

MPO Administration - Yearly Allocation of PL Funds

Description

The purpose of this procedure is to identify how NCDOT allocates MPO Planning Funds (PL funds or PL104 (f)).

Responsibility

The *Program Manager (PM)*, currently the TPB Branch Manager, is responsible for carrying out this procedure, which includes allocating PL funds and notifying each MPO of their annual allocation and unprogrammed balance.

Scheduling and Time Constraints

MPOs must be notified of their annual PL fund allocation by January 1st of each year in order to allow for the development of their annual work program.

Procedure

Step	Action
1	<p><i>Determine Availability of New Funds.</i></p> <p>The PM checks the current FHWA PL fund (Funding Code: 2716x45x) in SAP (Transaction: ZFMING) to determine the amount of new PL Funds available and the existing balance. NCDOT's Federal Funds Administration Unit in Fiscal is responsible for ensuring the funds are transferred from FHWA to the current fund.</p> <p>Note: In addition, MPOs over 200,000 may use the unprogrammed portion of their STP-DA funds for planning activities. This should be coordinated with the TIP Unit of Program Development. Once programmed in a Unified Planning Work Program, these funds may only be used for eligible planning activities, and can not be used for project implementation within the UPWP. Any STP-Da funds used for non-planning activities will require a separate agreement that must be developed as per the <i>Programming Using STP-DA Funds</i>.</p>
2	<p><i>Develop Allocation & Unprogrammed Balance Worksheet.</i></p> <p>The PM creates a new worksheet in the Excel file annually that details each MPO's allocation and their unprogrammed balance. (See sample FY 20xx Work Plan) This file contains individual worksheets for each MPO. These worksheets are used to track the work program transactions and maintain the running unprogrammed balance for each MPO. Each Fiscal Year, two new lines are created on each MPO's worksheet. One for the new FY allocation and one for the amount programmed, or budgeted for their Work Program.</p>
3	<p><i>Allocate Funds.</i></p> <p>NCDOT distributes PL 104(f) funds to urbanized areas based on a formula approved by the NCDOT Secretary of Transportation and the FHWA-NC Division Administrator (see FHWA Approval PL Formula).</p> <p>Each MPO receives a base amount of \$130,000 and the remaining amount is distributed based on each areas urbanized area population from the most recent U.S. Census. The funds are allocated in January for the next state fiscal year,</p>

	which begins July 1.
4	<p>Notify MPOs of Allocation and Unprogrammed Balance.</p> <p>Once funds are allocated, the PM notifies the MPO's Lead Planning Agency (LPA) in late December or early January, of their allocated amounts by an allocation letter uploaded to MPO Planning Grants Teamsite. The letter includes:</p> <ul style="list-style-type: none"> • Current unprogrammed balance (comes from spreadsheet) • Allocation for the next fiscal year <p><i>Total balance available for programming (which is the sum of the above two items) for the next State fiscal year begins July 1.</i></p>
5	<p>Request Suballocation of Budgeted Funds.</p> <p>The PM sends a summary worksheet to NCDOT's Federal Funds management unit, which is in NCDOT's Financial Management Division, requesting that each MPO's approved budgeted funds be added to each MPOs wbs. The WBS numbers remain the same from one year to the next.</p>

Policy, Regulatory, and Legal Requirements

Planning funds are provided to MPOs under the authority of the following [federal regulations](#):

- [23 U.S.C. 104\(f\)](#)
- [23 U.S.C. 315](#)
- [49 CFR 1.48\(b\)](#)
- [49 CFR 1.51\(f\)](#)
- Procedures for matching and programming the planning funds are set forth in [23 CFR 420](#)

Resources

[NCDOT PL Fund Policy](#)

[FHWA Approval PL Formula](#)

[Sample FY 20xx Work Plan](#)

Background

In North Carolina's Metropolitan Areas, the funding for long range transportation planning comes from a variety of sources including the federal government, state government and local governments. However, in most metropolitan areas, federal planning funds, allocated first to the state, and then distributed to metropolitan areas, is considered to be the primary funding source for long range transportation planning.

Planning Funds, also known as PL or PL104 (f) funds are federal funds provided to Metropolitan Planning Organizations (MPOs) to carry out eligible transportation planning activities ([Administration of the MPO Work Program](#) procedure). The MPO's Lead Planning Agency (LPA) is responsible for carrying out the MPO planning process and is the recipient of PL funds.

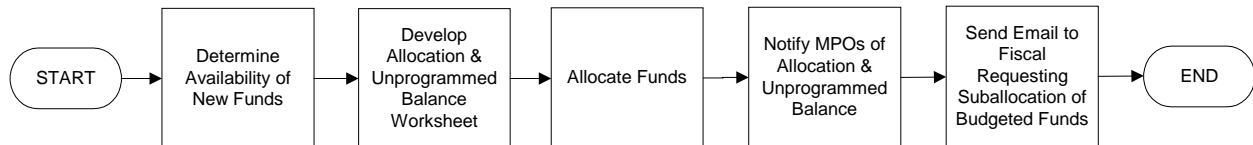
NCDOT, through the Transportation Planning Branch (TPB), has administrative responsibility for ensuring that the MPOs are spending PL funds correctly (refer to [23 CFR 420](#)). NCDOT allocates funds to MPOs based on a formula approved by the North Carolina Board of Transportation and the Federal Highway Administration. The formula allocates \$130,000 to each MPO with the remainder distributed by pro-rata share based on MPO UZA population as

determined by the most recent (2010) U.S. Census. Funds are provided on a reimbursable cost basis based on an 80/20 split with the MPO providing the 20% match.

MPOs are advised of their allocation by letter usually between November 1 and December 31 (following FHWA notice of apportionment to NCDOT after October 1). This allocation is available for programming during the upcoming state fiscal year beginning July 1.

Unprogrammed PL funds remain allocated to an MPO until spent. However, [NCDOT's Policy on the Allocation and Use of PL 104 Funds](#) allows a reallocation of PL funds once an MPO's unprogrammed balance totals more than three years of its annual allocation. MPOs will be notified prior to a PL fund reallocation.

Flowchart



Record of Revision

The information contained in this procedure is deemed accurate and complete when posted. Content may change at any time without notice. We cannot guarantee the accuracy or completeness of printed copies. Please refer to the online procedure for the most current version.

Version	Section Affected	Description	Effective Date
1.1	Procedures – Step 2	Changes were made to correspond to the SAP submittals.	04/26/2012
2	Entire Procedure	Procedure's template was modified.	1/15/2013