ELDERLY AND DISABLED TRANSPORTATION ASSISTANCE PROGRAM (E&DTAP)  
RURAL GENERAL PUBLIC PROGRAM (RGP)  
WORK FIRST TRANSITIONAL/EMPLOYMENT TRANSPORTATION ASSISTANCE PROGRAM  
RURAL OPERATING ASSISTANCE PROGRAM (ROAP)

State Authorization:  
N.C.G.S. 143B – 273  E&DTAP  
N.C.G.S. 136 – 2B       Rural General Public Program  
Work First Transitional/Employment Transportation Assistance

Department of Transportation  
Public Transportation Division (PTD)

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The auditor should not consider the Supplement to be “safe harbor” for identifying audit procedures to apply in a particular engagement, but the auditor should be prepared to justify departures from the suggested procedures. The auditor can consider the supplement a “safe harbor” for identification of compliance requirements to be tested if the auditor performs reasonable procedures to ensure that the requirements in the Supplement are current. The grantor agency may elect to review audit working papers to determine that audit tests are adequate.

The Rural Operating Assistance Program (ROAP) is the combination of three separate funding sources available to counties to assist in the cost of providing transportation services to elderly and disabled persons, employment transportation and transportation to the general public.

The Single Audit Compliance Unit of the External Audit Branch reviews all single audits, financial audits, and management letters of all “grantees”. We are looking at both the presentation (information as to program, state funding, NCDOT identification numbers) and the dollar amounts presented versus our records. Any reports not received will be requested.

The county receives their ROAP moneys as either a warrant or an electronic funds transfer (EFT). If an EFT, “ACH” will appear under the check number column; if a warrant, the appropriate information will be shown under the check column number. These moneys should be identified on the Schedule of Expenditures of Federal and State Awards. On NCDOT’s confirmation from the Grant Master List (GML), these moneys are shown as DOT-16CL.

Financial Assistance must be properly identified by program name, i.e. EDTAP, RGP, or Employment.

I. PROGRAM OBJECTIVES

A description of the separate programs that were combined to make ROAP is as follows:
The Elderly and Disabled Transportation Assistance Program (EDTAP) provides operating assistance funds for the transportation of the state’s elderly and disabled citizens. This transportation assistance allows these individuals to reside for a longer period in their homes, thereby enhancing their quality of life. Program funds may only be used to purchase additional trips and are not to be used to supplant existing funds used for client transportation.

The Employment Transportation Assistance Program is intended to provide operating assistance for employment transportation needs. The funds are intended to help DSS clients that transitioned off Work First or TANF in the last 12 months, Workforce Development Program participants and/or the general public to travel to work, employment training and/or employment related destinations.

The Rural General Public Program (RGP) operating funds are intended to provide transportation services to individuals who do NOT have a human service agency or organization that will pay for the transportation service and live in the non-urbanized area of the county. The county in consultation with the Community Transportation System must determine the RGP services to be provided with the RGP funds.

The FY08 state appropriations bill (Section 21.18 of Senate Bill 1741) gave the Public Transportation Division (PTD) the ability to consolidate its rural funding programs for vehicles, technology and facilities into one large capital program. PTD had the flexibility to transfer funding from the consolidated capital program to the operating programs, based on the ability to obligate additional Section 5311 funds to meet the capital needs of rural transportation systems.

II. PROGRAM PROCEDURES

The program is administered by the Public Transportation Division of NCDOT. Local recipients are county governments, or eligible transit authorities that must submit grant applications and meet program requirements. All one hundred North Carolina counties are eligible to receive a formula-based allocation for EDTAP and Work First/Employment funds. Those counties providing transportation services to the general public will receive an RGP allocation. The Eastern Band of Cherokee Indians is also eligible to receive an RGP allocation. Funds are disbursed only to the county’s finance officer or to the local transit authority created pursuant to Article 25 or Article 26 of Chapter 160A of the General Statutes (through a Memorandum of Understanding). A transportation authority must have an agreement with each county detailing the requirements of the ROAP program before funds are disbursed to them. The county can request an amount less than the total allocation for each of the three programs. The county finance officer will be responsible for program administration at the local level. As the recipient of the funds, the county or eligible transit authority is responsible for monitoring the use of funds that are passed through to local agencies. The funds can be passed through from the county to the local transportation system for administration. Since FY2000, the program funds were disbursed under a consolidated application package called the Rural Operating Assistance Program (ROAP). However, program requirements did not change.

Counties and eligible transit authorities have the ability to transfer Employment Transportation Assistance funds, all or in part, to the EDTAP and/or RGP programs provided such funds are not needed to provide employment trips or eligible other services. The applicant attests via the Certified Statement that an assessment of employment transportation needs has occurred prior to any transfer of funds. Employment
Transportation Assistance funds that are transferred assume the requirements of the program to which they are transferred. The county finance officer or the eligible authority’s executive director can determine anytime after December 31st that there are unexpended EMP funds that are not needed before the end of the year for employment needs and transfer them to the Community Transportation System. The Community Transportation System decides whether these funds will be transferred to EDTAP or RGP or used for employment transportation based on their predicted service demands. The annual ROAP Report includes a Local Transfer of Funds form to document the transfer of Employment Transportation Assistance funds to EDTAP or RGP within the county or authority.

For regional transportation systems only, ROAP funds may be transferred between and/or among member counties. EDTAP and RGP funds must remain within the same program if such funds are transferred between and/or among counties. EMP funds may be transferred either to the same program or to EDTAP or RGP. The eligible regional systems are: Craven County; Choanoke Public Transportation Authority; Kerr Area Rural Transportation Authority; City of Rocky Mount (Tar River Transit); Albemarle Regional Health Services (ICPTA); Randolph Senior Adults Association, Yadkin Valley Economic Development District, Inc., and Western Piedmont Regional Transit Authority.

III. COMPLIANCE REQUIREMENTS

1. ACTIVITIES ALLOWED OR UNALLOWED

Compliance Requirement - Funds will be provided for services as described in the grant application. The following table indicates specific activities/costs that are eligible and ineligible for Employment, EDTAP and RGP programs.

<table>
<thead>
<tr>
<th>Eligible Transportation Expenses Matrix</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Services must be provided to a person that meets the eligibility criteria.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Trip Based Services</th>
<th>EDTAP</th>
<th>EMPL</th>
<th>RGP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trip Purpose</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal care, non-emergency medical appointments, pharmacy pickup, shopping, bill paying, public hearings, committee meetings, classes, banking, etc.</td>
<td>Yes</td>
<td>NO</td>
<td>Yes</td>
</tr>
<tr>
<td>Job interviews, job fair attendance, job readiness activities or training, GED classes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
## RURAL OPERATING ASSISTANCE PROGRAM (ROAP) CLUSTER

<table>
<thead>
<tr>
<th>Transportation to Workplace (trip must be scheduled by the individual passenger)</th>
<th>Yes</th>
<th>Yes</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child(ren) of Working Parent transported to Child Care</td>
<td>NO</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Group field trips/tours to community special events</td>
<td>Yes</td>
<td>NO</td>
<td>*</td>
</tr>
<tr>
<td>Overnight trips to out-of-county destinations</td>
<td>Yes</td>
<td>NO</td>
<td>*</td>
</tr>
<tr>
<td>Human Service Agency appointments</td>
<td>Yes</td>
<td>NO</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Human service agencies cannot purchase passes, tickets or tokens from the community transit systems for the agency’s program needs or their clients’ needs. Human service agencies must pay the fully allocated cost for the transportation services they need. Clients must purchase their own passes, tickets and tokens from the community transit system.

* Must be provided under the provisions of the federal Charter regulations which can be viewed at [http://www.fta.dot.gov/laws/leg_reg_179.html](http://www.fta.dot.gov/laws/leg_reg_179.html)

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**IMPORTANT!** Counties and eligible authorities will no longer be allowed to use ROAP funds for other services including fuel assistance (gas vouchers, gas cards, reimbursement to fuel provider), vehicle repairs or vehicle insurance premiums beginning with the 2012-2013 ROAP Program.

### Audit Objective
Determine if funds were used for eligible program expenditures.

### Suggested Audit Procedure

1. Test expenditures and related trip and accounting records for compliance with the program guidelines.

2. If funds were not expended in the recipient county (regional systems only), but were transferred to another county, review these transfers.

2. **ALLOWABLE COSTS/COST PRINCIPLES**

   NC Department of Transportation had adopted, through its Administrative Code Book, the costs and cost principles of OMB Circular A-87, “Cost Principles for State, Local and Indian Tribal Governments” and OMB Circular A-122, “Cost Principles for Non-Profit Organizations.” ([www.whitehouse.gov/omb/circulars](http://www.whitehouse.gov/omb/circulars))

3. **CASH MANAGEMENT**
Compliance Requirement – Unexpended program funds exceeding $50 are to be returned to the Public Transportation Division for redistribution.

Audit Objective – Determine if unexpended funds were reported to the department.

Suggested Audit Procedure – Review reporting form and reconcile amounts shown back to source documents to confirm that the allocation for each program was spent/was not spent and any remainder was reported to NCDOT.

5. ELIGIBILITY

Compliance Requirement – The ROAP funds must be used for the population group or trip purpose as specified in the program guidelines.

Audit Objective – Determine if EDTAP, Employment, and RGP funds were expended for the intended population group or trip purpose.

Suggested Audit Procedure – Review program eligibility certification, passenger records, trip data, and accounting records to determine eligibility compliance.

7. MATCHING, LEVEL OF EFFORT, EARMARKING

1. Matching

Compliance Requirement – The allocation is to be used in accordance with the guidelines of each program (e.g., Employment, EDTAP, RGP) as stated in the ROAP application package.

Audit Objective – Determine that funds were correctly applied. State match requirements—no match required for EDTAP or Employment, and 10% required for RGP can be from passenger fare or local funds.

Suggested Audit Procedure

1. Compare the total reported project cost with the financial records to determine the costs are allowed and acceptable expenses.

2. Review financial records and determine the sources, amounts and acceptability of shares claimed.

2. Level of Effort – EDTAP funds cannot be used to supplant existing transportation funding for elderly and persons with disabilities.

3. Earmarking – ROAP funds cannot be transferred among the three programs—Employment funds can be transferred to EDTAP or RGP if not needed for employment transportation.

8. PERIOD OF AVAILABILITY OF STATE FUNDS

Compliance Requirement - The funds are available for use July 1, 2012 through June 30, 2013.

Audit Objective – Determine if the allocation was expended within the time period.
Suggested Audit Procedure - Verify that the allocation and interest was expended within the twelve-month time period for FY funds by reviewing trip and financial records.

12. REPORTING

Financial Reporting

Compliance Requirement – Annual reports for the FY are due on September 30th (example: FY13 annual reports are due 09-30-13). Semi-Annual reports for the FY will be due on or about February 15th (example: FY13 semi-annual reports are due on/about 02-15-13). Annual reports for the FY disbursements will be due on or about September 30th (example: FY13 will be due on/about 09-30-13). The reports reflect the number of trips and expenditure by the county. Eligible Transit Authorities provide one report that includes all the counties served. Other Regional transportation systems must provide a separate report for each county in the system/service area.

Audit Objective Determine if the reported expenditure is documented.

Suggested Audit Procedure – Test reported program expenditures against documented costs.

13. SUBRECIPIENT MONITORING

Compliance Requirement – The county finance officer is responsible for program administration at the local level, including monitoring the use of the funds that are sub-allocated to the local transportation system and agencies, to ensure that the funds are being used according to program guidelines and that the amounts of funds, if any, to be returned to NCDOT is accurate.

Audit Objective – Determine activities used by the finance officer to monitor use of the program funds.

Suggested Audit Procedures

1. Determine the amount of unexpended funds, if any, that are to be returned to NCDOT.

2. Review any written procedures for periodic reporting of the use of the funds by agencies receiving the sub-allocation.

3. Ascertain that efforts were made by the finance officer to reallocate funds that have been sub-allocated to agencies but not expended in a timely manner.

4. Determine if any funds were sub-allocated to non-governmental entities. If any funding was provided to a nongovernmental, determine if the appropriate reports were made by that entity to NCDOT.

North Carolina General Statute 143C-6-23 “Use of State Funds by Non-State Entities,” and North Carolina Administrative Code Chapter 9, Subchapter 03M “Uniform Administration of State Grants” addresses reporting requirements for nongovernmental entities.
These regulations along with reporting forms may be accessed at:

https://www.ncgrants.gov/NCGrants/Regulations.jsp

https://www.ncgrants.gov/NCGrants/PublicReportsRegulations.jsp