INVOICES

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EXHIBITS

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1. Overview

Invoices must be prepared for local agency administered project work that is to be reimbursed for payment from state or federal-aid funds. The following procedure will be used by the local agency regardless of the type of funds or street or highway system.

2. Method

References:

Local Programs Manual, Volume I, Section 20
Local Programs Manual, Volume II, Section 19
Caltrans Accounting Manual, Chapter 19
State/Local Transportation Partnership Program Projects Guidelines
Guidelines for Matching RSTP/CMAQ with State Match Funds - 4/21/94
LPP 94-05
LPP 94-09
LPP 95-03

Applicability:

This procedure applies to all local agency projects requesting reimbursement from funds administered by the Office of Local Programs.

Guidance:

Local agencies may submit invoices for reimbursement of participating project costs on a monthly progress basis. Invoices for all progress billings shall be submitted directly to Caltrans, Accounting Service Center (ASC) in Sacramento. If there will be more than nine months between completion of Plans, Specifications, and Estimates (PS & E) and completion of construction, the final invoice for each project phase should be prepared and processed as soon as all the cost data is available. Final invoices shall be submitted to the appropriate District Local Assistance Engineer (DLAE).

Exceptions:

State/Local Transportation Partnership Program (SLTPP) projects involving $300,000 or less in state funds and Transportation Systems Management (TSM) matching funds for Federal Transit Administration grant projects receiving $300,000 or less in state matching funds will receive the full state share of funding at the time of contract award. This lump sum payment is considered a "grant," and will be reimbursed regardless of final cost. These shall be submitted to the DLAE as a final invoice. See LPP 94-09, "State and Local Transportation Partnership Program."

3. Responsibilities

The local agency is responsible for accurately billing Caltrans for reimbursable work upon completion. The local agency shall prepare invoices in the prescribed format based upon work completed and payments made therefor.

Upon project completion, the DLAE will receive the final invoice and will verify completion of the work prior to approving the final payment.

The Caltrans ASC will process all properly completed invoices for payment by the Controller in a timely manner.

4. Process

4.1 Initiation Requirements

The agency must have an executed Program Supplement that includes the requested project phase with the Department of Transportation before any invoice can be processed. For FHWA funded projects, the Department must have an executed Federal-Aid Project Agreement (PR-2). Invoices shall not exceed the amounts shown in the PR-2/2A. See Attachment 9, "Agreements." See Attachment 8 "Construction Administration" for discussion on Construction Records, Accounting Procedures and record retention.

4.2. Invoice

- The agency shall bill the State by using the proper invoice form (examples attached). The agency representative shall certify that the claimed expenses have been incurred.

- An original invoice, two (2) copies of the invoice, and one (1) copy of back-up information* for all progress invoices and also for final invoices for Flexible Congestion Relief projects will be sent by the agency directly to:

  Department of Transportation
  Accounting Service Center
  Local Programs Accounting Branch
  P. O. Box 942874
  Sacramento, CA 94274-0001

  Exception:

  Invoices for work performed under Caltrans service contracts shall be submitted to the designated program manager, e.g., Railroad Crossing Program Manager, for review and verification. Upon verification, he/she will forward the invoice to Accounting for payment.

  Notes:

  Final invoices shall be sent to the DLAE for verification of work completion. See below and Attachment 8, "Construction Administration."

  * See Local Programs Manual Chapter 14 for invoice format and for backup information on invoices for R/W. Change the header and transmittal addresses in accordance with the invoice exhibits attached to this LPP. Include a copy of the agency's progress pay estimate to the contractor for construction invoices.

- Progress billing invoices shall be based on participating project costs and reimbursement ratio, if applicable, of completed work. The agency shall maintain written source document records that identify agency costs and support payments made to consultants, vendors and contractors.

Exceptions:

SLTPP projects involving $300,000 or less in state funds will receive the full state share of funding at the time of contract award. This lump sum payment is considered a "grant," and will be reimbursed regardless of final cost. Final inspection and accounting reconciliation will not be performed.

SLTPP projects involving more than $300,000 in state funds can be reimbursed at 100 percent of incurred cost for any state share. Progress billings will be reimbursed at 100 percent until the total state share is fully reimbursed.

Transportation Systems Management (TSM) matching funds for Federal Transit Administration grant projects receiving $300,000 or less in state matching funds are eligible for Local Agency invoicing upon award of the contract and execution of a Program Supplement agreement.

- Agencies shall use the invoice format in Attachments A or B for federal-aid projects.

  For state programs, e.g., SLTPP, agencies shall use the invoice form in AttachmentC.

- Invoices must be submitted on local agency letterhead and include the following:

  1. Local Agency/State agreement and supplement numbers
  2. Project number
  3. Local Agency IRS Tax identification number[1]
  4. Progress billing and/or invoice number
  5. Reimbursement ratio
  6. Cost breakdown by phase of work, i.e., P.E., C.E., construction, etc., as follows:

     a) Total cost to date
     b) Retention withheld
     c) Liquidated damages
     d) Nonparticipating or ineligible cost to date
     e) Participating costs on previous invoice
     f) Amount of current claim
     g) Invoice total

  7. Certification and signature of local agency representative

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1 The Internal Revenue Service (IRS) requires an ID number for all agencies receiving state payments. If Local Programs Accounting does not have this number, they will return the invoice. If the agency insists on payment, Caltrans must withhold 30+ percent of the payment and sent it to IRS and the agency will have to recover it from IRS.

5. District Review of Invoices

5.1 Progress Invoices

DLAE, subject to availability of personnel, may assist any agency in the preparation of the initial invoice. Progress invoices for work performed under Caltrans service contracts will be submitted to the program manager designated in the contract for review and approval prior to forwarding to Local Programs Accounting Branch (LPA).

5.2 Final Invoices

DLAE will receive two copies of the Report of Expenditures that includes an original invoice and one (1) copy of the invoice. DLAE will arrange with the agency for verification of project completion. See Attachment 8, "Construction Administration" for information and documents that should be submitted in the Report of Expenditures. See Local Programs Manual Chapter 14 for information that should be provided for final invoices involving right of way. An update of this chapter is being prepared.

For projects involving right of way and/or physical construction, a site visit will normally be scheduled for verification of completion. Other types of projects may be verified through review of final reports, project goals and accomplishment, annual review data, etc. Upon verification, DLAE will approve the original final invoice for payment and transmit it to the LPA with two copies of the invoice and one copy of the Report of Expenditures. The remaining copies will be retained in the district files. DLAE will sent a copy of the verification statement to the local agency.

6. Payment

Caltrans' LPA will date-stamp the monthly progress payment invoices immediately upon receipt from the local agency and enter the record into their Invoice Tracking System. Final invoices will be stamped upon receipt of the approved original from the DLAE.

All invoices will be reviewed for completeness and accuracy, batched, and forwarded to the Accounts Payable Unit by LPA for claim scheduling to the State Controller's Office for payment. If the review identifies errors, omissions or inaccuracies, LPA will returned the invoice to the local agency and will advise the DLAE of the return of final invoices.

7. Audits

Local agency expenditures for all Local Assistance programs are subject to financial and compliance audits by the State Controllers Office (SCO) and Caltrans Office of Audits and Security (Audits). Based upon the auditor's evaluation of the local agency's system of controls, the necessity for an on-site audit of the local agency's records underlying the reported project expenditures will be determined.

Local agencies are also subject to the audit requirements of the Federal Office of Management and Budget *Circular A-128*. A single audit is required if an agency receives more than $100,000 in federal funds from all sources. The number of audits to be performed by the SCO and Caltrans Audits will be determined by local agency compliance with the Single Audit Act (P.L. 98-502). Normally, a project audit will not be necessary when the project expenditures are covered by a Single Audit Report that has been accepted by the cognizant federal agency.

8. Report of Expenditures

The final invoice and the Final Report of Expenditures shall be coordinated as noted above. Refer to LPP 95-03 Final Project Expenditure Report for State-Funded Local Assistance Projects and Attachment 8, "Contract Administration" for further details on the Report of Expenditures for reports required for federal-aid projects. In accordance with the Local Agency-State Agreement, contract records must be retained by the local agency for a minimum period of three years from the date of final payment.

SAMPLE FEDERAL-AID INVOICE
Single-Phase EA

(Letterhead of Local Agency)

Date of Invoice

(For Progress Invoice)
Department of Transportation
Accounting Service Center
Local Program Accounting Branch
P.O. Box 942874
Sacramento, CA 94274-0001

(For Final Invoice)
Name, District Director
Department of Transportation
Street or P. O. Box
City, CA Zip Code
Attention: ***Name***, Local Assistance Engineer

Billing No: ***1, 2, .., or Final***
Invoice No: ***Local Agency's Invoice No.***
Federal Aid Project No: ***Fund Abbrev-Route-(Job #)***
Tax Identification No: ***Agency IRS ID Number***
Date Accepted by City/County: ***Final Date :"Ongoing" (if not Final)***

Project Location: ***Project Limits***

Reimbursement for Federal Funds are claimed pursuant to Local Agency-State Agreement No. ***Number***, Program Supplement No. ***Number***, executed on ***Date***.

	Preliminary Engineering	Construction Engineering	Construction Contract	Total 33D
Federal Appropriation Code	33D	33D	33D	
Expenditure Authorization No	969696	969696	969696	
Federal Authorization Date 06/30/94		01/02/95	01/02/95	
Federal participating costs from	07/05/94	01/30/95	02/15/95	
to	12/30/94	04/30/95	04/30/95	
Total Costs	$3,500.60	$8,400.30	$200,000.10	$211,901.00
Less: Retention	(0.00)	(0.00)	(20,000.00)	(20,000.00)
Non participating Costs	(350.00)	(840.00)	(16,000.00)	(17,190.00)
Subtotal	$3,150.60	$7,560.30	$164,000.10	$174,711.00
Plus: Payment of Previously Withheld Retention	0.00	760.00	0.00	760.00
Federal Participating Costs to Date	$3,150.60	$8,320.30	$164,000.10	$175,471.00
Less: Participating Costs on Previous Invoice				88,495.62
Change in Participating Costs				$86,975.38
Reimbursement Ratio				88.53%
Amount This Claim				$76,999.30

	Construction Engineering	Construction Contract	Total 33T
Federal Appropriation Code	33T	33T	
Expenditure Authorization No	969696/30600	969696/30600	
Federal Authorization Date 01/02/95		01/02/95	
Federal participating costs from	01/30/95	02/15/95	
to	04/30/95	04/30/95	
Total Costs	$2,100.10	$50,000.00	$52,100.10
Less: Retention	(0.00)	(5,000.00)	(5,000.00)
Non participating Costs	(210.00)	(4,000.00)	(4,210.00)
Subtotal $42,890.10	$1,890.10	$41,000.00	
Plus: Payment of Previously Withheld Retention	190.00	0.00	190.00
Federal Participating Costs To Date	$2,080.10	$41,000.00	$43,080.10
Less: Participating Costs on Previous Invoice			21,470.00
Change in Participating Cost			$21,610.10
Reimbursement Ratio			100.00%
Amount This Claim			$21,610.10
INVOICE TOTAL			$98,609.40

I certify that the work covered by this invoice has been completed in accordance with approved plans and specifications; the costs shown in this invoice are true and correct; and the amount claimed, including retention as reflected above, is due and payable in accordance with the terms of the agreement.

_____ _____

Signature, Title and Unit of Local Agency Representative ***Phone No.***

Note: When multiplying "Change in Participating Costs" by "Reimbursement Ratio", the result shall be rounded to the lowest cent. Federal rules do not allow rounding up.

SAMPLE FEDERAL-AID INVOICE
Multi-Phase EA

(Letterhead of Local Agency)

Date of Invoice

(For Progress Invoice)
Department of Transportation
Accounting Service Center
Local Program Accounting Branch
P.O. Box 942874
Sacramento, CA 94274-0001

(For Final Invoice)
Name, District Director
Department of Transportation
Street or P. O. Box
City, CA Zip Code
Attention: ***Name***, Local Assistance Engineer

Billing No: ***1, 2, .., or Final***
Invoice No: ***Local Agency's Invoice No.***
Federal Aid Project No: ***Fund Abbrev-Route-(Job #)***
Tax Identification No: ***Agency IRS ID Number***
Date Accepted by City/County: ***Final Date :"Ongoing" (if not Final)***

Project Location: ***Project Limits***

Reimbursement for Federal Funds are claimed pursuant to Local Agency-State Agreement No. ***Number***, Program Supplement No. ***Number***, executed on ***Date***.

	Preliminary Engineering	Construction Engineering	Construction Contract
Federal Appropriation Code	33D	33D	33D
Expenditure Authorization No	023451	023453	023454
Federal Authorization Date	06/30/94	01/02/95	01/02/95
Federal participating costs from	07/05/94	01/30/95	02/15/95
to	12/30/94	04/30/95	04/30/95
Total Costs	$3,500.60	$8,400.30	$200,000.10
Less: Retention	(0.00)	(0.00)	(20,000.00)
Non participating Costs	(350.00)	(840.00)	(16,000.00)
Subtotal	$3,150.60	$7,560.30	$164,000.10
Plus: Payment of Previously Withheld Retention	0.00	760.00	0.00
Federal Participating Costs to Date	$3,150.60	$8,320.30	$164,000.10
Less: Participating Costs on Previous Invoice	2,615.62	3,960.00	81,920.00
Change in Participating Cost	$534.98	$4,360.30	$82,080.10
Reimbursement Ratio	88.53%	88.53%	88.53%
Amount This Claim	$473.61	$3,860.17	$72,665.51

	Construction Engineering	Construction Contract
Federal Appropriation Code	33T	33T
Expenditure Authorization No	023453/30600	023454/30600
Federal Authorization Date	01/02/95	01/02/95
Federal participating costs from	01/30/95	02/15/95
to	04/30/95	04/30/95
Total Costs	$2,100.10	$50,000.00
Less: Retention	(0.00)	(5,000.00)
Non participating Costs	(210.00)	(4,000.00)
Subtotal	$1,890.10	$41,000.00
Plus: Payment of Previously Withheld Retention	190.00	0.00
Federal Participating Costs To Date	$2,080.10	$41,000.00
Less: Participating Costs on Previous Invoice	990.00	20,480.00
Change in Participating Cost	$1,090.10	$20,520.00
Reimbursement Ratio	100.00%	100.00%
Amount This Claim	$1,090.10	$20,520.00
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INVOICE TOTAL $98,609.39
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I certify that the work covered by this invoice has been completed in accordance with approved plans and specifications; the costs shown in this invoice are true and correct; and the amount claimed, including retention as reflected above, is due and payable in accordance with the terms of the agreement.

_____ _____
Signature, Title and Unit of Local Agency Representative ***Phone No.***

Note: When multiplying "Change in Participating Costs" by "Reimbursement Ratio", the result is be rounded to the lowest cent. Federal rules do not allow rounding up.

Sample Invoice-State Programs

(Letterhead of Local Agency)

Date of Invoice

Department of Transportation
Accounting Service Center
Local Program Accounting Branch
P.O. Box 942874
Sacramento, CA 94274-0001

Billing No: ***1,2,... or final***
Local Agency's Invoice No: ***Local Agency's Invoice No.***
Completion Date: ***Date Project Completed***
State Project No: ***Fund Abrev-Job Number***
Tax Identification No: ***Agency IRS ID Number***
Project Location: ***Project Limits***
EA No.: ***Project EA #***

Reimbursement for ***State Program*** funds is claimed pursuant to Local Agency-State Agreement No. ***Number*** , Program Supplement No. ***Number***, Executed on ***Date***.

	*Preliminary Engineering	Construction Engineering & Contingencies	Construction Contract	Total
Total Cost to Date:				
Less: Ineligible Costs				
Eligible Costs to Date				
Reimbursement Ratio				
Less: Previous Invoice				
Eligible Costs Subtotal				
Invoice Total				

* See specific program for eligibility of various phases: include only appropriate columns

I certify that the ***Program Name*** work covered by this Invoice has been completed in accordance with plans and specifications; the costs shown in this Invoice are true and correct; and the amount claimed is due and payable in accordance with the terms of the Agreement

Signature & Title of Local Agency Representative ***Phone Number***