RTPA/MPO FACT SHEET – ADDRESSING INACTIVITY

Goal – keep California's federal "Inactive Rate" below 2%. Inactive funds are defined as authorized federal funds that are not billed against for 1 year or more. This rate gets reported quarterly.

Challenge – California routinely posts higher than 2% Inactive Rates, and most (70%) of that rate is on the local side.

Caltrans' Previous Actions:

- ✓ Local Assistance previously de-obligated funds; however, FHWA's most recent Funds Management Policy now forbids this practice.
- ✓ Local Assistance worked with LPA to move de-obligations up in the project closeout process, which ensures completed projects do not become Inactive.

Caltrans' Proposed Action – mandatory de-obligations at Award IF the award is $50k or more below the authorized amount.

RTPA/MPO Inactive Team Created! Membership includes:

- Patricia Chen, Luke McNeel-Caird, Ross McKeown, Philip Chu, John Hoole, Keta Shah

Team Consensus: HOLD the mandatory de-obligation effort and instead the RTPA/MPO Team plans to:

- ➢ Track Inactives – monitor e-mails and the Local Assistance website
- ➢ Attend Agency Meetings and Status Meetings – focus attention on Inactives
- ➢ Initiate Unique Meetings with Agencies in which Inactives are discussed
- ➢ Consider AC requests
- ➢ Focusing on the 9-month timeframe for Inactivity
- ➢ Creating Inactive Policies and proposing penalties for Inactivity

Caltrans' Commitment to Support the Effort:

- Put a HOLD on current mandatory de-obligation efforts
- Inactive e-mail in the 1st Month of the Quarter with special attention to top 5-10.
- Inactive e-mail in the 2nd Month of the Quarter to DLAE's
- Inactive e-mail in the 3rd Month of the Quarter with updated top 5-10.
- Share the results of this with our partners (DLAE's and FHWA).
- Contact specific DLAE's to request attendance at status meetings.

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Inactive Website: http://www.dot.ca.gov/hq/LocalPrograms/Inactiveprojects.htm