

Vermont Agency of Transportation Granting Plan

Effective date: Effective for FY2018 beginning July 1, 2017

This Granting Plan applies to the entire Agency of Transportation (VTTrans), including the following Bureaus and Sections:

- I. Highway Division/Municipal Assistance Bureau**
 - **Bicycle and Pedestrian Program**
 - **Municipal Mitigation Grant Program (Better Roads)**
 - **Transportation Alternatives Program**
 - **Municipal Park & Ride Program**
 - **Roadway, Highway Safety & Design, Town Highway Bridge, State Highway Bridge and Multi-Modal Program Grants**

- II. Highway Division/Office of Highway Safety/Governor's Highway Safety Program**

- III. Highway Division/Maintenance and Operations Bureau**
 - **Town Highway State Aid for Federal Disasters**
 - **Town Highway State Aid for Non-Federal Disasters**
 - **Town Highway Class 2 Roadway Program**
 - **Town Highway Structures Program**

- IV. Policy, Planning and Intermodal Development Division (PPAID)/Public Transit Section**

- V. Policy, Planning and Intermodal Development Division (PPAID)/Policy and Planning Bureau**
 - **Better Connections Grant Program**
 - **Transportation Planning Initiative**
 - **State Transportation Research Program**

- VI. Agency wide processes**

I. Highway Division/Municipal Assistance Bureau

Municipal Assistance Bureau/Bicycle and Pedestrian Program

Statutory References:

19 V.S.A. § 10g and MAP-21 §1108; 23 USC 133

ISSUANCE PROCEDURES

Statutory References:

19 V.S.A. § 10g and MAP-21 §1108; 23 USC 133

Grantee Selection Process

A selection committee is formed that represents a number of VTrans' representatives from various groups as well as an outside representative from a regional planning commission. Scoring criteria are articulated in the program application – these have been developed to support the VTrans' mission statement and strategic plan. Individual committee members develop a score for each application using the scoring criteria. The committee then convenes, scores are added and the committee then discusses each application. The committee then comes to consensus on which project applications will be awarded. This is summarized in a memorandum for executive staff sign off. The selection criteria from the most recent round of applications is attached but may vary slightly from year to year.

Pre-Award Eligibility (Bulletin 5, Section V.B.)

See attached score sheet: Bike/Ped Selection Criteria

Contract Administration checks the vendor at the System for Award Management (SAM) and the Secretary of State website to verify the applicant is in good standing. Checks VISION to insure applicant is not delinquent for Subrecipient Annual Report and Single Audit. Contract Administration also verifies the applicant does not appear on the State Debarment list maintained at the Buildings and General Services (BGS) website.

Pre-Award Risk Assessment (Bulletin 5, Section V.B.) Grants Unit in collaboration with Project Manager for project awards greater than \$25,000.

A standard risk assessment is used – a sample of the tool is attached. Items to consider when assessing risk may include the following:

- Compliance with terms and conditions of prior grant awards
- Total amount and/or complexity of the award
- Financial stability of the organization
- Recent incidences of fraud, embezzlement, or mismanagement

- The results of prior audits, including Single Audits, when applicable
- Prior experience with similar awards
- Current staffing levels and qualifications

Subrecipient/Contractor Determination (Bulletin 5, Section V.C.)

The recipients of awards from this ongoing program have been determined to be subrecipients by a process consistent with Bulletin 5.0, Sec. V.C.

Grant Award Document (Bulletin 5, Section V.E.)

Contract Administration generates all award documents for consistency with Bulletin 5.0, Sec. V.E.

Execution Process (Bulletin 5, Section VI.E.)

Following the grantee selection process, a project manager and project supervisor is assigned for each project awarded. The project manager/ project supervisor, upon receipt of a project commitment form from the grantee for each project awarded, completes a Grant Information Sheet and grant agreement shell and sends these two documents to Contract Administration along with a completed Risk Assessment Form, if required. Contract Administration generates the grant agreement from the information provided, including all required attachments and forwards to the project manager/ project supervisor for review and sign-off. The grant agreement proceeds to Legal (Assistant Attorney General) for review and sign off. The agreement is then routed back to Contract Administration. Contract Administration sends to the grantee for signature. Upon receipt of a signed grant agreement from the grantee, Contract Administration routes the agreement to the Secretary's Office for signature. Contract Administration then distributes the fully-executed grant agreement to all appropriate parties.

Amendment Process

An additional award, an agreed upon change to the scope of the project, special conditions that might arise or an extension of the contract period. Project Manager/Project Supervisor will determine and approve if an amendment is necessary. All amendments are processed by Contract Administration per Bulletin 5.0 guidelines.

Municipal Assistance Bureau/ Municipal Mitigation Grant Program (Better Roads)

Statutory References: 19 V.S.A. § 10g

ISSUANCE PROCEDURES

Grantee Selection Process

A selection committee with representation of both the Agency of Transportation and Agency of Natural Resources, Department of Environmental Conservation is formed and convened. The staff that participates has demonstrated technical expertise in the areas of storm water and water quality. Scoring criteria are articulated in the program application – these have been developed to support the Agency’s mission statement and strategic plan. Individual committee members develop a score for each application using the scoring criteria. The committee then convenes, scores are added and the committee then discusses each application. The committee then comes to consensus on which project applications will be awarded. Each award is considered a project. This is summarized in a memorandum for executive staff sign off. A selection criterion from the most recent application is attached but may vary slightly from year to year.

Pre-Award Eligibility (Bulletin 5, Section V.B.)

See attached score sheet: Vermont Better Roads Category B Grant Proposal Scoring Criteria.

Contract Administration checks the vendor at the System for Award Management (SAM) and the Secretary of State website to verify the applicant is in good standing. Checks VISION to insure applicant is not delinquent for Subrecipient Annual Report and Single Audit. Contract Administration also verifies the applicant does not appear on the State Debarment list maintained at the Buildings and General Services (BGS) website.

Pre-Award Risk Assessment (Bulletin 5, Section V.B.)

Individual grant risk assessments are not performed for these grants. Municipalities only receive funds after the work has been satisfactorily completed in accordance with each grant application. VTrans personnel with primary responsibility for these grants are in close contact with the towns and in actual physical proximity to the work done under the grant. See waivers section of the Plan.

Subrecipient/Contractor Determination (Bulletin 5, Section V.C.)

The recipients of awards from this ongoing program have been determined to be subrecipients by a process consistent with Bulletin 5.0, Sec. V.C.

Grant Award Document (Bulletin 5, Section V.E.)

Contract Administration generates all award documents for consistency with Bulletin

5.0, Sec. V.E

Execution Process (Bulletin 5, Section VI.E.)

Following the grantee selection process, the program coordinator completes the Grant Information Sheet for each project funded and sends these to Contract Administration. Contract Administration generates the grant agreement from the information provided, including all required attachments and forwards to the project manager/ project supervisor for review and sign-off. The grant agreement proceeds to Legal (Assistant Attorney General) for review and sign off. The agreement is then routed back to Contract Administration. Contract Administration obtains current compliant certificate of insurance. Contract Administration sends to the grantee for signature. Upon receipt of a signed grant agreement from the grantee, Contract Administration routes the agreement to the Secretary's Office for signature. Contract Administration then distributes the fully- executed grant agreement to all appropriate parties.

Amendment Process

An additional award, an agreed upon change to the scope of the project, special conditions that might arise or an extension of the contract period. Project Manager/Project Coordinator will determine and approve if an amendment is necessary. All amendments are processed by Contract Administration per Bulletin 5.0 guidelines.

Municipal Assistance Bureau/Transportation Alternatives Program

Statutory References: 19 V.S.A. § 10g, 19 V.S.A. § 38 and Section 213 of Title 23, United States Code

ISSUANCE PROCEDURES

Grantee Selection Process

A selection committee is formed and convened per the criteria outlined in 19 V.S.A. § 38. Scoring criteria are articulated in the program application – these have been developed to support the Agency’s mission statement and strategic plan. Individual committee members develop a score for each application using the scoring criteria. The committee then convenes, scores are added and the committee then discusses each application.

The committee then comes to consensus on which project applications will be awarded. This is summarized in a memorandum for executive staff sign off. Selection criteria from the most recent application is attached but may vary slightly from year to year.

Pre-Award Eligibility (Bulletin 5, Section V.B.)

See attached score sheet: Transportation Alternatives Selection Criteria
Contract Administration checks the vendor at the System for Award Management (SAM) and the Secretary of State site to verify the applicant is in good standing. Checks VISION to insure applicant’s is not delinquent for Subrecipient Annual Report and Single Audit. Contract Administration also verifies the applicant does not appear on the State Debarment list maintained at the Buildings and General Services (BGS) website.

Pre-Award Risk Assessment (Bulletin 5, Section V.B.) Grants Unit in collaboration with Project Manager for project awards greater than \$25,000.

A standard risk assessment is used – a sample of the tool is attached. Items to consider when assessing risk may include the following:

- Compliance with terms and conditions of prior grant awards
- Total amount and/or complexity of the award
- Financial stability of the organization
- Recent incidences of fraud, embezzlement, or mismanagement
- The results of prior audits, including Single Audits, when applicable
- Prior experience with similar awards
- Current staffing levels and qualifications

Subrecipient/Contractor Determination (Bulletin 5, Section V.C.)

The recipients of awards from this ongoing program have been determined to be subrecipients by a process consistent with Bulletin 5.0, Sec. V.C.

Grant Award Document (Bulletin 5, Section V.E.)

Contract Administration generates all award documents for consistency with Bulletin 5.0, Sec. V.E

Execution Process (Bulletin 5, Section VI.E.)

Following the grantee selection process, a project manager and project supervisor is assigned for each project awarded. The project manager/ project supervisor, upon receipt of a project commitment form from the grantee for each project awarded, completes a Grant Information Sheet and grant agreement shell and sends these two documents to Contract Administration along with a completed Risk Assessment Form, if required. Contract Administration generates the grant agreement from the information provided, including all required attachments and forwards to the project manager/ project supervisor for review and sign-off. The grant agreement proceeds to Legal (Assistant Attorney General) for review and sign off. The agreement is then routed back to Contract Administration. Contract Administration sends to the grantee for signature. Upon receipt of a signed grant agreement from the grantee, Contract Administration routes the agreement to the Secretary's Office for signature. Contract Administration then distributes the fully-executed grant agreement to all appropriate parties.

Amendment Process

An additional award, an agreed upon change to the scope of the project, special conditions that might arise or an extension of the contract period. Project Manager/Project Supervisor will determine and approve if an amendment is necessary. All amendments are processed by Contract Administration per Bulletin 5.0 guidelines.

Municipal Assistance Bureau/Municipal Park & Ride Program

Statutory References: Sec. 61 of Act 160 of 2004

ISSUANCE PROCEDURES

Grantee Selection Process

A selection committee is formed and convened with representation from various sections of the Agency of Transportation. Scoring criteria are articulated in the program application

– these have been developed to support the Agency’s mission statement and strategic plan. Individual committee members develop a score for each application using the scoring criteria. The committee then convenes, scores are added and the committee then discusses each application. The committee then comes to consensus on which project applications will be awarded. Each award is considered a project. This is summarized in a memorandum for sign off. Selection criteria from the most recent application is attached but may vary slightly from year to year.

Pre-Award Eligibility (Bulletin 5, Section V.B.)

See attached score sheet: Park & Ride Selection Criteria

Contract Administration checks the vendor at the System for Award Management (SAM) and the Secretary of State website to verify the applicant is in good standing. Checks VISION insure applicant is not delinquent for Subrecipient Annual Report and Single Audit. Contract Administration also verifies the applicant does not appear on the State Debarment list maintained at the Buildings and General Services (BGS) website.

Pre-Award Risk Assessment (Bulletin 5, Section V.B.)

Individual grant risk assessments are not performed for these grants. Municipalities only receive funds after the work has been satisfactorily completed in accordance with each grant application. VTrans personnel with primary responsibility for these grants are in close contact with the towns and in actual physical proximity to the work done under the grant. See waivers section of the Plan.

Subrecipient/Contractor Determination (Bulletin 5, Section V.C.)

The recipients of awards from this ongoing program have been determined to be subrecipients by a process consistent with Bulletin 5.0, Sec. V.C.

Grant Award Document (Bulletin 5, Section V.E.)

Contract Administration generates all award documents for consistency with Bulletin 5.0, Sec. V.E

Execution Process (Bulletin 5, Section VI.E.)

Following the grantee selection process, the program coordinator completes the Grant Information Sheet for each project funded and sends these to Contract Administration along with the completed Risk Assessment Forms, if required. Contract Administration generates the grant agreement from the information provided, including all required attachments and forwards to the project manager/project supervisor for review and sign-off. The grant agreement proceeds to Legal (Assistant Attorney General) for review and sign off. The agreement is then routed back to Contract Administration. Contract Administration sends to the grantee for signature. Upon receipt of a signed grant agreement from the grantee, Contract Administration routes the agreement to the Secretary's Office for signature. Contract Administration then distributes the fully- executed grant agreement to all appropriate parties.

Amendment Process

An additional award, an agreed upon change to the scope of the project, special conditions that might arise or an extension of the contract period. Project Manager/Project Coordinator will determine and approve if an amendment is necessary. All amendments are processed by Contract Administration per Bulletin 5.0 guidelines.

Municipal Assistance Bureau/Roadway, Highway Safety & Design, Town Highway Bridge, State Highway Bridge and Multi-Modal Program Grants

Statutory References: 19 V.S.A. § 10g MAP-21 § 1108; 23 United States Code 133, Title 23 Section 162, Public Law 109-59 and 23 United States Code 402.

ISSUANCE PROCEDURES

Grantee Selection Process

Grants (projects) are awarded through these programs in a variety of ways. Many are advanced because the grantee obtains federal congressional earmarks; and the Agency works with the grantee to progress the project as the project funds come through the Federal Highway Administration. Another avenue is by the Agency first agreeing to fund a municipality requested project then subsequently, entering into a grant agreement with the municipality for the project because: (1) The Agency does not have sufficient staff to complete the project or does not consider the project a priority; or, (2) the municipality requests that they be able to advance the project. There are not any “score sheets” for projects that are funded in these categories.

Pre-Award Eligibility (Bulletin 5, Section V.B.)

Contract Administration checks the vendor at the System for Award Management (SAM) and the Secretary of State website to verify the applicant is in good standing. Checks VISION to insure applicant is not delinquent for Subrecipient Annual Report and Single Audit. Contract Administration also verifies the applicant does not appear on the State Debarment list maintained at the Buildings and General Services (BGS) website.

Pre-Award Risk Assessment (Bulletin 5, Section V.B.) Grants Unit in collaboration with Project Manager for project awards greater than \$25,000.

A standard risk assessment is used – a sample of the tool is attached. Items to consider when assessing risk may include the following:

- Compliance with terms and conditions of prior grant awards
- Total amount and/or complexity of the award
- Financial stability of the organization
- Recent incidences of fraud, embezzlement, or mismanagement
- The results of prior audits, including Single Audits, when applicable
- Prior experience with similar awards
- Current staffing levels and qualifications

Subrecipient/Contractor Determination (Bulletin 5, Section V.C.)

The recipients of awards from this ongoing program have been determined to be

subrecipients by a process consistent with Bulletin 5.0, Sec. V.C.

Grant Award Document (Bulletin 5, Section V.E.)

Contract Administration generates all award documents for consistency with Bulletin 5.0, Sec. V.E

Execution Process (Bulletin 5, Section VI.E.)

For each project funded through these programs, a project manager and/ or project supervisor is assigned. The project manager/project supervisor, upon receipt of a project commitment form from the grantee for each project awarded, completes a Grant Information Sheet and grant agreement shell and sends these two documents to Contract Administration along with a completed Risk Assessment Form, if required. Contract Administration generates the grant agreement from the information provided, including all required attachments and forwards to the project manager/project supervisor for review and sign-off. The grant agreement proceeds to Legal (Assistant Attorney General) for review and sign off. The agreement is then routed back to Contract Administration.

Contract Administration sends to the grantee for signature. Upon receipt of a signed grant agreement from the grantee, Contract Administration routes the agreement to the Secretary's Office for signature. Contract Administration then distributes the fully-executed grant agreement to all appropriate parties.

Amendment Process

An additional award, an agreed upon change to the scope of the project, special conditions that might arise or an extension of the contract period. Project Manager/Project Supervisor will determine and approve if an amendment is necessary. All amendments are processed by Contract Administration per Bulletin 5.0 guidelines.

Highway Division/Municipal Assistance Bureau

MONITORING PROCEDURES/ACTIVITIES

Statutory References: 2 CFR 200 and Bulletin 5, State of Vermont

Applies to the following Municipal Assistance Bureau Programs

- Bicycle and Pedestrian Program
- Municipal Mitigation Grant Program (Better Roads)
- Transportation Alternatives Program
- Municipal Park & Ride Program
- Roadway, Highway Safety & Design, Town Highway Bridge, State Highway Bridge and Multi-Modal Program Grants

Monitoring Criteria (Bulletin 5, Section VIII.A.) Conducted by Contract and Grants Unit

All federal and state-funded grants must be monitored for the purpose of verifying that funds were expended for their intended purpose and that all of the terms and conditions of the award were met.

Monitoring criteria may include:

- Size of the grant
- Type of organization
- Complexity of compliance requirements
- subrecipient's prior experience
- subrecipient's prior monitoring results
- The result of the Pre-Award Risk Assessment
- Grant payment procedures
- The performance measures, if any, included in the Grant Agreement

Monitoring Activities (Bulletin 5, Section VIII. B. & C.)

- Desk review
- Review of backup documentation
- On-site monitoring
- Audit review

Desk Review - of subrecipient's financial and program reports

- a. In preparation for the monitoring visit, the assigned monitor(s) review all the written data already have in-house, such as:
 1. The subrecipient's application for VTrans funding

- The written agreement with the subrecipient;
- Progress reports
- Drawdown requests
- Documentation of previous monitoring
- Copies of audits whether by an Independent Public Accountant (IPA) or another entity such as the United States Department of Transportation (USDOT), Office of Inspector General (OIG), or the General Accounting Office (GAO)
 2. You can use the information from this “desk audit” to learn about changes in a subrecipient’s activities and to identify potential problem areas to examine during the on-site visit.
- b. A pre-monitoring checklist is provided to the subrecipient along with the letter confirming the desk review.
- c. To ensure that the correct items are examine for the activity area in question, as well as to promote thoroughness and consistency in monitoring, a standardized monitoring checklist is used for on-site reviews
- d. Forms attached

Review of Backup Documentation

- a. In preparation for the monitoring visit, the assigned monitor(s) review all the written data already have in-house, such as:
 - the subrecipient’s application for VTrans funding
 - The written agreement with the subrecipient;
 - Progress reports
 - Drawdown requests
 - Documentation of previous monitoring
 - Copies of audits whether by an Independent Public Accountant (IPA) or another entity such as the USDOT, OIG, or GAO.
- You can use the information from this “desk audit” to learn about changes in a subrecipient’s activities and to identify potential problem areas to examine during the on-site visit.
- b. A checklist for on-site monitoring is used to provide thoroughness and consistency when reviewing backup documentation

Site Visits

On-site monitoring of financial and programmatic requirements can be effective when conducted simultaneously, fostering a coordinated and comprehensive review of the grantee. Many pass-through entities establish a rotating cycle, visiting each subrecipient once every two or three years depending on the results of the risk assessment.

There are five basic steps to any monitoring visit:

1. Notification Letter

- confirm the dates and the scope of the monitoring
- Pre-monitoring review form
- provide a description of the information you want to review during your visit
- specify the expected duration of the monitoring, which of your staff will be involved, what office space you require, and what members of the subrecipient's staff you need to talk with

2. Entrance Conferences

- Ensure subrecipient staff has a clear understanding of the purpose, scope and scheduled of the monitoring. The monitors and the subrecipient must agree at the outset that it is the responsibility of the monitor to monitor the subrecipient's activities and determine whether its use of VTrans funds is appropriate and meets VTrans regulations.

3. Documentation, Data Acquisition and Analysis

- To ensure that the correct items are examined for the activity area in question, as well as to promote thoroughness and consistency in monitoring, a standardized monitoring checklist is used for on-site reviews

4. Exit Conference

- The monitoring team will meet again with the subrecipient staff to present the tentative conclusions from the monitoring. This exit conference should have four objectives:
- To present preliminary results of the monitoring visit
- To provide an opportunity for the subrecipient to correct any misconceptions or misunderstandings on your part;
- To secure additional information from subrecipient staff to clarify or support their position;
- For any deficiency that the subrecipient agrees with, to provide an opportunity for subrecipient staff to report on steps they are already taking to correct the matter.

5. Follow-up Monitoring Letter

- Use the monitoring letters to create a permanent written record of results found during the monitoring review

Frequency of Site Visits:

Review of risk assessment determines frequency of site visits.

Goals of Site Visits:

1. To determine if a subrecipient is carrying out its community development program and its individual activities, as described in the application for VTrans assistance and the subrecipient Agreement.
2. To determine if a subrecipient is carrying out its activities in a timely manner, in accordance with the schedule included in the Agreement.

3. To determine if a subrecipient is charging costs to the project that are eligible under applicable laws and VTrans regulations and are reasonable in light of the services or products delivered.
4. To determine if a subrecipient is conducting its activities with adequate control over program and financial performance, and in a way, that minimizes opportunities for waste, mismanagement, fraud, and abuse.
5. To assess if the subrecipient has a continuing capacity to carry out the approved project, as well as to carry out future grants for which it may apply.
6. To identify potential problem areas and to assist the subrecipient in complying with applicable laws and regulations.
7. To assist subrecipient in resolving compliance problems through discussion, negotiation, and the provision of technical assistance and training.
8. To provide adequate follow-up measures to ensure performance and compliance deficiencies are corrected by subrecipient, and not repeated.
9. To comply with the Federal monitoring requirements of 2 CFR 200 and Bulletin 5, State Monitoring Criteria, as applicable.
10. To determine if any conflicts of interest exist in the operation of the VTrans program, per 2 CFR 200 and Bulletin 5, State Monitoring Criteria.
11. To ensure required records are maintained to demonstrate compliance with applicable regulations.

OFFICIAL GRANT/MONITORING FILE

Grant monitoring file is maintained in both electronic and paper format and includes grant and amendments, financial records, monitoring documentation, etc.

II. Highway Division/Office of Highway Safety/Governor's Highway Safety Program

Governor's Highway Safety Program

Statutory References: 49 CFR-Part 18

The GHSP grant program is structured on the federal fiscal year, which runs from October 1st to September 30th. The following is an overview of the grant process and the timeline, and other requirements related to grant program funding.

INTRODUCTION

The basic funding eligibility factors listed in this document apply to NHTSA field administered grants in accordance with 23 U.S.C. Sections 154, 157, 164, 163, 402, 405, 406, 408, 410, and 411; with the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETA-LU), Public Law 109-59, Sections 1906, 2010, and 2011; and with Section 2003(b) of Public Law 105-178. They should be implemented in conformance with 2 CFR Part 200, Uniform Guidance.

ISSUANCE PROCEDURES

Grantee Selection Process

State agencies, political subdivisions of the state, such as counties, towns, villages or not-for-profit organizations that have oversight for highway safety or serve a population that is in need of highway safety program services that could be delivered by the applicant may apply. The GHSP does not fund for-profit agencies.

GHSP's grant funding policy is based on governing statutes, regulations and directives, and many of these supporting documents are contained in the *Highway Safety Grant Management Manual*. Sources include the following: To be allowable, **costs must be necessary, reasonable, allocable**, and Federal funds must be used **in accordance with the appropriate statute and implementing grant regulations or guidance**.

Grant management rules require governmental units to monitor sub-awards to assure compliance with applicable Federal requirements and cost principles.

Contract Administration checks the vendor at the System for Award Management (SAM) and the Secretary of State website to verify the applicant is in good standing. Checks VISION to insure applicant is not delinquent for Subrecipient Annual Report and Single Audit. Contract Administration also verifies the applicant does not appear on the State Debarment list maintained at the Buildings and General Services (BGS) website.

Pre-Award Risk Assessment (Bulletin 5, Section V.B.) Grants Unit in collaboration with Project Manager

A standard risk assessment is used – a sample of the tool is attached Items to consider when assessing risk may include the following:

- Compliance with terms and conditions of prior grant awards
- Total amount and/or complexity of the award
- Financial stability of the organization
- Recent incidences of fraud, embezzlement, or mismanagement
- The results of prior audits, including Single Audits, when applicable
- Prior experience with similar awards
- Current staffing levels and qualifications

Subrecipient/Contractor Determination (Bulletin 5, Section V.C.)

The recipients of awards from this ongoing program have been determined to be subrecipients by a process consistent with Bulletin 5.0, Sec. V.C. Grant Award Document (Bulletin 5, Section V.E.)

Contract Administration generates all award documents for consistency with Bulletin 5.0, Sec. V.E

Execution Process (Bulletin 5, Section VI.E.)

Following the grantee selection process, the program coordinator completes the Grant Information Sheet for each project funded and sends these to Contract Administration along with the completed Risk Assessment Forms. Contract Administration generates the grant agreement from the information provided, including all required attachments and forwards to the project manager/ project supervisor for review and sign-off. Administration sends to the grantee for signature. Upon receipt of a signed grant agreement from the grantee, Contract Administration routes the agreement to the Secretary's Office for signature.

Contract Administration then distributes the fully executed grant agreement to all appropriate parties.

Amendment Process

An additional award, an agreed upon change to the scope of the project, special conditions that might arise or an extension of the contract period.

Project Manager/Project Coordinator will determine and approve if an amendment if necessary. All amendments are processed and executed by Contract Administration per Bulletin 5.0 guidelines.

In addition to cost principles, this grant funding policy is based on governing statutes, regulations and directives, and many of these supporting documents are contained in the *Highway Safety Grant Management Manual*. Sources include the following: 49 CFR-Part 18 -- Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments; 23 CFR-Chapters II & III-- NHTSA and FHWA regulatory requirements applicable to 23 U.S.C., Sections 402, 405, 410, 411, 153, 154, 157, 163, and 164 and to Section 2010 of P. L. 109-59.

Implementing Guidance – Guidance published by NHTSA applicable to 23 U.S.C., Sections 406 and 408, and to Sections 1906 and 2011 of P. L. 109-59.

NHTSA Order 462-6C -- Matching Rates for State and Community Highway Safety Programs, November 30, 1993.

To be allowable, **costs must be necessary, reasonable, allocable**, and Federal funds must be used **in accordance with the appropriate statute and implementing grant regulations or guidance**. Grant management rules require governmental units to monitor sub-awards to assure compliance with applicable Federal requirements and cost principles.

III. Highway Division/Maintenance and Operations Bureau

VTrans’ “Orange Book” describes the numerous grant programs administered by the Maintenance and Operations Bureau. Many of the requirements of the Granting Plan are included in the document and therefore are not repeated directly in this Plan. This includes the following Maintenance and Operations Bureau Programs:

- Town Highway State Aid for Federal Disasters
- Town Highway State Aid for Non-Federal Disasters
- Town Highway Class 2 Roadway Program
- Town Highway Structures Program

Orange Book Link: <http://vtransoperations.vermont.gov/>

Maintenance and Operations Bureau/Town Highway State Aid for Federal Disasters

Statutory References: 19 V.S.A. Section 306, 307, 308, 309b, 309d, 23CFR Part 668.

ISSUANCE PROCEDURES

Grantee Selection Process

Following approval by FHWA of an Emergency Relief declaration, municipalities with eligible damages on eligible highways submit an application for projects to the VTrans district offices. The district offices review the applications to ensure all necessary documentation is included, then forwards the applications to the Maintenance & Operations Bureau (MOB) HQs. MOB HQs then reviews the applications, completes the grant agreement form, uploads all necessary information to a SharePoint site, and forwards the request to Contract Administration to prepare the grant. No score sheet is used.

Pre-Award Eligibility (Bulletin 5, Section V.B.)

Contract Administration checks the vendor at the System for Award Management (SAM) and the Secretary of State website to verify the applicant is in good standing. Checks VISION to insure applicant is not delinquent for Subrecipient Annual Report and Single Audit. Contract Administration also verifies the applicant does not appear on the State Debarment list maintained at the Buildings and General Services (BGS) website.

Pre-Award Risk Assessment (Bulletin 5, Section V.B.) VTrans District Project Manager

or Technician

Subrecipient/Contractor Determination (Bulletin 5, Section V.C.)

The recipients of awards from this ongoing program have been determined to be subrecipients by a process consistent with Bulletin 5.0, Sec. V.C.

Grant Award Document (Bulletin 5, Section V.E.)

Contract Administration generates all award documents for consistency with Bulletin 5.0, Sec. V.E.

Execution Process (Bulletin 5, Section VI.E.)

Contract Administration receives the appropriate in-house signatures and then sends the agreement to the grantee for signature. Upon receipt of a signed grant agreement from the grantee, Contract Administration then routes the agreement to the Secretary's Office for signature. Contract Administration then distributes the fully executed grant agreement to all appropriate parties and retains in paper and electronic format

Amendment Process

Term extension, increase in MLA, or change in scope of work trigger an amendment, as determined by the VTrans District Project Manager/Technician, in consultation with MOB Technical Services Engineer (Program Manager).

The District Project Manager/Tech recommends approval, the Assistant Attorney General approves as to form and the Secretary signs amendment.

All amendments are processed by Contract Administration per Bulletin 5.0 guidelines.

OFFICIAL GRANT/MONITORING FILE

VTrans will hold the official grant file. All awards and monitoring activities will be in these files. These files are maintained in both paper and electronic format and include:

- Grant award
- Amendment
- Insurance certificate
- Documentation of pre-award risk assessment and eligibility Correspondence
- Monitoring checklist
- Financial reports
- Photos
- Notes and/or checklists for desk reviews and/or site visits
- Corrective action plan if applicable

Maintenance and Operations Bureau/Town Highway State Aid for Non-Federal Disasters

Statutory References: 19 V.S.A. Section 306, 307, 308, 309b, 309d, 23CFRnPart 668.

ISSUANCE PROCEDURES

Grantee Selection Process

When town highway infrastructure is damaged by natural or man-made events that do not qualify for either the FEMA Public Assistance or the FHWA Emergency Relief programs, the repairs may be eligible under the Town Highway Non-Federal Disaster grant program. The municipality submits an application to its respective VTrans district office explaining the cause of the damage, the cost to repair, and the significant financial burden for the municipality. The district office reviews the application to ensure all necessary documentation is included, and then forward the application to the Maintenance & Operations Bureau HQ. MOB HQ reviews the application. No score sheet is used.

Pre-Award Eligibility (Bulletin 5, Section V.B.)

Contract Administration checks the vendor at the System for Award Management (SAM) and the Secretary of State website to verify the applicant is in good standing. Checks VISION to insure applicant is not delinquent for Subrecipient Annual Report and Single Audit. Contract Administration also verifies the applicant does not appear on the State Debarment list maintained at the Buildings and General Services (BGS) website.

Pre-Award Risk Assessment (Bulletin 5, Section V.B.) VTrans District Project Manager or Technician

Subrecipient/Contractor Determination (Bulletin 5, Section V.C.)

The recipients of awards from this ongoing program have been determined to be subrecipients by a process consistent with Bulletin 5.0, Sec. V.C.

Grant Award Document (Bulletin 5, Section V.E.)

Contract Administration generates all award documents for consistency with Bulletin 5.0, Sec. V.E.

Execution Process (Bulletin 5, Section VI.E.)

Contract Administration receives the appropriate in-house signatures and then sends the agreement to the grantee for signature. Upon receipt of a signed grant agreement from the grantee, Contract Administration then routes the agreement to the Secretary's Office for signature. Contract Administration then distributes the fully executed grant agreement to all appropriate parties and retains in paper and

electronic format.

Amendment Process

Term extension, increase in MLA, or change in scope of work trigger an amendment, as determined by the VTrans District Project Manager/Technician in consultation with MOB Technical Services Engineer (Program Manager)

The District Project Manager/Tech recommends approval, the Assistant Attorney General approves as to form and the Secretary signs amendment.

All amendments are processed by Contract Administration per Bulletin 5.0 guidelines.

OFFICIAL GRANT/MONITORING FILE

VTrans District Office will hold the official grant file. All awards and monitoring activities will be in these files. These files are maintained in both paper and electronic format and include:

- Grant award documents and all amendment Insurance certificate
- Documentation of pre-award risk assessment and eligibility Correspondence
- Monitoring checklist
- Financial reports
- Photos
- Notes and/or checklists for desk reviews and/or site visits
- Corrective action plan if applicable

Maintenance and Operations Bureau/Town Highway Class 2 Roadway Program

Statutory References: 19 V.S.A. Section 306, 307, 308, 309b, 309d, 23CFRnPart 668.

ISSUANCE PROCEDURES

Grantee Selection Process

VTrans Districts send out letters soliciting grant applications in January of each year. All municipalities are strongly encouraged to submit applications for every project they feel they could work on if no funding constraints exist. The VTrans Districts then look at all the applications, trying to balance structural need with equitable distribution of funds within their District boundaries. District enters all applications into Municipal Grants Tracking application and then check the box for only those they intend offer grants. Score sheets not used.

Pre-Award Eligibility (Bulletin 5, Section V.B.)

Contract Administration checks the vendor at the System for Award Management (SAM) and the Secretary of State website to verify the applicant is in good standing. Checks VISION to insure applicant is not delinquent for Subrecipient Annual Report and Single Audit. Contract Administration also verifies the applicant does not appear on the State Debarment list maintained at the Buildings and General Services (BGS) website.

Pre-Award Risk Assessment (Bulletin 5, Section V.B.)

Individual grant risk assessments are not performed for these grants. Municipalities only receive funds after the work has been satisfactorily completed in accordance with each grant application, and VTrans District personnel with primary responsibility for these grants are in close contact with the towns and in actual physical proximity to the work done under the grant. See waivers section of the Plan.

Subrecipient/Contractor Determination (Bulletin 5, Section V.C.)

The recipients of awards from this ongoing program have been determined to be subrecipients by a process consistent with Bulletin 5.0, Sec. V.C.

Grant Award Document (Bulletin 5, Section V.E.)

Contract Administration generates all award documents for consistency with Bulletin 5.0, Sec. V.E.

Execution Process (Bulletin 5, Section VI.E.)

Contract Administration receives the appropriate in-house signatures and then sends the agreement to the grantee for signature. Upon receipt of a signed grant agreement from the grantee, Contract Administration then routes the agreement to the Secretary's Office for signature. Contract Administration then distributes the fully

executed grant agreement to all appropriate parties and retains in paper and electronic format.

Amendment Process

Term extension, increase in MLA, or change in scope of work trigger an amendment, as determined by the VTrans District Project Manager/Technician in consultation with MOB Technical Services Engineer (Program Manager)

The District Project Manager/Tech recommends approval, the Assistant Attorney General approves as to form and the Secretary signs amendment.

All amendments are processed and executed by Contract Administration per Bulletin 5.0 guidelines. What events trigger an amendment: Term extension, increase in MLA, or change in scope of work.

OFFICIAL GRANT/MONITORING FILE

VTrans District Office will hold the official grant file. All awards and monitoring activities will be in this file. These files are maintained in both paper and electronic format and include:

- Grant award documents and all amendment Insurance certificate
- Documentation of pre-award risk assessment and eligibility Correspondence
- Monitoring checklist
- Financial reports
- Photos
- Notes and/or checklists for desk reviews and/or site visits
- Corrective action plan if applicable

Maintenance and Operations Bureau/Town Highway Structures Program

Statutory References: 19 V.S.A. Section 306, 307, 308, 309b, 309d, 23CFRnPart 668.

ISSUANCE PROCEDURES

Grantee Selection Process

VTrans Districts send out letters soliciting grant applications in January of each year. All municipalities are strongly encouraged to submit applications for every project they feel they could work on if no funding constraints exist. The VTrans Districts then look at all the applications, trying to balance structural need with equitable distribution of funds within their District boundaries. District enters all applications into Municipal Grants Tracking application and then check the box for only those they intend offer grants. Score sheets not used.

Pre-Award Eligibility (Bulletin 5, Section V.B.)

Contract Administration checks the vendor at the System for Award Management (SAM) and the Secretary of State website to verify the applicant is in good standing. Checks VISION to insure applicant is not delinquent for Subrecipient Annual Report and Single Audit. Contract Administration also verifies the applicant does not appear on the State Debarment list maintained at the Buildings and General Services (BGS) website.

Pre-Award Risk Assessment (Bulletin 5, Section V.B.)

Individual grant risk assessments are not performed for these grants. Municipalities only receive funds after the work has been satisfactorily completed in accordance with each grant application, and VTrans District personnel with primary responsibility for these grants are in close contact with the towns and in actual physical proximity to the work done under the grant. See waivers section of the Plan.

Subrecipient/Contractor Determination (Bulletin 5, Section V.C.)

The recipients of awards from this ongoing program have been determined to be subrecipients by a process consistent with Bulletin 5.0, Sec. V.C.

Grant Award Document (Bulletin 5, Section V.E.)

Contract Administration generates all award documents for consistency with Bulletin 5.0, Sec. V.E.

Execution Process (Bulletin 5, Section VI.E.)

Contract Administration receives the appropriate in-house signatures and then sends the agreement to the grantee for signature. Upon receipt of a signed grant agreement from the grantee, Contract Administration then routes the agreement to the

Secretary's Office for signature. Contract Administration then distributes the fully executed grant agreement to all appropriate parties and retains in paper and electronic format.

Amendment Process

Term extension, increase in MLA, or change in scope of work trigger an amendment, as determined by the VTrans District Project Manager/Technician in consultation with MOB Technical Services Engineer (Program Manager)

The District Project Manager/Tech recommends approval, the Assistant Attorney General approves as to form and the Secretary signs amendment.

All amendments are processed and executed by Contract Administration per Bulletin 5.1 guidelines. What events trigger an amendment: Term extension, increase in MLA, or change in scope of work. What events trigger an amendment: Term extension, increase in MLA, or change in scope of work.

OFFICIAL GRANT/MONITORING FILE

VTrans District Office will hold the official grant file. All awards and monitoring activities will be in this file. These files are maintained in both paper and electronic format and include:

- Grant award documents and all amendment
- Insurance certificate
- Documentation of pre-award risk assessment and eligibility
- Correspondence
- Monitoring checklist
- Financial reports
- Photos
- Notes and/or checklists for desk reviews and/or site visits
- Corrective action plan if applicable

Highway Division/Maintenance & Operations Bureau

GRANT MONITORING PROCEDURES

Applies to the following Town Highway Grant Programs

- Town Highway Structures Program
- Town Highway Class 2 Roadway Program
- Town Highway Non-Federal Disasters Program
- Town Highway Federal Disasters

Program Monitoring Criteria (Bulletin 5,

Section VIII.A.)

All federal and state-funded grants must be monitored for the purpose of verifying that funds were expended for their intended purpose and that all of the terms and conditions of the award were met.

Monitoring criteria may include:

- Source of grant funding
- Size of the grant
- Complexity of compliance requirements
- Subrecipient's prior experience
- Subrecipient's prior monitoring results
- The result of the Pre-award Risk Assessment
- Grant payment procedures

Monitoring Activities (Bulletin 5, Section VIII. B. & C.)

- On-site monitoring
 - Annual meetings with municipal officials to review and receive the municipality's Annual Financial Plan.
 - Periodic visits to municipal offices and then to field site to answer questions, provide guidance, and to review and comment on documentation as necessary in advance of construction.
 - Periodic visits to field site to review work progress, provide guidance, and to answer any technical/financial questions as they arise.
 - Field inspection upon construction completion to ensure work as described in the approved scope of work is complete.
- Review of backup documentation

- Plans, specifications, estimates are reviewed as necessary to ensure municipality is going to produce a quality product in accordance with any State and/or federal permits/regulations.
- Review of any necessary environmental permits, utility/right-of-way clearances or certifications.
- Invoices and timesheets, if applicable, are reviewed to ensure they properly identify the appropriate field site and support the approved scope of work. Review of documentation showing proof of payment to ensure that the reimbursement request has accurate and appropriate supporting documentation reflecting costs incurred to date.

Grant File (Bulletin 5, Section VI.D)

All documents are maintained in the grants files to include grant and amendments, financial records, monitoring documentation, etc. The main grant file for each town highway grant is maintained at the applicable VTrans District Office and is the responsibility of the District Project Manager.

Closeout (Bulletin 5, Section IX.)

Once the closure documentation (Project Completion and Acceptance (C&A) and Expenditure Account (EA) Closure sections) are received by the VTrans Accounts Receivable Unit, and there has been a verification that no outstanding claims are in process, the EA can be closed in the State Transportation Accounting and Recording System (STARS). Additional supporting documentation may include the contract closure section of the Closure Form and audit findings from contract audit, and/or the Construction Completion & Acceptance (C&A) memo. The next step is a complete research and verification of all project transactions, and project splits, including a verification of the data in the (Federal Fiscal Management System, version 4) FMIS4 system. The federal, state and local shares are verified and any errors are identified and corrected. The town's Accounts Receivable is compared to the receipts. Reports are generated, and compared to identify errors. STARS is reconciled to the invoices in the project file, and STARS is reconciled to the contract payment spreadsheet. The Final Voucher Checklist is prepared for FHWA. The Accounts Receivable supervisor must approve the documentation before it is sent to FHWA, and the Accounting Unit supervisor must sign the transmittal letter. At this point, the billing agreement table, as well as the federal aid status can be marked "F" for "final" on the EA screen.

IV. Policy, Planning, and Intermodal Development/Public Transit Section

Public Transit Section/Federal Transit Administration and State Transit Funding Programs

Statutory References: 19 V.S.A. Section 306, 307, 308, 309b, 309d, 23CFRnPart 668.

ISSUANCE PROCEDURES

Grantee Selection Process

A competitive application process takes place at least once every two years for all transit activities in the state except for urban transit. Any application must show full coordination with a regional transit provider. Funding is determined by need, efficiency, geographical balance, adherence to agency goals. Score sheets are not used.

Pre-Award Eligibility (Bulletin 5, Section V.B.) Transit Coordinators
Contract Administration checks the vendor at the System for Award Management (SAM) site to verify the applicant is not listed on the delinquent report received from the Contracts and Grants Unit (the Grants Unit). The delinquent report contains the Subrecipient Annual Report and Single Audit. Contract Administration also verifies the applicant does not appear on the State Debarment list maintained at the Buildings and General Services (BGS) website.

Pre-Award Risk Assessment (Bulletin 5, Section V.B.) Public Transit Administrator

Subrecipient/Contractor Determination (Bulletin 5, Section V.C.)
The recipients of awards from this ongoing program have been determined by Transit Coordinators to be subrecipients by a process consistent with Bulletin 5.0, Sec. V.C.

Grant Award Document (Bulletin 5, Section V.E.) Standard Template - Contract Administration
Contract Administration generates all award documents for consistency with Bulletin 5.0, Sec. V.E

Execution Process (Bulletin 5, Section VI.E.)
Contract Administration receives the appropriate in-house signatures and then sends the agreement to the grantee for signature. Upon receipt of a signed grant agreement

from the grantee, Contract Administration then routes the agreement to the Secretary's Office for signature. Contract Administration then distributes the fully executed grant agreement to all appropriate parties and keeps a hard and electronic copy

Amendment Process

Request for change, mid-year adjustment, change in funding availability, trigger an amendment, as determined by the Transit Coordinators.

All amendments are approved by the Secretary of Transportation and are processed and progressed through the execution process pursuant to Bulletin 5.0 guidelines.

MONITORING PROCEDURES/ACTIVITIES

General

The Federal Transit Administration annually publishes formula apportionments to the States in a Federal Register Notice. The State enters into a grant agreement with the FTA to obtain funds, which are in turn granted out to subrecipients. The funds received under this program are granted to the public transit operators throughout the State to provide operating and capital expenditure support and /or to improve, initiate or continue public transportation service in nonurbanized areas such as providing basic mobility service for the transit-dependent that will provide access to employment, mitigate congestion, preserve air quality and the sustainability of the highway network, and advance economic development by providing capital and/or operating financial assistance.

The Vermont Agency of Transportation enters into formal grant agreements with each grantee which are signed by the grantee and the Secretary of Transportation. The grant agreement outlines the responsibilities to be performed by the grantee during the course of the grant period. It also provides details such as the CFDA title and number, the award name, the name of the Federal Agency, requirements imposed by laws, regulations and the provisions of the grant. The grant agreement also incorporates in its attachments (Attachment C Customary State Provisions), a clause regarding suspension and debarment. The information about suspension and debarment was incorporated in the annual application starting in FY '07.

Subrecipient Monitoring

The Agency of Transportation has a manual, entitled "Monitor Grants to Subrecipients" which documents their monitoring procedures. Public Transit uses their manual called 'Rural Public Transit Management Capability, Financial Capacity, and Compliance Review'.

Accounting and VISION Tracking System

The Agency of Transportation is guided by State Bulletin No. 5, Policy for Grant Issuance and Monitoring, and Compliance with Uniform Guidance for issuing and

monitoring of federal funds.

The Agency has a tracking system for monitoring grants which is reviewed and updated by various divisions within the Agency. Initially, when a grant is awarded, the grant agreement must be entered into the VISION Award Panel within 10 days after the execution date. It is the responsibility of the Business Manager in each division to see that this is accomplished. Information such as the subrecipient's name, fiscal year, grant agreement number, amount of the award, contacts etc. are entered into the system initially.

This action is monitored by the Accounting Department of AOT's Division of Finance and Management. The Financial Specialist III, (currently Rose Lessard), receives a weekly report from Contract Administration, entitled Contract Administration Status Report. This report lists the status of many different types of contract transactions, among them grant contracts. Grants Unit checks the grants area on the report and notes whether any grants have been "fully executed". This designation indicates that the grant should be entered into VISION as a new grant. Grants Unit checks those grants, which are fully executed to the VISION award panel to determine if the information has been properly entered. If not, she emails the appropriate grant manager informing them that the grant must be entered into the system.

Each year, the Department of Finance and Management, in the Division of Financial Operations for the entire State, sends out a letter to each subrecipient after the close of the subrecipient's fiscal year. This letter serves to communicate to the grantee that they are required to file a *Subrecipient Annual Report* with the Department within 45 days after the grantee's fiscal year end. Additionally, The *Subrecipient Annual Report* requires information on all federal grants received by the grantee, including the CFDA number, awarding agency, grant number and expenditures. The form is to be completed by a Treasurer, Business Manager, CFO, Controller, or other individual who is responsible for the financial records of the entire grantee organization. When the required forms are received, the receipt information is entered into the VISION tracking system by the Department of Finance and Management.

After forty-five days, reminder letters are sent to those subrecipients who did not submit the required *Subrecipient Annual Report* within the prescribed time period. The second letter requires submission of the *Subrecipient Annual Report* within ten days. If the *Subrecipient Annual Report* is not received by Finance and Management after ten days, their staff marks the subrecipient as delinquent in VISION and AOT acquires the responsibility for continued follow up. Weekly, Grants Unit runs a VISION report called "Subrecipient Delinquent Report" which lists the subrecipients that are delinquent. The grant manager is contacted by Grants Management (see note above) as they are responsible for collecting the required form(s) from the subrecipient. Once the forms are received, they are forwarded to Grants Management who, in turn, forwards them to Finance and Management. Finance and Management then removes that subrecipient from the delinquent list.

Once the *Subrecipient Annual Report*, if applicable, are received Finance and Administration then will assign a primary pass-through agency for the State for each subrecipient. The primary pass-through designee is responsible for ensuring compliance with this reporting requirement.

Subrecipient grant agreements contain a clause pursuant to Uniform Guidance, that a subrecipient with federal expenditures of \$750,000 or more during its fiscal year is required to have an single audit for that fiscal year. The subrecipient has 9 months after the year-end to submit the single audit report to the Grant Coordinator. The single audit and Financial Statement Audit Reports are initially received by the Public Transit Coordinators and undergo a review geared towards grant compliance and financial health. Each Coordinator is responsible for several subrecipients and tracks the receipt of all the annual audit reports. Items such as program revenue (for example, is it accurate and complete in its presentation?), and matching funds are reviewed, as well as the audit findings. Additionally, the Public Transit Coordinator will review the financial statement for general financial health of the subrecipient, such as debt load and going concern issues. The grant manager notifies their respective division's business office in writing that the audit has been received and reviewed with the accompanying commentary:

- The audit has been accepted/rejected.
- Audit has findings or issues.
- A corrective action plan has been requested.
- A corrective action plan has been received.
- Other pertinent information.

Staff members in the business office update VISION with this information. This data will be reviewed by the Financial Specialist III for completeness and accuracy after she receives the single audit report from the grant coordinator.

An audit report with findings will be addressed by the Transit Coordinator in Public Transit. In collaboration with VTrans Audit Section, he/she will write the management decision letter, which must be issued within six months of receiving the audit report. Corrective action plans are developed and the Transit Coordinator will follow all items through to resolution. In those circumstances when there are no findings a standardized letter is prepared and sent to the grantee indicating that the report was reviewed and they have no further comment (this is a recent change in procedure).

The Public Transit Coordinator will also request a copy of the Management Letter issued to the subrecipient by their auditor. This will frequently bring issues to the Agency's attention that may not have led to a finding or otherwise been evident in the financial statements. If issues are noted by the Agency of Transportation that they feel need resolution or follow up the Public Transit Coordinator will communicate these to the subrecipient and they are added to an existing Corrective Action Plan (CAP) (for instance, from a prior year review or the most recent triennial review) or a new CAP is requested.

In some cases, Public Transit Coordinators will request greater detail or revisions to the financial statement presentation and work with the subrecipient or the subrecipient's auditor to get the necessary changes. This occurs most frequently when local match or funding by program (CFDA number) appears to be inaccurately or incompletely presented. Once any financial statement changes have been made, or when the Public Transit Coordinator is satisfied with and has reviewed the original financial statements issued, they are accepted. KPMG notes that a copy of the single audit and management decision letter are sent to the Grants Unit at AOT for tracking purposes. The financial audit report and original single reports and letters are maintained in Public Transit.

Monthly, Grants Unit runs a report from VISION entitled "Outstanding Single Audit Reviews". This report lists the audits not yet accepted by AOT. Grants Unit follows up with the grant manager to ensure that all single Audit Reports are ultimately received by AOT and that audit report acceptability issues have been resolved. (Audit report acceptability indicates only that the grant manager has received the audit report and has determined that it can enter the review and evaluation stage. Another report entitled "Outstanding Subrecipient Audit Report Submissions" is reviewed monthly. This report is generated from VISION and lists the receipt of each subrecipient's single Audit Report by AOT. The single Audit Report is listed as outstanding if it has not been received and the due date is less than nine months from the end of the subrecipient's fiscal year. The audit report is listed as delinquent if more than nine months has elapsed since the end of the subrecipient's fiscal year. Grants Unit then notifies the grant manager for that subrecipient by email of the delinquent Single Audit Report. Reminders are also sent regarding approaching deadlines. The grant manager is responsible for obtaining the audit report from the subrecipient.

The Grants Unit also maintains a spreadsheet in Excel entitled Primary Pass Through. Most of the information incorporated into this spread sheet is obtained from the VISION tracking system. This spreadsheet is used to track subrecipient's reporting requirements when AOT is designated as the primary pass through agency for the State. This document consists of two pages; the first page lists subrecipients who have expended more than \$750,000 and is used to track the receipt of single audit reports and management decision letters (management decision letters are required when there are findings in the Single Audit; these letters are sent to Accounting when completed); the second section lists subrecipients who have expended less than \$750,000 and is used to track the receipt of the Certificate of Audit and the Schedule of Federal Awards (SEFA). The data contained in both of these spreadsheets includes the subrecipient name; receipt indicators for the Certificate of Audit, Audit report received, the month the fiscal year ends, Schedule of Federal Awards (SEFA) amounts; indicators for the presence of audit findings; Management Decision Letter Sent and the date the grant manager received the audit. (KPMG notes that listing the date the management decision letter is sent would be preferable than just an N/A or Yes indication, as the timing of this report is critical to compliance with federal requirements. See ML comment). Basically, these two report

pages are identically set up. Therefore, page one has columns all which are applicable to those grants requiring single audits and page two has some columns which are not applicable to grants which have expenditures which are less than the \$750,000 threshold. Both pages indicate whether a certification of Audit Report has been received and SEFA amounts and are initially monitored in the "Subrecipient Delinquent Report" explained above.

Procurement

The Subgrantee Standard Agreement contains provisions regarding the procedures a subrecipient must follow in the procurement of capital purchase. Attachment D – Other Provisions, Procurement Review Procedures document the thresholds and requirements of the subrecipient. Per review of the policy, the following thresholds and procedures are established:

1. Acquisitions of less than **\$2,500** do not require a prior review by State.
2. Acquisition of at least **\$2,500** but less than **\$100,000** (excluding public transit passenger vehicles) requires Subrecipient to submit three written quotes to State before proceeding with the acquisition. Each quote shall include, as a minimum, a complete description of each proposed acquisition, per unit cost, and total costs of all items. Costs shall include all items and labor expenses needed to put the acquisitions into normal service. If State notifies Subrecipient, within **five** business days of the receipt of a quote, that it has questions or concerns about the proposed acquisition, Subrecipient shall not complete the acquisition until State indicates that Subrecipient may proceed. All notices by either State of Subrecipient shall be in writing. State shall make all make all reasonable efforts to resolve its questions and concerns promptly. If State does not notify the Subrecipient of questions or concerns in the specified time, Subrecipient may proceed with acquisition.
3. Acquisition of any public transit passenger vehicle, without regard to its cost, and any acquisition of \$100,000 or more require formal bidding and full review of Subrecipient's proposed procurement procedures. Subrecipient shall send State written bid specifications if requested and the written request for proposal before making either document public or advertising the proposed acquisition. State shall respond to Subrecipient within two weeks, indicating whether to proceed, or if additional information is required. State may request additional documentation or visit Subrecipient's site for discussion and review of issues or concerns. Every effort shall be made by State to advise Subrecipient within the initial two-week review period of outstanding questions and concerns and what shall be done to resolve them. In no event may Subrecipient proceed with the acquisition before receiving written approval from State.

During the review period the State will work with the subrecipient to make sure all applicable federal and State laws are followed in the acquisition of capital purchases. Such requirements include provisions for Buy America, Disadvantaged Business Enterprises, and the Americans with Disabilities Act of 1990.

After following these procedures the subrecipient may proceed with its procurement of capital purchases. The State Standard Subgrantee Agreement also describes documentation required to be submitted prior to reimbursement by the State of federal and state funds. This list is contained within Attachment B – Payment Provisions and includes the following:

- Vendor invoice describing vehicle in detail, including the VIN number and total cost of the purchase.
- A dated invoice with a detailed description of the acquisition, its total cost, and amount requested for reimbursement on Subrecipient letterhead, signed by the Subrecipient's chief executive officer or other authorized signatory, unless already received before the delivery of the vehicle.
- A certification of statement that the acquisition(s) were received in satisfactory condition and all FTA and State procurement requirements were met.
- A State new equipment form to add the acquisition to the State inventory.
- Properly completed FTA pre-award, post-award, Buy America, and FMVSS certification forms.
- Copies of certificate(s) of origin.
- Copies of properly completed Vermont Department of Motor Vehicles title and registration forms showing liens in favor of State
- Altoona test results, if applicable.

After the Public Transit Coordinators review and approve the invoices and backup documentation including the local match and MLA's, invoices and worksheets are sent to PPAID Business Manager for approval, coding and processing.

A majority of other compliance requirements (American Disabilities Act of 1990 requirements, Disadvantaged Business Enterprises requirements, etc.) are monitored through subrecipient monitoring performed by the State.

On Site Monitoring

During the most recent (September 2015) FTA State Management Review (and SMR, also known as the Triennial Review), no deficiencies were noted in VTrans monitoring of subrecipients. These SMR reviews are conducted by Federal Transit Administration (FTA) consultants every three years for all grant activity for which the FTA is the Cognizant Agency. Please note that the CCTA urban grants are not included in the FTA SMR. CCTA is directly reviewed by the FTA under a separate process called the Triennial Review. The responsible office for all FTA activities in Vermont is the FTA Region I office in Cambridge, MA.

VTrans officials conduct an on-site monitoring visit to the subrecipients at a minimum of every three years. The document used to manage these site visits is called “A “Management Capability, Financial Capacity and Compliance Review” VTrans issues a draft report noting findings and/or recommendations to the public transit agency. Each agency will have seven days to respond prior to the final report being issued to them. VTrans will keep track of finding and/or recommendation closure dates to ensure compliance. A subsequent follow-up site visit may be scheduled if needed.

Each grantee review is kept in individual binders to store all pertinent information until completed. After that time it may be stored electronically. The report encompasses a questionnaire, as well as background information, administration and management and operational information, a SWOT analysis and summary of corrective actions. The questionnaire includes the following key components:

Background information

Basic information such as key contacts, institutional structure, fixed asset available for use by the agency.

Administration and Management.

Includes request for organizational structure, financial capacity, IT capabilities, budget process, risk management, governance and performance reporting procedures.

Operational

Information

Fares and contracts

Americans with Disability Act compliance

Vehicle maintenance and preventative review Safety and security requirements

Drug and Alcohol Program for employees Ridership statistics

SWOT Analysis (prepared by the Agency of Transportation)

Preliminary summary of corrective actions

Copies of grantee documents such as policies, employee handbooks or other key entity documents which are important to the Agency for assessing each grantee's ability to provide regional public transportation may also be reviewed and kept.

During the on-site visit, the Agency meets with key employees, management and board members to obtain additional information to complete the final Questionnaire. At the end of the on-site visit, the Agency communicates its findings to the grantee and the suggested corrective action to be taken to correct the finding and the initial timeframe for the entity to respond. The grantee has two weeks to respond regarding agreement and its intended corrective action. These items as well as the

documentation of the entire review and correspondences are all tracked in the binder or folder for each sub recipient. The binder is developed and maintained by the responsible Public Transit Coordinator.

The Agency tracks corrective action responses using an off-line matrix documenting the following:

- audit report findings
- the independent auditor recommendation.
- the grantee response
- the Agency's request and date of the request the date closed (indicating the grantee corrective action was sufficient and response was within the specified timeframe)

If the grantee fails to provide a sufficient response to audit findings within the specified timeframe, the Agency will investigate further and reassess if funding should continue.

OFFICIAL GRANT/MONITORING FILE

Grants Unit will hold the official grant file. The granting agency will maintain separate files for award versus monitoring. The granting agency will combine monitoring activities for multiple awards in one file. These files are maintained both paper and electronic format and include:

Copies of Grant award documents and all amendments.

Insurance certificate

Documentation of pre-award risk assessment and eligibility

Correspondence

Monitoring checklist

Financial reports

Programmatic reports

Photos

Notes and/or checklists for desk reviews and/or site visits

Corrective action plan if applicable

V. Policy, Planning and Intermodal Development Division/Policy, Planning & Research Bureau

Policy and Planning Bureau/Better Connections Grant Program

ISSUANCE PROCEDURES

Statutory References: 23 CFR Sec. 450 & 500, 49 CFR Part 163; 23 C.F.R. § t 250.212;

V.S.A. Title 19, Chapter 1, V.S.A. Title 24 Chapter 117

Grantee Selection Process

Recipients of a Better Connections (BC) grant are selected through a competitive process. Interested grantees are invited to submit proposals which are ranked by a selection committee against a defined set of criteria (see Attachment 1). Individual committee members develop a score for each application using the scoring criteria. The committee then convenes, scores are added and the committee then discusses each application. The committee then comes to consensus on which project applications will be awarded.

Pre-Award Eligibility (Bulletin5, Section V.B.)

Contract Administration checks the vendor at the System for Award Management (SAM) and the Secretary of State website to verify the applicant is in good standing. Checks VISION to insure applicant is not delinquent for Subrecipient Annual Report and Single Audit. Contract Administration also verifies the applicant does not appear on the State Debarment list maintained at the Buildings and General Services (BGS) website.

Pre-Award Risk Assessment (Bulletin 5, Section V.B.)

Grants Unit in collaboration with the Grant Program Manager

A standard risk assessment issued

Items to consider when assessing risk may include the following:

- Compliance with terms and conditions of prior grant awards
- Total amount and/or complexity of the award
- Financial stability of the organization
- Recent incidences of fraud, embezzlement, or mismanagement
- The results of prior audits, including Single Audits, when applicable
- Prior experience with similar awards

- Current staffing levels and qualifications

Subrecipient/Contractor Determination (Bulletin 5, Section V.C.)

The recipients of awards from this ongoing program have been determined to be subrecipients by a process consistent with Bulletin 5.0, Sec. V.C.

Grant Award Document (Bulletin 5, Section V.E.)

Contract Administration reviews all award documents for consistency with Bulletin 5.0, Sec. V.E.

Execution Process (Bulletin 5, Section VI.E.)

Following the submission of a mutually agreed upon Work Plan the Grant Program Manager provides a Detail Sheet, Risk Assessment, Work Plans/ Program, Budget Sheets and Indirect Cost Certification Forms to Contract Administration. Contract Administration generates the grant agreement from the information provided, including all required attachments and forwards to the Grant Program Manager for review and sign-off. The grant agreement proceeds to Legal (Assistant Attorney General) for review and sign off. The agreement is then routed back to Contract Administration. Contract Administration sends to the grantee for signature. Upon receipt of a signed grant agreement from the grantee, Contract Administration routes the agreement to the Secretary's Office for signature. Contract Administration then distributes the fully-executed grant agreement to all appropriate parties.

Amendment Process

An additional award, an agreed upon change to the scope of the project, special conditions that might arise or an extension of the contract period. Grant Program Manager will determine and approve if an amendment if necessary. All amendments are processed and executed by Contract Administration per Bulletin 5.0 guidelines.

Policy and Planning Bureau/Transportation Planning Initiative (TPI)

Note: For the TPI we developed “Transportation Planning Initiative Manual and Guidebook”. The Guidebook documents and explains the TPI process and its associated procedures. It is used as a resource and reference for subrecipients and PPAID staff. The Guidebook is available at:

http://vtransplanning.vermont.gov/sites/aot_policy/files/documents/planning/TPIMANU_ALU_PDATEFINAL052907.pdf **Note: the TPI Manual is currently being revised and an updated version will be available in early 2018.**

ISSUANCE PROCEDURES

Statutory References: 23 CFR Sec. 450 & 500, 49 CFR Part 163; 23 C.F.R. § t 250.212;
V.S.A. Title 19, Chapter 1, V.S.A. Title 24 Chapter 117

Grantee Selection Process

Annually the Legislature determines the level of funding; each regional planning commission (RPC) as defined in Title 24 Chapter 117, (except Chittenden County) submits an annual Work Plan in response to guidance document from VTrans staff. The annual funding is allocated to each RPC based upon a funding formula that takes into consideration the total population and number of road miles per region.

Pre-Award Eligibility (Bulletin 5, Section V.B.)

Contract Administration checks the vendor at the System for Award Management (SAM) and the Secretary of State website to verify the applicant is in good standing. Checks VISION to insure applicant is not delinquent for Subrecipient Annual Report and Single Audit. Contract Administration also verifies the applicant does not appear on the State Debarment list maintained at the Buildings and General Services (BGS) website.

Pre-Award Risk Assessment (Bulletin 5, Section V.B.)

Grants Unit in collaboration with the assigned Planning Coordinator.

A standard risk assessment issued

Items to consider when assessing risk may include the following:

- Compliance with terms and conditions of prior grant awards
- Total amount and/or complexity of the award
- Financial stability of the organization
- Recent incidences of fraud, embezzlement, or mismanagement
- The results of prior audits, including Single Audits, when applicable
- Prior experience with similar awards

- Current staffing levels and qualifications

Subrecipient/Contractor Determination (Bulletin 5, Section V.C.)

The recipients of awards from this ongoing program have been determined to be subrecipients by a process consistent with Bulletin 5.0, Sec. V.C.

Grant Award Document (Bulletin 5, Section V.E.)

Contract Administration reviews all award documents for consistency with Bulletin 5.0, Sec. V.E.

Execution Process (Bulletin 5, Section VI.E.)

Following the submission of a mutually agreed upon Work Plan the assigned Planning Coordinator provides a Detail Sheet, Risk Assessment, Work Plans/Program, Budget Sheets and Indirect Cost Certification Forms to Contract Administration. Contract Administration generates the grant agreement from the information provided, including all required attachments and forwards to the project manager/ project supervisor for review and sign-off. The grant agreement proceeds to Legal (Assistant Attorney General) for review and sign off. The agreement is then routed back to Contract Administration. Contract Administration obtains current compliant certificate of insurance. Contract Administration sends to the grantee for signature.

Upon receipt of a signed grant agreement from the grantee, Contract Administration routes the agreement to the Secretary's Office for signature. Contract Administration then distributes the fully-executed grant agreement to all appropriate parties

Amendment Process

If the change involves moving funds between established tasks and does not: a) change the work being done; b) change the maximum limiting amount; or, c) change the source of funds, then an administrative amendment will be processed. For an administrative amendment the Regional Planning Commission (RPC) submits a formal request and the Planning Coordinator in consultation with the Administrative Supervisor reviews and approves the amendment. Notification of the change is then submitted to VTrans Contract Administration, and the PPAID Business Office.

If the change involves: a) a change in the work being done; b) a change in the maximum limiting amount; or, c) a change in the source of funds then a formal amendment to the grant agreement should be prepared and executed. For formal amendments the RPC submits a formal request and the Planning Coordinator and Administrative Supervisor in consultation with the Bureau and Division Directors determine and approve when an amendment is necessary. All formal amendments are processed and executed by Contract Administration.

Policy, Planning and Intermodal Development Division/Policy, Planning & Research Bureau

MONITORING PROCEDURES/ACTIVITIES

Applies to the following Planning and Research Bureau Grant Programs:

- Better Connections Grant Program
- Transportation Planning Initiative

Monitoring Criteria (Bulletin 5, Section VIII.A.)

All federal and state-funded grants must be monitored for the purpose of verifying that funds were expended for their intended purpose and that all of the terms and conditions of the award were met.

Monitoring criteria may include:

- Size of the grant
- Type of organization
- Complexity of compliance requirements
- Subrecipient's prior experience
- Subrecipient's prior monitoring results
- The result of the Pre-Award Risk Assessment
- Grant payment procedures
- The performance measures, if any, included in the Grant Agreement

Monitoring Activities

- Monthly review and approval of project invoices, backup documentation and progress reports
- Weekly written and verbal communication with sub recipients
- On-site monitoring in form of Mid-Year Review (see attached checklist)
- Approval of Indirect Cost Rates by VTrans Audit Section
- Review of Indirect Cost Proposals
- Audit Review

Monthly review and approval of project invoices and progress reports - Planning Coordinator reviews monthly invoices and enters invoice totals into grant tracking spreadsheet, reviews back up materials submitted with each invoices including: expense reports, consultant invoices, equipment purchases and the monthly progress

report, requests additional documentation, as necessary. Planning Coordinator recommends payment of invoice to Administrative Supervisor who approves invoice for payment.

Weekly written and verbal communication and monthly visits to subrecipients offices -

The consultative nature of the TPI requires frequent (written and verbal) communication between Planning Coordinator and RPC staff including Financial Managers/Book keepers, Executive Director and Transportation Planner.

Monthly meeting of sub recipients – on a monthly basis the Planning Coordinators and RPC Transportation staff meet in Montpelier. An agenda is developed for each meeting including topics related to programmatic changes, sub recipient monitoring, information exchange amongst and between RPCs and VTrans. The monthly TPI meetings also include representatives from other state agencies and affiliated groups.

On-site monitoring in form of Mid-year Review (see Attachment 2 for copy of checklist/questionnaire) – As the name suggests the mid-year review is customarily conducted at the mid-point of the contract year in the Spring. In advance of the review meeting the Mid-year review checklist/questionnaire is provided to the Subrecipient along with a notification of date the review will be held. The meeting is conducted with Regional Planning Commission (RPC) Executive Director and Transportation staff. The checklist provides the outline for the discussion. Following the review, a summary of the review responses is compiled, shared with both parties and filed in contract file.

Review of Indirect Cost Proposals – In accordance with the MOU developed between the RPCs and VTrans. The RPCs develop annual indirect cost proposals that are submitted to VTrans for approval although the VTrans Chief of Audit signs off on the indirect cost proposals. The Planning Coordinator reviews proposal and answers any questions that arise during the Audit Chiefs review.

Audit Review –. Annual audit reports are submitted to Planning Coordinator for review, any deficiencies noted and the Audit Report is forwarded to the VTrans Audit and Grants Management Sections. Any deficiencies noted in the Audit are incorporated into the Mid- Year Adjustment checklist.

OFFICIAL GRANT/MONITORING FILE

Grant monitoring file is both electronic and paper file. All documents are maintained in the grants files to include grant and amendments, financial records, monitoring documentation, etc.

ATTACHMENT 1: Better Connections Grant Program Selection Criteria

VTrans and ACCD use competitive criteria and program priorities to score and rank

applications. The Program priorities may be updated annually to comply with policy initiatives or legislation.

Grants are awarded based on the proposed initiative's compatibility with the program goals, application scores, and the amount of grant funds available. VTrans reserves the sole right and responsibility to allocate grant resources. Applications are scored using the following priorities and criteria:

A. Application Quality and Well-defined Purpose and Need – Up to 20 points

The application should clearly identify the project scope, its purpose and community need. Explain how the project addresses a local or regional transportation, land use, and economic development issue, need or opportunity. The application should clearly demonstrate how the project supports the goals of the Municipal and Regional Plan. The application should show how the project will support and implement capital projects identified in the regional and municipal plan, municipal capital plan or the VTrans Capital Program. The application submission needs to be complete, well-written and meet program requirements.

B. Clear Linkage to SCBC Program Priorities and Objectives – Up to 30 points

The project and application supports the program purpose and objectives. The application demonstrates a clear and implementable approach to achieving the expected outcome and results in consideration for approval or adoption. Where substantial coordination with other local, regional, and state planning and capital improvements efforts occurs (or will need to occur), the mechanisms and responsibilities for the coordination are clear and well explained. The application should demonstrate how the project will support the following:

- Provides safe, multi-modal and resilient transportation system that supports the Vermont economy
- Supports downtown and village economic development and revitalization efforts
- Leads directly to project implementation

C. Quality Work Plan, Schedule, and Budget – Up to 25 points

The work plan is well developed and tasks are appropriate for the proposed project, timeline and budget. Cost estimates are well-documented by task.

D. Quality Public Engagement Plan – Up to 15 points

An innovative public engagement plan is developed with activities that educate and involve the public in transportation and land use planning are integrated into the work plan; the application demonstrates cooperation and coordination with relevant local, regional and state organizations and partners, the local business community and the general public. Projects that engage the public and stakeholders from the start and propose multiple innovative outreach activities (i.e. charrettes, community events, pop-up demonstration projects, etc.) score the highest under this criterion.

Priority Consideration and Bonus Points will be given to the following:

- A. Is the study area located in or adjacent to a state designated downtown, village center, neighborhood development area, new town center or designated growth center?
- B. Is the submission supported locally through complementary activities and/or funding commitments beyond the minimum match requirements? A letter of intent will be required to document the availability of the local cash match. Is there strong community and partner support for the project? Letters of support from the business community, local organizations and regional partners are required to demonstrate this support.
- C. Does the application demonstrate coordination and integration with planned capital investments (i.e. alignment with capital projects identified in the regional or municipal plan, municipal capital plan or the VTrans Capital Program)?
- D. Does the application demonstrate the community's readiness and capacity to actively manage the planning process and implement the plan recommendations quickly?
- E. Does the submission represent an inter-municipal effort? An inter-municipal effort is defined as the joint effort of two or more applicants to address a common issue.

ATTACHMENT 2 – Transportation Planning Initiative Mid-Year Review Checklist/Questionnaire

Discussion Items: The following questionnaire is offered as a “checklist” of issues topics that should be addressed in the TPI mid-year review but, regional planning coordinators and commissions are encouraged to also discuss topics not on the list but considered important or relevant.

I. Workplan & Budget:

a. **Workplan:** Is the approved work plan still valid with respect to tasks, timeline and anticipated products? Questions that should be considered are as follows:

- 1) Problems, delays, adverse conditions or changing circumstances or conditions which materially impair the commission’s ability to meet the objectives of the currently approved work plan and award?
- 2) Actions taken, or contemplated and any assistance needed to resolve the situation?
- 3) Favorable developments that enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more beneficial results than originally planned?
- 4) Any desired or necessary amendments to the work plan for clarifying approved tasks, timeline and products?

b. **Budget:** Are estimated costs still the same? Is there a need to shift funds from one task to another task? If yes, written request from the RPC and a written approval from the VTrans Planning Coordinator will suffice. If the change involves: a) a change to the work being done; b) a change to the maximum limiting amount; or, c) a change to the source of funds then an amendment to the grant agreement should be prepared and executed.

II. Terms & Conditions:

- a. **Billings/Invoices & Reporting** – Is an original of the invoice submitted on a monthly basis? Do adequate progress reports accompany each invoice?
- b. **Indirect Cost Rate** – Has the RPC prepared an Indirect Cost Rate Proposal and certification by the chief executive officer in accordance with 2 CFR Chapter 1, Chapter 11, Part 200, et al., Uniform Administrative, Cost Principles and the Memorandum of Understanding between VT Regional Planning Commissions and VTrans executed on March 24, 2014 . Are the proposal, certification and supporting documents maintained in file in accordance with the financial agreement with the state? Is the rate used

for billing purposes the same as what is documented in the VTrans project files as the approved rate? Is the rate being consistently applied to all the commission's programs, including those not funded through the TPI? Are there any current or anticipated business changes that you anticipate may impact your indirect rate either this fiscal year or next? If so, please explain these changes.

- c. **Record Retention** – Are there provisions to retain all records for a period of three years after VTrans' acceptance of a certified independent audit?
- d. **Audit** – Is the RPC in good standing with respect to the audit requirements stipulated in the grant agreement with the state? Any outstanding issues from previous audits needing resolution? On track for meeting audit date stipulated in current agreement; e.g., within nine months of the end of the fiscal year?
- e. **Personnel** – Are the personnel assigned to planning tasks qualified and sufficiently trained? Does their training, experience and progress to date reflect an adequate knowledge, skill and ability for effectively implementing the work plan? For successfully administering the program agreement and funding? What plans does the commission have for transportation planning- related training for staff?
- f. **Contract Terms and Conditions:** Is staff that will be involved in the TPI program knowledgeable of the federal and state terms and conditions cited in the TPI program agreement with the state?
 - 1) **Procurement:** Are there written procurement standards and procedures in accordance with applicable Federal and State laws (Bulletin 3.5) and regulations? Is the Procurement Self-Certification current and accurate? (Note: Procurement procedures need to be accepted by the planning coordinator prior for processing this year's Grant Agreement)
 - 2) **DBE:** Does the RPC understand the Federal policy with regard to Disadvantaged Business Enterprises – that they shall have maximum opportunity to participate in the performance of contracts financed in whole or in part with federal funds? In what specific ways does the RPC “take all necessary and reasonable steps in accordance to ensure that DBEs have the maximum opportunity to compete for and perform contracts”? Do they state this policy in all their sub-agreements and contracts pertaining to the TPI program?

3) **Civil Rights:**

- a) Does the commission understand the Federal policy with regard to Equal Opportunity? Do they include adherence to fair employment practices and as an equal opportunity employer in recruiting announcements? Do they include in “any and all subcontracts?”
- b) In what specific ways do they comply with the applicable provision of Title VI of the Civil Rights Law of 1964 as amended (nondiscrimination in the delivery of benefits and services)?

4) **Equipment Records:** Does the RPC manage and keep records of equipment purchased with TPI funds in accordance with the provisions of 49CFR 18.32?

5) **Insurance:** Is the RPC insured at least to the limits provided for in the agreement with the state?

g. **Program Reference Materials and Guidance:** Does the regional planning commission have the necessary and appropriate documents for successful administration of the project? Do they understand them? Do they need some specific training in relation to these?

- Transportation Planning Initiative Guidance & Manual.
- 2 CFR Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

III. The Next TPI Contract:

There should be preliminary discussions about the upcoming TPI contract, which will be negotiated in June and July.

- a. Process for negotiation: who will be involved? Does the work plan need to be approved by the TAC? Who is responsible for doing what, and what is the timeline?
- b. Review the potential items that will be in upcoming VTrans TPI Guidance.
- c. Are there any specific new tasks that the RPC would like to undertake in the upcoming year?

IV. Other:

Other topics and issues pertaining to the current year program or beyond that could be discussed include, but are not limited to:

- a. What are the most important transportation issues of the region that need planning attention, short and long term?

- b. Do you regularly communicate with your Planning Coordinator when conducting Act250 application reviews for projects of regional significance with a transportation impact?
- c. Is the commission's long-range transportation plan current?
 - When was it adopted?
 - Does the current plan adequately address modal and intermodal needs of the region, and propose broad but clear modal and intermodal strategies?
 - Does the current plan identify specific transportation projects/regional deficiencies?
 - Is there a specific implementation plan associated with the long-range transportation plan? Are Goals, Strategies and/or Objectives clear, concise, and action oriented? How are they used (e.g. Act 250? Annual workplans? Project Prioritization? Etc.).
- d. What are ideas or suggestions for improving the efficiency and effectiveness of this program? With respect to its administration? With respect to its planning tasks and objectives?
- e. How active are residents and communities in the regional transportation planning process? Are communities functioning and engaged in the region's consultative planning process?
- f. How are the working relationships between the RPC and their towns? Any particular issues or difficulties? Is the RPC able to provide needed assistance?
- g. How are the TAC members communicating back to their towns about issues discussed and decisions made at the regional level? What percentage of towns are involved in the TAC?
- h. Is there a list of completed and implemented projects?

VI. Agency of Transportation – Agency Wide Practices

AUDIT REVIEW ACTIVITIES – APPLIES TO ALL VTRANS GRANT PROGRAMS

Non-federal entities that expend \$750,000 or more in Federal awards must have a single or program specific audit conducted in accordance with Uniform Guidance, Subpart F(2 CFR Chapter II, Subpart F).

Verify Audits

- The Audit is properly qualified
- The allocations, program periods, categories of expenses, and other data relative to the VTrans program are consistent with your understanding of what the correct figures should be;
- The audit reflects the compliance tests and reporting requirements specified in OMB Circular Single Audit.
- The audit report reflects any uncorrected deficiencies in the subrecipient's system that you already know about.
 - ***Did the Audit give an “unmodified” or “modified” opinion?***
- A “modified” opinion may mean that the subrecipient's systems were so inadequate or its documentation so incomplete that the auditor could not offer its opinion with assurance. This is usually a sign of **serious** problems.
 - ***Were there “repeat” findings?***
- You should always be concerned if the subrecipient hasn't corrected findings from a previous audit.
 - ***Were there any questioned costs?***
- Issuing a management decision letter for audit findings pertaining to the Federal award
- Follow-up with the subrecipient to ensure that they take timely and appropriate action on all deficiencies pertaining to the federal award
- Issue a management decision on audit findings within six months.
- Update VISION Grant Tracking Systems

MONITORING

Monitoring is done on a recipient basis. Each and every subrecipient that receives any funds from either state or federal goes onto our tracking and is monitored. A risk based assessment is done for each recipient. The assessment determines how frequently a subrecipient is monitored. Monitoring operates on a three-year cycle. Some subrecipients have on-site monitoring annually and others once every two or

three years. As each grant is executed they go onto our tracking chart which has a monitoring scheduled attached to the recipient. We monitor all grants issued to an entity during on-site monitoring.

SANCTIONS

VTrans grants are generally on a reimbursement basis and there are no standard sanctions for previously executed grants. Sanctions, if necessary, are determined on a case-by-case basis and require advance notice and approval of the Commissioner of Finance and Management. The following describes the process for managing delinquent recipients:

- Request for grant package received by Contract Administration
- Contract Administration verifies recipient eligibility re: suspension and debarment, subrecipient annual report, and single audit from list provided weekly by Grants Unit or web link.
- If delinquent for any reason, Contract Administration halts processing and delivers package to Grant Unit.
- Grants Unit works with subrecipient to resolve delinquency if cause is subrecipient annual report or single audit. If caused by suspension and debarment (rare), Grants Unit forwards to Audit Section for action as necessary, package to be returned to Grants Unit when resolved.
- Grants Unit returns package to Contract Administration when delinquency is resolved, and provides revised list for verification.
- Contract Administration continues processing grant.

CLOSEOUT ACTIVITIES – APPLIES TO ALL VTRANS GRANT PROGRAMS

Once the closure documentation (Project Completion and Acceptance (C&A) and Expenditure Account (EA) Closure sections) are received by Accounts Receivable, and there has been a verification that no outstanding claims are in process, the EA can be closed in the STARS financial system. Additional supporting documentation may include the contract closure section of the Closure Form and audit findings from contract audit, and/or the Construction Completion & Acceptance (C&A) memo. The next step is a complete research and verification of all project transactions, and project splits, including a verification of the data in the FMIS4 system. The federal, state and local shares are verified and any errors are identified and corrected. The town's Accounts Receivable are compared to the receipts. Reports are generated, and compared to identify errors.

STARS is reconciled to the invoices in the project file, and STARS is reconciled to the contract payment spreadsheet. The Final Voucher Checklist is prepared for FHWA. The Accounts Receivable supervisor must approve the documentation before it is sent to FHWA, and the Accounting Unit supervisor must sign the transmittal letter. At this point, the billing agreement table can be marked "F" for "final", as well as the fed aid status on the EA screen.

WAIVERS

Grant awards under \$25,000 are exempted from the risk assessment process. Grants under \$25,000 will be monitored following Agency practices.

Individual grant risk assessments are waived for the Town Highway Structures Program, Town Highway Class 2 Roadway Program, Municipal Mitigation Grant (Better Roads) Program, and the Municipal Park & Ride Program. These grants are of minimal risk. Municipalities are reimbursed only after the work has been satisfactorily completed in accordance with each grant agreement and verified by VTrans staff.

APPROVALS

 _____ 

Wayne Gammell, Director of VTrans Finance and Administration

Date

 _____ 

Joe Flynn, Secretary of Transportation

Date

 _____ 

Andy Pallito, Commissioner of Finance and Management

Date

Bicycle and Pedestrian Program - Attachment

A. The Selection Process

Applicants may submit both a scoping/feasibility study project and a design/construction project for consideration in the bike/ped program (separate applications required.) The selection process will be based on the thoroughness and strength of the information provided in the project application and supporting materials, responses to the selection criteria and an assessment of project feasibility.

B. Selection Criteria

Your application will be evaluated according to the criteria described on the next page. Funding priority is based on the degree to which the project meets these criteria.

C. Selection Committee

The Selection Committee will consist of five members including four representatives from VTrans and one at-large member. The Selection Committee is charged with reviewing applications and recommends projects to be funded to the Secretary of Transportation.

D. Evaluation Criteria

A. SCOPING PROJECTS

1. **Community Need—15 Points:** What walking and/or bicycling access or safety problem are you trying to solve? How does the project contribute to local community and economic development goals?

Higher scores are given for quantifiable evidence of safety issues, demonstration of facility as high need via planning documents or connecting segments of an existing network, and increasing access to destinations and/or areas of denser land use.

2. **Quality of Application—5 Points** *Organized, complete, well written, easy to understand, and clearly identifies the project*

DESIGN/CONSTRUCTION PROJECTS

1. **Community Need—15 Points:** What walking and/or bicycling access or safety problem are you trying to solve? How does the project contribute to local community and economic development goals?

Higher scores are given for quantifiable evidence of safety issues, demonstration of facility as high need via planning documents or connecting segments of an existing network, and increasing access to destinations and/or areas of denser land use

2. **Cost Effectiveness —10 points:** How does your proposed project make an efficient use of public funds? How would you address cost overruns?

Higher scores for demonstration of prior planning, leveraging private investment, efforts to move the project along already, and provision of a realistic cost estimate with adequate documentation.

3. **Complexity—10 points:** What complexities does your proposed project have and how do you plan to address them? Response must address need for right of way and any permitting needed for the project.

Higher scores for fewer complexities, or for thorough identification of multiple complexities and specific efforts taken to address them. Complexities include ROW acquisition, significant permitting challenges, design constraints, etc.

4. **Project coordination – 5 points:** To your knowledge, are there other projects in the same area that might impact the project timeline and schedule for completion?

Higher score for no conflicting projects, lower score for several coordination needs.

5. **Equity—5 Points:** How does your project address the needs of vulnerable populations, specifically children, older persons, people with mobility challenges and low or moderate-income households?

Higher scores for documented conditions such as percent of households with low or moderate income, percent of students eligible for free or reduced lunch, etc.

6. **Multi-modal potential —5 points:** How does your proposed project coordinate with other modes of transportation? Does it connect to transit or rail service?

Higher scores for proximity to transit stops, park and ride lots or passenger rail.

7. **State designated centers —5 points:** Does the proposed project provide access to a state designated center?

Higher scores for proximity state designated centers (such as downtowns, villages, or neighborhood growth centers recognized by the Vermont Department of Housing and Community Development). Designated centers can be confirmed on the state Planning Atlas - <http://maps.vermont.gov/ACCD/PlanningAtlas/index.html?viewer=PlanningAtlas>.

8. **Prior Performance/Staff Capacity—5 Points**: What is your experience with grant funded or large construction projects and how will you keep this project moving forward? If this is the first project of this type in the community, how do you plan to manage it?

Scores based on prior experience with grant funded or large construction projects, good financial standing and evidence of staff attention to the project or identification of a plan for managing the project.

9. **Quality of Application—5 Points** *Organized, complete, well written, easy to understand, and clearly identifies the project*

B. SMALL-SCALE PROJECTS

1. **Community Need—15 Points**: What walking and/or bicycling access or safety problem are you trying to solve? How does the project contribute to local community and economic development goals?

Higher scores are given for quantifiable evidence of safety issues, demonstration of facility as high need via planning documents or connecting segments of an existing network, and increasing access to destinations and/or areas of denser land use

2. **Project coordination – 5 points**: To your knowledge, are there other projects in the same area that might impact the project timeline and schedule for completion?

Higher score for no conflicting projects, lower score for several coordination needs.

3. **Quality of Application—5 Points** *Organized, complete, well written, easy to understand, and clearly identifies the project*

Municipal Mitigation Grant Program (Better Roads) - Attachment Vermont Better Roads Category B, C, and D Grant Proposal Scoring Criteria

Vermont Better Roads Category B Grant Proposal Scoring Criteria

All categories will be scored on a sliding scale. The numbers below represent guidelines for scoring.

1. Is the application complete? [sliding scale, maximum 10 points]
2. Is the project using Best Management Practices (BMPs) that are proven and likely to maximize long term success? [maximum 15 points]
 - The proposed project utilizes appropriate BMPs and has maximized the likelihood of long term success (15 points)
 - The proposed project utilizes some appropriate BMPs but more could be done to increase the likelihood of success (10 points)
 - The proposed project does not utilize appropriate BMPs, or it is unclear whether the BMPs will be used appropriately and the likelihood of success is uncertain (0 points)
3. What are the expected Water Quality Benefits within the watershed? [maximum 25 points]
 - Project will lead to significant reductions in sediment and/or phosphorus (25 points)
 - Project will lead to moderate reductions in sediment and/or phosphorus (15 points)
 - Project will lead to small reductions in sediment and/or phosphorus (10 points)
 - Project will lead to no obvious reductions in sediment and/or phosphorus (0 points)
4. Pre-scored: Is the project in a hydrologically connected segment?
 - Yes; the entire project is in connected segment(s) (20 points)
 - Partially; part(s) of the project are in connected segments (10 points)
 - No; this project is not in a connected segment (0 points)
5. Pre-scored: Is the project identified through a municipal road inventory, and/or capital budget plan, tactical basin plan, culvert inventory, or other management plan? [maximum 15 points]
 - Yes (15 points)
 - No (0 points)
6. Is the project cost effective? [maximum 15 points]
 - The cost of the project is low and the expected benefits are high (15 points)
 - The cost of the project is average and the expected benefits are average (10 points)
 - The cost of the project is high and the expected benefits are low (0 points)
7. Pre-scored: Has a natural resources and/or transportation professional or other reputable partner been consulted, visited the site, and/or provided a letter of support? [maximum 10 points]
 - Yes (10 points)
 - No (0 points)
8. Selection Committee discretionary allowance [maximum 10 points]
9. New Towns applying to the program will receive a BONUS of [10 points] __

Vermont Better Roads Category C Grant Proposal Scoring Criteria

All categories will be scored on a sliding scale. The numbers below represent guidelines for scoring.

1. **Is the application complete? [sliding scale, maximum 10 points]**
2. **Is the project using Best Management Practices (BMPs) that are proven and likely to maximize long term success? [maximum 15 points]**
 - The proposed project utilizes appropriate BMPs and has maximized the likelihood of long term success (15 points)
 - The proposed project utilizes some appropriate BMPs but more could be done to increase the likelihood of success (10 points)
 - The proposed project does not utilize appropriate BMPs, or it is unclear whether the BMPs will be used appropriately and the likelihood of success is uncertain (0 points)
3. **What are the expected Water Quality Benefits within the watershed? [maximum 30 points]**
 - Project will lead to significant reductions in sediment and/or phosphorus (30 points)
 - Project will lead to moderate reductions in sediment and/or phosphorus (20 points)
 - Project will lead to small reductions in sediment and/or phosphorus (10 points)
 - Project will lead to no obvious reductions in sediment and/or phosphorus (0 points)
4. **Is the project identified through a municipal road inventory, and/or capital budget plan, tactical basin plan, culvert inventory, or other management plan? [maximum 15 points]**
 - Yes (15 points)
 - No (0 points)
5. **Pre-scored: Is the project in a hydrologically connected segment?**
 - Yes; the entire project is in connected segment(s) (20 points)
 - Partially; part(s) of the project are in connected segments (10 points)
 - No; this project is not in a connected segment (0 points)
6. **Is the project cost effective? [maximum 15 points]**
 - The cost of the project is low and the expected benefits are high (15 points)
 - The cost of the project is average and the expected benefits are average (10 points)
 - The cost of the project is high and the expected benefits are low (0 points)
7. **Has a natural resources and/or transportation professional or other reputable partner been consulted, visited the site, and/or provided a letter of support? [maximum 10 points]**
 - Yes (10 points)
 - No (0 points)
8. **Selection Committee discretionary allowance [maximum 10 points]**
9. **New Towns applying to the program will receive a BONUS of [10 points]**

Vermont Better Roads Category D Grant Proposal Scoring Criteria

All categories will be scored on a sliding scale. The numbers below represent guidelines for scoring.

1. **Is the application complete? [sliding scale, maximum 10 points]**
2. **Is the project using Best Management Practices (BMPs) that are proven and likely to maximize long term success? [maximum 15 points]**
 - The proposed project utilizes appropriate BMPs and has maximized the likelihood of long term success (15 points)
 - The proposed project utilizes some appropriate BMPs but more could be done to increase the likelihood of success (10 points)
 - The proposed project does not utilize appropriate BMPs, or it is unclear whether the BMPs will be used appropriately and the likelihood of success is uncertain (0 points)
3. **What are the expected Water Quality Benefits within the watershed? [maximum 30 points]**
 - Project will lead to significant reductions in sediment and/or phosphorus (30 points)
 - Project will lead to moderate reductions in sediment and/or phosphorus (20 points)
 - Project will lead to small reductions in sediment and/or phosphorus (10 points)
 - Project will lead to no obvious reductions in sediment and/or phosphorus (0 points)
4. **Pre-scored: Is the project in a hydrologically connected segment? [maximum 20 points]**
 - Yes; the entire project is in connected segment(s) (20 points)
 - Partially; part(s) of the project are in connected segments (10 points)
 - No; the project is not in a connected segment (0 points)
5. **Does the culvert(s) in the proposed project meet the sizing, alignment and/or Aquatic Organism Passage requirements from a VTrans hydraulics study, Stream Alteration Permit and/or follow VTrans road and bridge standards?**
 - Yes (10 points)
 - No (0 points)
6. **Is the project identified through a municipal road inventory, and/or capital budget plan, tactical basin plan, culvert inventory, or other management plan? [maximum 15 points]**
 - Yes (15 points)
 - No (0 points)
7. **Is the project cost effective? [maximum 15 points]**
 - The cost of the project is low and the expected benefits are high (15 points)
 - The cost of the project is average and the expected benefits are average (10 points)
 - The cost of the project is high and the expected benefits are low (0 points)
8. **Has a natural resources and/or transportation professional or other reputable partner been consulted, visited the site, and/or provided a letter of support? [maximum 10 points]**
 - Yes (10 points)
 - No (0 points)
9. **Selection Committee discretionary allowance [maximum 10 points]**
10. **New Towns applying to the program will receive a BONUS of [10 points]**

Transportation Alternatives Program

Application Scoring Criteria - Vermont TA grant applications are judged on how well they address the 6 Selection Criteria. There will be 5 extra points awarded for first time municipal applicants to the program.

1. Please give a brief description of the project (be sure to indicate the primary facility type being applied for). In this section, you should describe the project as concisely as possible. The application reviewer should be able to determine exactly what it is you are proposing in the first three sentences. Example #1: Construct 500 ft. of 5 ft. wide concrete sidewalk on the east side of Main Street beginning at Center Street and extending to Shady Lane. Example #2: Scoping/feasibility study for 400 ft. of 10 ft. wide bituminous shared use path on the east side of Main Street from 111 Main Street to the intersection of Center Street. The nature of a proposed project’s relationship to surface transportation should be discussed.

Score	Guidance
10	The description was concise and the scope of the project was clear. The description included the type of project (scoping vs. construction), length and width of the project (if linear), as well as the primary surface material (if linear). The project has a strong relationship to surface transportation.
4	One of elements described above was missing
0	The project scope was not readily apparent and required further review of application material to determine the basic scope of what was proposed.

2. What is the feasibility of this project? Describe the extent of project development completed to date. Applications for scoping/feasibility studies will not be scored on this criterion. Address any issues, including environmental concerns, property ownership issues, or design challenges. Discuss whether the municipality will be willing to proceed to condemnation should property acquisitions be needed. Include any pertinent excerpts from completed feasibility documentation for the project. Discuss the long-term maintenance responsibilities and costs.

Score	Guidance
10	Some project design beyond scoping has already been completed (e.g. conceptual or preliminary plans)
6	A detailed scoping study has been completed for the proposed project which did not indicate any significant project development issues.
0	A scoping study was undertaken, but either lacked detail or identified significant project development challenges that may threaten the ability of the sponsor to complete the project or no scoping study was completed.

3. Will this project address a need identified in a local or regional planning document?

Score	Guidance
5	Project is specifically called out in a municipal planning document such as Town Plan, Capital Program, or Bicycle/Pedestrian Plan
2	Project is consistent with the municipal or regional plan.
0	No planning documentation provided to support project.

4. Does this project benefit a Designated Downtown, Designated Village, Designated Growth Center, or New Town Center recognized by the Vermont Department of Economic, Housing and Community Development? A map showing the relationship between the project and the Designated Downtown, Village, New Town, or Growth Center should have been included as per the Project General Location section on page 1 of the Application Form. Important resource: Designated Downtown, Village, New Town, and Growth Centers - http://accd.vermont.gov/strong_communities/opportunities/revitalization/downtown/list

Score	Guidance
10	All or part of proposed project is within the boundary of a Designated Downtown, Designated Village a Designated Growth Center, or New Town Center
4	Proposed project leads up to, but is not within a Designated Downtown, Designated Village, Designated Growth Center, or New Town Center
0	Proposed project is not connected to a Designated Downtown, Designated Village, Designated Growth Center, or New Town Center

5. Is the project budget reasonable for the size of the project? Project awards are capped at the initial amount awarded. For that reason, we recommend including a reasonable contingency in the estimate. Provide a detailed estimate of project costs according to the outline furnished in the application. Provide an explanation on how the estimate was developed such as an engineer’s construction estimate, based on the VTrans Report on Share-Use Path and Sidewalk Unit Costs 2010, or other method. Discuss the project budget including the commitment of local matching funds.

Score	Guidance
10	Budget addresses all elements of project development and costs are consistent with VTrans Unit Cost Report or based on an engineer’s estimate. Backup for construction costs is provided
5	Budget is incomplete or moderately high or low compared to typical project costs
0	Budget is missing major elements, contains ineligible costs and/or does not provide any backup data

6. Environmental Mitigation Activity Related to Stormwater and Highways

- i. **Please describe how this application provides environmental mitigation relating to stormwater and highways. (10 points max.)**

Score	Guidance
0-10	A complete description was provided that is clear and well understood

- ii. **What information or data is provided to substantiate the current stormwater problem and associated environmental impacts? (10 points max.)**

Score	Guidance
0-10	Credible substantiating information was provided regarding the existing problem

- iii. **What substantiating data or information is provided to show that the proposed application is an effective and manageable solution to the problem? (10 points max.)**

Score	Guidance
0-10	Credible substantiating information was provided regarding the long-term solution to the problem

State of Vermont Grantee Risk-Based Assessment

Organization Name: _____ Grant No.: _____

Grant Title/Description: _____

ELIGIBILITY	Eligible	Ineligible
Suspension & Debarment		
Subrecipient Annual Report		
Single Audit		

	<u>Small</u> <\$25,000	<u>Medium</u> \$25,000 to \$250,000	<u>Large</u> >\$250,000	Points Awarded	
1. Amount					
Rate the organization based on the amount of the award	0	10	20		
2. Accounting System	Automated	Manual	Combination	Points Awarded	
Rate the organization based on the type of accounting system they use	0	20	0		
3. Program Complexity	Not Complex	Slightly Complex	Moderately Complex	Highly Complex	Points Awarded
Rate the complexity of the program	0	10	20	30	
<p>Programs with complex compliance requirements have a higher risk of non-compliance. In your determination of complexity consider whether the program has complex grant requirements. The following are some examples of reasons a program would be considered more complex:</p> <ul style="list-style-type: none"> ▶ Complex programmatic requirements and/or must adhere to regulations ▶ Matching funds or Maintenance of Effort are required ▶ Various types of program reports are required ▶ The organization further subcontracts out the program 					
4. Organization Risk				Points Awarded	
Rank the organization based on your knowledge of the following:	YES	NO			
a. Is the organization receiving an award for the first time?	35	0			
b. Did the organization adhere to all terms and conditions of prior grant awards?	0	30			
c. Does the organization have adequate and qualified staff to comply with the terms of the agreement?	0	20			
d. Does the organization have prior experience with similar programs?	0	15			
e. Does the organization maintain policies which include procedures for assuring compliance with the terms of the award?	0	10			
f. Does the organization have an accounting system that will allow them to completely and accurately track the receipt and disbursements of funds related to the award?	0	10			
g. If staff will be required to track their time associated with the award, does the organization have a system in place that will account for 100% of each employee's time?	0	10			
h. Did the organization have one or more audit findings in their last single audit regarding program non-compliance?	30	0			
i. Did the organization have one or more audit findings in their last single audit regarding significant internal control deficiency?	20	0			
j. Other issues that may indicate high risk of non-compliance? Explain: <small>(Point value should be based on evaluator's judgment)</small>					
<p><u>Other issues</u> include but are not limited to: (1) having new or substantially changed systems (2) having new compliance personnel (3) external risks including; economic conditions, political conditions, regulatory changes & unreliable information (4) loss of license or accreditation to operate program (5) rapid growth (6) new activities, products, or services (7) organizational restructuring (8) where indirect costs are included, does the organization have adequate systems to segregate indirect from direct costs.</p>					
<p>Low = 0 - 40 Moderate= 40 - 70 High= 70 and higher</p>				<p>TOTAL RISK POINTS:</p>	

Completed By: _____
Signature

Date: _____

Name: _____

Title: _____

Justification for issuing award to high-risk grantee

Organization Name: _____

Grant No.: _____

Grant Title/Description: _____

Justification:

Approved By: _____

Date: _____

Signature

Name: _____

Title: _____

Common Attributes of Grantees with Low, Moderate and High Risk:

Low Risk <i>Most of the following attributes must be present to be considered <u>low</u> risk</i>	High Risk <i>One or more of the following attributes may be present to be considered <u>high</u> risk</i>
▶ Organization has complied with the terms and conditions of prior grant awards.	▶ History of unsatisfactory performance or failure to adhere to prior grant terms and conditions
▶ No known financial management problems or financial instability	▶ Financial management problems and/or instability; inadequate financial management system
▶ High quality programmatic performance	▶ Program has highly complex compliance requirements
▶ No, or very insignificant, audit or other monitoring findings	▶ Significant findings or questioned costs from prior audit
▶ Timely and accurate financial and performance reports	▶ Untimely, inadequate, inaccurate reports
▶ Program likely does not have complex compliance requirements	▶ Recurring/unresolved issues
▶ Organization has received some form of monitoring (e.g., single audit, on-site review, etc.)	▶ Lack of contact with organization or any prior monitoring
	▶ Large award amount
Moderate Risk ▶ Agencies that fall between low risk and high risk are considered <u>moderate</u> risk.	