



# Regional Planning Handbook

# 2017

A Reference Manual for Administering Overall  
Work Programs, Regional Transportation Plans,  
and Regional Transportation Planning Funds

Office of Regional Planning  
Division of Transportation Planning  
California Department of Transportation





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# 1 INTRODUCTION

Within the California Department of Transportation (Department or Caltrans), regional transportation planning is primarily conducted by transportation planners in the Districts and in the Office of Regional Planning (ORP), located within the Division of Transportation Planning (DOTP) at Headquarters, Sacramento.

The focus is the Department's interaction with the Metropolitan Planning Organizations (MPOs) and Regional Transportation Planning Agencies (RTPAs) in regard to Overall Work Programs (OWPs) and Regional Transportation Plans (RTPs), with emphasis on monitoring activities funded with ORP-administered transportation planning funds: state Rural Planning Assistance (RPA), federal Consolidated Planning Grant (CPG), and Transportation Planning Grants.

This Handbook describes the respective regional planning roles and responsibilities of the District Transportation Planners, ORP Transportation Planners, MPOs and RTPAs.

The Handbook will be updated as procedures change. The most recent version is posted on ORP's website, along with all forms, samples, and supplementary information pertaining to regional planning, at: <http://dot.ca.gov/hq/tpp/offices/orip/orip.htm>.

This Handbook replaces the 2015 version of the *Regional Planning Handbook*, all earlier versions thereof, and any interim or proposed partial revisions.

As highlighting indicates throughout the *2017 Regional Planning Handbook*, the most significant updates are as follows:

- Federal State Transportation Improvement Program Planning Finding – Added MPO Core Planning Functions (Section 2.01); added a new policy of addressing excess CPG carryover balances (Sections 2.10 and 4.09)
- Fixing America's Surface Transportation (FAST) Act – Updated to federal citations throughout and added two new federal planning factors (Section 2.07)
- Senate Bill (SB) 1 Planning Grants – Included descriptions for the new Adaptation Planning grants and the Sustainable Communities competitive and formula grants (Section 1.04, Chapters 3 and 5)
- Chapter 2, Overall Work Program – Eliminated redundant information and reorganized sections into chronological order
- Chapter 6, Third-Party Contracts – Restructured Chapter, removed obsolete information, and included new citations (2 CFR 200, 28 CFR 31, and California PCC 10335-10381)
- Section 6.14, Disadvantaged Business Enterprise – Updated for new Caltrans overall annual goal of 4.8% (race-neutral/race-conscious)
- Section 7.03, Regional Transportation Plan (RTP) Update Delays – Added a new policy for consistently addressing RTP update delays
- Appendix A, Sample Eligible and Ineligible Regional Transportation Planning Activities – Restructured and added a host of new sample eligible and ineligible activities

- Appendix C, RTP Checklists – Added new RTP Checklists (2) – one for MPOs and one for RTPAs
- Appendix D, DBE Reporting Forms – Includes the three required DBE forms for federally-assisted third-party contracts

## 1.01 Regional Transportation Planning, State Planning Priorities and “3C” Planning: Continuing, Cooperative and Comprehensive

Regional Transportation Planning is long-range (20+ years), area-wide, developed through formal consultation with Native American Tribal Governments, and the involvement of federal, state, regional, and local agencies, public entities, private and community based organizations, and individuals working together to identify future regional transportation needs and to plan how these needs can and will be met.

The purpose of regional transportation planning is to prepare and provide for the region’s mobility in a fiscally and environmentally responsible manner, consistent with the needs, preferences, and sensibilities of the community. This coincides with the “State Planning Priorities”, first adopted in AB 857 (2002), and later amended into California Government Code 65041.1.

Per 65041.1:

The state planning priorities, which are intended to promote equity, strengthen the economy, protect the environment, and promote public health and safety in the state, including in urban, suburban, and rural communities, shall be as follows:

(a) To promote infill development and equity by rehabilitating, maintaining, and improving existing infrastructure that supports infill development and appropriate reuse and redevelopment of previously developed, underutilized land that is presently served by transit, streets, water, sewer, and other essential services, particularly in underserved areas, and to preserving cultural and historic resources.

(b) To protect environmental and agricultural resources by protecting, preserving, and enhancing the state's most valuable natural resources, including working landscapes such as farm, range, and forest lands, natural lands such as wetlands, watersheds, wildlife habitats, and other wildlands, recreation lands such as parks, trails, greenbelts, and other open space, and landscapes with locally unique features and areas identified by the state as deserving special protection.

(c) To encourage efficient development patterns by ensuring that any infrastructure associated with development, other than infill development, supports new development that does all of the following:

- (1) Uses land efficiently.

- (2) Is built adjacent to existing developed areas to the extent consistent with the priorities specified pursuant to subdivision (b).
- (3) Is located in an area appropriately planned for growth.
- (4) Is served by adequate transportation and other essential utilities and services.
- (5) Minimizes ongoing costs to taxpayers

Regional transportation planning is also based on the “3Cs” in federal transportation law: continuing, cooperative and comprehensive. All modes of transportation, including pedestrian walkways and bicycle transportation facilities, among others, shall be considered [23 United States Code (USC), Section 134 and Title 49, USC, Section 3004]. Regional transportation planning involves a wide range of parties in the development of a shared mobility vision, including improving the transition among modes in the multi-modal transportation system and incorporation of new transportation technologies.

Transportation concepts and improvements are considered during the planning and programming phases. Project development is post-planning. Examples of project development include: purchasing buses, providing traveler information service, rideshare program, and construction of a bikeway/pedestrian path. Environmental, right-of-way, design, award, and construction are also considered post-planning phases. While these phases should be iterative and coordinated, Consolidated Planning Grant (CPG) and Rural Planning Assistance (RPA) funds may only fund planning activities.

## 1.02 Metropolitan Planning Organizations (MPOs) and Regional Transportation Planning Agencies (RTPAs)

Among the key regional transportation planning entities in California are eighteen MPOs and twenty-six RTPAs. Every county in California is served by an RTPA and every county with at least one urbanized area is also served by an MPO.

Federal law [Title 23 United States Code section 134] defines a MPO as a forum for cooperative transportation decision-making. A MPO has an urbanized area over 50,000 in population, but a single MPO may serve more than one urbanized area. In California, MPOs are generally known as councils of government or associations of government.

RTPAs are created pursuant to California law (Government Code Section 29532 et seq.) and although State law does not define a RTPA, Government Code Section 65080 identifies some RTPA responsibilities: to adopt a regional transportation plan and to prepare and adopt a regional transportation improvement program. In California, most RTPAs are known as local transportation commissions, county transportation commissions, councils of government, and associations of government

MPOs and RTPAs perform generally the same transportation planning work. For example, both prepare an annual Overall Work Program (OWP), develop Regional Transportation Plans (RTPs), and program projects into Transportation Improvement Programs (TIPs).



In California, some MPOs serve a single county and some serve several counties. With the exception of the Sacramento Area Council of Governments (SACOG) and the Association of Monterey Bay Area Governments (AMBAG), the boundaries of MPOs and RTPAs are the same. One MPO, AMBAG, is not the RTPA. The RTPAs within AMBAG's boundaries are Santa Cruz County Regional Transportation Commission, Transportation Agency for Monterey County and San Benito Council of Governments.

All non-MPO rural RTPAs serve only one county. El Dorado County Transportation Commission and Placer County Transportation Planning Agency are the RTPAs for their respective counties to the crest of the Sierra Mountains. The area east of the crest in these two counties is part of the Tahoe Regional Planning Agency (TRPA). The TRPA boundaries also include portions of Nevada.

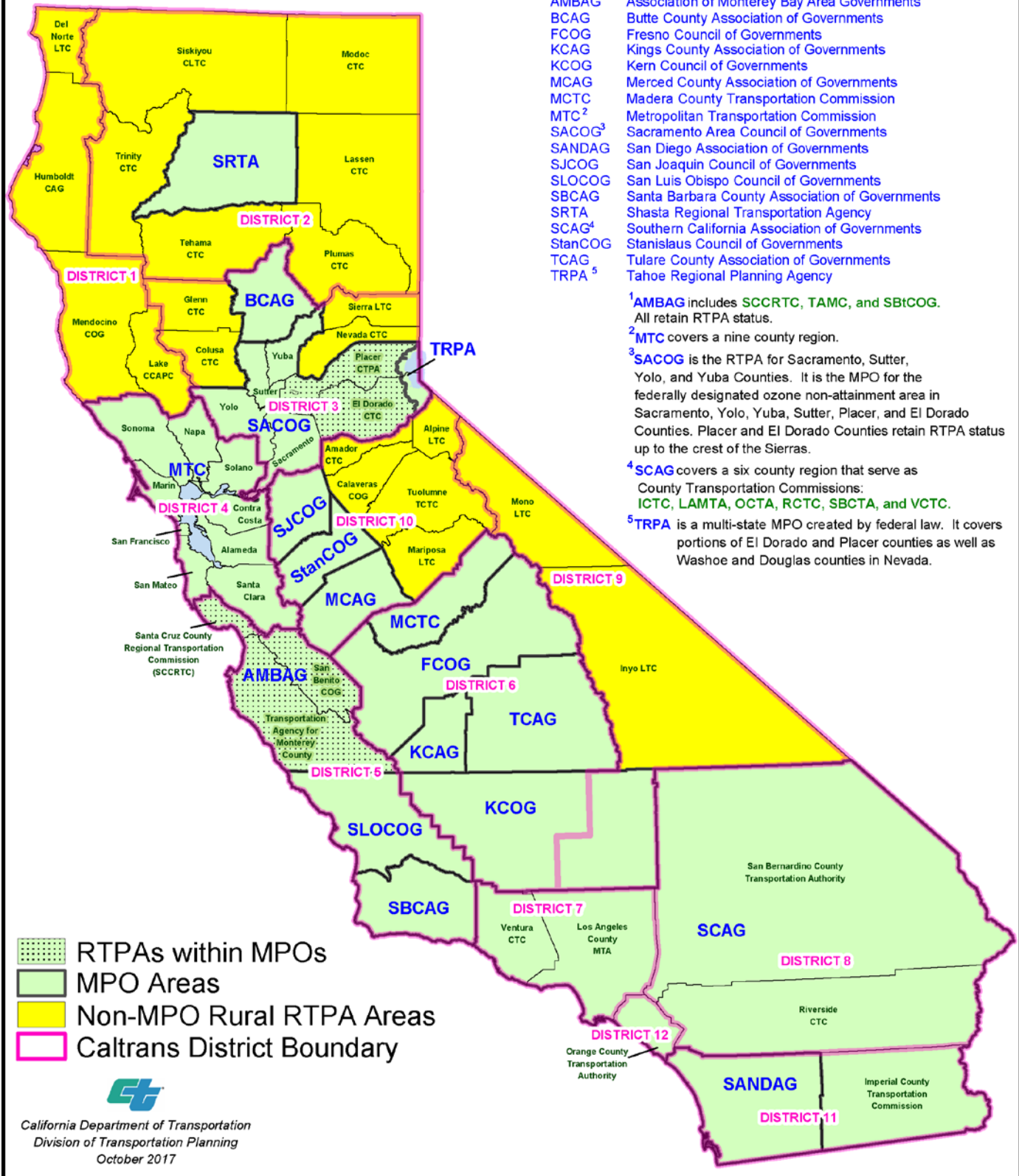
The map on page 5 shows MPO and RTPA boundaries within California.

As needed, MPOs and RTPAs may enter into agreements or memoranda of understanding (MOUs) to accomplish their work; for example, with adjacent MPOs/RTPAs regarding cross-jurisdictional issues, to prepare inter-urban/inter-area corridor studies, to perform air quality conformity analyses if the air basin has different boundaries from those of the MPO/RTPA, to assess feasibility of inter-urban/inter-area commuter rail service, etc.

All agreements entered into by agencies must also comply with the provisions of the Master Fund Transfer Agreement (MFTA) between Caltrans and the individual agencies.

# CALIFORNIA

## Metropolitan Planning Organizations (MPOs) and Regional Transportation Planning Agencies (RTPAs)



## 1.03 The Core Regional Transportation Planning Documents and Products

The core regional transportation planning document is the Overall Work Program (OWP) and its core product is the Regional Transportation Plan (RTP).

The OWP and RTP are directly and inextricably interconnected. OWP activities support the RTP and development of the RTP is an OWP activity. The RTP is implemented through the Regional Transportation Improvement Program (RTIP) and the Federal Transportation Improvement Program (FTIP). Development of the RTIP and FTIP are also OWP activities.

The OWP is a California variant of what federal regulations [23 Code of Federal Regulation (CFR) 450.308] refer to as a Unified Planning Work Program (UPWP). Federal regulations do not define it, but list what it must contain, depending on the size of the MPO and various other factors. The least complex OWPs include a description of what work is to be accomplished, when, by whom, and using which specific funding.

The OWP is a one-year scope of work and budget for transportation planning activities and funding sources to be accomplished between July 1 and June 30 of the state fiscal year. It is a statement of proposed work and estimated costs that tie specific available transportation planning funding sources to specific transportation planning activities. The OWP is essentially a grant application for CPG and RPA funds, therefore MPOs and RTPAs are only required to include activities in the OWP funded with these funds. However, many MPOs and RTPAs use the OWP as their annual business plan and budget and choose to include all of their activities and fund sources in the OWP.

Federal law uses the term Metropolitan Transportation Plan (MTP) and defines the term as the official intermodal transportation plan that is developed and adopted through the metropolitan transportation planning process for the metropolitan planning area. California law uses the term RTP. Statutes relative to legislative intent (Gov. Code Section 65070), preparation and contents (Gov. Code Section 65080), and public hearing (Gov. Code Section 65090) effectively provide a definition.

As with most plans, the RTP has a long-term horizon (not less than 20 years within the entire life of the RTP) and identifies existing and future transportation needs in the region. Although it includes rough cost estimates for the transportation proposals and is fiscally constrained (i.e., the total anticipated cost of the proposals is limited to the total reasonably anticipated revenues for the term of the plan), specific fund sources are usually not identified for the individual transportation proposals.

The RTP is defined as a project under the California Environmental Quality Act, and in air quality non-attainment areas it must conform to the State Implementation Plan (SIP).

## 1.04 Transportation Planning Funding Administered by ORP

ORP administers three transportation planning fund groups:

- Rural Planning Assistance (RPA)
- Consolidated Planning Grant (CPG)
- Transportation Planning Grants

RPA is state transportation planning funding included in a State Budget line item, allocated by the Department per population formula to rural RTPAs per PUC 99311.1 (none of the rural RTPAs are MPOs). It is provided on a reimbursement basis, after costs are incurred and paid for using local funds. In FY 2014/15, the annual RPA allocation was approximately \$6.5 million.

CPG is federal funding which statewide totals approximately \$55-60 million annually. The amount can increase or decrease contingent upon California's federal apportionment.

In FY 2015/16, the Sustainable Transportation Planning Grant Program was developed to align with Caltrans' updated mission and other State priorities. The Grant Program provides two discretionary grants, Sustainable Communities and Strategic Partnerships, and includes a combination of State and federal funding. The Grant Program runs on an annual cycle and awards roughly \$10 million in grant funding available. In FY 2017/18, the grants were substantially augmented with passage of Senate Bill (SB) 1, The Road Repair and Accountability Act of 2017. SB 1 adds \$25 million in Sustainable Communities grants and \$20 million over three years for Adaptation Planning grants. Much like RPA/CPG, the grants are provided on a reimbursement basis but they have a 3 year lifespan, including the year of award, before funds expire.

Reference may be made to other funding sources, but the fund encumbrance, monitoring, administration and reimbursement procedures described in this Handbook only apply to RPA, CPG, and the Sustainable Transportation Planning and Adaptation Planning Grant Programs. Please contact the appropriate Caltrans office for information and guidance on other funding sources.

## 1.05 Regional Planning Responsibilities

Every District has regional planning liaisons for each of the MPOs and/or RTPAs. The District has primary review, monitoring, and approval responsibility for OWPs, but works with ORP when there are issues or concerns.

The District informs ORP about District and MPO/RTPA staffing changes, MPO/RTPA successes, problems, and issues (e.g. important accomplishments, high profile work elements, politically sensitive or significant issues). ORP informs the Districts about legislation and regulations, funding, audit issues, new policies and procedures, statewide transportation planning issues of interest to the region(s), and regional lobbying efforts to the Department Director, the Secretary of the California State Transportation Agency (CalSTA), and/or the Governor's Office.

Below is a list of the ORP Regional Planning Responsibilities:

- Develop and update the *Regional Planning Handbook*.
- Distribute the Planning Emphasis Areas and fund estimates.
- Coordinate the Annual MPO OWP Development and Coordination meetings with FHWA and FTA for the MPOs.
- Review all draft OWPs to ensure that the MPOs/RTPAs meet the needs of federal and state regulations and/or policies, ensure all tasks are eligible and meet federal regulations, coordinate with other HQ Planning Offices and Modal Programs as needed, and send HQ comment letter to District Liaison.
- Schedule and attend Annual MPO OWP Development and Coordination Meetings when possible.
- Allocate RPA and CPG for each MPO/RTPA.
- Encumber CPG and RPA through Accounting and code Requests for Reimbursement.
- Perform risk-based analysis on MPO/RTPA Requests for Reimbursement (RFRs).
- Collect and process Final OWP Packages (Final OWP, board resolution or meeting minutes, 3 original OWPs, and Certifications and Assurances).
- Process OWP Amendments as needed.
- Collect OWP Year-End Package (Quarterly Progress Reports, final products, etc)
- Collect and Process OWP Fiscal Year-end Package (Final invoice, Certification of Allocation and Expenditure by Fund Source, and Final Statement of Expenditures).
- Develop reconciliation letter for each MPO/RTPA.
- Maintain OWP files.
- Advise Districts of statewide transportation policy issues, proposed legislation and new legal and regulatory requirements.
- Coordinate with Caltrans Audits & Investigations on ICAP, pre-award, and cost incurred audits.
- Oversee state and regional audit related planning corrective actions.
- Provide Regional Planning training when needed.
- Answer any questions about policy and statute.
- Update MFTA and MOUs as needed.
- Develop *RTP Guidelines*.
- SB-1 State Agency Coordination.
- Answer any questions pertaining to RTP policy and statute.
- Review all draft RTPs to ensure that they meet the needs of Federal and State regulations and/or policies.
- Monitor RTP updates.
- Maintain RTP files and RTP Status Charts.
- Prepare the Sustainable Transportation Planning Grant Guide.
- Coordinate with District on monitoring of Sustainable Transportation Planning and Adaptation Planning Grants.
- Coordination with the California Association of Councils of Governments (CALCOG) and Rural Counties Task Force (RCTF).
- Coordination with FHWA and FTA on eligibility of federal funds.

Below is a list of the Districts Regional Planning Responsibilities:

- Forward *Regional Planning Handbook* updates to the MPO/RTPA.
- Review all draft OWPs to ensure the goals of the region and State are accomplished, to ensure Caltrans and related stakeholders are consulted when appropriate, and to ensure the identified activities benefit the regional transportation system.
- Send draft OWP with a comment transmittal memo to ORP Liaison. Coordinate with other District Planning Offices and Modal Programs as needed.
- Collect all draft OWP comments to include in a comprehensive letter to the MPO/RTPA.
- Ensure all comments are addressed in the Final OWP.
- Attend Annual MPO OWP Development and Coordination Meetings and represent the Department on related issues.
- For MPO OWPs, provide recommended OWP approval letter to FHWA/FTA by June 1st.
- For RTPA OWPs, develop approval letter to ORP and RTPA.
- Send completed Final OWP package to ORP Liaison (Final OWP, board resolution or meeting minutes, original OWPA and Certifications and Assurances).
- Sends copies of signed OWPA to MPOs/RTPAs
- Review and approve all Quarterly Reports
- Review and approve OWP Amendments. Coordinate with FHWA and FTA when needed and send original copies to ORP Liaison.
- Approve and send all additional OWP documents, i.e. Quarterly Reports, final products to ORP Liaison at the end of the fiscal year.
- Send quarterly reports to FHWA/FTA when documents are submitted by MPO/RTPA.
- Review and approve all RFRs to ensure expenditures are accurate, requested on a reimbursement basis, for eligible activities, for delivered products, and completed in accordance with work elements in the OWP and Federal and State Requirements.
- Review year-end package and send to ORP Liaison.
- Manage and monitor Sustainable Transportation Planning and Adaptation Planning Grants.
- Participate on Technical Advisory Committees, serve as an ex-officio member on the MPO/RTPA board, and attend any special committees that relate to tasks identified in the OWP.
- Maintain files for third party contracts.
- Notify ORP Liaison if any problems arise.
- Represent the Department in the RTP process.
- Review and circulate draft RTP and environmental documents.
- Collect and prepare draft RTP comments.
- Distribute Final RTP package.
- Notify ORP Liaison of any RTP amendments.
- Maintain RTP amendment files.
- Review, approve, and submit Sustainable Transportation Planning and Adaptation Planning Grant Close-out Packages to ORP Liaison.

Below is a list of the MPOs/RTPAs Regional Planning Responsibilities:

- Develop draft OWPs.
- Send draft OWP to Districts.
- For MPOs, send draft OWP to FHWA and FTA.
- For MPOs, attend Annual OWP Development and Coordination Meetings.
- For MPOs, incorporate Caltrans, FHWA, and FTA comments in the Final OWP.
- For RTPAs, incorporate Caltrans comments in the Final OWP.
- Provide Final OWP Package to District (Final OWP, board resolution or meeting minutes, original OWPA and Certifications and Assurances).
- Develop and submit Quarterly Reports.
- Develop and submit OWP Amendments as needed.
- Develop and submit RFRs to ensure expenditures are accurate, requested on a reimbursement basis, for eligible activities, for delivered products, and completed in accordance with work elements in the OWP and Federal and State Requirements.
- Develop and submit year-end package.
- Apply and manage Sustainable Transportation Planning and Adaptation Planning Grants.
- Coordinate Technical Advisory Committees and any special committees that relate to tasks identified in the OWP.
- Notify Caltrans if any problems arise.
- Develop and circulate draft RTP and environmental documents.
- Incorporate draft RTP comments.
- Distribute Final RTP package.
- Distribute RTP amendments.

## 1.06 Authority

Regulations and Statutes authorizing regional transportation planning are found primarily in Titles 23 and Title 49 of United States Code (USC), and in Sections 65080 et seq., and 29532 et seq., of the California Government Code. Governing regulations are found in the Code of Federal Regulations (CFR) and the California Code of Regulations.

Federal accounting and auditing requirements are as per Titles 48 and 49 USC and CFR, and Office of Management and Budget (OMB) and Federal Transit Administration Circulars and guidance. State accounting and auditing requirements are as per the Government Code, the Public Utilities Code, the Public Contracts Code, and the Health and Safety Code.

Some other key authorities include Government Code Section 6500 et seq., Streets and Highways Code, Presidential Executive Orders 12372, 12612, and 12898, the State Budget, the State Administrative Manual, the California Public Contracting Code, the California Labor Code, the Older Americans Act, the Civil Rights Restoration Act of 1987, the Americans with Disabilities Act, the Clean Air Act Amendments, Title VI of the Civil Rights Act of 1964, and the California Environmental Quality Act (CEQA).

The Department Director has delegated authority for most regional transportation planning responsibilities to the District Directors in Executive Orders, *Confirmation of and Delegation of Authority*. These twelve Executive Orders reference and incorporate the Director's Policy for *Program Management* (Number 16, effective 12-1-94). ORP provides oversight and statewide guidance relative to these authorities. ORP may also request additional information as needed.

## 1.07 Reference Materials

In this Handbook, forms, samples, and products are referenced throughout the Handbook and are available on ORP's website. Below are companion and reference documents:

- Moving Ahead for Progress in the 21st Century Act and Fixing America's Surface Transportation (MAP-21/FAST) Act
- 23 USC 134 – Federal Aid Highways – Metropolitan Transportation Planning
- 49 USC 5303-5305 – Transportation – Metropolitan and Statewide Planning programs
- 23 CFR 450 – Metropolitan and Statewide/Nonmetropolitan Planning regulations
- 23 CFR 420 – Administration of FHWA Planning and Research funds
- 2 CFR Part 200 – Cost Principles for State, Local, and Indian Tribal Governments
- FTA Master Agreement
- Government code 65080 – CA Metropolitan Planning Responsibilities
- Public Utilities Code 99310 – 99320 – State Transportation Funding
- State Contracting Manual
- 49 CFR 26 – Participation by Disadvantaged Business Enterprises (DBEs) in Department of Transportation Financial Assistance Programs
- Local Programs Procedures:
  - 00-05: Pre-award audit requirements and Consultant procurement
  - 04-10: accounting/invoices
- FTA Circulars:
  - C 5010.1D – Grant management Requirements
  - C 8100c – Program Guidance for Metropolitan Planning and State Planning and Research Grants
  - C 4220.1F- Third Party Contracting Guidance
  - C 4702.1B – Title VI Requirements and Guidelines for Federal Transit Administration Recipients



- FHWA Guidance:
  - Area Boundaries for Census
  - Bicycle and Pedestrian Guidance
  - Guidance on Financial Planning, Fiscal Constraint for Transportation Plans, Programs
  - Non-federal Matching Requirements
  - Third Party in-kind contributions
  - Transportation and Sustainability Guidebook

ORP's Website:

<http://www.dot.ca.gov/transplanning/orp/index.html>

## 1.08 Terms and Acronyms

There are many transportation and transportation planning terms and acronyms. However, familiarity with the following terms and acronyms is essential to understanding concepts in this Handbook.

Allocation	A distribution of funds by formula or agreement.
Apportionment	Distribution of federal funds (grants) by a statutory formula to the states' Governors for allocation by them to the grant recipients.
Appropriation	An official action (e.g. passage of a law) to make funds available, with specific limitations as to amount, purpose and duration.
CPG	Consolidated Planning Grant, consisting of FHWA Metropolitan Planning (FHWA PL) Funds, FTA Metropolitan Planning Section 5303 (FTA § 5303) Funds, FHWA State Planning and Research Part I - Strategic Partnerships Funds, and FTA State Planning and Research § 5304 Sustainable Communities Grants Funds.
Encumber	The formal processes, which commit funds for a specific purpose, e.g., commitment of Rural Planning Assistance (RPA) to an RTPA, or FHWA Metropolitan Planning (PL) funds to an MPO.
FAST Act	Fixing America's Surface Transportation Act, five-year federal transportation legislation, was signed into law in 2015. FAST carried on many priorities from MAP-21 and made little change. The MAP-21 rules and regulations were not promulgated before enactment of FAST, thus the two are often paired as MAP-21/FAST Act.
FHWA, FTA	The Federal Highway Administration and the Federal Transit Administration are two of the modal agencies in the United States Department of Transportation (US DOT).

MAP-21	Moving Ahead for Progress in the 21 <sup>st</sup> Century, two-year federal transportation legislation with numerous extensions, was signed into law in 2012; successor to SAFETEA-LU. The MAP-21 rules and regulations were not promulgated before enactment of FAST, thus the two are often paired as MAP-21/FAST Act.
MFTA	Master Fund Transfer Agreement, along with the OWP and OWPA, it constitutes the funding contract and requirements between the state and the MPO/RTPA for CPG and/or RPA funds. It is an ongoing, multi-year agreement that prevails until is it amended, updated, or replaced. The provisions of the MFTA also apply to any MPO/RTPA contractors or subcontractors.
MPO	Metropolitan Planning Organizations are the regional planning entities in urbanized areas, usually an area with a population of 50,000 or more. As of December 2006, there are eighteen MPOs in California.  Although the Tahoe region does not include an urbanized area 50,000 or larger, TEA-21, permitted the Tahoe region to establish a MPO.
Obligation	The Federal government's legal commitment (promise) to pay or reimburse the States or other entities for the Federal share of a project's eligible costs.
ORP	Office of Regional Planning in the Department's Division of Transportation Planning, Headquarters, Sacramento.
Reimbursement	State or federal transportation planning funds paid to the MPO/RTPA for transportation planning work activities in the OWP completed by the MPO/RTPA, or on behalf of the RTPA/MPO by a contractor or consultant, and already paid for using local funds.
RTPA	Regional Transportation Planning Agency, the regional planning entity referenced in California law; e.g., a local transportation commission, a statutorily created RTPA, or a council of governments.
SAFETEA-LU	Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, federal transportation legislation signed into law in 2005; successor to TEA-21.
Toll Credits	Toll credits are earned when the state, a toll authority, or a private entity funds a capital transportation investment with toll revenues earned on existing toll facilities. Toll credits may substitute for the

required nonfederal share on Federal-aid project, the Federal reimbursement can effectively be increased to 100 percent.

Unexpended  
Carryover

Unexpended Federal CPG funding -- FHWA Metropolitan Planning (PL), FTA 5303 Metropolitan Planning, FTA § 5304/SHA Sustainable Communities Grants, FHWA State Planning and Research Part I – Strategic Partnerships and Rural Planning Assistance (RPA)—do not need to be fully expended during the fiscal year in which they are appropriated and allocated or awarded. The recipient may carryover unexpended amounts to the next fiscal year. MPOs' carryover FHWA PL and FTA § 5303 and RTPAs' carryover 25% of RPA via a reconciliation letter process. Both MPOs/RTPAs are allowed to carryover FTA § 5304/SHA Sustainable Communities Grants and FHWA Strategic Partnerships through the reconciliation letter process.

The Mineta Transportation Institute glossary of transportation planning terms:

<http://transweb.sjsu.edu/MTIportal/research/Glossary.html>

FHWA's Planning Glossary:

[http://www.fhwa.dot.gov/planning/glossary/glossary\\_listing.cfm](http://www.fhwa.dot.gov/planning/glossary/glossary_listing.cfm)

## 2 OVERALL WORK PROGRAM (OWP)

Annually, each MPO/RTPA is required to develop and submit an Overall Work Program (OWP) that its Governing Board adopts per the MFTA, Section 1(A).

The OWP provides an overview of the region, with a focus on its transportation goals and objectives, and the actions to achieve those goals and objectives. The OWP is a scope of work for transportation planning activities, including estimated costs, funding sources, and completion schedules funded with CPG and/or RPA funds.

Although the OWP reflects work to be performed by in-house MPO/RTPA staff or work the agency contracts out, preparation of the OWP should involve collaboration among all transportation partners in the region. Partners that should be included are: the Department, transit providers, community based organizations, railroads/maritime ports/airports, bicycle and pedestrian interests, congestion management agencies, state and federal resource agencies, city and county local governments, the public (including minority and low-income populations, etc.), and government-to-government consultation with Native American Tribal Governments.

The OWP is intended to provide a comprehensive overview of transportation planning activities funded with CPG and/or RPA funds and should also include regionally significant activities that will be completed with other transportation funds. These may be shown as actual work elements, but are typically shown as a chart or matrix, either in the body of the OWP or in the appendix.

### 2.01 The Purpose and Contents of the OWP

The OWP is the MPO's/RTPA's CPG and RPA transportation planning grant application and contract for the state fiscal year, July 1 through June 30. It can also be used for other purposes, such as:

- The MPO's/RTPA's annual operations or business plan for the state fiscal year
- The MPO's/RTPA's planning budget for the state fiscal year
- An activity tracking and management tool for the MPO/RTPA Governing Board
- A contract and monitoring tool for local, state, and federal entities to track the completion of annual transportation planning and expenditure of funds
- An easy reference for members of the public who wish to know the "who/what/when/where/how much" of transportation planning activities in the region

In the OWP, there is an overview of the MPO's/RTPA's decision-making, partnering, public participation and other approaches. For example, technical planning committees, workshops, data gathering, public participation, outreach, and information sharing efforts, etc. Formal decisions are made by a vote of the MPO/RTPA Governing Board at regularly scheduled meetings based on recommendations and information provided by MPO/RTPA staff and

advisory committees. Members of the public have the opportunity to present their views and express their support or opposition at Board meetings.

MPO OWPs must also identify the Core Planning Functions and what work will be done during the program year to advance those functions. The Core Functions typically include:

- OWP
- Public Participation and Education
- RTP
- Federal Transportation Improvement Program
- Congestion Management Process (required for TMAs)
- Annual Listing of Projects (i.e., obligated projects from the preceding program year, as defined in 23 CFR 450.334)

## 2.02 The OWP is Part of a Funding Contract

In conjunction with the Overall Work Program Agreement (OWPA) and the Master Fund Transfer Agreement (MFTA), the OWP constitutes the annual funding contract between the state and the MPO/RTPA for the Consolidated Planning Grant (CPG) and/or Rural Planning Assistance (RPA). It is also the annual application for CPG formula funds and RPA. (See Chapter 3 for more information about CPG.)

The MFTA is an on-going, multi-year agreement that prevails until it is amended, updated, or replaced. The current MFTAs are set to expire December 31, 2024. The MFTA requires that MPOs/RTPAs submit an OWP each year. The MFTA also states that the MPO/RTPA agrees to comply with all applicable state and federal laws, regulations and requirements.

Although the MFTA is a complex legal document, it is written in sufficiently generic terms and does not require annual reconsideration. Detail is added through the OWP and OWPA. This three-document arrangement is straightforward and practical, and much less expensive for the MPO/RTPA and the Department than entering into a completely new fund transfer contract each year. The provisions of the MFTA are also applicable to any MPO/RTPA contractors and subcontractors.

## 2.03 The OWPA

The Overall Work Program Agreement (OWPA) is a one-page document signed by the MPO/RTPA and the District. The Director's Delegation of Authority allows the District Deputy Director to approve annual OWPA with RTPAs and MPOs. The signatures on the OWPA formalize the annual CPG and/or RPA contract, effective upon passage of the State Budget.

The MPO/RTPA provides original signed OWPA and forwards it to the District. The authorized MPO/RTPA signatory is usually the Executive Director or the Finance Officer, as per Governing Board delegation. MPOs/RTPAs are responsible from receiving delegation authority from their Governing Board for their Executive Director to sign the OWPA. The District signatory is the District Director or the Deputy District Director for Planning, as

delegated by the District Director. After the District obtains the necessary signature on the original OWPA (signed in **blue** ink to more easily distinguish original signatures from photocopies), the District makes photocopies for its file and forwards the originals to the ORP Liaison. The District Liaison should also send a copy of the fully signed OWPA back to the MPO/RTPA for their records.

**ORP requires three original OWPA.** The District and/or the MPO/RTPA may also prefer (or require) originals rather than photocopy versions. In such instances the two parties need to determine how many additional original OWPA they will need.

After passage of the State Budget, ORP's Fund Specialist uses the OWPA to encumber CPG and/or RPA on behalf of the MPO/RTPA for the term of the OWP. For this reason, the MPO/RTPA must fully program their annual allocations each year on their OWPA.

The OWPA is specific to a fiscal year and must accurately reflect the OWP. This means a new OWPA must be submitted each year with the adopted and approved Final OWP. The CPG/RPA funds programmed and approved in the OWP will be equal to the funds to be encumbered by the OWPA. An OWPA amendment must be submitted each time there is an OWP amendment that changes the total amount of CPG (which will also change the local match) and/or RPA.

There are separate OWPA forms for MPOs and RTPAs. It is the District's responsibility to ensure the correct version of the form is used and all fill-in information is accurate. The District should check that:

- The most updated version of the form is being utilized.
- The CPG and/or RPA totals in the funding columns are consistent with the amounts in the OWP work elements and Budget Revenue Summary.
- Allocations are not exceeded but the full CPG/RPA allocation should be fully programmed
- The local and/or toll credit match for each federal fund source and type precisely reflects the mandatory (minimum) percentage.
- The correct MFTA Contract Number, Agency DUNS Number, and CFDA for Federal Funds, 20.505, are provided in the upper right corner of the OWPA. This information is required to comply with State Audit findings.

The OWPA cannot include separate line entries for current versus prior years' balances. A transmittal memo from the MPO/RTPA should verify current year CPG/RPA versus carryover amounts when carryover funds are included or amended into the OWP and OWPA. **In the Budget Revenue Summary, CPG carryover funds must be listed in a separate column from the current year's funds and must be identified by funding source and type.**

MPO and RTPA OWPA forms and instructions to complete the OWPA forms can be found on ORP's website at <http://www.dot.ca.gov/hq/tpp/offices/orip/owp/index.html>.

## 2.04 The MFTA/OWP/OWPA Trio Only Encumbers CPG and/or RPA

Although the OWP is a comprehensive document that includes a wide variety of funding sources, the regional planning MFTA and the OWPA only apply to CPG and/or RPA. There are different applications, agreements, and fund transfer arrangements for other transportation planning funds not administered by ORP.

Even if there is a fully executed MFTA between the state and the MPO/RTPA, the current year's CPG and/or RPA cannot be encumbered for the MPO/RTPA until it has a Final OWP adopted by the MPOs/RTPAs Governing Board, is approved by the Department and FHWA and FTA (if applicable), has a fully completed and executed *original* OWPA and Certifications and Assurances on file in ORP, and the state budget has been approved and signed by the Governor per the MFTA, Article 1 (E) and (F) and Article 2, Section 4.

## 2.05 The Three Components of the OWP

Although OWPs vary in length, complexity, and format, in general, they include the following three components:

- Introduction or prospectus
- Work Elements
- Budget Revenue Summary

Per 23 CFR Part 450.308(c) the federal unified planning work program contents describe the work proposed for the next one or two year period by major activity and task (including activities that address the planning factors in § 450.306(b)) in sufficient detail to indicate who (e.g., MPO, State, public transportation operator, local government, or consultant) will perform the work, the schedule for completing the work, the resulting products, the proposed funding by activity/task, and a summary of the total amounts and sources of Federal and matching funds.

### 2.05a Introduction or Prospectus

The OWP introduction or prospectus provides the context for understanding the proposed work activities and gives information about the region. For example, the following information should be provided:

- The region's transportation planning approach
- Agency organizational structure and interagency arrangements
- Decision-making steps
- Government-to-government consultation with Native American Tribal Governments
- An overview of public participation and involvement
- Significant regional characteristics and issues, geography, demographics, transportation needs, priorities, and goals

- How the annual Planning Emphasis Areas (PEAs) and the federal planning factors are addressed in the work elements
- Progress made toward implementing the RTP and TIP

## 2.05b Work Elements

Work elements identify specific planning work (such as “activities,” “tasks,” “steps,” “products,” etc.) to be completed during the term of the OWP.

There should be a separate work element for each major activity and grant award. Each work element should include:

- A title and work element number
- A purpose or objective statement
- An identification of previous, ongoing and future years’ work
- A description of eligible steps/activities/tasks/products, etc., completion dates, responsible entities (including work identified as contracted, in-house, sub-regional, etc.)
- A product or outcome associated with each task/activity
- A schedule and completion date for each task and product
- A table showing all fund sources, uses of these funds (e.g., in-house, contracted), and local match source

Each task should correlate with an end product and schedule. If there is not a specific end date then the schedule should reflect the frequency of task such as monthly, quarterly, bi-annually, etc. For multi-year work elements, the activities to be completed, as well as the sources and uses, are shown separately by year. For prior years, the accomplished activities are summarized. For the current and future years, the sources and uses are estimates.

Some MPOs/RTPAs have created one single work element for each category of work, referred to as mega-work elements. Mega-work elements are discouraged because such a broad-brush approach defeats the OWP’s utility as a comprehensive planning document for the Governing Board, other agencies, and the public, and as a tool to monitor and approve eligible planning activities and expenditures.

## 2.05c Budget Revenue Summary

Although each work element entry includes a breakdown of funding sources and local match, *all* OWP sources and uses must also be listed in a comprehensive Budget Revenue Summary table. Some other commonly used titles for the summary are Revenue and Expenditure Summary, Funding Table, etc. The summary shows all funds in the OWP, itemized by work element and funding sources and types. Prior years’ unexpended CPG and RPA carryover in the OWP must be identified separately from the current year’s allocations and/or awards as a place holder until the carryover funds are reconciled and amended into the OWP and OWPA. See [Sections 4.08-4.10](#) for the process for using CPG and RPA carryover funds.



Consistency of funding throughout the OWP is important (i.e. the entries in the Budget Revenue Summary must accurately reflect the amounts in the individual work elements). Totals for individual sources may not exceed allocations or awards (the total amount for each work element should also not exceed allocation).

## 2.06 OWP Timeline

The draft portion of an MPO/RPTAs OWP cycle may begin as early as October and may continue into June of the following calendar year. The administration and completion of the OWP spans the state fiscal year July 1 through June 30. Closeout begins with the end of the state fiscal year and extends to March 31 of the next calendar year when the MPO/RTPA Annual Fiscal and Compliance Audit Report is due to the State Controller's Office. The following tables outline the overlapping MPO/RTPA processes (closeout of previous year, administer current year, and development of next year) for essentially three OWPs in a given fiscal year.

# MPO Overall Work Program Timeline FY 17/18

Key dates for the previous year's closeout through the following year's draft

	FY 16/17 OWP	FY 17/18 OWP	FY 18/19 OWP
<b>Beginning of State Fiscal Year 17/18: July 1, 2017</b>			
July '17	<span style="color: blue;">July 31</span> : Q4 Progress Report due to District.		
Aug '17	<span style="color: blue;">By August 31</span> : Year End Package and OWP Final Products due to District.		
Sep '17			
<b>Beginning of Federal Fiscal Year 17/18: October 1, 2017</b>			
Oct '17		<span style="color: orange;">October 31</span> : Q1 Progress Report due to District.	<span style="color: green;">October 1</span> : The CPG FY 18/19 fund estimates and Planning Emphasis Areas are released. <span style="color: green;">October-February</span> : MPO OWP Development and Coordination Meetings are held.
Nov '17		<span style="color: orange;">November</span> : Q1 Progress teleconference between ORP and District	<span style="color: green;">November – June</span> : MPOs' draft, circulate and finalize OWPs
Dec '17			
Jan '18		<span style="color: orange;">January 31</span> : Q2/mid-year Progress Report due to District. <span style="color: orange;">January-February</span> : District mid-year OWP status meeting with MPOs.	
Feb '18		<span style="color: orange;">February</span> : Q2/mid-year Progress teleconference between ORP and District	<span style="color: green;">February - June</span> : Individual Annual MPO meetings, are conducted at the request of the MPO
Mar '18	<span style="color: blue;">March 31</span> : MPO Annual Fiscal and Compliance Audit Report due to State Controller's Office		<span style="color: green;">March 1</span> : Latest date to submit draft OWP to District.
Apr '18		<span style="color: orange;">April 30</span> : Q3 Progress Report due to District. <span style="color: orange;">April-May</span> : District year-end OWP status meetings with MPOs.	
May '18		<span style="color: orange;">May 1</span> : Deadline for formal OWP/OWPA amendments (complete package due to ORP). <span style="color: orange;">May</span> : Q3 Progress teleconference between ORP and District	<span style="color: green;">May</span> : Adopted OWPs due to Districts, Districts recommend OWP approval and send to FHWA/FTA.
Jun '18			<span style="color: green;">June 1</span> : FHWA/FTA receive final MPO OWPs by June 1 and review and approve by July 1. FHWA/FTA approve MPO OWPs. <span style="color: green;">June 30</span> : Final OWP Package due to ORP.
<b>Beginning of State Fiscal Year 18/19: July 1, 2018</b>			
Jul '18		<span style="color: orange;">July 31</span> : Q4 Progress Report due to District.	
Aug '18		<span style="color: orange;">August 31</span> : Year End Package and OWP Final Products due to District.	
Sep '18			

= 16/17 OWP Closeout
  = 17/18 OWP Current Year
  = 18/19 OWP draft, review, adopt and approve

# RTPA Overall Work Program Timeline FY 17/18

Key dates for the previous year's closeout through the following year's draft

	FY 16/17 OWP	FY 17/18 OWP	FY 18/19 OWP
<b>Beginning of State Fiscal Year 17/18: July 1, 2017</b>			
July '17	<a href="#">July 31</a> : Q4 Progress Report due to District.		
Aug '17	<a href="#">By August 31</a> : Year End Package and OWP Final Products due to District.		
Sep '17			
<b>Beginning of Federal Fiscal Year 17/18: October 1, 2017</b>			
Oct '17		<a href="#">October 31</a> : Q1 Progress Report due to District.	<a href="#">Oct 1</a> : FY 18/19 RPA Estimates are released
Nov '17		<a href="#">November</a> : Q1 Progress teleconference with ORP and District	<a href="#">November – June</a> : RTPAs draft, circulate and finalize OWPs
Dec '17			
Jan '18		<a href="#">January 31</a> : Q2/mid-year Progress Report due to District. <a href="#">January-February</a> : District mid-year OWP status meeting with RTPAs.	
Feb '18		<a href="#">February</a> : Q2/mid-year Progress teleconference with ORP and District	<a href="#">February - April</a> : Districts review and circulate draft OWPs.
Mar '18	<a href="#">March 31</a> : RTPA Annual Fiscal and Compliance Audit Report due to State Controllers Office		<a href="#">March 1</a> : Latest date to submit draft OWP to District.
Apr '18	<a href="#">April –May</a> : District year-end OWP status meetings with RTPAs.	<a href="#">April 30</a> : Q3 Progress Report due to District.	
May '18		<a href="#">May 1</a> : Deadline for formal OWP/OWPA amendments (complete package due to ORP). <a href="#">May</a> : Q3 Progress teleconference with ORP and District	<a href="#">May</a> : Adopted OWPs due to Districts, Districts approve OWPs.
Jun '18			<a href="#">June 30</a> : Final approved and adopted OWP and fully executed OWPA due to ORP.
<b>Beginning of State Fiscal Year 18/19: July 1, 2018</b>			
Jul '18		<a href="#">July 31</a> : Q4 Progress Report due to District.	
Aug '18		<a href="#">August 31</a> : Year End Package and OWP Final Products due to District.	
Sep '18			

= 16/17 OWP Closeout
  = 17/18 OWP Current Year
  = 18/19 OWP draft, review, adopt and approve

## 2.07 Planning Emphasis Areas and Federal Planning Factors

FHWA develops California Planning Emphasis Areas (PEAs) each year to promote priority areas for consideration in transportation planning and integration into the OWP specifically for California MPOs. The National PEAs are published in the Federal Register, usually toward the end of the calendar year and ORP sends both the state and national PEAS when they become available. This information is also posted on the ORP website at: <http://www.dot.ca.gov/hq/tpp/offices/orip/owp/index.html>.

MPOs are required to incorporate the California and National PEAs in the OWP. While it is not required, it is recommended that RTPAs include the National PEAs in the current OWP. Some RTPAs/MPOs identify their PEAs-related work in the OWP introduction or prospectus. Others include matrices to indicate the PEAs-related work elements. If one (or more) of the PEAs is not addressed, the reason should be clearly stated.

Like the PEAs, the federal planning factors in MAP-21/FAST Act Section 134(h) should also be incorporated in the MPOs/RTPAs OWP. Federal Planning Factors are issued by Congress and emphasize planning factors from a national perspective. The Federal Planning Factors are revised or reinstated with new reauthorization. The ten planning factors (for both metro and statewide planning) are: (See Sample OWP Matrix below which is applicable to both PEAs and/or the MAP-21/FAST Act Planning Factors.)

1. Support the economic vitality of the metropolitan area, especially by enabling global competitiveness, productivity, and efficiency.
2. Increase the safety of the transportation system for motorized and non-motorized users.
3. Increase the security of the transportation system for motorized and non-motorized users.
4. Increase the accessibility and mobility of people and for freight.
5. Protect and enhance the environment, promote energy conservation, improve the quality of life, and promote consistency between transportation improvements and State and local planned growth and economic development patterns.
6. Enhance the integration and connectivity of the transportation system, across and between modes, for people and freight.
7. Promote efficient system management and operation.
8. Emphasize the preservation of the existing transportation system.
9. Improve the resiliency and reliability of the transportation system and reduce or mitigate stormwater and reduce or mitigate stormwater impacts of surface transportation.
10. Enhance travel and tourism.

## Sample OWP Matrix for MAP-21/FAST Act Planning Factors or PEAs

<b>MAP- 21/FAST Act Planning Factors</b>						
	Work Element 1	Work Element 2	Work Element 3	Work Element 4	Work Element 5	Work Element 6
1. Support the economic vitality of the metropolitan area, especially by enabling global competitiveness, productivity, and efficiency.	X	X			X	
2. Increase the safety of the transportation system for motorized and non-motorized users.		X		X		X
3. Increase the security of the transportation system for motorized and non-motorized users.	X		X		X	
4. Increase the accessibility and mobility of people and for freight.			X	X		
5. Protect and enhance the environment, promote energy conservation, improve the quality of life, and promote consistency between transportation improvements and State and local planned growth and economic development patterns.	X					X
6. Enhance the integration and connectivity of the transportation system, across and between modes, for people and freight.			X		X	
7. Promote efficient system management and operation.		X				X
8. Emphasize the preservation of the existing transportation system.				X		
9. Improve the resiliency and reliability of the transportation system and reduce or mitigate stormwater and reduce or mitigate stormwater impacts of surface transportation.			X		X	
10. Enhance travel and tourism.	X					X

## 2.08 Annual OWP Development and Coordination Meeting

The annual OWP Development and Coordination Meetings with MPOs occur between November and February of each year. The purpose of this informal meeting is to discuss transportation issues, trends, accomplishments, and any problems the MPO may be experiencing. Additionally, since these meetings now occur earlier in the draft OWP process, they allow all parties an opportunity to reach consensus on proposed work elements in the next year's draft OWP and streamline the review/comment/adoption process.

Unlike the previous annual OWP Meetings, ORP is responsible for scheduling these annual OWP Development and Coordination Meetings. This scheduling should be done in coordination with the MPO, FHWA/FTA coordinators, and the Caltrans Districts.

A formal meeting between all parties can still occur during the February-June time frame at the request of the MPOs.

## 2.09 The Draft OWP Process

Regional planning staff in the Districts are the initial and primary points of contact for transportation planning between the Department and the MPO/RTPA. Development and adoption of the OWP is a lengthy procedure for MPOs/RTPAs. District Regional Planning staff should bear this in mind as they review, route, and comment on draft OWPs. District staff should receive MPO/RTPA draft OWPs for review by March 1. In coordination with the District, ORP may send formal notices to MPO/RTPAs for Draft OWPs submitted after March 1 for breaching this requirement of the MFTA. Overall, the District process for the draft OWP includes:

- Reviewing the draft OWP (primary reviewer)
- Preparing a transmittal memo to route the draft OWP for review and comment to ORP and other units within the District, as appropriate
- Receiving comments from the reviewing units, and preparing a comprehensive (i.e. includes the Department's comments in one letter and not piecemealed) formal Department comment letter to the MPO/RTPA, with a copy to ORP and FHWA/FTA (for MPOs only), to communicate all of the Department's concerns and commendations. The District Senior Transportation Planner should review the Department's letter. Any comments that are not included should be discussed with the appropriate commenter. If major problems are discovered after the comment letter is sent to the RTPA/MPO, the District and ORP still needs to work with the MPO/RTPA to resolve them.
- Reviewing the final OWP to verify that Department comments are addressed. The District, ORP, and FHWA/FTA (for MPOs) will need to coordinate on follow-up actions if comments are not adequately addressed.

Please review Section 2.13 for the District's role in approving the final OWP.

The District reviews draft OWPs with two emphases: conceptual and technical. The conceptual evaluation focuses on the OWP as a whole to determine whether the activities accomplish the transportation planning goals of the region. The technical evaluation focuses on the feasibility of planning activities identified in the work elements.

The conceptual review considers whether the activities in the OWP:

- Respond to District concerns and system planning documents
- Consider regional mobility issues and requirements
- Represent an inclusive planning approach to address transportation in the region
- Include appropriate stakeholders
- Contribute to implementation of the Regional Transportation Plan

The technical review of the OWP centers on points such as:

- Has progress made in the previous year's OWP been described?
- Do the task statements, project schedules, and costs seem realistic?
- Are all regional transportation planning contracts, and grants listed?
- Have Title VI, American with Disabilities Act and other compliance considerations been included?

ORP also reviews the draft OWP's with the same emphases, but from a statewide perspective to ensure consistency. The conceptual evaluation focuses on the OWP as a whole to determine whether the activities accomplish the transportation planning goals outlined in State and federal legislation. The technical evaluation focuses on eligibility and funding compliance

The conceptual review considers whether the activities in the OWP:

- Include required products such as Regional Transportation Plans, Transportation Improvement Programs, air quality conformity, etc.
- Incorporate the applicable PEAs and the federal planning factors. If any of these are not included, the reason for *not* including any of them should be stated

The technical review of the OWP centers on points such as:

- Are funding amounts consistent throughout?
- Do the budget figures add up correctly?
- Are the activities eligible uses for the regional transportation planning funding sources?
- Have federal match requirements been satisfied?
- Does the OWP comply with applicable state and federal requirements?

Once District staff receives the draft OWP from the MPO/RTPA, they **circulate** the draft OWP and solicit comments from ORP. ORP requests:

- One hard copy, and
- One electronic copy of the draft OWP.

MPO draft OWP's must also be sent to the FHWA/FTA. It is the sole responsibility of the MPO to send the draft OWP directly to FHWA/FTA. FHWA requests an electronic version and one hard copy of each MPO's draft OWP. FTA, however, prefers an electronic copy of the MPO's draft OWP. FHWA and FTA contact information is provided by ORP and can be found at:

<http://www.dot.ca.gov/transplanning/orp/agencies.html>

Other District and Headquarters units should be provided the opportunity to review and comment on specific work elements that pertain to their responsibilities.

The District and ORP's request for review and comment transmittal memo should clearly state what is expected from these reviewers, including:

- Specific work elements, activities and/or products should be referenced
- Relevant questions should be posed
- Related accomplishments should be cited
- Pertinent Department activities should be mentioned

Some District units to whom District staff might circulate the draft OWP are:

- Traffic Operations
- Systems Planning and/or Traffic Forecasting

- Local Assistance Engineers
- Project Management
- Community Planning
- IGR/CEQA Coordinators
- Title VI Liaison
- Transit/Public Transportation Planning
- Native American Liaison
- Climate Change
- Smart Mobility/Sustainability Planning
- Freight Planning

Headquarters units to whom ORP staff might circulate the draft OWP are:

- The Division of Transportation Planning
  - Office of Regional Planning (**always!**)
  - Office of Freight Planning
  - Office of Smart Mobility & Climate Change
  - Office of Multi-Modal System Planning
- Division of Aeronautics
- Division of Rail & Mass Transportation
- Any other affected Division

## 2.10 OWP Review Checklist

The following checklist can assist District staff as they review draft OWPs. MPOs & RTPAs may also use the list to draft more complete OWPs. The list is illustrative, not inclusive.

### The Content of the OWP Should:

- \_\_\_\_\_ Include an Introduction/Prospectus
- \_\_\_\_\_ Demonstrate the scope and schedule of major tasks.
- \_\_\_\_\_ Respond to planning priorities, including the PEAs, and the ten MAP-21/FAST Act Planning Factors.
- \_\_\_\_\_ Comply with state and federal planning/administration program requirements and policies.
- \_\_\_\_\_ Contain the MPO/RTPA annual certification and assurances. The MPO/RTPA planning process should address the major issues facing the region and should be conducted in accordance with all applicable laws.
- \_\_\_\_\_ Respond to Caltrans concerns, regional transportation issues, regional transportation planning activities and transportation problems and needs facing the region.
- \_\_\_\_\_ Reflect the progress made by the MPO/RTPA in carrying out the previous year's program and its performance capabilities. All anticipated continuing activities should be clearly identified.
- \_\_\_\_\_ Contain a *place holder* work element in the draft OWP for each discretionary planning grant application (i.e., FHWA Strategic Partnerships, FTA § 5304/SHA Sustainable Communities Grants) that is pending State Budget approval and/or notification of award/non-award.



- \_\_\_\_\_ Include an information element, which lists the transportation planning activities being done by other transportation planning entities in the region.
- \_\_\_\_\_ Show non-planning sources for all project work in the OWP, e.g., PIDs, transit marketing, ride matching, transportation engineering and Transportation Development Act (TDA) required activities, etc.
- \_\_\_\_\_ Respond to Air Quality and Conformity issues (please see 40 CFR 93 for Conformity requirements).

**The Financial Information in the OWP Should:**

- \_\_\_\_\_ Reflect the fund source, type and amount for each work element. Also, show the same source, type and amount in the Budget Revenue Summary.
- \_\_\_\_\_ Include and identify the correct local match for each federal fund source and type.
- \_\_\_\_\_ Identify correct toll credits if using in lieu of a cash or in-kind local match.
- \_\_\_\_\_ Show consistency between the fund amounts identified within the work element/work task discussion and the fund amounts in the Budget Revenue Summary.
- \_\_\_\_\_ Identify any carryover from prior years by fund source, type, amount and fiscal year within work elements and the Budget Revenue Summary. MPOs/RTPAs cannot program their carryover funds in the OWPA until the Reconciliation Letter has been signed by all parties, however, they should identify their estimated carryover funds (and respective match) in their draft OWP Budget Revenue Summary. MPOs must identify a 2-year spending plan for CPG carryover greater than 100% of their total annual allocation.
- \_\_\_\_\_ If a MPO/RTPA has any indirect costs associated with the OWP they must submit an Indirect Cost Plan (ICAP) to Audits and Investigations. Once the ICAP is approved they may invoice for indirect costs.

**The Work Elements in the OWP Should:**

- \_\_\_\_\_ Illustrate an organized and logical flow of work element tasks and activities from project inception to project completion.
- \_\_\_\_\_ Contains task statements which include enough detail that the work product is easily identifiable and eligibility can be easily determined. The work task also identifies who is responsible for performing the work.
- \_\_\_\_\_ Work elements/work tasks which will be completed over multiple years should have a schedule that details and identified significant milestones to be accomplished throughout the term of the planning grant.
- \_\_\_\_\_ Identify all planning contracts in both the task and budget statements.
- \_\_\_\_\_ All tasks and products listed are eligible uses of Federal Funds.

**Draft OWP Review Circulation:**

Regional agencies submit electronic and hard copies of the draft OWP to the Districts, and FHWA/FTA. The District sends copies of draft OWPs to the ORP Liaison.

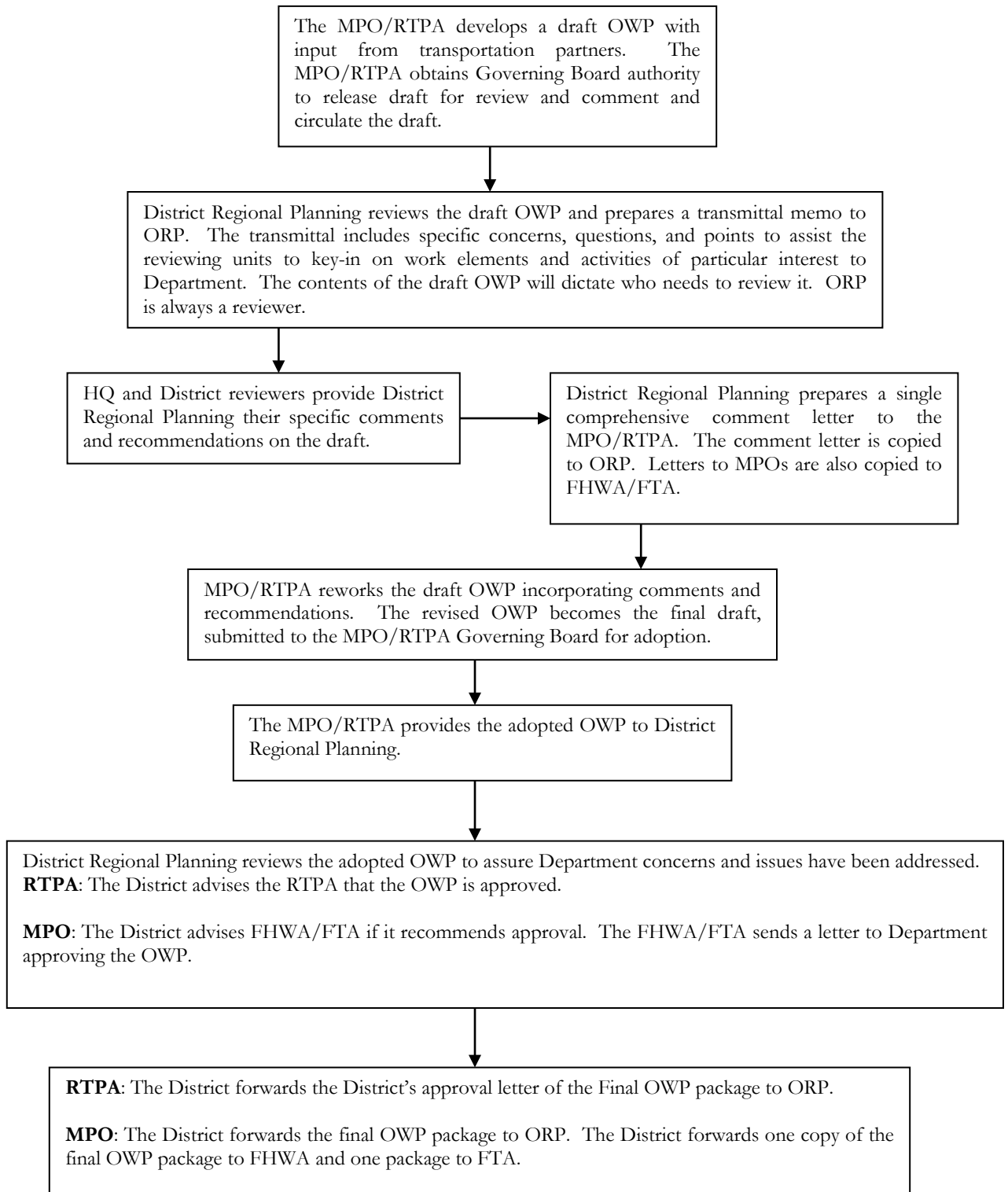
**The Draft OWP Review Packages Should:**

- \_\_\_\_\_ Include transmittal memo to District and Headquarters reviewing units. The transmittal memo should include specific concerns, questions and points to assist reviewing units on

work elements and activities of particular interest to the Department. The memo should also include comment due date and identify the District Coordinator to whom the comments are to be returned.

\_\_\_\_\_ Transmittal memo and final Caltrans letter of recommendation approving the draft MPO OWP should reflect the fact we are only approving or recommending approval of CPG funds. Other work/work elements contained in the OWP are not subject to our approval.

## 2.11 OWP Development and Review



## 2.12 Certifications and Assurances

By including the FHWA, FTA, and Debarment and Suspension certifications and assurances in their final adopted OWP each year, MPOs/RTPAs certify their compliance with the federal laws listed on the certification. MPOs/RTPAs are required to submit signed federal and state certifications per the MFTA, Article I (D) and Article IV, Section 1.

MPOs who receive both FHWA PL and FTA § 5303 each year must always include both FTA and FHWA certifications and assurances in their OWPs annually. FTA requires the “Federal FY Certifications and Assurances for FTA Assistance” and FHWA and FTA require the “Metropolitan Transportation Planning Process Self-Certification.” MPOs must also submit the Debarment and Suspension certification and assurances form in their annual OWPs.

Additionally, effective FY 15-16, in accordance with 31 USC 1352, Caltrans will require MPOs to annually submit to Caltrans ORP the “Disclosure of Lobbying Activities” form.

In sum, MPOs are required to submit the following certifications and assurances along with their final OWP each year:

- FTA Certifications and Assurances
- FHWA and FTA Metropolitan Transportation Planning Process Self-Certification (for MPOs only)
- Debarment and Suspension Certification
- Disclosure of Lobbying Activities

RTPAs that receive RPA funds must include the FHWA and FTA State and Metropolitan Transportation Planning Process Self-Certification. If a RTPA received federal grant funds, additional certification and assurances will need to be submitted as listed below.

RTPAs are required to submit the following certifications and assurances along with their final OWP each year:

- FHWA and FTA State and Metropolitan Transportation Planning Process Self-Certification (For RTPAs only)
- Debarment and Suspension Certification (for FHWA Strategic Partnerships/FTA 5304 Sustainable Communities grant recipients only)
- FTA Certifications and Assurances (for FTA 5304 Sustainable Communities grant recipients only)

At the MPO/RTPA level, certifications must be executed by an individual who the Governing Board has delegated signature authority (usually the Executive Director or Finance Officer). The District Director or her/his delegate signs the certification for the Department. The FTA Certifications and Assurances also include an affirmation signed by the MPO’s/RTPA’s attorney-at-law.

**Please note: All original Certifications and Assurances must be signed and forwarded to the ORP Liaison in order for funds to be encumbered and repaid for that fiscal year.**

Certifications and Assurances can be found on ORP's website at:

<http://www.dot.ca.gov/hq/tpp/offices/orip/owp/index.html>

## 2.13 Approving the Final OWP

Prior to approving the OWP, District staff reviews the MPO/RTPA Governing Board-adopted Final OWP to assure that Department concerns have been adequately addressed. Headquarters staff provides comments to the District only for the draft OWP. The District is responsible for all subsequent monitoring of the OWP including the comparison and verification of changes the MPO/RTPA may make between the draft version of the OWP and the adopted Final OWP. The OWP *cannot* be approved if it contains questionable issues that do not meet federal regulations.

The Final OWP should only include committed funds. The FHWA PL/FTA 5303 and RPA estimates are deemed committed amounts even though totals may change after passage of the federal and state budgets, respectively.

RTPAs: The District is responsible for approving (or disapproving) the Final OWP. When the Department's issues have been resolved, the District advises the RTPA in writing of the Department's approval of the Final OWP. Any outstanding issues that were not resolved between draft and final OWPs should be discussed between the District and ORP. The District and ORP may also approve the OWP with conditions needed to satisfy the Department's concerns. A conditional approval involves withholding of RPA funds if an RTPA is unable to satisfy conditions within a specified timeframe.

MPOs: The District is responsible for the Department's recommendation of approval (or disapproval) of the MPO's Final OWP once the Department's issues, including compliance with Title VI and related statutes, have been resolved. The District advises FHWA/FTA that the state *recommends* approval or conditional approval. On rare occasion, the District, ORP, and FHWA/FTA will need to coordinate a conditional approval to ensure that OWP issues are resolved or else FHWA PL/FTA 5303 may be withheld.

FHWA/FTA does not write its approval letter until after it has received approval recommendation notification from the District by June 1. The District's recommendation signifies to FHWA/FTA the Department's determination that the OWP complies with all of the Department's requirements, and that the District has completed a thorough review and is satisfied with the OWP.

FHWA/FTA approval only pertains to those aspects of the OWP, that they are responsible for reviewing, such as CPG funded work elements. FHWA and FTA may prepare a joint reply or may send separate approval letters. The FHWA and FTA MOU requires FTA to send out the approval letter to the MPO and District.

## 2.14 The Final Adopted and Approved OWP Package to ORP

After the OWP and the OWPA are finalized, the District transmits these documents to the ORP liaisons:

- District OWP recommended approval letter (MPOs) to FHWA/FTA or approval letter (RTPAs)
- FHWA/FTA OWP approval letter (MPOs only)
- One hard copy and electronic copy of the adopted and approved OWP
- Three *original* OWPA bearing MPO/RTPA and District signatures in **blue** ink
- The MPO/RTPA Governing Board resolution (or equivalent i.e. board minutes) adopting the OWP
- Original signed Certifications and Assurances (FHWA, FTA, Debarment and Suspensions and/or State Certification, Lobbying Certification)

In addition to a hard copy of each final adopted and approved OWP, ORP requests an electronic copy of the final OWP. Districts should obtain these from the MPOs/RTPAs and should e-mail them to their ORP Liaison.

## 2.15 Accomplishing the OWP

If ORP has received the required documentation from the District, the ORP Fund Specialist works with Accounting to encumber transportation planning funds for the MPO/RTPA. Periodically the MPO/RTPA seeks reimbursement through the District using the Request for Reimbursement (RFR) form for completed OWP work for which it has paid using non-federal funds.

Throughout the year, the District monitors completion of the MPO's/RTPA's OWP regional transportation planning activities and products. District staff maintains close communication with the MPO/RTPA as a member of advisory committees, task forces and working groups; by providing Department input for OWP activities and products; by attending meetings; by reviewing Governing Board agendas and actions; by commenting on draft documents; reviewing OWP quarterly progress reports and amendments, etc. District regional transportation planning staff also facilitates communication between various District and Headquarters units and the MPO/RTPA.

## 2.16 OWP Amendments

It is critical that the OWP accurately reflects the transportation planning activities of the MPO/RTPA. If funding, schedules, work products, or other items change, the OWP must be revised to reflect these changes. The significance of the changes determines whether this can be accomplished administratively or with a formal amendment. The definitions for administrative amendments and formal amendments are provided in Sections 2.17 and 2.18, respectively.

MPOs/RTPAs are encouraged to contact the District if they are unsure about the type of amendment being proposed.

Amending the OWP requires many of the same steps as development and adoption of the original OWP. District Regional Planning staff should bear this in mind and work to approve OWP amendments in a timely manner. It is important to note that the District signature on the OWPA represents approval of the OWP/OWPA amendment.

The Department receives the official FHWA PL and FTA § 5303 appropriation for the current year after passage of the federal budget. Since OWPs follow the state fiscal year, many MPO OWPs and OWPAAs need to be amended to update FHWA PL amounts and activities (the state fiscal year begins July 1 and ends June 30, and the federal fiscal year begins October 1 and ends September 30).

After closeout of the prior year's OWP, the MPO/RTPA, the District and the ORP Fund Specialist need to reconcile unexpended CPG formula fund and RPA carryover balances. After reconciliation, the affected MPOs/RTPAs may amend their OWPs to add-in unexpended carryover and the activities to be funded therewith. The OWPAAs **must** also be amended to agree with any carryover amended into the OWPs.

The distributed RPA amounts are also estimates. If there are substantial population changes in one or more counties, the RPA distribution may change, resulting in an increase or decrease in the amount of RPA a rural county receives. Also, the anticipated annual RPA funding is not committed until it is included in the State Budget, signed by the Governor.

**FHWA PL, FTA § 5303 and RPA estimates are used for the Final OWP and the initial OWPA. If, after the State and Federal budget passage these estimates are too high or too low, the OWP and the OWPA need to be amended consistent with the different amount.**

## 2.17 Administrative Amendments

An administrative amendment is accomplished unilaterally by the MPO/RTPA. These amendments involve insignificant changes that do not affect delivery of regional transportation planning tasks, activities, steps, products, or the funding amounts listed on the OWPA.

Examples of an administrative amendment are:

- Correction of errata
- Moving of funds between work elements as long as there is no change in scope of work or increase or decrease in the total programmed amount
- Changes to non-CPG/RPA funds.

An administrative amendment would occur if an MPO/RTPA overestimated or underestimated the cost of a work element and needed to redirect those those funds to a different activity.

There also may be changes to non-transportation planning work elements that do not affect transportation planning funds, activities and products. These may be considered administrative

amendments so long as the changes do not result in **redirection** of MPO/RTPA staff time or are a detriment to previously approved transportation planning activities and products.

The CPG/RPA or local match cannot be redirected among work elements until the District reviews the administrative OWP amendment package. The administrative amendment package includes:

- A memo **from the MPO/RTPA** outlining the administrative changes made to the OWP and/or OWP budget
- The revised work element(s)
- **The revised OWP Budget Revenue Summary**

## 2.18 Formal Amendments that Require State Approval

A formal amendment is required if there are substantive changes to work elements funded with CPG and/or RPA *or* if the changes impact regional transportation planning activities. **The MPO/RTPA cannot change work activities, or initiate work prior to the District's approval, and if needed FTA/FHWA's approval, of an amendment per the MFTA Article 1 (K).**

Given the time and effort required to amend an OWP, the Districts should first consider if the MPO/RTPA needs to adopt a formal amendment to the OWP. If an OWP amendment causes the information on the OWPA to be inaccurate, the OWPA must also be amended.

Some examples of changes that require a formal amendment:

- Increase/decrease in total CPG and/or RPA in the OWP
- Including carry-over from previous fiscal years
- Including new FHWA Strategic Partnerships, FTA § 5304/SHA Sustainable Communities Grants

An OWP **formal** amendment package includes **the following items:**

- A transmittal memo **from the MPO/RTPA**, which briefly explains the amendment
- All effected pages of the OWP attached (e.g. revised work element pages, a revised Budget Revenue Summary, and a resolution or minutes from the MPO/RTPA Board approving the amendment)
- If there are CPG and/or RPA changes, **also** include three amended, fully executed, original OWPA's (signed in **blue** ink to more easily distinguish original signature from photocopies)

## 2.19 Formal Amendments that Require Federal and State Approval (MPOs Only)

**For** all formal amendments that require federal approval, **the District sends the amendment via email** to FTA **and** FHWA. Amendments should be made available to FHWA upon request of the FHWA MPO Coordinator. Formal amendments require ORP concurrence before they are sent to FTA for approval.



A twenty percent (20%) increase or decrease of CPG in an MPO's OWP (either 20% in one change, or cumulatively through several smaller changes) or change in scope-of-work, or addition/deletion of work elements and projects funded with CPG triggers the requirement for FHWA and FTA amendment approval. The District should not sign the OWPA until they have received federal approval of the amendment. FTA and FHWA have 30 days to review and approve the amendment **via email**.

For more information on formal amendment requirements please see FTA Circular 5010.1 D Exhibit I-1: A Summary of Planning, Capital and Operating Grant Changes:

[http://fta.dot.gov/documents/C\\_5010\\_1D\\_Finalpub.pdf](http://fta.dot.gov/documents/C_5010_1D_Finalpub.pdf)

Please refer to Section 2.19 to ensure that amendment packages are complete.

## 2.20 Approving an Amendment

The steps for approving an amendment are similar to those for approving the OWP: after Governing Board authorization, the MPO/RTPA provides the District with an amendment package. The District reviews it and determines whether it needs federal approval. For administrative amendments the district will review the amendment package; it does not require Governing Board approval or a revised OWPA. At any time during the amendment review the District may request additional documentation/information from the MPOs/RTPAs in accordance with the MFTA. Districts provide all amendments to ORP and must have ORP's concurrence prior to approving formal amendments. If other District or Headquarters units are affected by the amendment, it is shared with them.

If federal approval is not needed, the OWP amendment is considered approved the date the Deputy District Director signs a completed OWPA.

## 2.21 The District Provides ORP All Amendment Information

Both the District and ORP need to have current and accurate copies of the OWPs that reflect all changes, whether they are considered correction of errata, administrative, or formal amendments. The District always provides the ORP Liaison with the most current OWP and OWPA. FTA and FHWA also request copies of all changes to MPO OWPs.

The above are needed to keep the funding contract components current and accurate, to inform ORP about regional planning activities, to accurately track funds in the MPO's/RTPA's account, and, as applicable, for federal oversight and review.

## 2.22 The Deadline for OWP Formal Amendments is May 1

The deadline for **formally** amending the current fiscal year's OWP is May 1. The **formal** amendment package must be received in the District and ORP by this date.

This **formal amendment** deadline is established to allow time to encumber additional funds, if applicable, to process Requests for Reimbursements (RFRs) and to allow the MPO/RTPA sufficient time to complete all work during the current state fiscal year funding cycle.

On a case-by-case basis, requests for extension of the May 1 **formal amendment** deadline *may* be considered by ORP. **There is no assurance deadline extensions will be granted.**

A complete Request for Extension package from the District to ORP consists of an explanatory memo with attachments documenting the request.

The memo includes:

- A summary and analysis of the proposed change(s)
- An explanation of the special circumstances of the extension request
- A statement of the consequences of *not* granting the extension
- An assurance the work can be completed and funds expended by June 30
- The District's recommendation to approve or deny

The required attachments to the District's memo include:

- The revised OWP work element(s), and as applicable, Budget Revenue Summary
- Authority from the MPO's/RTPA's Board to make the changes
- Evidence of concurrence, as applicable

## 2.23 Monitoring Progress

After the OWP is approved and the CPG/RPA funds are encumbered, the District is responsible for monitoring progress of the OWP through:

- Participation on technical advisory committees and working groups, in meeting attendance, and other direct interaction with the MPO/RTPA
- Review and circulation of any draft products (e.g., working papers, reports, tools, etc.)
- Review of Quarterly Progress and Expenditure Reports, including receipt and review of any completed products
- Conducting Mid-year Reviews, and/or participating in MPO annual meetings and certification reviews
- Review for accuracy of Requests for Reimbursement including the supporting financial materials

**Note: There can be no reimbursement of RPA and/or CPG funds prior to:**

- (1) **Adoption and approval of the OWP**
- (2) **Submittal of a complete and fully executed OWPA, board resolution and all certifications and assurances to ORP *and***
- (3) **Adoption of the State Budget**

The District works closely with the MPO/RTPA to assure that activities are being completed on schedule, reimbursed work is accurately charged, and reimbursement is occurring timely. If there appears to be problems, the District coordinates with ORP Liaison to provide immediate assistance.

## 2.24 Mid-Year Reviews

The District should schedule a Mid-Year review meeting with the MPO/RTPA to review OWP progress after the end of the 2<sup>nd</sup> quarter. The Mid-Year review should address the MPOs/RTPAs accomplishments, issues, changes to work element budgets and timelines, etc. that have taken place in the first half of the State fiscal year. As appropriate, the Mid-Year review may be conducted less formally, e.g., as part of another meeting, on the telephone, etc. A summary of the Mid-Year review should be discussed during the 3<sup>rd</sup> Quarter teleconference between the District Liaison and the ORP Liaison.

## 2.25 Quarterly Progress and Expenditure Reports

To assure effective communication of OWP progress, the MPO/RTPA is required to submit a Quarterly Progress and Expenditure Report (23 CFR 420.117 and MFTA Article I, Section 2). The quarterly report describes work progress (or delays in work) and invoicing during the quarter to accomplish the OWP. The Reports are due to the Districts within 30 days after the end of each quarter of the state fiscal year:

- 1<sup>st</sup> quarter = Reports covering July 1 through September 30 are due October 31.
- 2<sup>nd</sup> quarter = Reports covering October 1 through December 31 are due January 31.
- 3<sup>rd</sup> quarter = Reports covering January 1 through March 31 are due April 30.
- 4<sup>th</sup> quarter = Reports covering April 1 through June 30 are due July 31.

The Quarterly report contains two components, a narrative and a spreadsheet format. The report only needs to address regional transportation planning related activities and work elements funded with CPG and/or RPA. Some MPOs/RTPAs combine these components into a single spreadsheet format. MPOs/RTPAs are strongly encouraged to prepare a comprehensive narrative quarterly report. Narratives provide a convenient overview and summary of work progress for Governing Boards, transportation planning partners, members of the public, and others.

The Quarterly Progress and Expenditure Report spreadsheet includes, for example:

- The work element by number and title
- A brief narrative describing work progress, schedule changes, etc.
- A list of tasks and products completed during the quarter
- Total funds budgeted and spent for the work element by funding source and type, year-to-date expenditures of all planning funds, indirect costs, local match, etc.
- Total RPA and/or CPG expended during the quarter

The District may request additional documentation/information from the MPO/RTPA when they are reviewing Quarterly Progress and Expenditure Reports. Per the MFTA, Article 1-Program Administration, Section 2-Quarterly Progress Reports, the District reserves the right to deem the Quarterly Progress and Expenditure Report incomplete if it does not sufficiently document the required information and may withhold payment of Request for Reimbursements (RFRs) pending the submission of required documentation.

District liaisons should send the MPO quarterly progress reports to FHWA/FTA at the end of each quarter. The ORP Liaison will schedule a quarterly teleconference with the District liaisons to discuss the current activities highlighted in the quarterly report. At the end of each fiscal year, the District Liaison will submit the MPO/RTPA's quarterly reports completed for the year to the ORP Liaison.

A separate Quarterly Progress Report for FHWA Strategic Partnerships and FTA 5304/SHA Sustainable Communities Grants is no longer required. Instead, grant recipients will be required to report grant activities as part of the OWP Quarterly Progress and Expenditure Report, including a transmittal memo noting the percentage of project work completed.

## 2.26 OWP Final Products

At the end of each fiscal year, the MPO/RTPA submits final products, preferably on a CD, to the District Liaison for OWP activities that were completed during the course of the fiscal year and were funded with FHWA PL, FTA 5303, and/or RPA. Once received, the District Liaison sends the final products to the ORP Liaison for filing with the OWP for that FY. Some examples of final products would be major milestones or deliverables such as plans or studies. However, administrative deliverables such as meeting agendas or meeting minutes would not be included.

A separate process exists for grant final products. See Section 5.07 for grant close-out procedures.

## 2.27 Federal Certification Reviews

MPOs that include an urbanized area of 200,000 persons or larger are referred to Transportation Management Areas (TMAs). TMAs may also be designated on the request of the Governor and the MPO designated for the area. TMAs are subject to a federal certification review every four years. California MPOs that are currently designated TMAs are:

- Southern California Association of Governments (SCAG)
- Metropolitan Transportation Commission (MTC)
- San Diego Association of Governments (SANDAG)
- Sacramento Area Council of Governments (SACOG)
- Fresno Council of Governments (FCOG)
- Kern Council of Governments (KCOG)
- San Joaquin Council of Governments (SJCOG)

- Stanislaus Council of Governments (StanCOG)
- Tulare County Association of Governments (TCAG)
- Santa Barbara County Association of Governments (SBCAG)
- Tahoe Regional Planning Agency (TRPA)

The federal agency representatives review the TMA's self-certifications compliance with the laws listed in the FHWA/FTA certifications and assurances.

Although in the past the Annual MPO Development and Coordination Meetings and certification meetings have been scheduled together, recently FHWA/FTA began to separate the two. The reason for splitting the two is to permit better focus at each, on OWP activities at the Annual MPO Development and Coordination Meetings, and certification compliance at the certification review. Generally certification review meetings last approximately two to three days. ORP will notify the District when a meeting has been scheduled. District staff is expected to attend these meetings, except for meetings that are closed to the public. ORP staff may attend the certification meetings, depending on current workloads. ORP will coordinate with Districts to follow-up with MPOs to ensure that findings are corrected within specified timeframes.

### 3 THE CONSOLIDATED PLANNING GRANT (CPG), RURAL PLANNING ASSISTANCE (RPA), SUSTAINABLE TRANSPORTATION PLANNING AND ADAPTATION PLANNING GRANTS

In 1997, FHWA/FTA instituted a transportation planning funds process called the Consolidated Planning Grant (CPG). As per 2 CFR 200, state procedures apply unless they are less restrictive than federal procedures. In the latter instance, federal requirements prevail.

In California, the four major CPG fund sources and types are:

- FHWA Metropolitan Planning (FHWA PL)
- FTA Metropolitan Planning, Section 5303 (FTA § 5303)
- FHWA State Planning and Research Part I - Strategic Partnerships Grants
- FTA State Planning and Research, Section 5304 Sustainable Communities Grants

FHWA PL Funding under MAP-21/FAST Act § 1201 (23 USC 134; funding detailed in 23 USC 104(b)(6) and 23 CFR 420.109) is determined using a multiplier that is applied to the State lump sum apportionment to determine PL fund amounts. The multiplier is the Ratio of the State's FY 2009 PL funds to its FY 2009 Total Apportionment as per Section 104, Title 23 USC. This formula replaces the previous 1 ¼ percent set-aside from core programs that was apportioned to the States based on urbanized area population used under SAFETEA-LU. This change in formula does not present a significant change in funding levels between SAFETEA-LU and MAP-21. California's share of FHWA PL totaled approximately \$47 million in FY 2016/17.

FTA § 5303 annual authorized appropriations are set forth in Section 5338, Title 49 USC. California's share of FTA § 5303 totaled approximately \$16 million in 2016/17. The statutory references for FTA § 5303 and 5304 funds are 49 USC § 5303 & 5304/FAST § 3003 Metropolitan & Statewide Transportation Planning; 49 USC Section 5305 – Planning Programs; and, FTA 8100.1C.

FHWA Strategic Partnerships Grants (FAST Act § 1202; 23 USC 135) and FTA § 5304 Sustainable Communities Grant funds are available as set forth in Section 135, Title 23 USC, and Section 5338, Title 49 USC. In 2016/17, California's share totaled approximately \$1,500,000 for FHWA Strategic Partnerships Grants and approximately \$3,296,102 for the FTA § 5304 portion of the Sustainable Communities Grants.

There are some key differences among these four key components:

- FHWA PL and FTA § 5303 are allocated to MPOs, per formula, from the annual federal apportionment to California. Non-MPO RTPAs do not receive these funds.
- The two discretionary grants - FHWA Strategic Partnerships Grants and FTA § 5304 Sustainable Communities Grants - reside under the Sustainable Transportation Planning Grant Program, must be applied for annually, and are competitively awarded. RTPAs and MPOs may apply.

- FHWA and FTA funds are administered on different timelines. Around October 1, with the federal budget, FHWA funds are appropriated and apportioned for the current federal fiscal year, and FTA funds are appropriated for the following federal fiscal year.
- FHWA PL and FTA § 5303 may be carried over from year-to-year.
- FTA § 5304 Sustainable Communities and FHWA State Planning and Research – Strategic Partnership Grants may be carried over, but must be expended within three years (one year to encumber, plus two years to liquidate), consistent with the Grant Application [Guide](#), and as shown in the OWP work elements.

### 3.01 Metropolitan Planning, FHWA PL and FTA § 5303

MPOs receive FHWA PL and FTA § 5303 funds each year to develop transportation plans and programs. All MPOs receive FHWA PL funds and all MPOs with an urbanized area receive FTA § 5303 funds each year.

The percentage of the California apportionment of FHWA PL and FTA § 5303 each MPO receives is determined by a formula agreed to by the MPOs, Department, and FHWA/FTA.

The FHWA PL formula has three components:

- (1) A base allocation
- (2) A two-part population component which distributes funds by the proportion of the total population of each MPO based on California Department of Finance estimates each January
- (3) An air quality component based on the proportion of federal Congestion Mitigation Air Quality (CMAQ) funds to total programmatic FHWA PL funds

The FTA § 5303 formula has two components:

- (1) A base allocation
- (2) A population component, which distributes funds according to the MPO's percentage of statewide urbanized area population as of the most recent decennial census

Please note, the FHWA PL formula refers to *total* county population, but the FTA § 5303 formula refers to only the *urbanized area* population. Also, whereas the FHWA PL population number is adjusted annually, the FTA § 5303 population number is adjusted only after each decennial census.

### 3.02 FHWA State Planning and Research (SPR), Part I – Strategic Partnerships Grants

MPOs/RTPAs with a current Master Fund Transfer Agreement with ORP may compete for FHWA SP&R Part I – Strategic Partnerships Grants on their behalf or on behalf of one or more subrecipients. Examples of subrecipients are public agencies, private non-profit or community based organizations, universities, and Native American Tribal Governments.

Grant Specific Objectives:

- Achieve the Caltrans Mission and Grant Program Overarching Objectives;
- Encourage regional agencies to partner with Caltrans to identify and address statewide/interregional transportation deficiencies in the state highway system;
- Strengthen government-to-government relationships; and,
- Result in programmed system improvements.

Beginning in FY 2018-19, FTA § 5304 will be a separate category under the Strategic Partnership Grants with an updated grant specific objective.

Please visit the ORP grants website for more information about this Grant Program:

<http://www.dot.ca.gov/hq/tpp/offices/orip/Grants/grants.html>

### 3.03 FTA § 5304/State Highway Account (SHA) – Sustainable Communities Grants

From FY 2015-16 to 2017-18, the Sustainable Communities Grants that reside under the Sustainable Transportation Planning Grant Program were awarded with a combination of FTA § 5304 and State Highway Account (SHA) funds. MPOs/RTPAs with a current Master Fund Transfer Agreement with ORP were eligible to compete for FTA § 5304/SHA Sustainable Communities Grants on their behalf or on behalf of one or more subrecipients. Other primary grant recipients included transit agencies, cities and counties, and Native American Tribal Governments. These recipients underwent a direct contracting process for each awarded grant, known as a Restricted Grant Agreement (RGA). Examples of allowable subrecipients were transit agencies, public agencies, private non-profit or community based organizations, universities, training institutes, and Native American Tribal Governments.

Grant Specific Objectives:

- Achieve the Caltrans Mission and Grant Program Objectives;
- Identify and address mobility deficiencies in the multimodal transportation system;
- Encourage stakeholder collaboration;
- Involve active public engagement;
- Integrate Smart Mobility 2010 concepts; and,
- Ultimately result in programmed system improvements.

Beginning in FY 2018-19, FTA § 5304 will be a separate category under the Strategic Partnership Grants with an updated grant specific objective.

Please visit the ORP grants website for more information:

<http://www.dot.ca.gov/hq/tpp/offices/orip/Grants/grants.html>



### 3.04 California's Implementation of the CPG

The Department makes an application for all of California's MPOs and RTPAs that are recipients of CPG funds and establishes CPG Project IDs annually through Headquarters Accounting. Districts no longer need to obligate/de-obligate funds each fiscal year and ORP has standardized Request for Reimbursement (RFR) and other procedures. The transfer of CPG funds is accomplished through a single Master Fund Transfer Agreement between the Department and each MPO/RTPA rather than several source-specific fund transfer agreements.

To satisfy federal Intergovernmental Review, Presidential Executive Order 12372, ORP now files Office of Management and Budget Forms STD 424 with the State Clearinghouses on behalf of all MPOs/RTPAs.

### 3.05 Rural Planning Assistance (RPA)

RPA is state transportation planning funding included in a State Budget line item that is allocated annually by ORP (via a population tiered formula) to the 26 rural RTPAs per PUC 99311.1. It is provided on a reimbursement basis, after costs are incurred and paid for using local funds. Expenses incurred prior to the end of the fiscal year (June 30) can be reimbursed for up to sixty days after June 30.

### 3.06 Sustainable Communities Competitive Grants

Beginning in FY 2017-18, the Sustainable Communities Competitive Grants reside under the Sustainable Transportation Planning Grant Program and include the traditional SHA funds for this grant and approximately \$12.5 million in SB 1 funds that are deposited into the Road Maintenance and Rehabilitation Account (RMRA). The grants are competitively awarded annually by ORP. Eligible primary applicants include: MPOs *with a sub-applicant*, RTPAs, cities, counties, transit agencies, and Native American Tribal Governments. Examples of eligible sub-applicants include: eligible primary applicants, community-based organizations, non-profit organizations, and other public entities.

The funds are available through a reimbursement process, after costs are incurred and paid for using local funds. For MPOs/RTPAs, a final RFR must be submitted, at the latest during the third year including the year of award, for expenses incurred prior to June 30<sup>th</sup> of each fiscal year and can be reimbursed within 60 days of the close of the current fiscal year. All other grant recipients must submit a final RFR at the latest during the third year, including the year of award, for expenses incurred prior to February 28<sup>th</sup> of each fiscal year and can be reimbursed within 60 days or April 28<sup>th</sup>.

The grant specific objective of the Sustainable Communities Competitive Grants is to encourage local and regional multimodal transportation and land use planning that furthers the region's RTP SCS (where applicable), contributes to the State's GHG reduction targets and other State goals, including but not limited to, the goals and best practices cited in the 2017 RTP Guidelines, addresses the needs of disadvantaged communities, and also assists in achieving the Caltrans Mission and Grant Program Overarching Objectives.

Please visit the Caltrans Division of Transportation Planning Grants website for more information:

<http://www.dot.ca.gov/hq/tpp/grants.html>

### 3.07 Sustainable Communities Formula Grants

Beginning in FY 2017-18, approximately \$12.5 million in Sustainable Communities Formula Grants from SB 1 will reside under the Sustainable Transportation Planning Grant Program and will be allocated via formula (consistent with the FHWA PL formula) annually by ORP to the 18 MPOs for furthering the region's RTP SCS. These funds are applied for on an annual basis along with the umbrella grant program, Sustainable Transportation Planning Grants. The funds are from RMRA and are available through a reimbursement process, after costs are incurred and paid for using local funds. A final RFR must be submitted, at the latest during the third year including the year of award, for expenses incurred prior to June 30<sup>th</sup> of each fiscal year and can be reimbursed within 60 days of the close of the current fiscal year.

The grant specific objectives, eligibility requirements, and performance considerations for the Sustainable Communities Formula Grants awarded to MPOs are consistent with the Sustainable Communities Competitive Grants. The intent of the Sustainable Communities Formula Grants is to carry out the objectives of the region's RTP SCS (where applicable) and the RTP Guidelines Appendices K and L. In addition, MPOs are strongly encouraged to administer Sustainable Communities Formula funding in a transparent manner and maintain non-profit eligibility, consistent with the legislative intent of SB 1. MPOs should meet the following minimum eligibility criteria to apply for Sustainable Communities Formula Grants:

- Consolidated Planning Grant Carryover is at, or below 100% of the annual FHWA PL allocation
- Have an RTP SCS that meets the SB 375 GHG reduction targets
- Meet civil rights and environmental justice obligations, as summarized in Section 4.2 of the RTP Guidelines

Please visit the Caltrans Division of Transportation Planning Grants website for more information:

<http://www.dot.ca.gov/hq/tpp/grants.html>

### 3.08 Adaptation Planning Grants

Approximately \$20 million in Adaptation Planning Grants from SB 1 will be awarded over three FYs and shown in the following table:

<b>FY Grant Cycle</b>	<b>Adaptation Planning Grant Funds</b>
2017-18	\$7 million
2018-19	\$7 million
2019-20	\$6 million

The purpose of the Adaptation Planning Grant Program is to support planning actions at local and regional levels that advance climate change adaptation efforts on the transportation system, especially efforts that serve the communities most vulnerable to climate change impacts. The grants are competitively awarded annually by ORP in collaboration with the Office of Smart Mobility and Climate Change. Eligible primary applicants include: MPO, RTPAs, cities, counties, transit agencies, local and regional agencies, special districts, and Native American Tribal Governments. Examples of eligible sub-applicants include: eligible primary applicants, community-based organizations, non-profit organizations, and other public entities.

The funding source for the Adaptation Planning Grants is the Public Transportation Account (PTA). The funds are available through a reimbursement process, after costs are incurred and paid for using local funds. For MPOs/RTPAs, a final RFR must be submitted, at the latest during the third year including the year of award, for expenses incurred prior to June 30<sup>th</sup> of each fiscal year and can be reimbursed within 60 days of the close of the current fiscal year. All other grant recipients must submit a final RFR, at the latest during the third year including the year of award, for expenses incurred prior to February 28<sup>th</sup> of each fiscal year and can be reimbursed within 60 days or April 28<sup>th</sup>.

Please visit the Caltrans Division of Transportation Planning Grants website for more information:

<http://www.dot.ca.gov/hq/tpp/grants.html>

### 3.09 Local (Non-Federal) Match

Like most other federal funding sources, CPG requires recipients to fund a portion of the total grant using non-federal funds, or “local match”, per the MFTA, Article I (J). RPA does not require local match. The state funded Sustainable Communities and Adaptation Planning Grants follow the same local match requirements as the federal funds for consistency, except federal funds may be used as local match if the grant work is an eligible activity for the fund source. The table below lists the non-federal match requirement for each fund type:

Fund Type	FHWA PL	FTA § 5303	FTA § 5304/SHA/RMRA Sustainable Communities	FHWA Strategic Partnerships	Adaptation Planning (PTA)
Federal Grant	88.53%	88.53%	88.53%	80.00%	88.53%
Minimum Local Match	11.47%	11.47%	11.47%	20.00%	11.47%

“Minimum Local Match” refers to the percentage of non-federal fund contribution required by a specific grant program. However, “Mandatory Local Match” as shown on the Overall Work Program Agreement (OWPA) form, refers to the total amount of the non-federal fund

contribution, including both cash and in-kind contributions the MPO/RTPA programmed in the OWP. The mandatory (or total) amount of the local match must be shown on the Overall Work Program Agreement (OWPA). In most cases mandatory and minimum local match are the same. However, when an MPO/RTPA overmatches that fund type, the overmatch should be shown on the OWPA (as Mandatory Local Match).

Upon incorporation of an approved federal grant application as a Work Element in the OWP, the local match amount must be consistent as shown in the Grant Application, the OWP Work Element page, the Budget Revenue Summary table, and the OWPA.

**Local match calculation considerations:**

The local match is a percentage of the total sum of the federal participation amount *plus* the required non-federal participation amount. It is not only a percentage of the federal participation amount.

Assuming an 88.53% federal match rate, the total grant amount (including federal and local funds) multiplied by 88.53% will equal federal participation amount. If this amount is subtracted from the total grant amount, the local match amount can be determined.

For example, a grant with a total amount of \$100,  $88.53\% \times \$100 = \$88.53$  (federal fund amount)

This quotient (\$88.53) can then be subtracted from the total grant amount (\$100) to find the local match amount.  $\$100 - \$88.53 = \$11.47$

**Per state policy, the match is calculated work element-by-work element. It is not a percentage of total federal funds in the OWP.**

**Each work element in the OWP, the OWP Budget Revenue Summary, and each RFR must reflect the mandatory local match.** Including more than the mandatory minimum local match in one work element (sometimes called “overmatching”) cannot be “balanced” with less than the mandatory local match in a different work element (sometimes called “undermatching”).

Local match, like other sources in the OWP, cannot be redirected among work elements without amending the OWP and as appropriate, the OWPA.

If more than one federal source is among a work element’s funding sources, local match must be calculated for each federal source and type.

For example, if a work element includes Strategic Partnerships Grant (80% federal participation and 20% local share) and FHWA PL funds (88.53% federal participation and 11.47% local share), the funds must be calculated separately:

**FHWA PL:**

\$100 total grant X 88.53% (federal participation) = \$88.53

Subtract federal participation (\$88.53) from total grant amount (\$100) = \$11.47 (the mandatory local match)

**Strategic Partnerships Grant:**

\$100 total grant X 80% (federal participation) = \$80

Subtract federal participation (\$80) from total grant amount (\$100) = \$20 (the mandatory local match)

Each work element entry on an RFR must show at least the mandatory local match amount and match source. A higher match amount (overmatch) on one RFR cannot compensate for a lower match (under match) on a previous or subsequent RFR.

An excel spreadsheet with preset calculations (Local Match Calculator) is available on the ORP website to assist Districts and MPOs/RTPAs to accurately compute local match.

<http://www.dot.ca.gov/hq/tpp/offices/orip/owp/index.html>

In the instance of “in-kind” or “soft-match” local participation, the District needs to verify such services are not funded with a different federal funding source and such services are not also inadvertently charged as Indirect Costs. The MPO/RTPA needs to provide solid supporting documentation when “in-kind” is used as the local match.

If federal sources are used to fund consultant contracts, a “hard” match, i.e. non-federal funds, is preferred. If “in-kind” match is to be used, the District needs to carefully review the in-kind services match to assure it:

1. Was funded with non-federal funds (e.g., with Planning Programming and Monitoring (PPM), local sales tax measure, etc.), and
2. Adds some benefit to the consultant contract, i.e. makes it better or less expensive. For example, a local agency could provide data the consultant will not need to be paid to collect.

It is extremely important to note that, local match funds for the CPG cannot come from other federal sources. The local match must consist of either state and/or local funding sources. District staff will be primarily responsible for monitoring local match sources via reviewing all of the MPOs Requests for Reimbursement (RFRs) and support documentation **spreadsheet(s)**.

MPOs will also submit a detailed breakdown of their fund source(s) for local match to the CPG funds they have expended. In doing so, the support documentation **spreadsheet(s)** will demonstrate the source of the local match funds.

The OWPA and RFR forms contain a clause that each MPO must sign that certifies that all State and Federal matching requirements have been met and that no Federal Funds were used for local match and/or In-Kind Service.

### 3.09a In-kind Local (Non-Federal) Match

“In-kind” match refers to the value of third party services that may be accepted as match for federal funds. Some examples of in-kind match are the value of community advisory committee members’ services, or the value of services provided to a specific MPO/RTPA planning work activity by a city or county staff. All in-kind contributions must fund allowable costs and must be performed in the period (i.e. quarter) to which the work applies. A local agency cannot perform work at the beginning of a grant project and apply it as in-kind match to all future reporting periods. In such cases, the grantee will be asked to provide another match source for the federal expenditures per work period.

In accordance with the provisions of 2 CFR 200.306(b), an agency can freely decide to match any federal planning funds in-kind, but must provide additional documentation to ensure compliance with federal regulations. The use of third party in-kind contributions must be identified in the original work program, or amendments thereto, and approved by Caltrans. The use of in-kind contributions may not be made retroactive prior to approval of the work program or an amendment thereto.

Additionally, the recipient should be aware that they are responsible for ensuring that the following additional criteria are met:

- The third party performing the work must agree to allow the value of the work to be used as the match.
- The cost of the third party work must not be borne by other Federal funds or be used as a match for other federally funded grants/subgrants.
- The work performed by the third party must be an eligible transportation planning related activity that benefits the federally funded work and must be identified in the work program.
- The third party costs (i.e., salaries, fringe benefits, etc.) must be allowable under 2 CFR 200, Subpart E- Cost Principles.
- The third party work must be performed during the period to which the matching requirement applies.
- The third party in kind contributions must be verifiable from the records of the recipient or subrecipient and these records must show how the value placed on third party in kind contributions was derived.
- Invoices submitted by a subrecipient to a recipient should show total expenditures by subrecipient and the third party contributions. The recipient then would reimburse the subrecipient for the Federal (and State, if any) share, not to exceed the subrecipient's expenditures. If the total amount of third party contributions at the end

of the program period is not sufficient to match the total expenditure of Federal funds by the subrecipient, the subrecipient will need to make up any shortfall with its own funds.

For more information on in-kind match please refer to 2 CFR 200.306.

### 3.09b Use of Toll Credits for Local Match

Toll credits are earned when the state, a toll authority, or a private entity funds a capital transportation investment with toll revenues earned on existing toll facilities. Toll credits may substitute for the required non-federal share on Federal-aid project, thus the Federal reimbursement can effectively be increased to 100 percent. However, toll credits cannot be used to match the discretionary grants administered by ORP.

Starting with state FY 2011-12, MPOs could begin to use toll credits in lieu of local match for planning activities funded with FHWA PL and FTA § 5303 funds in their OWP. Effective FY 2015-16, MPOs can begin to use toll credits in lieu of local match for planning activities funded with carryover FHWA PL and FTA § 5303 in their OWPs.

In order for MPOs to use toll credits in lieu of required local match, MPOs need to ensure the following guidelines are met starting with the FY 2011-12 OWP and corresponding RFR's and quarterly reports:

- Identification of the amount of toll credits used for each OWP work element. In each work element, toll credits will need to be shown by fund source. If a work element includes both FHWA PL and FTA § 5303 funds, then toll credits will need to be shown separately for each of the two federal fund sources.
- Within each work element, an obvious separation of FHWA PL and FTA § 5303 programmed carryover from the FHWA PL/FTA § 5303 toll-credit matched funds.
- Carryover FHWA PL and FTA § 5303 can be matched with toll credits if they are identified in a federally approved OWP. This means that carryover FHWA PL/FTA § 5303 funds matched with toll credits must be identified in the adopted OWP that is submitted by June 1 of each fiscal year. Since carryover funds are usually not reconciled until after the close of the previous fiscal year, it should be noted that the use of toll credits to match these unreconciled carryover funds (prior to the closeout of the previous fiscal year) will only serve as a placeholder until a final reconciliation occurs. This means that an amendment will be needed to correct any overages of programmed carryover funds that are matched with toll credits.
- The toll credits identified in the approved OWP submitted by June 1 of each fiscal year cannot be exceeded. Therefore, if an MPO underestimates their FHWA PL/ FTA § 5303 carryover in the approved OWP in the beginning of the year, they must use a different source of local match funding.

**Please note: Toll Credits are not a form of cash or revenue. They are credits that can be used as a substitution for local matching funds, which allows for work to be 100% funded with federal funds. When Toll Credits are used as match to fund a work task item or element, the MPO should ensure that enough federal, state or local funds are documented and programmed to ensure enough revenue is available to fund the work element.**

If an MPO decides to utilize toll credits to match FHWA PL and FTA § 5303, the OWP will need to show toll credits in the work element(s) funding table and Budget Revenue Summary as separate columns and by work element activity, including making sure the toll credits are not shown as a source of revenue.

When reviewing OWPs, District staff should ensure that the MPO has properly identified the use of toll credits with appropriate and eligible fund sources. The ORP Fund Specialist will track and report the use of toll credits by county (within MPOs) for FHWA.

The calculation for toll credits is different than cash or in-kind local match. Please use the Toll Credit Match Calculator that is located in the second tab labeled, “Toll Credits,” of the CPG Local Match Calculator to ensure correct toll credit amounts, available at:

<http://www.dot.ca.gov/hq/tpp/offices/orip/owp/index.html>



## 4 ORP-ADMINISTERED TRANSPORTATION PLANNING FUNDS

Of the various local, state and federal fund sources and types included in OWPs, this Handbook only addresses administration of federal Consolidated Planning Grant (CPG), state Rural Planning Assistance (RPA), and Sustainable Transportation Planning and Adaptation Planning Grants.

### 4.01 Non-ORP Administered Transportation Planning Funds

Non-ORP administered transportation planning funds are not covered by the regional transportation planning MFTA and the OWPA and their application and encumbrance procedures are not addressed in this Handbook. More information is available at the listed websites:

The Division of Aeronautics administers aviation planning funds:

<http://www.dot.ca.gov/hq/planning/aeronaut/>

Planning, Programming and Monitoring (PPM) funds are administered by Division of Local Assistance:

<http://www.dot.ca.gov/hq/LocalPrograms/>

Transportation Development Act (Local Transportation Fund and State Transit Assistance) funds are administered by the Division of Rail and Mass Transportation:

<http://www.dot.ca.gov/hq/MassTrans/>

### 4.02 Use of Transportation Planning Funds

As the name indicates, transportation planning funds (FHWA PL, FTA § 5303) are to be used for the Metropolitan transportation planning process. The main documents that are developed with these funds are the OWP, RTP and the TIP. The Federal Planning Factors and PEAs also guide the planning activities within the OWP

These funds cannot be used for activities that go beyond the planning process. For example, studying whether a traffic impact fee would benefit transportation in the region and even determining appropriate fee levels are acceptable uses, but implementation of the traffic impact fee program goes beyond planning and is not an acceptable use. Federal cost principles also apply to transportation planning funds and are identified in 2 CFR Part 200. In addition, if an agency does not adhere to the Contract and Procurement process outlined in 2 CFR 200, federal planning funds cannot be used.

State RPA also adheres to the same eligibility requirements as the Metropolitan planning funds. RPA should be used for the rural transportation planning process and should not be used for

activities that go beyond the planning process or for activities that have been identified as an ineligible use of transportation planning funds.

CPG and RPA funds must also adhere to the cost principles outlines in 2 CFR Part 200 – Cost Principles for State, Local, and Indian Tribal Governments:

[http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)

FHWA Memorandum: FHWA/FTA Planning Program Funds to Support Integration of Transportation, Land Use, and Climate Change

[http://www.fhwa.dot.gov/planning/processes/land\\_use/statewide\\_metropolitan/plnlnduse.cfm](http://www.fhwa.dot.gov/planning/processes/land_use/statewide_metropolitan/plnlnduse.cfm)

*Appendix A lists examples of eligible and ineligible uses for transportation planning funds*

## 4.03 Indirect Cost Allocation Plan (ICAP)

If a MPO/RTPA plans to request reimbursement for indirect costs (i.e. those costs incurred for a common or joint purpose benefiting more than one cost objective and not readily assignable to the cost objectives specifically benefited), it must submit an Indirect Cost Allocation Plan (ICAP) and related documentation to the Departments' Audits & Investigations (A&I), per the MFTA, Article 2, Section 2. The ICAP submittal must be in compliance with 2 Code of Federal Regulations (CFR), Part 200 [formerly known as 2 CFR Part 225 and the Office of Management and Budget Circular A-87 (OMB A-87)] and Caltrans Local Programs Procedures Manual Chapter 5, Accounting/Invoicing. If a MPO/RTPA determines that they will not bill for indirect costs for a specific fiscal year(s) then an ICAP is not required for the specific year(s).

It is the District's responsibility to ensure the MPO's/RTPA's proposed ICAP is sent to A&I, even though MPOs/RTPAs should submit their ICAP directly to A&I. ICAP packages will not be accepted if they are submitted later than six months after the close of the fiscal year, or a request for an extension is not received within the first six months after the close of the fiscal year.

If the MPO/RTPA charges indirect costs in their RFRs, the District must ensure that an approved ICAP rate is used and applied correctly. The District is responsible for ensuring that the RFR submitted by the MPO/RTPA includes a breakdown of costs by direct labor, indirect costs, other direct costs and consultant costs, sufficient to review for reasonableness of cost categories billed and to compare the indirect rate billed to the approved ICAP rate. If the District is unsure if an ICAP has been submitted and/or approved, the District should contact the ORP Fund Specialist.

Due to the changes brought forth in 2 CFR 200, the Department has implemented a revised approach to processing Local Government Agency (LGA) indirect cost allocation plans (ICAPs). Effective for fiscal year beginning on or after July 1, 2015, LGAs will have different options for the submittal of an ICAP. These options include:

- Submit the ICAP Certification only

- Submit a complete ICAP package
- Submit an ICAP Extension Request of a current negotiated indirect cost rate(s)
- Submit a notification for the use of a de minimis rate
- Submit an ICAP/ICRP for Other Federal Cognizant Approval

For further information on the different options for the submittal of ICAPs, please refer to Appendix B, “Indirect Cost Allocation Plan Submission Options and Information”, located at the end of the Regional Planning Handbook or contact Marsue Morrill, Chief, External Audits - Local Governments, Division of Audits and Investigations at (916) 323-7105.

Additional information on the ICAP submission process, including links to the ICAP checklist and ICAP Submission Certification can also be found at:

<http://www.dot.ca.gov/hq/audits/index.html>

## 4.04 Requests for Reimbursement (RFRs)

The MPO/RTPA may request reimbursement for eligible OWP expenditures per the MFTA, Article II, Section 1 once the following have been completed:

- The adopted and approved OWP and three fully executed original OWPA are submitted to the District Liaison
- All the required Certifications and Assurances are submitted to the District Liaison
- The State Budget has been signed by the Governor

The District Liaison must submit the fully executed OWPA and Certifications and Assurances to the ORP Liaison so that the ORP Fund Specialist has these prior to processing RFRs.

To be reimbursed for OWP work, the MPO/RTPA submits a Request for Reimbursement (RFR) with support documentation spreadsheet(s) that clearly ties all expenditures by the agency and/or all sub-contractors to the RFR.

Unless the MPO’s/RTPA’s MFTA provides differently, RFRs may not be submitted more frequently than for a monthly time period and may not be submitted less frequently than for a quarterly time period. If the MPO/RTPA does not meet the minimum RFR submittal requirements as outlined in their MFTA, District staff should notify ORP of the agencies response as to why the minimum submittal requirements are not being met.

ORP has developed Request for Reimbursement forms for:

- MPOs seeking reimbursement for CPG funds
- RTPAs seeking reimbursement only for RPA
- RTPAs seeking reimbursement for Sustainable Transportation Planning Grant funds
- Non-MPOs/RTPAs seeking reimbursement for Sustainable Communities Grants

MPOs/RTPAs are required to submit support documentation spreadsheet(s) with each RFR. When a RFR is submitted, the District determines if the MPO/RTPA is providing the required RFR forms and support documentation spreadsheet(s) and that they are accurate. If an

MPO/RTPA fails to provide the required support documentation, the District will dispute the RFR and return the RFR to the MPO/RTPA for revision. At the District's discretion, MPOs/RTPAs may be asked to provide additional RFR documentation.

ORP implemented a risk-based process to ensure there is a consistent process statewide and to identify if the MPO/RTPA is meeting the requirements of the Master Fund Transfer Agreement and if the MPO/RTPA demonstrates compliance with the following regulations:

- 23 CFR Part 450 Planning Assistance and Standards
- 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- 23 CFR Part 420 Planning and Research Program Administration
- FTA Circular 8100.1C Program Guidance for Metropolitan Planning and State Planning and Research Program Grants

The risk-based process streamlines the RFR review process for District and ORP staff, while standardizing the amount of support MPOs/RTPAs have to submit with each RFR.

Throughout the fiscal year, ORP will select several MPOs/RTPAs to submit full support documentation for a paid RFR. This full support documentation includes a RFR, summary spreadsheets, MPO/RTPA staff timesheets, and consultant/vendor/pass through entity invoices and method of payment that captures the reimbursable dollar amount requested. The ORP Fund Specialist will review the documentation to determine if full support has been provided.

If, during this review, it is found that the full support documentation does not correspond with the charges in the RFR, the MPO/RTPA will be required to provide this level of supporting documentation prior to payment for future invoices. The full support documentation submission requirement will remain in effect until the MPO/RTPA has successfully supported two quarters of billings.

MPO and RTPA RFR templates can be found on ORP's website at <http://www.dot.ca.gov/hq/tpp/offices/orip/owp/index.html>.

## 4.04a Electronic Funds Transfer (EFT) for MPOs and RTPAs

The Electronic Funds Transfer (EFT) payment process is available to MPOs and RTPAs for the following fund sources:

- Rural Planning Assistance (RPA),
- FHWA Metropolitan Planning,
- FTA § 5303, Metropolitan Transportation Planning Program,
- FHWA State Planning and Research, Part I – Strategic Partnerships Grants

- FTA Statewide Transportation Planning Program, Section 5304/SHA Sustainable Communities Grants.

Through this EFT process, the State Controller’s Office (SCO) receives electronic notification of payments due from Caltrans. The SCO will then electronically transfer funds to a MPO/RTPA’s designated bank account in approximately four to seven business days, reducing the MPO/RTPA’s waiting period by approximately one week. After the funds are transferred, a paper remittance advice will automatically be sent to each MPO/RTPA detailing the specific account the payment was posted to, as well as the amount of the payment that was issued.

General information regarding the EFT program is available at:

<http://www.dot.ca.gov/hq/asc/eft/index.htm>.

Agencies that are not currently enrolled and wish to participate in the EFT payment program or wants to make changes to existing EFT account information should complete and return the attached EFT Payment Enrollment Form, FA-2656 to:

Department of Transportation  
 Division of Accounting – MS 25  
 P.O. Box 168018  
 Sacramento, CA 95816-8018  
 Attention: Ms. Diana Teh

Specific questions regarding enrolling in the EFT program should be directed to Ms. Diana Teh at (916) 227-9091.

## 4.05 Timely District Review of RFRs

It is the District’s responsibility to review all RFRs to ensure expenditures are accurate and used for eligible activities, delivered products, and completed in accordance with work elements in the OWP.

For CPG, the District also verifies that the RFR reflects the appropriate local/toll credit match amount. Please note, RFRs cannot be approved for payment when there is no supporting documentation spreadsheet(s) or the supporting documentation is not adequate.

### Invoice Processing Breakdown:

Fund Types	Days for District Review	Days for HQ Coding	Days for Accounting Processing	Days for SCO Payment	Maximum Allowable Days for Payment of Invoice
Non - PL Invoices	10	5	15	15	45
PL Invoices - MAP-21	5	2	8	6	21

## **RPA and CPG (Without PL) RFR's:**

For RPA and non-FHWA PL RFR's there is a total of 45 calendar days for review and processing. The District will forward the RFR to the ORP Fund Specialist for coding within 10 days after receipt in the District, to allow time for further review and coding. RFRs must be submitted to the Regional Planning Invoices Mailbox at [Regional.Planning.Invoices@dot.ca.gov](mailto:Regional.Planning.Invoices@dot.ca.gov) AND to the appropriate ORP Liaison. Caltrans Planning (including District review and ORP review and coding) has a total of 15 calendar days from date of receipt in the District to send the approved RFR to Accounting.

If there are problems with the RFR, within 15 calendar days from receipt in the District, the District must formally notify the MPO/RTPA, both by phone and in writing, of an error in the RFR (Section 4.06 provides information about Inaccurate RFRs).

Accounting has another 15 days to authorize payment and the State Controller's Office has 15 days to issue the actual payment check. The maximum turnaround time on any non-FHWA PL RFR should not exceed 45 calendar days.

**RFR Flow (for RPA and Non-PL CPG):** The District receives the complete invoice, date stamps, and reviews the RFR for accuracy. If accurate, the District Liaison's Senior Transportation Planner whose unit is responsible for regional planning, and for OWP administration and monitoring, signs the RFR. The District Liaison then emails the signed RFR and support documentation spreadsheet(s) to the Regional Planning Invoices Mailbox at [Regional.Planning.Invoices@dot.ca.gov](mailto:Regional.Planning.Invoices@dot.ca.gov) AND to the appropriate ORP Liaison for coding. The HQ Fund Specialist will notify the District Liaison via email when the RFR is sent to Accounting for processing.

**As a reminder, RFRs should never be sent through interagency or postal mail service.**

The ORP Fund Specialist codes and emails the RFR to HQ Accounts Payable advising Accounting that the coding is consistent with the processes agreed to between ORP and Accounting.

## **CPG (With PL) RFR's:**

Effective October 1, 2012, Moving Ahead for Progress in the 21st Century Act (MAP-21), section 1105 § 104 (d)(2)(B), requires that reimbursement to the MPOs of FHWA PL funds shall occur within 15 business days once the invoice has been submitted by the MPO. This change supersedes prior federal requirements under SAFETEA-LU, which required reimbursement for FHWA PL funds to occur within 30 days after the date of receipt. This change in MAP-21 supersedes Assembly Bill 2275 (California Prompt Payment Act) and has required ORP to institute a unique RFR process for RFR's that contain FHWA PL funds. This process now highly encourages MPOs to use EFT.

For FHWA PL RFRs there is a total of 15 business days for review and processing, which typically amounts to roughly 21 calendar days. The reason for the conversion to calendar days is that SCO does not process EFT daily and Caltrans must account for SCO's processing timeline

and work backwards to determine how much time the District and HQ have to process the invoices.

As a result, the District will forward the RFR to the ORP Fund Specialist for coding within 5 calendar days after receipt in the District, to allow time for coding. RFRs must be submitted to the Regional Planning Invoices Mailbox at [Regional.Planning.Invoices@dot.ca.gov](mailto:Regional.Planning.Invoices@dot.ca.gov) AND to the appropriate ORP Liaison. ORP has 2 calendar days to send the coded RFR to Accounting.

If there are problems with the RFR, within 5 calendar days from receipt in the District, the District must formally notify the MPO/RTPA, both by phone and in writing, of an error in the RFR (Section 4.07 provides additional information about Inaccurate RFRs).

Accounting has 8 calendar days to authorize payment and the State Controller's Office has 6 calendar days to transfer the funds through EFT.

**RFR Flow (for CPG PL):** The District receives the complete invoice, date stamps, and reviews the RFR for accuracy. If accurate, the District Liaison's Senior Transportation Planner whose unit is responsible for regional planning, and for OWP administration and monitoring, signs the RFR. The District Liaison then emails the signed RFR and support documentation spreadsheet(s) to the Regional Planning Invoices Mailbox at [Regional.Planning.Invoices@dot.ca.gov](mailto:Regional.Planning.Invoices@dot.ca.gov) AND to the appropriate ORP Liaison for coding. The HQ Fund Specialist will notify the District Liaison via email when the RFR is sent to Accounting for processing.

As a reminder, RFRs should never be sent through interagency or postal mail service.

The ORP Fund Specialist codes and emails the RFR to HQ Accounts Payable advising Accounting that the coding is consistent with the processes agreed to between ORP and Accounting.

## 4.05a District RFR Review Checklist

The following checklist can assist District staff when they review and approve RFRs. This list is illustrative, not inclusive.

- Invoice is date stamped by District. For a revised invoice, the District must ensure there is new date stamp.
- Invoice is signed by both the submitting agency and signed by the District's Senior Transportation Planner whose unit is responsible for regional planning and for OWP administration and monitoring.
- MPO/RTPA has submitted yearly FHWA/FTA certifications of assurances and a state Debarment Form if they are receiving Federal Funds.
- RTPA has submitted FHWA and FTA State and Metropolitan Transportation Planning Process Self-Certification if they are receiving state funds.



- Invoice is consistent with funding programmed in the OWP/OWPA.
- The MPO/RTPA has not overspent the funds programmed in each work element.
- MPO/RTPA has indicated at least the correct minimum local and/or toll credit match for each fund source and work element.
- MPO/RTPA has submitted support documentation spreadsheet(s) that details the expenditures at the individual fund source and work element level (including sub-work elements if applicable).
- MPO/RTPA has indicated in its support documentation spreadsheet(s) the source(s) of local match (not applicable to RPA invoices).
- MPO/RTPA has indicated the approved Indirect Cost Allocation Plan Rate percentage and a breakdown of indirect costs per fund source and work element (including sub-work elements).

## 4.06 Inaccurate RFRs/Dispute Notification Form

Within 15 calendar days of receipt (5 days for FHWA PL RFRs), the District must notify the MPO/RTPA if the District finds an inaccuracy in an RFR. District staff works with the MPO/RTPA to correct any and all errors prior to forwarding the RFR to ORP for payment. This involves both telephone and written communication with the MPO/RTPA.

For example:

- District staff phones the MPO/RTPA to discuss the specific RFR concerns, *and*
- District staff also makes a written record of both the specific concern and the phone conversation communicating the concern using the Invoice Dispute Notification form. To properly dispute an invoice, please use the Invoice Dispute Notification form listed below.

<http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std209.pdf>

If the District fails to adhere to the 15 calendar day (5 days for FHWA PL RFRs) mandated notice timeframe, the District is liable for paying interest on the RFR balance. To avoid this interest penalty, the District must document its communication with the MPO/RTPA about the inaccuracy in the RFR.

## 4.07 Year-End Package

Within 60 days after June 30 (the state fiscal year) and no later than August 31st, each MPO/RTPA must closeout the OWP through submittal of a Year-End Package. Please note,



the “Year-End Package” should not be sent until all invoices for the fiscal year that just ended have been submitted and must be attached to a transmittal memo. If the documents are not received within 60 days after the close of the fiscal year, the state may with hold future apportionments allocated to the agency, per the MFTA, Article 2, Section 3.

### **MPO and RTPA Recipients Year-end Package**

The following documents make up the year-end package for the MPOs/RTPAs:

- A Certification of Allocation and Expenditure by Fund Source that has been executed by an MPO/RTPA entity who has specific signature authority from the Governing Board (usually the Executive Director or Finance Officer) and
- A Final Statement of Expenditures – a summary of the total amount of federal and state funds expended for a work element by fund source and type, i.e., FHWA PL and FTA § 5303, and RPA. It must match the reported expenditures contained in the Certification of Allocation and Expenditure by Fund Source.
- 1st, 2nd, 3rd, and 4th OWP Quarterly Progress and Expenditure Report

ORP uses the Certification of Allocation and Expenditure by Fund Source to close the MPO’s/RTPA’s account for the fiscal year. This document is critical to enable the Department to ensure FHWA PL, FTA § 5303, RPA, and **grant** carryover balances are accurately credited to the MPO’s/RTPA’s account.

After the District has received the last RFR of the fiscal year from the agency, the agency can then proceed to compile the year-end package. The District Liaison reviews the package to ensure that the expenditures match the RFRs approved by the District and forwards the complete package to the ORP Fund Specialist.

CPG and RPA Certification Allocation and Expenditure by Fund Source forms can be found on ORP’s website at:

<http://www.dot.ca.gov/hq/tpp/offices/orip/owp/index.html>

## **4.08 Unexpended Carryover**

A MPO and RTPA may use unexpended FHWA PL, FTA § 5303, and RPA (no more than 25%) in a future fiscal year once the following are met:

- The MPO/RTPA has submitted a Certification of Allocation and Expenditure by Fund Source, including the Final Statement of Expenditures, within sixty days after the end of every state fiscal year and executed by an individual to whom the Governing Board has designated signature authority (usually the Executive Director or Finance Officer.)

*and*

- The District, MPO/RTPA and the ORP Fund Specialist have reconciled the unexpended FHWA PL, FTA § 5303, and RPA balances at the end of each fiscal year via a signed reconciliation letter.

CPG and RPA carryover amounts and the work to be accomplished with the funds can be included in the next FY's Final OWP as informational items; however, RPA, FHWA PL or FTA § 5303 programmed in the current OWP cannot be amended into the next FY's OWPA until after balance reconciliation. Prior years' unexpended CPG and RPA carryover in the OWP must be identified separately from the current year's allocations and/or awards as a place holder until the carryover funds are reconciled and amended into the OWP and OWPA. After closeout of the current year's OWP and balance reconciliation, the MPO/RTPA may amend these amounts, and the activities to be funded therewith, into the OWP and the OWPA. (See Section 4.09 for more information about Closeout.)

Although MPOs/RTPAs can continue working on activities funded with CPG/RPA carryover, MPOs/RTPAs may not invoice for carryover funds until the prior year close-out and reconciliation processes have been completed, the Carryover letter has been signed by both the agency and Caltrans, and the OWP and OWPA amendment has been approved.

The same reconciliation process applies to the Sustainable Transportation Planning and Adaptation Planning Grants.

The OWPA cannot include separate current year and carryover entry lines. The combined total of the current year's amount plus any carryover amount must be entered on the respective CPG fund source and type line. Along with the OWPA, the MPO/RTPA must provide an explanatory letter or memo specifying:

- Current year amounts
- Carryover amounts by RPA or CPG fund source, type, and allocation year

CPG and RPA Certification by Expenditure Forms can be found on ORP's website at:

<http://www.dot.ca.gov/hq/tpp/offices/orip/owp/index.html>.

## 4.09 Reconciliation of CPG Carryover Balances

After the MPO has submitted its Year-end Package, the ORP Fund Specialist reconciles the MPO's remaining balances of prior year's FHWA PL, FHWA Strategic Partnerships Grants, FTA § 5303, and FTA § 5304/SHA Sustainable Communities funds. ORP then prepares a balance reconciliation letter. If there is a disagreement about the balance, the ORP Fund Specialist, the District, and the MPO will work together until they achieve balance reconciliation (See Section 4.07 for more information about Year-end Packages.). Completion of the reconciliation letters are based on the Final Allocations being posted in the Federal Register. The completion of the reconciliation letters may also vary from agency to agency due to unapproved Indirect Cost Allocation Plans (ICAPs).

The reconciliation letter is signed by the ORP Office Chief, the MPO, and the District Planning Deputy Director to demonstrate concurrence of all involved parties.

After balance reconciliation, the MPO must amend its OWP to include FHWA Strategic Partnerships, and FTA § 5304/SHA Sustainable Communities grant carryover amounts. The agency **must** also include its FHWA PL and/or FTA § 5303 FHWA PL carryover and the activities to be funded therewith. The OWPA must be amended accordingly, including the required local match.

Carryover FHWA PL and FTA § 5303 funds do not have an expiration date. **However, MPOs with CPG carryover greater than 100 percent of their annual allocation must identify a plan in their OWP to spend the excess balance within two years.**

## 4.10 Reconciliation of RPA Carryover Balances

Reconciliation of RPA fund carryover balances will occur in the same manner as CPG reconciliation. After the RTPA has submitted its Year-end Package, the ORP Fund Specialist reconciles the RTPA's remaining balance of prior years' RPA and CPG funds. ORP then prepares a balance reconciliation letter. Should there be any disagreement about the balance, the ORP Fund Specialist, the District, and the RTPA will work together until they achieve balance reconciliation. (See Section 4.08 for more information of Year-end Packages.)

Signed by the ORP Office Chief, the RTPA and the District Planning Deputy Director, the RPA reconciliation letter demonstrates concurrence of all involved parties.

After balance reconciliation, the RTPA must amend its OWP to include RPA, FHWA Strategic Partnerships and FTA § 5304/SHA Sustainable Communities grant carryover amounts. The agency may also include some or all of its RPA carryover and the activities to be funded therewith. The OWPA must be amended accordingly, including all required local match.

RPA carryover funds expire at the end of the year in which they were carried over into.

## 4.11 Annual MPO/RTPA Single Audits

As stipulated in the MFTA, and as a condition of receiving federal transportation planning funds, MPOs/RTPAs must have an annual Single Audit if they incur \$750,000 or more in total federal fund expenditures. 2 CFR 200 describes the responsibilities of federal agencies and pass-through entities.

To ensure the State of California carries out its responsibilities in accordance with the Federal Single Audit Act, local California governments (including MPOs/RTPAs) are required to submit annual single audit reports directly to the State Controller's office (SCO) within thirty days after receipt of the auditor's report or nine months from the close of the fiscal year being audited, whichever is earlier. For most MPOs/RTPA's this means by March 31 of the following fiscal year being audited. The SCO, acting as the single audit report clearing house for California local governments, will perform the following procedures.

- Determine whether or not the single audit reports conform to Government Auditing Standards.
- Determine whether the single audit reports comply with 2 CFR 200.
- Distribute copies of each audit report to State Departments affected by individual audit findings.
- Request the corresponding State Departments to review single audit reports and evaluate the local government corrective action plans submitted in response to findings of noncompliance.

For single audit findings related to the federal programs the Department is responsible for, the SCO will send the associated single audit reports to Audits & Investigations (A&I). A&I is responsible for follow up on these single audit findings and determines the disposition of the findings. MPOs/RTPAs with single audit findings should be prepared to promptly respond to A&I inquiries and provide corrective action plans upon request.

For additional information, please see 2 CFR 200:

[http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)

## 4.12 Records Retention

As stipulated in the MFTA, Article 2, Section 3 the MPO/RTPA must retain all documents, books and records connected with the funds transferred to the MPO/RTPA, and performance requirements related to those funds. The retention period is a minimum three years from the date of the final payment to the MPO/RTPA or until audit resolution is achieved. In the event of multi-year projects, all records must be retained for a minimum of three years after the project's closeout year. Additionally, if any action has occurred relative to the records (e.g., litigation, claim, arbitration, audit, negotiation, etc.) the records must be retained until completion of the action and resolution of all issues that arise from it.

Like other conditions, record retention applies to the MPO's/RTPA's contractors and sub-contractors. For as long as they are retained, records shall be available for inspection by state and/or federal representatives and requested copies shall be provided to them without cost.

A sampling of the kinds of records that need to be retained includes:

- OWPs, OWPAs, MFTAs, and any amendments
- Products, e.g., working papers, studies, plans, programs, models, etc.
- RFRs and Year-end Packages, fund tracking spreadsheets
- Billings, payable/receivable records, and financial summaries
- Certification of Allocation and Expenditure by Fund Source, including the Final Statement of Expenditures
- Quarterly Progress and Expenditures Reports
- Contracting and procurement information and procedures, e.g., requests for proposal (RFPs), proposals received, contracts, consultant products, etc.

Caltrans district staff should refer to the current Caltrans policy on record retention for more information.

## 5 ORP-ADMINISTERED TRANSPORTATION PLANNING GRANTS

ORP administers and monitors the following transportation planning grant funds: FHWA SP&R Part I - Strategic Partnerships and FTA § 5304/SHA/RMRA Sustainable Communities, and PTA Adaptation Planning Grants. All grants must be applied for and are competitively awarded. However, SB 1 added \$25 million annually to the Sustainable Communities Grants, half of which will be allocated via formula to MPOs and the other half will be administered through the traditional competitive grant program. SB 1 also added \$20 million over three years in Adaptation Planning Grants beginning in FY 2017-18. The Grant Application Guides for the Sustainable Transportation Planning Grants (i.e., Strategic Partnerships and Sustainable Communities) and Adaptation Planning Grants are released annually and provide specific information about the intent of the grant program, eligibility, filing, procedures, deadlines, and rating criteria. The grant program is consistently oversubscribed with much more in grant requests than available funding. Unsuccessful grant applicants are encouraged to contact District staff, whom will coordinate with ORP and arrange debriefings to provide feedback on how to improve applications for future grant cycles.

Grant category descriptions, forms and other tools are found on the ORP Grants and the Caltrans Division of Transportation Planning Grants websites at:

<http://www.dot.ca.gov/hq/tpp/offices/orip/Grants/grants.html>

<http://www.dot.ca.gov/hq/tpp/grants.html>

### 5.01 Conditions of Awards for MPOs/RTPAs

For MPOs/RTPAs, grant work cannot begin until the project is programmed in a stand-alone OWP work element number and the full grant and full local match amounts are amended into the current OWP and OWPA. Once the project has been amended into the OWP, MPOs/RTPAs are required to keep the project in future OWPs/OWPAs until the project is complete. When a grant has been completed, the remaining funds cannot be transferred to another grant effort.

The grant acceptance process is formalized in the Conditional Award Letter. The Conditional Award Letter is normally sent to grant recipients as a follow-up to the electronic award announcement from Caltrans management. The Conditional Award Letter provides deadlines for satisfying conditions, project completion, and outlines the conditions of grant acceptance that must be fulfilled in order to begin grant funded activities.

For MPOs/RTPAs, there are three basic conditions of grant acceptance: (1) the revised final scope of work, project timeline, and grant application cover sheet are submitted to Caltrans, as needed; (2) if applicable, a Third Party In-kind Valuation Plan is submitted for the use of in-kind contributions to satisfy the federal minimum local match requirement; and, (3) the OWP and

OWPA are amended to incorporate the grant project. The OWP/OWPA amendment includes the OWPA, OWP Budget Revenue Summary, and a stand-alone Work Element. These three items must show consistent funding information for the grant project. The OWP/OWPA amendment process is the last condition to be completed after the scope of work and project timeline are approved by District staff with concurrence from Headquarters. Some grant awards may have additional conditions that were developed by the grant application review committee.

The package of completed documentation needed to fulfill the conditions of grant acceptance is sent to the District. After review, the District sends the package to the ORP Liaison for approval. After ORP approval occurs in the form of an e-mail, the District will send the grant recipient a formal notice to proceed once the OWP/OWPA amendment is processed to signal that grant activities may begin.

## 5.02 Conditions of Award for Non-MPOs/RTPAs

For non-MPOs/RTPAs, grant work may only begin after the grantee receives a fully executed contract and has been formally notified by the Caltrans Grant Manager in the District to begin work.

The grant acceptance process is formalized in the Conditional Award Letter. The Conditional Award Letter is normally sent to grant recipients as a follow-up to the electronic award announcement from Caltrans management. The Conditional Award Letter provides deadlines for satisfying conditions, project completion, and outlines the conditions of grant acceptance that must be fulfilled in order to begin grant funded activities.

For Non-MPOs/RTPAs, there are five basic conditions of grant acceptance: (1) the revised final scope of work, project timeline, and grant application cover sheet are submitted to Caltrans, as needed; (2) if applicable, a Third Party In-kind Valuation Plan is submitted for the use of in-kind contributions to satisfy the minimum local match requirement; (3) a recent signed local resolution from the grantees governing board stating the title of the grant project and title of the person authorized to enter into a contract with Caltrans must be provided; (4) a Payee Data Record (STD. 204) is completed and submitted; and, (5) the grantee receives a fully executed contract and has been formally notified by the Caltrans Grant Manager in the District to begin work. The contract provides details specific to the administration of a particular grant project, including requirements for invoicing, quarterly reporting, cost principles, third party contracting, project close-out, etc. District staff and non-MPOs/RTPA grant recipients should use the contract, combined with this Handbook, the Caltrans Contract Manager's Handbook, the Grant Application Guide for the FY of award, and the ORP Grants website to successfully administer and complete these transportation planning grant projects.

The package of completed documentation needed to satisfy the conditions of grant acceptance is sent to the District for review. The District completes other internal required forms and creates the Restricted Grant Agreement (RGA) package (HQ Grant Lead will send Districts a checklist to complete the RGA package), also including the items above, then sends the package to the ORP Liaison for review and submittal to the Division of Procurement and Contracts (DPAC). Once DPAC begins the contracting process, the assigned DPAC contract analyst will contact the District, and the grantee will receive a contract for execution. Lastly, the District will send

the grant recipient a formal notice to proceed once the contract is signed by the Caltrans contract officer to signal that grant activities may begin.

### 5.03 Project Timeline Extensions and Scope of Work Modifications

Beginning in FY 2017/18, MPOs/RTPAs will be expected to adhere to the project timeline and scope of work submitted with the original grant application and may not seek time extensions due to the lapsing availability of grant funds, including federal funds as they are tied to the State Budget authority.

Non-MPOs/RTPAs may not seek time extensions due to the strict availability of SHA funds.

The District may consider a MPOs/RTPAs request for a minor scope of work modification so long as the original intent of the project remains unchanged. A minor scope change may include adding detail to tasks or further defining tasks that lead to a more comprehensive study of the existing transportation problem. To initiate the request, the grantee must send the District a written justification to explain why a scope of work modification is necessary, along with a revised scope of work. The District reviews and either approves or denies the MPOs/RTPAs request, provided that the three year time limit for expending funds will not be exceeded. Once requests for scope of work are approved, the District sends the updated documents to the ORP Liaison.

For non-MPOs/RTPAs, the contract may be amended for minor scope of work changes. The Caltrans Grant Manager in the District can be contacted for details about this process.

### 5.04 Contract Oversight/Invoicing

For MPOs/RTPAs, the grants are administered through the three-part contract, consisting of the OWP, OWPA, and the MFTA, as defined in Chapter 2. For invoicing procedures, Chapter 4 should be followed.

For non-MPOs/RTPAs, the grants are administered through a stand-alone Restricted Grant Agreement (RGA). The RGA defines all state and federal requirements for grantees, including the required format for invoicing or seeking reimbursement of grant funds.

### 5.05 Unallowable Administrative Fees and Project Management Costs

Grant recipients are not allowed to charge Caltrans Transportation Planning Grant sub-recipients administrative fees. **Similarly, project management costs must not exceed five percent of the grant amount awarded.** By charging administrative fees or project management costs, fewer funds are available to the sub-recipient or for the actual grant funded

planning activity. This will ensure that grant funds are dedicated to planning work products that benefit the region as a whole.

## 5.06 Quarterly Progress Reports

MPOs/RTPAs are required to report grant activities as part of the OWP Quarterly Progress and Expenditure Report (covered in section 2.26 of the Handbook), including a transmittal memo noting the percentage of project work completed. The OWP Quarterly Progress and Expenditure Report is due to the District on October 31<sup>st</sup>, January 31<sup>st</sup>, April 30<sup>th</sup>, and July 31<sup>st</sup> of every year. The District provides copies of the Quarterly Progress and Expenditure Report in a Year-End Package to the ORP Liaison at the end of each fiscal year.

In general, Quarterly Reports assist staff in identifying project issues such as delay in activities. Inadequate reports create a significant burden to District staff and make it difficult to perform their responsibility as contract managers. Please note, District staff will require a separate Quarterly Progress Report for each grant project from MPOs/RTPAs that do not adequately report the status of grant activities in the OWP Quarterly Progress and Expenditure Reports.

Non-MPOs/RTPAs shall submit separate Quarterly Progress Reports for each grant every quarter. The District sends copies of all Quarterly Progress Reports to the ORP Liaison in a Year-End package at the end of each fiscal year.

The ORP Liaison will schedule quarterly teleconferences with District staff throughout the year to receive status updates for each grant project, including the progress of project activities/tasks or lack thereof. Depending on how the District is structured, these quarterly teleconferences may be part of or be held separate from the quarterly teleconferences to discuss Regional planning activities.

The HQ Grant lead will also make quarterly requests to the Districts to update the Grant Status Logs with the grants most recent percentage completed.

## 5.07 Grant Close-Out Procedures

When the grant project is complete, the grant recipient is required to submit a closeout package to the District office, including one copy of the Quarterly Progress and Expenditure Report (that notes 100% project completion) and one copy of the final RFR along with two copies of the final work product (an electronic copy is preferred).

The District Liaison:

1. Completes and signs the Grant Program Close-Out Report form;
2. Reviews the Quarterly Progress and Expenditure Report for MPOs/RTPAs (or Quarterly Progress Report for Non-MPO/RTPAs) that notes the grant project is 100% completed;
3. Reviews the final RFR;
4. Sends one hard copy of each of the above to the ORP Liaison;
5. Reviews and keeps one copy of the Final Product; and,
6. Sends an electronic copy (preferred) of the Final Product to the ORP Liaison.



7. For non-MPO/RTPA grant projects, completes the Contract/Contractor Evaluation (STD. 4) and sends to the ORP Liaison as part of the close-out package.

For MPOs/RTPAs, the grant funded project must be completed by June 30, generally during the third fiscal year after award and a final RFR must be received within 60 days of the close of the current fiscal year.

Non-MPO/RTPA grant projects must be completed by February 28<sup>th</sup>, during the third fiscal year after award and the final RFR must be submitted for approval and reimbursement no later than 60 days after the contract end date.

## 6 THIRD PARTY CONTRACTS

Some OWP work cannot be accomplished by MPO/RTPA in-house staff and will be contracted out, meaning contractors or consultants will be hired to perform the work. The agreements between the MPO/RTPA and the contractors are referred to in Federal guidance as “third party contracts,” the first two parties being Caltrans and the MPO/RTPA. While there are subtle differences in the usage of “consultant” and “contractor”, they are often used interchangeably with respect to planning work, and in all cases, these terms refer to a “third party” in the federal and state transportation planning grant processes. The focus of this chapter will be to provide resources and guidance on specific aspects of the contracting process, also known as consultant procurement.

There are several sources of state and federal regulation and guidance regarding contracts. It is the responsibility of the MPO/RTPA to establish their own written procurement procedures or may adopt the Caltrans Local Assistance procedures, as required by state and federal law<sup>1</sup>. These procedures should be periodically assessed for consistency with current state and federal guidance, and should be the basis of all contracts that the MPO/RTPA enters into. In addition, the MPO/RTPA must maintain written standards of conduct covering Conflict of interest and governing the performance of its employees engaged in the selection, award, and administration of contracts. All MPO/RTPA contractors, subcontractors, and subrecipient contracts containing federal and state planning funds must be bid and awarded consistent with the language outlined in the MFTA, Article V, Section 1. The following is a list of laws that are frequently referred to in contract guidance and policy:

- 2 CFR part 200.317 et seq. (procurement standards for federal awards)
- 48 CFR part 31 (Federal contract cost principles)
- California Public Contract Code (PCC) 10335-10381 (State service contract procedures)

When work is contracted out, all state and/or federal compliance responsibilities of the MPO/RTPA apply to these contractors as they do to the MPO/RTPA and must be included in the consultant agreement entered into between the MPO/RTPA and contractor. If a contractor enters into a subcontract, the contractor must include all state and federal compliance responsibilities in the subcontractor’s agreement. If the MPO/RTPA sub-grants any state or federal funds to another public agency, third party contract procedures also apply to any contracts that the sub-regions let.

### 6.01 District Oversight

For the purposes of monitoring regional agency contracting processes, District staff should be aware of guidance in the following documents:

- The Division of Local Assistance Consultant Procurement Manual

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<sup>1</sup> 2 CFR 200.318 and CA PCC 10351 both require written policies and procedures in order for fund recipients to enter into contracts. While the PCC refers specifically to State agencies, the requirements of this section and many others are extended to grant recipient agencies in practice.

- The Local Assistance Procedures Manual Chapter 10
- RTPA Procurement Manual (Rural Counties Task Force)
- The State Contracting Manual

Caltrans District oversight should focus on equitable contracting procedures and quality output by the MPO/RTPA, e.g., inclusive advertisement, adequate requests for proposal, objective selection procedures, sound cost estimates, timely delivery schedules, stated expectations for quality results, and stated expectations for production of high quality work.

The District oversight may take many forms, such as participating on a consultant selection panel in an advisory capacity but not as an approval authority or participation in the development of the planning products that result from a contract. For example, District staff may be part of a working group that develops a public participation plan and adds enhanced outreach efforts to the plan update. The District may also be involved in development of RFPs or contract scopes of work. Supplemental Guidance on Outside Consultant Selection Panels is available at: <http://www.dot.ca.gov/hq/tpp/offices/orip/owp/index.html>.

At the least, MPOs/RTPAs provide copies of contracts and related executed amendments to the District prior to the Department reimbursing the MPO/RTPA for costs incurred on those contracts. There are also Disadvantaged Business Enterprise (DBE) requirements for federally-assisted contracts. MPOs/RTPAs need to also submit required DBE forms with copies executed contracts. Refer to Section 6.14 and Appendix D for DBE requirements and forms.

The District should monitor third party contracts throughout, from request for proposal (RFP) through closeout evaluation, and including any contract amendments. In addition to providing contract documents, the MPO/RTPA should identify work in the OWP that will be performed by a contractor. This inclusion should signal to District staff that there are additional accounting support requirements surrounding the OWP activity. It is imperative during Caltrans participation in contract development and monitoring that the MPO/RTPA is aware that the District's role is advisory in nature, and does not constitute an approval of procurement practices. If there are amendments to the contract, the District must monitor and track any contract extensions or changes in dates.

When an MPO/RTPA submits an RFR for OWP work that includes contractor services, the accounting requires different supporting documentation from agency staff work. Specifically, the MPO/RTPA must demonstrate that contractor activities are connected to approved OWP work, and that the costs have been paid to the contractor. Please see Section 4.04 for more details.

## 6.02 Open and Competitive

Consultant procurement always needs to be done in an open and competitive manner unless it meets specific requirements for a non-competitive, or sole source bid. The process should be based on the best quality work at the fairest price. Per 2 CFR 200.319, some of the situations considered to be restrictive of competition include but are not limited to:

- Placing unreasonable requirements on firms in order for them to be able to do business;

- Requiring unnecessary experience and excessive bonding;
- Noncompetitive pricing practices between firms;
- Noncompetitive contracts to consultants that are on retainer contracts;
- Organizational conflicts of interest;
- Specifying only a “brand name” product to be used;

Local geographical preference is an unallowable procurement practice in the evaluation of bids or proposals when using CPG or RPA funds, except in narrowly defined circumstances contained in 2 CFR 200. Advertisement for contract opportunities funded by any federal fund sources must include outreach to certified Disadvantaged Business Enterprises (DBEs). Refer to Section 6.14 for more information on DBE requirements.

### 6.03 Carrying-Out the Contract Process

The contract process can generally be described in seven steps, which are described in more detail in the following sections:

- Determination that the work can best be accomplished by a consultant
- Selection of the appropriate contracting method
- Selection of appropriate solicitation method, followed by development of a request for proposal (RFP), request for qualifications (RFQ) or invitation for bid (IFB), (this will depend on the contracting method chosen)
- Advertisement for project to solicit bids or proposals
- Consultant selection and contract negotiation
- Contract approval and execution
- Contract performance monitoring, evaluation, and closeout

### 6.04 Determination of How to Best Accomplish the Work

State law calls for public agencies to only use consulting services if the work is at least of equal quality compared with agency-operated resources. In determining whether work activities are to be performed by staff or consultants, the MPO/RTPA must assess its needs and staff resources: Is contracting the most cost-effective and efficient way to get the work done? A consultant contract should only be pursued if use of in-house staff is not a practical option.

If the contract will be for work associated with a planning grant or other new funding, the tasks involved in achieving the grant product must be programmed into the OWP, and must be consistent with the scope of work for the grant. If any part of the procurement process will be funded through the grant, all funds must be programmed in the OWP prior to initiation of work.

### 6.05 Contracting Methods

If it is determined that contracting out the work is the best option, there are several consultant selection processes that can be used, which vary depending on the situation. Cost, fund source,

and the nature of the product are the most important factors in deciding upon the best method for procurement. Any contract using federal funds must use one of the following methods.<sup>2</sup>

### **Micro-Purchases**

Procurement by micro-purchases is the acquisition of supplies or services, the aggregate amount of which does not exceed \$3,000. These purchases should be spread, to the extent practicable, among qualified suppliers. If the MPO/RTPA determines the price to be reasonable, these purchases can be awarded without competitive price quotes.

### **Small Purchase Procedures**

If the total cost of the contract is under the Simplified Acquisition Threshold, \$150,000 maximum per the Caltrans Consultant Procurement Manual, the MPO/RTPA may use small purchase procedures, in accordance with federal and state law and the procurement procedures of the agency. If small purchase procedures are used, the MPO/RTPA must obtain price or rate quotes from a minimum of three qualified sources.

This topic is also covered in more detail in Chapter 8 of the Local Assistance Consultant Procurement Manual. Regulations regarding the use of small purchase procedures are found in 2 CFR 200.320, and a detailed procedure is found in the Federal Acquisition Regulation, Part 13 “Simplified Acquisition Procedures.”

### **Sealed Bid**

Sealed bid/lowest cost contracting is appropriate for construction contracts, or procurement contracts (e.g., office supplies and equipment). By this method, a lump sum contract is awarded to the lowest qualified bidder after a public solicitation for bids.

### **Procurement by Competitive Proposal**

A competitive negotiation process using Requests for Proposals (RFPs) is the most commonly used method for transportation planning work. After publicizing the RFP and receiving several bids, the MPO/RTPA conducts an evaluation and awards a contract to the firm or individual whose proposal would be most beneficial to the objective. While price should be heavily weighted in considering which bidder will be awarded the contract, multiple other factors should be considered.

### **Non-Competitive Bid**

Because non-competitive proposals can only be pursued if one of the following is demonstrated, non-competitive, or sole source, contracting conditions rarely apply to transportation planning work:

- Only one contractor is qualified to do the work
- An emergency exists of such magnitude that delay cannot be permitted

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<sup>2</sup> 2 CFR 200.320

- The federal awarding agency or Caltrans authorizes the proposal in response to a written request and justification from the MPO/RTPA
- Competition is determined to be inadequate after solicitation of a number of sources

If a non-competitive contract is pursued, the MPO/RTPA needs to assure the contract expectations are clear (e.g., scope of work, tasks, schedules, products, evaluation criteria, conflict resolution, etc.) and the cost is fair and reasonable. A cost analysis is required to be performed, verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profits per 2 CFR 200. The special conditions, which necessitate a non-competitive contract, must be documented and provided to the Department for review and approval prior to the award of the contract. All supporting documentation must be retained and available for review by Department and/or FHWA/FTA.

## 6.06 Considerations for Contracts that are State-Only Funded

Although procurement policies should be created with all possible fund sources in mind, if a contract is expected to involve state-only funds, some Federal rules would not apply.

- Though DBE participation is encouraged for state fund-only contracts, there is no State threshold or monitoring requirement;
- State-only and non-Architecture & Engineering (A&E) contracts do not need to comply with the Brooks Act, although state rules for open competition still apply;
- For state-only contracts, the threshold for the competitive bid requirement is \$5,000.

## 6.07 Selection of Solicitation Method

There are three methods normally used in soliciting for a non-A&E planning services consultant<sup>3</sup>

- One-step RFP
- One-step Request for Qualifications (RFQ)
- Two step RFQ/RFP

A solicitation package with well-defined expectations should include specifications such as, tasks, products/deliverables, schedules, available resources, as well as performance evaluation and conflict resolution particulars. The MPO/RTPA must have a written method for conducting technical evaluations of the proposals received, and all requirements for the final contract should be stipulated in the solicitation. Please refer to the Chapter 10 of the Local Assistance Procedures Manual, Chapter 3 of the Local Assistance Consultant Procurement Manual, or Section 5.35 of the State Contracting Manual for more complete details regarding the different methods of solicitation.

A complete RFP/RFQ package should include, at a minimum:

- Description of project

<sup>3</sup> Caltrans Consultant Procurement Manual, Chapter 3

- Scope of Work
- Schedule of work (including estimated start and end dates of the contract)
- Method of payment and cost proposal requirements
- Contract audit and review process requirements
- For RFPs: Statement of required proposal content, e.g., methodology or approach, staffing and duties, qualifications, schedule, deliverables, and budget
- For RFQs: Requirements for a Statement of Qualifications
- Method, weighing and criteria for evaluation
- DBE contract goal, if applicable
- Protest procedures and dispute resolution process

The package may include other pertinent information, such as the following:

- All applicable dates, e.g., briefing dates, filing deadlines, and contract completion. The filing period should allow prospective bidders sufficient time to put together a complete and viable proposal package.
- Background and outline of the study area or topic
- Confidentiality of bidder information, if applicable
- A pro forma proposed contract, which lists all applicable state and federal requirements, e.g., federal debarment and suspension certification, non-discrimination/non-harassment practices, drug-free workplace, non-lobbying assurances, records retention, product delivery, invoicing, hold harmless and/or indemnification conditions, etc.

Solicitations should be widely publicized to elicit responses from all capable candidates, and to select the most-qualified candidate to deliver the best product at the most reasonable cost, consistent with legal and fair competition requirements.

Solicitations should be advertised in newspapers, trade journals and newsletters, posted on the internet, and innovative outreach efforts should be pursued to ensure the most complete participation of potential contractors, including disadvantaged business enterprises and community based organizations. Existing bidder-list direct mail recruitment is not sufficient.

It should be noted that if during the RFP/RFQ review, selection, and award period, any deviation from the agencies internal contracting and procurement procedures are violated (i.e. the Board overrides the agencies recommendation) federal funds can no longer be used to contract per 2 CFR 200.

## 6.08 Consultant Selection and Contract Negotiation

Selection of the consultant and the development of the contract is a multi-step process. After the RFP has been developed, consultant selection and contract negotiation can proceed. This four-step process can be outlined as follows:

- Proposal evaluation team selection. This should occur prior to the receipt of the proposals, preferably during development of the RFP.

- Review of submitted proposals using the evaluation criteria set forth in the RFP.
- Top candidate interviews, such as oral presentations are an effective method to confirm consultants' understanding of MPO/RTPA needs and the consultant's qualifications in the subject area.
- Contractor selection and completion of negotiable parts of the contract.

There is no requirement to award a contract if none of the proposals are competitive, i.e., if the cost is not reasonable and/or if none of the bidders are qualified to do the job.

## 6.09 Contract Approval and Execution

Contract approval and execution are the final steps in the RFP process. MPOs/RTPAs should prepare a contract approval package available for Department review. The MPOs/RTPAs must provide executed copies of contracts and related executed amendments to the District for its records prior to reimbursing the MPO/RTPA for costs incurred on those contracts.

This package should include:

- A cover letter -- name of the contractor, purpose and summary of the contract, applicable OWP work element (s), contract amount and funding sources, procurement method.
- A review of the selection process -- bidder recruitment methods, listing of proposals received, summary of the proposal evaluation process, a copy of proposal scoring summary. The MPO/RTPA should retain the original scoring documents supporting the summary.
- An electronic copy of the final executed contract (i.e., work plan or scope of work, project staff, schedule and deliverables, and contract budget), including all exhibits
- Required DBE forms as outlined in Section 6.14 and provided in Appendix D.
- A copy of the original proposal of the successful bidder.
- A copy of the Request for Proposals package, with cover letter.

Districts should review contract packages relative to inclusive bidder recruitment, clear scope of work, deliverables schedule, contract budget and personnel exhibits, and consistent with the review points listed in Section 6.12.

## 6.10 Contract Monitoring and Evaluation

No work can be done prior to there being an approved and fully executed contract. When contract work proceeds, the District monitors progress in a manner similar to tracking OWP work elements activities, and OWP Quarterly Progress and Expenditure monitoring. For example, the District attends relevant meetings, reviews deliverables for content and timeliness and checks Requests for Reimbursement (RFRs) to assure they are supported with billings.

As work progresses, the District routes deliverables within the Department for information, and solicits comments to provide to the MPO's/RTPA's consultant, as appropriate, on draft products.



RFRs should not be approved unless the District has invoices and supporting documentation spreadsheet(s). Although District staff may have considerable familiarity with the MPO's/RTPA's business practices, particulars of the consultant contract, and the consultant's progress, approval of RFRs without invoices and supporting documentation spreadsheet(s) is prohibited. Since the Districts are considered contract managers it is expected that all RFRs contain invoices and supporting documentation spreadsheet(s). RFRs cannot be approved for payment without invoices and the required supporting documentation spreadsheet(s). It is important to maintain objective procedures relative to all MPOs/RTPAs, and it is important to have complete files for audit purposes.

Sections 4.04, 4.05, and 4.06 describe RFR approval and dispute procedures.

Full supporting documentation for RFR's are outlined in the MPO/RTPA MFTA's. In order to have complete files for audit purposes, MPOs/RTPAs are required to have invoices and relevant support that is retained for three years after final payment under the contract.

District staff should document its contract monitoring activities in a log, journal or calendar, in the contract file. Contract files may be paper or electronic. All contract and procurement documents must be maintained by both the District and MPO/RTPA in the case that an audit is performed.

## 6.11 Small Purchase Procedures for Federal-Aid Contracts

Third party contracts for less than \$150,000 that use federal funds may be awarded through a fairly informal procedure where price or rate quotations are obtained from at least three sources.

\$150,000 is a cumulative limit for services procured by an MPO/RTPA of any individual consultant or consulting firm. If a subsequent amendment causes the total amount to exceed the simplified acquisition threshold, the amount in excess of \$150,000 will not be eligible for reimbursement with federal funds.

Price or rate quotations shall be obtained from qualified available sources. Generally, this means a minimum of three consultants or vendors should be solicited for quotes. For these smaller contracts, the MPO/RTPA must document the following information and keep it in the contract file, in addition to other contracting documents to support the procurement:

- An explanation of the services needed from the consultant and why the MPO/RTPA staff cannot provide them
- Documentation indicating which firms or consultants have been contacted and whether they were interested in providing price or rate quotations
- Copies of the written price or rate quotations and proposals
- The name and qualifications of the consultant who provided the services and a copy of the contract
- Documentation of the fees, showing how the fee was calculated and that it is reasonable by comparative standards

## 6.12 RFP Review Points

Each RFP is different, but the following list includes fairly typical RFP review categories and points:

### Selection Procedures

- ❑ Description of need for consultant
- ❑ Records of publication of RFP and other solicitation efforts
- ❑ Candidate qualifications and evaluation criteria
- ❑ Documentation of selection steps
- ❑ Evaluation of DBE efforts (when applicable, See Section 6.14)
- ❑ Plan to monitor work

### Consultant Agreement

- ❑ Date of agreement
- ❑ Names, addresses, and other identifying data of agreeing parties (complete name and address of each party to the agreement, including the legal status [e.g., individual, corporation, partnership, etc.], address where work is available for inspection)
- ❑ Name of contract administrator
- ❑ Work to be done (include any data, etc., MPO/RTPA will provide) and work schedule
- ❑ Deliverables and delivery schedule (including number of copies when applicable and what constitutes completion)
- ❑ Schedule, e.g., effective date of contract, commencement of work, milestones, deliverables, completion
- ❑ Method of payment (whole or progress, what milestones for progress)
- ❑ Records retention (See Section 4.12)
- ❑ Contract cost principles and procedures and Administrative Requirements of 2 CFR 200
- ❑ Covenants against contingent fees (If federal funds are used, the following must be included: “The consultant warrants that s/he has not employed or retained any company or person, other than a bona fide employee working for the consultant, to solicit or secure this agreement, and that s/he has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or formation of this agreement. For breach or violation of this warranty, the MPO/RTPA shall have the right to annul this agreement without liability, or at its discretion to deduct from the agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.”)
- ❑ Ownership of deliverables (become the property of the MPO/RTPA)
- ❑ Copy rights (if consultant is permitted copy rights, the agreement must provide FHWA/FTA and Department shall have the royalty-free non-exclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the work for government purposes)
- ❑ Changes in work (mutually agreed to, plus provisions for resulting schedule and cost changes)
- ❑ Delays/extensions (appropriate time adjustment in instances of unavoidable delays and warranted adjustments in payment)

- ❑ Termination or abandonment (ownership of completed or partially completed work, basis for payment in the event of termination; including conditions for termination due to default and circumstances beyond the control of the contractor)
- ❑ Remedies (administrative, contractual or legal remedies for violation or breach of contract, citing sanctions and penalties)
- ❑ Disputes (procedures to resolve disputes)
- ❑ Responsibility for claims and liability (hold harmless provisions for all levels of government from all claims and liability due to the negligent acts of the contractor and/or its subcontractors, agents or employees)
- ❑ General compliance with laws and wage rates (requirement for contractor to comply with all federal, state and local laws and ordinances applicable to the work, including compliance with prevailing wage as per California Labor Code, Section 1775, if applicable)
- ❑ Subcontractors, assignment and transfer including prohibition against subcontracting, assignment or transfer of any work, except as provided in the agreement.
- ❑ Conclusions, i.e., customary closing provisions included in MPO's/RTPA's contracts
- ❑ Signatures
- ❑ Certifications of consultant and agency (as per the covenants against contingent fees)
- ❑ Cost price proposal (per consultant team member by hours, rate and total; indirect cost rate; direct costs of equipment, supplies, other by quantity, unit cost and total profit and total cost).

Other review points:

- ❑ Is the consultant qualified to do business in California (e.g., a California corporation or partnership or agent for service of process filed with the Secretary of State)?
- ❑ Is there a drug-free work place certification?

If the contract is for \$5,000 or more, does the contract include the following certification: The prospective contractor's signature affixed hereon and dated shall constitute a certification, under the penalty of perjury under the laws of the State of California, that the bidder/proposer has, unless exempted, complied with the nondiscrimination program requirements of Government Code Section 12990(a-f) and Title 2, California Code of Regulations, Section 8113.

## 6.13 Assessing the Fitness of a Selected Consultant Firm

MPO/RTPAs are advised to assess the fitness of a selected consultant before entering into a contract with the consultant. An audit firm hired by the MPO/RTPA, or MPO/RTPA in-house staff with audit expertise may assess a fitness of selected consultants. The assessment's focus is the consultant's financial management system, which includes a review of the project cost accounting system, estimating and administrative systems, proposed costs and quantities, and financial conditions, etc. In addition, the contract language is reviewed to ensure that the required fiscal provisions are included.

An assessment is recommended if one or more of the following conditions exists:

- There is inadequate knowledge about the consultant's financial management system

- There has been a previous, unfavorable experience with the consultant’s estimating, accounting methods or financial management system
- The MPO/RTPA has no history of using consultants and the Department deems it prudent

## 6.14 Disadvantaged Business Enterprise (DBE)

This section provides guidance and direction to MPOs, RTPAs, and local government entities (i.e., subrecipients) to ensure compliance with the revised DBE goal established on November 26, 2016 for federally-assisted contracts. The Caltrans annual DBE Program goal is 4.8 percent with a split of 3.7% race-neutral and 1.1% race-conscious for Federal Transit Administration (FTA) fund recipients. Failure to comply with the DBE Program may result in the suspension or termination of federal funds until deficiencies are remedied as discussed in Title 49 CFR Part 26.101 and the MFTA Article IV, Section 2.

Title 49 CFR, Part 26, entitled, Participation by DBEs in Department of Transportation Financial Assistance Programs, describes a race neutral measure or program as one that is, or can be, used to assist all small businesses. Race-neutral includes gender-neutrality. On the other hand, a race-conscious measure or program is one that is focused specifically on assisting only DBEs, including women-owned DBEs.

The Caltrans Director’s Policy on DBE assures equal opportunity in doing business with Caltrans or subrecipients, such as MPOs/RTPAs and their outside contractors (e.g., consultants). The Director’s Policy also ensures that MPOs/RTPAs and local governmental entities meet DBE program requirements, and data and reports on DBE participation are collected for federal reporting requirements.

DBE Program requirements apply to the following ORP-administered federal Consolidated Planning Grant (CPG) funds:

- Federal Highway Administration, Metropolitan Planning (FHWA PL)
- FTA Metropolitan Planning, Section 5303 (FTA § 5303)
- FHWA State Planning & Research - Part 1, Strategic Partnerships Grants
- FTA § 5304 Sustainable Communities Grants

RTPAs receiving only State Rural Planning Assistance or State Highway Account Sustainable Communities Grants funding are not impacted by these DBE requirements.

Subrecipients of CPG funds must participate in this race-neutral/race-conscious DBE Program. It is important to note that all of these CPG funds are administered by the FTA thus are considered to be FTA funds. This includes the FHWA PL and Strategic Partnership Grant funds even though these funds originate from FHWA. The FTA maintains ultimate responsibility over these CPG funds in California, which operate under a completely independent, race-neutral/race-conscious Caltrans DBE Program with an overall annual goal of 4.8 percent (3.7% race-neutral/1.1 race-conscious).

CPG Subrecipient Responsibilities for DBE include:

- Participation in the race-neutral/race-conscious DBE Program when contracting/awarding to subrecipients or planning consultants involving any fraction of federal CPG funds.
- Participation in the race-neutral/race-conscious DBE Program even if subrecipients have not contracted out work to sub-recipients or consultants. They must also complete, sign and turn in the FTA DBE Uniform Report form, showing zero dollars. This information will provide necessary data for the federally mandated Caltrans DBE disparity study.
- Submittal of the DBE Information/Underutilized DBE (UDBE) Participation form (ADM-0227F) upon contract initiation. All contracts using federal dollars are subject to this requirement. Refer to Appendix D for a copy of this form and download it from the Caltrans DBE website below.
- Submittal of the Bidder/Proposer DBE Good Faith Efforts Documentation form (ADM-0312F) if the contract does not have DBE goal(s). Form ADM-0312F should be submitted with the ADM-0227F to demonstrate good faith efforts AND protect the bidder's/proposer's eligibility for contract award in the event Caltrans determines the bidder/proposer failed to meet the UDBE goal. Refer to Appendix D for a copy of this form and download it from the Caltrans DBE website below.
- Submittal of the DBE Utilization Report (ADM-3069) with every invoice in accordance with the MFTA. All contracts using federal dollars are subject to this requirement. This reporting requirement increases Contract Manager and Prime Contractor accountability, tracks federal dollars, and confirms actual DBE usage as stated in the Prime Contractor's DBE Contract commitment. Refer to Appendix D for a copy of this form and download it from the Caltrans DBE website below.
- Completion of the FTA Uniform Report of DBE Commitments/Awards and Payments form twice a year: April 1<sup>st</sup> and October 1<sup>st</sup>. The DBE Uniform Report shows the federal dollar amount provided through contracts as well as DBE participation in these contracts. This information will provide necessary data for the federally mandated Caltrans DBE disparity study and reporting to the FTA. The completed forms are sent to the appropriate ORP Liaison (see the website listed below for more details). Refer to Appendix D for a copy of this form and download from the Caltrans DBE website at:

<http://www.dot.ca.gov/hq/tpp/offices/orip/DBE/DBE.html>

- Development and implementation of a DBE Program following the Caltrans DBE Program Plan, pursuant to the Master Fund Transfer Agreement, Article IV, Section 2. This Plan formally acknowledges the statutory and/or regulatory requirements with its race-neutral/race-conscious measures, and their commitment to comply with all the prescribed responsibilities explained herein.

- Development and maintenance of a Bidders List, consisting of information about all DBE and non-DBE firms that bid or quote on CPG-assisted contracts. The Bidders List includes the name, address, DBE/non-DBE status, age and annual gross receipts of firms.
- Ensuring selected DBEs perform a commercially useful function as provided in 49 CFR 26.55(c)(1)-(4). Under 49 CFR 26.55(c)(1)-(4), a DBE must be responsible for the execution of a distinct element of work and must carry out its responsibility by actually performing, managing, and supervising the work.
- Inclusion of the following clauses are required, verbatim, in each CPG-assisted contract:
  - The contractor, subrecipient, or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of United States Department of Transportation-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as recipient deems appropriate, which may include but is not limited to:
    1. Withholding monthly progress payments.
    2. Assessing sanctions.
    3. Liquidated damages
    4. Disqualifying the contractor from future bidding as non-responsible
  - The contractor must make available to the Caltrans contract manager a copy of all DBE subcontracts upon request.
  - The contractor must utilize the specific DBEs listed to perform the work and supply the materials for which each is listed unless the contractor obtains authorization from Caltrans. Unless the Department provides prior authorization approving a request for termination or substitution of a listed DBE, the Contractor shall not be entitled to any payment for work or materials unless it is performed or supplied by the listed DBEs.
- Inclusion of contractual language specifying prompt payment clauses are required in the foregoing provisions. These prompt payment clauses benefit all subcontractors equally.
  - **Prompt Progress Payment to Subcontractors**—A prime contractor or subcontractor shall pay to any subcontractor not later than 10-days of receipt of each progress payment, in accordance with the provision in Section 7108.5 of the California Business and Professions Code concerning prompt payment to subcontractors. The 10-day rule is applicable unless a longer period is agreed to

in writing. Any delay or postponement of payment over 30-days may take place only for good cause and with the agency's prior written approval. Any violation of Section 7108.5 shall subject the violating contractor or subcontractor to the penalties, sanctions, and other remedies of that Section. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

- **Prompt Payment of Withheld Funds to Subcontractors**—The MPO, RTPA or local government entity shall include either (1), (2), or (3) of the following provisions in their CPG-assisted contracts to ensure prompt and full payment of retainage (withheld funds) to subcontractors in compliance with 49 CFR 26.29.
  - 1) No retainage will be held by the agency from progress payments due to the prime contractor. Prime contractors and subcontractors are prohibited from holding retainage from subcontractors. Any delay or postponement of payment may take place only for good cause and with the agency's prior written approval. Any violation of these provisions shall subject the violating contractor or subcontractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.
  - 2) No retainage will be held by the agency from progress payments due the prime contractor. Any retainage kept by the prime contractor or by a subcontractor must be paid in full to the earning subcontractor in 30-days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment may take place only for good cause and with the agency's prior written approval. Any violation of these provisions shall subject the violating contractor or subcontractor to the penalties, sanctions, and remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.
  - 3) The agency shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as

determined by the agency of the contract work and pay retainage to the prime contractor based on these acceptances. The prime contractor or subcontractor shall return all monies withheld in retention from all subcontractors within 30-days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by the agency. Any delay or postponement of payment may take place only for good cause and with the agency's prior written approval. Any violation of these provisions shall subject the violating prime contractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of: a dispute involving late payment or nonpayment by the contractor; deficient subcontractor performance; and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

DBE participation is counted as follows:

- Each DBE listed for credit must be certified by the California Unified Certification Program and possess the work code applicable to the type of work the DBE will perform on the contract at bid opening.
- Credit for materials or supplies purchased from DBEs will be evaluated on a contract-by-contract basis and counted as follows:
  - 100 percent if the materials or supplies are obtained from a DBE manufacturer.
  - 60 percent if the materials or supplies are obtained from a DBE regular dealer.
  - Only fees, commissions, and charges for assistance in the procurement and delivery of materials or supplies, if they are obtained from a DBE that is neither a manufacturer nor regular dealer. 49 CFR 26.55 defines "manufacturer" and "regular dealer."

## 6.15 Title VI

The purpose of this section is to provide guidance and direction for MPOs, RTPAs, and local governments (subrecipients) to comply with Caltrans Title VI Program for FTA fund recipients. If a subrecipients fails to comply with the Title VI requirements, funds may be suspended or terminated until the deficiencies are corrected, as discussed in the 49 CFR part 21 and MFTA Article IV, Section 3.



Title VI of the Civil Rights Act of 1964 prohibits discrimination based on race, color and national origin in the administration of federally assisted programs and activities. The purpose of Title VI is to eliminate discrimination in federally funded programs and activities and to ensure the equitable distribution of public funds for public benefit.

Caltrans Director's Policy on Title VI ensures that no person in the State of California is excluded from participation in, nor denied the benefits of the Department's programs, policies, activities, and services on the grounds of race, color, national origin, sex, disability, or age. This policy extends to subrecipients of the Department's flow-through federal aid funding, such as contractors, grantees, and local agencies.

As a direct recipient of federal grant funds, Caltrans must comply with FTA requirements in Circular 4702.1B. These requirements set guidelines for compliance with Title VI of the Civil Rights Act of 1964. The guidelines require Caltrans to document compliance by submitting a Title VI Plan to FTA every three years. Caltrans is also charged with the responsibility of verifying that its subrecipients of federal funds also comply with the requirements.

The Title VI Plan requirements apply to subrecipients of CPG funds administered by the ORP. Subrecipients of CPG funds must complete and implement a Title VI Plan. It is important to note that all CPG funds are administered by FTA, thus all are considered to be FTA funds. This includes the FHWA PL and Strategic Partnerships funds even though these funds originate from FHWA. RTPAs receiving only State Rural Planning Assistance funds are not impacted by these DBE requirements.

Title VI Plan requirements are tiered, based on the service(s) provided by subrecipient:

- All subrecipient Title VI Plans must meet the requirements in Chapter III of the Circular.
- For agencies that provide fixed-route service, the service standards and policies contained in Chapter IV of the Circular must also be met. These standards and policies must address how service is distributed across the transit system and must ensure that the manner of the distribution affords users access to these assets.
- For MPOs, Chapter VI describes the procedures that MPOs are required to follow in order to comply with the Title VI regulations.

While Caltrans does not approve Title VI Plans, it does require a copy of a Board adopted Title VI Plan. It is also in the subrecipients best interest to submit a Title VI Plan to Caltrans before board adoption. Caltrans can then review the Title VI Plan to ensure that the required content is included in the agency's Title VI Plan.

Further Title VI guidance can be found on the FTA website at:

[http://www.fta.dot.gov/civilrights/civil\\_rights\\_5088.html](http://www.fta.dot.gov/civilrights/civil_rights_5088.html)

## 7 REGIONAL TRANSPORTATION PLAN (RTP)

MPOs and RTPAs are required by federal law (Title 23 CFR Part 450, Subpart B for RTPAs and Subpart C for MPOs) and by state law (Government Code section 65080 et seq.) to develop Regional Transportation Plans (RTPs) in order to qualify for and receive federal transportation funding. Additionally, federal funding is contingent upon an air quality conformity finding. For MPOs in non-attainment areas, the RTP must show how its projects will ‘conform’ or achieve the Federal air quality standards. (See the *RTP Guidelines* for more detailed information).

The RTP is also known as a metropolitan transportation plan (MTP) or a long range plan that is developed by the MPO/RTPA in concert with the public and transportation partners in the region, including District staff. The RTP is a comprehensive, 20+ year vision of a balanced, multimodal transportation system. It identifies regional issues and problems, includes population and traffic growth projections for the region, and suggests mobility solutions to accommodate future transportation needs. The RTP includes a list of proposed projects that lead to development of the Regional Transportation Improvement Program (RTIP). The RTIP is designed to implement the vision and goals of the RTP. The RTIP is sometimes generically referred to a Transportation Improvement Program (TIP). The RTP must be fiscally constrained i.e. the RTP must provide evidence that the proposed projects in the TIP are fully-funded through the cycle of the Plan, the revenues are reasonably available to finance projects and the costs of each project have been estimated consistent with any regional programming or project environmental documentation currently available.

All RTPs must also be accompanied by an environmental review document pursuant to state law (Public Resources Code 21000 et seq., also known as the California Environmental Quality Act (CEQA)).

### 7.01 The Regional Planning Handbook and the RTP Guidelines

This Regional Planning Handbook describes the procedural or administrative steps that the District and Headquarters staff take to process and monitor the Regional Transportation Plan. The *RTP Guidelines* outline the requirements and suggested planning practices that MPOs and RTPAs must adhere to in their development of the RTP.

The California Transportation Commission (CTC) has the authority to approve the *RTP Guidelines*. The *RTP Guidelines* interpret the state and federal statutory requirements and are updated as needed to reflect changes in federal and/or state law. The *RTP Guidelines* are a comprehensive reference manual for the MPOs and RTPAs.

The *RTP Guidelines* are posted on the ORP website at:

<http://www.dot.ca.gov/hq/tpp/offices/orip/rtp/index.html>.

## 7.02 RTP Update Cycles

The due date for the next routinely scheduled RTP update for MPOs in maintenance and non-attainment areas is based on the date of the FHWA/FTA air quality conformity determination letter. For MPOs in an air quality attainment area and for all RTPAs the due date for the next scheduled RTP update is calculated from the date of the Board resolution that adopted the current RTP.

For MPOs in federally designated non-attainment and maintenance areas, the RTP must be updated at least every 4 years. For MPOs in attainment areas, the RTP must be updated at least every 5 years (Title 23 CFR 450.324(c)).

For RTPAs in federally designated non-attainment and maintenance areas and in attainment areas, the RTP must be updated at least every 5 years (Govt. Code Section 65080 (d)).

MPOs or RTPA that are required to adopt a RTP no less than every 5 years may elect to adopt the plan no less than every 4 years (Govt. Code Sections 65080(b)(2)(M) and 65588(b)).

## 7.03 RTP Update Delays

When an MPO/RTPA is experiencing delays in the anticipated RTP adoption date, formal notification from the MPO/RTPA should be submitted to the Caltrans District, ORP, and the CTC. The formal notice should explain the reason for delay and the new anticipated RTP adoption date. Caltrans may initiate formal notification to outline potential consequences if the MPO/RTPA is nonresponsive.

## 7.04 The Role of the District Regional Planning Staff in Reviewing the RTP

The primary role of the District is to act as the communication link between the MPO/RTPA and the Department. The District staff represents the interests and priorities of the Department in the RTP process through its work on MPO/RTPA advisory committees. The District prepares the Department's comments on the draft RTP and Environmental Document. The District's comment letter should be provided in a timely manner and should be comprehensive, i.e., it should be a compilation of both District and Headquarters comments. The Department does not have approval authority of the RTP. The Department's role is to review and comment. The comment letter provided by the District to the MPO/RTPA should be signed by the District Deputy Director for Planning.

### 7.04a Review of the Draft RTP

The District review ensures that the RTP is a complete and accurate document reflecting the MPO/RTPAs stated goals. The main tool that the Districts uses in their review and comment of the draft RTP is the RTP Checklist. This is the same checklist that the MPO/RTPA

completes and submits along with the RTP. Because MPOs and RTPAs have slightly different statutory requirements, they each have their own RTP Checklist. The District should ensure that the correct checklist is turned in. **A Completed RTP Checklist must always accompany the draft and final RTP.** ORP liaisons will not accept a draft RTP or comment on it without the checklist.

*Appendix C includes the Regional Transportation Plan Checklists.*

## 7.04b Review of the Draft RTP and Draft Environmental Document

In addition to reviewing the draft RTP, the District also needs to carefully review and, as appropriate, comment on the draft environmental document. The responsibility for ensuring appropriate District review and comment on the environmental document rests with the District Regional Planning Liaison. District size, organizational structure, and staff expertise will determine whether this review is completed by the District's regional transportation planning staff, IGR/CEQA staff, and/or Environmental staff.

**It is strongly advised that the regional transportation planner who is familiar with the draft RTP always become familiar with the environmental document.**

## 7.04c Circulation of the Draft RTP and the Draft Environmental Document

Upon receipt of the draft RTP/Sustainable Communities Strategy (SCS) and the draft Environmental Document from the MPO/RTPA, District staff solicits comments from the affected units in Headquarters and the District. ORP is always included, but the contents of the draft RTP will dictate which other units in Headquarters should participate in the review. The District must send one hard copy and one electronic copy of the draft RTP/SCS along with appendices, Environmental Document, and a completed signed RTP checklist to their assigned ORP Liaison.

Draft RTP/SCS and EIR Review Circulation Contacts can be found at:

<http://www.dot.ca.gov/hq/tpp/offices/orip/rtp/index.html>

## 7.04d Distribution of the Final RTP/SCS

It is ultimately the District's responsibility to assure that the FHWA/FTA and their assigned ORP Liaison receive hard copies of the adopted final RTP/SCS (including appendices). Distribution of the final document may be handled by either the District or the MPO/RTPA according to established practice between the MPO/RTPA and the District.

## 7.04e Routing of Final Documents

As soon as the final RTP/SCS documents are received from the MPO/RTPA, the District forwards the following documents to their assigned ORP Liaison:

- 1 hard copy and 1 electronic (CD) copy of the revised final RTP Checklist;
- 1 hard copy and 1 electronic (CD) copy of the Final RTP/SCS (including appendices);
- 1 hard copy and 1 electronic (CD) copy of the Final RTP environmental document;
- 1 hard copy of the MPO/RTPA board resolution(s) adopting the RTP and certifying the Environmental document;
- 1 hard copy of all federal air quality conformity determination letters;
- 1 hard copy of the MPO/RTPAs air quality conformity analysis;
- 1 hard copy of all subsequent major amendments to the RTP; and,
- 1 hard copy of the MPOs/RTPAs current Public Participation Plan/documented Public Involvement Process.

## 7.04f RTP Amendments

The District is responsible for maintaining copies of an MPO's/RTPA's RTP amendments. Districts must keep amendments on file, paper or electronic, because the District will be responsible for ensuring projects are included in the RTP for the Transportation Planning and Scoping Information Sheet (TPSIS) and programming purposes. The District can find the TPSIS form on the intranet here:

<https://transplanning.onramp.dot.ca.gov/project-nomination-process#>

## 7.05 The Role of the Headquarters Staff in Reviewing the RTP

The primary role of the ORP Liaison is to act as a resource to support the District staff in their administration of the RTP. ORP liaisons research and answer questions from the District, make policy interpretations and maintain complete RTP, OWP, and grant files for each of their assigned MPOs or RTPAs.

ORP liaisons monitor RTPs to assess whether they are updated in a timely manner, to track statewide transportation trends and air quality conformity issues. Periodically, at the request of the CTC, ORP Staff will report on how well RTPs are in compliance with the current RTP Guidelines. ORP also uses this information to comment on proposed legislation.

The primary responsibility of the ORP Liaison is to accomplish the several tasks related to the administration of the RTP. The ORP Liaison routes the draft RTP document and RTP checklist to internal ORP units for comment, provides the District with ORP comments, and monitors the timing of the RTP update cycle.

Additionally, the ORP Liaison compiles documents from the District in order to maintain a complete, updated RTP file that includes the following:

- A copy of ORP comments that were sent to the District;
- A copy of the District's comment letter that was sent to the MPO;
- A copy of the **draft and final** RTP checklist;
- A copy of the draft RTP and draft environmental document;
- A copy of the final RTP;
- A copy of the RTPs final environmental document;
- A copy of all subsequent RTP amendments that reflect a major revision to the RTP or RTIP that require a public hearing. (See Title 23 CFR 450.104 definitions of amendment, administrative modification and revision)
- A copy of the MPO/RTPA board resolutions adopting the RTP and certifying the Environmental document;
- A copy of the federal air quality conformity determination letter(s); and,
- A copy of the MPOs/RTPAs current Public Participation Plan/**documented Public Involvement Process**.

## 8 FULL PARTICIPATION REGIONAL TRANSPORTATION PLANNING

As stated in Section 1.01, regional transportation planning is a 3Cs approach: continuing, cooperative and comprehensive. It involves the entire community: individuals, federal, state, tribal governments, regional and local agencies, and public, private and community based organizations all working together to identify how future regional transportation needs will be met.

Comprehensive regional transportation planning can be understood from several perspectives, among which are mode, participation and setting. All modes shall be considered. Decisions shall be made through formal government-to-government consultation with Native American Tribal Governments, and with the full participation of the community served. Consistent with a collaboratively crafted vision, the region will work together to determine how best to provide a full range of transportation options for all system users.

As stated in the ten planning factors in MAP-21/FAST Act, the goal is to:

- Support the economic vitality of the metropolitan area, especially by enabling global competitiveness, productivity, and efficiency
- Increase the safety of the transportation system for motorized and non-motorized users
- Increase the security of the transportation system for motorized and non-motorized users
- Increase the accessibility and mobility of people and for freight
- Protect and enhance the environment, promote energy conservation, improve the quality of life, and promote consistency between transportation improvements and State and local planned growth and economic development patterns
- Enhance the integration and connectivity of the transportation system, across and between modes, for people and freight
- Promote efficient system management and operation
- Emphasize the preservation of the existing transportation system
- Improve the resiliency and reliability of the transportation system and reduce or mitigate stormwater and reduce or mitigate stormwater impacts of surface transportation
- Enhance travel and tourism

### 8.01 A Public Participation Plan/Public Involvement Program

Each MPO shall have a structure for public participation by developing a Public Participation Involvement Plan [23 CFR Part 450.316]. RTPAs have a similar requirement to have a documented Public Involvement Process (23 CFR Part 450.210(a)). However, if the RTPA is a

federal fund recipient, a Public Participation Plan is required as part of their Title VI Program. This plan/process will be the foundation for transportation planning decisions and shall contain these principles:

- Be developed in consultation with all interested parties
- Provide all interested parties reasonable opportunities to comment on the contents of the transportation plan

The Public Participation Plan/Public Involvement Process should also take into consideration the transportation system as a whole and involve the entire community as well as the interplay and impact of transportation on other regional factors such as the economy, the environment and quality of life.

This structure should be periodically reviewed, its effectiveness evaluated, and changes made to better ensure full public participation and involvement. Like transportation planning efforts, review, update and evaluation of the public participation structure should be transparent and should fully involve all stakeholders.

Changes to the transportation system can have profound impacts on a region. Full, open and active involvement of all users and stakeholders is essential for successful regional transportation planning.

A partial listing of who should be involved includes:

- Community members and groups, and community based organizations
- Individuals and groups with special interests, needs and advocacy positions, e.g., ethnic, economic, environmental, modal, age, access, neighborhood
- Public and private transit operators, including paratransit; carpools/rideshare coordinators/transportation management agencies
- Emergency responders
- Regional airport and seaport operators, managers and authorities
- Trucking and freight rail operators and advisory councils
- Local, regional, intercity, commuter, and high speed rail planners and providers
- Local and regional planning agencies, e.g., city/county government, congestion management agencies, affected individuals and agencies in adjacent regions
- Native American Tribal Governments (formal consultation)
- Non-federally recognized Tribal communities
- State transportation agencies, e.g., California Highway Patrol, Department (Districts, affected HQ functions such as Mass Transportation, Aeronautics, Research and Innovation, Local Assistance, Traffic Operations)
- Federal agencies, e.g., FWA/FTA, EPA, Bureau of Indian Affairs, resource agencies such as US Forest Service, National Park Service, National Marine and Fishery Service, Fish and Wildlife Service, and the US Army Corps of Engineers
- State resources entities, e.g., California Air Resources Board, California Resources Agency, Coastal Commission, California Energy Commission, California Environmental Protection Agency, State Water Board, Regional Water Quality Control Board, State Department of Fish and Game, Regional Waste Board



- Intelligent Transportation System interests such as the California Alliance for Advanced Transportation Systems.

The RTP Guidelines specify the following relative to public involvement during the development of the RTP:

- The regional agency seeks out and considers the needs of those traditionally underserved by existing transportation systems, including but not limited to low-income and minority households
- In non-attainment areas, the RTP is based on interagency consultation with air and environmental agencies and the public, and reflects coordination with local and regional air quality planning authorities
- Includes citizen involvement in the early stages of plan development, and
- Where there are Native American Tribal Governments within RTP boundaries, the Tribal concerns have been addressed and the RTP was developed in consultation and cooperation with the Tribal Governments (formal consultation) and the Secretary of the Interior.

For more information on public participation go to:

[www.fhwa.dot.gov](http://www.fhwa.dot.gov)

## 8.02 Native American Tribal Governments and Communities

Federally recognized Tribes are familiar with the consultation **process under federal law**, which requires agencies to identify when the agency is formally consulting with the Tribe. Consultation means that one party confers with another identified party and, prior to taking action(s), considers that party's views (CFR 23, Subpart A, § 450.104, Definitions). A Tribal Government is **the governing body of a sovereign nation**. Thus, consultation with Tribes is mandated by law and separate from and precedent to the public participation process. Agencies should not only coordinate their plans with those of Tribal Governments within their boundaries, but also consider Tribal Governments' concerns about projects outside Tribal jurisdiction that have the potential to impact Native American cultural resources or communities, as well as the needs of individuals within those communities.

Unless otherwise directed by the Tribe, correspondence should be addressed to the Tribal Chairperson. Because each Tribe has its own form of government and protocol for how business is to be conducted, there is no singular approach. Tribes differ in their ability to finance leaders, spokespersons or administrative support. For example, Tribal leaders frequently participate on their own time and money. Agencies need to be cognizant of this and act accordingly, e.g., be flexible when and where meetings are scheduled. A meeting with the Tribal Government (most often referred to as the Tribal Council) **or its designated representative** is usually the most effective way to communicate. Be sure to provide enough time for the Tribal Government to respond, since most Tribal Governments meet once a month, and it may be difficult to put additional items on the agenda if not given enough time.

To obtain an expanded list of Native American Tribes, communities, organizations and individuals within RTPA/MPO boundaries, send a request to:

The Native American Heritage Commission, 915 Capitol Mall, Sacramento, CA 95814 or call (916) 653-4082. Caltrans Native American liaisons may also be able to provide this information.

### **Public Participation**

Public participation provides for public involvement of all citizens (including Native Americans), affected public agencies, representatives of transportation agency employees, freight shippers, providers of freight transportation services, private providers of transportation, representatives of users of public transit, and other interested parties of the community affected by transportation plans, programs and projects.

All Native Americans as individual citizens---regardless of whether they are members of Federally-recognized Tribes---can contribute to the public participation process. They belong to a minority, they may be low income, are traditionally underserved, and they may be associated with a community-based organization or be among the groups shown above. Within public participation forums, as individuals, they are not representing Tribal Governments.

### **Reviewing Planning Documents**

Regional agencies and Caltrans staff are responsible for ensuring that individual RTPs and OWPs are in compliance with federal and state law. Tribal consultation and coordination requirements deserve particular attention when reviewing planning documents.

Regional agencies and Caltrans staff are responsible for ensuring that individual RTPs and OWPs are in compliance with federal and state law. Tribal consultation and coordination requirements deserve particular attention when reviewing planning documents. Tribal Governments are separate entities from State and Federal government, yet they occupy adjacent land, and Native American cultural resources often overlap with lands under MPO/RTPA jurisdiction. Any time an OWP work element may affect a Tribal Government, it is important that there is a statement regarding the inclusion of an area's Tribal Governments in the planning process. In turn, any time that an OWP work element identifies a degree of public participation, inclusion of Native American individuals and other disadvantaged groups must be documented.

Stating in a planning document that consultation and coordination are occurring is an important first step, but it is integral that this reflects an actual effort to consult with Native American tribes and individuals in the planning process.

Caltrans developed a template for MPO consultation with Indian Tribal Governments that can be found on the Regional Planning website:

<http://www.dot.ca.gov/hq/tpp/offices/orip/owp/index.html>.

## **9 FOR COMMENTS, SUGGESTIONS, OR MORE INFORMATION**

For comments, suggestions, or more information contact Erin Thompson at (916) 654-2596 or [erin.thompson@dot.ca.gov](mailto:erin.thompson@dot.ca.gov).

## **Appendix A**

### **Sample Eligible and Ineligible Regional Transportation Planning Activities**

As the name indicates, transportation planning funds (FHWA PL and FTA Section 5303) are to be used for activities associated with the Metropolitan planning process (23 CFR 450). Similarly, State RPA is allocated to the 26 rural RTPAs for fulfilling the regional transportation planning requirements of Government Code Section 65080. A wide variety of regional transportation planning activities are eligible for transportation planning funds. The information in this Appendix is illustrative, not inclusive. Appendix A is organized into four sections: Section I provides a sample list of eligible activities for MPOs and RTPAs; Section II provides general guidance for RTPAs to determine eligible activities; Section III identifies the primary eligible regional transportation planning work products; and, Section IV lists example ineligible activities.

#### **I. Eligible Activities include, but are not limited to:**

##### **1. Regional Coordination & Consultation**

- i. Participate in Federal and State Clean Air Act transportation related air quality planning activities.
- ii. Involve federal and state permit and approval agencies early and continuously in the regional transportation planning process to identify and examine issues to develop necessary consensus and agreement; collaborate with Army Corps of Engineers, National Fish and Wildlife Service, Environmental Protection Agency and other federal agencies responsible for permits and National Environmental Protection Act (NEPA) approvals and with state resources agencies for compliance with California Environmental Quality Act (CEQA).
- iii. Establish and maintain formal consultation with Native American Tribal Governments enabling their participation in local and state transportation planning and programming activities.
- iv. Create, strengthen, and use partnerships to facilitate and conduct regional transportation planning activities among California Department of Transportation (Department), MPOs, RTPAs, Native American Tribal Governments, transit districts, cities, counties, the private sector and other stakeholders.
- v. Coordinate with partners to identify policies, strategies, programs and actions that enhance the movement of people, goods, services and information on the regional, inter-regional, and state highway system.
- vi. Coordinate with partners to implement the MAP-21/FAST Act performance-based approach in the scope of the transportation planning process.
- vii. Develop joint work programs with transportation and air quality agencies, including transit operators, to enhance coordination efforts, partnerships, and consultation processes; eliminate or reduce redundancies, inefficient or ineffective resource use and overlapping review and approvals.
- viii. Holding conferences and other technical meetings provided that the cost: (1) must be incurred for an activity that is eligible for the category of funds being used (e.g., PL funds can only be used for eligible metropolitan planning related activities); and (2) must be allowable under the Office of Management and Budget's (2 CFR 200) cost principles for the agency that incurs the cost. Additionally, the basic guideline for allowability of a cost is that the cost be necessary and reasonable "for proper and efficient performance

- and administration" of the Federal awards" (i.e., Federal grant, project, etc.). The cost principles indicate that the cost of conferences or other meetings may be allowable for reimbursement when the primary purpose is the dissemination of "technical information."
- ix. Preparing for and attending board meetings – staff time for these meetings is eligible as an *indirect* cost and included in an ICAP because these meetings usually discuss matters beyond regional transportation planning (e.g., project development or delivery activities). However, there may be some exceptions. If the board meeting is solely for the purpose of an MPO/RTPA, the OWP Work Element needs to justify how it is a direct cost.
  - x. Association membership dues and staff time attending CALCOG meetings are eligible as an indirect cost and should be included in the ICAP because these meetings usually discuss matters beyond regional transportation planning (all lobbying activities associated with the organization are ineligible and should be segregated).
  - xi. MPO/RTPA Executive Director – the MPO/RTPA Executive Director’s time should mostly be recorded as an indirect activity. For example, when an Executive Director is meeting with staff or attending meetings on behalf of the agency, it is likely in an executive management capacity and therefore should be recorded as an indirect activity. There are instances when an Executive Director of a small MPO or RTPA can charge their time directly. In this instance, Executive Director’s time needs to be tracked by how they are functioning, that is, whether they are working in a technical capacity (direct activity) or an executive management capacity (indirect activity).
  - xii. OWP Development – only the development of the OWP document as it pertains to transportation planning and the CPG/RPA Work Elements should be in an OWP Development & Administrative-type Work Element. Other administrative and financial activities are also eligible and can to be presented in one of the following options:
    - As *indirect* costs and should be included in an ICAP;
    - As direct costs in a separate work element but paid for with other funds, if an agency does not have an ICAP; **OR**
    - The activities can remain in a single work element if the accounting system is able to segregate direct and indirect activities to support that non-CPG/RPA funds are used for indirect activities.

## 2. Public & Stakeholder Engagement

- i. Involve the public in the regional transportation planning process.
- ii. Participate with regional, local and state agencies, the general public and the private sector in planning efforts to identify and plan policies, strategies, programs and actions that maximize and implement the regional transportation infrastructure.
- iii. Conduct collaborative public participation efforts to further extend transportation planning to communities previously not engaged in discussion.
- iv. Utilize techniques that assist in community-based development of innovative regional transportation and land use alternatives to improve community livability, long-term economic stability and sustainable development.
- v. Develop marketing/public outreach materials for planning requirements, the planning process, public education, or a specific transportation planning study (2 CFR 200.421).

### **3. Integrated Planning**

- i. Identify and analyze issues relating to integration of regional transportation and community goals and objectives in land use, housing, economic development, social welfare and environmental preservation.
- ii. Define solutions in terms of the regional multimodal transportation system, land use and economic impacts, financial constraints, air quality and environmental concerns (including wetlands, endangered species and cultural resources).
- iii. Document environmental and cultural resources, and develop and improve coordination between agencies using Geographic Information Services (GIS) and other computer-based tools.
- iv. Develop partnerships with local agencies responsible for land use decisions to facilitate coordination of regional transportation planning with land use, open space, job-housing balance, environmental constraints, and growth management.
- v. Identify the right of way for future transportation projects, including unused right of way needed for future transportation corridors and facilities.
- vi. Investigate methods to reduce vehicle travel and to expand and enhance travel services.
- vii. Incorporate transit and intermodal facilities, bicycle transportation facilities and pedestrian walkways in regional transportation plans and programs where appropriate.
- viii. Consider airport ground access transportation and transportation to ports, recreational areas and other major trip-generating sites in planning studies as appropriate.
- ix. Identify and address regional transportation issues relating to international border crossings, and access to seaports, airports, intermodal transportation facilities, major freight distribution routes, national parks, recreation areas, monuments and historic sites, military installations; and military base closures.
- x. Develop programmatic mitigation plans (23 CFR 450.320) in coordination with FHWA and FTA.

### **4. Transportation Modeling/Visualization Tools**

- i. Develop and/or modify tools that allow for better assessment of regional transportation impacts on community livability.
- ii. Consider alternative growth scenarios that provide information on compact development and related infrastructure needs and costs as it relates to regional transportation planning.

### **5. Transportation System Preservation**

- i. Preserve existing transportation facilities, planning ways to meet transportation needs by using existing transportation facilities more efficiently, with owners and operators of transportation facilities/systems working together to develop operational objectives and plans which maximize utilization of existing facilities.
- ii. Develop life cycle cost analyses for all proposed transportation projects and services, and for transportation rehabilitation, operational and maintenance activities.
- iii. Study of a regional traffic impact fee program and appropriate fee levels.

### **6. Transportation Needs Assessments**

- i. Identify and document transportation facilities, projects and services required to meet regional and interregional mobility and access needs.

- ii. Assess the operational and physical continuity of the regional transportation system components within and between metropolitan and rural areas, and interconnections to and through regions.
- iii. Conduct regional transit needs assessments and prepare transit development plans and transit marketing plans as appropriate (Non-planning activities related to TDA administration are ineligible; See Section IV).

## **7. Transportation Programming**

- i. Review the regional project ranking process and programming guidelines ensuring comprehensive cost/benefit analysis of all project types are considered.
- ii. Conduct planning activities (including corridor studies, and other transportation planning studies) to identify and develop candidate projects for the Federal Transportation Improvement Program (FTIP).
- iii. Ensure that projects developed at the regional level (not project specific) are compatible with statewide and interregional transportation needs.

## **II. Rural RTPA Eligible Activities:**

In general, RTPA activities are eligible for State RPA funds if they have a direct nexus to core regional transportation planning functions. A well-defined link to regional transportation planning should be described in OWP Work Element activities. For example, using State RPA to fund a pavement management plan would only be eligible if (1) the plan would feed into a regional pavement management plan or the RTP *and* (2) a clear connection to regional transportation planning is apparent in the appropriate OWP Work Element activity. The Caltrans OWP approval process is facilitated when the OWP consistently draws a strong link to regional transportation planning throughout the document.

## **III. Regional planning documents, consistent with federal and state requirements:**

1. Regional Transportation Plans (RTP) and accompanying environmental document
2. Transportation Improvement Programs (TIP)
3. RTP and TIP environmental compliance
4. Overall Work Programs (OWP) and Amendments
5. Overall Work Program Agreements (OWPA) and Amendments
6. Master Fund Transfer Agreements (MFTA)
7. Corridor studies

## **IV. Ineligible Activities**

Ineligible activities need to be in separate OWP Work Elements and cannot be funded with the federally required minimum local match. A Work Element funded with CPG/RPA funds cannot indicate that ineligible activities are funded with non-CPG/RTPA fund source. Typically, MPOs/RTPAs seek reimbursement from Caltrans at the Work Element level, making it difficult to verify that the ineligible tasks within a CPG/RPA Work Element are funded with non-CPG/RPA sources. The comingling of eligible/ineligible activities may be allowed if the MPO/RTPA accounting system is able to itemize and track staff time by task within a Work Element.

**Ineligible activities include, but are not limited to:**

1. Non-planning related TDA administration such as conducting the Social Services Technical Advisory Committee, fulfilling TDA auditing requirements, processing TDA invoices and fund reports, TDA allocation and claims process, etc. (planning related activities such as unmet transit needs assessment are eligible if they support the regional transportation planning process and RTP)
2. Non-planning related transit administration should be funded with 5310, 5311, etc. including application development and assistance (review of 5310 applications and programming of funds as it relates to the TIP process are eligible planning activities)
3. RHNA Process (portions may be eligible such as activities listed in Section I.3 Integrated Planning, but not the RHNA process as a standalone task)
4. Project development documents such as Project Initiation Documents and Project Study Reports.
5. Review of project level EIRs is only eligible if it is to ensure consistency and compliance with the MPOs/RTAs RTPs and other regional transportation planning plans and products.
6. Habitat Conservation Plans; however, some activities may be eligible if tied to regional transportation planning requirements (e.g., the RTP).
7. Implementation of a study, plan, or program (e.g., Traffic Impact Fee implementation).
8. Project Delivery activities.
9. City or county level transportation studies unless it is regionally significant or has a direct effect on the highway/transit system.
10. Fulfillment of state or local mandates or requirements, unless it ties to a regional planning requirement (e.g., the RTP).
11. Self-promotion/marketing of an MPO/RTPA is unallowable and ineligible.
12. Lobbying.
13. Legal fees for lawsuits/litigation (23 CFR 450.306(e)).
14. Project design, engineering, and construction.
15. Food and beverages at meetings (2 CFR 200.432) are typically an unallowable use of CPG funds. It needs to be justifiable, reasonable and necessary, such as for a public outreach meeting that would have low attendance otherwise. Food and beverages for staff (unless on travel status) and normal TAC meetings are unallowable and ineligible activities that cannot be reimbursed.
16. Association membership dues and staff time attending NARC, AMPO, NSSR, etc. if lobbying and planning activities are not segregated.



## **Appendix B**

### **ICAP Submission Options and Information**

#### **Section I. ICAP Annual Submission Processes**

##### **Subsection A. Revised Streamline Process**

LGA may submit the ICAP certification and Streamlined Submission Checklist to A&I for review and acceptance, if the LGA did not meet any of the following conditions: (The ICAP certification must be submitted within six months after the close of the LGAs fiscal year or within 30 days from the date the LGAs annual financial statement audit is complete.)

- The LGA receives more than \$35 million in direct federal funding.
- The LGA is designated as a high risk recipient by Caltrans.
- The LGA has changed its ICAP calculation methodology.
- The LGA's most recent ICAP required an indirect cost rate(s) change due to an improper, inaccurate, or unsupported rate calculation.
- The LGA has a major change to its financial management system (i.e. change in processes, or in accounting software).
- This is the first ICAP submission by the LGA.

Within 10 business days of receipt A&I will review the ICAP certification and Checklist received to determine whether the LGA qualifies for the streamlined process.

- If the LGA qualifies for the streamlined process, A&I will sign and return the ICAP certification with an Acceptance Letter.
- If the LGA does not qualify for the streamlined process A&I will notify the LGA that the LGA must follow the complete ICAP submission process in Subsection B below.

The LGA must receive an Acceptance Letter from A&I prior to billing for indirect costs. Although not required to be submitted to A&I under the streamlined process all LGAs desiring to claim indirect costs for federal-aid and/or state funded projects must annually prepare and maintain an ICAP and related documentation to support those costs. All documents related to the ICAP must be retained for audit in accordance with the record retention requirements in 2 CFR Part 200. 333 and Agreements between the LGA and Caltrans.

## **Subsection B. Complete ICAP Package Submission Process**

A complete ICAP submission package should be submitted to A&I when the LGA's ICAP has not been approved by a federal cognizant agency and meets one of the following conditions:

- The LGA receives more than \$35 million in direct federal funding.
- The LGA is designated as a high risk recipient by Caltrans.
- The LGA has changed its ICAP calculation methodology.
- The LGA has a major change to its financial management system (i.e. change in processes, and or in accounting software).
- This is the first ICAP submission by the LGA.
- The LGA's most recent ICAP required an indirect cost rate(s) change due to an improper, inaccurate, or unsupported rate calculation.

When the LGA does not qualify for the revised streamlined process the LGA will submit a complete ICAP proposal to A&I for review and acceptance prior to invoicing for indirect costs.

Within 30 business days of receipt, A&I will review the ICAP for compliance to the submission requirements of 2 CFR, Part 200, Subpart E, Appendix V & VII. Caltrans acceptance must be received by the LGA prior to the LGA billing for indirect costs.

If necessary, A&I will advise LGAs of the additional documentation needed to support/evaluate the proposed plan or changes required to make the proposed plan compliant. Non-compliant submissions may be returned to the LGA if requested documentation is not provided or required changes are not made within 5 business days of notification to the LGA of the additional document(s) needed or changes required.

## **Subsection C. ICAP Extension Request Process**

LGAs that wish to apply for an extension of a current negotiated indirect cost rate(s) for a period of up to four years may do so unless the LGA meets one of the following conditions:

- The LGA is designated as a high risk recipient by Caltrans.
- The LGA has changed its ICAP calculation methodology.
- The LGA has a major change to its financial management system (i.e. change in processes, and or in accounting software).
- This is the first ICAP submission by the LGA.

LGAs should provide the following information that will be used in evaluating their extension request:

- Any outstanding audit finding(s) that would impact the LGA's indirect cost rate(s).
- An ICAP certification indicating its request to apply for the extension and the period of the extension.
- ICAP that is based on actual costs for a final rate(s), or previous year's actual costs for a predetermined rate(s) (ICAP/ICRPs based on budgeted costs will not be accepted for extension).
- A completed Extension Checklist

LGAs with a fixed rate(s) with carry-forward agreement(s) for previous year(s) that are requesting extension of a proposed final or predetermined rate(s), must resolve the carry-forward for the last fixed year(s).

Within 45 business days of receipt, A&I will review the extension request and the Extension Checklist to determine whether the LGA meets the conditions listed above and notify the LGA if the extension request is approved.

- If the LGA meets the extension conditions, A&I will sign and return the ICAP certification with an Acceptance Letter.
- If the LGA does not meet the conditions, A&I will notify the LGA that the LGA must continue to follow the ICAP submission process annually.

#### **Subsection D. De Minimis Rate**

LGAs that have never received a negotiated indirect cost rate and receive no more than \$35 million in direct federal funding and elect to charge a De Minimis rate of 10% of modified total direct costs should send a letter signed by an LGA Official to A&I. A De Minimis rate may be used indefinitely. Costs must be consistently charged as either indirect or direct but may not be double charged or inconsistently charged as both. A&I will notify the LGA if it does not qualify for the use of a De Minimis rate. A&I may perform Incurred Cost Audits or Financial Management System Audits of LGAs to ensure compliance with 2 CFR Part 200 and Agreements with Caltrans. LGAs using a De Minimis rate(s) found to be inconsistently charging costs or not in compliance with 2 CFR Part 200 will be required to reimburse Caltrans for any identified overbillings.

To clarify, modified total direct cost means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel and up to the first \$25,000 of each subaward (regardless of the period of performance of the subawards under the award). Modified total direct cost excludes equipment, capital expenditures, rental costs, and the portion of each subaward in excess of \$25,000. Other items may only

be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

### **Subsection E. Other Federal Cognizant Approval**

LGAs with an ICAP approved by a cognizant federal agency other than FHWA will submit a copy of the cognizant federal agency's approval to A&I.

### **Subsection F. Fringe Benefit Rate**

If the LGA's overall fringe benefit rate is not approved for the LGA as part of its Central Service Cost Allocation Plan (i.e. citywide cost plan or countywide cost allocation plan), a proposed fringe benefit rate should be included as a separate rate in the ICAP certification submittal. However, LGAs that charge actual fringe benefit costs per individual employees are not required to establish a fringe benefit rate.

### **Subsection G. Other Information**

On a **quarterly** basis, A&I will post a listing of all LGAs utilizing a De Minimis rate and non-FHWA cognizant approval rates on Caltrans Intranet website. Unless the LGA receives an extension for a fiscal year, LGAs will submit their ICAP within six months after the close of the fiscal year or within 30 days from the date the LGA's annual financial statement audit is complete. LGAs that submit an ICAP after this time frame may be at risk of not being eligible for indirect cost billing and reimbursement.

## **Section II. Documentation of Proposal**

### **Subsection A. Documentation for a Complete ICAP Package**

A complete ICAP Submission Package should include the following as prescribed by 2 CFR Part 200, Subpart E – Cost Principles, and Appendices V and VII:

- a. A schedule showing calculation of rates proposed including subsidiary worksheets and other relevant data, cross-referenced and reconciled to the financial data noted below.
- b. Subsidiary worksheets that include the following:
  - Schedule of actual direct / indirect /unallowable costs incurred by cost category type (i.e., rent, utilities, etc.) as well as by departmental unit, or
  - Schedule of budgeted direct costs and indirect costs by cost category type and department unit supported by Board approved budget or prior year's actual costs
  - Schedule showing calculation of the over/under carry- forward amount when "fixed rate" is used.

- c. A copy of the financial data (audited financial statements, comprehensive annual financial report, single audit reports and management reports, if applicable, etc.) on which the rate(s) is based.
- d. The approximate amount of direct base costs incurred under federal-aid and state reimbursement. These costs should be broken out between salaries and wages and other direct costs.
- e. A chart identifying the organizational structure of the LGA during the period for which the proposal applies along with a functional statement noting the duties and/or responsibilities of all LGA units. (After initial submittal, only revisions need be included with subsequent proposals.)
- f. Certification that the ICAP was prepared in a manner consistent with and in compliance with the Cost Principles of 2 CFR Part 200, Subpart E and Appendices V & VII.
- g. A&I's Submission Review Checklist to assist LGAs in understanding the documentation that is used to review submittals.

### **Subsection B. Central Service Cost Allocation Plan**

If Agencies have an approved citywide and countywide cost allocation plan with a cognizant agency other than FHWA, the LGA should also submit to A&I, a Certificate showing approval from the cognizant agency. Approval by the cognizant agency must be obtained in order for costs to be included in the ICAP.

All Central Service Allocation Plan should include supporting documentation in accordance with 2 CFR Part 200, Appendix V, Section E. See ASMB C-10 (Assistant Secretary Management and Budget Cost Principles and Agreements with the Federal Government), issued by the Department of Health and Human Services) for a Sample Central Service Cost Allocation Plan and supporting documentation.

### **Subsection C. Retention/Audit**

All documents related to the ICAP must be retained for audit in accordance with the record retention requirements in 2CFR Part 200.333, and Agreements between the LGA and Caltrans.

Annually, A&I will perform a risk assessment of accepted ICAPs for audit. If an ICAP is selected for audit, the LGA will be notified. A&I will perform an audit to determine whether the ICAP exists and complies with the applicable cost principles. Material audit adjustments will require reimbursement if proposals are found to have included costs that are unallowable as specified by law or regulation or by the terms and conditions of federal or state awards. These adjustments or refunds will be made regardless of the type of rate negotiated (predetermined, final, fixed or provisional). For rates covering a future fiscal year (i.e. extended rates), the unallowable costs will be removed from the indirect cost pool(s) and the rate(s)

appropriately adjusted for all fiscal years covered by the extension. FHWA may also conduct reviews/audits.

**Appendix C**  
**Regional Transportation Plan Checklists (2)**

**Regional Transportation Plan Checklist for MPOs**

(Revised December 2016)

*(To be completed electronically in Microsoft Word format by the MPO and submitted along with the draft and final RTP to Caltrans)*

**Name of MPO:** \_\_\_\_\_

**Date Draft RTP Completed:** \_\_\_\_\_

**RTP Adoption Date:** \_\_\_\_\_

**What is the Certification Date of the Environmental Document (ED)?** \_\_\_\_\_

**Is the ED located in the RTP or is it a separate document?** \_\_\_\_\_

*By completing this checklist, the MPO verifies the RTP addresses all of the following required information within the RTP.*

**Regional Transportation Plan Contents**

**General**

1. Does the RTP address no less than a 20-year planning horizon? (23 CFR 450.324(a))
2. Does the RTP include both long-range and short-range strategies/actions? (23 CFR 450.324(b))
3. Does the RTP address issues specified in the policy, action and financial elements identified in California Government Code Section 65080?
4. Does the RTP address the 10 issues specified in the Sustainable Communities Strategy (SCS) component as identified in Government Code Sections 65080(b)(2)(B) and 65584.04(i)(1)?
  - a. Identify the general location of uses, residential densities, and building intensities within the region?
  - b. Identify areas within the region sufficient to house all the population of the region, including all economic segments of the population over the course of the planning period of the regional transportation plan taking into account net migration into the region, population growth, household formation and employment growth?

Yes/No	Page #





	Yes/No	Page #
(vii) Seeking out and considering the needs of those traditionally underserved by existing transportation systems, such as low-income and minority households, who may face challenges accessing employment and other services;		
(viii) Providing an additional opportunity for public comment, if the final metropolitan transportation plan or TIP differs significantly from the version that was made available for public comment by the MPO and raises new material issues that interested parties could not reasonably have foreseen from the public involvement efforts;		
(ix) Coordinating with the statewide transportation planning public involvement and consultation processes under subpart B of this part; and		
(x) Periodically reviewing the effectiveness of the procedures and strategies contained in the participation plan to ensure a full and open participation process.		
2. Does the RTP contain a summary, analysis, and report on the disposition of significant written and oral comments received on the draft metropolitan transportation plan as part of the final metropolitan transportation plan and TIP that meets the requirements of 23 CFR 450.316(a)(2), as applicable?		
3. Did the MPO/RTPA consult with the appropriate State and local representatives including representatives from environmental and economic communities; airport; transit; freight during the preparation of the RTP? (23 CFR 450.316(b))		
4. Did the MPO/RTPA who has federal lands within its jurisdictional boundary involve the federal land management agencies during the preparation of the RTP? (23 CFR 450.316(d))		
5. Where does the RTP specify that the appropriate State and local agencies responsible for land use, natural resources, environmental protection, conservation and historic preservation consulted? (23 CFR 450.324(g))		
6. Did the RTP include a comparison with the California State Wildlife Action Plan and (if available) inventories of natural and historic resources? (23 CFR 450.324(g)(1&2))		
7. Did the MPO/RTPA who has a federally recognized Native American Tribal Government(s) and/or historical and sacred sites or subsistence resources of these Tribal Governments within its jurisdictional boundary address tribal concerns in the RTP and develop the RTP in consultation with the Tribal Government(s)? (23 CFR 450.316(c))		
8. Does the RTP address how the public and various specified groups were given a reasonable opportunity to comment on the plan using the participation plan developed under 23 CFR part 450.316(a)? (23 CFR 450.316(a)(i))		
9. Does the RTP contain a discussion describing the private sector involvement efforts that were used during the development of the plan? (23 CFR 450.316(a))		



	Yes/No	Page #
6. Does the RTP include a discussion of regional bicycle needs?		
7. Does the RTP address the California Coastal Trail? (Government Code 65080.1) (For MPOs and RTPAs located along the coast only)		
8. Does the RTP include a discussion of rail transportation?		
9. Does the RTP include a discussion of maritime transportation (if appropriate)?		
10. Does the RTP include a discussion of goods movement?		

Programming/Operations

1. Is the RTP consistent (to the maximum extent practicable) with the development of the regional ITS architecture? (23 CFR 450.306(g))		
2. Does the RTP identify the objective criteria used for measuring the performance of the transportation system?		
3. Does the RTP contain a list of un-constrained projects?		

Financial

1. Does the RTP include a financial plan that meets the requirements identified in 23 CFR part 450.324(f)(11)?		
2. Does the RTP contain a consistency statement between the first 4 years of the fund estimate and the 4-year STIP fund estimate? (65080(b)(4)(A))		
3. Do the projected revenues in the RTP reflect Fiscal Constraint? (23 CFR part 450.324(f)(11)(ii))		
4. Does the RTP contain a list of financially constrained projects? Any regionally significant projects should be identified. (Government Code 65080(4)(A))		
5. Do the cost estimates for implementing the projects identified in the RTP reflect “year of expenditure dollars” to reflect inflation rates? (23 CFR part 450.324(f)(11)(iv))		
6. After 12/11/07, does the RTP contain estimates of costs and revenue sources that are reasonably expected to be available to operate and maintain the freeways, highway and transit within the region? (23 CFR 450.324(f)(11)(i))		
7. Does the RTP contain a statement regarding consistency between the projects in the RTP and the ITIP? (2016 STIP Guidelines Section 33)		
8. Does the RTP contain a statement regarding consistency between the projects in the RTP and the RTIP? (2016 STIP Guidelines Section 19)		



# Regional Transportation Plan Checklist for RTPAs

(Revised December 2016)

*(To be completed electronically in Microsoft Word format by the RTPA and submitted along with the draft and final RTP to Caltrans)*

**Name of RTPA:** \_\_\_\_\_

**Date Draft RTP Completed:** \_\_\_\_\_

**RTP Adoption Date:** \_\_\_\_\_

**What is the Certification Date of the Environmental Document (ED)?** \_\_\_\_\_

**Is the ED located in the RTP or is it a separate document?** \_\_\_\_\_

*By completing this checklist, the RTPA verifies the RTP addresses all of the following required information within the RTP.*

## Regional Transportation Plan Contents

### General

1. Does the RTP address no less than a 20-year planning horizon? (23 CFR 450.216(a))
2. Does the RTP include both long-range and short-range strategies/actions? (23 CFR 450.324(b) "Should" for RTPAs)
3. Does the RTP address issues specified in the policy, action and financial elements identified in California Government Code Section 65080?
4. Does the RTP include Project Intent i.e. Plan Level Purpose and Need Statements?

Yes/No	Page #

### Consultation/Cooperation

1. Does the RTP contain a documented public involvement process that meets the requirements of Title 23, CFR part 450.210(a)?
2. Does the documented public involvement process describe how the RTPA will seek out and consider the needs of those traditionally underserved by the existing transportation system, such as low-income and minority households, who may face challenges accessing employment and other services? (23 CFR 450.210(a)(1)(viii))


	Yes/No	Page #
3. Was a periodic review conducted of the effectiveness of the procedures and strategies contained in the participation plan to ensure a full and open participation process? (23 CFR part 450.210(a)(1)(ix))		
4. Did the RTPA consult with the appropriate State and local representatives including representatives from environmental and economic communities; airport; transit; freight during the preparation of the RTP? (23 CFR 450.316(b) "Should" for RTPAs)		
5. Did the RTPA who has federal lands within its jurisdictional boundary involve the federal land management agencies during the preparation of the RTP? (23 CFR 450.216(j))		
6. Where does the RTP specify that the appropriate State and local agencies responsible for land use, natural resources, environmental protection, conservation and historic preservation consulted? (23 CFR part 450.216(j))		
7. Did the RTP include a comparison with the California State Wildlife Action Plan and (if available) inventories of natural and historic resources? (23 CFR part 450.216(j))		
8. Did the RTPA who has a federally recognized Native American Tribal Government(s) and/or historical and sacred sites or subsistence resources of these Tribal Governments within its jurisdictional boundary address tribal concerns in the RTP and develop the RTP in consultation with the Tribal Government(s)? (23 CFR part 450.216(i))		
9. Does the RTP address how the public and various specified groups were given a reasonable opportunity to comment on the plan using the public involvement process developed under 23 CFR part 450.210(a)? (23 CFR 450.210(a)(1)(iii))		
10. Does the RTP contain a discussion describing the private sector involvement efforts that were used during the development of the plan? (23 CFR part 450.210(a))		
11. Is the RTP coordinated and consistent with the Public Transit-Human Services Transportation Plan? (23 CFR part 450.208(h))		
12. Were the draft and adopted RTP posted on the Internet? (23 CFR part 450.216(o))		
13. If the RTPA made the election allowed by Government Code 65080(b)(2)(M) to change the RTP update schedule (from 5 to 4 years) and change the local government Housing Element update schedule (from 5 to 8 years), was the RTP adopted on the <u>estimated</u> date required to be provided in writing to State Department of Housing and Community Development pursuant to Government Code 65588(e)(5) to align the Regional Housing Need Allocation planning period established from the <u>estimated</u> RTP adoption date with the local government Housing Element planning period established from the <u>actual</u> RTP adoption date?		



5. Do the cost estimates for implementing the projects identified in the RTP reflect “year of expenditure dollars” to reflect inflation rates? (23 CFR part 450.324(f)(11)(iv)) (“Should” for RTPAs)
6. After 12/11/07, Does the RTP contain estimates of costs and revenue sources that are reasonably expected to be available to operate and maintain the freeways, highway and transit within the region? (65080(b)(4)(A) (23 CFR 450.324(f)(11)(i))
7. Does the RTP contain a statement regarding consistency between the projects in the RTP and the ITIP? (2016 STIP Guidelines Section 33)
8. Does the RTP contain a statement regarding consistency between the projects in the RTP and the RTIP? (2016 STIP Guidelines Section 19)


**Environmental**

1. Did the RTPA prepare an EIR or a program EIR for the RTP in accordance with CEQA guidelines?
2. Does the RTP contain a list of projects specifically identified as TCMs, if applicable?
3. Does the RTP specify mitigation activities? (23 CFR part 450.216(k))
4. Where does the EIR address mitigation activities?
5. Did the RTPA prepare a Negative Declaration or a Mitigated Negative Declaration for the RTP in accordance with CEQA guidelines?
6. Does the RTP specify the TCMs to be implemented in the region? (**federal nonattainment and maintenance areas only**)


**I have reviewed the above information and certify that it is correct and complete.**

\_\_\_\_\_  
 (Must be signed by RTPA Executive Director or designated representative)

\_\_\_\_\_ Date

\_\_\_\_\_ Print Name

\_\_\_\_\_ Title





STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION  
**DISADVANTAGED BUSINESS ENTERPRISES UTILIZATION REPORT**  
ADM-3069 (NEW 06/2011)

**Contractor Instructions:**

This form must be completed and submitted to the Caltrans Contract Manager with each invoice. Enter the Contract Number, Invoice Number, Task Order Number (if applicable), Contract Start Date, Completion Date (Expiration Date), Prime Contractor Name, Prime Contractor Business Address, Total Contract Amount (as written on the STD. 213).

This form has two columns for entering the dollar value for the item(s) of work performed or provided by the firm. The Non-DBE column is used to enter the dollar value of work performed by subcontracting firms who are not certified DBE. The DBE column is used to enter the dollar value of work performed only by certified DBE firms.

DBE prime contractors are required to show the corresponding dollar value of work performed by their own forces.

To confirm the certification status of a DBE, access the Department of Transportation, Office of Business and Economic Opportunity website at [http://www.dot.ca.gov/hq/bep/find\\_certified.htm](http://www.dot.ca.gov/hq/bep/find_certified.htm) or call toll free (866) 810-6346 or (916) 324-1700.

If a contractor performing work as a DBE becomes decertified and still performs work after the decertification date, enter the total value performed by this contractor in the DBE column for the certification period and the remaining work or services (after decertification) in the Non-DBE column. If a subcontractor performing work as a non-DBE on the project becomes certified as a DBE, enter the dollar value of all work performed after certification as a DBE in the appropriate column.

**Date Work Complete Column:** Enter the date the work and/or Task order was completed for the respective pay period.

**Date of Payment column:** Enter the date when the prime contractor made the payment to the firm for the portion of work listed as being completed. DBE prime contractors are required to show the date of work performed by their own forces.

Contractor's Signature: Contractor certifies that the information on the ADM-3069 is complete and correct.

**Contract Manager's Instructions:**

Review the form as submitted by the Contractor to ensure the form is complete and accurate. Once you receive the ADM-3069 from the Contractor, enter the total (or percent) of **Federal (only) dollars** (being used in the Agreement) on the form, then sign, date, and Email to [smallbusinessadvocate@dot.ca.gov](mailto:smallbusinessadvocate@dot.ca.gov) or FAX to 916-324-1949.



## DISADVANTAGED BUSINESS ENTERPRISE (DBE) INFORMATION / UNDERUTILIZED (UDBE) PARTICIPATION

ADM-0227F (REV 10/2009) Page 2 of 2 (CONTRACTS FEDERALLY FUNDED IN WHOLE OR IN PART)

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**AUTHORITY:**

Title 49, Code of Federal Regulations, Part 26 (49 CFR 26)

**INSTRUCTIONS FOR COMPLETING FORM ADM-0227F (Please Type or Print Legibly):**

**PART A - CONTRACTOR INFORMATION**

(A1) Bidder's/Proposer's Business Name, Address, City, State, and Zip Code, Contact Person, Business Phone, Fax Number, and Email Address.

(A2) Agreement Number, that is the same number as the Invitation for Bid (IFB) or Request for Proposal (RFP) number.

(A3) Total dollar amount that Contractor proposes to accomplish the Agreement.

(A4) Date this form is completed.

**PART B - DBE/UDBE INFORMATION AND DOCUMENTS**

Row 1B Complete this row ONLY if Prime is a certified DBE/UDBE and refer also to column instructions below.

Row 2B Complete these rows ONLY if the Subcontractor(s)/Supplier(s) are certified DBE/UDBE and refer to instructions below for Columns 1 through 7. If there are more than five (5) certified DBE/UDBE subcontractors/suppliers to be listed, please use additional copies of page 1 of this form and only complete A1, Contractor's Business Name, A2, Agreement Number, and 2B rows in Part B.

Column 1 Enter the names and complete addresses of all certified DBE/UDBE Contractor/Subcontractor/Supplier(s) that will be used in the Agreement.

Column 2 Enter the area code and phone number of the corresponding certified DBE/UDBE listed in Column 1.

Column 3 Enter the Contracting Tier number for each DBE/UDBE corresponding listed in Column 1: 0 = Prime or Joint Consultant, 1 = Primary Subcontractor, 2 = Subcontractor/Supplier of level 1 Primary Subcontractor.

Column 4 Enter a description that briefly captures the work to be performed or supplies to be provided by each corresponding DBE/UDBE firm listed in Column 1.

Column 5 Enter the DBE/UDBE or CUCP Certification Number for the corresponding DBE/UDBE listed in Column 1. Self-certification is NOT acceptable. DBEs/UDBEs must be certified by the submittal date identified in the IFB or RFP. For more certification and verification information, refer to the IFB's or RFP's *Notice to Bidders/Proposers Disadvantaged Business Enterprise (DBE) Program and Underutilized DBE (UDBE) Participation Goal*.

Column 6 Enter the correct Ownership Code number below for the corresponding DBE/UDBE listed in Column 1. Only UDBE participation counts toward contract goal.

1 = Black American (UDBE)	4 = Asian-Pacific American (UDBE)	7 = Woman (UDBE)
2 = Hispanic American (DBE)	5 = Subcontinent Asian American (DBE)	8 = Other (DBE)
3 = Native American (UDBE)	6 = Caucasian (DBE)	9 = Not Applicable

Column 7 Enter the percentage (%) of the dollar (\$) value claimed for each corresponding DBE/UDBE listed in Column 1.

**ADDITIONAL INFORMATION:**

- Form ADM-0312F should be submitted with the ADM-0227F to demonstrate good faith efforts (GFE) AND protect bidder's/proposer's eligibility for contract award in the event Caltrans determines the bidder/proposer failed to meet the UDBE goal.
- A DBE/UDBE joint venture partner shall submit the joint venture agreement with the form ADM-0227F.

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**ADA Notice** For individuals with sensory disabilities, this document is available in alternate formats. For alternate format information, contact the Forms Management Unit at (916) 445-1233, TTY 711, or write to Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814.

## Appendix D Bidder/Proposer DBE Good Faith Efforts Documentation (ADM-0312F)

STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION  
**BIDDER/PROPOSER DISADVANTAGED BUSINESS ENTERPRISE (DBE)**  
**GOOD FAITH EFFORTS DOCUMENTATION**  
 ADM-0312F (REV 03/2016) (Page 1 of 4) (CONTRACTS FEDERALLY FUNDED IN WHOLE OR IN PART)

CONTRACTOR'S NAME	DATE
IFB OR RFP OR RFQ NUMBER	

**BIDDER/PROPOSER INSTRUCTIONS:** Submittal of only the Disadvantaged Business Enterprise (DBE) Information form, ADM-0227F, may not provide sufficient documentation to demonstrate that adequate good faith efforts (GFE) were made by the bidder/proposer. Bidder/proposer should always submit documentation for making GFE to protect its eligibility for award should Caltrans, in its evaluation, find that the bidder/proposer did not meet the DBE goal. If a bidder/proposer does not meet the DBE goal, a bidder/proposer must make an adequate GFE to be responsive. Bidder/proposer shall complete this Bidder/Proposer Disadvantaged Business Enterprise (DBE) Good Faith Efforts Documentation form, ADM-0312F, and submit the requested information below with its bid by the bid due date and time.

**1. OUTREACH DOCUMENTATION**  
Describe the bidder's/proposer's outreach efforts to identify and solicit the interest of all certified DBEs that have the capability to perform the work of the contract. Provide copies of supporting documentation.

DESCRIPTION OF OUTREACH	DATE(S)	LOCATION (IF APPLICABLE)	RESULTS

**2. DBE DOCUMENTATION**

- List the names of certified DBEs and all dates on which they were solicited to bid on the contract.
- Include the items of work offered and the dates and methods used for initial and follow-up solicitations to determine with certainty whether the DBEs were interested.
- Attach copies of solicitations, e-mail messages, telephone records, fax confirmations, etc.

Check the appropriate box:     IFB     RFP     RFQ

**SOLICITATIONS**

NAME OF DBE SOLICITED	DATE OF INITIAL SOLICITATION	ITEM(S) OF WORK OFFERED	FOLLOW-UP METHODS AND DATES





STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION  
**BIDDER/PROPOSER DISADVANTAGED BUSINESS ENTERPRISE (DBE)**  
**GOOD FAITH EFFORTS DOCUMENTATION**  
 ADM-0312F (REV 03/2016) (Page 4 of 4) (CONTRACTS FEDERALLY FUNDED IN WHOLE OR IN PART)

**ADA Notice**  
 For individuals with sensory disabilities, this document is available in alternate formats. For alternate format information, contact the Forms Management Unit at (916) 446-1233, TTY: 711, or write to Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814.

CONTRACTOR'S NAME	IFB OR RFP OR RFO NUMBER	DATE
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**7. ASSISTANCE TO DBEs - Equipment/Supplies and Materials/Related Assistance or Services**  
 Describe the bidder's/proposer's efforts made to assist interested DBEs in obtaining necessary equipment, supplies, materials, or related assistance or services, excluding supplies and equipment the DBE purchases or leases from the prime contractor or its affiliate. Identify the DBEs assisted, the type of assistance offered, and the dates. Provide copies of supporting documents.

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**8. ASSISTANCE RECRUITING AND PLACING DBEs**  
 List the names of agencies and the dates on which they were contacted to provide assistance in contacting, recruiting, and using DBE firms. If the agencies were contacted in writing, provide copies of supporting documents.

NAME OF AGENCY/ORGANIZATION	METHODS/DATE OF CONTACT	RESULTS

**9. ADDITIONAL DATA TO SUPPORT A GOOD FAITH EFFORT**  
 Include additional data to support a demonstration of good faith efforts.




**Appendix E -Uniform Report of DBE Commitments/Awards and Payments**

FTA Section																	
**Please refer to the instruction sheet for directions on filling out this form**																	
1	Submitted to (check only one) <input type="checkbox"/> FHWA <input type="checkbox"/> FAA <input checked="" type="checkbox"/> FTA - Recipient ID Number 1622																
2	Grant Number(s) (FTA Recipients):																
3	Federal Fiscal year in which reporting period falls:					4. Date This Report Submitted:											
5	Reporting Period: <input checked="" type="checkbox"/> Report due for period Oct 1-Mar 31 <input type="checkbox"/> Report due for period April 1-Sep 30 <input type="checkbox"/> FAA annual report due Dec 1																
6	Name and address of Recipient: <span style="color: red;">Recipient or subrecipient completing this form</span>																
7	Annual DBE Goal(s):    Race Conscious Projection: 1.1%    Race Neutral Projection: 3.7%    OVERALL Goal: 4.8%																
Awards/Commitments this Reporting Period																	
A	<b>AWARDS/COMMITMENTS MADE DURING THIS REPORTING PERIOD</b> <small>(Total contracts and subcontracts committed during this reporting period)</small>	A	B	C	D	E	F	G	H	I							
		Total Federal Share Dollars	Total Number	Total to DBEs (dollars)	Total to DBEs (number)	Total to DBEs/Race Conscious (dollars)	Total to DBEs/Race Conscious (number)	Total to DBEs/Race Neutral (dollars)	Total to DBEs/Race Neutral (number)	Percentage of total dollars to DBEs							
		8	Prime contracts awarded this period (Standard Agreements)														
		9	Subcontracts awarded/committed this period (3rd Party Contracts)														
		10	<b>TOTAL</b>														
		B	<b>BREAKDOWN BY ETHNICITY &amp; GENDER</b>	A	B	C	D	E	F								
				Total to DBE (dollar amount)			Total to DBE (number)										
				Women	Men	Total	Women	Men	Total								
				11	Black American												
				12	Hispanic American												
				13	Native American												
14	Asian-Pacific American																
15	Subcontinent Asian Americans																
17	Non-Minority																
17	<b>TOTAL</b>																
Payments Made this Reporting Period																	
C	<b>PAYMENTS ON ONGOING CONTRACTS</b>	A	B	C	D	E	F										
		Total Number of Contracts	Total Dollars Paid	Total Number of Contracts with DBEs	Total Payments to DBE firms	Total Number of DBE firms Paid	Percent to DBEs										
		18	Prime and subcontracts currently in progress														
D	<b>TOTAL PAYMENTS ON CONTRACTS COMPLETED THIS REPORTING PERIOD</b>	A	B	C	D	E											
		Number of Contracts Completed	Total Dollar Value of Contracts Completed	DBE Participation Needed to Meet Goal (Dollars)	Total DBE Participation (Dollars)	Percent to DBEs											
		19	Race Conscious														
		20	Race Neutral														
		21	Totals														
22	Submitted by:				23.	Signature:			24.	Phone Number:							

