

North Carolina Department of Transportation



FY 2023 Community Transportation Program Application Package

Includes the Section 5311- Non-urbanized Area Formula Program, Human
Service Transportation Management Program

July 12, 2021

N.C. Department of Transportation
Integrated Mobility Division
1 S. Wilmington Street Raleigh, NC 27601

Announcement

Community Transportation Systems (CT) have the choice to use their 5311 CT funding for 1) Administrative expenses, 2) Operating expenses, or 3) a combination of both. The total of the grant(s) cannot exceed the federal and state amount allocated. The State does not participate in Operating grants therefore, the local match would be 50%.

For FY 2023 there will be a separate Combined Capital Call for Projects for all capital projects excluding Direct Purchase of Service requests from non-transit applicants.

*Transit systems will use one checklist, the Unified Application Checklist, for all FY 2023 grants applied for.

Background

On December 4, 2015, President Obama signed the Fixing America's Surface Transportation (FAST) Act, reauthorizing surface transportation programs through Fiscal Year 2021. An extension until September 30, 2021 is in effect. For details on the FAST Act refer to the FTA's website.

The Federal Transit Administration, on the behalf of the Secretary of Transportation, apportions appropriated 5311 funds annually to the Governor of each state for public transportation projects in non-urbanized areas.

The Governor of North Carolina, in accordance with the Urban Mass Transportation Act of 1964, as amended, designated the N.C. Department of Transportation (NCDOT) Integrated Mobility Division (IMD) as the agency to receive and administer federal and state public transportation funds. The NCDOT (G.S. 136-44.20) is the recipient of all Section 5311 funds and the Community Transportation Program (CTP) applicant is the sub-recipient. The purpose of Section 5311 assistance is the provision of public transportation services and maximum feasible coordination with other rural transportation services.

The Integrated Mobility Division shall have principal responsibility and authority for the administration of the Section 5311 Program and shall administer the programs in accordance with the guidance published by the Federal Transit Administration Circular 9040.1G and in accordance with existing Federal and State regulations pertaining to the administration of Federal grants by the North Carolina Department of Transportation. Transportation systems can use Section 5311 funds for public transportation projects in non-urbanized areas. Because most rural trips end in urbanized areas, Section 5311 funds can be used for portions of trips in

urbanized areas, however, the primary beneficiary of the transportation must be rural areas. A rural transit provider may design its Section 5311 funded services to maximize use by members of the general public who are transportation disadvantaged. Transportation disadvantaged people include elderly people and people with disabilities.

Integrated Mobility Division Goals

The Integrated Mobility Division has goals to achieve the definition of coordinated transportation services. These goals are:

1. Support general public transportation in rural North Carolina (less than 50,000 population) and provide a coordinated network
2. Enhance access in rural areas to health care, shopping, education, employment, public services and recreation.
3. Encourage the most efficient use of **all** transportation funds used to provide passenger transportation in rural areas through coordination of programs and services.

Timetable

Application Timeline for FY 2023

DATES	TASK/EVENT
July 12, 2021	<ul style="list-style-type: none">• Grant Application Package Distributed
July 12 – October 8, 2021	<ul style="list-style-type: none">• Regional Grant Specialists Available to Assist Grantees with Questions
October 8, 2021	<ul style="list-style-type: none">• Grant Application Due to NCDOT
October – December, 2021	<ul style="list-style-type: none">• Grant Application Review Process
January - March 2022	<ul style="list-style-type: none">• IMD makes funding recommendation to NCDOT BOT
April – June 2022	<ul style="list-style-type: none">• FTA grant review and award for federal funding
July 1, 2022	<ul style="list-style-type: none">• Effective date of one year grant agreement

ELIGIBILITY

Designated Applicant

North Carolina's coordinated approach to service delivery currently allows a single application within each designated service area. Section 5311 funding is only provided to a single sub-recipient within each geographical area (county or counties served by a regional transit system). Originally, the transit system's service area for rural operations was established by the governing body in the initial Transportation Development Plan (TDP) for the service area and approved by the NCDOT. IMD will implement the adoption of a Governing Board resolution that designates the single designated 5311 applicant on a 5-year cycle. The cycle is 2018, **2023**, 2028 and so forth.

Transportation Advisory Board

Each applicant is REQUIRED to have a Transportation Advisory Board (TAB) or a Governing Board if an Authority or non-profit organization. A TAB is made up of stakeholders from the service area that care about the services provided by the transit system. The make-up of the TAB is representative of the various target audiences in the service area and includes one or more actual passengers of the transit system. An "ACTIVELY ENGAGED" Transportation Advisory Board is expected to discuss unmet needs in the service area, service design and scheduling, billing rates and fares, and to resolve complaints. They also monitor compliance with federal regulations and the status of any deficiencies noted in any official federal, state or local review or report. The Transportation Advisory Board is a locally formed advisory group based on the following guidelines and requirements:

TRANSPORTATION ADVISORY BOARD (TAB) COMPOSITION

CATEGORIES	PUBLIC HUMAN SERVICE AGENCY	TRANSPORTATION PROVIDERS	PUBLIC AND BUSINESS SECTORS	GOVERNMENT AND GOVERNMENTAL AFFILIATES	TRANSIT USER
<i>Suggested number of representatives per category</i>	3-5	1-2	4-5	3-5	1-3
NOTE: TAB members should be individuals that know about the transit needs of the general public including the elderly, minorities, disabled, LEP, or low income populations living in the service area.	<ul style="list-style-type: none"> ▪ Senior Services ▪ DSS ▪ Vocational Rehabilitation ▪ Head Start ▪ Shelter Workshop ▪ Health Dept. ▪ Veterans Admin ▪ Smart Start ▪ Mental Health ▪ Housing Authority ▪ Human Service Transit Users 	<ul style="list-style-type: none"> ▪ Private transportation providers ▪ Intercity bus providers ▪ Ambulance Service ▪ Regional Authority ▪ Urban System ▪ Faith based services ▪ Volunteers 	<ul style="list-style-type: none"> ▪ Chamber of Commerce ▪ Major employers ▪ DBE's ▪ Hospital/Dialysis Ctr. Staff ▪ Non-profit organizations ▪ Employment Transit Users ▪ General Public Transit Users ▪ Public Citizens 	<ul style="list-style-type: none"> ▪ *MPO ▪ *RPO ▪ *Emergency Management ▪ Economic Development ▪ Employment Security Commission ▪ Job Link and/or Career Centers ▪ Elected Officials ▪ County Government staff ▪ Community 	<ul style="list-style-type: none"> ▪ Passenger(s) that currently utilize the transit system

***Representatives from Emergency Management and the local Rural Planning Organization or Metropolitan Planning Organization are encouraged to attend at least 1 TAB meeting per year if possible to understand the priorities of the transit system; offer advice on what they can do for, or need from, public transportation; and to build strong working relationships.**

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- The Transportation Advisory Board must include representatives from the elderly, minority, Limited English Proficiency (LEP), disabled and/or low-income populations in the service area **or** include individuals that represent these consumer groups that will challenge the transit system to be more sensitive to their needs or to discuss unmet needs of their consumer group. Census data should be consulted to determine which groups should be represented and the size of the representation needed.
 - If the applicant serves as an “umbrella” agency for programs in addition to transportation services, then the Executive or Governing Board may not serve as the Transportation Advisory Board. There may be overlapping of members from the Executive or Governing Board, but there must be a separate Transportation Advisory Board that meets the requirements.
 - If the applicant is a transportation authority or a non-profit organization that only provides transportation, the Executive or Governing Board may serve as the Transportation Advisory Board. In this case, the composition of the Executive or Governing Board will have to meet the 5311 Program requirements to serve as the TAB or consider creating a separate TAB that does meet the requirements.
 - IMD expects, at a minimum, a **quarterly TAB meeting** for the community transportation system to maintain ongoing communications as one means of seeking public involvement, and ongoing administrative oversight. TAB meetings must be open to the public and the public must be notified of the scheduled meetings through such means as posting notices on agency Web sites; local news media; flyers; etc. Additionally, meeting minutes must be published and distributed to IMD regional mobility development specialists, with original file copies maintained by the transportation system for a minimum of five (5) years.
 - All TAB or Governing Board members must sign an **annual** Conflict of Interest form and the signed form must be attached as an application document.
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Regulatory Compliance

All projects must annually meet all Federal/State requirements prior to July 1, the beginning of the project period and State fiscal year, to be eligible for reimbursement of Federal funds for the entire project period. **Applicants that do not meet federal and state requirements are not eligible to receive reimbursement for expenses incurred prior to the effective date of compliance.** NCDOT will not award any financial assistance until the applicant provides assurance of compliance and it has been determined that federal and state requirements are met. **In addition to Federal compliance requirements, IMD requires all transit systems to:**

- 1) use automated scheduling software;**
- 2) maintain 80% or greater compliance in EAM (formally AssetWorks);**
- 3) submit required reports such as Charter, OpStats, ROAP, etc....by the designated due date;**
- 4) *submit invoices on a monthly (preferred) or quarterly basis;*** and
- 5) participate in 2 official site visits per fiscal year with the assigned Regional Grant Specialist.**

ALL the documents below must be completed and returned as part of the CTP application. Documents will be uploaded in the “FY 2023 Application” tab in the Drop Box in Enterprise

Business Services (EBS). Where applicable, documents that apply to multiple budgets i.e., Authorizing Resolution, Title VI Report, etc....only have to be completed and uploaded one time. Please review Master Document tab on the Unified Application Checklist to see what documents are required for multiple applications. In addition to the Master Documents, the 5311 application has additional supporting documents such as vehicle insurance certification or a service agreement. **The 5311 Checklist tab on the Unified Application Checklist is a companion list to the master set of documents you must include when you submit your application. The checklist covers all grants IMD sponsors and will be uploaded one time in EBS.**

** Transit systems will use one checklist, the Unified Application Checklist, for all FY 2023 grants applied for.*

Some documents must be signed by the AUTHORIZED OFFICIAL as indicated. Some documents must AFFIX A SEAL as indicated on the form. Instructions are included with the form

	DOCUMENTS	COMMENTS
1	<i>Authorizing Resolution</i>	Each applicant will accurately complete and submit with its grant application a Governing Board Approved Transportation Program Resolution. The Transportation Program Resolution is for Federal and State funded projects that provide general public transportation.
2	<i>Certifications and Assurances, Attorney's Affirmation, Lobbying Certification, Equivalent Service Certification, and 5333(b) Labor Warranty</i>	In accordance with 49 U.S.C. 5323(n), Certifications and Assurances have been compiled for the North Carolina Community Transportation Program. NCDOT requires sub- recipients to certify to all applicable categories. Certifications and Assurances documents are received from the FTA. All State and Federal certification documents will be distributed as a package upon receipt of federal documents.
3	<i>Title VI Certification</i>	All Recipients of FTA and State funds must comply with Title VI of the 1964 Civil Rights Act, Section 601. Title VI states that "No person in the United States shall, on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." <ul style="list-style-type: none"> Additional federal information may be found in FTA Circular 4702.1B "Title VI Requirements and Guidelines for Federal Transit Administration Recipients," dated October 1, 2012 at: http://www.fta.dot.gov/documents/FTA_Title_VI_FINAL.pdf

4	<i>Disadvantaged Business Enterprise (DBE) Certification</i>	All recipients and sub-recipients of grant funds from the FTA and/or the State of North Carolina must participate in the DBE Program/Minority Business Enterprises (MBE) Program. DBE Program information may be found at https://www.ebs.nc.gov/VendorDirectory/default.html All required (*) activities must be completed and documents kept for five years.
5	<i>DBE/MBE/WBE/HUB Anticip. Vendor Award</i>	Expected DBE/MBE/WBE/ and HUB to be used in FY 2023.
6	<i>Public Hearing Notice</i>	As part of the CTP application, a public hearing must be held in front of the applicant's governing body. The public hearing may cover multiple grant requests to include 5311, Combined Capital Appalachian Program, 5310 Enhanced Mobility for Seniors and Individuals with Disabilities, and ROAP, etc..... The applicant must publish one public notice in a newspaper(s) having general circulation in the project's proposed service area. It is recommended that the Public Hearing Notice provide a minimum of seven (7) calendar days' notice and a maximum of fourteen (14) calendar days' notice between the time that the Public Hearing Notice is published in the newspaper and the actual public hearing date. In accordance with the DOT LEP Guidance, 70 FR 74087, (December 14, 2005), a public notice will also be published in <u>Spanish</u> in counties that have 1,000 or 5% of their population that speaks Spanish at home, but speaks English less than well. Applicants in the counties listed in Appendix A <u>MUST</u> publish a public hearing notice in English and Spanish. A Spanish version of the public notice is in the application package. Applicants ensure the accuracy of the translation.

7	<i>Public Hearing / Public Hearing Record / Public Hearing Minutes</i>	<p>The applicant must hold a public hearing on the proposed project(s) to allow members of the community the opportunity to comment on transportation needs and the grant application. Each grant request (i.e., 5311, Appalachian, 5310, or ROAP) must be addressed individually with the hearing formally opened, closed, and reflected in the minutes. During the hearing, the public should explicitly be asked if they wish to comment on the proposed funding. The public hearing will be held before the governing board.</p> <ul style="list-style-type: none"> ▪ County Commissioners - county applicants ▪ Board of Directors - non-profit applicants ▪ Authority Board of Directors or Executive Board - public transportation authorities ▪ City/Town Council - municipalities <p>The Clerk/Secretary to the Board must complete, sign and certify the Public Hearing Record form. Either indicate that NO public comments were made <u>or</u> public comments were made and enter the estimated date for board approval of meeting minutes. A copy of the board approved minutes must be submitted to support the Transportation Program Resolution and if there were any public comments made.</p>
8	<i>Public Hearing Outreach</i>	<p>Outreach efforts beyond holding a public hearing must be conducted to inform the public including minorities, women, elderly, disabled, LEP, low income individuals, and persons who are not human service agency clients, about the availability of CTP funds and to discuss transportation service needs. These efforts should include, but are not limited to surveys, presentations to groups, committees, fliers and/or posters. The intent is to remove barriers and conditions that prevent these groups from receiving access, participation, and benefits of the CTP funded services. Services and benefits must be distributed in a non-discriminatory manner. Title VI of the Civil Rights Act of 1964 applies. This form should include a <u>DETAILED DESCRIPTION</u> of public hearing outreach efforts by the applicant to inform the public <u>(INCLUDING MINORITY, WOMEN, ELDERLY, DISABLED, LIMITED ENGLISH PROFICIENCY (LEP), AND LOW INCOME INDIVIDUALS)</u> about the public hearing to comment on the Community Transportation Grant application.</p>
9	<i>Local Share Certification for Funding</i>	<p>The Legal Applicant must certify to the North Carolina Department of Transportation that the required local funds for the FY 2023 Community Transportation Program will <u>be</u> available as of July 1, 2022 for FY 2023, which has a period of performance of July 1, 2022 – June 30, 2023</p>
10	<i>Surface Transportation Providers</i>	<p>List of all private transportation providers.</p>

11	<i>Transportation Advisory Board/ Governing Board Composition</i>	Each applicant is <u>REQUIRED</u> to have a Transportation Advisory Board (TAB) or a Governing Board. A TAB/Governing Board is made up of stakeholders from the service area that care about the services provided by the transit system. The make-up of the TAB/Governing Board is representative of the various target audiences in the service area and includes one or more actual passengers of the transit system. An “ <u>ACTIVELY ENGAGED</u> ” Transportation Advisory Board/Governing Board is expected to discuss unmet needs in the service area, service design and scheduling, billing rates and fares, and to resolve complaints. They also monitor compliance with federal regulations and the status of any deficiencies noted in any official federal, state, or local review or report.
12	<i>Equal Employment Opportunity (EEO)</i>	Threshold Requirements: Any applicant, recipient, or sub-recipient is required to comply with program requirements in Chapter III if it meets the following thresholds: <ul style="list-style-type: none"> a. Employees 100* or more transit-related employees*; and b. Requests or receives capital or operating assistance under Sections 3, 4(i), or 9 of the FTA; assistance under 23 U.S.C. 142(a)(2) or 23 U.S.C. 103(e)(4), or any combination thereof, in excess of \$1 million in the previous Federal fiscal year; or c. Request and receives planning assistance under Sections 8 and/or 9 in excess of \$250,000 in the previous Federal fiscal year. d. Employers with 50-99 employees must keep an EEO plan on file and available upon request.
13	<i>Conflict of Interest Form(s)</i>	All TAB and/or Governing Board members must sign an <u>annual</u> Conflict of Interest form. <u>Signed forms must be scanned and uploaded.</u>
14	<i>Facility Insurance Verification</i>	All systems with federal funds in their facility must provide a certificate of insurance for their facility(s).

15	<i>DUNS Verification</i>	All applicants must verify their DUNS number has been verified and is active. A copy of the verification is a document to be uploaded into EBS. Refer to application package for instructions and sample.
16	<i>Application Checklist</i>	Attach completed checklist showing all other required documents that are to be uploaded into Partner Connect
17	<i>5311 Designee Certification Form</i>	Certification resolving there will be one operator and applicant for the coordinated community transportation system for FY2023 – FY2027 .

Procurement and Third Party Contracting

Procurement and third party contracting activities are primarily the responsibility of the sub-recipient. Sub-recipients should follow established local procedures and applicable state or federal standards in accordance with the North Carolina Consolidated Procurement Code (as amended). The procurement and contract standards set forth under N.C. G. S. 143 Article 8 and FTA Circular 4220.1F shall apply to the procurement of all goods and services the sub-recipient will purchase under the project contract.

IMD requires that all procurements, such as a service contract, be completed according to federal and state guidelines, with supporting documents to validate purchases. **Transit systems must have all procurements > \$10,000 reviewed by IMD's procurement section or the procurement cannot be reimbursed.** Procurements must be completed by May 1, 2023.

For more information on procurement and third party contracting refer to the *Procurement and Third Party Contracting*, and the *Circular 4220.1F, Third Party Contracting Guidance*.

Application Process

The FY 2023 CTP grant application must be transmitted through the online **NCDOT Grants Module, EBS, no later than 11:59 pm EST, Friday, October 8, 2021. An incomplete application will not be reviewed.** The documents identified in the Master Documents tab and the Section 5311 tab on the Unified Application Checklist must be submitted as attachments in the **Drop Box** within EBS. Note that documents with original signatures must be scanned for electronic submittal (ensure that seal is visible for documents with seals) and some forms/other documents must be saved and attached in their original form (Microsoft Word/Excel), as indicated in the Unified Application Checklist.

All documents are to be uploaded in the “FY 2023 Application” tab in the Drop Box and must use the following naming convention: SystemName.FY.DocumentName; i.e., “CarolinaCo.FY23.TitleVIReport”. Regional Grant Specialists will review uploaded documents and attach them to the appropriate online budget. The budget forms can be found in the EBS Search box under Programs at P2023*, then select the Admin and/or Operating budget to complete.

For convenience, Transit systems may attach one zipped file containing the supporting documents for all grants applied for in addition to the 5311 Admin grant.

FUNDING AND MONITORING

The IMD supports community transportation systems in fulfilling the transportation needs of each community by providing ADMINISTRATIVE AND OPERATING funding assistance programs. The division has sought increased state funding in these key areas to assist in meeting the goals and policy objectives of the Community Transportation Program.

Community transportation systems will be eligible to receive these funding assistance programs if the policy requirements of the Community Transportation Program are met.

Budget Category	Federal Share	State Share	Local Share
Administration	80%	5%	15%
Operating	50%	0%	50%

¹ State funding is subject to State appropriations and availability of funds

Community Transportation Systems in non-Urbanized Area Counties – For the FY 2023 Call for Projects, the 5-year funding allocation formula developed for FY17 will continue to be used. The funding formula for Fiscal Year 2023 provides 1) a base level of \$30,000 for each county in the 5311-funded transit system's service area, 2) 10% of the formula is for performance and 3) the remaining funds are based on the amount of funds that were generated by each transit system. The remaining funds are distributed based on the FTA Apportionment formula which is how FTA determines the apportionment to each state. If the formula amount apportioned to a transit system was below FY 2017 totals, state or other federal funds were added to equal no more than a 10% reduction. This 10% reduction will continue each year until the funding matches the earned amounts. Ten percent (10%) of the funding will be based on performance as well. If you were above the apportioned amount, you will receive a slight increase. This funding formula will allow for future incorporation of performance criteria.

Funding Requests - All community transportation systems are required to utilize the Uniform Public Transportation Accounting System (UPTAS) for budgeting and reporting. The governing board determines how to allocate the maximum amount of funds for which they are eligible, to meet the transportation needs of the service area for the fiscal year. The administrative funding allocated to the system can be budgeted at the discretion of the system, utilizing eligible UPTAS cost categories (Object Codes) with the exception of G481 central services [indirect cost], G452 vehicle insurance, G371 marketing, G372 promotional items, and G395 Training [employee development]).

Cost Allocation/Indirect Cost Plan: If the applicant intends to include indirect overhead costs in the funding request, a Cost Allocation Plan/Indirect Cost Plan must be submitted and approved by the governing board along with a signed and notarized Cost Allocation Plan/Indirect Cost Plan (CAP) to NCDOT with the administrative grant application. *Documentation to support the requested indirect cost rate must be submitted along with the 5311 Admin application.* The documentation needed includes: Signed

Certification page from the Cost Allocation Plan (CAP), page(s) from the CAP showing indirect costs allocated to the Transportation Department, page(s) from the transit system's financial report showing total salaries & fringes paid to the entire Transportation Department staff and an official statement verifying the Cognizant Agency. Requests for the 10% de-minimis rate will be approved if FTA requirements are met. The applicant may request less funding in the indirect cost line item than that which is approved. **Central Services G481 funds may not be re-allocated to other line items through Change Requests.**

NOTE: Indirect Overhead Costs are only allowable under 5311 Administrative grants.

Program Auditing -The Integrated Mobility Division is responsible for providing program monitoring and financial oversight to ensure that Federal/State funds are used for the intended purposes awarded. This is accomplished through various on-site program monitoring and evaluation tools including, but not limited to: Maintenance Reviews, Site Visits, Compliance Reviews, Drug and Alcohol Reviews and attendance at TAB meetings. In addition, subrecipients that receive, hold, use or expend State financial assistance in an amount equal to or greater than five hundred thousand dollars (\$500,000) within its fiscal year shall have a single or program-specific audit prepared and completed in accordance with Generally Accepted Government Auditing Standards, also known as the Yellow Book. The Department's Office of Inspector General periodically conducts programmatic and financial reviews in addition to Site Visits to audit expenditures of IMD subrecipients.

Safety & Security Compliance Reviews – A Safety & Security Plan is required from the systems and must be annually certified by the Accountable Executive via a formal process. IMD performs a Safety & Security Compliance Review every three (3) years and the plan will be revisited on a triennial basis. If the system makes any updates to their plan, Board approval is required. A Safety Officer and an Accountable Executive must be identified in the Safety & Security Plan.

FUNDING ASSISTANCE

This overview guide discusses Administrative and Operating budget requests. All Capital requests regardless of funding source are to be submitted on the FY 2023 Combined Capital grant application. That application package is available on IMD's webpage.

Transit systems may use their allocated funds for Admin expenses, Operating expenses, or a combination of expenses. If a system requests both an Admin budget and an Operating budget the maximum total of the grant will be figured by the amount of federal funding requested for Admin plus the amount allowed for a state match, and the federal amount requested for Operating. The State does not participate in Operating grants. All program budgets can be found on IMD's Electronic Business Services (EBS) page, in the Search box under Programs, at P2023*, then select the appropriate budget.

Administrative Budgets

Applicants are expected to carefully consider administrative budget request submissions. A careful review of actual line item expenditures over the past 2-3 years should play an integral role in determining current budget request. For the FY 2023 Call for Projects, the funding allocation formula that was created in FY17 will be used. The funding formula provides 1) a base level of \$30,000 for each county in the 5311-funded transit system's service area, and 2) allocates the remaining funds based on the amount of funds that were generated by each transit system. The remaining funds are distributed based on the FTA Apportionment formula which is how FTA determines the apportionment to each state. If the amount apportioned to a transit system was below FY 2017 totals, state or other federal funds were added to bring the allocation to back to that level. If you were above the amount, you will receive a slight increase.

Funding allocations will be provided to each transit system through their Regional Grant Specialist.

***** System requests may not go over the federal and state amount allocated.**

Health Insurance (G-183) is an allowable expense for the employees listed on the Admin grant only. **Family coverage is not an eligible expense.**

Vehicle insurance is an allowable administrative expense in the CTP application. Only active revenue vehicles are eligible for vehicle insurance cost participation by IMD. The applicant will be required to submit the following documentation that will be used to determine the IMD financial participation level for vehicle insurance:

- Certificate of Insurance - verifying liability limits, and the deductible amount,
- Auto Schedule - a list of the insured vehicles and the cost associated with insuring each vehicle at the required levels. The applicant should request this information from their insurance provider. IMD will cap reimbursement to the federal and state share of 85% of the actual annual premium cost, up to a maximum annual premium cost of \$2,500 per revenue vehicle.

Note: All transit systems are required to have a minimum amount of insurance, \$1.5 Million per vehicle, but transit systems that have 16 passenger vehicles or larger in their fleet must have insurance coverage of \$5 Million.

Training - Employee Education Expenses (Object Code 395) – These funds are intended to support training and development activities for community transportation systems’ employees. Eligible employee training expenses include: registration fees, tuition, books and materials for approved courses; travel, lodging and meals related to approved training activities; fees for purchase or rental of Video or CD-ROM training or fees for participation in Internet or world wide web-based training courses (excluding basic Internet service provider fees); and instructor fees and materials cost for approved courses. Employee Development funds may be used to support the travel and registration fees for no more than two drivers for the annual statewide Bus and Van Roadeo.

NOTE: Travel expenses for Roadeo volunteers and judges must be paid from another source or the administrative travel line items (object codes 311, 312, and/or 314). Employee Development funds may not be used to defray the cost of salaries for staff attending a training course or conducting a training course for other system employees.

IMPORTANT: No costs that are actually or potentially associated with lobbying activities may be paid for using funds approved in the CTP grant in general and in object code 395 in particular. Applicants may not co-mingle approved activities eligible to be funded in this line item with any lobbying activities.

The Integrated Mobility Division will issue minimum training standards for all community transportation systems that receive state financial assistance from the department.

Marketing and Promotional Items – Applicants are required to budget Marketing (Object Code 371) and Promotional Items (Object Code 372) at designated levels. According to IMD’s external policy, **EX-102-2, “Required Budget Items by Grant Program”** Section 5311 budgets must spend 2% of the total of their administrative funding request, minus vehicle insurance, on marketing.” Applicants should thoroughly evaluate their marketing needs to determine if more than the 2% minimum should be budgeted. Additionally, funding requests for Object Code 372 cannot exceed 25% of the budgeted amount for Object Code 371.

Operating Budgets

Applicants must ensure their operating budget requests match the FY 2023 approved budgets. Section 5311 operating funds can ONLY be used to support rural general public routes (RGP).

RGP DEFINITION: Intended to provide transportation services for individuals from the county who do not have a human service agency or organization that will pay for the transportation service. The passenger’s origin or destination must be in the rural area.

Operating Expenses - Operating expenses are considered those costs directly related to system operations. Eligible items are defined as stated in the UPTAS manual and State Management Plan.

Net operating expenses are eligible for assistance. Net operating expenses are those expenses that remain after the provider subtracts operating revenues from eligible operating expenses. Operating revenues must include farebox revenues. Farebox revenues include fares paid by riders who are later reimbursed by a human service agency or other user-side subsidy arrangement. Farebox revenues do not include payments made directly to the transit system by human service agencies to purchase

service. However, purchase of transit passes or other fare media for clients would be considered farebox revenue. A voluntary or mandatory fee that a college, university, or similar institution imposes on all its students for free or discounted transit service is not farebox revenue. Farebox revenue must be used to reduce total operating expenses (treated as revenue).

Funds received pursuant to a service agreement with a State or local social service agency or a private social service organization may be used as local match. Income from contracts to provide human service transportation may be used either to reduce the net project cost (treated as revenue) or to provide local match for Section 5311 operating assistance. In either case, the cost of providing the contract service is included in the total project cost.

The manner in which a sub-recipient applies income from human service agencies to a project affects the calculation of net operating expenses and, therefore, the amount of Section 5311 operating assistance the project is eligible to receive.

***** System requests may not go over the federal and state amount allocated.**

Sources of Local Match. Local match for the remainder of net project costs may be provided from:

- undistributed cash surplus,
- replacement cash fund or reserve,
- service agreement with a State or local social service agency or a private social service organization;
- amounts appropriated or otherwise made available to a department or agency of the Government (other than the [U.S.] Department of Transportation) that are eligible to be expended for transportation:
- employment training
- aging
- community services
- vocational rehabilitation services
- TANF
- non-Federal sources that may be used for any or all of the local share include:
 - State or local appropriations
 - dedicated tax revenues
 - private donations and
 - net income generated from advertising and concessions

Any non-DOT Federal funds used as local match must be used for activities included in total net project costs of this grant.

Note: Fare box revenue is not an applicable source of local match.

Net Operating Expenses = Total Eligible Operating Expenses – Fare Revenues

Cost Participation: The Federal share for net-operating expenses may not exceed 50%.

Appendix A

Public Hearing Notice Safe Harbor Requirement

County population includes at least 1,000 persons
who speak Spanish at home and English "less than well"

Alamance County, North Carolina
Alleghany County, North Carolina
Bladen County, North Carolina
Brunswick County, North Carolina
Buncombe County, North Carolina
Burke County, North Carolina
Cabarrus County, North Carolina
Catawba County, North Carolina
Chatham County, North Carolina
Cleveland County, North Carolina
Columbus County, North Carolina
Craven County, North Carolina
Cumberland County, North Carolina
Davidson County, North Carolina
Davie County, North Carolina
Duplin County, North Carolina
Durham County, North Carolina
Forsyth County, North Carolina
Franklin County, North Carolina
Gaston County, North Carolina
Granville County, North Carolina
Greene County, North Carolina
Guilford County, North Carolina
Harnett County, North Carolina
Henderson County, North Carolina
Hoke County, North Carolina
Iredell County, North Carolina

Johnston County, North Carolina
Lee County, North Carolina
Lenoir County, North Carolina
Lincoln County, North Carolina
Mecklenburg County, North Carolina
Montgomery County, North Carolina
Moore County, North Carolina
Nash County, North Carolina
New Hanover County, North Carolina
Onslow County, North Carolina
Orange County, North Carolina
Pender County, North Carolina
Pitt County, North Carolina
Randolph County, North Carolina
Robeson County, North Carolina
Rockingham County, North Carolina
Rowan County, North Carolina
Sampson County, North Carolina
Stanly County, North Carolina
Surry County, North Carolina
Union County, North Carolina
Vance County, North Carolina
Wake County, North Carolina
Wayne County, North Carolina
Wilkes County, North Carolina
Wilson County, North Carolina
Yadkin County, North Carolina