

 <p style="text-align: center;">STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES</p> <p style="text-align: center;">Policy and Procedure</p>	POLICY AND PROCEDURE NUMBER 09.01.070	PAGE 1 of 2
	EFFECTIVE DATE <p style="text-align: center;">October 14, 2013</p>	
SUBJECT Non-Participating Funds		SUPERSEDES <p style="text-align: center;">New</p>
CHAPTER Planning, Budget and Research	SECTION Capital Budget	APPROVED BY <p style="text-align: center;">Signature on File</p>

PURPOSE

This formalizes the policy and procedure (P&P) of the department for the approval and use of non-participating funds for federal-aid capital improvement projects.

POLICY

It is the policy of the Department of Transportation and Public Facilities (DOT&PF) that non-participating funds are utilized for federal-aid capital improvement projects according to the procedures outlined below. This P&P supersedes the policy memo on "Approval for use of Statewide Capital Budget Appropriations" by then Commissioner Joseph Perkins dated March 21, 2001.

Use of Non-Participating Funds

Non-participating funds are state funds that may be utilized to provide revenue for capital expenditures that have been, or are anticipated to be determined ineligible for federal reimbursement. In addition, non-participating funds may be utilized during the close-out process of a federal-aid capital project when cost overruns have exceeded programmed federal-aid and it is neither practical nor feasible to request and obtain additional federal-aid.

PROCEDURE

\$5,000 or Less¹

The approval to program a cumulative total up to \$5,000 of non-participating funds for a federal-aid capital project is delegated to assistant commissioners, regional directors and division directors.

\$5,001 to \$250,000¹

The approval to program a cumulative total of non-participating funds greater than \$5,000 but less than \$250,000 for a federal-aid capital project requires approval from the Director of Program Development.

¹ Subject to the 10% cumulative threshold

More than \$250,000

The approval to program a cumulative total of non-participating funds greater than \$250,000 for a federal-aid capital project requires approval of the commissioner.

10% Cumulative Threshold

Approval of the commissioner is required for requesting non-participating funds any time during the life of the project when the cumulative total of programmed and requested non-participating funds exceeds 10% of total programmed federal-aid. Total programmed federal-aid includes all programmed federal-aid funds and associated matching funds at the time of the non-participating funding request.

The general format for requesting non-participating funding approval over \$5,000, or requests where the non-participating funds will exceed 10% of total programmed federal-aid is via a memorandum from the assistant commissioner, regional director or division director to either the Director of Program Development or through the Director of Program Development to the commissioner.

The request should include, but not be limited to;

- The state project number and title;
- The scope and purpose of the project;
- Documentation of the project's federal funding eligibility;
- Summary of previously approved project funding, including previously approved non-participation funding requests;
- Current engineering funding estimate, including associated indirect cost allocation plan and construction engineering expenses;
- Reason(s) for requesting non-participating funds; and
- Consequences of delaying or disapproval of the request.

AUTHORITY

AS 44.17.030

IMPLEMENTATION RESPONSIBILITY

Assistant commissioners, regional directors, division directors, project control and Division of Program Development

DISTRIBUTION

All department employees via the DOT&PF website