

## Funds Transfer Agreement Between the California Department of Transportation and the [Agency Name]

- 1.1 The California Department of Transportation (Caltrans) and the [Agency Name] ([Agency Title]) hereby enter into this Funds Transfer Agreement (Agreement) on the terms and conditions set forth below.
- 1.2 This Agreement is not valid until signed by both parties. This Agreement shall expire on [Agency Title]'s completion of its obligations under this Agreement but may be extended by amending this Agreement.

### BACKGROUND

- 2.1 Section 19.569, subdivision [Add specific Subdivision Reference for project] of the Budget Act of 2023 (the Act) appropriated \$[Fund amount in AB102] (the Funds) from the State General Fund to Caltrans, to be allocated to [Agency Title] for the [title of project as shown in AB 102].
- 2.2 Caltrans determined the best method for allocation to ensure the funds are used for the purposes specified in Section 19.569 of the Act is a funds transfer agreement.
- 2.3 [Describe Project Need and Goal] **EXAMPLE ONLY (Remove once drafted):** Fulton Street is a main traffic and transit thoroughfare in the Richmond District, bordering the northern edge of Golden Gate Park. Every day, residents and visitors cross Fulton Street by foot and bicycle to access the park, for commute and for recreational trips. Two of xxxx's busiest bus routes also serve this area, the 5 Fulton and 5R Fulton Rapid, which together averaged more than 22,000 combined boardings per weekday before the COVID-19 pandemic and has seen ridership recover to over 10,000 people per day.

Through a number of safety improvements, the Fulton Street Safety and Transit Project's goal is to improve safety and accessibility between Golden Gate Park and the Richmond District across Fulton Street, as well as help reduce travel time for the busy 5 Fulton and 5R Fulton Rapid and make boarding easier for customers.

### SCOPE OF WORK

- 3.1 The Funds provided under this Agreement will be used to [insert project description here] (Project). Add Deliverables, project limits, acceptance criteria for deliverables. (e.g. 30% Engineering plans, completed environmental document, copies of construction contracts, etc.

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- 3.2 [Agency Title] shall only use Funds for the Project specified in the Act. [Agency Title]'s self- attestation verifying the intended use of funds shall be provided to the Department prior to the release of any funds.

**FUNDING, COSTS, COST LIMITATION, & PAYMENT**

- 4.1 The Funds will be encumbered within 2 days of the effective date of this Agreement. Pursuant to Section 19.569 of the Act, funds must be encumbered by June 30, 2025, and expended by June 30, 2027, or the funds will revert to the State's General Fund by operation of law.
- 4.2 Payments shall be made as authorized by Sections 19.569(a) of the Act, including, but not limited to the provisions noted below:
- a. Notwithstanding any other law, a designated state entity administering an allocation pursuant to this section may provide the allocation as an advance lump sum payment, and the allocation may be used to pay for costs incurred prior to the effective date of the act adding this paragraph.
  - b. Funding provided in this section shall not be used for a purpose subject to Section 8 of the Article XVI of California Constitution.
- 4.3 Within 30 days of expending all of the Funds or upon completion or termination of Project, whichever comes first, [Agency Title] shall submit to Caltrans a Project Closeout Report. The Project Closeout Report at a minimum shall include LAPM Exhibit 17-M, photos of the completed project (including before photos if available), a description of completed Project component(s) and a description of project deliverables.
- 4.4 Any Project costs paid using the Funds that are determined by subsequent audit to be unallowable under 48 CFR, Part 31 or 2 CFR, Part 200, are subject to repayment by [Agency Title] to Caltrans.
- 4.5 [Agency title] shall return any unspent Funds to Caltrans at the conclusion, completion, or termination of the Project.
- 4.6 Upon written demand by Caltrans, any overpayment to [Agency Title] of amounts invoiced by Caltrans shall be returned to Caltrans.
- 4.7 Should [Agency Title] fail to refund any moneys due Caltrans as provided herein or should [Agency Title] breach this AGREEMENT by failing to complete Project without adequate justification and approval by Caltrans, then, within thirty (30) days of demand, or within such other period as may be agreed to in writing between the PARTIES, Caltrans,

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acting through the State Controller, the State Treasurer, the CTC or any other public entity or agency, may intercept, withhold and demand the transfer of an amount equal to the amounts paid by or owed to Caltrans for each Project, from future apportionments or any other funds due [Agency Title] from the Highway Users Tax Fund or any other sources of funds, and/or may also withhold approval of future state-funded projects proposed by ADMINISTERING AGENCY.

**INQUIRIES & NOTICES**

5.1 All inquiries during the term of this Agreement will be directed to the representatives listed below:

For Caltrans:

Name:  
Address:  
Phone Number:  
Email:

For [Agency Title]:

Name:  
Address:  
Phone Number:  
Email:

5.2 Each party may change their representative listed above upon 10 calendar days' written or emailed notice to the other party and without the need for amending this Agreement.

**OTHER TERMS & CONDITIONS**

6.1 Drug-Free Workplace Requirements: [Agency Title] will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
  - 1) the dangers of drug abuse in the workplace;
  - 2) the person's or organization's policy of maintaining a drug-free workplace;
  - 3) any available counseling, rehabilitation and employee assistance programs; and,
  - 4) penalties that may be imposed upon employees for drug abuse violations.

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- c. Every employee who works on the proposed Agreement will:
- 1) receive a copy of the company's drug-free workplace policy statement; and,
  - 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and [Agency Title] may be ineligible for award of any future State agreements if Caltrans or the State Department of General Services determines that any of the following has occurred: [Agency Title] has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

- 6.2 Conflict of Interest: [Agency Title] needs to be aware of the following provisions regarding current or former state employees. If [Agency Title] has any questions on the status of any person rendering services or involved with the Agreement, Caltrans must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest, and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that

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state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If [Agency Title] violates any provisions of above paragraphs, such action by [Agency Title] shall render this Agreement void. (Pub. Contract Code § 10420.) If the Agreement is rendered void, [Agency Title] shall return all Funds.

- 6.3 Labor Code/Workers' Compensation: [Agency Title] needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and [Agency Title] affirms to comply with such provisions before commencing the performance of the work described in this Agreement. (Labor Code § 3700.)
- 6.4. Americans With Disabilities Act: [Agency Title] assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. § 12101 et seq.)
- 6.5. [Agency Title] Name Change: An amendment is required to change [Agency Title]'s name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.
- 6.6. Resolution: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.
- 6.7. Air or Water Pollution Violation: Under State law, [Agency Title] shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

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- 6.8. Audit: [Agency Title] agrees that Caltrans, the California Department of General Services, the California State Auditor's Office, or other State agency with a legitimate business purpose, or their designated representative(s) shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. [Agency Title] agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of record retention is stipulated.
- 6.9. Amendments: No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties. Any amendment signed by [Agency Title] must be approved by its local governing body as evidenced by a resolution, order, motion, or ordinance of the [Agency Title] and a copy provided to Caltrans. No oral understanding or agreement not incorporated in the Agreement is binding on any of the parties.
- 6.10. Caltrans and [Agency Title] shall continue with their responsibilities under this Agreement during any dispute.
- 6.11 This Agreement may be executed in separate counterparts.
- 6.12 An electronically signed copy of this Agreement shall have the same force and effect as if it were signed manually.
- 6.13 Should [Agency Title] be declared to be in breach of this AGREEMENT or otherwise in default thereof by Caltrans, and if [Agency Title] is constituted as a joint powers authority, special district, or any other public entity not directly receiving funds through the State Controller, Caltrans is authorized to obtain reimbursement from whatever sources of funding are available, including the withholding or transfer of funds, from those constituent entities comprising a joint powers authority or by bringing of an action against [Agency Title] or its constituent member entities, to recover all funds provided by Caltrans hereunder.

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State:

STATE OF CALIFORNIA  
DEPARTMENT OF TRANSPORTATION  
Printed Name: Ann Fox  
Signature: \_\_\_\_\_  
Acting Deputy Director for Planning & Modal  
Programs  
Date: \_\_\_\_\_

Local Agency:

[Agency Name]  
Printed Name: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Accounting Certification

For Caltrans Use Only

I hereby Certify upon my own personal knowledge that budgeted funds are available for encumbrance.			
Accounting Officer Printed Name	Accounting Officer Signature	Date	Amount Certified