



*COMMONWEALTH of VIRGINIA*  
*Department for the Aging*

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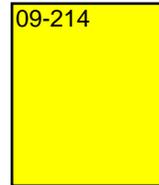
SUBJECT

VDA ID NUMBER

[Clarification on the Use of Transportation Funds](#)  
(Linda Nablo)

09-214

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*COMMONWEALTH of VIRGINIA*  
*Department for the Aging*

**MEMORANDUM**

**TO:** Executive Directors  
Area Agencies on Aging

**FROM:** Linda Nablo  
Commissioner

**DATE:** December 8, 2009

**SUBJECT:** Clarification on the Use of Transportation Funds

Recently, questions have arisen regarding the ability to transport individuals under age 60 on the same vehicle, at the same time, with riders age 60 and over – and the use of certain transportation funds for different populations. The following will hopefully answer these questions with regard to funding provided to AAAs through VDA.

Funding for transportation services is provided through a variety of funding streams including federal, state, local and private sources. The federal government allows programs to allocate costs to various funding streams based on an equitable method of allocation.

Funding streams often have specific requirements on how the funds are to be used. Title III-B Older Americans Act funds and the Virginia State General Transportation Funds are to be used for individuals 60 and over. If a non-elderly individual needs transportation, another funding source or fee can be used to pay for that individual's transportation. As transportation is a cost sharing service, a sliding fee scale based on the full cost of providing the transportation should be developed.

While Title III-B funds are not to be used to cover the cost of a non elderly rider, through equitable cost allocation, mixed riders can be transported in the same vehicle.

The basis of a sound allocation methodology can be found in "*OMB Circular A-87 Revised, Cost Principles for State, Local, and Indian Tribal Governments Revised 05/10/04*". The web address is:

[http://www.whitehouse.gov/omb/rewrite/circulars/a087/a87\\_2004.html](http://www.whitehouse.gov/omb/rewrite/circulars/a087/a87_2004.html)

UnitedWeRide.gov provides useful information on cost allocation. Page 7 references western Virginia where new technologies are used to overcome financial concerns that arise when multiple human services agencies provide coordinated transportation.

[http://www.unitedweride.gov/Cost\\_Allocation.pdf](http://www.unitedweride.gov/Cost_Allocation.pdf)

If you have any questions, please call Tim Catherman at (804) 662-9309.