



M2 Project U

Senior Non-Emergency Medical Transportation Funding Guidelines

May 2021

1.0 Overview

The Measure M2 (M2) Project U – Senior Non-Emergency Medical Transportation (SNEMT) program provides funding to support the Orange County Office on Aging program, which provides non-emergency medical transportation service for seniors such as trips to doctor and dental appointments, therapy, dialysis, and pharmacy visits. The SNEMT program funding was established to continue and expand the existing program, which has been funded with Tobacco Settlement Revenue (TSR) funds since 2003. The County Office on Aging administers the program, which is operated through contract service providers.

The purpose of these guidelines is to provide procedures that assist in the administration of funding for the SNEMT program. The Orange County Transportation Authority (OCTA) is responsible for ensuring the provisions outlined out in these guidelines are followed.

2.0 Objectives

- To enhance the existing Orange County (County) SNEMT program.
- To sustain the SNEMT program by providing funds which augment declining TSR revenue.
- To provide non-emergency medical transportation for seniors as an alternative to OCTA ACCESS paratransit service.

3.0 Eligibility Requirements & Maintenance of Effort

The County must satisfy all M2 eligibility criteria to receive the formula allocation for this program.

The maintenance of effort requirement, as specified in the M2 Ordinance No. 3, indicates that the County shall continue to fund program services in an annual amount equal to the same percentage of the total annual TSR funds received by the County as of November 2006. In fiscal year 2006-07, the TSR percentage allocated to the program was 5.27 percent of the overall TSR received by the County.



The County is required to enter into a cooperative agreement with OCTA to provide senior non-emergency medical transportation and to adhere to strict funding guidelines required by the M2 Ordinance No. 3.

4.0 Annual Maintenance of Effort Verification

The County must submit to OCTA an annual verification of the SNEMT program budget with supporting documentation to confirm the allocation of at least 5.27 percent of TSR funding to the program as required by the M2 Ordinance.

Annual documentation submitted to OCTA should confirm budgeted TSR funding for the current fiscal year and actual TSR funding for the prior fiscal year.

5.0 Funding Allocation Method & Distribution

Funding for the SNEMT program is identified as no less than the TSR funds annually expended and no greater than one percent of M2 net sales tax revenues plus accrued interest. Funding allocations are based on actual sales tax receipts. Funding will be distributed on a bimonthly basis and must be expended within three years of receipt. OCTA may grant an extension beyond the three-year limitation; however, an extension may not exceed five years from the date of the initial funding allocation. The County must submit a justification letter requesting an extension beyond the three-year limitation for review and approval by OCTA at least 90 days prior to the end of the third year from the date of receipt of funds. Requests for an extension must include a plan of expenditure.

SNEMT program earned interest must be spent on transportation activities consistent with SNEMT program eligible expenses. Interest revenues must be expended within three years of receipt.

In the event the time limits for use of program funds are not satisfied, any retained SNEMT program funds, including interest, shall be returned to OCTA.

6.0 Service Guidelines

SNEMT program services are limited to non-emergency medical trips available to individuals 60 years of age and older.

The County is responsible for establishing program guidelines, operational policies, and administering and monitoring the provision of program services.

The County may initiate trip prioritization if actual expenditures exceed, or are within 75 percent of, the amount of TSR and M2 funding dedicated to the program (Attachment A). Trip prioritization refers to the ability of the County to limit trips to



life sustaining trips including chemotherapy and dialysis. Trips not considered life sustaining will occur only after all life sustaining trips have been provided.

7.0 Eligible Expenses

The County shall ensure M2 funds and earned interest are used exclusively for eligible direct program-related expenses, which may include contract service providers, staff time, SNEMT program supplies and materials, marketing materials and community outreach. The County shall ensure all SNEMT program costs are fair and reasonable. Administrative costs are allowed and considered eligible SNEMT program expenses consistent with the County's approved cost allocation plan. All SNEMT program expenses are subject to audit.

8.0 Program Revenue

The County must ensure their service contractors maintain adequate procedures for collecting and reporting program revenue, including fees, donations and cash fares.

9.0 Reporting

The County is required to submit quarterly reports using a reporting template provided by OCTA. The County shall also be required to maintain supporting documentation, as specified by OCTA, to substantiate quarterly reporting data. Required reporting data may include, but is not limited to, the following:

- Quarterly TSR-Funded Trips
- Quarterly M2-Funded Trips
- Total Quarterly Trips
- Cumulative Total Trips
- Quarterly Program Operating Cost
- Quarterly OCTA Contribution
- Quarterly County Contribution
- Cumulative OCTA Contribution
- Cumulative County Contribution
- Program Monitoring Activities

Reports are due within 45 days from the end of each quarter. Failure to meet the established reporting deadline for two consecutive quarters during the fiscal year may result in a reduction of funding and/or other sanctions to be determined.



10.0 Audits & Inspection of Records

M2 funding is subject to audit. The County shall maintain program documentation and records for a period of no less than five years, including documentation evidencing the County's oversight and monitoring of contractors providing services under the SNEMT program. The SNEMT program documents and records, including but not limited to, contractor invoices, payroll records, trip sheets, and other program-related expenses, which shall be available for review by OCTA SNEMT program funding administrators, auditors, and authorized agents upon request. The County must follow established accounting requirements and applicable laws regarding the use of public funds. Failure to submit to an audit in a timely manner may result in loss of future funding. Misuse or misrepresentation of M2 funding will require remediation which may include repayment, reduction in overall allocation, and/or other sanctions to be determined by the OCTA Board of Directors. Audits shall be conducted by the OCTA Internal Audit Department, or other authorized agent, as determined by OCTA.