



NC Transportation: Powell Bill Program
<http://www.ncdot.gov/ncpowellbill>

General Statute 136-41.1 to 41.4 State Street Aid
"Provides financial assistance for municipal maintained streets for eligible incorporated municipalities"


Allocation equal to 6.5% of the Highway Trust Fund Revenues of fiscal year-end:

SFY 2015 \$147,759,959 distributed in two installments October 1 st and January 1 st	
2014:	147,310,111
2013:	145,606,092
2012:	142,804,746
2011:	138,340,337

Eligibility established each year by municipality submitting Certified Statement signed by the mayor, Municipal Map certified by professional engineer and Financial Statement of Revenue and Expenditures from the preceding year.

Amount received by each municipality determined 75% on population and 25% on certified state maintained road mileage:

- 2015 Total population of eligible municipalities: 5,435,422
- 2015 Total mileage of all eligible municipalities: 22,559.64



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Eligibility rules: ****All municipalities must maintain public streets within its jurisdiction to participate in the Powell Bill Program. (G.S. 136-41.2B)**

Municipalities incorporated **before January 1, 1945**, the eligibility requirements are:

1. To have held an election for the purpose of electing municipal officials within the four years preceding the annual allocation of funds, and
2. Currently impose an ad valorem tax or provide other funds for the general operating expenses of the municipality.

Eligibility requirements for municipalities incorporated since **January 1, 1945**:

1. Have conducted the most recent election required by its charter or general law for the purpose of electing municipal officials.
2. Levied an ad valorem tax from the current fiscal year of at least five cents (\$.05) on a \$100 valuation upon all taxable property within its corporate limits.
3. At the time of its application for its second and succeeding allocations, it shall have collected at least 50 percent (50%) of the total ad valorem tax levied for the preceding fiscal year.
4. Have adopted a budget ordinance showing revenue received from all sources and showing that funds have been appropriated for at least two of the following services: water distribution; sewage collection or disposal; garbage and refuse collection or disposal; fire protection; police protection; street maintenance; construction; or right-of-way acquisition; or street lighting, or if the municipality incorporated with an effective date of on or after January 1, 2000, provide four of the following services: police protection; fire protection; solid waste collection or disposal; water distribution; street maintenance; street construction or right-of-way acquisition; street lighting; and zoning.




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General Statute 136-41.1 to 41.4 State Street Aid
Prohibited or ineligible expenditures

G.S. 136-41.3 (b) It shall be unlawful for any municipal employee or member of any governing body to authorize, direct, or permit the expenditure of any funds accruing to any municipality by virtue of G.S. 136-41.1 and 136-41.2 for any purpose not herein authorized. Any member of any governing body or municipal employee shall be personally liable for any unauthorized expenditures

RESOURCES:


- NC General Statutes 136-41.1 – 41.4
- NC Transportation Powell Bill Compliance Supplement for Non-State System Street-Aid Allocation (DOT-4)
- Municipal attorney
- NC League of Municipalities' legal counsel
- Municipality Internal Audit Manager
- NC Transportation Powell Bill Manager Stephanie Benson



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General Statute 136-41.1 to 41.4 State Street Aid
Eligible expenses


- Widening
- Maintenance
- Sidewalks
- Bike Lanes
- Traffic Control Devices (not street name signs)
- Pavement, retreatment, sealant
- Curb and gutter construction
- Salaries for street labor & supervision dedicated staff
- Debt service on bonds issued exclusively for streets and sidewalks



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General Statute 136-41.1 to 41.4 State Street Aid
Prohibited or ineligible expenditures

- Street lighting
- Purchase or maintenance of parking meters
- Construction or maintenance of off-street parking areas or facilities
- Leaf vacuums
- Repairs due to utility installation
- Police cars or motorcycles or police salaries
- Construction of housing for street equipment
- Indirect costs such as budget administration, data processing, office equipment
- Street name signs




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The Single Audit Compliance Unit of the Office of Inspector General reviews all single audits, financial audits, and management letters of all grantees or pass-through recipients. Any reports not received will be requested.

The participating municipality may receive their Powell Bill funds as either a check or an electronic funds transfer (EFT):


- Funds should be identified on the Schedule of Expenditures of Federal and State Awards as Powell Bill, DOT-4 and agree with NCDOT's confirmation from the Grant Master List (GML).
- A Powell Bill History file, which will give auditors the recent history of Powell Bill activity with regard to allocations and expenditures, can be requested from the Powell Bill Program Manager. Powell Bill Expenditures Report is due August 1st annually (for expenditures up to June 30th).



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SACU will verify the following:

1. Powell Bill expenditures in the Schedule of Expenditures of Federal and State Awards and/or the Statement of Revenues Expenditures and Changes in Fund Balance to the expenditures shown on the Powell Bill Expenditures Report.
2. Powell Bill Reserve on the financial balance sheet to the Powell Bill Balance on Hand on the Powell Bill Expenditures Report.
3. Any difference(s) should be explained in a note to the Schedule of Expenditures of Federal and State Awards or to the financial statements.




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Municipality may reserve no more than the sum of the last ten (10) allocations. Any amount in excess will be assessed as a penalty and deducted on the Expenditure Report.

Small municipalities (defined as having a population of less than 5,000) shall apply to the Department to be allowed to accumulate up to the sum of the past 20 allocations if a municipality's allocations are so small that the sum of the past 10 allocations would not be sufficient to accomplish the purposes of Powell Bill.


Municipalities are to send a written request to be allowed to accumulate up to the sum of the past 20 allocations.



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The Powell Bill staff reviews the certified maps, certified statements and expenditure reports submitted between July 1 and August 1 by the municipalities. Municipalities are contacted concerning problems or questions with the maps, statements and reports. Adjustments made to the expenditures report or the allocation based on the review of the certified maps, certified statements, expenditure reports, independent auditor or findings by the Single Audit Compliance Unit are made on an as needed basis. The staff also reviews the Municipal Street Fiscal Data Report that municipalities submit each December 1.


The staff combines data from the Powell Bill Expenditures Report and the Municipal Street Fiscal Data Report to file an annual report with the Federal Highway Administration each April 1.



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CONFLICT OF INTEREST: G.S. 14-234 includes a general prohibition against any public official having a personal interest in any contract to which he/she is a party in his/her official capacity. Any other statute or agency policy that applies should be tested as part of this compliance requirement.


PROCUREMENT: N.C.G.S. 143-129 requires the solicitation of bids on construction or repair work requiring expenditure of public money in an amount equal to or more than \$500,000 or purchases in an amount equal to or more than \$90,000. **N.C.G.S. 143-131** states that all contracts for construction or repair work or for the purchase of apparatus, supplies, materials, or equipment, involving the expenditure of public money in the amount of \$30,000 or more, but less than the limits prescribed in G.S. 143-129, shall be made after informal bids have been secured. Bid tabulation and governing agency resolution recommending award is required for contract award to the lowest responsible bidder.



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SACU Observed Eligible vs Ineligible:

<u>Eligible</u>	<u>Ineligible</u>
Snow & debris removal	Normal garbage pickup
Traffic control devices	Leaf vacuums
Banking fees (dedicated acct)	Street name signs
Routine maintenance (eligible streets)	Police salaries or vehicles
Labor, supervision, and engineering used exclusively in street maintenance	No prorating General Fund
	Repairs due to utility installation
	Maintenance outside corporate limits
	Mowing along state system streets
	Thoroughfare planning studies,
	Bicycle/Pedestrian Planning
	Grants or Pavement Management System




Questions?

❖ **Stephanie Benson**, NC Transportation Powell Bill Program Manager
<http://www.ncdot.gov/ncpowellbill>

❖ **NC League of Municipalities**
215 North Dawson Street, Raleigh, NC 27603
(919) 715-4000
<http://www.nclm.org>

❖ **Phillip Ayscue**, NC Transportation Single Audit Compliance Manager
pwayscue@ncdot.gov / 919-707-4571



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