAA) or the Americans with Disabilities Act of 1990 (ADA). It is only the portion of costs associated with meeting these requirements that are eligible for the 90% federal share, not the entire cost of the vehicle or facility, even if that vehicle or facility is purchased for use in service required by the ADA or CAAA. Sponsors wishing to apply for assistance at the higher match ratio should consult the FTA Region 4 offices for further guidance regarding methods of computing this incremental cost. This step must be completed prior to submitting an application for federal assistance to the DCHC MPO.

Local match may be derived from other Federal funds derived from Federal programs that are eligible to be expended for transportation, other than from the DOT programs.

Examples of types of programs that are potential sources of local match for JARC include:

- employment training,
- aging,
- community services,
- vocational rehabilitation services, and
- Temporary Assistance for Needy Families (TANF).

Examples of types of programs that are potential sources of local match for New Freedom include:

- employment training,
- aging,
- medical,
- community services, and
- rehabilitation services.

To be eligible for local match for FTA funds, the other Federal funds must be used for activities included in the total net project costs of the FTA grant. Expenditure of other Federal funds for transportation outside of the scope of the project cannot be applied as a credit for local match in the FTA grant. Specific program information for other types of Federal funding is available at www.unitedweride.gov.

Project Selection Criteria and Method of Distributing Funds

Projects funds will be awarded through a competitive selection process. The process will begin each year during the fall with a call for projects, receipt of applications by the DCHC-MPO staff, and applications would then be forwarded to the Transit Subcommittee of the DCHC's Technical Coordinating Committee (TCC). The Transit Subcommittee will review and score all applications and make a selection based on the responsiveness of individual applications. Representatives of this subcommittee are very familiar with local human service agencies, the target population documented in the CPT-

HSTP, and the transportation issues affecting this target population. After scoring the proposals, the Transit Subcommittee will recommend projects for funding to the TCC. The TCC will review the projects recommended for funding and make further recommendation to the DCHC Technical Advisory Committee (TAC). The TAC will have the final vote on the selection and funding of the recommended projects. The list of approved projects will then be published and submitted to the FTA for funding.

All proposals would reflect public transportation and human service transportation priorities documented in the CPT-HST Plan. The recommended top tier transportation priority needs currently identified by the MPO are listed below:

- Mobility manager helping customers identify transportation options to meet their needs
- Intra-county and cross-county services connecting rural areas to urban areas
- A unified regional paratransit application and eligibility determination and certification process needs to be created so that is streamlined, clarified, and consistent across agencies.
- Evening service (6pm-10pm) and late night service (10pm-midnight)
- Universal fare card that works on all services
- Better on-time performance for fixed-route and paratransit
- Travel training
- Transportation outreach programs to select communities

Annual Program of Projects Development and Approval Process

The federal transportation law, SAFETEA-LU, requires that projects receiving funding under the Job Access/Reverse Commute program or the New Freedom program must be “derived from a locally developed, coordinated public transit - human services transportation plan.” Rather than developing specific strategies, services, or projects for funding, the MPO CPT-HST Plan identifies seven top priority needs to be addressed. This allows the flexibility of applicants to propose strategies for addressing these needs, and puts the MPO in the position of evaluating competing proposals, as required under the federal guidance.

The Project Selection process would be conducted annually, as long as JARC and New Freedom grant funds are available. The solicitation of projects would be announced as early in each calendar year as is feasible, to provide applicants with ample time to develop complete proposals. During this first year, the solicitation announcement would follow the Transportation Advisory Committee's approval of this document. In subsequent years, the solicitation announcement should occur earlier.

All applicants would be required to submit a completed application (see appendix b). Applications would be reviewed and scored by the Transit/TDM Subcommittee of the Transportation Coordinating Committee (TCC). This subcommittee would make funding recommendations to the TCC, who in turn would make final recommendations to the TAC. The criteria recommended for use in evaluation of competing applications are listed in the box at right.

The intent is that the selected projects each year will enable all the stakeholders to cooperatively move toward a coordinated transportation system. This will better serves the needs of all our customers, but particularly those who have traditionally been transportation-disadvantaged.

The TCC would review and make all necessary updates to the program as it deems necessary.

Project Selection Criteria /Application and Scoring

Pursuant to the 5317 program, the LPA shall conduct a competitive selection process for projects seeking FTA- JARC or New Freedom funds apportioned to the DCHC MPO. This competition will occur annually, beginning with the distribution of Federal Fiscal

All applications must meet the following:

1. The proposed project must be a non-duplicative service or program.
2. Eligible matching funds must be identified and available.
3. The proposed project must be a new or expanded service or program.
4. The primary focus of the proposed service or program must serve the target populations (i.e., persons with low-income for the JARC funds, or persons with disabilities or elders for the New Freedom funds).
5. The project must benefit the Durham – Chapel Hill – Carrboro urbanized area.

Eligible applications will then be evaluated on the following criteria:

1. *Project Need/Goals & Objectives (30%)*
 - Fit with high-priority needs identified in the Coordinated Plan
2. *Quality of the implementation plan (20%)*
3. *Project Budget (15%)*
 - Efficiency (estimated cost per new customer)
 - Financial sustainability beyond grant period
4. *Partnerships and Outreach (20%)*
 - Effectiveness of proposed partnerships
 - Strength of stakeholder support
 - Quality of marketing/ outreach plan
 - Geographic range of project benefits
5. *Program Effectiveness and Performance Indicators (10%)*
 - Quality of the evaluation plan
6. *Innovation (5%)*
 - Applicability of innovative ideas elsewhere in region

Year. Projects will compete based on scoring of the application based on the following criteria:

1. Project Needs/Goals and Objectives (30%): The project should directly address transportation gaps and/or barriers identified through the MPO Coordinated Public Transportation – Human Services Transportation Plan (CPT-HST). Project application should clearly state the overall program goals and objectives, and demonstrate how the project is consistent with the objectives of the JARC and New Freedom grant programs.

2. Quality of Implementation Plan (20%): For projects seeking funds to support program operations, applicants must provide a well-defined service operations plan, and describe implementation steps and timelines for carrying out the plan. The project application should indicate the number of persons expected to be served, and the number of trips (or other units of service) expected to be provided. The service operations plan should identify key personnel assigned to this project and their qualifications. Project sponsors should demonstrate their institutional capability to carry out the service delivery aspect of the project as described. For projects seeking funds for capital purposes, the applicant must provide a solid rationale for use of JARC and New Freedom funds for this purpose, and demonstrate that no other sources of funds are available or are insufficient to meet this need. Also, provide an implementation plan and timelines for completing the capital project.

3. Project Budget (15%): Projects must submit a clearly defined project budget, indicating anticipated project expenditures and revenues, including documentation of matching funds. Proposals should address long-term efforts and identify potential funding sources for sustaining the service beyond the grant period. Proponent shall demonstrate how using this funding leverages resource to the maximum possible extent.

4. Coordination, Partnership and Program Outreach (20%): Proposed projects will be evaluated based on their ability to coordinate with other community transportation and/or social service resources. Applicants should clearly identify project stakeholders, and how they will keep stakeholders involved and informed throughout the project. Project sponsors should also describe how they would promote public awareness of the project.

5. Program Effectiveness and Performance Indicators (10%): The project will be scored based on the project sponsor's ability to demonstrate that the proposed project is the most appropriate match of service delivery to the need, and is a cost-effective approach. Project sponsors should identify clear, measurable outcome-based performance measures to track the effectiveness of the service in meeting the identified goals. A plan should be provided for ongoing monitoring and evaluation of the service, and steps to be taken if original goals are not achieved. Applicants should describe steps to measure the effectiveness and magnitude of the impact that the project will have on residents.

6. Innovation (5%): The project will be examined to see if it contains new or innovative

service concepts or facilities that have the potential for improving access and mobility for the target populations and may have future application elsewhere in the region.

The City of Durham will strive to provide sufficient time for prospective applicants to develop their project ideas and prepare their project applications; for evaluation panels to review and score project applications and develop the proposed program of projects; for staff to discuss with the various relevant working groups the results of the evaluation process and present the proposed program of projects; and for staff to present the proposed program of projects for approval by the Transportation Advisory Committee (TAC). In total, the process is expected to take about four to six months from the time the call for projects is issued to TAC's adoption of the program of projects. The detailed timeline for each call for projects will be issued along with the program guidelines. The adopted program of projects will be made available to the public on the DCHC MPO web site.

Administration, Planning and Technical Assistance

Designated recipients of JARC and NF funding may utilize up to 10% of each yearly apportionment to support program administrative costs including administration, planning, and technical assistance. This activity may be funded entirely by federal funds and does not require a local match. The City of Durham being the designated recipient will utilize allowable funds up to 10% of the total value of any grant that they administer. These funds will offset the cost of overhead and staff salaries associated with application process, project approval and grant management activities. The designated recipient may make use of the remaining funds from the 10% cap to offset costs related to the ongoing administration of the JARC program in the region. These dollars will be used to support of the competitive selection process and updates to the Coordinated Human Services Transportation Plan. In the course of administering projects for sub-recipients, the designated recipient, the LPA (City of Durham Transportation) may include up to 10% of the net application project amount to fund program administration costs including administration, planning, and technical assistance. Allowable administrative costs may include, but are not limited to, general administrative and overhead costs, staff salaries, office supplies, and development of specifications for vehicles and equipment. Guidance on eligible costs can be found in the Office of Management and Budget (OMB) Circular A-87.

The City of Durham, as the designated will assists in determining needs within service areas for elderly persons and persons with disabilities. This assistance includes an inventory of existing public transportation services, the total estimated demand for elderly persons and persons with disabilities transportation and the estimated number of vehicles of a given capacity to satisfy the unmet demand.

The City of Durham will offer to provide technical assistance to local groups or organizations that plan to provide transportation services to elderly persons and persons with disabilities. Based on the number of trips, by trip purpose, and the locations of shopping areas, medical facilities, nutrition sites, social services locations, and recreation

areas, the estimated number of vehicles and sizes needed to provide the transportation are determined. Data compiled the on existing transportation services available in the area will be used and an analysis will be made as to whether or not the existing services are insufficient, inadequate or inappropriate to meet the need.

Transfer of funds

There is no authority to transfer JARC or New Freedom funds awarded to the grant recipient or subrecipients. Upon successful program selection and funds approval by the Durham City Council, the designated recipient would apply for grants and pass-through funds to subrecipients under the guideline outlined in this PMP and consistent with pass-through agreements.

Private Sector Participation

To the extent possible, the DCHC-MPO would provide equal and adequate access for all public and private transportation and Human service providers in the Metropolitan area to enable them apply for the grant, and if qualified, receive funding from the program. The competitive selection process is open and public. Notices will be sent to every member of the JARC-NF committee and other health and human services agencies within the MPO. Additionally, notices for funding and call for project will be advertise in the newspapers as well as mail out to partners and stakeholders on the MPO Coordinated Human Services mailing lists.

Civil Rights

The City of Durham shall require that subrecipients recommended for federal funding submit all project appropriate FTA certifications and assurances prior to contract execution and annually thereafter. These include, but are not limited to:

- Standard Assurances
- Nondiscrimination Assurances
- Private Mass Transportation Companies
- Assurance of Nondiscrimination on the Basis of Disability

The City of Durham will not execute any grant contract without having first received these items. The City and NCDOT shall exercises an active oversight role with regard to the equipment procurement process. The MPO shall require that bidding documents for vehicles or other equipment be in compliance with Subpart D, 49 CFR, Part 26. This requirement relates to the purchase of goods and/or services from disadvantaged business enterprises (DBE). Subrecipients are required to annually report purchases made from DBE vendors and provide a description of their good faith efforts to locate and purchase from DBE vendors.

The DCHC–MPO would ensure that all fund recipients comply with federal civil rights requirements related to the execution of the funded project. The MPO will also ensure that recipients of the funds provide equal access and mobility for any person without regard to race, color or national origin. Consequently, the DCHC would make certain that projects funded by the grant have in place adequate measures to meet or exceed federal

Title Six assurance and DBE goals, and provide fair, equitable service to minority women, children and the elderly population in the course of executing the funds. Also, the DCHC, in the process of selecting fund recipients would make sure that potential fund recipients have incorporated minority programs into their proposal and that the disadvantaged population group have been given due consideration and are not harmed by the execution of the project

Section 504 and ADA Reporting

The DCHC-MPO project funding guidelines would guarantee that all program funded by JARC and NF money comply with all Section 504 and ADA rules and regulations. Accordingly, all applicants would be made to certify that their respective projects comply with all applicable rules and regulations related to Section 504 and ADA. Also, program selection would be made with Section 504 and ADA compliance requirements in mind and the level of compliance may influence the selection of a program. Additionally, The DCHC-MPO would require that fund recipients have endorsement from other human service agencies that cater to the needs of ADA clients. Also, any ADA violation by a fund recipient may be ground for termination of the funds. The LPA will notify each grant recipient at the time of the grant award that that allegations made in regards to discrimination in service or employment, including Section 504 and ADA will be reported and investigated. The City Human Relations Department may be contacted by anyone alleging discrimination in service or employment, including Section 504 and ADA. Sub-recipients must be in compliance with Section 504 ADA requirements. Any written complaints alleging discrimination will be referred to Durham Human Relations Department and the NCDOT's Office of Equal Opportunity.

Program Measures

At the beginning of each program year, and depending on the scope or the emphasis areas chosen by the DCHC-MPO as qualified areas for funding, a set of criteria would be outlined that would be the basis for selection of projects. As part of the compliance and monitoring process, projects would have reporting benchmarks that must be met in order to stay compliant and be eligible for continuous funding. On a quarterly basis, all fund recipients would provide reports to the fund administrator, and such reports would be compiled and forwarded to the DCHC-MPO for further review and also for filing. Such reports would be required when invoices are submitted for payment by the recipient. Twice a year, the DCHC-MPO would review the benchmarks and make necessary notations as may be required to ensure that the recipients are in full compliance and are also doing what they said they were going to do. Overall the program administration would ensure that:

- All applicants, both public and private, are given equal opportunity to submit application for financial assistance under this program.
- All recipients understand the purpose of the funding program, general reporting standards, and requirements set by the program administrators.
- All recipients and sub-recipients are in compliance with the requirements contained in the provisions of the program, including the provision of all relevant information or reports related to the execution of the program.

FTA measures required to be reported for the JARC program:

- Actual or estimated number of jobs that can be accessed as a result of geographic or temporal coverage of JARC projects implemented in the current reporting year.
- Actual or estimated number of rides (as measured by 1- way trips) provided as a result of the JARC projects implemented in the current reporting year.

FTA measures required to be reported for the New Freedom Program:

- Increases or enhancements related to geographic coverage, service quality and/or service times that impact availability of transportation services for individuals with disabilities as a result of the New Freedom projects implemented in the current reporting year.
- Additions or changes to environmental infrastructure (e.g., transportation facilities, side walks, etc), technology, and vehicles that impact availability of transportation services as a result of the New Freedom projects implemented in the current reporting year.
- c. Actual or estimated number of rides (as measured by one- way trips)
- provided for individuals with disabilities as a result of the New Freedom
- projects implemented in the current reporting year

Designated Recipient Program Management

The City of Durham will be is responsible for ensuring certain reports are provided to FTA each year or as needed. In order to provide these reports for services provided by the the City and its subrecipients, it will be necessary for The City of Durham to collect certain data from each subrecipient. The reports that City of Durham will provide to FTA each year are:

- Annual Program of Projects (POP) Status Reports – The City of Durham will submit quarterly status reports that include an updated POP for each approved grant that contains active projects. The updated POP reflects project descriptions, changes in projects from one category to another, and adjustments if applicable.
- Significant civil rights compliance - Issues occurring during the year (such as Title VI, Equal Employment Opportunity (EEO), or Disadvantaged Business Enterprise (DBE) Program complaints against the designated recipient, the City of Durham or subrecipients will be addressed in the annual status report. The City of Durham will also report notable accomplishments or problems involving JARC or NF subrecipients.
- Milestone Activity Reports - For activity line items (ALIs) for which milestones were required at the time of the recipient application (for example, for vehicle procurements, construction projects, and program reserve), The City of Durham will provide revised milestone dates as part of the report. If the estimated completion date for the grant has changed, the revised date will be provided with an explanation as to why the date has changed

The daily monitoring as well as management of the program will be done by the designated recipient, the City of Durham. All procurement emanating from the grant must comply with the established compliance guidelines set by the program. In cases of gross mismanagement, fraud or non-performance of the project, the City would set in motion a process to cut off funds, involve the City of Durham's attorneys or do both. In some cases assets acquired with funds from the program may be taken away or transferred to other agencies to ensure that public funds are not wasted but put to proper use. Additionally the City of Durham would establish the following annual process for managing the program:

- Establish timeline and procedure for announcing, selecting, disbursing funds and monitoring of programs.
- Establish procedure for developing updates and maintaining local standards for compliance with the program.
- Establish internal guidelines for making determinations of compliance with the program, and contract administration.
- Conduct end-of –program assessment to assure that all goals were met and also the program complied with all requirements of the guidelines established.
- Provide avenue for further review, updates or amendments to the local program requirement.

The City of Durham will monitor subrecipients' compliance with federal requirements and program guidance. The City of Durham will use a checklist and provide a summary of each visit, which it will keep on file and make available to FTA during any federal program management reviews

Certifications

Certifications are required for all federal grant recipients, subrecipients, contractors, and subcontractors with grants or contracts exceeding \$100,000. For DCHC MPo transit operators, the certification is part of the Annual List of Certifications and Assurances that they submits to the FTA. Transit operators are required to include the lobbying clause in its FTA-funded agreements, including subrecipient agreements, third party contracts, and subcontracts exceeding \$100,000. Signed certifications must be obtained by the City of Durham from all subrecipients.

Subrecipient Agreement

The City of Durham will develop and execute subrecipient agreements with all subrecipients awarded funding under the JARC or New Freedom Programs. The subrecipient agreements for capital projects will detail the scope of work of the project. Agreements for operating assistance will outline the type of service provided by the subrecipient, the time period covered by the agreement, and the service area. All subrecipient agreements will include the funding amounts awarded. Any expenses incurred in excess of the budgeted amounts are the sole responsibility of the subrecipient

Reporting Requirements

Subrecipients are required to report on various items with each quarterly invoice. In addition to the measures mentioned above under the section "Program Measures", the

following performance measures shall be reported to the designated recipient with the submittal of each quarterly invoice where applicable:

- Passengers per day
- Average passenger revenue
- Net Cost per passenger
- Annual vehicle miles traveled
- Revenue service hours provided.

A brief narrative of quarterly activities shall also be submitted by the grantee (with invoices) to the Designated Recipient (DR). Information included in the narrative would contain such items as coordination efforts with employers or other transportation providers, marketing or public awareness efforts, service or schedule revisions made during the period.

Performance Standards

All subrecipients are required to report performance on a quarterly basis. Comparisons will be made among services based on the above reporting requirements. Since JARC and New Freedom services may vary widely in trip length and by time of day, it is recognized that some types of services will always be less financially productive but none the less important for access to jobs by those who rely on them.

Project Monitoring and Reviews

The City of Durham shall monitor subrecipients' compliance with Federal requirements through:

- Careful scrutiny of plans, reports, and certifications submitted to
- The City of Durham under the provisions of those regulations, and discussion with subrecipients to clarify all requirements.
- Review of quarterly and final reports and invoices sent for payment of costs incurred.
- Bi-annual meetings with grant recipients, one of which may be a site visit.
- Reviewing and approving, prior to issuance, any materials developed by subrecipients in connection with their project. This shall include but is not limited to any Request for Proposals (RFPs) and 3rd party contractual agreements related to the project.

The City of Durham shall retain records of all meetings, visits and contacts with subrecipients. Throughout the project's progress, the City shall offer subrecipients program guidance and provide or arrange for technical assistance, should this be needed.

Financial Management and Project Monitoring

The designated recipient, the City of Durham maintain financial management systems for financial reporting, accounting records, internal controls, and budget controls subject to standards specified in state laws enforced by the State Auditor, the State Office of Financial Management, and the Legislative Transportation Committee. All systems and

procedures for financial management are in compliance with 49 CFR 18.20 and the NCDOT's procedures for incurring and recording expenditures associated with state administration of the § 5317 program.

A. Appropriate Expenditures

1. Salaries and payroll additive costs, transportation expenses, and office and other expendable supplies for all work provided in the approved planning work program.
2. Printing, copying, keypunching, computer processing, mapping and aerial photography costs are required for carrying out the work provided in the planning program.
3. Purchases of special equipment.
4. The Employment of Consultants must be in accordance with North Carolina Department of Transportation Consultant Selection Procedures; or procedures approved by NCDOT and FTA. NCDOT must approve the employment of all consultants. All contracts or agreement with consultants or contractors must be submitted to NCDOT. Payments to minority or women owned business must be reported to NCDOT.
5. Reimbursement of other city agencies, municipalities, counties, regional and state agencies for expenses incurred in conducting work provided for in the planning work program.
6. Auditing costs associated with fulfilling the requirements of OMB Circular A-128.

B. Accounting Procedures

1. A separate account should be established for the JARC & New Freedom funds for each fiscal year and all transactions recorded in accordance with acceptable accounting procedures which are approved by NCDOT and FTA. OMB Circular A-102 outlines standards for grantee financial management systems.
2. The account established for the planning funds will be included in the annual audit of the agency in accordance with OMB Circular A-128.
3. Time spent for staff services on work provided for in planning work program should be recorded by work task on either standard monthly, weekly, or biweekly time sheets for each individual and filed for audit purposes.
4. Cost for capital and operating (i.e., transportation, office and other expendable supplies, printing, copying work, keypunching, computer processing, mapping and aerial photography) should be supported by receipts, logs and vouchers as appropriate.
5. Reimbursement of other city agencies, municipalities, counties, regional and state agencies should be on a basis of vouchers submitted and supported by similar documents as required of the lead agencies. The vouchers should, as a minimum, specify the staff time expended and work task for which the reimbursement is requested.

6. The total amount of funds specified in the approved JARC and NF program will be the controlling amount for which reimbursement can be claimed for a given fiscal year. It is recognized that the amount to be spent on each task will vary somewhat from that estimated in the program. Identification of expenditures by work task in a quarterly progress report will ensure that work is being accomplished in accordance with the program and provide guidance in estimating costs for work to be accomplished in succeeding fiscal years.

C. Reimbursement Procedures

Invoices should be submitted to NCDOT-PTD. Sub recipients invoices should be submitted to the designated recipient, the City of Durham. The invoice should indicate the total amount of federal grant funds and matching funds expended during the subject period and the amount being requested for reimbursement. An invoice should include an attached quarterly expenditure report by work task.

D. Quarterly Progress Report Procedures

Quarterly progress reports should be submitted to the MPO Lead Planning Agency (LPA). The quarterly progress report should include a brief narrative report of transportation planning work accomplished by the planning agency and any sub-contractor. The quarterly progress report shall be included with that invoice and expenditures report.

E. Annual Performance Report

An annual performance report is to be submitted with the final planning funds invoice submission for a fiscal year. The written narrative of the performance report should (1) compare work accomplishments to anticipated work goal; (2) discuss progress in meeting schedules; (3) comment on significant task cost overruns/underruns; (4) identify any approved amendments; and (5) discuss any items of interest, i.e. reorganization and personnel changes.

F. Sub Recipients

The aforementioned JARC-NF Funds procedure and requirements apply to sub-recipients. Sub-recipients shall send appropriate materials and documents to the designated recipients, the City of Durham.

Subrecipient Financial Management

The City of Durham will develop and execute grant pass-through agreements with recipients of JARC and New Freedom funds. All projects related capital and operating assistance expenditures are expected to be incurred locally and reported to NCDOT after the agreements have been executed. All grant agreements for capital projects shall detail the equipment approved for purchase and its intended use. Agreements for operations

assistance outline the type of service provided by the subrecipient, the time period covered by the agreement, and the service area. The City of Durham shall reimburse the subrecipient with the federal funds based on the proportions identified on the grant agreement. However, the federal share on any project shall not exceed 80 percent for capital projects and 50 percent for operations projects. Grant expenditures shall be identified in the City of Durham Accounting and financial reporting tool called MUNIS. Also, grant funding and expenditures shall be identified by federal grant number, grant program and subrecipient grant number. In the case of capital projects, subrecipients are required to attach copies of vendor invoices to reimbursement requests. In-kind contributions towards the local share of capital project costs are not allowed for JARC and NF funds. Vehicle licensing and insurance are not eligible for reimbursement under a capital project. Sales and use taxes (excluding the local transit portion of sales tax) charged to the subrecipient for vehicles are eligible for reimbursement. The City of Durham shall also maintain spreadsheets for each subrecipient. These spreadsheets track project expenditures, amounts charged to each funding source, local matching sources, and project budgets. Additional spreadsheets may be prepared which summarize the total expenditures on each grant.

Audits

Sub-recipients shall provide an audit report to the City of Durhams. The City of Durham shall conduct a single audit consistent with the City's audit policies and procedures. NCDOT Auditor is legally responsible for conducting audits of state agencies and local governments, including public transit agencies. These audits comply with *OMB Circular A-133*. Auditor issues reports at the completion of the audits. Subrecipients who are private non-profit organizations, or private for-profit firms are required to obtain audits of their expenditures and operations annually by an independent audit firm if their agency has expended in excess of \$50,000 in the Federal fiscal year. The audit firm is instructed by the subrecipient to send a copy of the report to the City of Durham the year after they incur grant-related expenditures. NCDOT's Audit Office shall review the audit reports for compliance with *OMB Circular A-110, A-122, and A-133*. Any questions raised by the Audit Office must be resolved by the subrecipient and the audit firm preparing the audit report.

Close Out

For internal financial reasons, the City of Durham closes projects several months after reimbursing the subrecipient for the last of its eligible expenditures. The process is one of the following:

- a) Verification by the City of Durham with the subrecipient's representative that all project expenditures have been incurred and reimbursed, or
- b) All funding available in the subrecipient agreement has been reimbursed, or
- c) The project has come to the end of its 2-year term (operating projects).

Capital assistance have a term equivalent to the useful life of the equipment purchased, which may be up to twelve years after acceptance of the equipment. The DCHC MPO may amend or terminate capital assistance agreements when project equipment is

transferred between subrecipients before its useful life has been reached. Operating assistance agreements have a term of 24 months and are not extended or closed prior to the end date of the agreement.

Procurement

Purchasing equipment under the § 5317 and 5316 programs may be conducted directly by the subrecipients, with NCDOT oversight or the subrecipient may participate in NCDOT's coordinated bid process. NCDOT's role is to assure purchases are made competitively and in compliance with federal procurement policies. NCDOT requires that all bid documents and specifications prepared by the subrecipients be submitted for review and approval prior to seeking bids for vehicles, to assure compliance with federal standards.

Property Management

Legal ownership of all vehicles purchased under the § 5317 and 5316 programs are retained by the transit operators and in the case of private provider, by NCDOT. When titling a vehicle, the private provider subrecipients are listed as "Registered Owner," responsible for licensing and collision insurance; and NCDOT as "Legal Owner" and loss payee should anything happen to the vehicle. The designated recipient shall design and maintain a database that contains all vehicle inventory records. Reports within this database distinguish between currently owned vehicles and those that have served their useful life and have been released to the subrecipient. The information in the database shall include, but is not limited to the subrecipient's name, address and phone number; vehicle year, make, and model; date accepted; included equipment; location; federal grant number and state agreement number; federal percentage share; date last inspected, recorded mileage, and condition; type of funding used for the purchase; and other information used by the City for program review and reporting.

Inventory Reports, Maintenance Records and ADA Accessibility

Subrecipients would be required to submit an annual Owned Rolling Stock Inventory.

The inventory will include the following information:

- Year/Make/Model
- Vehicle Code
- Vehicle Identification Number
- Agency Vehicle Number
- Condition
- Age
- Remaining Useful Life
- Replacement Cost
- ADA Accessibility
- Seating Capacity
- Fuel Type
- Title

The information obtained from these inventories will become part of the inventory record along with the title and certificate of collision insurance coverage.

To ensure that the vehicles are properly maintained, The designated recipient shall randomly reviews vehicle maintenance records and physically inspects vehicles as part of the on-site visits. These visits are conducted, at a minimum, every other year.

Recipients and subrecipients shall be maintain vehicle and lift equipment maintenance and inspection records for equipment procured with JARC and NF funds. In the owner’s manual and the lift equipment manual that is included with each vehicle, there is a complete vehicle maintenance schedule. The schedules list the service functions and the service time intervals, in months or miles or cycles. Recipients will be required to service the vehicle(s) and lift equipment, at a minimum, in accordance with the maintenance schedules, and to keep records to show that service was completed. During an annual inspection, the City of Durham will ask to review the maintenance records. The City of Durham will randomly pick maintenance reports to review. In addition, each recipient will submit certification that service is completed at least as scheduled per the owner’s manuals. Request for certification will be sent out annually by the City of Durham.

Recipients and subrecipients shall maintain ADA accessibility records and checklist. The DR shall provide a checklist for maintenance and ADA Accessibility features such as lift, voice annunciation, etc. Subrecipients will be record to provided their daily log of their maintenance and ADA accessibility checklist to the City of Durham

Reporting Requirements

Subrecipients are required to prepare a variety of reports on a quarterly basis. These include a project narrative, local matching sources used, number of passenger trips provided, vehicle miles traveled, and revenue service hours provided. They are also required to report on an annual basis their efforts in purchasing from DBE vendors and a vehicle condition report.

Vehicle Use Requirements

Vehicle use is restricted to passenger transportation services and only for services for which grant project was approved. Subrecipients of capital grants for vehicles are expected to attain a minimum of 100 passenger service miles per week, per vehicle; or 100 one-way passenger trips per week per vehicle. Subrecipients may not transfer the operational control of a vehicle purchased under this program to anyone else without prior written approval from the designated recipient, the City of Durham and NCDOT.

Disposition at the End of a Vehicle’s Useful Life

The useful life of public transportation vehicles are listed below. NCDOT will release interest in a vehicle on the anniversary of the equipment’s acceptance, based on the date of acceptance and anticipated useful life. This useful life is determined as follows:

Type of Vehicle Useful Life

- Minivans and Vans.....4 years
- Minibuses w/ four wheels.....5 years
- Minibuses, cutaway style, dual rear wheels, wheelbase up to 158” ...6 years

Minibuses, cutaway style, dual rear wheels, wheelbase 159"-181" ..	7 years
Buses, GVW, 14,000-19,000 lbs.....	8 years
Buses, GVW, 19,001-27,000 lbs.....	9 years
Buses, GVW, greater than 27,000 lbs.....	12 years

Disposition Prior to the End of the Vehicle’s Useful Life

Subrecipients may purchase the Federal interest at any time before the expiration of the equipment’s useful life. If this occurs, the subrecipient shall remit the federal percentage share of the equipment’s current fair market value to the MPO. The fair market value is determined by obtaining an independent appraisal of the equipment. When an accident occurs which eliminates a vehicle from further operations, the MPO receives the insurance proceeds. If the subrecipient is purchasing a replacement vehicle, the proceeds are forwarded to them upon evidence that the replacement has been received and paid for. Replacement vehicles must be a similar type vehicle and of equal or greater value than the one damaged. If the damaged vehicle is not replaced, the MPO retains the federal percentage share of the equipment and remits the local share to the subrecipient.

Other Provisions

The DCHC MPO makes appropriate certifications of compliance with Federal requirements. The designated recipient, the City of Durham will cite language regarding these Federal requirements in its contracts with subrecipients and requires each subrecipient to execute a certification of compliance with the relevant Federal requirements. Subrecipient certifications are required of the subrecipient prior to the execution of a contract by the City of Durham. In addition to monitoring subrecipient’s adherence to Title VI requirements, all other applicable federal requirements and certifications will be monitored under the City of Durham JARC-NF compliance program currently under development.

Buy America

Under the Buy America provision applicable to FTA grants, FTA funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States. Rolling stock (including train control, traction power and communication equipment) must be assembled in the United States and have a 60 percent domestic content to be considered a United States product. The DCHC MPO, in accordance with FTA regulations, requires as a condition of responsiveness, that a bidder submit with its bid a completed Buy America certificate. Subrecipients that purchase rolling stock for use in JARC or New Freedom projects, must conduct pre-award and post delivery reviews to ensure compliance with specifications and Buy America requirements. Subrecipients will be required to have signed Buy America certificates for any qualifying procurements

Environmental Protection

The DCHC MPO anticipates only funding projects with categorical exclusions from both the National Environmental Protection Act (NEPA) and the State Environmental Protection Act (SEPA). Therefore, there should be no further documentation necessary. However, should a project be approved that is subject to environmental regulations, the

MPO will ensure that the subrecipient meets all environmental requirements. If such a project were funded, the MPO would require the subrecipient to submit all necessary documentation.

Regulations Associated with Vehicle Purchase

The City of Durham will exercise an active oversight role with regard to the equipment procurement process for those grants awarded to the Durham Area Transit Authority (DATA). Subrecipients are required to submit a “Buy America” provision and certification with their bidding documents for vehicles.

Restriction on Lobbying and Code of Ethics

The MPO requires each subrecipient to complete FTA’s Certification on Lobbying prior to contract execution. All bids for equipment prepared by these subrecipients are required to contain this certification as well. The City’s contract with subrecipients shall require the development and implementation of a written code of ethics. All staff, officers, employees, board members or agents of the subrecipient are required to comply with the code of ethics. The City of Durham shall verify compliance with this regulation during project monitoring visits.

Drug and Alcohol Testing

The DCHC MPO transit operators, in accordance with 49 CFR Part 655, have a drug and alcohol testing program in place for all safety sensitive employees. The City will require private sector subrecipients to adhere to the FTA mandated drug and alcohol testing program. The FTA-mandated drug and alcohol testing program is separate from and in addition to the provisions of the Drug-Free Workplace Act. The City of Durham must require its contractors and subcontractors with safety sensitive employees to have a drug and alcohol testing program. Subrecipients will be required to submit their drug and alcohol policy to the City of Durham upon receipt of a JARC or New Freedom grant. This procedure will be reviewed and approved by the City of Durham. The City will monitor the subrecipient’s drug and alcohol program proactively over the course of the subrecipient agreement. At a minimum, the FTA recommends that each contractor be required to provide a copy of its policy; employee and supervisor training documentation; name and location of the collection site, laboratory, MRO, SAP; a description of its random selection process; quarterly management reports summarizing test results; and annual MIS reports. The information that the City of Durham requires will be clearly defined in the contract documents issued by the City of Durham and a conformed copy of the contract, including the specifications, maintained by the City of Durham.

Davis Bacon Wage Rates

The Davis-Bacon Act is applicable to all federally funded construction contracts in excess of \$2,000. This Act requires that each contract for the construction, alteration, or repair (including painting and decorating) of public buildings or public works within the United States shall contain a clause that no laborer or mechanic employed directly upon the site of the work shall receive less than the prevailing wage rate as determined by the U.S. Secretary of Labor. The minimum wages (including fringe benefits) are those determined by the Secretary of Labor to be prevailing for the laborers and mechanics

employed on projects of a similar character in the area in which the work is to be performed. Recipients and Subrecipients will be required to include the prevailing wage rates in contracts for construction in excess of \$2000. Additional guidance can be found in 29 CFR parts 1, 3 and 5.

Prohibition on Exclusive School Transportation: Subrecipients may not provide school bus transportation. School bus transportation is defined by FTA as transportation exclusively for school students or personnel. Subrecipients are required to certify compliance. An exception will be the transportation of students with disabilities who are eligible passengers. The Applicant and subrecipients understand that a violation of this agreement may require corrective measures and the imposition of penalties, including debarment from the receipt of further Federal assistance for transportation.