



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION

March 3, 2021

Mr. Adam Winder, General Manager
River Valley Transit
1500 West Third Street
Williamsport, Pennsylvania 17701

Dear Mr. Winder:

As you are aware, the Pennsylvania Department of Transportation (“PennDOT”) has been working with the current mayor of Williamsport’s administration to understand some discrepancies with funding and accuracy in data reporting by the Williamsport Bureau of Transportation (d.b.a. “River Valley Transit” or “RVT”). The purpose of this letter is to make RVT management aware of PennDOT’s concerns related to RVT’s practices.

RVT must accurately track and document all financial decisions following policies and procedures required by both the Federal Transportation Administration and PennDOT. Moreover, we want to emphasize that the City and RVT may not:

- Attribute municipally incurred and secured capital debt to RVT;
- Use assets funded with PennDOT capital grants as collateral for municipal bonds;
- Use Section 1513 operating grant proceeds for anything other than their legally eligible purposes; and
- Use PennDOT capital grant proceeds for anything other than their legally eligible purposes.

To the extent any of the above is currently occurring, please take steps to ensure that the practice ends immediately.

To remain eligible for Section 1513 funding, the City of Williamsport and RVT must incorporate the following practices into their financial oversight:

- Review and follow all FTA and PennDOT policies relating to the appropriate use of grant proceeds;
- Develop and follow policies and procedures, including appropriate segregation of duties, to ensure adequate financial oversight and accountability of RVT; and
- Retain independent auditors trained and familiar with PennDOT’s rules for the eligible use of operating and capital grants.

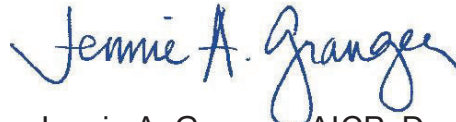
Mr. Adam Winder

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PennDOT has also referred this matter to the Federal Transit Administration (FTA) to further investigate RVT's use of federal grants. PennDOT will work closely with RVT's new auditor to ensure RVT complies with PennDOT's financial reporting guidelines.

Sincerely,

A handwritten signature in blue ink that reads "Jennie A. Granger". The signature is written in a cursive style with a large, looped initial "J".

Jennie A. Granger, AICP, Deputy Secretary
Multimodal Transportation