



DATE: June 5, 2023
TO: Larry Davis, Assistant City Manager
FROM: Internal Audit Division
SUBJECT: Section 5303 Planning FY 2021 Grant Agreement Review
(No Response Required)

The Internal Audit Division has completed our review of the Section 5303 Planning Grant Agreement as administered by the Greensboro Department of Transportation. Attached you will find our review report; the departmental response and our replies to their responses. We feel that our concerns have been sufficiently addressed as we move forward. If you have any questions or need additional information, please let us know. Thanks.

Len Lucas
Internal Audit Director

cc: Nasha McCray, Assistant City Manager
Hanna Cockburn, Director of Transportation
Bruce Adams, Public Transportation Manager



DATE: April 21, 2023

TO: Hanna Cockburn, Director of Transportation

FROM: Internal Audit Division

SUBJECT: Section 5303 Planning FY 2021 Grant Review
(Response Required by May 5, 2023)

The Internal Audit Division has conducted a review of the 5303 Metropolitan Planning Grant Agreement for Fiscal Year 2021. The grant agreement was between the North Carolina Department of Transportation (NCDOT) and the City of Greensboro, acting as the designated Federal Transit Administration (FTA) Planning Program recipient for the Greensboro Urban Area Metropolitan Planning Organization (MPO).

Total grant revenue was \$208,830.00. Total expenditures on this grant were \$232,035.69. The expenditures on the grant occurred in the fiscal years ended June 30, 2021 and June 30, 2022.

The objectives of our review were to:

- Obtain and review the grant agreements for guidelines and allowable expenditures. Obtain and review contracts with vendors, as necessary.
- Review a sample of expenditures and verify that the expenditures have appropriate documentation and are within contractual guidelines.
- Verify amounts billed were calculated correctly and have been received.
- Verify that reports are complete, accurate and submitted by the applicable deadlines.

Grant Agreement

We obtained the Grant documentation from David Pegg, Grants Administrator with the Greensboro Department of Transportation – Public Transportation Division. The purpose of the grant was to provide for the undertaking of nonurbanized and small urban public transportation services.

The total approved cost of the project was \$244,152.00. The grant amount provided federal funding of up to \$195,321.00 (80%) and State funding of up to \$24,415.00 (10%). The required match from the City was noted as ten percent, estimated at \$24,416.00. The grant was dated March 3, 2021. The period of performance for the grant was noted as July 1, 2020 to June 30, 2021. There was a subsequent extension that extended the period of performance through December 31, 2021.

We also obtained a copy of the contract with AECOM Technical Services of North Carolina, Inc. (AECOM) from David Pegg. The contract was for ADA Operational Analysis for a total of \$250,000.00. The period of performance for Phase 1 was noted as March 1, 2021 through

December 31, 2021. The amount for Phase 1 was not to exceed \$150,000.00. The period of performance for Phase 2 was noted as after the completion of Phase 1 and not to exceed six months. The amount for Phase 2 was not to exceed \$100,000.00.

Expenditures

We reviewed expenditures totaling \$52,500.00 or 22.6 % of grant expenditures.

We reviewed invoice 2000515135 from AECOM Technical Services of North Carolina in the amount of \$27,500.00. The invoice was for Greensboro ADA Operational Analysis for the period May 29, 2021 through June 25, 2021.

We also reviewed invoice 2000548903 from AECOM Technical Services of North Carolina in the amount of \$25,000.00. The invoice was for Greensboro ADA Operational Analysis for the period of August 28, 2021 through October 1, 2021. We recalculated amounts and reviewed all supporting documentation that was provided with the invoices.

The supporting documentation for the reviewed items appears adequate and the expenditures appear to meet grant guidelines.

Grant Reimbursements

Total grant revenue was \$208,830.00. The total Federal Grant amount was \$185,627.00 and the total State Grant amount was \$23,203.00. We noted that the amounts billed for the federal grant represents 80% of total expenditures and the amount billed for the state grant represents 10% of total expenditures. It appears amounts billed are proper.

We reviewed cash receipts documentation for the following items, as follows:

<u>Date</u>	<u>Federal Amount</u>	<u>State Amount</u>	<u>Total Amount</u>
June 14, 2021	\$ 49,099.00	\$ 6,137.00	\$ 55,236.00
October 6, 2021	64,528.00	8,066.00	72,594.00
October 31, 2021	44,000.00	5,500.00	49,500.00
March 16, 2022	<u>28,000.00</u>	<u>3,500.00</u>	<u>31,500.00</u>
Totals	\$185,627.00	\$23,203.00	\$208,830.00

Amounts appear properly calculated and received, as noted above.

Reporting

We reviewed the report package submitted to the North Carolina Department of Transportation for the period of October 1, 2021 through December 31, 2021. A copy of the report package was obtained from David Pegg, Grants Administrator. We reviewed the reporting package and the supporting documentation. We recalculated amounts and agreed amounts to Lawson. It appears the reporting package was complete and accurate.

Finding:

The reporting package for the period ending December 31, 2021 was dated February 1, 2022. The grant states the reporting package/request for reimbursement should be submitted within 30 days following the end of the reporting period. It appears the report was submitted late.

Recommendation:

Reports and requests for reimbursement should be submitted by the deadlines stated in the grant.

We would like to thank the staff of the Transportation Department for their assistance and cooperation during this review. Please provide a written response by May 5, 2023. If there are any questions concerning the details of this review, please call us at (336) 373-2230.



Garland Wells
Internal Auditor



Len Lucas
Internal Audit Director

cc: Larry Davis, Assistant City Manager
Nasha McCray, Assistant City Manager
Bruce Adams, Public Transportation Manager



TRANSPORTATION

Date: May 26, 2023
To: Internal Audit Division
From: Hanna Cockburn, AICP *HCC*
Director
Re: Section 5303 Planning FY 2021 Grant Review Response to Findings

Background

In April, the Internal Audit Division completed a review of the 5303 Metropolitan Planning Grant Agreement for Fiscal Year 2021 between the North Carolina Department of Transportation and the City related to Federal Transit Administration Planning Program funds received by the Metropolitan Planning Organization.

Finding

The reporting package for the period ending December 31, 2021 was dated February 1, 2022. The grant states the reporting package/request for reimbursement should be submitted within 30 days following the end of the reporting period. It appears the report was submitted late.

Recommendation

Reports and requests for reimbursement should be submitted by the deadlines stated in the grant.

Response

NCDOT requires grant claims and reporting to be submitted digitally through their Enterprise Business Services (EBS) system. Every attempt was made by City staff to submit the report and reimbursement request by the deadline. GTA attempted to submit the final reporting and reimbursement claim on Friday, January 28, 2022. A glitch in the EBS grant system resulted in the submittal form not loading, preventing submittal of the materials. A second submittal attempt was made on Saturday, January 29 without success.

On Monday, January 31st, staff contacted the NCDOT financial manager reporting the EBS system issue. Working with the state financial manager and the EBS support team, the issue was not resolved until February 1, 2022, at which time staff submitted the reporting and final reimbursement request, one day late.

Public Transportation Division Grant Management Policies and Procedures have been update to ensure submittals are made ahead of grant deadlines to account for the possibility of hardware and software failures.

If you have questions or need additional information, please do not hesitate to contact me or Bruce Adams, Public Transportation Division Manager at 336-373-6237.

CC: Nasha McCray, Assistant City Manager
Larry Davis, Assistant City Manager
Bruce Adams, Public Transportation Manager



DATE: May 30, 2023
TO: Hanna Cockburn, Director of Transportation
FROM: Internal Audit Division
SUBJECT: Section 5303 FY 2021 Planning Grant Review Response

The Internal Audit Division has received your response to the Section 5303 FY 2021 Planning Grant Review Report. We find the response sufficient and no further action is required.

We would like to thank the Transportation Department staff for their assistance and cooperation during this review. If there are any questions concerning the details of this review, please call us at (336) 373-2230.

Garland Wells
Internal Auditor

Len Lucas
Internal Audit Director

cc: Larry Davis, Assistant City Manager
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