

## **Statewide Local Street and Road Needs Assessment Survey**

“The 2018 Statewide Local Street and Road Needs Assessment is now underway and each jurisdiction’s participation in the information-gathering survey is required. The on-line survey will be open in mid-January and will close on March 30<sup>th</sup>, 2018. **See attachment.**”

Per MTC Resolution 4202: To support the collection and analysis of local roads asset conditions for regional planning efforts and statewide funding advocacy, and to be eligible for OBAG 2 funding for local streets and roads, a jurisdiction must:

- Have a certified Pavement Management Program (StreetSaver® or equivalent) updated at least once every three years (with a one-year extension allowed); and
- Fully participate in the statewide local streets and road needs assessment survey (including any assigned funding contribution); and
- Provide updated information to the Highway Performance Monitoring System (HPMS) at least once every 3 years (with a one-year grace period allowed).

## **SB-1 Accountability Guidelines Workshop**

CTC will be holding two workshops on Monday, January 22 in Sacramento. The morning session (10-12p) will be to discuss SB 1 Accountability Guidelines, and the afternoon session (1-5p) will be to discuss the Active Transportation Program Guidelines and Applications. **See attachment.**

## **2018-19 Grant Call for Projects and District 4 Open House**

Caltrans recently released application guides for the FY 18-19 Transportation Planning Grant program. Three opportunities are available. Applications for all programs are due to Caltrans by 5:00 PM on February 23, 2018. The grant guidelines, schedule and all Caltrans requirements are found at: <http://www.dot.ca.gov/hq/tpp/grants.html>. **See attachment.**

## **Office of Local Assistance Training**

**See attachment.** (<http://www.dot.ca.gov/hq/LocalPrograms/training.html>)

## **New Process for Reviewing Indirect Cost Rates of A&E firms Contracting with Local Agencies**

The California Department of Transportation (Caltrans) is implementing a new process for reviewing Indirect Cost Rates of Architectural and Engineering (A&E) firms contracting with local agencies. As part of the process, A&E firms will now be required to submit to local agencies certain financial documents to support their Indirect Cost Rates. **See attachment.**

## **OBAG 2 Update**

TIP Revision 2017-25 amends new projects into the TIP to reflect the adoption of the One Bay Area Grant 2 (OBAG2) County Program. Projects are now marked as ‘Proposed’ on FMS which means agencies can start to schedule field reviews with Caltrans Local Assistance. Please review the program years of your respective projects to ensure you meet necessary deadlines.

## **VTA Webinar on Vehicle Miles Traveled**

VTA will be presenting a webinar on Tuesday, January 23, at 10 a.m. called “Vehicle Miles Traveled for Smarter Development.”

The webinar is intended to provide a refresher on Level of Service (LOS) and Vehicle Miles Traveled (VMT), an overview of Senate Bill 743 and the transition from LOS to VMT, and a discussion of how these changes will affect VTA and local jurisdictions in Santa Clara County. The webinar is intended for city or county staff that may have heard about SB 743 but haven’t been following it closely, as well as interested elected officials, Planning Commissioners, advocates and members of the public. The webinar will consist of about 30 minutes of presentation followed by a question-and-answer period of perhaps another 15 minutes.

The webinar can be viewed at the following link: <https://www.youtube.com/watch?v=MQXkcrdshdk>.



METROPOLITAN  
TRANSPORTATION  
COMMISSION

Bay Area Metro Center  
375 Beale Street  
San Francisco, CA 94105  
TEL 415.778.6700  
WEB [www.mtc.ca.gov](http://www.mtc.ca.gov)

## *Memorandum*

TO: Joint Partnership Working Group

DATE: January 4, 2018

FR: Theresa Romell

RE: 2018 Statewide LSR Needs Assessment Survey

Since 2008, cities, counties, and Regional Transportation Planning Agencies throughout California have contributed to the development of a needs assessment to gauge the conditions and maintenance funding needs of local streets and roads, statewide. The information garnered from this process has helped to preserve funding for local road maintenance in the past, and more recently, was a catalyst behind the legislative approval of Senate Bill 1, earning local jurisdictions approximately \$1.5 billion annually for roadway repair.

The 2018 needs assessment is now underway. The process begins with a survey of each jurisdiction in order to gather data on conditions, revenues, and maintenance practices. Your assistance is needed to ensure that the final report contains accurate and credible information.

The electronic survey will be open on-line by mid-January, and will close on March 30<sup>th</sup>, 2018. Each jurisdiction will receive a letter (see attached sample) containing unique survey login and password information, as well as instructions for the online survey.

Please note that this survey is lengthy, detailed, and may require coordination between several departments within your city/county. Please allow several working days to complete the survey thoroughly and accurately. Responses to the 2018 survey by Bay Area jurisdictions will also serve as the basis for the development of the region's local street and road needs assessment, for the purposes of the next Regional Transportation Plan / Sustainable Communities Strategy (regional long range plan).

Lastly, remember that participation in this survey by Bay Area jurisdictions is not optional, and is required in order to remain eligible for future regional funding.

For any questions related to the survey, please contact me at [tromell@bayareametro.gov](mailto:tromell@bayareametro.gov) or (415) 778-6772.



January 12, 2018

## TO CALIFORNIA CITIES & COUNTIES

### Oversight Committee

*Charles Herbertson  
City of Culver City  
Chairman*

*Steve Castleberry  
Nevada County*

*Keith Cooke  
City of San Leandro*

*Greg Kelley  
Los Angeles County*

*Sarkes Khachek  
Santa Barbara County  
Association of Governments*

*Dave Leamon  
Stanislaus County*

*Mike Penrose  
Sacramento County*

*William Ridder  
LA Metro*

*Theresa Romell  
MTC*

*Mike Sartor  
City of Palo Alto*

*Bonnie Teaford  
City of Burbank*

*Mike Woodman  
Nevada County Trans. Comm.*

### Staff

*Rony Berdugo  
Meghan McKelvey  
League of California Cities*

*Merrin Gerety  
CEAC*

*Kiana Valentine  
Chris Lee  
CSAC*

**SUBJECT: 2018 CALIFORNIA STATEWIDE LOCAL STREETS AND ROADS NEEDS ASSESSMENT**

Dear Madam/Sir:

**Your help in responding to our survey in 2016 made a difference! As a result of your efforts, the Governor signed SB1 in April 2017, which provides approximately \$1.5 billion/year for local streets and roads.**

Since 2008, the California Statewide Local Streets and Roads Needs Assessment Report has been invaluable to the California State Association of Counties (CSAC) and the League of California Cities (League) on a number of transportation efforts at both the state and federal level. We have used the findings to educate elected officials, policy- and decision-makers, and the public about the condition of the local transportation network and the funding needed to bring the system into a state of good repair. CSAC and the League have also used the findings to advocate for additional funding for local streets and roads (the 2016 report is available at [www.SaveCaliforniaStreets.org](http://www.SaveCaliforniaStreets.org)).

In addition to deterring negative policies and budget decisions, CSAC and the League have used the findings in proactive efforts including SB 375 implementation, seeking revenues for Cap and Trade funding, and other sustainable transportation efforts.

**In 2018-19, we will continue to use the findings of the 2018 assessment to emphasize the importance of retaining SB1 funding for maintenance of our local streets and roads.**

As in the past, this project is being funded through contributions from stakeholders. Regional Transportation Planning Agencies (RTPAs) have provided half the cost, with cities and counties sharing equally in the remaining cost. It is essential that each agency contribute toward this study in order to demonstrate how critical this issue is to sustaining our state's transportation infrastructure.

An ongoing effort is needed to update the local streets and roads needs on a regular, consistent basis, much like the State does in preparing the State Highway Operation and Protection Program (SHOPP). NCE will assist us in performing the 2018 update of the Statewide Needs Assessment.

## **YOU CAN CONTINUE TO MAKE A DIFFERENCE!**

We need your immediate assistance on the following items:

1. To ensure a widespread dissemination of this request, this letter has been sent to the City Manager/County Administrative Officer, Public Works Director, City/County Engineer, and Finance Director. We recognize that the data may come from multiple sources, so we ask your agency to coordinate among yourselves to ensure that the most recent and accurate information is entered. Please provide NCE with your agency's contact information if you are not the appropriate contact. This person(s) should be able to provide all the information requested in the survey. We need information on two main areas plus an optional survey:

- a. Technical – pavement, safety, regulatory and traffic needs.
  - b. Financial – projected funding revenues/expenditures.
  - c. Optional survey from the City and County Pavement Improvement Center to identify training and pavement technical needs.
2. Fill out the online survey at [www.SaveCaliforniaStreets.org](http://www.SaveCaliforniaStreets.org). Instructions for filling out the survey are enclosed. Your agency's login and password are:

Login: Password:
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It is essential that we have this data no later than **March 30<sup>th</sup>, 2018**. Should you have any questions, please do not hesitate to contact:

Ms. Margot Yapp, P.E. Vice President/Project Manager NCE 501 Canal Blvd, Suite I Pt. Richmond, CA 94804 (510) 215-3620 myapp@ncenet.com
---

We appreciate your help in providing this information.

Sincerely,



Charles D. Herbertson, P.E., L.S.  
President, Public Works Officers Department  
League of California Cities  
Director of Public Works/City Engineer  
City of Culver City  
Project Manager of Statewide Needs Assessment



Matt Machado, President  
County Engineers Association of California  
Director of Public Works  
County of Stanislaus

Enclosures: Fact Sheet  
Instructions for Online Survey



## California Transportation Commission

**SAVE THE DATE**

### **SB 1 Accountability Guidelines Workshop**

**Monday, January 22, 2018**

**Caltrans**

**Basement Board Room**

**1120 N Street**

**Sacramento, CA 95814**

**10:00 AM – 12:00 PM**

**Teleconference #: (877) 411-9748**

**Participant Code: 5283660**

**Questions during the call may also be submitted to [CTC@dot.ca.gov](mailto:CTC@dot.ca.gov)**

Workshop materials for the SB 1 Accountability Guidelines will be posted prior to the workshop on the Commission's webpage at:

<http://catc.ca.gov/programs/sb1/reforms/>

Questions about the SB 1 Accountability Guidelines may be directed to Dawn Cheser, Associate Deputy Director at (916) 653-7665 or [dawn.cheser@catc.ca.gov](mailto:dawn.cheser@catc.ca.gov).

More Information about the California Transportation Commission may be found at:

<http://www.catc.ca.gov/>

Follow the CTC on Twitter [@California\\_CTC](https://twitter.com/California_CTC)



## California Transportation Commission

**SAVE THE DATE**

### **2019 Active Transportation Program (Cycle 4) Workshop**

**Monday, January 22, 2018  
Caltrans  
Basement Board Room  
1120 N Street  
Sacramento, CA 95814  
1:00 PM – 5:00 PM**

**Teleconference #: (877) 411-9748  
Participant Code: 5283660**

**Questions during the call may also be submitted to [CTC@dot.ca.gov](mailto:CTC@dot.ca.gov)**

Workshop materials will be posted prior to the workshop on the Commission's webpage at: <http://www.catc.ca.gov/programs/atp/>

Questions about the Active Transportation Program may be directed to Laurie Waters, Associate Deputy Director at (916) 651-6145 or [laurie.waters@catc.ca.gov](mailto:laurie.waters@catc.ca.gov).

More Information about the California Transportation Commission may be found at: <http://www.catc.ca.gov/>

Follow the CTC on Twitter [@California\\_CTC](https://twitter.com/California_CTC)

# CALIFORNIA DEPARTMENT OF TRANSPORTATION

[Caltrans](#) → [Transportation Planning](#) → [Transportation Planning Grant Program](#)

## Caltrans Transportation Planning Grant Program

### Announcing Caltrans Transportation Planning Grant Application Guides and Call-for-Applications

Caltrans is pleased to release the FY 2018-19 Grant Application Guides and call-for-applications for the traditional State and federal funding, as well as grant funding from Senate Bill 1, the Road Repair & Accountability Act of 2017. The Grant Application Guides were developed last summer with input from four public workshops and stakeholder comments. A total of \$40.8 million is available for transportation planning projects statewide. The information provided below will assist with the successful completion of grant applications, due February 23, 2018 by 5 PM. Grant announcements are anticipated in May 2018 (see schedule below). Please contact the appropriate Caltrans district staff (see "District Contacts" below) if there are questions about developing competitive grant applications.

The available transportation planning grant funds include:

- **Sustainable Communities Grants (\$29.5 million)** to encourage local and regional planning that furthers state goals, including, but not limited to, the goals and best practices cited in the Regional Transportation Plan Guidelines adopted by the California Transportation Commission.
- **Strategic Partnerships Grants (\$4.3 million)** to identify and address statewide, interregional, or regional transportation deficiencies on the State highway system in partnership with Caltrans. New for FY 2018-19 is a transit component that will fund planning projects that address multimodal transportation deficiencies with a focus on transit.
- **Adaptation Planning Grants (\$7 million)** to support planning actions at local and regional levels that advance climate change efforts on the transportation system.

Grant applicants are encouraged to contact Caltrans district staff (below) to ask questions and receive technical assistance with application development.

#### [Grant Workshop Information](#)

[Grants Presentation](#)

[Grants Brochure](#)

### **Sustainable Communities & Strategic Partnerships**

[Grant Application Guide\\*](#)

\*Please note, a revision was made to Page 3 of the guide. The Strategic Partnerships - Transit minimum/maximum grant amounts should be \$100,000/\$500,000.

[Required Sustainable Communities Grant Application Form](#)

[Required Strategic Partnerships Grant Application Form](#)

[District Contacts](#)

### **Adaptation Planning**

[Grant Application Guide](#)

[Required Grant Application Form](#)

[District Contacts](#)

Download the latest version of [Adobe Reader DC](#)® to complete the application. This version of Adobe is available free of charge.



[Required Scope of Work Template](#)

[Required Project Timeline Template](#)

[Third Party In-Kind Valuation Plan Template, if applicable](#)

## Anticipated Schedule for Fiscal Year 2018-19 Transportation Planning Grants (i.e., Sustainable Communities, Strategic Partnerships, and Adaptation Planning)

- **January 5, 2018** – Release Grant Guides and call for applications
- **February 23, 2018** – Grant application deadline
- **March - April 2018** – Application evaluation period
- **May 2018** – Management approval and release grant announcements
- **July 2018** – Earliest project start date for MPOs/RTPAs
- **October 2018** – Earliest project start date for non-MPOs/RTPAs
- **February 28, 2021** – ALL grant tasks must be completed
- **April 30, 2021** – ALL final invoices must be submitted

## Fiscal Year 2017- 18 Senate Bill 1 Planning Grants

On December 15, 2017, Caltrans announced the release of the Fiscal Year (FY) 2017-18 Senate Bill (SB) 1 Sustainable Communities and Adaptation Planning Grant awards. Caltrans received a statewide total of 157 Sustainable Communities Competitive and Adaptation Planning grant applications, requesting \$44.6 million in grants (summaries below). Of these applications, 64 transportation planning projects were selected for grant awards, totaling \$19.38 million. Award and Non-Award lists for each grant are provided below. Grant applicants are encouraged to contact Caltrans district staff (below) to request feedback for unsuccessful applications and receive technical assistance with application development.

[Sustainable Communities Competitive Grants Award List](#)

[Sustainable Communities Competitive Grants Non-Award List](#)

[Sustainable Communities Formula Grants Award List](#)

[Sustainable Communities Grant Applications Received and Awarded Summary](#)

[Adaptation Planning Grants Award List](#)

[Adaptation Planning Grants Non-Award List](#)

[Adaptation Planning Grant Applications Received and Awarded Summary](#)

## Fiscal Year 2017-18 SB 1 Planning Grants Timeline

- **June 2017** – Hold two workshops for input on the grant guide
  - [June 26 Workshop Agenda](#)
  - [June 27 Workshop Agenda](#)
  - [Workshop PowerPoint Presentation](#)
  - [Webcast Recording](#)
  - [Workshop Press Release](#)
  - [SB1 Workshop Flyer](#)
- **July 12, 2017** – Post the Discussion Draft Grant Guides online for 2-week comment period. Incorporate comments.
  - [Discussion Draft - Sustainable Communities](#)
  - [Comment Log - Sustainable Communities](#)
  - [Discussion Draft - Adaptation Planning](#)
  - [Comment Log - Adaptation Planning](#)
- **August 2, 2017** – Send Final Draft Grant Guides to the Legislature (financial and policy committees) and post for 30-day comment period.
  - [Press Release](#)
  - [Final Draft - Sustainable Communities](#)
  - [Comment Log - Sustainable Communities](#)
  - [Final Draft - Adaptation Planning](#)
  - [Comment Log - Adaptation Planning](#)

- **Early September 2017** – Hold two public workshops to receive input on the Final Draft Grant Guides and incorporate comments.
  - [September 1 Meeting Agenda](#)
  - [September 6 Meeting Agenda](#)
  - Workshop PowerPoint Presentations:
    - [Overview and Next Steps](#)
    - [Air Resources Board Scoping Plan](#)
    - [Land Use and Transportation Integration](#)
    - [Planning for Housing](#)
    - [Integrated Climate Adaptation and Resiliency Program](#)
  - [Webcast Recording](#)
  - [Workshop Flyer](#)
- **September 14, 2017** – Release final Grant Guides and call for applications
  - [Sustainable Communities Grant Application Guide](#)
  - [Adaptation Planning Grant Application Guide](#)
- **October 20, 2017** – Grant applications due
  - [Sustainable Communities Competitive Grant Applications Received Summary](#)
  - [Adaptation Planning Grant Applications Received Summary](#)
- **November 2017** – Application evaluation period
- **December 2017** – Management approval and release grant announcements
- **February 1, 2018** – Non-MPO/RTPA final due date for contract packages
- **May 1, 2018** – MPO/RTPA final due date for programming funds in Overall Work Programs (OWPs) and OWP Agreements.

## Grant Program Information

More information about each grant's purpose and goal, eligibility, and grant funding cap can be found in the [Office of Regional Planning's grants website](#).

## Archived Grants Information

- [Fiscal Years 2000/01 to 2017/18](#)

## Contact Us

### Priscilla Martinez-Velez

Fiscal and Grant Management Branch  
Office of Regional Planning  
(916) 651-8196  
[priscilla.martinez-velez@dot.ca.gov](mailto:priscilla.martinez-velez@dot.ca.gov)

### Rosie Flores

Fiscal and Grant Management Branch  
Office of Regional Planning  
(916) 653-3957  
[rosie.flores@dot.ca.gov](mailto:rosie.flores@dot.ca.gov)

### Address:

1120 N Street, MS-32  
Sacramento, CA 95814

### Mail:

PO Box 942874, MS-32  
Sacramento, CA 94274-0001

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## Register for Trainings

Registration will be open until one week prior to the date of training. After that date, you must contact our registrar at (800) 858-7743.

### Federal Aid Series

Date(s)	Location
January 29 - February 2, 2018	Caltrans District 8 Office
March 5-9, 2018	Caltrans District 6 Office <a href="#">Register</a>
April 9-13, 2018	Caltrans District 11 Office <a href="#">Register</a>
June 4-8, 2018	Salinas – CSUMB City Center <a href="#">Register</a>

### Resident Engineers Academy

Due to limited seating in the Resident Engineers Academy, you must request admittance by sending an email to the [Caltrans District Training Coordinator or DLAE in your area](#). Once the priority registration list has been compiled and approved by Caltrans, you will receive an email from our registrar with instructions on how to register online.

Date(s)	Location
March 12-15, 2018	Salinas – CSUMB City Center <a href="#">Register</a>
April 16-19, 2018	Caltrans District 1 Office <a href="#">Register</a>
May 14-17, 2018	San Francisco – Municipal Transportation Agency (SFMTA) <a href="#">Register</a>
June 11-14, 2018	Camarillo Public Library <a href="#">Register</a>

**Additional Caltrans-subsidized trainings are available through UC Berkeley's Technology Transfer Program at <http://www.techtransfer.berkeley.edu/schedule>.**

**DEPARTMENT OF TRANSPORTATION**  
INDEPENDENT OFFICE OF AUDITS AND INVESTIGATIONS  
P.O. BOX 942874, MS-2  
SACRAMENTO, CA 94274-0001  
PHONE (916) 323-7111  
FAX (916) 323-7123  
TTY 711  
www.dot.ca.gov



*Making Conservation  
a California Way of Life.*

January 2, 2018

Dear Transportation Partners:

The California Department of Transportation (Caltrans) will be implementing a new process for reviewing and accepting Indirect Cost Rates (ICR) of Architectural and Engineering (A&E) firms contracting with Local Government Agencies (LGA) on projects using state and federal-aid highway funds. This is in response to existing federal regulations at 23 Code of Federal Regulations (CFR) Part 18. These requirements are effective January 2<sup>nd</sup>, 2018 with a grace period up to April 1<sup>st</sup>, 2018.

As part of this process, A&E firms will now be required to submit to LGAs, certain financial documents to support their ICR(s). Enclosed you will find exhibits that outline these requirements.

LGAs will be responsible for ensuring all required financial documents from A&E firms are received and forwarded to Caltrans Audits and Investigations (A&I) for review prior to contract execution. Within 30 business days of A&I's receipt of the financial document package, A&I will make the recommendation to the LGA to either accept, or adjust the A&E firm's ICR. Upon agreement between the LGA and A&I, however, the 30 business days can be extended. We recommend LGAs include language in the Request for Proposals with A&E firms stipulating the financial document requirements for A&E ICR(s).

To provide additional support for LGAs and A&E firms in this new process, by the end of January, A&I will post to our website at <http://dot.ca.gov/audits/> a training module on the new financial document requirements as well as a training module on prevailing wages. We hope these will be a helpful resource to all.

Sincerely,

A handwritten signature in cursive script that reads "Alice Lee".

ALICE LEE  
Chief, External Audits – Local Governments

Enclosures

- (1) Exhibit 10A
- (2) Exhibit 10A Checklist

- c: Rodney Whitfield, Director of Financial Services, FHWA, California Division
- Matt Schmitz, Director of Project Delivery, FHWA, California Division
- Veneshia Smith, Financial Program Manager, FHWA, California Division
- Scott McHenry, Local Programs Manager, FHWA, California Division
- Eraina Ortega, Inspector General, Independent Office of Audits and Investigations, California Department of Transportation
- William Lewis, Assistant Deputy Director, Independent Office of Audits and Investigations, California Department of Transportation
- Socorro Briseno, Deputy Director, Planning and Modal Program, California Department of Transportation
- Rihui Zhang, Chief, Division of Local Assistance, California Department of Transportation
- Mark Samuelson, Office Chief, Division of Local Assistance, California Department of Transportation
- Felicia Haslem, Program Manager, Division of Local Assistance, California Department of Transportation

## EXHIBIT 10-A A&E CONSULTANT FINANCIAL DOCUMENT REVIEW REQUEST LETTER

(For Proposed A&E Consultant Contracts of \$150,000 or Greater)

Department of Transportation

Date:

Independent Office of Audits and Investigations, MS 2

Attention: External Audit Manager

Federal Project Number:

P.O. Box 942874

Sacramento, CA 94274-0001

Project Description:

[conformance.review@dot.ca.gov](mailto:conformance.review@dot.ca.gov)

To Caltrans Independent Office of Audits and Investigations:

The following applicable documents are attached for proposed A&E consultant contract number \_\_\_\_\_ at a proposed total contract amount of \$ \_\_\_\_\_ with [Prime Consultant's full legal name]:

Participation Amounts for Prime and all Sub-consultants on this contract are:

Consultant's Name	Participation Amount	Category 1, 2, 3, 4, or 5?

Note: add pages if necessary.

1. **Category 1:** For our Consultant with a **Cognizant Approval Letter** for the Indirect Cost Rate (ICR) Fiscal Year End (FYE) proposed, we are submitting the following:

- Cost Proposals from all selected Prime and subconsultants. *(Examples at Exhibits 10-H1 through 10-H4)*
- Cognizant Approval Letter for FYE proposed, issued by cognizant state *(Based on Location of Accounting Records as stated on AASHTO ICQ)*
- Consultant Annual Certification of Indirect Costs and Financial Management System *(Exhibit 10-K). (If already submitted for the fiscal year, provide only a copy)*
- Local Agency and Consultant's Point of Contacts
- Prevailing Wage (PW) Policy for PW contracts

*\*PW contracts require written PW Policy. It must be on the company's letterhead, signed, and dated by company's official to show accounting methods used on delta base and delta fringe - refer to A&I's PW Interpretive Guidance on [www.dot.ca.gov/audits](http://www.dot.ca.gov/audits).*

2. **Category 2:** For our Consultant with **Caltrans Acceptance Identification (ID) Number** for ICR FYE proposed, we are submitting the following:

- Cost Proposals from all selected Prime and subconsultants. *(Examples at Exhibits 10-H1 through 10-H4)*
- Caltrans' ICR Acceptance ID(s) for FYE ICR proposed, as listed below:

Consultant's Name	ICR FYE Accepted	Acceptance ID #s

*Note: add pages if necessary.*

- Local Agency and Consultant's Point of Contacts
  - Prevailing Wage (PW) Policy for PW contracts\*
3. **Category 3:** For our consultant requesting a Safe Harbor Rate (SHR), the following are submitted:

- Cost Proposals *(Examples at Exhibit 10-H1 through 10-H4)*
- Local Agency and Consultant's Point of Contacts
- Prevailing Wage (PW) Policy for PW contracts\*
- Safe Harbor Rate Consultant Certification of Eligibility Contract Costs and Financial Management System (Attachment 1R). *Firms using SHR can be reimbursed for the prevailing wage deltas either as an Other Direct Cost or as an Overhead/Indirect Cost - refer to A&I's PW Interpretive Guidance on www.dot.ca.gov/audits.*
- Questionnaire for Evaluating Consultant's Financial Management System (Attachment 2R)
- Here is a list of consultants that are requesting use of the Safe Harbor Rate:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

4. **Category 4:** For contract amounts **greater than or equal to \$150,000 but less than \$1,000,000 with participating amount greater than or equal to \$150,000**, the following are submitted for all prime and subconsultants on this contract:

- Cost Proposals from all selected Prime and subconsultants. *(Examples at Exhibits 10-H1 through 10-H4)*
- Consultant Annual Certification of Indirect Costs and Financial Management System (Exhibit 10-K) *(If already submitted for the fiscal year, provide only a copy)*
- Local Agency and Consultant's Point of Contacts
- FAR Compliant Indirect Cost Rate (ICR) Schedule including FAR References and Disclosure Note. *\*\*FAR Compliant ICR schedule includes FAR References and Disclosure Notes. If the Disclosure Notes are not provided, A&I will provide a first year waiver of this requirement; however, the note will be required on future fiscal year ICR schedules. See AASHTO Guide Chapter 5, 8, and 11 for references. The fiscal year-end's indirect cost rate (ICR) to be applied to the Agreement is based on the*

*submission package received by A&I. For financial document package received between January 1, 2018 and June 30, 2018, the FYE ICR of 2016 must be submitted or the FYE 2017 ICR if available. If the financial document package received date is between July 1, 2018 and December 31, 2018, the 2017 ICR must be submitted.*

- AASHTO Internal Control Questionnaire (ICQ) Appendix B
- Prevailing Wage (PW) Policy for PW contracts\*

5. **Category 5:** For contract amounts **greater than or equal to \$1,000,000**, the following are submitted for all prime and subconsultants with **participating amounts greater than or equal to \$150,000** on this contract:

- Cost Proposals from all selected Prime and subconsultants. *(Examples at Exhibits 10-H1 through 10-H4)*
- Consultant Annual Certification of Indirect Costs and Financial Management System *(Exhibit 10-K) (If already submitted for the fiscal year, provide only a copy)*
- Local Agency and Consultant's Point of Contacts
- FAR Compliant Indirect Cost Rate (ICR) Schedule including FAR References and Disclosure Note \*\*  
(Prime Consultant must have a CPA Audited ICR Report if contract is  $\geq$  \$1M, regardless of Prime Consultant's participation amount).
- Prior year Indirect Cost Rate (ICR) Schedule
- AASHTO Internal Control Questionnaire (ICQ) Appendix B
- Post-Closing Trial Balance. *(Accounts and balances must match costs proposed on the FAR Compliant ICR schedule, as per 48 CFR Part 31)*
- Vacation/Sick Policy
- Bonus Policy
- Executive Compensation Analysis (ECA). *(Accounts and balances must match costs proposed on the FAR Compliant ICR schedule, as per 48 CFR Part 31)*
- Prevailing Wage (PW) Policy for PW contracts\*

Sincerely,

Name \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

Department \_\_\_\_\_

Address \_\_\_\_\_

**Distribution:**

- 1) Original - Caltrans Independent Office of Audits & Investigations
- 2) Copy - Local Agency Project Files
- 3) Copy - Caltrans District Local Agency Engineer



**CALTRANS A&I FINANCIAL DOCUMENT REVIEW REQUIREMENTS  
FOR ARCHITECTURAL AND ENGINEERING (A&E) CONSULTANTS  
ON LOCAL GOVERNMENT AGENCY CONTRACTS**

Type of Financial Documents and Information for ICR FYE proposed *	CATEGORY 1: Firms with Cognizant Approval Letter for ICR FYE proposed	CATEGORY 2: Firms with Caltrans Acceptance ID Number for ICR FYE proposed **	CATEGORY 3: Firms Requesting Safe Harbor Rate (SHR)	If not Categories 1-3	
				CATEGORY 4: Contracts ≥ \$150K to < \$1M and participating amounts ≥ to \$150K	CATEGORY 5: Contracts ≥ \$1M and participating amounts ≥ \$150K
<b>For all Prime and Sub-consultants</b>					
A&E Consultant Financial Document Review Request Letter and Checklist (Exhibit 10-A) (1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cost Proposals from all selected Prime and subconsultants. (Examples at Exhibit 10-H1 through 10-H4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cognizant Approval Letter for the FYE proposed (issued by cognizant state, which is based on Location of Accounting Records as stated in AASHTO ICQ)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Caltrans' ICR Acceptance ID #s for ICR FYE proposed **	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Consultant Annual Certification of Indirect Costs and Financial Management System (Exhibit 10-K) (if already submitted for the fiscal year, provide a copy)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Local Agency and Consultant's Points of Contact	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FAR Compliant Indirect Cost Rate (ICR) Schedule including FAR References and Disclosure Notes (2) ★ <i>Prime Consultant must have a CPA Audited ICR Report if contract is ≥ \$1M, regardless of Prime Consultant's participation amount.(2)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	★
Prior Year ICR Schedule	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
AASHTO Internal Control Questionnaire (ICQ) Appendix B	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Post Closing Trial Balance (3)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vacation/Sick Policy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bonus Policy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Executive Compensation Analysis (ECA) (3)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Prevailing Wage (PW) Policy for PW contracts (4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>When applicable, additional documents may be requested:</b>					
Supplemental reconciliation schedule (to tie the proposed ICR Schedule to Trial Balance) (3)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chart of Accounts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Income Statement (3)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Labor Summary Report (5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Related Party Rent Analysis (3)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Vehicle, Equipment, and Other Direct Costs Schedules (3)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
<b>Safe Harbor Rate Documents:</b>						
- Consultant Certification of Eligibility of Contract Costs and Financial Management System (Attachment 1R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
- Questionnaire for Evaluating Consultant's Financial Management System (Attachment 2R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
<b>Total Documents Required</b>	<b>6</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>12</b>	

\* ICR FYE = Indirect Cost Rate Fiscal Year End. This list is not all inclusive and additional documentation may be required.

\*\* Caltrans ICR Acceptance ID # is an identification number issued by Caltrans upon review and acceptance of consultant's indirect cost rate(s) schedule for a specific fiscal year. This ID # can be referenced for use on future contracts using the same FYE ICR.

\*\*\* Firms using SHR can be reimbursed for the prevailing wage deltas either as an Other Direct Cost or as an Overhead/Indirect Cost - refer to A&I's PW Interpretive Guidance on [www.dot.ca.gov/audits](http://www.dot.ca.gov/audits).

Local Agencies are required to complete Exhibit 10-A and include all applicable required documents upon submission. FAR Compliant ICR schedule includes FAR References, and Disclosure Notes. If the Disclosure Notes are not provided, A&I will provide a first year waiver of this requirement; however, the notes will be required on future fiscal year ICR schedules. See AASHTO Guide Chapter 5, 8, and 11 for references. The fiscal year-end indirect cost rate (ICR) to be applied to the Agreement is based on the submission package received by A&I. For financial document packages received from January 1, 2018 to June 30, 2018, the 2016 FYE ICR must be submitted or the FYE 2017 ICR if available. For financial document packages received from July 1, 2018 to December 31, 2018, the 2017 ICR must be submitted.

Accounts and balances must match costs proposed on the FAR Compliant ICR schedule, as per 48 CFR Part 31.

Prevailing Wage (PW) contract requires written PW Policy. It must be on the company's letterhead, signed, and dated by company's official to show accounting methods used on delta base and delta fringe - refer to A&I's PW Interpretive Guidance on [www.dot.ca.gov/audits](http://www.dot.ca.gov/audits).

Document/Report must summarize total labor costs that agree to total direct labor and total indirect labor amounts included in the fiscal year ICR schedule proposed on the contract. Uncompensated overtime must be presented for salaried/exempt employees that are not compensated for hours worked in excess of 8 hours a day/40 hours per week/2080 hours per year. Refer to Uncompensated Overtime Interpretive Guidance on [www.dot.ca.gov/audits](http://www.dot.ca.gov/audits).