



## Local Agency Invoicing

### I. BACKGROUND

Local Agencies obtain reimbursement for their expenditures on local federal-aid and state-funded projects by submitting invoices to their appropriate Caltrans District Local Assistance Office (District). Districts are responsible to review and submit these invoices to Local Programs Accounting (LPA). Existing procedures require project sponsors to prepare multiple forms to obtain reimbursement.

To streamline the process in California, the Division of Local Assistance partnered with Districts, the Federal Highway Administration (FHWA), LPA, and multiple local agencies to pilot a new invoice form, district standard operating procedures, and local agency training materials. The new invoice form is a dynamic form with detailed instructions that auto populates entry fields based on fund types and authorized phases, consolidates nine Local Assistance Procedures Manual exhibits, and uses built-in formulas to reduce data entry and errors. Standard operating procedures have been developed to document the improved process, drive consistency, and guide district review of invoices. Local agency training materials have been developed to provide districts with a standard training tool for their local agencies.

The pilot effort has already resulted in a 70% reduction in errors and eliminated multiple reviews, which will inherently reduce processing time.

This Office Bulletin allows local agencies to use the new invoice form for first, progress, and final invoices of both federal and state funds, and establishes a date for mandatory use.

### II. POLICY

Local agencies may submit monthly invoices for reimbursement of participating costs (costs eligible for state and/or federal reimbursement) to the appropriate District. Local agencies prepare an invoice using Local Agency Invoice form, LAPM 5-A, and applicable supporting documents as determined by inputs on the form. Applicable supporting documentation from local agencies is listed in Section 4 of the LAPM 5-A.

The District reviews the local agency submittal and, if determined to be complete and accurate, submits the LAPM 5-A and only the Contractor Pay Estimate for Construction Invoices (if applicable) to LPA. If the invoice submittal is incomplete, it will be returned to the local agency for revision and resubmittal.

Note: for Optional Federal Exchange and State Match Program invoicing, do not use the LAPM 5-A, but instead see Chapter 18 of the LAPG.

### III. PROCEDURE

#### Mandatory Use of LAPM 5-A

Invoices dated October 15, 2019 or later must use LAPM 5-A to request reimbursement through our invoicing process. Requests received using prior forms will be returned to the project sponsor for resubmittal using LAPM 5-A.



#### IV. APPLICABILITY/IMPACTS

The LAPM 5-A is available for download at the Division of Local Assistance website (<https://dot.ca.gov/programs/local-assistance/forms/local-assistance-procedures-manual-forms>). For invoices dated on or after October 15, 2019, the following LAPM exhibits will no longer be accepted:

- Exhibit 5-A: Sample Federal-Aid Invoice (Except for STIP projects)
- Exhibit 5-B: Sample Federal-Aid Invoice with Different Rates (Except for STIP projects)
- Exhibit 5-C: Sample of State Project Invoice
- Exhibit 5-D: Sample Right of Way Invoice
- Exhibit 5-E: Sample “STIP or ATP Project” Federal Invoice
- Exhibit 5-F: Sample “STIP or ATP Project” State Invoice
- Exhibit 5-J: Local Agency Invoice Review Checklist
- Exhibit 5-K: Billing Summary
- Exhibit 5-L: Billing Summary Instructions
- **Exhibit 17-D: Federal Aid Invoice**

Recommended:	<u>Original Signature By</u>	<u>10/01/2019</u>
	Dee L. Lam, Management Liaison Planning and Modal Programs	Date

Approved:	<u>Original Signature By</u>	<u>10/01/2019</u>
	John G. Hoole, Chief Office of Project Implementation - South	Date