



Virginia Department of Rail and Public Transportation

# GRANTEE HANDBOOK

Department of Rail and Public Transportation  
Grantee Handbook

**TABLE OF CONTENTS**

<b>Section 1.0 Introduction.....</b>	<b>2</b>
<b>Section 2.0 Approval of Six Year Improvement Program .....</b>	<b>2</b>
<b>Section 3.0 Notification of Proposed Grant Awards .....</b>	<b>3</b>
<b>Section 4.0 Grants with Federal Funding .....</b>	<b>4</b>
<b>Section 4.1 FHWA Funding – CMAQ or STP.....</b>	<b>4</b>
<b>Section 4.2 FTA Funding – Grantee is Recipient .....</b>	<b>6</b>
<b>Section 4.3 FTA Funding – DRPT is Recipient .....</b>	<b>7</b>
<b>Section 5.0 Development and Execution of Grant Agreements .....</b>	<b>8</b>
<b>Section 6.0 Grantee Reimbursements.....</b>	<b>10</b>
<b>Section 7.0 Operating Assistance and Final Eligibility Forms .....</b>	<b>11</b>
<b>Section 8.0 Grant Time Extension.....</b>	<b>12</b>
<b>Section 9.0 Grant Close Out.....</b>	<b>13</b>
<b>Section 10.0 Interim Grant Reviews .....</b>	<b>14</b>
<b>Section 11.0 Grantee Submission of Audited Financial Statement/Representation Letter ..</b>	<b>15</b>
<b>Section 12.0 Financial Compliance Review .....</b>	<b>16</b>

**APPENDICES**

<b>Appendix A: Acronyms Used Frequently in this Document.....</b>	<b>17</b>
<b>Appendix B: Sample Progress Report .....</b>	<b>18</b>
<b>Appendix C: Sample Reimbursement Form .....</b>	<b>19</b>
<b>Appendix D: Sample Request for Grant Extension .....</b>	<b>20</b>
<b>Appendix E: Sample Management Representation Letter .....</b>	<b>21</b>
<b>Appendix F: DRPT Contact List.....</b>	<b>22</b>

## 1.0 Introduction

This document outlines procedures for grant recipients on managing state and federal grants administered by the Virginia Department of Rail and Public Transportation (DRPT). These procedures govern the administration of all projects that are administered by DRPT from the date applications are approved by DRPT until the projects are closed, with the exception of our rail program.

**Key steps that are highlighted represent steps in which grantees play an active role. We recommend you read Appendix A first which lists acronyms used frequently in this document.**

## 2.0 Approval of Six Year Improvement Program

### Description

Each spring, the CTB reviews and approves a SYIP, which specifies the allocation of grant funds to applicants statewide. By law, the CTB must adopt a SYIP by June 30. The staff of DRPT develop the transit and TDM portion of the SYIP based upon applications from potential grantees for inclusion in the overall SYIP published by VDOT. The DRPT Director serves as a liaison between DRPT, the Secretary of Transportation, and the CTB by presenting the proposed program and answering questions.

### Schedule

March through June

### Key Steps

1. Presentation of the Six Year Improvement Program to CTB: DRPT presents the proposed Six Year Improvement Program to the CTB.
2. Public Hearings on the Draft Six-Year Improvement Program: The CTB holds public hearings beginning in March on the draft Six Year Improvement Program, which are organized by VDOT and DRPT staff.
3. Amendments to the Program as Directed by CTB: The CTB takes into consideration comments from public hearings and directs DRPT to make amendments to the draft Six Year Improvement Program.
4. Adoption of the Program: The Six Year Improvement Program is adopted by the CTB in June.

### 3.0 Notification of Proposed Grant Awards

#### Description

Feedback is provided to grantees throughout the approval process on the status of their funding applications.

#### Schedule

March through June

#### Key Steps

1. Notification to Applicants of Publication of the Draft Six Year Improvement Program: DRPT will notify all grantees that the draft SYIP has been posted to the DRPT website. Grantees may review the draft program to see which of their grant applications has been recommended for CTB approval by DRPT.
2. Notification to Applicants of Public Hearings: DRPT notifies grant applicants of CTB public hearings regarding the draft Six Year Improvement Program beginning in March. These hearings provide grant applicants and other members of the public the opportunity to comment on the draft program. Public comments are addressed by the CTB and DRPT staff as described in the CTB approval section above to create the final Six Year Improvement Program.
3. Notification to Applicants of Approved Six Year Improvement Program: DRPT sends email notification to grant applicants in June when the Six Year Improvement Program is posted to the DRPT website. Grantees may review the approved program to see which of their grant applications has been approved by the CTB.
4. Notice of Project Not Funded: The Chiefs of Transit and Planning prepare letters to be sent to grant applicants whose projects were not funded.
5. Official Notice of Grant Award: Following CTB approval, grantees receive official notice of their state grant awards through receipt of their grant documentation, as described in the Development and Execution of Grant Agreements, section 5.0, after the July 1 start of the state's fiscal year.
6. Letter of No Prejudice: In some instances, grantees may request approval to begin a project that includes grant funds in advance of the development, delivery, and execution of grant materials. **This advance spending is undertaken at the grantee's own risk.** In such a circumstance, grantees should send their Program Manager a written request for a Letter of No Prejudice, including the justification for the request. Such requests must be reviewed and approved by the DRPT Program Manager, Chief of Public Transportation, Chief of Planning, Chief Financial Officer, and DRPT Director. Letters of No Prejudice are issued on an exception basis as required.

## **4.0 Grants with Federal Funding**

### **Description**

Many of DRPT's grant programs are at least partially funded with federal dollars. These federal funds generally come from the FHWA or FTA. The FHWA is the source for STP and CMAQ, and those funds can either be flexed (transferred) to FTA and drawn down by grantees or be administered through DRPT. These funds will be discussed further in section 4.1. The FTA funds are 5303, 5304, 5307, 5309, 5310, 5311, JARC, New Freedom and SAFETEA-LU. These funds are discussed in sections 4.2 and 4.3.

### **4.1 FHWA Funding - CMAQ or STP**

#### **Description**

The allocation of CMAQ and Regional STP funding is determined by regional MPOs through the TIP planning process, and not by DRPT. VDOT, not DRPT, includes these funds in the SYIP and STIP and they are identified by a UPC. When this funding is used as part of a project cost, the grantee can determine whether they wish to execute a contract with DRPT and have DRPT draw down the funds from FTA or FHWA or to flex the funds to FTA where the grantee can apply for the project in TEAM and draw down the funds. In some instances the MPO may determine whether or not to flex the funds. There are several pros and cons to each approach, and DRPT Financial Programming division would be happy to work with any grantee to help determine the best avenue for each.

#### **Schedule**

Ongoing as programmed in the STIP and approved by the CTB, FHWA, and FTA.

#### **Key Steps**

1. MPO Programming: Regional MPOs approve the allocation of Regional STP (RSTP) and CMAQ funds to transit programs within the region through adoption of the region's Transportation Improvement Program. In the case of Northern Virginia, an additional entity, the Northern Virginia Transportation Authority, makes a preliminary recommendation to the National Capital Region Transportation Planning Board, the region's MPO.
2. Grantee Notification of STP and/or CMAQ Funding Award to DRPT:
  - Grantees should notify DRPT when new RSTP and/or CMAQ projects are included in their TIP. This gives DRPT time to compare project amounts between the TIP, STIP, and SYIP and propose any necessary adjustments to the STIP and SYIP which will minimize delays when the grantee is ready to receive funds.
  - Grantees should send an email to the DRPT Manager of Financial Programming regarding federal funding award when the agency is ready to receive funds. This email should include the following:

Department of Rail and Public Transportation  
Grantee Handbook

• project name and amount,  
**4.1 FHWA Funding - CMAQ or STP, continued**

- the VDOT UPC, (listed in VDOT's SYIP)
  - project funding (CMAQ, RSTP, etc.)
  - the fiscal year of the Six Year Improvement Program in which it was approved, and,
  - whether funds are to be transferred or 'flexed' to the FTA, or whether DRPT is to administer the federal funds.
3. **The process of flexing funds or executing agreements for FHWA funds can take up to six months when TIP/STIP amendments are required. DRPT must work through VDOT and the FHWA to flex funds or to obtain federal authorization for projects.**
  4. If the grantee wishes to flex funds to FTA, please see section 4.2 for further information.
  5. For grants with CMAQ or Regional STP where DRPT will administer the grant, DRPT will work with VDOT to obtain a federal authorization number and to have the federal funds obligated. If the TIP, STIP, and SYIP are in agreement, this process only takes approximately one month.
  6. Upon completion of step 5, DRPT's Financial Programming division creates the grant documentation, including a federal project agreement, a state project agreement for matching funds and budget sheets for both. These are disseminated as discussed in section 5.0.

## 4.2 FTA Funding – Grantee is Recipient

### Description

Some grants include funding from FTA. These funds can come from FTA as 5303, 5304, 5307, 5309, 5310, 5311, JARC, New Freedom and SAFETEA-LU. Or they can be CMAQ or RSTP funds that the grantee chose to have DRPT flex over to FTA for them. The third possibility is Flexible STP, a type of STP allocated by DRPT, which is automatically flexed to FTA early in the state fiscal year.

**The process of flexing funds or executing agreements for FHWA funds can take up to six months when TIP/STIP amendments are required. DRPT must work through VDOT and the FHWA to flex funds or to obtain federal authorization for projects.**

### Schedule

Ongoing as programmed in the STIP and approved by the CTB, FHWA, and FTA.

### Key Steps

1. DRPT Notification to VDOT to Flex Funds: When the grantee requests that funds be flexed, DRPT notifies the VDOT Programming Division to flex the funds to FTA for direct draw down of funds through TEAM. In addition, DRPT copies the FTA on the flex request made to VDOT, to make them aware of the funds coming to the FTA.
2. Once funds are flexed, DRPT will notify the grantee that the funds are available for application in TEAM.
3. FTA Direct Funding: There is also funding identified from FTA in the Federal Register. These funds may be for a specifically identified grantee, such as 5307 or a 5309 earmark.
4. After the grantee's TEAM application is approved, the grantee must notify the Manager of Financial Programming of the approval via email. The email should include the federal award number, the funding amounts, and the information included in the approved DRPT SYIP.
5. Upon receipt of the request for funding, DRPT's Financial Programming division will prepare a state project agreement for matching funds and a budget sheet. See Section 5.0 for further details.

### **4.3 FTA Funding – DRPT is Recipient**

#### **Description**

DRPT is the grantee for FTA funds, which are then distributed to grantees throughout Virginia. These programs are 5303, 5304, 5310, 5311, JARC, New Freedom and SAFETEA-LU. In the case of JARC and New Freedom, DRPT receives the Virginia share of funding for the small urban and rural areas. The larger metropolitan areas receive direct apportionments in the federal register. Also, regarding SAFETEA-LU, most of that funding is directly apportioned to grantees as specified in the federal register. However, DRPT was given a portion of funding to award to grantees with appropriate capital needs.

The FTA funding which is awarded to DRPT is distributed to DRPT grantees through DRPT's normal application process using OLGA. The only exception to this is the application process for 5303 and 5304, which closes in late April each year.

#### **Schedule**

Ongoing throughout the year.

#### **Key Steps**

1. Grantees apply to DRPT through OLGA for funding in 5310, 5311, JARC, and New Freedom programs. The procedures, application cycle, grant award and grant execution follow all the same procedures as any of our other grant programs. However, because these programs are federally funded, the monies are not available until after the start of the federal fiscal year, October 1.
2. Grantees apply for FTA 5303 and 5304 using the same procedures as any other grant program, but the cycle is slightly different. The applications are not due until late April, rather than February 1, of each year.
3. Once the grants are awarded, the grant documents are issued and executed through DRPT as soon as FTA has approved the grants. This usually occurs sometime in October, but may be later.
4. In the case of New Freedom, JARC or SAFETEA-LU, if the grantee is an FTA-approved recipient, the grantee will draw down their own funds through TEAM and will contract with DRPT only for any state matching funds awarded.

## 5.0 Development and Execution of Grant Agreements

### Description

Following approval of the Six Year Improvement Program by the CTB, DRPT develops state project agreements for the approved projects funded solely with state and local funds. Project agreements for state matches to federal funding are written when the grantee provides an approved FTA award number to DRPT's Financial Programming Division. If DRPT is administering the federal funds, project agreements for the federal funds and state match are written when DRPT receives an approved FHWA authorization number from VDOT or when the grantee receives an approved FTA award number from the FTA. In addition, in years in which DRPT's master agreement with grantees requires updating, grantees must execute a state and/or federal master agreement, depending on the types of funding the grantee is receiving.

Contact DRPT's Financial Programming Division for any questions about the agreements.

### Schedule

Ongoing beginning July 1 for state grant programs and October 1 for federal grant programs.

### Key Steps

1. Master Agreements: A Master Agreement is a contract between DRPT and grantees that governs all projects funded under a particular state or federal grant program. Master agreements remain in effect indefinitely until superseded by a revised master agreement. Master agreements set the conditions and requirements for grant funding, including the primary purpose of funds, allowable costs, obtaining reimbursement, audit and inspection of records, etc. These agreements are reviewed annually as part of the grant program revisions process and are updated on an as needed basis. If updated, two copies of each applicable master agreement are sent to the grantee for review and signature. If a master agreement is not updated in a particular year, the most recently executed agreement remains in effect until superseded.
2. Project Agreements: Project agreements are subordinate to master agreements, and contractually specify the details of grant-funded projects. Separate project agreements must be executed for each series of grant-funded projects undertaken by a DRPT grantee. DRPT project agreements include a project agreement summary, the maximum state and federal share of eligible expenses, the project schedule, and the project budget(s) which specifies the project description for which the budget may be spent.
3. Agreements Review and Signature: The agreements are prepared by DRPT's Financial Programming Division and submitted to the appropriate Program Managers and Division Chiefs for review. The agreements are submitted to and signed by the DRPT Director. Signed agreements are mailed to the grantees.

## 5.0 Development and Execution of Grant Agreements, continued

4. Grantee Contact Information: Grantees should notify DRPT's Financial Programming Division of any changes in contact information.
5. Grantees Signatures: Two copies of each agreement are submitted to the grantee, both of which are to be signed by two parties of the grantee. One copy is returned to the DRPT's Manager of Financial Programming within 60 days.
6. Grantee Archiving: Grantees keep and file the second copy.
7. Receipt and Processing of Signed Agreements: Upon receipt of the signed agreement(s) by DRPT, the agreement is considered executed and reimbursement forms, instructions, and a progress report are emailed to the grantee. See section 6.0 for further detail.

## 6.0 Grantee Reimbursements

### Description

Grantees receive DRPT grant funds on the basis of reimbursement forms they submit to DRPT for payment. The frequency of reimbursement requests should reflect the grantee's rate of expenditure on each project, but should not exceed once a month. To review procedures for operating assistance payments, please see section 7.0.

### Schedule

Ongoing following project agreement execution until grant close out.

### Key Steps

1. Reimbursement Form and Progress Report Delivery: Following project agreement execution, a blank progress report and a reimbursement form with the appropriate funding amounts and percentages, is emailed to the grantee by DRPT for each grant-funded project, along with instructions on its use. (See Appendix B and Appendix C) Expenses must reflect actual reimbursable expenditures, not expected or future expenditures. Grantees may only seek reimbursement for eligible expenses as defined in the project agreement.
2. Reimbursement Form Completion: Reimbursement forms submitted to DRPT should include an itemized list of expenses paid for which grant reimbursement is sought from DRPT. The submitted reimbursement form must be accompanied by copies of supporting invoices and receipts of the expenses paid by the grantee. It is important that sufficient supporting documentation is attached to reimbursement forms to provide evidence and justification for every expense. These copies provide DRPT staff and external auditors with assurance that expenses paid are in accordance with the terms of the master agreement and project agreement governing the grant.

Examples of supporting documentation include the following:

- Operating grants for TDM – timesheets for employees who worked on the program only part of the time, unless a cost allocation plan has been approved by DRPT.
  - Capital grants – an invoice from a third party for work performed and paid for.
3. Electronic Progress Report: In addition to the reimbursement forms, grantees must email an electronic copy of their progress report(s) to their respective Program Manager(s), which includes the progress-to-date on the project; unanticipated problems and proposed resolution; and anticipated progress during the next monthly or quarterly reporting period. These progress reports are required for capital, technical assistance and demo grants.

Department of Rail and Public Transportation  
Grantee Handbook

4. Reimbursement Form Approval and Payment Reimbursement Forms are received by Accounts Payable and must be approved by the applicable Program Manager. When the reimbursement form is approved by DRPT, a check or electronic payment will be generated by the Treasurer of Virginia within 30 days of receipt by DRPT. The normal turnaround time is five business days after the Program Manager's approval.
5. Non-Acceptable Reimbursement Forms - If a reimbursement form is not initially approved by the Program Manager, the Program Manager contacts the grantee and explains why the reimbursement form has not been approved and discusses actions the grantee must take to produce an acceptable reimbursement form.

## 7.0 Operating Assistance and Final Eligibility Forms

### Description

Payments for both transit operating assistance and TDM assistance are made monthly or quarterly to approved grant recipients, without the submission of reimbursement forms, except in the case of the final payment. For the final payment, grantees must submit a Final Eligibility Form to confirm actual operating costs incurred. The grantee should contact their Program Manager or the Manager of Financial Programming if assistance is needed in completing the Final Eligibility Form. Questions regarding actual payments should be directed to the Controller.

### Schedule

Ongoing monthly or quarterly, until grant close-out.

### Key Steps

1. Payment Processing - DRPT processes monthly or quarterly operating assistance payments based on agreements written in accordance with CTB approved Six Year Improvement Program.
2. Final Eligibility Form Delivery - After the grantee's fiscal year end, DRPT emails a Final Eligibility Form with instructions on how to complete the form to the grantee. The form is pre-filled with grantee's name, amount of total funds awarded, and DRPT's project number.
3. Final Eligibility Form Completion - The grantee must complete and return the form to the address on the instructions within 3 months from their fiscal year end date. If money is owed to DRPT, a check payable to "Treasurer of Virginia, Virginia Department of Rail and Public Transportation" must accompany the form.
4. Final Eligibility Form Approval and Payment - Once the Final Eligibility form is received by DRPT, it must be approved by the Program Manager before final payment is processed. When the Final Eligibility Form is approved, a check or electronic payment will be generated by the Treasurer of Virginia within 30 days of receipt by DRPT. The normal turnaround time is five business days after the Program Manager's approval.
5. Non-Acceptable Final Eligibility Form - If a Final Eligibility Form is not initially approved by the Program Manager, the Program Manager contacts the grantee and explains why the form was not approved and discusses actions the grantee must take to produce an acceptable form.
6. Final Eligibility Form must be submitted within 90 days of the end of the grantee's fiscal year or the grantee will lose its final funding. The submission of the final eligibility form is also a requirement for the receipt of the following year's grant.

## 8.0 Grant Time Extension

### Description

Grantees may require a time extension in order to complete performance of a particular grant funded project.

DRPT will review the request, with a greater number of DRPT internal approvals required when the budget remaining is greater than \$250,000.

### Schedule

As initiated by grantee

### Key Steps

1. If a Grantee requires a grant extension, the Grantee must fill out a "Request for Grant Extension" form (Appendix D) and submit it to their designated DRPT Project Manager 60 days prior to the original end date of the grant. This request includes the Grantee's information, the project number, the original and requested expiration dates and a revised milestone schedule, as appropriate.
2. DRPT will either approve or deny the request within 15 business days
3. If the extension is approved, the grantee will be notified by mail. If the extension is denied, the grantee will be notified by certified mail with return receipt. The grantee will have 10 business days from the date of receipt to appeal the denial. This appeal will be in the form of a meeting with the DRPT Agency Director.

## 9.0 Grant Close-Out

### Description

When a grant-funded project is completed by a grantee or cancelled by a grantee because the project will not advance, the grant is closed out by DRPT.

When a grant-funded project is not able to be completed by the grantee, the grantee must notify DRPT. Grantees must send a letter to their respective DRPT Program Manager to indicate that the project will not proceed and that funds may be deobligated by DRPT. Program Managers will be in regular contact with grantees via Interim Grant Reviews (see Section 10.0) so as to be aware of any potential cancelled projects well in advance of actual cancellation. Program Managers may offer technical assistance to grantees in an effort to avoid project cancellation. Further, grantees may always contact either their Project Manager or the Financial Programming staff to seek further information regarding funds available.

### Schedule

Following final expenditure on a grant funded project or as required when a grant funded project is cancelled.

### Key Steps

1. **Submission of Final Reimbursement form:** The final reimbursement form must be submitted to DRPT's Accounts Payable section within 90 days of the grant's final expenditure or grant expiration date, whichever occurs first. The reimbursement form includes a box to be checked to indicate that it is a final reimbursement form.
  - Checking the box is all that is required to close out a grant when \$500 or less remains in a project account.
  - The grantee must provide additional communication to the Program Manager to close out a grant and deobligate funds if greater than \$500 remains in a project account: A letter or email from the grantee's Chief Financial Officer or other appropriate legal signatory must be received stating that the remaining funds may be deobligated by DRPT.
2. DRPT will run a monthly report to review grants nearing their end dates. Program Managers will investigate these grants to determine whether an extension is needed or whether the grant should be closed. However, it is the grantee's responsibility to request an extension, if necessary, within the timeframe detailed in Section 8.0. If the grantee fails to ask for an extension, the grant will automatically be cancelled and the funds deobligated.
3. **Notification of Project Cancellation by Grantee:** The grantee sends a letter to the respective Program Manager notifying DRPT that the project has been cancelled and that the funds may be deobligated by DRPT. The letter must be signed by the grantee's Chief Financial Officer or other appropriate legal signatory.
4. **Grant Close Out:** DRPT closes out the grant in its accounting system

## 10.0 Interim Grant Reviews

### Description

Interim grant reviews are regular meetings between grantees and their corresponding DRPT program managers to provide technical assistance and ensure that grant funded projects are proceeding according to plans. For most programs, meetings are scheduled quarterly after the grant execution date, with at least one on-site meeting annually. Meetings will be twice annually for FTA Section 5310 grant programs recipients, with at least one on-site meeting every three years.

### Schedule

Ongoing quarterly throughout the year.

### Key Steps

1. Interim Grant Review Meetings: Program Managers schedule interim grant review appointments with grantees on a quarterly basis. These appointments may be on site or via telephone, but at least one meeting annually should be on-site. During these appointments, Program Managers and grantees discuss the grantee's progress towards completion of grant-funded projects, problems encountered and proposed resolutions, and anticipated progress during the next quarter. The discussion is informed in part by the progress reported by the grantee in the progress report accompanying its last reimbursement form.
2. Other Technical Assistance: In addition, the Program Manager may provide technical assistance as required by the grantee in other areas and respond to any inquiries that the grantee may have regarding grants or other programs and services offered by DRPT.
3. Interim Grant Review Report: Program Managers produce standard reports which summarize for each grant-funded project the progress to date, unanticipated problems and proposed resolutions, and anticipated progress during the next quarter. Program Managers' reports will be informed by discussions with the grantees and grantee progress reports.
4. Chief of Public Transportation or Chief of Planning Follow-Up: The Chief of Public Transportation or Chief of Planning will follow-up with grantees directly to ensure that DRPT is providing all of the technical assistance that it can to support grantees experiencing problems with project delivery.

## **11.0 Grantee Submission of Audited Financial Statement and Management Representation Letter**

### **Description**

On an annual basis, grantees are required to submit audited financial statements and a management representation letter to DRPT's Audit Manager.

The annual management representation letter (see Appendix E) indicates management's responsibility for ensuring compliance with all provisions of all grant agreements and relevant Federal and state laws and regulations. In the management representation letter, grantee management should specifically assert its responsibility for:

- Complying with all of the requirements specified in the grant agreements, as well as all related and relevant Federal and state laws and regulations.
- Establishing and maintaining effective internal control over compliance.
- Evaluating the recipient's compliance with grant requirements, or, if more appropriate, evaluating the recipient's controls and procedures for ensuring compliance and detecting noncompliance.
- Disclosing all known instances of noncompliance to DRPT in writing.
- Making all compliance-related documentation available to DRPT.
- Stating management's interpretations of any compliance requirements for which multiple interpretations are possible.
- Disclosing any communications from any regulatory agencies, internal auditors, independent auditors, and other financial practitioners concerning possible or potential noncompliance, including communications received through the date of the management representation letter.
- Disclosing any known noncompliance occurring subsequent to the date of the management representation letter, within one week after such noncompliance becomes known.

### **Schedule**

Audited Financial Statement - 6 Months Following Grantee's Fiscal Year End  
Management Representation Letter – Prior to July 1 of each year

### **Key Steps**

1. Grantee Submission of Audited Financial Statement and Management Representation Letter: Grantees mail a copy of their audited financial statement and management representation letter to the DRPT Audit Manager, Donnie Karabaich, 1313 E. Main Street, Richmond, Virginia, 23219. Audited financial statements should be submitted within 6 months after grantee's fiscal year end and Management Representation Letters should be submitted prior to July 1 each year.
2. Review by DRPT: The Audit Manager reviews the grantee's financial statement and management representation letter upon receipt. Any significant issues of concern that are revealed should be shared with applicable Program Manager and addressed by the grantee.

## 12.0 Financial Compliance Review

### Description

On a periodic basis, DRPT conducts financial compliance reviews of grantees to provide financial technical assistance and ensure that DRPT program requirements are being met. Grantees that have significant compliance issues in past compliance reviews will be subject to more frequent reviews.

Grantees should contact the Manager of Financial Planning and Budget or the Audit Manager with any questions or concerns.

### Schedule

Grantees will normally be reviewed every 2 to 3 years

### Key Steps

1. Notification of Selection: A number of agencies are selected for compliance reviews on a quarterly basis. Selected grantees are notified approximately three weeks ahead of time, informed of the documentation to have available for review, and provided the option to contact the Audit Manager with any questions.
2. Consultation with Program Manager: The Audit Manager consults with each selected agency's Program Manager to determine whether there are any issues that should be investigated during the compliance review.
3. On-Site Review: When on site, the Audit Manager checks to ensure that the grantee is conducting the grant-funded projects in compliance with the applicable master agreements.
4. Identification of Issues: If issues are uncovered, the Audit Manager will discuss them with the grantee and provide the opportunity to provide more documentation. If a corrective action plan is required DRPT will include the corrective action plan in the compliance review report.
5. Documentation of Findings: Each finding is documented on a standard form that summarizes the project and the issues to be addressed. Grantees sign off on the finding, indicating that the finding was discussed with them. The documented findings are summarized in a compliance review report.
6. Review of Report: The compliance review report is reviewed by DRPT management and amended by the Audit Manager as directed. The report is also reviewed by either the Chief of Public Transportation or the Chief of Planning, as appropriate.
7. The Chief Financial Officer signs off on the final report and sends it to the grantee.

## Appendix A

### Acronyms Used Frequently in this Document

CTB	Commonwealth Transportation Board
CMAQ	Congestion Mitigation and Air Quality
FHWA	Federal Highway Administration
FTA	Federal Transit Administration
MPO	Metropolitan Planning Organization
OLGA	Online Grant Application System
SYIP	Six Year Improvement Program
STIP	State Transportation Improvement Program
STP	Surface Transportation Program
TIP	Transportation Improvement Program
TDM	Transportation demand management
UPC	Uniform Project Code
VDOT	Virginia Department of Transportation

Appendix B

Department of Rail and Public Transportation  
Progress Report

Date: \_\_\_/\_\_\_/\_\_\_

DRPT Project: Number: \_\_\_\_\_

Project Description: \_\_\_\_\_

Type of Grant: \_\_\_\_\_

Reporting Period Range: \_\_\_/\_\_\_/\_\_\_ thru \_\_\_/\_\_\_/\_\_\_

**Commonwealth Project Funding:**

Total Funds Allocated \$

Total Funds Spent: \$

Project Fund Balance: \$

Percent Spent to date: \_\_\_%

Minority Business participation this period: Yes \_\_\_ No \_\_\_

Amount spent this period: \$

Total amount spent: \$

**Schedule**

Project is on schedule: \_\_\_\_\_

Project is not on schedule: \_\_\_\_\_

If not on schedule, explain why: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Percent Project Complete: \_\_\_%

Response plan:

**Milestones Completed**

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_/\_\_\_/\_\_\_  
\_\_\_/\_\_\_/\_\_\_

**Project Issue(s) and Update Narrative:**

- 1.
- 2.

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

## Appendix C

DRPT Voucher: \_\_\_\_\_

### Department of Rail and Public Transportation Reimbursement Form

Organization Name: \_\_\_\_\_

EIN: \_\_\_\_\_

Invoice Date \_\_\_\_\_

Invoice # 1

New Address, If applicable \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Project Agreement Name: \_\_\_\_\_

Project Number: \_\_\_\_\_

	Federal	State	Local	Total
<b>Total Contract Amount</b>	\$ -	\$ -	\$ -	\$ -
Total of Previous Payments	\$ -	\$ -	\$ -	\$ -
<b>Total Expended This Period</b>	\$ -	\$ -	\$ -	\$ -
Balance Remaining After This Invoice	\$ -	\$ -	\$ -	\$ -
Total Reimbursable Amt for this Invoice	\$ -			

*I certify that the grantee agency has incurred expenses in accordance with the project agreement and that these funds have not been previously requested.*

Grantee Authorized Signature \_\_\_\_\_

Title \_\_\_\_\_

Note: Percentage calculations are rounded to the nearest dollar.

**THIS AREA FOR DRPT USE ONLY:** \_\_\_\_\_

Grant Manager Signature \_\_\_\_\_

Date \_\_\_\_\_

Check here to close project after this request.

Appendix D

**Department of Rail and Public Transportation**  
**Request for Grant Extension**

<b>Grantee Name</b>	
<b>Contact Name And Address</b>	
<b>Contact Phone Number</b>	
<b>Contact E-Mail Address</b>	
<b>Project Number</b>	
<b>Original Grant Expiration Date</b>	
<b>Requested Grant Extension Date</b> (note: date should be the end of a month)	
<b>Reason For Needing An Extension (<i>Please attach revised milestone schedule</i>)</b>	

**Note: DRPT Project Manager may require additional information.**

**For DRPT Use Only:**

**Budget Remaining on Contract: \_\_\_\_\_**

## Appendix E

### ***Sample Management Representation Letter***

(Use entity's letterhead)

The financial integrity of the entity is management's responsibility and we assert responsibility for the following:

- Complying with all of the requirements specified in the grant agreements, as well as related and relevant Federal and State laws and regulations
- Establishing and maintaining effective internal control over compliance
- Evaluating the recipient's compliance with grant requirements, or, if more appropriate, evaluating the recipient's controls and procedures for ensuring compliance and detecting noncompliance
- Disclosing all known instances of noncompliance to DRPT in writing
- Making all compliance related documentation available to DRPT
- Stating management's interpretation of any compliance requirements for which multiple interpretations are possible
- Disclosing any communications from any regulatory agencies, internal auditors, independent auditors, and other financial practitioners concerning possible or potential noncompliance, including communications received through the date of the management representation letter
- Disclosing any known noncompliance occurring subsequent to the date of the management representation letter, within one week after such noncompliance becomes known

**Print Name Here**

**Print Title Here**

**Signature and Date Here**

## Appendix F

### DRPT Contact List

<b>FINANCE DEPARTMENT:</b>			
Chief Financial Officer	Steve Pittard	(804) 786-5756	<a href="mailto:steve.pittard@drpt.virginia.gov">steve.pittard@drpt.virginia.gov</a>
Manager of Financial Planning and Budget	Jamie Motley	(804) 786-3440	<a href="mailto:jamie.motley@drpt.virginia.gov">jamie.motley@drpt.virginia.gov</a>
Manager of Financial Programming	Terry Brown	(804) 786-1722	<a href="mailto:terry.brown@drpt.virginia.gov">terry.brown@drpt.virginia.gov</a>
Controller	Judith Gifford	(804) 371-6920	<a href="mailto:judith.gifford@drpt.virginia.gov">judith.gifford@drpt.virginia.gov</a>
Audit Manager	Donnie Karabaich	(804) 225-4055	<a href="mailto:donnie.karabaich@drpt.virginia.gov">donnie.karabaich@drpt.virginia.gov</a>
<b>TECHNICAL SUPPORT:</b>			
Chief of Public Transportation	Corey Hill	(804) 786-4443	<a href="mailto:corey.hill@drpt.virginia.gov">corey.hill@drpt.virginia.gov</a>
Chief of Planning	Dan Rudge	(804) 786-1059	<a href="mailto:daniel.rudge@drpt.virginia.gov">daniel.rudge@drpt.virginia.gov</a>
Project Manager No Va	Tanya Husick	(703) 934-4636	<a href="mailto:tanya.husick@drpt.virginia.gov">tanya.husick@drpt.virginia.gov</a>
Project Manager No Va	Sharmila Samarasinghe	(703) 934-4636	<a href="mailto:sharmila.samarasinghe@drpt.virginia.gov">sharmila.samarasinghe@drpt.virginia.gov</a>
Planning and Program Manager	Amy Inman	(804) 225-3207	<a href="mailto:amy.inman@drpt.virginia.gov">amy.inman@drpt.virginia.gov</a> 5303 and 5304 funds
Rural Transit Section Manager	Darrel Feasel	(804) 225-3207	<a href="mailto:darrel.feasel@drpt.virginia.gov">darrel.feasel@drpt.virginia.gov</a> 5311 funds and small urbans
Dulles Corridor Project Coordinator	Michael Harris	(703) 572-0556	<a href="mailto:michael.harris@drpt.virginia.gov">michael.harris@drpt.virginia.gov</a>
Specialized Transportation Program Manager	Neil Sherman	(804) 786-1154	<a href="mailto:neil.sherman@drpt.virginia.gov">neil.sherman@drpt.virginia.gov</a> 5310 funds, JARC, New Freedom
Planning and Program Manager Blacksburg	Jeff Sizemore	(304) 922-4838	<a href="mailto:jeff.sizemore@drpt.virginia.gov">jeff.sizemore@drpt.virginia.gov</a>
TDM/Marketing Section Manager	Gus Robey	(804) 786-7968	<a href="mailto:gus.robey@drpt.virginia.gov">gus.robey@drpt.virginia.gov</a>
TDM/Marketing Program Manager	Chris Arabia	(703) 934-4636	<a href="mailto:christopher.arabia@drpt.virginia.gov">christopher.arabia@drpt.virginia.gov</a>
Telework Programs Manager	Jennifer Alcott	(804) 840-4660	<a href="mailto:jennifer.alcott@drpt.virginia.gov">jennifer.alcott@drpt.virginia.gov</a>
<b>COMMUNICATIONS</b>			
Chief of Staff	Jennifer Pickett	(804) 786-7432	<a href="mailto:jennifer.pickett@drpt.virginia.gov">jennifer.pickett@drpt.virginia.gov</a>