

Priority Legislative Budget Project Funds

Program Guidelines

I. BACKGROUND

The California Legislature has authorized funding for Priority Legislative Budget Projects (PLBP) as part of a budget appropriations bill. Caltrans is the authorizing agency for the proper distribution of the funding provided by this legislation. The funds are not attached to an established state program or subject to the authority of California Transportation Commission, unless specified in the legislation.

The purpose of these Program Guidelines (Guidelines) is to provide guidance on how to administer the PLBP funds. These Guidelines include:

- Self-attestation of use of funds through Funds Transfer Agreement (FTA)
- Special invoicing for advanced lumpsum payment
- Roles and responsibilities of the District Local Assistance Engineer (DLAE)
- Roles for Headquarters Local Assistance staff

II. POLICY

1. **Funds Transfer Agreement** – State legislation authorizing PLBP funds, allow local agencies and other entities (Local Agency) receiving PLBP funds to self-attest that the funds will be used as described in the authorizing legislation. An FTA, an agreement between Caltrans and the Local Agency receiving PLBP funds, is the document used to self-attest to the proper use of the funds and to follow applicable laws and procedures.

The project description and project scope described in the FTA must correspond to the project description in the authorizing legislation to ensure the wishes of the State Legislature are met.

2. **Allocation and Invoicing** – Legislation allows for PLBP funds to be allocated as an advanced lumpsum. Where advanced payments are not allowed, or if the Local Agency chooses not to receive advanced payment, the PLBP funds will be allocated to the Local Agencies as payment in arrears.
 - i. **Advance Payment** – Local Agencies receiving PLBP funds as an advanced lumpsum payment, must submit an invoice [Exhibit LAPM 5-A](#) to Local Program Accounting (LPA) for the entire amount of PLBP funds specified in the authorizing legislation, after the execution of the FTA.

Local Program Accounting has provided a template of invoice Exhibit LAPM 5-A to use when requesting an advanced lumpsum of PLBP funds. The template can be found at the [PLBP website](#).

- ii. **Payment in Arrears** – Local Agencies receiving funds in arrears must follow procedures outlined in the Chapter 5 of [Local Assistance Procedures Manual](#): Invoicing.

The PLBP funds are a one-time allocation, unless otherwise specified. Local Agency will not be reimbursed for expenses above the amount specified in the PLBP legislation authorizing the funds.

There are no matching fund requirements to receive PLBP funds.

The PLBP funds may be used as matching funds for other programmed projects if that program allows state funding as a match.

When allowed by authorizing legislation, PLBP funds can be used to reimburse for project expenditures incurred prior to the effective date of said legislation. Legislation for specific PLBP funds should be referenced to determine if such reimbursement is allowed.

Legislation authorizing PLBP funds establishes the encumbrance date and expenditure dates. Funds will expire on those dates and revert to the State General Fund, unless otherwise specified by said legislature or if an exemption is approved by Caltrans Division of Budgets.

There is no deadline for the Local Agency to expend the PLBP funds after receiving said funds as an advanced lump sum, unless otherwise stated by the authorizing legislation.

Upon completion of the project, the Local Agency will confirm that all funds, including accrued interest, were spent on the project per the FTA. In the event that all funds were not spent, the Local agency will return the unused funds to the Department within 30 days of submitting the Project Closeout Report.

After receiving PLBP funds, if the Local Agency determines they no longer want to pursue the project, all funds shall be returned to the department, with a letter stating the reason.

Local Agencies receiving PLBP funds do not have to enter into a Master Agreement with the Caltrans but are required to enter into an FTA, as noted above.

All auditing LAPM provisions apply to these projects.

Reporting – Within 30 days of expending all the PLBP funds or upon completion or termination of Project, whichever comes first, the Local Agency 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 the project deliverables. The Project Close Out Report process can be found at the [PLBP website](#).

III. PROCEDURES

The following are the steps for processing PLBP funds as an advanced lumpsum payment:

- The DLAE creates a project in LP2000 and provides Project ID and Advantage ID to the Local Agency.
- The DLAE works with the Local Agency to complete and submit the FTA to Headquarters PLBP Program Manager for review. Headquarters PLBP Program Manager and DLAE both ensures the project description and scope of work correspond to the project description in the authorizing legislation.
- For on-system projects, the DLAE coordinates with Project Delivery to administer the funds.
- The FTA is forwarded to LPA to certify the funds.
- The certified FTA is forwarded to the Local Agency for signature.
- The FTA, signed by the Local Agency, along with the resolution is forwarded to the DLAE. The resolution gives the person signing the FTA the authority to do so by the Local Agency's governing body and authority to the Local Agency to enter into a Funds Transfer Agreement with Caltrans and/or the State of California.
- The FTA is executed (signed) by the Deputy Director, Planning and Modal Programs, for Caltrans.
- The executed FTA is forwarded to LPA to encumber the funds and a copy to the Local Agency for their records.
- Once the funds have been encumbered, the Local Agency can submit an invoice (Exhibit LAPM 5-A) to the DLAE for the entire amount authorized.
- The DLAE reviews the invoice and forwards to LPA.
- The LPA unit processes the invoice.

Digital signatures are preferred. Adobe Acrobat must be used for digital signatures because Adobe is the only software approved for use by Caltrans.

For PLBP projects on the State Highway System, the DLAE will work with Caltrans Project Delivery team (PDT) to assign a Project Manager (PM) and determine if an agreement, such as a Cooperative Agreement, between Caltrans and the Local Agency exists or is needed for the project. This coordination will include, at a minimum, a "kick-off" meeting between the District, PDT and the Local Agency within 30 days of the approval of the funding by Department of Finance. If an agreement exists or is needed then the funds should be distributed in a way that best meets the intentions of the agreement, otherwise the funds should be distributed to the Local Agency via an FTA.

The PM will be the project lead for coordination of on-system improvements, reporting and agreements, other than the execution of the FTA and associated FTA invoice. The PM will inform DLAE when the project is completed and when the Project Closeout Report is submitted.

Attachments and Links:

- PLBP website: [Priority Legislative Budget Projects \(PLBP\) | Caltrans](#)
- [Local Assistance Procedure Manual](#)