

CHAPTER 18 OPTIONAL FEDERAL EXCHANGE AND STATE MATCH PROGRAMS

CONTENTS

Section	Subject	Page Number
18.1	INTRODUCTION	18-1
18.2	ELIGIBLE USES OF EXCHANGE AND MATCH FUNDS	18-1
	RTPA Exchange Funds	18-1
	County Exchange Funds	18-2
	County Match Funds	18-2
18.3	FSTIP AND AIR QUALITY CONFORMANCE RESTRICTIONS	18.2
18.4	PAYMENT OF EXCHANGE AND MATCH FUNDS	18-2
18.5	STEPS FOR IMPLEMENTING EXCHANGE AND MATCH PROVISIONS	18-3
	Establishing Unobligated Apportionment Balance Available for Exchange	18-3
	Local Entity Written Request For Exchange Funds	18-3
	State-Fund Exchange Agreement	18-4
	Invoice For Payment Of Funds	18-6
	Financial Controls	
18.6	REFERENCES	18-7

EXHIBITS

Exhibit	Description	Page Number
18-A	Federal Apportionment Exchange Program: California Department of Transportation -- Regional Transportation Planning Agency Agreement	18-9
18-B	Federal Apportionment Exchange Program and State Match Program: California Department Of Transportation -- Non-MPO County Agreement ...	18-13
18-C	Federal Apportionment Exchange Program and State Match Program: California Department Of Transportation -- MPO County (Less than 1% of Section 182.6(d)(2) S&HC RSTP Apportionment) Agreement	18-17
18-D	Federal Apportionment Exchange Program and State Match Program: California Department of Transportation -- MPO County (Greater than 3.5% Section 182.6(d)(2) S&HC RSTP Apportionment) Agreement	18-21
18-E	State Match Program: California Department of Transportation -- County Agreement	18-25
18-F	Sample Invoice for Federal Exchange and State Match Programs	18-27

CHAPTER 18 OPTIONAL FEDERAL EXCHANGE AND STATE MATCH PROGRAMS

18.1 INTRODUCTION

Senate Bill (SB) 1435 (Chapter 1177 of the 1992 Statutes), effective September 29, 1992, amended section 182.6 of the Streets and Highways Code (S&HC) to redefine the Optional Federal Exchange program under the Intermodal Surface Transportation Efficiency Act (ISTEA).

Section 182.6(g) of the S&HC permits a Regional Transportation Planning Agency (RTPA) not designated as, nor represented by, a Metropolitan Planning Organization (MPO) with an urbanized area of greater than 200,000 population, to exchange its annual apportionment of Regional Surface Transportation Program (RSTP) funds for non-Federal funds (State cash). If an eligible RTPA elects not to exchange, Section 182.6(h)(1) permits an eligible county represented by that RTPA to exchange its entire annual sub-apportionment, pursuant to Section 182.6(d)(2) (110 percent 1990/91 Federal-aid Secondary minimum), for State cash.

In addition, Section 182.6(h)(2) of the S&HC permits an eligible county, located within an MPO boundary, to exchange its entire apportionment of Section 182.6(d)(2) funds, if it receives less than one percent of the total statewide apportionment under Section 182.6(d)(2) or that portion, if any, received in excess of 3.5 percent of the total statewide apportionment.

Section 182.9 of the S&H Code, as redefined by SB 1435, addresses the topic of State Match funds. The California Transportation Commission (CTC) must allocate to each county an amount equal to 50 percent of the funds allocated pursuant to Section 182.6(d)(2) with a maximum limit of \$100,000 dollars per county per fiscal year. State match funds are used to match Federal funds allocated pursuant to section 182.6(d)(2) of the S&HC.

Optional Federal Exchange and State Match dollars available under ISTEA are paid as a lump sum cash amount following the annual apportionment of RSTP funds.

18.2 ELIGIBLE USES FOR EXCHANGE AND MATCH FUNDS

RTPA EXCHANGE FUNDS

RTPA exchange funds must be used for projects as defined in Sections 133(b) and 133(c) of Title 23 of the United States Code (USC)--Highways, and not otherwise excluded by Article XIX--Motor Vehicle Revenues of the State Constitution.

COUNTY EXCHANGE FUNDS

County exchange funds, pursuant to Sections 182.6(h)(1) and (h)(2) of the S&HC, may be used for any transportation purpose authorized by Article XIX of the State Constitution.

COUNTY MATCH FUNDS

County match funds must be used to match Federal funds allocated pursuant to Section 182.6(d)(2) or, if in excess, may be used for any transportation purpose authorized by Article XIX of the State Constitution.

18.3 FSTIP AND AIR QUALITY CONFORMANCE RESTRICTIONS

Projects financed with exchange funds need not be included in an approved Federal Statewide Transportation Improvement Program (FSTIP) unless Federal action is required. However, the RTPA and county must agree to honor all projects already approved and included in an adopted Regional Transportation Improvement Program (RTIP) (i.e., exchange funds must be used to fund those projects where the RSTP funds for the projects have been exchanged) or have reached agreement on RTIP amendments. Caltrans must be notified of all RTIP amendments, especially for projects that remain RSTP funded, so that Federal funding documents (Request for Authorization, agreements, etc.) can be processed expeditiously.

Caltrans policy requires that exchange fund projects in an air quality non-attainment area be approved by the appropriate RTPA. These projects must also be explicitly included in the build alternative of the air quality conformance analysis, prior to use of exchange funds on the project.

18.4 PAYMENT OF EXCHANGE AND MATCH FUNDS

All requests for exchange and match funds are treated as grants with up-front lump sum payments. The RTPA's share of exchange is paid directly to the RTPA. Match funds and optional county exchange funds are paid directly to each eligible county.

Eligible counties and RTPAs have the option of requesting the payment of exchange funds in incremental amounts throughout the year instead of one lump sum. Caltrans must agree to any special payment requests.

Each year there is the possibility that initial payments for exchange and match may be lower than the total amount requested by an eligible agency due to a budgetary shortfall within Caltrans. Payment will be based on:

- the local agency's balance of remaining unobligated eligible Federal apportionments.
- the total statewide exchange and match payment requested from RTPAs and counties.
- available State budget capacity.

If the requests exceed the current fiscal year's budget capacity, and if a budget change proposal is not approved for that fiscal year to cover all requests, then the remaining balances of requested exchange and match funds are to be funded from the next fiscal year's State budget.

18.5 STEPS FOR IMPLEMENTING EXCHANGE AND MATCH PROVISIONS

ESTABLISHING UNOBLIGATED APPORTIONMENT BALANCE AVAILABLE FOR EXCHANGE

The Office of Local Programs (OLP) does not track the balances of S&HC Section 182.6(d)(2) county apportionments eligible for exchange. To establish the balances of unobligated apportionments available for exchange, the District Local Assistance Engineer (DLAE) must review the apportionment balances and project transactions, provided monthly by the OLP, and then meet with the eligible Regional Transportation Planning Agencies (RTPAs) and counties to determine the amount of eligible Federal apportionments to be exchanged for State cash. The RTPAs are responsible for identifying which projects count toward the Section 182.6(d)(2) county apportionment.

Once the eligible exchange amount is established, the DLAE must inform the appropriate OLP Area Engineer how the amount was calculated and provide the appropriate support documentation.

An RTPA or county may not request that payment of exchange funds be carried over into future fiscal years. The full amount of the fiscal year's apportionment will be paid subject to State budget constraints.

Unless otherwise noted, the deadline for exchange fund requests to the OLP is March 1, of the program fiscal year, after which further exchange is not allowed.

LOCAL ENTITY WRITTEN REQUEST FOR EXCHANGE FUNDS

REQUEST FROM A RTPA

The request from a RTPA must address the exchange of RSTP funds per Section 182.6(g) of the S&HC.

- The exchange amount shown in the RTPA agreement is equal to the total of that fiscal year's RSTP apportionment, less the minimum RSTP apportionment to be exchanged directly between the county and the State, less that portion of that fiscal year's RSTP apportionment already obligated and/or to be retained for future obligation. The exchange amount shown in the RTPA agreement shall not exceed the maximum allowable exchange funds for the fiscal year.

- If the request received by the DLAE does not specifically provide for that portion of the request to be exchanged directly between the county and the State, this portion of the exchange funds must be addressed in subsequent documentation (i.e., another reply or an executed RTPA agreement--the RTPA agreement includes an article in which the RTPA agrees that the State can pay exchange funds directly to the county).

The RTPA must also submit a list of those local entities to which the RTPA has allocated prior year exchange funds. This list must be received by the OLP before the State fund exchange agreement can be executed.

The request is submitted to the DLAE and must be signed by an authorized representative of the RTPA. The DLAE shall sign the request, recommending approval of the exchange fund amount. The request shall then be sent to the appropriate OLP Area Engineer for final approval of the amount requested and preparation of the State fund exchange agreement.

REQUEST FROM A COUNTY

The RSTP fund amount eligible for exchange by a non-MPO county is equal to that county's fiscal year apportionment pursuant to Section 182.6(d)(2) of the S&HC, less that portion already obligated and/or retained for future obligation for projects chargeable to that county's apportionment. The request from a county which qualifies for exchange funds must indicate the:

- amount of eligible RSTP funds for that fiscal year to be exchanged, and
- anticipated payment schedule, if payment of funds is not to be made in one lump sum.

The request must be signed by an authorized representative of the county and submitted to the DLAE. The DLAE must concur with and recommend approval of the exchange amount requested. The request shall be sent to the appropriate OLP Area Engineer for final approval of the amount requested and preparation of the State fund exchange agreement.

STATE-FUND EXCHANGE AGREEMENT

An eligible county or RTPA must enter into a State-fund exchange agreement for payment of match and/or exchange funds. Once the county, RTPA/MPO, District Local Assistance Engineer, and Headquarters OLP Area Engineer are in agreement with the exchange and match amounts, a State-fund exchange agreement will be prepared (in duplicate) by the OLP and forwarded to the local agency. Following execution of the agreement, the local agency must return both copies of the agreement to the OLP for final execution, encumbrance of funds and final processing. A copy of the final executed agreement will be returned to the local agency.

RTPA-STATE AGREEMENT

The RTPA-State fund exchange agreement requires that the RTPA agree:

- to apportion exchange funds to projects eligible under ISTEA and not excluded by Article XIX of the State Constitution which are implemented by cities, counties and other transportation agencies, and
- that all projects in an air quality non-attainment area, which are financed by exchange funds and have an air quality impact, be explicitly included in the build alternative of the air quality conformance analysis.

COUNTY-STATE AGREEMENT

The county-State fund exchange/match agreement requires that the county agree:

- to use exchange funds for transportation purposes authorized under Article XIX of the State Constitution.
- to use match funds to match the Federal funds allocated pursuant to Section 182.6(d)(2), or if in excess, for any transportation purpose authorized by Article XIX.
- that all projects in an air quality non-attainment area, which are financed by exchange funds and have an air quality impact, must be approved by the appropriate RTPA and be explicitly included in the build alternative of the air quality conformance analysis.

The following five State fund exchange and/or match agreements address optional exchange and State match funds provisions authorized by Sections 182.6 and 182.9 of the S&HC. These agreements are executed with RTPAs, MPO counties and non-MPO counties, as appropriate. (See Exhibits 18-A through 18-E.)

- Exhibit 18-A; “Federal Apportionment Exchange Program: California Department of Transportation -- Regional Transportation Planning Agency” addresses the exchange of an eligible RTPA’s annual RSTP apportionment for State cash as authorized by Section 182.6(g) of the S&HC.
- Exhibit 18-B; “Federal Apportionment Exchange Program and State Match Program: California Department of Transportation -- Non-MPO County” addresses the exchange of the annual RSTP apportionment assigned to a non-MPO county for State cash and the State Match Program as authorized by Sections 182.6 (h)(1) and 182.9 of the S&HC, respectively.
- Exhibit 18-C; “Federal Apportionment Exchange Program and State Match Program: California Department of Transportation -- MPO County (less than 1%)” sets forth the requirements for exchange of RSTP apportionment assigned to a MPO county receiving less than 1% of the total annual statewide apportionment pursuant to Section 182.6 (d)(2), as authorized by Section 182.6 (h)(2). of the S&HC.

- Exhibit 18-D; “Federal Apportionment Exchange Program and State Match Program: California Department of Transportation -- MPO County (greater than 3.5%)” sets forth the requirements for exchange of RSTP apportionment assigned to a MPO county receiving more than 3.5% of the total statewide annual apportionment pursuant to Section 182.6 (d)(2), as authorized by section 182.6 (h)(2) of the S&HC.
- Exhibit 18-E; “State Match Program: California Department of Transportation -- County” is for use with counties receiving only State Match Program funds as authorized by Section 182.9 of the S&HC.

Notes: 1) The format and content of these agreements have been approved by the Caltrans Legal Division and are not to be revised.

2) Pre-ISTEA optional exchange and/or State match funds are authorized by Sections 2208 and 2209 and/or 2210 of the Streets and Highways Code. Consult the OLP for the appropriate agreement formats.

INVOICE FOR PAYMENT OF FUNDS

Prior to payment of exchange or match funds, the eligible RTPA or county must submit an invoice (original and two copies) to the State for payment. The invoice will formally evidence the county’s intent to assign an eligible portion of its annual minimum RSTP apportionment to the State. The invoice should be sent directly to the Accounting Service Center, Local Programs Accounting Branch. The initial invoice may accompany the above-referenced executed agreement. A sample invoice for use with the Exchange and Match programs is included at the end of this chapter (see Exhibit 18-F).

FINANCIAL CONTROLS

RTPAS

Non-city/county agencies receiving funds for projects from RTPAs are audited on a selective basis following the completion of projects. Eligible RTPAs are to provide the State with a list of local entities allocated exchange funds and the amount allocated to each agency, before receiving next year’s allocation.

RTPAs must agree to require non-city/county project sponsors to establish a separate account to deposit exchange fund payments. Furthermore, the RTPA must establish a separate account to deposit payments. The use of separate and special accounts facilitates the audit process and provides a mechanism to identify the use of funds and remaining balances.

In the event of an adverse audit finding, a local project sponsor receiving exchange funds from an RTPA must return the State cash to the RTPA for allocation to other eligible projects. The RTPA will be required to notify the State when the necessary corrective action has been taken.

If an adverse audit finding is not corrected, a hold will be placed on future exchange payments to the RTPA until the adverse findings are corrected to the State’s satisfaction.

CITIES AND COUNTIES

City and county expenditures of exchange and match funds are subject to financial and compliance audits by State of California auditors.

City and county agencies must establish a separate account within their Special Gas Tax Street Improvement Fund or County Road Fund to deposit and account for State exchange and match payments received directly from the State and/or allocated by a RTPA. Using separate and special accounts facilitates the audit process and provides a mechanism to identify the use of funds and remaining balances.

In the event of an adverse audit finding, a county receiving exchange/match funds directly from the State is required to replace the State dollars with local funds and credit their exchange/match balance for use of funds on other eligible purposes.

In the event of an adverse audit finding, a city or county project sponsor receiving exchange funds from a RTPA must return the State cash to the RTPA for allocation to other eligible projects.

If an adverse audit finding is not corrected, a hold will be placed on future exchange and match payments to the RTPA or county until the adverse findings are corrected to the State's satisfaction.

18.6 REFERENCES

- Optional Federal Exchange and State Match Guidelines - Caltrans
- Senate Bill 1435, Chapter 1177 of the 1992 Statutes Relating to the California Department of Transportation
- Sections 182.6(d)(1), (d)(2), (h)(1), (h)(2) and 182.9 of the Streets and Highways Code
- Sections 133(b), (c) of the United States Government Code
- Intermodal Surface Transportation Efficiency Act of 1991
- Article XIX of the State Constitution

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**FEDERAL APPORTIONMENT EXCHANGE PROGRAM: CALIFORNIA DEPARTMENT OF
TRANSPORTATION -- REGIONAL TRANSPORTATION PLANNING AGENCY**

District Agency

Agreement No. _____

THIS AGREEMENT is made on _____, 199____, by _____, a Regional Transportation Planning Agency (RTPA) designated under section 29532 of the California Government Code, and the State of California, acting by and through the Department of Transportation (CALTRANS).

WHEREAS, RTPA desires to assign apportionments made available to it for allocation to transportation projects under the Intermodal Surface Transportation Efficiency Act of 1991, as modified in accordance with section 182.6 of the Streets and Highways Code [Regional Surface Transportation Program (RSTP) funds] in exchange for nonFederal State Highway Account funds:

NOW, THEREFORE, the parties agree as follows:

1. As authorized by section 182.6(g) of the Streets and Highways Code, RTPA agrees to assign to CALTRANS the following portion of its annual RSTP apportionment:

\$_____ . ____ for Fiscal Year 199__/9__

For Caltrans Use Only

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance								
Accounting Officer					Date		\$	
Chapter	Statutes	Item	Fiscal Year	Program	BC	Category	Fund Source	\$

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance								
Accounting Officer					Date		\$	
Chapter	Statutes	Item	Fiscal Year	Program	BC	Category	Fund Source	\$

The above referenced portion of RTPA's annual RSTP apportionment is equal to the total RSTP Apportionment less the minimum annual RSTP apportionment set for the county under section 182.6(d)(2) of the Streets and Highways Code, less any Federal apportionments already obligated for projects not chargeable to said County's annual RSTP minimum apportionment, and less those RSTP apportionments RTPA has chosen to retain for future obligation.

2. RTPA agrees the exchange for county's annual RSTP minimum apportionment under section 182.6(d)(2) of the Streets and Highways Code will be paid by CALTRANS directly to _____ County.

3. Subject to funds being made available, and upon receipt of an invoice evidencing its assignment under Section 1 to CALTRANS, CALTRANS agrees to pay to RTPA an amount not to exceed \$_____ which amount is equal to the sum of the amounts assigned in Section 1.

4. Subject to funds being made available by the State Budget Act, CALTRANS agrees to pay RTPA prior to July 1, 199__ up to \$_____ invoiced under Section 3 for use in accordance with this agreement.

5. RTPA agrees to allocate all State funds paid hereunder only for projects as defined under sections 133(b) and 133 (c) of Title 23, United States Code and Article XIX of the California State Constitution, implemented by cities, counties, and other agencies in accordance with the requirements of section 182.6(d)(1) of the Streets and Highways Code.

6. RTPA agrees to allocate such funds, as necessary, for those projects already included in the adopted Federal Statewide Transportation Improvement Program (FSTIP) that were to be funded with RSTP funds exchanged under Section 1 or reach agreement on amendments to the FSTIP.

7. RTPA agrees specifically to include in the "build" alternative of the air quality conformance analysis any capacity-expanding project funded herein located in an air quality nonattainment area.

8. RTPA agrees to provide to CALTRANS annually by August 1 a list of all local project sponsors allocated funds herein in the preceding fiscal year and the amounts allocated.

9. RTPA agrees to require project sponsors receiving funds hereunder to establish a special account for the purpose of depositing therein all payments received from RTPA pursuant to this agreement: (a) for cities within their Special Gas Tax Street Improvement Fund, (b) for counties, within their County Road Fund, and (c) for all other sponsors, a separate account.

10. RTPA agrees to grant, and to require local sponsors to grant, State of California auditors access to RTPA's and local sponsor's books and records for the purpose of verifying that funds paid hereunder are properly accounted for and proceeds are expended in accordance with the terms of this agreement. All documents will be available for inspection by authorized CALTRANS agents at any time during project development and for a four-year period from date of completion of project or one year after the audit is completed or waived by CALTRANS, whichever is later.

11. RTPA agrees in the event a project sponsor fails to use funds received hereunder in accordance with the terms of this agreement to require the project sponsor to return the exchange funds to RTPA for credit to the account established under Section 9. In the event of such requirement by CALTRANS, RTPA shall provide written verification to CALTRANS that the requested corrective action has been taken.

12. CALTRANS reserves the right for the payments required hereunder to be reduced to offset such additional obligations against Federal apportionments as are chargeable to, but not included in, the assignment under Section 1.

STATE OF CALIFORNIA
Department of Transportation

(TRANSPORTATION PLANNING AGENCY)
[LOCAL TRANSPORTATION COMMISSION]

Chief, District Liaison Branch
Office of Local Programs

Executive Director

Date: _____

Date: _____

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**FEDERAL APPORTIONMENT EXCHANGE PROGRAM AND STATE MATCH PROGRAM:
 CALIFORNIA DEPARTMENT OF TRANSPORTATION -- NON-MPO COUNTY**

District _____ County _____

Agreement No. _____

THIS AGREEMENT is made on _____, 199__, by the COUNTY of _____, a political subdivision of the State of California (COUNTY), and the State of California, acting by and through the Department of Transportation (CALTRANS).

WHEREAS, COUNTY desires to assign apportionments made available to it for allocation to transportation projects under the Intermodal Surface Transportation Efficiency Act of 1991, as modified in accordance with section 182.6 of the Streets and Highways Code (Regional Surface Transportation Program (RSTP) funds) in exchange for nonFederal State Highway Account funds, and

WHEREAS section 182.9 of the Streets and Highways Code requires the allocation of State matching moneys from the State Highway Account to COUNTY, and

NOW, THEREFORE, the parties agree as follows:

I. FEDERAL APPORTIONMENT EXCHANGE PROGRAM

A. As authorized by section 182.6 of the Streets and Highways Code, and the RTPA having agreed to exchange or elected not to exercise its authority as it relates to the COUNTY'S portion of the RSTP under section 182.6(g), COUNTY agrees to assign to CALTRANS:

\$_____ from the eligible portion of its annual minimum RSTP Apportionment for Fiscal Year 199_/9_.

For Caltrans Use Only

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance								
Accounting Officer					Date		\$	
Chapter	Statutes	Item	Fiscal Year	Program	BC	Category	Fund Source	\$

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance								
Accounting Officer					Date		\$	
Chapter	Statutes	Item	Fiscal Year	Program	BC	Category	Fund Source	\$

The eligible portion of said minimum apportionment is the COUNTY's annual minimum RSTP apportionment established under section 182.6 (d)(2) of the Streets and Highways Code less any Federal apportionments already obligated for projects chargeable to its annual minimum RSTP apportionment.

B. COUNTY agrees to use such funds, as necessary, for those projects already included in the adopted Federal Statewide Transportation Improvement Program (FSTIP) that were to be funded with RSTP funds exchanged under Section I.A or reach agreement on amendments to the FSTIP.

C. COUNTY agrees that it will not undertake any capacity-expanding project funded herein located in an air quality nonattainment area without prior inclusion of said project by its RTPA in the "build" alternative of the air quality conformance analysis and the RTPA's subsequent concurrence in the project's implementation.

II. STATE MATCH PROGRAM

A. As authorized by section 182.9 of the Streets and Highways Code, CALTRANS agrees to pay to COUNTY \$_____ from the unobligated balance of its State Matching moneys for Fiscal Year 199_/9_.

B. COUNTY agrees that before it uses State Matching funds for any other lawful purpose, it shall use such funds to match Federally funded transportation projects.

III. COMMON PROVISIONS

A. Subject to funds being made available by the State Budget Act, and upon receipt of an invoice evidencing COUNTY's assignment of its apportionment under Section I.A to CALTRANS, CALTRANS agrees to pay to COUNTY an amount not to exceed \$_____ which amount is equal to the sum of the apportionment amounts identified in Section I.A and the State Match funds identified in Section II.A.

B. Subject to funds being made available by the State Budget Act, CALTRANS agrees to pay COUNTY prior to July 1, 199_, up to \$_____ of the amounts invoiced under Section III.A, for use in accordance with this agreement.

C. COUNTY agrees to use all State funds paid hereunder only for transportation purposes that are in conformance with Article XIX of the California State Constitution.

D. COUNTY agrees to establish a special account within their County Road Fund for the purpose of depositing all payments received from STATE pursuant to this agreement.

E. COUNTY agrees to grant State of California auditors access to COUNTY's books and records for the purpose of verifying that funds paid hereunder are properly accounted for and proceeds are expended in accordance with the terms of this agreement. All documents will be available for inspection by authorized CALTRANS agents at any time for a four-year period from date of payment under this agreement or one year after the audit is completed or waived by CALTRANS, whichever is later.

F. COUNTY agrees in the event COUNTY fails to use funds received hereunder in accordance with the terms of this agreement, CALTRANS will require COUNTY to replace those State funds with local funds and credit the account established under Section III.D. In the event of such requirement by CALTRANS, COUNTY shall provide written verification to CALTRANS that the requested corrective action has been taken.

G. CALTRANS reserves the right for the payments required hereunder to be reduced to offset such additional Federal apportionments obligated for projects chargeable to the COUNTY's annual RSTP minimum apportionment as are not counted in Section I.A and such additional State Match funds obligated for Federal projects as are not counted in Section II.A.

STATE OF CALIFORNIA
Department of Transportation

COUNTY OF _____

Chief, District Liaison Branch
Office of Local Programs

Chair, Board of Supervisors

Date: _____

Date: _____

ATTEST:

Acting Clerk, Board of Supervisors

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**FEDERAL APPORTIONMENT EXCHANGE PROGRAM AND STATE MATCH PROGRAM: CALIFORNIA
 DEPARTMENT OF TRANSPORTATION -- MPO COUNTY
 (LESS THAN 1% TOTAL STATEWIDE SECTION 182.6(d)(2) S&HC ANNUAL RSTP APPORTIONMENT)**

District _____ County _____

Agreement No. _____

THIS AGREEMENT is made on _____, 199_, by the COUNTY of _____, a political subdivision of the State of California (COUNTY), and the State of California, acting by and through the Department of Transportation (CALTRANS).

WHEREAS, COUNTY desires to assign apportionments made available to it for allocation to transportation projects under the Intermodal Surface Transportation Efficiency Act of 1991, as modified in accordance with section 182.6 of the Streets and Highways Code (Regional Surface Transportation Program (RSTP) funds) in exchange for nonFederal State Highway Account funds, and

WHEREAS section 182.9 of the Streets and Highways Code requires the allocation of state matching moneys from the State Highway Account to COUNTY:

NOW, THEREFORE, the parties agree as follows:

I. FEDERAL APPORTIONMENT EXCHANGE PROGRAM

A. As authorized by section 182.6(h)(2) of the Streets and Highways Code, COUNTY agrees to assign to CALTRANS:

\$ _____ from the eligible portion of its annual minimum RSTP Apportionment for Fiscal Year 199_/9_.

For Caltrans Use Only

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance								
Accounting Officer					Date		\$	
Chapter	Statutes	Item	Fiscal Year	Program	BC	Category	Fund Source	\$

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance								
Accounting Officer					Date		\$	
Chapter	Statutes	Item	Fiscal Year	Program	BC	Category	Fund Source	\$

The eligible portion of said minimum apportionment is the COUNTY's annual minimum RSTP apportionment established under Section 182.6 (d)(2) of the Streets and Highways Code less any Federal apportionments already obligated for projects chargeable to its eligible portion annual minimum RSTP apportionment.

B. COUNTY agrees to use such funds, as necessary, for those projects already included in the adopted Federal Statewide Transportation Improvement Program (FSTIP) that were to be funded with RSTP funds exchanged under Section I.A or reach agreement on amendments to the FSTIP.

C. COUNTY agrees that it will not undertake any capacity-expanding project funded herein located in an air quality nonattainment area without prior inclusion of said project by its RTPA in the "build" alternative of the air quality conformance analysis and the RTPA's subsequent concurrence in the project's implementation.

II. STATE MATCH PROGRAM

A. As authorized by section 182.9 of the Streets and Highways Code, CALTRANS agrees to pay to COUNTY \$_____ from the unobligated balance of its State Matching moneys for Fiscal Year 199_/9_.

B. COUNTY agrees that before it uses State Matching funds for any other lawful purpose, it shall use such funds to match Federally funded transportation projects.

III. COMMON PROVISIONS

A. Subject to funds being made available by the State Budget Act, and upon receipt of an invoice evidencing COUNTY's assignment of its apportionment under Section I.A to CALTRANS, CALTRANS agrees to pay to COUNTY an amount not to exceed \$_____ which amount is equal to the sum of the apportionment amounts identified in Sections I.A and the State Match funds identified in Section II.A.

B. Subject to funds being made available by the State Budget Act, CALTRANS agrees to pay COUNTY prior to July 1, 199_, up to \$_____ of the amounts invoiced under Section III.A, for use in accordance with this agreement.

C. COUNTY agrees to use all state funds paid hereunder only for transportation purposes that are in conformance with Article XIX of the California State Constitution.

D. COUNTY agrees to establish a special account within their County Road Fund for the purpose of depositing all payments received from STATE pursuant to this agreement.

E. COUNTY agrees to grant State of California auditors access to COUNTY's books and records for the purpose of verifying that funds paid hereunder are properly accounted for and proceeds are expended in accordance with the terms of this agreement. All documents will be available for inspection by authorized CALTRANS agents at any time for a four-year period from date of payment under this agreement or one year after the audit is completed or waived by CALTRANS, whichever is later.

F. COUNTY agrees in the event COUNTY fails to use funds received hereunder in accordance with the terms of this agreement, CALTRANS will require COUNTY to replace those State funds with local funds and credit the account established under Section III.D. In the event of such requirement by CALTRANS, COUNTY shall provide written verification to CALTRANS that the requested corrective action has been taken.

G. CALTRANS reserves the right for the payments required hereunder to be reduced to offset such additional Federal apportionments obligated for projects chargeable to the COUNTY's annual RSTP minimum

apportionment as are not counted in Section I.A and such additional State Match funds obligated for Federal projects as are not counted in Section II.A.

STATE OF CALIFORNIA
Department of Transportation

COUNTY OF _____

Chief, District Liaison Branch
Office of Local Programs

Chair, Board of Supervisors

Date: _____

Date: _____

ATTEST:

Acting Clerk, Board of Supervisors

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FEDERAL APPORTIONMENT EXCHANGE PROGRAM AND STATE MATCH PROGRAM: CALIFORNIA DEPARTMENT OF TRANSPORTATION -- MPO COUNTY

(GREATER THAN 3.5% TOTAL STATEWIDE SECTION 182.6(d)(2) S&H CODE ANNUAL RSTP APPORTIONMENT)

District _____ County _____

Agreement No. _____

THIS AGREEMENT is made on _____, 199_, by the COUNTY of _____, a political subdivision of the State of California (COUNTY), and the State of California, acting by and through the Department of Transportation (CALTRANS).

WHEREAS, COUNTY desires to assign apportionments made available to it for allocation to transportation projects under the Intermodal Surface Transportation Efficiency Act of 1991, as modified in accordance with section 182.6 of the Streets and Highways Code (Regional Surface Transportation Program (RSTP) funds) in exchange for nonFederal State Highway Account funds, and

WHEREAS section 182.9 of the Streets and Highways Code requires the allocation of state matching moneys from the State Highway Account to COUNTY:

NOW, THEREFORE, the parties agree as follows:

I. FEDERAL APPORTIONMENT EXHCANGE PROGRAM

A. As authorized by section 182.6(h)(2) of the Streets and Highways Code, COUNTY agrees to assign to CALTRANS:

\$ _____ from the eligible portion of its annual minimum RSTP Apportionment for Fiscal Year 199_/9_.

For Caltrans Use Only

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance								
Accounting Officer					Date		\$	
Chapter	Statutes	Item	Fiscal Year	Program	BC	Category	Fund Source	\$

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance								
Accounting Officer					Date		\$	
Chapter	Statutes	Item	Fiscal Year	Program	BC	Category	Fund Source	\$

The eligible portion of said minimum apportionment is the COUNTY's annual minimum RSTP apportionment established under section 182.6 (d)(2) of the Streets and Highways Code in excess of 3 1/2 percent of the statewide minimum apportionment established under section 182.6 (d)(2) less any Federal apportionments already obligated for projects chargeable to its eligible portion annual minimum RSTP apportionment.

B. COUNTY agrees to use such funds, as necessary, for those projects already included in the adopted Federal Statewide Transportation Improvement Program (FSTIP) that were to be funded with RSTP funds exchanged under Section I.A or reach agreement on amendments to the FSTIP.

C. COUNTY agrees that it will not undertake any capacity-expanding project funded herein located in an air quality nonattainment area without prior inclusion of said project by its RTPA in the "build" alternative of the air quality conformance analysis and the RTPA's subsequent concurrence in the project's implementation.

II. STATE MATCH PROGRAM

A. As authorized by section 182.9 of the Streets and Highways Code, CALTRANS agrees to pay to COUNTY \$_____ from the unobligated balance of its State Matching moneys for Fiscal Year 199_/9_.

B. COUNTY agrees that before it uses State Matching funds for any other lawful purpose, it shall use such funds to match Federally funded transportation projects.

III. COMMON PROVISIONS

A. Subject to funds being made available by the State Budget Act, and upon receipt of an invoice evidencing COUNTY's assignment of its apportionment under section I.A to CALTRANS, CALTRANS agrees to pay to COUNTY an amount not to exceed \$_____ which amount is equal to the sum of the apportionment amounts identified in Section I.A and the State Match funds identified in Section II.A.

B. Subject to funds being made available by the State Budget Act, CALTRANS agrees to pay COUNTY prior to July 1, 199_, up to \$_____ of the amounts invoiced under Section III.A, for use in accordance with this agreement.

C. COUNTY agrees to use all state funds paid hereunder only for transportation purposes that are in conformance with Article XIX of the California State Constitution.

D. COUNTY agrees to establish a special account within their County Road Fund for the purpose of depositing all payments received from STATE pursuant to this agreement.

E. COUNTY agrees to grant State of California auditors access to COUNTY's books and records for the purpose of verifying that funds paid hereunder are properly accounted for and proceeds are expended in accordance with the terms of this agreement. All documents will be available for inspection by authorized CALTRANS agents at any time for a four-year period from date of payment under this agreement or one year after the audit is completed or waived by CALTRANS, whichever is later.

F. COUNTY agrees in the event COUNTY fails to use funds received hereunder in accordance with the terms of this agreement, CALTRANS will require COUNTY to replace those State funds with local funds and credit the account established under Section III.D. In the event of such requirement by CALTRANS, COUNTY shall provide written verification to CALTRANS that the requested corrective action has been taken.

G. CALTRANS reserves the right for the payments required hereunder to be reduced to offset such additional Federal apportionments obligated for projects chargeable to the COUNTY's annual RSTP minimum apportionment as are not counted in Section I.A and such additional State Match funds obligated for Federal projects as are not counted in Section II.A.

STATE OF CALIFORNIA
Department of Transportation

COUNTY OF _____

Chief, District Liaison Branch
Office of Local Programs

Chair, Board of Supervisors

Date: _____

Date: _____

ATTEST:

Acting Clerk, Board of Supervisors

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STATE MATCH PROGRAM: CALIFORNIA DEPARTMENT OF TRANSPORTATION -- COUNTY

District _____ County _____

Agreement No. _____

THIS AGREEMENT is made on _____, 199_, by the COUNTY of _____ a political subdivision of the State of California (COUNTY), and the State of California, acting by and through the Department of Transportation (CALTRANS).

WHEREAS section 182.9 of the Streets and Highways Code requires the allocation of state matching moneys from the State Highway Account to COUNTY:

NOW, THEREFORE, the parties agree as follows:

I. STATE MATCH PROGRAM

A. As authorized by section 182.9 of the Streets and Highways Code, CALTRANS agrees to pay to COUNTY \$_____ from the unobligated balance of its State Matching moneys for Fiscal Year 199_/9_.

B. COUNTY agrees that before it uses State Matching funds for any other lawful purpose, it shall use such funds to match Federally funded transportation projects.

For Caltrans Use Only

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance								
Accounting Officer					Date		\$	
Chapter	Statutes	Item	Fiscal Year	Program	BC	Category	Fund Source	\$

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance								
Accounting Officer					Date		\$	
Chapter	Statutes	Item	Fiscal Year	Program	BC	Category	Fund Source	\$

II. COMMON PROVISIONS

A. Subject to funds being made available by the State Budget Act, and upon receipt of an invoice evidencing COUNTY's assignment of its apportionment under Section I.A to CALTRANS, CALTRANS agrees to pay to COUNTY an amount not to exceed \$_____. which amount is equal to the State Match funds identified in I.A.

B. Subject to funds being made available by the State Budget Act, CALTRANS agrees to pay COUNTY prior to July 1, 199_, up to \$_____ of the amounts invoiced under Section II.A, for use in accordance with this agreement.

C. COUNTY agrees to use all state funds paid hereunder only for transportation purposes that are in conformance with Article XIX of the California State Constitution.

D. COUNTY agrees to establish a special account within their County Road Fund for the purpose of depositing all payments received from STATE pursuant to this agreement.

E. COUNTY agrees to grant State of California auditors access to COUNTY's books and records for the purpose of verifying that funds paid hereunder are properly accounted for and proceeds are expended in accordance with the terms of this agreement. All documents will be available for inspection by authorized CALTRANS agents at any time for a four-year period from date of payment under this agreement or one year after the audit is completed or waived by CALTRANS, whichever is later.

F. COUNTY agrees in the event COUNTY fails to use funds received hereunder in accordance with the terms of this agreement, CALTRANS will require COUNTY to replace those State funds with local funds and credit the account established under Section II.D. In the event of such requirement by CALTRANS, COUNTY shall provide written verification to CALTRANS that the requested corrective action has been taken.

G. CALTRANS reserves the right for the payments required hereunder to be reduced to offset such additional State Match funds obligated for Federal projects as are not counted in Section I.A.

STATE OF CALIFORNIA
Department of Transportation

COUNTY OF _____

Chief, District Liaison Branch
Office of Local Programs

Chair, Board of Supervisors

Date:_____

Date:_____

ATTEST:

Acting Clerk, Board of Supervisors

**SAMPLE INVOICE FOR EXCHANGE/MATCH PROGRAM
(ON AGENCY LETTERHEAD)**

Date of Invoice:

Billing No.: 1, 2, ... , or final

Local Agency's Invoice No.: Invoice No.

Department of Transportation
Accounting Service Center
Local Programs Accounting Branch
P.O. Box 942874
Sacramento, CA 94272-0001

Attn: Local Assistance Engineer

Payment of State Match and/or State Exchange funds is claimed pursuant to Local Agency-State Agreement No. _____, Executed on _____

	<u>State Match</u>	<u>State Exchange</u>	<u>Total</u>
Total Amount Claimed	_____	_____	_____
Total of Previous Invoices	_____	_____	_____
Amount Claimed This Request	_____	_____	_____

I certify that the amounts shown in this invoice are true and correct; and the amount claimed is due and payable in accordance with the terms of the Agreement.

Signature

Title

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