

South Alabama Regional Planning Commission

FTA 5310 Enhanced Mobility for Seniors and Individuals
with Disabilities

DRAFT Program Management Plan

February, 2014



South Alabama Regional Planning
Commission

110 Beauregard St, Suite 207
Mobile, AL 36602

(251)433-6541

South Alabama Regional Planning Commission
Program Management Plan

Federal Transit Administration (FTA) Section 5310 Enhanced Mobility of Seniors and Individuals with
Disabilities

January 2014

Table of Contents

| | | |
|-------|--|----|
| 1.0 | Introduction | 1 |
| 2.0 | Human Services Coordinated Transportation Plan | 1 |
| 3.0 | Programs Guidelines | 2 |
| 3.1 | Programs Goals and Objectives | 2 |
| 3.2 | Roles and Responsibilities | 3 |
| 3.2.1 | Federal Transit Administration (FTA) | 3 |
| 3.2.2 | South Alabama Regional Planning Commission (SARPC) | 3 |
| 3.2.3 | The Wave Transit | 3 |
| 3.2.4 | HSCTP Consultation..... | 4 |
| 3.3 | Coordination | 4 |
| 3.4 | Eligible Subrecipients..... | 4 |
| 3.5 | Local Policy Requirements | 4 |
| 3.5.1 | Local Share and Local Funding Requirements | 4 |
| 3.5.2 | Exceptions to Local Match Requirements | 5 |
| 3.5.3 | Use of Other Federal Funds..... | 5 |
| 3.5.4 | Policy on Vehicle Purchasing | 5 |
| 3.6 | Project Selection and Method of Distributing Funds | 6 |
| 3.7 | Annual Program of Projects Development and Approval Process..... | 6 |
| 4.0 | Administration, Planning and Technical Assistance | 6 |
| 4.1 | Transfer of Funds | 6 |
| 4.2 | Private Sector Participation | 6 |
| 4.3 | Civil Rights..... | 7 |
| 4.3.1 | Civil Rights Program Submittals | 9 |
| 4.3.2 | Subrecipient Monitoring..... | 10 |
| 4.4 | Section 504 and ADA Reporting..... | 10 |
| 5.0 | Contracts, Project Monitoring, And Financial Management | 11 |
| 5.1 | Third Party Contracting | 12 |
| 5.2 | Payment Provisions in Third Party Contract | 12 |
| 5.2.1 | Advance Payments | 12 |
| 5.2.2 | Progress Payments | 12 |
| 5.3 | Site Visits | 12 |
| 5.4 | Procurement | 12 |
| 5.5 | Methods of Competitive Procurement..... | 13 |
| 5.5.1 | Procurement by Small Purchase Procedures..... | 13 |

SARPC Program Management Plan (PMP) Federal Transit Administration (FTA)
Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities –January 2014

| | | |
|-----------|--|----|
| 5.5.2 | Procurement by Sealed Bids or Invitation to Bid | 13 |
| 5.6 | Property Management | 13 |
| 5.7 | Liquidated Damages Provisions | 14 |
| 5.8 | Contract Award Announcement..... | 14 |
| 5.9 | Contract Provisions | 14 |
| 5.10 | Statutory and Regulatory Requirements | 14 |
| 5.11 | Special Provisions | 15 |
| 5.11.1 | Title VI Nondiscrimination..... | 15 |
| 5.11.2 | Equal Employment Opportunity (EEO) | 15 |
| 5.11.3 | Section 504 of the Federal Transit Act..... | 15 |
| 5.11.4 | Americans with Disabilities Act..... | 15 |
| 5.11.5 | Bus Testing Regulations | 15 |
| 5.11.6 | Restrictions on Lobbying..... | 15 |
| 5.12 | Cost Principles and Cost Allocation | 15 |
| 5.12.1 | Policy | 16 |
| 5.12.2 | Application of cost Principles and Grants Management | 16 |
| 5.12.3 | Allowability of Costs..... | 16 |
| 5.12.4 | Direct Costs | 17 |
| 5.12.5 | Indirect Costs | 17 |
| 5.13 | Program Measures | 17 |
| 5.14 | Designated Recipient Program Management..... | 18 |
| 5.14.1 | The Review Process for Subrecipients..... | 18 |
| 5.14.2 | Contact with the Grantee | 19 |
| 5.15 | Desk Review | 19 |
| 5.15.1 | Legal Documents..... | 19 |
| 5.15.2 | Project Documents | 19 |
| 5.15.3 | Financial and Technical Documents..... | 19 |
| 5.15.4 | Procurement, Buy America Documents | 19 |
| 5.15.5 | Maintenance and Satisfactory Continuing Control | 20 |
| 5.15.6 | Civil Rights..... | 20 |
| 5.15.6.1 | Title VI Assurance | 20 |
| 5.15.6.2 | EEO | 20 |
| 5.15.6.3 | DBE Plan and Report..... | 20 |
| 5.15.6.4 | Americans with Disabilities..... | 20 |
| 5.15.6.5 | Safety and Security | 20 |
| 5.15.6.6 | Suspension and Debarment/Integrity/Restrictions on Lobbying | 20 |
| 5.15.6.7 | Charter and School Bus Service..... | 20 |
| 5.15.6.8 | Drug-Free Workplace and Drug and Alcohol Testing | 21 |
| 5.15.6.9 | Program Measures | 21 |
| 5.15.6.10 | Environmental | 21 |
| 5.15.6.11 | Labor..... | 21 |
| 5.16 | Site Visit | 21 |
| 5.17 | Legal | 22 |
| 5.18 | Financial and Technical..... | 22 |
| 5.19 | Purchasing, including Buy America and ITS Architecture..... | 23 |
| 5.20 | Maintenance, Satisfactory Continuing Control, Section 504 and ADA..... | 25 |
| 5.21 | Safety and Security | 26 |
| 5.22 | Charter Bus and School Bus | 27 |

SARPC Program Management Plan (PMP) Federal Transit Administration (FTA)
Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities –January 2014

5.23 Drug-Free Workplace and Drug and Alcohol Testing27
5.24 Labor Protections28
5.25 Report.....28
5.26 Other Provisions.....30
5.26.1 Closeout Procedures30
5.26.1.1 Subrecipient Closeout 30
5.26.1.2 SARPC and FTA Closeout30

1.0 INTRODUCTION

This Program Management Plan (PMP) describes the South Alabama Regional Planning Commission's (SARPC) policies and procedures for administering the Federal Transit Administration (FTA) Section 5310 Enhanced Mobility of seniors and Individuals with Disabilities Program. The SARPC developed the PMP in accordance with current Federal Transit Laws and regulations as well as Circular 9070.1G. The Governor of Alabama designated the SARPC to receive and dispense FTA Section 5310 funds. The SARPC as the designated recipient is responsible for overseeing and administering a portion of the Section 5310 program in the Mobile, Alabama Urbanized Area.

The PMP facilitates SARPC's management and administration of the Section 5310 program in accordance with federal requirements, serves as a Section 5310 program guide to the general public and prospective applicants, and will assist FTA in its oversight responsibilities by documenting SARPC's procedures and policies for administering these programs.

2.0 THE HUMAN SERVICES COORDINATED TRANSPORTATION PLAN

The Human Services Coordinated Transportation Plan (HSCTP) was first developed in 2006 by the South Alabama Regional Planning Commission Transportation Department to meet the requirements of the New Freedom and Job Access Reverse Commute (JARC) programs. Upon the signing into law of the new surface transportation legislation, Moving Ahead for Progress in the 21st Century (MAP-21), on July 6, 2012, it became apparent that the HSCTP should be updated to conform to the new legislation. Much of the original HSCTP is still relevant, particularly with regard to its assessment of needs.

In 2007, The South Alabama Regional Planning Commission Transportation Department led a collaborative planning effort to identify and recommend regional and local strategies that encourage the most effective use of available community transportation services to enhance mobility for the region's older adults, persons with disabilities and persons with low incomes. The scope of the project covered the three counties of Baldwin, Escambia, and Mobile and was built upon existing coordination plans in the region or plans that were in the process of being developed. This planning process culminated in the adoption of the HSCTP by the Mobile Metropolitan Planning Organization in October 2007. The HSCTP, in meeting the requirements of Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU), allowed the region to access federal funding associated with:

- FTA Section 5310 – Transportation for Individuals who are Elderly and Individuals with Disabilities. This program provided capital funding for private, non-profit entities (and if none, public entities) that are involved in transporting older adults and persons with disabilities.
- FTA Section 5316 (JARC) – This program provided funding for projects/services that improve access to transportation services to employment and related activities for welfare recipients and eligible low-income individuals and to transport residents of urbanized and non-urbanized areas to suburban employment opportunities.
- FTA Section 5317 – New Freedom Program. This program provided funding for projects/services that provide new public transportation services and public transportation alternatives beyond those required by the Americans with Disabilities Act (ADA).

The primary objectives of the HSCTP were to access federal funding for needed transportation services and to become a resource for supporting and encouraging local coordination efforts. The region has accomplished many of those objectives during the past six years.

Map 21 consolidated two former programs, the Elderly and Disabled Program (formerly Section 5310) and the New Freedom Program (Section 5316), into the Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities. The MAP-21 Section 5310 Program, just as its forerunners were, is a formula grant program. It is designed to continue the goals and eligible activities of the previous programs including supporting capital projects that are planned, designed, and carried out to meet the special needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or unavailable. It may also be used for public transportation projects that exceed the requirements of ADA that improve access to fixed-route service and decrease reliance by individuals with disabilities on complementary paratransit, and for alternatives to public transportation that assist seniors and individuals with disabilities. Any projects to be funded with Section 5310 funding must be derived or included in a locally developed human services coordinated plan, such as the updated HSCTP. The legislation discontinued JARC as a stand-alone program, and instead allows eligible recipients of Section 5307 to utilize these funds to support JARC projects.

The legislation also affected designated recipient requirements. A designated recipient is the agency that assumes the responsibility for managing a Federal Transit Administration grant program. Prior to MAP-21 only a state's department of transportation could be the designated recipient for Section 5310.

The South Alabama Regional Planning Commission Transportation Department will be responsible for management of the allocated FTA 5310 funds for the Mobile Urbanized Area.

3.0 PROGRAM GUIDELINES

The Program Management Plan (PMP) is the document that describes the designated recipient's policies and procedures for administering FTA's Section 5310 Program. SARPC Transportation Department will use its PMP to designate program objectives, policies, procedures and administrative requirements. FTA will review and approve the PMP. It will be kept on file with the FTA regional office and updated regularly to incorporate any changes in program guidelines or new requirements.

3.1 Program Goals and Objectives

The SARPC Transportation Department Program goals are to:

- Improve mobility for seniors and individuals with disabilities throughout the Mobile Urbanized Area by removing barriers to transportation services and expand the transportation mobility options available. Toward this goal, the SARPC Transportation Department as a designated recipient will provide financial and technical assistance to prospective grantees and recipients of Section 5310 funding for transportation services planned, designed, and carried out to meet the special transportation needs of seniors and individuals with disabilities.
- Meet the federal requirements associated with receiving FTA funding Section 5310.

- Develop projects that encourage local coordination efforts.
- Facilitate the flow and appropriate level of Section 5310 program funding to the region by ensuring that the HSCTP fully complies with the MAP-21 regulations and with the spirit and intent of the Section 5310 Program.
- Establish a framework by which proposed projects requesting Section 5310 program funding can be solicited and selected through a fair and equitable process.
- Ensure that all components of the Plan/Programs have benefited from a comprehensive public involvement effort that has effectively reached out to public, private, and non- profit transportation providers, human services providers and other stakeholders representing persons with disabilities, seniors, and the general public.
- Encourage not only coordination among services supported by the Section 5310 Program, but also coordination among the broad array of community transportation services in the three-county region.

3.2 Roles and Responsibilities

3.2.1 Federal Transit Administration (FTA)

The FTA has, through its Region IV Office in Atlanta, federal oversight responsibilities over local public and specialized transportation assistance programs. Regional responsibilities include reviewing and approving grant applications, program management plans, and grant management activities.

3.2.2 South Alabama Regional Planning Commission Transportation Department

The SARPC Transportation Department as a designated recipient is responsible for overseeing and administering the Section 5310 Programs in the Mobile Urbanized Area including the development of an annual Program of Projects (POP). In this capacity, the SARPC also solicits applications, reviews and selects applications for funding, approves the POP, and submits the POP with the grant applications to FTA. In addition, the SARPC distributes grant funds, conducts program planning, certifies the eligibility of applicants and project activities, monitors project activity for compliance with federal requirements, monitors usage of program assets by grantees, and oversees project audit and close-out. The SARPC also provides ongoing technical assistance to subrecipients and prospective subrecipients. Present the “selected” projects/strategies for inclusion or reference in the Long Range Transportation Plan. Similarly, in accordance with Section 5303 or 5304, eligibility for funding under all FTA programs necessitates that projects/strategies be included in the applicable metropolitan Transportation Improvement Program (TIP) and Statewide Transportation Improvement Program (STIP).

SARPC is responsible for leading the development of the HSCTP and will be responsible for certifying that projects receiving Section 5310 funding were derived from the HSCTP. SARPC also staffs the Project Selection Team which is responsible for conducting the technical evaluation of project submittals in accordance with the HSCTP.

3.2.3 The Wave Transit

The Wave Transit is responsible for public transit operations in the Mobile Area. The Wave Transit is the operator of buses within the City of Mobile and surrounding suburbs. On an average weekday, nearly rides are taken on Wave. The Wave has approximately 37 buses that operate

over 14 routes and 4402 route miles. All 14 bus routes are fully accessible to customers with disabilities. Lifts and ramps on all buses are available for use upon request by anyone who has trouble with steps, even temporarily.

The Wave’s ADA Paratransit Service provides prearranged origin-to-destination service for persons with disabilities whose eligibility has been determined by the regional certification process. This service is operated with 32 vehicles and provides almost 380 trips annually. Service rules are governed by the Federal Americans with Disabilities Act.

3.2.4 HSCTP Consultation

The HSCTP update is done with representatives from SARPC, the Wave, and regional human service agencies that reflect populations of seniors and individuals with disabilities, and private non-profit and private for profit agencies.

3.3 Coordination

The SARPC, in addition to its ongoing consultations with its planning partners and its participation in the regional planning process described above, will continue to use the HSCTP as a fundamental tool to enhance coordination in the region.

3.4 Eligible Subrecipients

Entities considered eligible under federal guidelines for the Section 5310 Programs are eligible for funding in the Mobile Urbanized Area. Eligibility requirements are no more restrictive than the Federal eligibility requirements.

- 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;
- State or local governmental authority; and
- Operators of public transportation services, including private operators of public transportation services.

3.5 Local Policy Requirements

3.5.1 Local Share and Local Funding Requirements

5310 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 5310 FUNDS, ALL OF THE LOCAL SHARE MUST BE PROVIDED FROM SOURCES OTHER THAN FEDERAL DEPARTMENT OF TRANSPORTATION FUNDS.

Some examples of sources of local match which may be used for any or the entire local share 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.

3.5.2 Exceptions to Local Match Requirements

For 5310, 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.

3.5.3 Use of Other Federal Funds

For 5310, 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 5310 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.

3.5.4 Policy on Vehicle Purchasing

Vehicle purchasing will follow the plans and procedures established by the Alabama Department of Transportation.

3.6 Project Selection and Method of Distributing Funds

Consistent with establishing and maintaining an open and transparent process, the SARPC’s policy is to disseminate information and provide technical assistance to the maximum extent possible. Prospective applicants and the public are provided information on goals, eligible projects and activities, eligible applicants, selection criteria, timetables, description of the project selection process and Project Selection Team, available funding, local match guidelines, and the performance-monitoring program. This information is made available and disseminated through a variety means:

- An extensive database compiled by SARPC is utilized to notify individuals and organizations of the Call for Projects. The database includes organizations and contacts.
- A Section 5310 meeting for prospective applicants and interested parties will be conducted in support of the call for projects where participants can meet with staff to address any relevant issues they may have or to arrange for additional consultations.
- All applications received and the final approved POP will be published on the program website at www.mobilempo.org.
- Applicants are provided with SARPC staff contact information so they may receive technical assistance with the application or to obtain information on the program.

Applications for use by prospective subrecipients include program information, funding availability and the criteria for screening and/or evaluation of the applications.

3.7 Annual Program of Projects Development and Approval Process

Once the recommended POP is developed by the Project Selection Team, it will be presented to the Mobile MPO for endorsement. After that endorsement is received, the application will be submitted to FTA for approval.

Upon the initiation of a call for projects all pertinent materials regarding the selection of projects will be published on the www.mobilempo.org web site.

4.0 ADMINISTRATION, PLANNING AND TECHNICAL ASSISTANCE

The SARPC will allow up to 10% of the total fiscal year apportionment allocated to SARPC to defray administration, planning and technical assistance expenses. SARPC will primarily use these funds for the administration of the Section 5310 program and to provide technical assistance to prospective recipients and recipients of Section 5310 funding. With respect to the Section 5310 Program, the SARPC will provide technical assistance to prospective applicants. The assistance will be provided through the Program’s web site, by phone and on-site as needed.

4.1 Transfer of Funds

The SARPC does not have any plans for transfer of funds.

4.2 Private Sector Participation

The HSCTP meetings include private for profit and non-profit representation.

4.3 Civil Rights

The SARPC agrees to comply with all applicable civil rights statutes and implementing regulations including, but not limited to, the following:

a. Nondiscrimination in Federal Transit Programs. The recipient agrees to comply, and assures the compliance of each third party contractor at any tier and each subrecipient at any tier under the Project, with the provisions of 49 U.S.C. 5332. These provisions prohibit discrimination on the basis of race, color, religion, national origin, sex, age, and disability, and prohibit discrimination in employment or business opportunity.

b. Nondiscrimination on the Basis of Disability. The recipient agrees to comply, and assures the compliance of each third party contractor and each subrecipient at any tier of the project, with the applicable laws and regulations, discussed below, for nondiscrimination on the basis of disability.

(1) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), prohibits discrimination on the basis of disability by recipients of Federal financial assistance.

(2) The ADA, as amended (42 U.S.C. 12101 et seq.), prohibits discrimination against qualified individuals with disabilities in all programs, activities, and services of public entities, as well as imposes specific requirements on public and private providers of public transportation.

(3) DOT regulations implementing Section 504 and the ADA include 49 CFR parts 27, 37, 38 and 39. Among other provisions, the regulations specify accessibility requirements for the design and construction of new transportation facilities and vehicles; require that vehicles acquired (with limited exceptions) be accessible to and usable by individuals with disabilities, including individuals using wheelchairs; require public entities (including private entities “standing in the shoes” of a public entity as a subrecipient or under a contract or other arrangement) providing fixed-route service to provide complementary paratransit service to individuals with disabilities who cannot use the fixed-route service; and include service requirements intended to ensure that individuals with disabilities are afforded equal opportunity to use transportation systems.

(4) Providers of demand responsive service must utilize accessible vehicles, as defined at 49 CFR 37.7 or meet the applicable equivalent service standard. For private and public entities, the service must be equivalent in regards to schedules, response times, geographic areas of service, hours and days of service, availability of information, reservations capability, constraints on capacity or service availability, and restrictions based on trip purpose.

(5) Providers of fixed route service must generally utilize accessible vehicles. Private entities may utilize non-accessible vehicles if they can provide equivalent service in terms of schedules and headways, in addition to the equivalent service requirements described above for demand responsive service. Public entities must also provide complementary paratransit service to fixed route service as defined in 49 CFR 37.121.

(6) In addition, recipients of any FTA funds should be aware that they also have responsibilities under Titles I, II, III, IV, and V of the ADA in the areas of employment, public services, public accommodations, telecommunications, and other provisions, many of which are subject to regulations issued by other Federal agencies.

c. Nondiscrimination—Title VI. The SARPC agrees to comply, and assures the compliance of each third

party contractor and each subrecipient at any tier of the Project, with all of the following requirements under Title VI of the Civil Rights Act of 1964 (1) Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d et seq.), provides 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;

(1) Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d et seq.), provides 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

(2) U.S. DOT regulations, “Nondiscrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act,” 49 CFR part 21;

(3) FTA Circular 4702.1B “Title VI Requirements and Guidelines for Federal Transit Administration Recipients.” This document provides FTA recipients and subrecipients with guidance and instructions necessary to carry out DOT Title VI regulations (49 CFR part 21), and DOT Policy Guidance Concerning Recipient’s Responsibilities to Limited English Proficient (LEP) Persons (70 FR 74087, Dec. 14, 2005);

(4) U.S. DOT Policy Guidance Concerning Recipients’ Responsibilities to Limited English Proficient (LEP) Persons (December 14, 2005). This guidance clarifies the responsibilities of recipients of Federal financial assistance from DOT and assists them in fulfilling their responsibilities to LEP persons, pursuant to Title VI of the Civil Rights Act of 1964 and Executive Order 13166.

(5) FTA Circular 4703.1 “Environmental Justice Policy Guidance for Federal Transit Administration Recipients.” This document provides FTA recipients and subrecipients with guidance and instructions necessary to carry out U.S. DOT Order 5610.2 to Address Environmental Justice in Minority Populations and Low-Income Populations, and Executive Order 12898 on Environmental Justice that describes the process that the Office of the Secretary of Transportation and each operating administration will use to incorporate environmental justice principles into existing programs, policies, and activities.

(6) U.S. DOT Order to Address Environmental Justice in Minority Populations and Low-Income Populations. DOT Order 5610.2 describes the process that the Office of the Secretary of Transportation and each operating administration will use to incorporate environmental justice principles (as embodied in Executive Order 12898 on Environmental Justice) into existing programs, policies, and activities;

d. Equal Employment Opportunity. The SARPC agrees to comply, and assures the compliance of each third party contractor and each subrecipient at any tier of the project, with all equal employment opportunity (EEO) requirements of Title VII of the Civil Rights Act of 1964, as amended, (42 U.S.C. 2000e), and with 49 U.S.C. 5332 and any implementing regulations DOT may issue.

e. Nondiscrimination on the Basis of Sex. The SARPC agrees to comply with all applicable requirements of Title IX of the Education Amendments of 1972, as amended, (20 U.S.C. 1681 *et seq.*), with DOT implementing regulations, “Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance,” 49 CFR part 25.

f. Nondiscrimination on the Basis of Age. The SARPC agrees to comply with all applicable requirements of the Age Discrimination Act of 1975, as amended, (42 U.S.C. 6101 *et seq.*), and Department of Health and Human Services' (DHHS') implementing regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," (45 CFR part 90), which prohibit discrimination against individuals on the basis of age. In addition, the recipient agrees to comply with all applicable requirements of the Age Discrimination in Employment Act (ADEA), 29 U.S.C. 621 through 634, and Equal Employment Opportunity Commission (EEOC) implementing regulations, "Age Discrimination in Employment Act" (29 CFR part 1625), which prohibit employment discrimination against individuals on the basis of age.

g. Disadvantaged Business Enterprise (DBE). To the extent required by Federal law, regulation, or directive, the SARPC agrees to take the following measures to facilitate participation by DBEs:

(1) The SARPC agrees and assures that it will comply with MAP-21 Section 1101(b) (23 U.S.C. 101 note), which directs the Secretary of Transportation to expend not less than 10 percent of authorized federal funds with DBE's. This 10 percent national goal is aspirational and is used by the Department of Transportation to help monitor and evaluate DBE participation in DOT assisted contracting opportunities.

(2) The SARPC agrees and assures that it will comply with DOT regulation, "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs," 49 CFR part 26. Among other provisions, this regulation requires certain recipients of DOT Federal financial assistance, namely State and local transportation agencies, to establish goals for the participation of disadvantaged entrepreneurs and certify the eligibility of DBE firms to participate in their DOT-assisted contracts.

(3) The SARPC agrees and assures that it shall not discriminate on the basis of race, color, sex, or national origin, in the award and performance of any third party contract, or sub-agreement supported with Federal assistance derived from DOT, or in the administration of its DBE Program, and will comply with the requirements of 49 CFR parts 26. The recipient agrees to take all necessary and reasonable steps set forth in 49 CFR parts 26 to ensure nondiscrimination in the award and administration of all third party contracts and sub-agreements supported with Federal assistance derived from DOT. As required by 49 CFR part 26 and approved by DOT, the recipient's DBE Program is incorporated by reference and made part of the Grant Agreement or Cooperative Agreement. The recipient agrees that implementation of this DBE Program is a legal obligation, and that failure to carry out its terms shall be treated as a violation of the Grant Agreement or Cooperative Agreement. Upon notification by DOT to the recipient of a failure to implement its approved DBE Program, DOT may impose sanctions as provided for less than 49 CFR parts 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001, and/or the Program Fraud Civil Remedies Act, (31 U.S.C. 3801 *et seq.*).

4.3.1 Civil Rights Program Submittals

The SARPC filed its most recent Title VI Program with the FTA on September 24th, 2013. The program was part of the FTA 5310 Designated Recipient application criteria. In addition, the SARPC specifically requires in all third party contracts and grant agreements that the contractor/recipient comply with all requirements of Title VI. Failure to do so is considered to be a breach of contract.

As required by 49 C.F.R. Part 26 and approved by U.S. DOT, the SARPC's DBE Program is incorporated into and made part of its third party contracts and agreements. The SARPC specifically states in its third

party contracts/grant agreements that breach of the SARPC DBE Program and/or failure by the contractor/recipient to honor all commitments made to DBEs at the time of award will be considered a breach of contract. In addition, the SARPC monitors invoices received to ascertain, among other things, that the contractor/recipient is providing the agreed upon work to any DBE subcontractors/subrecipients and that such DBE companies are being paid in a timely fashion.

4.3.2 Subrecipient Monitoring

Any grantee under FTA programs is required to comply with all applicable Federal civil rights statutes and with the implementing regulations for the statutes. FTA implements the Civil Rights Act of 1964 by prohibiting discrimination under projects, programs or activities receiving financial assistance because of race, color, creed, national origin, sex or age. The laws include: Title VI of the Civil Rights Act of 1964, Equal Employment Opportunity, Disadvantaged Business Enterprise and Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990 (ADA).

The requirements for Civil Rights compliance are extended to subrecipients. Subrecipient assurances under Title VI and the other civil rights requirements are included in the application for assistance, in the required Annual Certifications and Assurances and in the contract with SARPC. Subrecipient grantees are also required to identify any lawsuits or complaints alleging discrimination in service filed with the grantee. Civil rights monitoring will concentrate on how the grantee is providing service. Title VI also assures that funds are passed through to subrecipients and their project without regard to race, color, or national origin.

Subrecipient grantees receiving more than \$1,000,000 in Federal funds in the previous Federal fiscal year or employing 50 or more employees are required to develop and submit an EEO program to the SARPC. EEO programs are developed to ensure that FTA applicants, recipients, subrecipients, contactors, and/or subcontractors will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or handicap. Actions covered include but are not limited to hiring, promotion or upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, disciplinary actions, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

EEO signs need to be posted in conspicuous places, such as an employee break room, and made available to employees and applicants. Subrecipient grantees receiving less than the above amount and employing fewer people need only to post information in their offices.

Grantees receiving more than \$250,000 in Federal funds, exclusive of rolling stock, must have DBE plans on file with the SARPC. Periodic reports on plan compliance are required. Grantees receiving less than the threshold level must still make good faith efforts to utilize DBE's and must submit periodic reports on these efforts.

4.4 Section 504 and ADA Reporting

The SARPC agrees to comply with the requirements of 49 U.S.C. § 5301 (d), which state the federal policy that elderly individuals and individuals with disabilities have the same right as other individuals to use public transportation services and facilities, and that special efforts will be made in planning and designing those services and facilities to implement transportation accessibility rights for elderly individuals and individuals with disabilities. The SARPC also agrees to comply with all applicable provisions of section 504 of the Rehabilitation Act of 1973, as amended, with 29 U.S.C. § 794 which

prohibits discrimination on the basis of disability and with the Americans with Disabilities Act of 1990 (ADA), as amended, 42 U.S.C. §§ 12101 et seq., which requires that accessible facilities and services be made available to individuals with disabilities, and any subsequent amendments to these laws. Finally, the SARPC agrees to comply with applicable laws in implementing federal regulations and directives and any subsequent amendments thereto.

Section 504 of the Rehabilitation Act of 1973 prohibits discrimination on the basis of handicap by recipients of Federal financial assistance. Recipients of FTA funds are required to make special efforts to provide transportation that is accessible to individuals with disabilities. The Americans with Disabilities Act of 1990 imposed specific requirements on both public and private providers of public transportation. ADA requires that equivalent services be provided to meet the needs of individual. The facility and vehicles of the grantee will be reviewed under the Maintenance and Continuing Control area. Under the civil rights area the review will concentrate on whether the grantee is providing accessible service to all persons with disabilities.

5.0 CONTRACTS, PROJECT MONITORING, AND FINANCIAL MANAGEMENT

The designated recipient, The South Alabama Regional Planning Commission Transportation Department, maintains financial management systems for financial reporting, accounting records, internal controls, and budget controls subject to standards specified in Local (City of Mobile), State (ALDOT), and Federal (FTA) laws. All systems and procedures for financial management are in compliance with 49 CFR 18.20, the “Common Rule.”

The South Alabama Regional Planning Commission Transportation Department will develop and execute grant agreements to those sponsors who are sub-recipients of § 5310 grant funds. All projects related to capital and operating assistance expenditures are incurred locally and reported to The South Alabama Regional Planning Commission Transportation Department after the grant agreements have been executed. The South Alabama Regional Planning Commission Transportation Department executes the agreements after the FTA funds are secured. All grant agreements for capital projects detail the equipment approved for purchase and its intended use. Agreements for operations assistance outline the type of service provided by the sub-recipient, the time period covered, and the service area.

The South Alabama Regional Planning Commission Transportation Department reimburses the sub-recipient with the federal funds based on the proportions identified on the grant agreement. Reimbursement for capital projects is 80 percent and 50 percent for operations. Sub-recipients are responsible for keeping all original receipts for eligible capital and operating project expenditures. Copies of vendor invoices for capital purchases must be attached to the reimbursement request form. Subrecipients receiving operations assistance are not required to submit copies of vendor invoices; however, they must retain copies in their respective offices for verification expenses during site visits.

The South Alabama Regional Planning Commission Transportation Department does not accept “in-kind” contributions towards the local share of a capital project, however, “in-kind” contributions will be considered for operating assistance. If an “in-kind” contribution is used for operating assistance, the sub-recipient must have a cost allocation plan detailing the type of service received and how the value of the service was determined.

The South Alabama Regional Planning Commission Transportation Department will maintain individual spreadsheets for each sub-recipient tracking project expenditures, amounts charged to each funding source, local matching sources and project budgets. The South Alabama Regional Planning Commission Transportation Department will be responsible for reporting in TEAM-Web total expenditures for each federal grant and reconciling the grant expenditures and revisions to the project budgets as well as the responsibility of closing out projects.

5.1 Third Party Contracting

This section applies to all SARPC subrecipient grantees that contract with outside sources under the 5310 Program. If a subrecipient grantee accepts operating assistance, the requirements of this manual apply to all third party purchase orders and contracts, including contracts for operations.

5.2 Payment Provisions in Third Party Contracts

5.2.1 Advance Payments

SARPC does not authorize and will not participate in funding payments to a contractor prior to the incurrence of costs by the contractor unless prior written concurrence is obtained from SARPC.

5.2.2 Progress Payments

Grantees may use progress payments provided the following requirements are followed:

- Progress payments are only made to the contractor for costs incurred in the performance of the contract.
- When progress payments are used, the grantee must maintain evidence of ownership of property (materials, work in progress, and finished goods) for which progress payments are made.
- Alternative security for progress payments by irrevocable letter of credit or equivalent
- Means to protect the grantee's interests in the progress payments may be used in lieu of obtaining title.

5.3 Site Visits

The South Alabama Regional Planning Commission Transportation Department will perform on-site project monitoring visits with sub- recipients receiving grant assistance. Site visits will be conducted using checklist which outline accounting and record keeping requirements in compliance with OMB Circulars A-122 and A-87 if the sub- recipient received operating assistance; OMB 49 CFR Part 18 and Part 19 administrative requirements; the regulatory requirements for receipt of federal funds; vehicle inventory and maintenance records if the sub-recipient received capital assistance; and compliance with the Drug Abuse and Alcohol Misuse testing regulations.

5.5 Procurement

Purchasing equipment under the § 5310 program may be conducted directly by the sub- recipients with The South Alabama Regional Planning Commission Transportation Department oversight; from an existing contract with another governmental agency; or the sub-recipient may participate in The Wave Transit System's coordinated bid process. The South Alabama Regional Planning Commission Transportation Department's role is to assure purchases are made competitively and in compliance with federal procurement guidelines. The South Alabama Regional Planning

Commission Transportation Department require that all bid documents and specifications prepared by the sub-recipient be reviewed and approved prior to seeking bids for vehicles, to assure compliance with federal standards.

5.5 Methods of Competitive Procurement

The following methods of procurement may be used as appropriate.

5.5.1 Procurement by Small Purchase Procedures

Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than \$10,000. Grantees are advised however that local small purchase procedures prevail. If a grantee does not have a minimum cost threshold governing small purchases, SARPC staff should be consulted for guidance. In any event if small purchase procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources by use of telephone, facsimile, catalogs, or the Internet.

5.5.2 Procurement by Sealed Bids or Invitation for Bid

Commonly referred to as an IFB, bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. This bid method is the preferred method for construction and procuring other equipment. In order for sealed bidding to be feasible, the following conditions should be present:

- A complete, adequate, and realistic specification or purchase description is available;
- Two or more responsible bidders are willing and able to compete effectively for the business;
- The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price; and
- No discussion with individual bidders.

5.6 Property Management

Legal ownership of all vehicles purchased under the § 5310 program is retained by the designated recipient. When titling a vehicle, sub-recipients are listed as a “Registered Owner,” responsible for the licensing and collision insurance; and the designated recipient as the “Legal Owner” and loss payee should anything happen to the vehicle. Ownership of all other equipment will be vested with the designated recipient, with local daily control by the sub-recipient.

The designated recipient will be responsible for keeping an accurate database that contains all vehicle inventory records. Reports with the database will contain vehicle year, make, and model; date accepted; included equipment; location; federal grant number, inspection data, mileage, type of funding used to purchase the vehicle and the name, address, and phone number of the sub-recipient who has daily control over the vehicle.

Also, notice of hearings shall include a concise description of the proposed project; and shall be published in a newspaper of general circulation in the geographic area the project will serve. Title 49 U.S.C. 5323(b) must be read in concert with 49 U.S.C. 5324(b) which states that FTA must review the public comments and hearing transcript to ascertain that an adequate opportunity to present views was given to all parties having a significant economic, social, or environmental interest in the project,

and that FTA must make a written finding to this effect.

FTA notes the public hearing requirements of 49 U.S.C. 5323(b) are separate and apart from the requirements for public participation in statewide and metropolitan planning. All capital projects financially supported by FTA are subject to statewide transportation planning requirements and, in metropolitan areas, to metropolitan planning requirements. FTA has codified procedures for compliance with the statewide and metropolitan planning statutory mandates – including the mandates for public participation in the development of long-range plans and Transportation Improvement Programs (TIPs).

5.7 Liquidated Damages Provisions

A grantee may use liquidated damages if it may reasonably expect to suffer damages (increased costs on project involved) from late completion and the extent or amount of such damages can be reasonably determined. The assessment for damages shall be at a specific rate per day for each day of overrun in contract time, and the rate must be specified in the third party contract. Any liquidated damages recovered shall be credited to the project account involved unless SARPC permits otherwise.

5.8 Contract Award Announcement

If a grantee announces contract awards with respect to any procurement for goods and services (including construction services) having an aggregate value of \$3,000 or more, the grantee shall:

- Specify the amount of SARPC provided funds that will be used to finance the acquisition in any announcement of the contract award for such goods or services; and
- Express the said amount as a percentage of the total costs of the planned acquisition.

5.9 Contract Provisions

All contracts shall include provisions to define a sound and complete agreement. In addition, contracts and subcontracts shall contain contractual provisions or conditions that allow for:

- Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, including sanctions and penalties as may be appropriate.
- Termination for cause and for convenience by the grantee or subcontractor including the manner by which it will be effected and the basis for settlement.

5.10 Statutory and Regulatory Requirements

A current and comprehensive list of statutory and regulatory requirements applicable to grantee procurements is contained in the SARPC grant agreement. Grantees are responsible for evaluating these requirements for relevance and their applicability to each procurement. For example, procurements involving the purchase of iron, steel and manufactured goods will be subject to the "Buy America" requirements in 49 CFR Part 661. Further guidance concerning these requirements can be obtained by contacting SARPC.

5.11 Special Provisions

Prospective applicants are advised to carefully review the requirements of participating in SARPC funded programs. In addition to state and local contractual provisions, subrecipient grantees must comply with the various federal requirements governing federal financial assistance programs.

Accordingly, prospective applicants and grantees are advised to review the required federal provisions (and source documents) which at a minimum include the following:

5.11.1 Title VI Nondiscrimination

Requires that no person because of race, color, national origin, be excluded from participation in, or denied the benefits of any project funded in whole or in part with federal funds.

5.11.2 Equal Employment Opportunity (EEO)

Requires that any recipient of FTA funds shall not discriminate against any employee or applicant for employment based on race, color, religion, sex, or national origin.

5.11.3 Section 504 of the Federal Transit Act

Prohibits discrimination on the basis of disability by recipients of Federal financial assistance.

5.11.4 Americans with Disabilities Act

Prohibits discrimination against qualified individuals in all programs, activities and services of public entities, as well as imposes specific requirements on public and private providers of public transportation.

5.11.5 Bus Testing Regulations

Requires grantees to certify compliance with the federal bus testing requirements before accepting any new bus model.

5.11.6 Restrictions on Lobbying

Requires that no federal funds are used for lobbying and if other funds are used that specific reporting requirements are met.

5.12 Cost Principles and Cost Allocation

This section provides principles for determining costs applicable to service provision performed by operators or providers under third party contracts with an SARPC funded grantee; and where applicable, under such grants when the grantee is a multi-purpose organization which provides funded transportation services directly.

These principles make no attempt to identify the circumstances or dictate the extent of agency and subcontractor participation in the financing of a particular project. The principles are designed to provide recognition of the full allocated costs of such an operating assistance project work under generally accepted accounting principles.

No provision for profit or other increment above cost is intended. In addition, wherever the term subcontractor is used in this section, it shall have the same meaning as provider, operator, and third party contractor.

5.12.1 Policy

The successful application of these principles requires development of mutual understanding between SARPC, grantees and their third party contractors as to their scope, implementation, and interpretation. It is recognized that:

- The arrangements for participation in the financing of an operating assistance project are properly subject to negotiation between the subcontractor and the grantee in accordance with

whichever state, federal, and local laws and regulations as may be applicable.

- Each grantee, possessing its own unique combination of staff, facilities, and experience, should be encouraged to provide services in a manner consistent with its approved service plan and objectives.
- Each grantee, in the fulfillment of its obligations, should employ sound management practices.
- The application of the principles established herein should require no significant changes in the generally accepted accounting practices of grantees. Where wide variations exist in the treatment of a given cost item, the reasonableness of such treatments will be fully considered during the rate negotiations and audit.

5.12.2 Application of Cost Principles in Grants Management

SARPC will apply these principles and related policy guides in determining the costs incurred for such work under operating assistance projects funded in any part under an SARPC grant agreement. These principles should also be used as a guide in the pricing of fixed-price contracts or lump sum agreements with subcontractors.

5.12.3 Allowability of Costs

These are the tests of allowability of costs under these principles:

- Be necessary and reasonable for proper and efficient performance and administration of Federal awards.
- Be allocable to Federal awards under the provisions of this Circular.
- Be authorized or not prohibited under State or local laws or regulations.
- Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.
- Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit.
- Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- Be determined in accordance with generally accepted accounting principles.
- Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period, except as specifically provided by Federal law or regulation.
- Be the net of all applicable credits.
- Be adequately documented.

5.12.4 Direct Costs

Direct costs are those costs which can be identified specifically with a particular project objective or activity which can be directly assigned to the project, relatively easily and with a high degree of accuracy.

5.12.5 Indirect Costs

Indirect costs are those that have been incurred for common or joint objectives and therefore cannot be identified specifically (in whole or in part) with a particular program. Such costs are normally classified under the following functional categories:

- General administration and general expenses;
- Operating assistance and project administration expenses;
- Fixed facility operation and maintenance expenses; and
- Departmental administration expenses.

For additional detail regarding cost allocation principles, grantees should refer to either OMB Circular A-87, “Principles of Cost Accounting for State and Local Governments,” as amended or OMB Circular A-122, “Cost Principles for Nonprofit Organizations,” as amended.

5.13 Program Measures

The reporting and data collection measures for the Section 5310 Program will be prescribed in the grant agreements with subrecipients. The Circular 9070.1G presents the program measures in Chapter II, at page II-2 and in Chapter VI, at page VI-17.

The Designated Recipient, using data from the Subrecipients, will be required to collect the following data:

- a. Gap in Service Filled. These are modifications to the geographic coverage of transportation service, the quality of transportation service or service times that increase the availability of transportation services for seniors and individuals with disabilities.
- b. ridership;
- c. accessibility improvements; and
- d. other measures, as the Secretary determines is appropriate.

Designated Recipients and States will submit both quantitative and qualitative information available on each of the following measures with its fourth quarter or annual milestone progress reports:

(1) Gaps in Service Filled: Provision of transportation options that would not otherwise be available for seniors and individuals with disabilities measures in numbers of seniors and individuals with disabilities afforded mobility they would not have without program support.

(2) Ridership: Actual or estimated number of rides (as measured by one-way trips) provided annually for seniors or individuals with disabilities on Section 5310 supported vehicles and services.

(3) Physical Improvements: Additions or changes to environmental infrastructure (e.g. transportation facilities, sidewalks, etc.), technology, and vehicles that impact availability of transportation services as a result of project implemented in the current reporting year.

5.14 Designated Recipient Program Management

The SARPC has developed a monitoring program and compliance review process to assure compliance with Federal and state requirements and to assist grantees with their efforts to improve project management and administration.

In general, receipt of any Federal grant carries with it contractual requirements for reporting on the project’s progress and for monitoring the use of grant monies. Grants made by the Federal Transit Administration (FTA) are additionally monitored through performance reviews, either yearly or triennially, program management plan oversight, and site visits. In many instances, under the 5310

Program, the SARPC is directly responsible for monitoring a sub-recipient/grantee's ability to manage, control, and administer Federal funds.

5.14.1 The Review Process for Subrecipients

The review is structured as a layered process. A full grantee review will be required every three years. Its major components are a desk review of files stored at the SARPC's office and an onsite visit of the grantee's offices and operating facilities.

The overall compliance review consists of meetings and physically reviewing files, notices, facilities and equipment. The review splits some of the areas for compliance review between the desk review and the site visit depending upon where documentation is maintained or stored and if it is necessary to retain an item at a specific site or that it be posted at a site.

The need for site visits at other times also varies with the type of project involved. While they may coincide with a triennial review, these visits differ from those required every three years. They are generally made to review that the Federal and SARPC interest is being maintained and in transit usage. For operating projects, the site visit might be conducted once over the term of the specific Federal grant or the subrecipient agreement. For capital projects, the site would be visited once every two years for the entire term that SARPC maintains an interest in the project.

Some compliance items are combined for review because of the interrelated nature of the source documents for an item or their location. A good example of this would be the on-site review of vehicle and equipment maintenance with ADA compliance and continuing control of grant funded property.

Steps in the Review Process:

- Contact with grantee by email or letter to schedule the review
- Desk Review
- Site Visit
- Compliance Report

While the full grantee review takes place every three years other, ongoing reviews, are also being conducted. They compare monthly and/or quarterly progress reports against project schedules; invoicing and requisitions for payment reviews against project budgets; large procurement reviews against proposals; civil rights reviews against Title VI programs and reviews of the yearly program measures reports against goals or scopes in the applications.

For general site visits, the SARPC has determined that the frequency will vary depending on the type of project involved. Every grantee will be visited before their project is initially implemented. For operating projects, the site will be visited one or more additional times during the term of the grant. For capital projects, the site will be visited once every two years for the entire term that SARPC maintains an interest in the project. At final grant close-out SARPC staff will visit the project site.

5.14.2 Contact with the Grantee

The letter informs the grantee that a review of its project(s) will be conducted by the SARPC's staff. It includes a request for a date of the review and a simple agenda. It asks that certain staff be available during the site visit and lists the materials, vehicles and facilities that will be reviewed.

5.15 Desk Review

The desk review is performed in the SARPC offices and reviews information required to be in the final grant application and ongoing reporting requirements, such as quarterly progress reports, yearly reports or requisitions. The following documents will be required in applications for 5310 funds.

5.15.1 Legal Documents

- Authorizing Ordinance
- Opinion of Attorney
- Annual List of Certifications and Assurances
- Pass through or operating agreements/subcontracts

5.15.2 Project Documents

- Application with signatures
- Signed contracts between SARPC and grantee
- Monthly or Quarterly reports
- Annual reports including program measures reporting

5.15.3 Financial and Technical Documents

- Requisitions
- Cost Allocation Plan
- Indirect cost plans
- Copy of Yearly Audit
- Documentation of actions to resolve any audit findings

5.15.4 Procurement, Buy America Documents

- State procurement of vehicles documentation
- SARPC concurrence of procurements \$10,000 or over
- Third Party contracts and any requests for concurrence
- Grantee self-certification of procurement process
- Review any lease agreements for equipment and/or facilities
- Review compliance with ITS Architecture requirements
- Buy America, waivers or certificates for FTA procurements

5.15.5 Maintenance and Satisfactory Continuing Control

(Vehicle, Equipment and Real Property Documents)

- Vehicle fleet roster with funding source documentation
- Annual Certification of Use submitted to SARPC
- Capital Asset Inventory, every two years

5.15.6 Civil Rights

5.15.6.1 Title VI Assurance

- Review copy of standard Title VI Assurance
- Title VI Plan

- Materials that relate to pass through of funds without regard to race, color, or national origin and that minority populations are not being denied the benefits of or excluded from participation in programs

5.15.6.2 EEO

- If grantee receives more than \$1,000,000 and has more than 50 employees program required, review copy of EEO program
- Less than \$1,000,000, review file for EEO practices

5.15.6.3 DBE Plan and Report

- If grantee receives more than \$250,000, exclusive of vehicles, plan is required. If amount is less than \$250,000 only good faith efforts are required.
- Review any documents or reports submitted to SARPC

5.15.6.4 Americans with Disabilities

- Review Compliance Plan

5.15.6.5 Safety and Security

- Review Subrecipients Plan

5.15.6.6 Suspension and Debarment/Integrity/Restrictions on Lobbying

- For third party contracts and subcontracts over \$25,000, review copies of certifications on suspension and debarment
- For contracts over \$100,000 review certifications of Restrictions on Lobbying
- If a grantee uses non-federal funds for lobbying review copy of Standard Form LLL “Disclosure Form to Report Lobbying”

5.15.6.7 Charter and School Bus Service

- Review charters in compliance with new regulations, allowed for program purposes
- Review school bus routes if applicable

5.15.6.8 Drug Free Workplace and Drug and Alcohol Testing

- Review copy of Drug-Free Workplace policy and program
- Review program for Compliance with Federal Motor Carrier’s Safety Administration rule for Commercial Driver’s Licenses or program for Drug and Alcohol Testing

5.15.6.9 Program Measures

- Review proposal in application
- Review reports

5.15.6.10 Environmental (A Grant application requirement)

- Review Categorical Exclusion documentation
- Review Environmental Review

5.15.6.11 Labor

(Not Required for Section 5310 unless Construction is occurring)

5.16 Site Visit

SARPC staff will visit all Section 5310 subrecipients. The administrative purpose of the actual site visit is to:

- Conduct a face to face review meeting with the grantee
- Review the compliance areas that pertain to a specific grantee
- Verify compliance with the regulations associated with the receipt of Federal funds
- Review financial records
- Review project records
- Review written policies
- Review preventative maintenance records and inspect vehicles, equipment and facilities

It also gives SARPC and grantee staff members the opportunity to discuss technical issues. The general structure for the on-site review day includes:

- Entrance conference
- Visit facilities
- Inspect vehicles
- On-site records review
- Exit interview and meeting.

Visiting the facility allows the reviewer to verify that the facility or the part of the facility supporting transit service is in transit usage. Additionally it allows a general observation on the facility's condition and whether required signs are properly posted. At some grantee properties it will be necessary to ride a route to review the service and ADA compliance.

The grantee can prepare for the on-site review by reviewing a check list that SARPC will provide citing the areas being reviewed and the documents that will need to be made available. A finding of non-compliance in an area means that the grantee will need to focus on accumulating or preparing information to reach compliance. SARPC staff will be available to provide assistance with reaching compliance. It is very important that appropriate staff members be available for the entire site visit. Appropriate staff members would include the general manager or executive director, the finance manager and the maintenance manager.

The following is the listing of the overall compliance areas that will be reviewed during the site visit. It includes information concerning the requirement as well as the basis for the requirement under law or statute.

5.17 Legal

Federal Transit law requires that grantees under all programs be eligible and authorized under state and local law to request, receive and dispense FTA funds and to execute and administer FTA funded projects. The authority can be in the form of an authorizing resolution or the by-laws of an organization. The grantee needs to be able to accept responsibility for the project under the laws of a state.

The attorney for the grantee must be able to affirm the legal authority of the grantee and indicate whether any pending legislation or litigation may affect the legal status of the grantee. Additionally the attorney will need, with the authorized official, to sign the certificates and assurances for the 5310 program.

At the on-site review agency and/or grantee by-laws and board minutes will be reviewed.

5.18 Financial and Technical

Receipt of a grant under the 5310 Program obligates the grantee to use the funds it receives as specified in the project application and grant agreement. Execution of the grant agreement establishes a partnership between SARPC and the grantee. SARPC assumes an oversight role in the use of grant funds and retains a vested interest in the funds applied to a project, unused grant balances, and the property and facilities constructed, purchased, or otherwise acquired under the grant.

Grantees, operators, and third party contractors are responsible for establishing and maintaining adequate internal controls over all the functions which relate to project administration and implementation. The control systems must comply with the applicable Federal, FTA Grant Management, Circular 5010.1D, as revised) and all State of Alabama requirements.

The SARPC must be assured that funds for the grant are correctly managed and that the project(s) are being implemented. The grantee needs to have financial management procedures in place. Accounting systems must be able to allocate revenues and expenses, in an acceptable manner.

For grants funding services it is important that the service be marketed to the target populations for the program. The grantee should be able to demonstrate that such a program is in place and in use.

The local share for grants must be from non-FTA sources and may include state funds as well as unrestricted Federal funds. Grantees are required to have an independent audit for operating grants. This must be prepared by an independent CPA and it must include a schedule of costs, revenues, and expenditures in comparison with the Approved Project Budget. All audits performed must meet the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

The selection of the auditor is to be made directly by the grantee. The grantee auditor must be independent from the grantee or operator. They cannot now, or during the course of the project, have any relationship with the grantee, including but not limited to any of the following: an officer, employee (volunteer or paid), stockholder or bookkeeper. If the organization uses the services of a CPA or audit firm for general accounting needs, the audit must be performed by a separate, independent and outside, audit firm.

The FTA may opt to perform audits of projects. These can take place during the course of a project and/or up to three years beyond the end of a master agreement.

The scope of the audit must include an examination of the grantee and/or contractor records and test of transactions sufficient to enable the audit firm to express an opinion on the following items. That the records of receipts, disbursements, assets and liabilities and the presentation of those records in the financial statements of the grantee and/or contractor are in accordance with generally accepted

accounting principles. The principles are consistently applied and present fairly the financial positions of the grantee and/or contractor and the results of its operations for the period covered by the audit. That the costs incurred are eligible under the contract. Finally the audit must review the degree of compliance with the terms and conditions of the contract, the approved program and with SARPC guidance.

5.19 Purchasing, including Buy America and ITS Architecture

The “Common Rule “, U.S. DOT regulations, “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,” 49 CFR part 18. and “Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations,” 49 CFR part 19, permits states to follow the same policies and procedures which they use for procurements funded with non- federal funds, to the extent permitted by Federal statutes and regulations.

The purchasing area includes all third party purchases and contracts entered into by the grantee with Federal funds. Grantees at a minimum must have established internal procurement procedures. Grantees must insure that every purchase order and contract issued by the grantee or a subcontractor using Federal funds includes all clauses required by Federal, state, SARPC and local statutes, executive orders and implementing regulations.

Grantees must follow SARPC procurement practices and include FTA required clauses in their procurement process for contracts in excess of \$10,000. SARPC concurrence is required for each procurement or construction contract estimated to cost greater than \$10,000. This concurrence is to be written and acquired before the advertising or solicitation of bids. Both the desk review and the site visit will include file review for concurrence documentation.

The SARPC permits grantees to follow their own procurement policies provided that the basic Federal Third Party Contracting Guidelines standards are included in the procurement action. Those standards are detailed in FTA Circular 4220.1F, as revised.

If a grantee enters into agreement to operate service with a third party contractor the contractor is obligated to follow FTA procurement guidelines, regardless of the organizational status of the contractor, private for-profit or private non-profit.

Rolling stock acquisitions funded under the Section 5310 Program will participate in the Alabama Department of Transportation (ALDOT) vehicle procurement process.

FTA expects each recipient to self-certify that its procurement system complies with Federal requirements for any FTA assisted third party contracts the recipient undertakes and administers. Grantees and subrecipients are required to maintain a written code of standards of conduct governing the performance for their employees engaged in the award and administration of contracts supported by Federal funds. This code will preclude any conflict of interest in a purchase and provides integrity for the process.

The following table presents general guidelines for capital purchases, as detailed in Federal Circular 4220.1F, as revised.

| Category | Funding Source | Limits | Procurement Procedures | Record Keeping |
|------------------------|----------------|--|--|---|
| Micro-Purchase Capital | Capital Grant | Unit cost less than \$3,000 | Local only | Local methods or 5 year minimum |
| Small Capital | Capital Grant | More than \$3,000 and lower than \$100,000 (SARPC small Capital is up to \$40,000) | Local with notification of SARPC | Document inventory and certify continued use for useful life of asset |
| Regular Capital | Capital Grant | Unit cost greater than or equal to \$40,000 & useful life greater than or equal to 3 years | SARPC specified, in accordance with Federal Regulations. | Document inventory and certify continued use for useful life of asset |

During the on-site visit sample procurement files will be reviewed. This will help document that all procurement requirements are being met.

Buy America certification is required for all procurements of steel, iron, and manufactured products, including rolling stock, over \$100,000. Waivers may be requested when they meet the four it is the public interest, domestically produced goods are not available, or when there is a price differential of at least 25% between domestic and foreign bids. The review of procurement files will incorporate the review of this area.

For Intelligent Transportation System (ITS) projects there is a requirement for conformance with the ITS national architecture developed by FTA. This national architecture defines the framework for ensuring compatibility of information exchange and interface of applications. ITS projects include integrated traffic signal systems, automatic vehicle location systems, traveler information systems or traffic management systems. Procurements for these types of systems need to require conformance with the architecture.

5.20 Maintenance, Satisfactory Continuing Control, Section 504 and ADA

A grantee is required by Federal and state laws and regulations to maintain and keep in good operating order all federally and state funded real property, facilities, equipment and vehicles. Real property is defined as land and buildings. Additionally a grantee must ensure that these items continue in transit service in conformance with the terms of the grant programs.

Section 504 of the Rehabilitation Act, which preceded the Americans with Disabilities Act (ADA), prohibits discrimination of individuals on the basis of handicap by recipients of Federal financial assistance. The ADA, in addition to requiring the provision for complementary paratransit service, requires that vehicles and facilities be accessible. ADA regulations require that public and private entities providing transportation services maintain in operative condition all accessibility features such as lifts, elevators, ramps, securement devices, signage and communication equipment. Review of the grantee’s facilities, maintenance procedures and vehicles will include a review of facility

accessibility and vehicle accessibility including lifts and other accessibility features. Training materials for operators will be reviewed. A bus route may be ridden to watch the system in operation.

Under State of Alabama guidelines all equipment must be utilized 100% for transit purposes. This is consistent with FTA circulars and their requirements for continuing control of project property (C5010.1D, as revised, Chapter IV – Project Management at Section 3 e (1)) FTA C.9070.1, at page VI-3, does encourage maximum use of vehicles funded under the program. In all instances the vehicles must be used first for program related needs. Federal policy does allow some incidental use if the other program or project uses are currently or were previously supported with Federal funds. This is considered incidental as long as it does not interfere with the program use outlined in the application.

SARPC will comply with the final guidelines developed by ALDOT for vehicle usage since ALDOT will be developing the State Management Plan for the Section 5310 program.

To assure compliance with the requirement to maintain items in good working order written maintenance plans and schedules should be developed. If the service is provided by an outside contractor, the contractor needs to provide them to the subrecipient for review by the subrecipient, the SARPC and the FTA. These can be as simple as implementing a manufacturer's scheduled maintenance plan.

Compliance under the continuing control requirement includes maintaining insurance for all real property, facilities, equipment, and vehicles. Good maintenance practices require that items be insured against theft, loss or damage and that warranty standards be followed. All grantees are

required to submit an annual certificate of use for all vehicles and equipment funded under the programs until they are no longer used in service.

FTA maintains an interest in property and equipment purchased with federal funds for the useful life of an item or until it is removed from service. For that reason grantees are required to maintain records on any of these items. Asset management means those systems used for recording purchases, for inventorying the purchased items and for maintaining items. FTA requires that physical inventories be taken at least every two years and that any differences are investigated.

When no longer needed or useful for their original purpose real property, facilities, equipment, and vehicles must be disposed of in accordance with Federal and state requirements. Disposition of real property and equipment with a fair market value of less than \$5,000 may occur with no further obligation to SARPC. Disposition of equipment and real property with a fair market value in excess of \$5,000 requires a written disposition plan to be filed with SARPC. In all cases of vehicle disposition, SARPC must be notified regardless of fair market value. At the SARPC's option these vehicles may be transferred to other operators.

5.21 Safety and Security

The development of formal safety and security plans is now mandated under MAP-21 for all the programs. SARPC will provide assistance and direction to subrecipients with the intention of making sure that the subrecipient recognizing the need for and benefit of a safety and security plan. FTA's authority in the area of safety is set forth in 49 USC 5329. Under this section FTA may conduct investigations into safety hazards and security risks. FTA and SARPC are both concerned with the safety and security of transit passengers and transit workers.

While conducting the on-site compliance part of the monitoring program SARPC staff should be aware of any safety or security issues at the grantee's property.

In the event of a natural disaster or homeland security event all transportation vehicles in the region may be called into use. Preplanning for such events allow quick response. In any event organizations should develop contacts at the local emergency response agency.

MAP-21 describes the contents of a plan as follows:

- The Board of directors (or equivalent entity) must approve the agency safety plan;
- The plan must include methods for identifying and evaluating safety risks throughout all elements of the agency;
- The plan must cover strategies to minimize the exposure of the public, agency personnel and property to hazards and unsafe conditions;
- A process and timeline for reviewing and updating the safety plan annually must be in place;
- Safety performance targets-as will be established by the FTA, in consultation with the transit Community-must be in place.
- Each agency must have an adequately trained safety officer who reports to the general manager; and
- The plan must include a comprehensive staff training program for operations personnel and personnel directly responsible for safety.

Manufacturers of vehicles and equipment will have procedures available for the safe operation of their products and for the training of operators. Certain transit providers may be affected by Federal Motor Carrier Safety Regulations and state motor carrier regulations. Insurance carriers expect and may require that specific equipment and operational practices be followed and that workplace safety guidelines be developed. Emergency preparedness procedures should be coordinated with other local agencies and governments.

Grantees should develop screening and training programs for volunteer drivers. The Agency Council on Coordinated Transportation (ACCT) published a guide "Volunteer Drivers – A Guide to Practices" to assist agencies in developing such programs. It contains useful information about managing a volunteer driver program including safety measures.

5.22 Charter Bus and School Bus

The Charter Bus requirements, Title 49 U.S.C. 5323(d), generally limit the use by public transportation operators of federally funded equipment and facilities for charters unless there are no willing and able private operators available to operate the charter. Charter regulations (49 CFR Part 604), published in the Federal Register on January 14, 2008 (73 FR2326) state, at §604.2 (e), "The requirements of this part shall not apply to a recipient that uses Federal financial assistance from FTA for program

Purposes only, less than 49 U.S.C.5310....." This relieves the operator of a 5310 project from this requirement while operating service under this program.

Additionally at Sub-part B – Exceptions §604.7 provides an exception for recipients providing charter service to a Qualified Human Services Organization. This type of organization is defined as "...an organization that serves persons who qualify for human services or transportation - related programs or services due to disability, income or advanced age." §604.3(q).

The School Bus requirements, Title 49 U.S.C. 5323(f), prohibit the use of FTA funds for exclusive school bus transportation for school students and school personnel. The regulations do permit regular service to be modified to accommodate students along with the general public. This service is commonly referred to as “tripper service”.

The on-site review will focus on vehicle utilization reports, schedules and service description, including maps.

5.23 Drug-Free Workplace and Drug and Alcohol Testing

All recipients of FTA funding are required under 49 CFR part 32 to maintain a drug-free workplace for all employees and to have an anti-drug policy, awareness program and training program.

Grantees/subrecipients must notify employees that the use, manufacture, distribution, or possession of a controlled substance is prohibited in the workplace.

FTA grantees that receive only 5310 program assistance are not subject to FTA’s Drug and Alcohol testing rules, but must comply with Federal Motor Carrier Safety Administration (FMCSA) rule for employees who hold Commercial Driver’s Licenses (CDL)(49 CFR part 382).

All drivers of vehicles designed to transport 16 or more passengers (including the driver) must have a CDL. Mechanics that drive the vehicles must also have a CDL.

Additionally, if the duties of any personnel meet the duties defined as safety sensitive they will have to comply with the FMCSA. If any operating projects will be using vehicles that require a CDL, under the Federal Motor Carrier Safety Administration’s regulations the carrier will be required to implement the regulations.

The Federal Motor Carrier Safety Administration’s regulation under 49 CFR Part 40 requires:

- Pre-employment testing for drivers who perform a safety sensitive function.
- Reasonable suspicion testing when there is reasonable suspicion of use of alcohol and/or controlled substances.
- Random testing using a scientifically valid method.
- Post accident testing for fatal accidents and moving violations requiring vehicle towing or medical attention.

FTA defines safety sensitive duties as:

- Operating a passenger service vehicle, whether or not it is in service.
- Operating a vehicle that requires a Commercial Drivers License (CDL).
- Controlling dispatch or movement of a vehicle.
- Performing maintenance on a passenger service vehicle.
- Carrying a firearm for security purposes.

5.24 Labor Protections

The transit employee protections, 49 U.S.C. 5333(b), do not apply to the 5310 program.

For FTA programs, 49 U.S.C. 5333(a) imposes Davis-Bacon Act prevailing wage requirements on construction projects. Section 5333(a) requires the Secretary ensure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed with the assistance of loans or grants under Chapter 53 be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended.

5.25 Report

The final part of the review process is creation of the final report and summary of findings matrix. The report document summarizes the steps in the monitoring process, describes the grantee, the program and the project and outlines the corrective actions the grantee will need to take to bring the project into compliance with laws, regulations, guidance and circulars. It will also provide a record of attendees at the meetings and at the site visit locations.

The outline for corrective action is a simple spreadsheet which gives a priority to the review item, names the area, states the finding, lists the deficiency and corrective action, and gives the grantee a time period for correction. Findings are summarized as No Deficiencies – ND,

Deficiency – D, Not Applicable – NA, Not Reviewed – NR, and Advisory Comments – AC. Corrective action time periods are usually set at 30, 60, 90, 120 days.

If there are only a few items which need attention, the corrective action plan may take a more text based form. The subrecipient will be asked to submit a response with a 30 or 60 day period.

The table includes 10 items that have an asterisk and are grayed out to designate those items that are reviewed only when the grantee owns FTA funded property, facilities or equipment and operates public transit service.

| Review Area | Findings | Deficiency | Corrective Action | Response Days/ Date |
|-----------------------------------|----------|------------|-------------------|---------------------|
| 1. Legal | | | | |
| 2. Financial | | | | |
| 3. Technical | | | | |
| 4. Satisfactory Continuing | | | | |
| 5. Maintenance* | | | | |
| 6. Procurement | | | | |
| 7. DBE | | | | |
| 8. Buy America* | | | | |
| 9. Suspension/ Disbarment | | | | |
| 10. Lobbying | | | | |
| 11. Planning/ Program of Projects | | | | |
| 12. Title VI | | | | |
| 13. Public Comment | | | | |
| 14. Half Fare | | | | |
| 15. ADA | | | | |
| 16. Charter Bus* | | | | |

| | | | | |
|------------------------|--|--|--|--|
| 17. School Bus* | | | | |
| 18. NTD* | | | | |
| 19. Safety & Security* | | | | |
| 20. Drug Free | | | | |
| 21. Drug & Alcohol | | | | |
| 22. EEO | | | | |
| 23. ITS Architecture* | | | | |
| Program Measure | | | | |
| Environmental# | | | | |
| Labor | | | | |

Operating grants qualify for a Categorical Exclusions under environmental regulations.

Reviewers should be aware that in some instances significant issues will be discovered during the review. In anticipation of this occurrence the SARPC has determined that it will, as the designated recipient, “stand in the shoes” of the Federal government when informing grantees of the impacts of non-compliance with grant requirements. This determination will assure that funds assigned to regional projects will continue to be available to the region.

The SARPC may request that FTA assist it in instituting a variety of actions depending on the severity of the issue. FTA’s Circular 5010.1D, as revised, Grant Management Requirements, outlines methods for

Grant Close-Out and Suspension and Termination in Chapter III, Grant Administration. Section 5 b covers Close-Out by FTA and Section 6 covers Suspension and Termination. Among a variety of reasons a grant may be closed-out by FTA are either failure to comply with the terms or conditions of the Grant Agreement or other Federal requirement and/or failure by the grantee to make reasonable progress to complete approved grant activities. A grant may be suspended or terminated for a variety of reasons including the failure to comply with the conditions of a grant including failure to make reasonable progress. Additionally FTA can pursue a partial termination of a grant where funds are no longer needed to accomplish the grant purpose.

One possible series of remedial actions as a result of a grantee’s not meeting its performance requirements are as follows:

- Warning letter to the agency and Board of Directors that identifies deficiencies, the necessary remedies, and a timeline for corrections.
- Suspension of grant fund payments.
- Ineligibility for any additional grant funds either within the current program or future programs.
- An audit of the agency to determine compliance with contractual obligations
- Termination of the grant contract(s).
- Appropriate legal action by the SARPC to enforce the contract.

Other approaches are possible but it is important that the SARPC determines what action it will take if projects are not being implemented, if grant funds are not being used or if they are being misused. The grantee’s report will present SARPC’s determination and the required remedial action(s).

5.26 Other Provisions

The SARPC makes appropriate certifications of compliance with Federal requirements. SARPC cites

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 SARPC. In addition to monitoring subrecipient's adherence to Title VI requirements, all other applicable federal requirements and certifications will be monitored under the SARPC compliance program.

5.26.1 Closeout Procedures

SARPC will use a two-step process to a move a Federal grant to closeout.

5.26.1.1 Subrecipient Closeout

Subrecipients are responsible for writing "Final Invoice" on the last invoice the subrecipient submits. This process begins when all activities in the Technical Services Agreement (TSA) are completed or all funds in in the agreement are fully expended.

A final status report should accompany the final invoice. The final status report should state whether all project goals have been accomplished.

Finance initiates closeout of the individual project once final payment is made.

5.26.1.2 SARPC and FTA Closeout

The SARPC is responsible for administering the Federal grant closeout through the FTA's TEAM system. The SARPC will make any necessary adjustments to the project budget and conduct a final grant project audit as required by A-133.

Grant closeout procedures are outlined in the following FTA Circulars: Section 5310, 9070.1G, page VI-15 and Grant Management Requirements, C. 5010.1D, as revised, page III-14.

"The grantee must initiate close-out of a grant when all approved activities are completed and/or applicable Federal funds expended. All close-out documentation must be submitted within 90 days of the completion of all activities in the grant. This requires notifying FTA by letter or e-mail that the grant is ready for close-out. The grantee should electronically submit the following in TEAM as part of the grant close-out process: 1) a final budget reflecting actual project costs by scope and activity; 2) a final Federal Financial Report; 3) a final narrative MPR indicating the actual completion date of each ALI; a discussion of each ALI contained in the final budget and list of project property purchased under the grant; 4) a request to deobligate any unexpended balance of Federal funds; and 5) any other reports required as part of the terms and conditions of the grant."

The Milestone Report will include information on the completion of the individual projects as well as the total project.

All project records will be maintained by the SARPC for three years.