



Expired Upon Issuance of LPP 16-03 Manual Update

CAPITAL SUBVENTION REIMBURSEMENT ALLOCATION AND DE-ALLOCATION

I. BACKGROUND

The Capital Subvention Reimbursement Allocation (CSRA) process is used to streamline and track the reimbursement of local assistance subvention funds used for capital outlay (utility relocation, right of way acquisition, and construction capital) costs for projects on the State Highway System (SHS) administered by Caltrans. The purpose of this Office Bulletin is to provide updated procedural guidance of the CSRA process.

Please note that this process does not apply to capital outlay support (preliminary, right of way, and construction engineering) costs for projects on the SHS administered by Caltrans (allocations for capital outlay supports are coordinated with the District Project Control). In addition, a CSRA request is not needed for SHS projects funded with local assistance subvention funds and administered by a local agency.

II. POLICY

The Caltrans Project Manager (PM) must submit a completed and signed Request for Capital Subvention Reimbursement Allocation (LAPM Exhibit 3-H) to the Caltrans District Local Assistance Engineer (DLAE). The DLAE will include the form with the other Request for Federal Authorization to Proceed (RFA) documents that are submitted to Headquarter (HQ). The federal funding on the project must be obligated prior to sending the CSRA request to the Division of Local Assistance (DLA), Subvention Management Branch. Once the request is approved, Division of Budgets will provide an approved reimbursement authority memo to expend the funds.

If there are award savings and/or cost adjustments of \$250,000 or more, the PM needs to work with their DLAE to de-obligate the federal funds and submit a CSRA request to de-allocate the reimbursement authority. Specifically, 23CFR630.106(a)(4) states: “ the State shall revise the Federal funds obligated within 90 days after it has determined that the estimated Federal share of project costs has decreased by \$250,000 or more.”

III. PROCEDURE

The following CSRA and de-allocation procedures are to be used for SHS projects with capital outlay costs funded with local assistance subvention funds and administered by Caltrans.

Local Agency

Must execute a Cooperative Agreement (e.g., Contribution Agreement) with Caltrans that addresses the administration of the project on the SHS. For additional information on the Cooperative Agreement process, refer to Caltrans' Cooperative Agreement Manual maintained by the Division of Design and located at the following website: http://www.dot.ca.gov/hq/oppd/pdpm/chap_pdf/chapt16.pdf

Caltrans Project Manager

- Review the executed Cooperative Agreement to determine and concur with the extent of "capital outlay" work funded with local assistance subvention funds.
- Prepare and sign the project specific Finance Letter (LAPM Exhibit 3-O) based on the funding provisions in the executed Cooperative Agreement.
- Complete and sign the Request for Capital Subvention Reimbursement Allocation (LAPM Exhibit 3-H, Attachment 1).
- Submit the Request for Federal Authorization to Proceed (LAPM Exhibits 3-B, C, or D as appropriate) package to the DLAE for each appropriate phase of work (including a copy of the executed Cooperative Agreement, project specific Finance Letter, and the Request for Capital Subvention Reimbursement Allocation).
- The following information must be included on the CSRA request:
 - Federal Project Number
 - Project Description (scope of work and project limits)
 - PPNO IDs (as appropriate)
 - AMS Advantage ID and Advantage Phases ("4" or "9")
 - Cooperative Agreement (e.g., Contribution Agreement) Number
 - Total capital outlay amount funded with local assistance subvention funds, previously approved amount (if any), and current requested amount
 - Capital Outlay Program Element Component Task (PECT) (e.g., 20.20.400.XXX)
 - Category of Expenditure
 - State Fiscal Year (subject to change)
 - Name and Signature of PM
- If the capital outlay cost is reduced or the project is inactive, the PM needs to work with the DLAE to de-obligate approved federal funds by issuing a revised Finance Letter, and submitting a revised CSRA request to de-allocate the previously approved reimbursement authority to reflect the correct approved allocation in AMS Advantage.
- Respond to inquiries from the Division of Budgets and/or DLA regarding the CSRA request.

Caltrans DLAE

- Review executed Cooperative Agreement and verify capital outlay work to be funded with local assistance subvention funds.
- Review project specific Finance Letter prepared/approved by the PM for completeness and consistency with the provisions of executed Cooperative Agreement.
- Review, concur, sign, and submit the CSRA request along with the RFA package to the HQ DLA Office of Project Implementation.

HQ Division of Local Assistance, Office of Project Implementation

- Review the documents required in support of the RFA package for completeness and accuracy.
- Approve the RFA package on behalf of Caltrans.
- Upon the obligation of federal funds by the FHWA, send a copy of the CSRA request to the Subvention Management Branch via e-mail to: Subvention@dot.ca.gov.



HQ Division of Local Assistance, Subvention Management Branch

- Review, concur, and submit the CSRA request to the Capital Outlay Unit in Division of Budgets via email to: Reimbursement.Funds.Request@dot.ca.gov .
- Following approval of the CSRA request by the Capital Outlay Unit, distribute a copy of the approved reimbursement authority memo for both allocation and de-allocation to the following functional units:
 - PM
 - District Project Control
 - DLAE
 - Office of Project Implementation
 - Local Program Accounting

HQ Division of Budgets, Capital Outlay Unit

- Review and approve the CSRA request.
- Issue and distribute the approved reimbursement authority memo for either allocation or de-allocation to the Subvention Management Branch.
- For allocation, set up the approved budget in AMS Advantage for the specified project.
- For de-allocation, amend the previously approved allocation to reflect the correct amount in AMS Advantage.

HQ Division of Accounting, Local Program Accounting

- For allocation, set up the local subvention budget in AMS Advantage for the specified project.
- For de-allocation, amend the local subvention budget to reflect the correct amount in AMS Advantage.

IV. APPLICABILITY

A Request for Capital Subvention Reimbursement Allocation (LAPM Exhibit 3-H) must be completed, signed, and submitted by the PM to the DLAE when requesting Federal Authorization to Proceed and prior to the encumbrance of local assistance subvention funds for capital outlay work on a SHS project administered by Caltrans. This form will also be completed for de-allocation of CSRA reimbursement authority.

Recommended: Original Signed By _____ 03/04/2016
 Peggy Siu, Federal Funds Analyst
 Subvention Management Branch Date

Approved: Original Signed By _____ 03/06/2016
 Winton Emmett, Chief
 Office of Project Implementation - North Date

Attachments:

1. LAPM Exhibit 3-H, Request for Capital Subvention Reimbursement Allocation/De-Allocation
2. Capital Subvention Reimbursement Allocation and De-Allocation Process Flowchart