

<i>SACOG Policy/Procedure</i>	<i>Original Issue Date: 7/1/2023</i>
<i>Administering the Transportation Development Act Funds</i>	<i>Revision Date:</i>

PURPOSE:

SACOG, as the Regional Transportation Planning Agency (RTPA) for the counties of Sacramento, Sutter, Yolo, and Yuba, is responsible for the allocation and administration of the Transportation Development Act (TDA) funds. These policies and procedures are developed to ensure SACOG is establishing and maintaining effective internal control over the TDA funds and provides reasonable assurance that SACOG is managing the TDA funds in compliance with State statutes, regulations and the terms and conditions of the award in accordance with the [TDA Statutes and California Code of Regulations](#). The Executive Director may modify policies and procedures within his/her delegated authority as needed to reflect administrative updates or changes in statutes, regulations, or law.

REQUIREMENTS:

A. Annual Findings of Apportionment

1. Local Transportation Fund (LTF)

- a. The County Auditor Controller prepares and approves sales tax revenues estimate for the upcoming fiscal year and submits it to SACOG by February 1.
- b. SACOG analyst prepares allocations of the revenue estimates to be distributed to cities, transit agencies, and counties and sends the allocation tables to the County Auditor Controller for review.
- c. SACOG analysts prepare staff reports and allocations of revenues for the SACOG board to adopt.
- d. Upon adoption of the estimated revenues, analyst sends out allocation tables to the jurisdictions. Jurisdictions can now use the allocations for planning, budgeting, and preparing TDA claim.

2. State Transit Assistance and State of Good Repair Funds (STA)/(SGR)

- a. Each year in February, the California State Controller publishes estimates of sales revenue for the State Transit fund (STA) and State of Good Repair (SGR) fund for the following fiscal year.
- b. SACOG staff uses the estimates to calculate funding allocations for each city, county, and transit agency for the STA fund and transit operators only for the SGR fund.
- c. Staff then prepare allocations, based on population, for the board to adopt. Upon adoption, staff send a copy of the allocation tables to each jurisdiction and publish the allocation estimates on the SACOG website.

- d. The STA fund is available for distribution upon board adoption. However, for SGR fund, the transit operators must submit eligible capital projects as approved by their governing boards to SACOG and to Caltrans for final approval. Funds are distributed on a reimbursement basis.
- e. In August, the State controller revises both the STA and SGR estimates, and the revisions are approved by the board and available for distribution as stated above.

B. Claims and Payment

1. Local Transportation Fund (LTF)

- a. Claimants can prepare and submit a claim for a portion of the allocation or a total of the allocations. Claimants must present the claim to their respective governing board and obtain a signed resolution to accompany the claim packet.
- b. SACOG staff review the claim and work with claimants to make any corrections as needed. A claim resolution is prepared for SACOG's board approval. The resolution is signed by the board chair and the Executive director.
- c. Staff prepare an allocation or instruction letter to the County for disbursement of LTF funds. The county disburses funds as they become available from the state. The county auditor cannot disburse payments unless a claim has been approved and an instruction letter is sent from SACOG authorizing the disbursement of funds.

2. State Transit Assistance Fund (STA)

- a. Claimants can prepare and submit a claim for a portion of the allocation or a total of the allocations. Claimants must present the claim to their respective governing board and obtain a signed resolution to accompany the claim packet.
- b. SACOG staff review the claim and work with claimants to make any corrections as needed. A claim resolution is prepared for SACOG's board approval. The resolution is signed by the board chair and the Executive director.
- c. SACOG disburses funds as they become available from the state. The disbursements are made quarterly.

3. State of Good Repair Fund (SGR)

- a. Claimants can prepare and submit a claim for reimbursement on a portion of the allocation or a total of the allocations for approved projects. Claimants must present the claim to their respective governing body and obtain a signed resolution to accompany the claim packet.
- b. SACOG staff review the claim and work with claimants to make any corrections as needed. A claim resolution is prepared for SACOG's board approval. The resolution is signed by the board chair and the Executive director.
- c. Claimant submits an invoice with supporting documentation to staff for review. Once the invoice is approved, SACOG staff process the invoice and submit it to County of Sacramento for payment.

C. Unmet Transit Needs

- a. SACOG planner conducts annual unmet transit needs hearings both on site at each county and a virtual hearing is scheduled too. This provides for at least one public hearing to meet citizen participation as required by TDA law.
- b. Transit service requests can be submitted electronically, by phone, text, mail or through a transportation planning process.
- c. The SACOG board holds a final hearing at the start of the calendar year and adopts by resolutions, all the unmet transit needs input.
- d. There must be no unmet transit needs or no unmet transit needs that are reasonable to meet for a claimant to fund a local roadway project with Local Transportation Fund.

D. Reporting

1. Local Transportation Fund (LTF)

- a. The County Auditor Controller prepares and submits quarterly reports to SACOG within 30-45 days after close of quarter.
- b. SACOG Staff review and reconcile the quarterly reports against the allocations and approved claims to ensure disbursements are made according to the LTF instruction letter. The Detail General Ledger entries are reviewed and entered in the SACOG ERP system.
- c. SACOG Staff review approved STA claims and reconcile disbursements quarterly according to the revenues received from the State Controller's Office.
- d. SACOG Staff review approved SGR claims, projects, and invoices for reimbursement.

2. State Controller's Reports

- a. Public Utilities Code (PUC) section 99243(b) requires that each transportation planning agency report to the State Controller's Office (SCO) the transit operators within their jurisdictions that are eligible for the State Transit Assistance (STA) program. SACOG Staff will complete and submit the form by June 15th of each year.
- b. Government Code (GC) 12463 requires that the financial transactions of each local agency be submitted to SCO within seven months after the close of the fiscal year. SACOG Staff will complete and submit the Financial Transactions Report (FTR) by January 31st of each year.

E. Audits

1. Annual Financial Audit

- a. TDA financial audit will begin early each September. SACOG Staff in coordination with the financial auditor will prepare a check list and send a copy to each auditor controller by August 15th. The County Auditor Controller will upload required documents to the financial auditor's secured portal and send a copy to SACOG staff.

2. Triennial Audit

- a. As a regional transportation planning agency (RTPA), SACOG is required by Public Utilities Code (PUC) Section 99246 to prepare and submit an audit of its performance on a triennial basis to the California Department of Transportation (Caltrans) to continue receiving TDA funding.

F. Fund Balance

- a. **LTF Fund:**
Each County shall account for the LTF Fund separately from other funds and shall make payment from the LTF fund balance. The LTF Fund is available solely in accordance with instructions received from SACOG.
- b. **STA Fund:**
SACOG shall account for STA fund in a restricted fund balance and can only be used for expenditures consistent with the TDA guidelines. SACOG Board of Directors approves the claims for funding from the STA Fund.
- c. **SGR Fund:**
SACOG shall account for these funds in a restricted fund balance and can only be used for expenditures consistent with the STA and SGR guidelines and other statutory objectives of the Road Repair and Accountability Act of 2017. SACOG Board of Directors approves the claims for funding from the STA Fund.

G. Record Retention

All fiscal and accounting records and other supporting papers related to the local transportation fund shall be maintained for a minimum of four fiscal years following the close of the fiscal year and shall be available for inspection and audit by the State Controller and SACOG.