Local Assistance Training Day

Questions and Answers

Project End Date

1. Where is Project End Date (PED) located in the documents provided to local agencies?
The PED is supplied to Caltrans on the LAPM 3-A. It is recorded and reported back on the Finance Letter and the Authorization Summary (E76)

2. What's the difference between Project End Date-& Reversion Date?
The Project End Date is Federal requirement. Work prior to the Ped is eligible for reimbursement and be reimbursed within 120 days after PED. The Reversion Date is based State Budgetary Law. Reimbursement invoicing and reimbursement must occur prior to the Reversion Date.

3. Please expand on what At Risk PE is and how it is established or approved.
The At-Risk PE allows cost to be incurred prior to authorization (which is not allowed on any other phases). We have an Office Bulletin located at: https://dot.ca.gov/-/media/dot-media/programs/local-assistance/documents/ob/2020/ob20-03.pdf that explains the At-Risk PE process. The original FSTIP listing can show local funds for the PE phase and the agency can later change this to federal funding. When you come in for authorization, the date of beginning work will be approved for the original FSTIP date. Normally, you need an E-76 in order to start reimbursable work. The At-Risk allows reimbursable work to begin at the date the PE phase was approved in the FSTIP.

4. How can we close a project with Caltrans that has continued Contractor landscape maintenance costs for a set period of time (e.g. 18 months)?
No, the preferred approach is to create a separate project to perform the landscape work following the parent project. This way the parent project may be closed out.

5. The look-ahead report on the website (https://dot.ca.gov/programs/local-assistance/projects/projects-with-expiring-end-dates) was last updated in February. How often will the report be updated?
A new report is available on the Local Assistance Web Site (https://dot.ca.gov/programs/local-assistance/projects/projects-with-expiring-end-dates). The current report (dated 10/1/21) and will be updated monthly.

6. I'm a new (Single Point of Contact) SPOC, not sure what exactly SPOC's need to know and if this presentation is something they need to know.
   Critical Date information is important for any agency using Federal and/or State Local Transportation Funds.

7. How do we notify Local Assistance the new PED?
   The Agency will initialize the request and they will be informed when FHWA has approved their E76 via the E76 Authorization Summary and the Finance Letter

8. Why are we (local agencies) only notified of the PED, when it's too late or at a critical expiration timeline?
   Local Assistance has corrected this by having the agencies and Districts be able to check the status of their PED on the Local Assistance Web Site.

9. Can the PED be revised at any time or must it align with something else like adding phases or FY?
   The PED may be updated at any time. The PED is dependent upon the project schedule, i.e. construction advertisement or project completion.

10. How is PE considered completed when advertisement starts? It should be when the contract is awarded. Construction actually doesn't start until a contract is awarded. PE theoretically could continue as perhaps a late design change is needed during bidding. Or, if all bids are thrown out, then construction would not begin. PE would still be open at that point. Something Caltrans needs to strongly consider.
    The PE phase is for the environmental and PS&E. When a project is advertised, the PS&E is completed. The one-year added to the phase completion allows for minor delays.

11. Can you explain the difference between the E-76 and Finance Letter?
    The E-76 is an agreement with FHWA for the expenditure of federal funds. The finance letter is just a report or summary of the funding associated with the E-76.

12. Are there reminders sent to local assistance regarding PED lapsing?
    The Department has posted the look ahead report to allow agencies to review their own projects. Periodically, the Districts will be having project status meetings and PED will be a topic.

13. If FHWA requires invoicing to be completed within 120 days, should the State be able to provide a reconciliation of department furnished materials provided on the project to the local agency within the 120 days?

The reconciliation of state furnished materials can be complicated. The Construction PED should be established based on the Contract Acceptance. The reconciliation should be built into the scheduled. Remember, there is one year added to the completion date and the 120 days is an additional 4 months.

14. Can you set a ridiculously late project end date (PED) when filling out the LAPM 3-A? What the largest/longest PED you can choose by phase? Why wouldn't a sponsor choose the latest date, knowing the trouble an early PED can create?
The date should be set based on the project schedule. The addition of one year allows for extenuating circumstances.

15. If a project falls behind and needs to extend the PED for PE, can that be done midway through the PE phase if the new PED is before the reversion date and meets any MPO timely use of funds requirements?
Yes, we want you to update the PED to avoid a gap in reimbursement eligibility.

Inactive Projects

16. For inactive projects. There are minimum $ that needs to be in the account so we haven't billed...so will the project become inactive?
A project becomes inactive if there is a balance of authorized federal funds on the project and no invoice has been paid within 12 months.

17. Is the 2% goal based on the department's 6 month or the FHWA 12 month?
The 2% Goal is based on the current Federal Fiscal Year (12 months)

18. If PA&ED and PS&E are state funded and CON is federally funded, does that mean that the account needs to be active under state regulation or federal? Does it matter what phase? Or does federal govern?
Only the federal funds authorized on construction are subject to inactivity.

19. What happens after an agency submits their final invoice and final package? We didn't spend all the funds (remaining amount <$30,000), sent in our final package over a year ago and we have been showing up on the inactive list for the remaining funds. It shows up on the Caltrans finance website that our final invoice has been paid. We have been requesting assistance from our DLAE to get this project off of the inactive list. Any advice on what else we can do?
The Department will de-obligate any unexpended funds with FHWA. This will show a balance of $0 and be removed from the inactive list.

Timely Obligations

20. Timely obligation applies ONLY to initial reimbursement? Not to projects already in progress and had previous reimbursements?
Yes, it only applies to the initial obligation

21. Timely obligation billing within 270 days only applies to the first obligation? Or does it apply to each obligated phase?
It only applies to the initial obligation.

PE Over 10 Years

22. Can you avoid the 10-year PE rule if you AC PE but don't obligate? Does obligation or does authorization trigger the start date? (I appreciate the At-Risk PE loophole, but many here don't know what At Risk PE is.)
The 10-year clock starts with the PE authorization. Using AC, just means that local funds are being utilized instead of federal funds. The 10-year clock starts. PE>10 does not become an issue until the AC is converted.

Construction Award Adjustments

23. What constitutes a "significant" delta for the award amount, more or less, from the estimate? Is there a percent threshold?
There is no defined "delta" for awarding a project. It is up to the Agency to ensure that there is sufficient federal and non-federal funds available to award.

24. Will the revised E-76 and Finance Letter include contingencies?
If the Agency includes a contingency in their LAPM 3-A, then it will be included on the E-76 and Finance Letter.

25. Why doesn't the E-76 or Finance letter clearly identify the funding source end dates when there are multiple funding sources?
The PED applies to the entire project, no each individual funding source. The Reversion Date is shown on the bottom of the Finance Letter.

26. What is the average turn around for CON award E-76 to receive?
There is no defined average. It is dependent upon the total workload of the individuals working on the E-76s. Complete and accurate packages will be processed faster.

27. Please repeat and explain the Pro-Rata vs Lump Sum decision strategy. That went by too fast.
As a rule of thumb, if the phase is fully funded (at the maximum federal reimbursement rate), then Pro-Rata. If the phase is under-funded (below the maximum federal reimbursement rate), Lump Sum.

28. We have a trail project. E-76 for construction is due March, 2022. We have to send the E-76 application to DLA by the end of December, 2021 to meet the March deadline (CTC Meeting is held March 2022).
When federal funds require an allocation from the CTC, we cannot process the E-76 until the allocation has occurred. It is highly recommended that both the allocation and authorization request be submitted at the same time. This allows reviewing of the E-76 request for any issues and may be processed immediately after the allocation.

29. But if you are in CON, isn't PE, by definition completed (past PED)? Can you talk more about shifting funds from one phase to another?
The PED is for the entire project. If the PED established during the PE phase never lapsed, then construction savings may be shifted to the PE phase and be eligible for reimbursement.

30. So, if there are project savings during construction, from a practical perspective, how can those savings be transferred to the PE phase?
If the PED established during the PE phase never lapsed, then construction savings may be shifted to the PE phase and be eligible for reimbursement. This is done with a E-76 request.

31. If we're adding additional funds during construction, is an FTIP required to show the additional funds?
No, this may processed using "Post Programming".

32. Is there a cap on how much can be shifted from one phase to another - particularly if the phase that you are shifting funding from has already been allocated (i.e. shift savings from PS&E phase to Construction phase)?
The CTC guidelines define the amount that may be transferred between phases. They may only be transferred between allocated phases. Typically, it is 20% maximum of the lesser allocated phase. There is no limit when shifting funds between PA&ED and PS&E.

33. Is the 60 or 90 day deadline for CON award adjustment still a rule if using AC instead of obligation?
Yes

34. So can we use CON funds to pay for PE funds that have exceeded the authorized budget?
Yes, if PE was authorized and there are no issues with PED during the PE Phase.

35. We have a trail project. E-76 application for construction is due March 2022 as defined by the grant. We have to send the E-76 application to DLA by the end of December 2021 to meet the March deadline (CTC Meeting is held March 2022). Bid will be June 2022 after E-76 for construction is approved. Do we have to have all environmental permits in hand (CDFW, RWQCB, USACOE, NEPA, etc....) by the time of E-76 submission in December 2021?
CTC requires that NEPA be completed before the funds will be allocated. NEPA will need to be completed by the time the CTC Book Item is completed. From an environmental perspective, your permits need to be in hand prior to when construction actually starts (when dirt is being turned). Check with your DLAE Staff for specifics on timing for E76.

36. Can you change from Pro Rata to Lump Sum during the construction award adjustment process?
Yes

37. Can that milestone chart be requested to be attached with RFA ?
It can be, but is not necessary.

38. Please elaborate on Pro-Rata vs Lump Sum. If CON bid came in under the estimate, how should we submit award adjustment to maximize grant. Also, CE is already allocated. Savings is only from CON.
Fund may be shifted to other phases to fully utilize the federal funds.

39. If the construction bids come in significantly higher than anticipated will FHWA provide guidance if there is an available adjustment to the funds prior to award to ensure the local agency can pay for the project?
It is up to the Local Agency to ensure that there is sufficient funding when awarding a project.

40. When will this dashboard system be available? Would be very helpful.
The PED Dashboard is now available.

41. Would you be able to grant read access to Caltrans financial database so we don't have to rely on DLAE's notification of end dates, or finance letter inconsistencies?
Not possible at this time due to restriction with the Department's Firewall.

42. Is there a package, or set of forms, used to close out a project that only has federal funds in the PE phase, i.e. subsequent phases funded with non-federal funds?
Yes, use LAPM Exhibit 17-H

43. We typically go to Council to accept a project as completed, which then starts the 1-year warranty period for the Contractor. How do we address this with the PED date? Hesitate to submit Final Invoice prior to end of warranty period.
If there are going to be expenditures during this warranty period, you cannot close-out the project and keep the PED from lapsing.

Timely Use of Funds

44. For STIP funds, if the CTC allocation was made several months prior to the issuance of the E76, do the timeline requirements go from the CTC allocation date or the E76 issuance date?
The CTC Timely Use of Funds apply to the date the project is allocated.

45. If we have E76 for construction can we still invoice PE?
Yes

46. Isn't Construction Engineering considered part of the CON phase (as it can be reimbursable) as an agency would've received authorization (E-76) for CON?
CE must still be separated out from Construction at the time of authorization.

47. The dashboard that is being created for local agencies to see critical dates, could you please include the deadlines for CTC submittals as well?
We do not know when a project will be coming in for an allocation therefore, we would not be able to enter a date. The only thing we would be able to report is that the CTC action must occur during the fiscal year programmed.

48. Add CE even when the original obligation was for Construction only?
You may add CE after the initial authorization. It will only be eligible for reimbursement after the CE has been authorized by FHWA.

49. Can you add STIP funds to an awarded federal contract that has STP funds? The STIP funds will allow adding PS&E to the scope. Does it make a difference if it Caltrans Oversight project v. local assistance?
Yes, as long as they are programmed for the identified project and phase. Programmed PS&E cannot be added to construction. The rules apply to Oversight and Local administered projects.

50. Is it true that Caltrans' email only has a 4 month backlog where all emails over 4 months are purged? We an encountering issues with DLAE not being able to locate prior email correspondences. How does Caltrans function with such a set up?
Yes, Caltrans does have a "purge" function related to maintaining it's statewide email systems, but all important project email should be saved-to-file, both by the Caltrans District staff and local agency, as we are jointly responsible for successful delivery. However, if this is a problem for you local agency, you might consider elevating it to the District Deputy for Planning & Local Assistant, who are typically the supervisor of the DLAEs

51. Where can I find the CTC Vote Box?
At the CTC Liaison Web Site - https://onramp.dot.ca.gov/hq/transprog/octcl.html

52. What defines a CTC allocated project/fund source? Or, where can we find that info?
You can find this info on the allocation letter

53. If reversion date is six years and CWA is a one-time 2 year extension, does the 10 year for PE apply?
Yes, the PE over 10 still applies

54. Does the 'submit by April 1' only apply to that example you showed us just now or is that a hard deadline for all invoice submittals?
It is a highly recommend deadline to allow sufficient time for Districts and Accounting to review and process the invoices. Accounting has a hard deadline at mid of May to process all the invoices. Any invoices and revised invoices will not be processed if submitted after mid-May.

55. What is PPM?
Planning, Programming and Monitoring Funds in the STIP program

56. Is allocation defined by issuance of E76?
No. Allocations need to be requested and approved by CTC at a scheduled CTC meeting. The E-76 follows the allocation request/approval for federally funded projects.

57. What happens if my NEPA process takes more than 2 yrs?
You can request an expenditure extension prior to end of the period for up to 12 months

58. When the CWA of a project was approved but the two years extension also lapsed, what can a local agency do to invoice? What are the procedures if there is any possibility of invoicing? Please note that the project is moving currently but because of previous challenges, the project had delays.
Please contact your District Local Assistance Engineer for further guidance.

59. After allocated fund, can we advertise the project prior E76 approval?
Absolutely NOT. Federal rules required – Authorization prior to Advertisement

60. Is it possible to get a list of acronyms used in the presentations?
Most acronyms are defined in the PowerPoint presentations. Please also see the LAPM.

61. Is Timely Use of Funds only applicable to state/CTC programs?
Yes, that is correct

62. When does Timely Use of Funds apply? Is it a separate type of grant? Or do all projects need to consider this?
It applies to projects with funds from CTC/State programs...ie. STIP, ATP, or SB1 programs

HBP

63. What if your point of contact at Caltrans or at the HBP Committee does not return calls or emails? What if they don't answer questions? What can a local agency do in that situation?
If you are having communication issues with your Caltrans counterparts, please consider elevating them to your District's leadership for resolution.

64. For ATP and HSIP State-Only funded projects (versus federally funded), do these critical dates differ?
For the ATP, the dates differ, but the more stringent Timely Use of Funds requirements prevail.

SAR

65. If your funding total is less than $750k, do you still need to send the letter to certify the exemption?
Yes. All California agencies who do not expend equal or greater than $750,000 in total federal funds are required to submit an exemption letter to the State Controller's Office (SCO) and Caltrans: singleaudits@sco.ca.gov and CaltransFederalFundAward@dot.ca.gov

66. Will SAR be requested to be submitted?
Agencies must submit either an exemption letter or the Single Audit Report (SAR) package each year per federal regulations. About each December, the Division of Local Assistance will email agency finance managers a courtesy letter.

67. Can you go back to the slide of what is in the SAR packet please?
The presentation will be sent out to all attendees, which will include this slide. Further, the Division of Local Assistance sends out the SAR package requirements to each agency about every December and then again in about April or May if the State Controller's Office hasn't received the agency's SAR package or exemption letter.

68. Can you send the notification earlier?
The Division of Local Assistance (DLA) may consider this suggestion, and move up the date a month or so. However, DLA is mindful that agencies need time to close out their past fiscal year (usually July through September).

69. With HSIP state funds, do you still require FAR rates for staff with ICR approved overhead rate?
Please see the State Master Agreement #17. 2 CFR 200 and 48 CFR part 31 must be followed for state and federally funded projects.

70. If project expended the full grant of $1m within one fiscal year, but have not sought full reimbursement yet, local agency is still subject to SAR requirement?
Yes. Keep in mind the requirements apply to when an agency expends the funds. Once the agency has incurred expenditures, those funds (if >= $750,000 in a fiscal year) may be subject to the SAR requirement and may be included in the Schedule of EXPENDITURE of Federal Awards.

71. In FTIP document, Construction funds to be programmed in various FY if construction is multi-year project or to program all CON funds in first FY of CON year?
Group listed projects will show up in multiple fiscal years. Line Item projects will be in aa single fiscal year. If construction for a line item project is in multiple fiscal years, AC or EPSP may be used to authorize all funds.

72. How often does the ADA Self Evaluation plan need to be revised. The form indicates "suggests every three years" however there were updates to ADA commencing Jan 1, 2021. Is there a time allowed to update that?
Great question! Federal regulations have required Self Evaluation Plans to be periodically updated. But how often does that mean? As time passes agencies will address barriers to individuals with disabilities through their transportation projects, and the Self-Evaluation Plan will need to be reassessed. Chapter 9 of the Local Assistance Procedures Manual suggests every three years so it may eventually be scheduled into the Transition Plan, and then ADA-related projects may be added into the agency's Transportation Improvement Program. The Division of Local Assistance will allow time for an agency to update their Self-Evaluation Plan to reassess barriers and priorities for complying with the federal ADA program requirements.

73. Can you please post these links re: ADA (and Title VI) in the Chat or here in the Q&A?
Local Assistance ADA Program https://dot.ca.gov/programs/local-assistance/guidance-and-oversight/ada-section-504
Caltrans Title VI https://dot.ca.gov/programs/civil-rights/title-vi
Local Assistance Title VI https://dot.ca.gov/programs/local-assistance/guidance-and-oversight/title-vi

ENVIRONMENTAL

74. We've been struggling to get projects through the archeology phase in order to meet deadlines. Any advice to speed up the Caltrans - SHPO portion of that?
SHPO Consultation can be complex as impacts on a site increase. When we consult with SHPO, they have 30 days to respond with concurrence on eligibility and assessment of effects. This will depend on thoroughness and quality of the documentation provided. Questions regarding resolution of effects have no legislated time frame. If you know your project will impact cultural resources it is best to consult early with our staff. We will help guide you through the process. We can engage without Cultural Studies Office to ensure consultation is proceeding. a final note it is best to consult with us prior to your consultant preparing any documentation.

75. At what point in the project should the PES form be submitted- prior to preliminary design work? Prior to, or after a CEQA document/determination is complete?
The PES FORM is required as soon as federal funds are applied or anticipated. It will be required for us to begin processing Technical Studies and Compliance. In order to approve NEPA the project will need to be listed in the FSTIP.

76. What activities does Local Assistance do for the NEPA validation process?
As a highway project proceeds in its development from environmental review through construction, there may be circumstances that could affect the validity of its NEPA documentation or approval. During the revalidation process Caltrans staff review project plans, the environmental document and technical studies to ensure potential scope change or changes in law do not affect previous compliance efforts. In most cases no additional studies will be needed. In few cases additional analysis, consultation with resource agencies, and/or completion of a new document or technical studies may be required. For higher level Environmental Documents additional Public Outreach may be required.

77. Can CEQA expense such as preparing EIR and other docs be covered by federal grant?
Costs associated specific to preparing a CEQA Document are not reimbursable. Costs associated with CEQA Mitigation are reimbursable if such costs are deem to be a reasonable expenditure of public funds. Please contact your district Environmental Branch Chief for additional information.

78. How about state funds for Environmental? docs. Will it be reimbursed
If you have funds programmed in the PA&ED phase, yes it will be reimbursed.

79. What is RBSO?
An element of the FHWA Stewardship Agreement is the process of Risk-based stewardship and oversight (RBSO). RBSO is part of this risk management framework, and the process of identifying and assessing risks, then determining how to align resources with a view to developing and implementing appropriate risk response strategies, thereby reducing risks. .

MISCELLANEOUS

80. How about SB1 federal funds used for projects.
The funds need to be allocated and then authorized to be eligible for reimbursement.

81. For ATP and SCCP reporting in CalSmart, many engineers think once they have advertised (listed) the project that the PE phase is over. However, invoicing lags. Should PE be assumed to NOT be over well into the CON phase instead? There is probably great inconsistency with how people interpret this....
These are State/CTC Programs so the length of the phase is determined by Timely Use of Funds. The lengths of the phases may overlap.