

Chapter 479-06 WAC

FINANCIAL REQUIREMENTS

WAC

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WAC 479-06-010 Transportation improvement board sixteen-year financial plan. The board will update its sixteen-year financial plan at the beginning of each fiscal year. The financial plan will include estimated revenue to be available for new project starts in the ensuing biennium based on forecast council's revenue forecast. Other factors included are fund balance, bond debt, interest revenue, legislative appropriation, projected expenditures by program, and any other issues that may impact new project starts.

[Statutory Authority: Chapter 47.26 RCW. WSR 07-18-050, § 479-06-010, filed 8/30/07, effective 9/30/07.]

WAC 479-06-020 Reimbursable costs. Costs must be reasonable and chargeable to the project to be eligible for reimbursement. Project costs eligible for reimbursement are defined as direct and indirect.

[Statutory Authority: Chapter 47.26 RCW. WSR 07-18-050, § 479-06-020, filed 8/30/07, effective 9/30/07.]

WAC 479-06-030 Direct costs. Direct costs eligible for reimbursement are costs that are directly charged to the project and may include:

- (1) Agency direct labor and employee benefits:
 - (a) Salaries and wages of agency nonadministrative employees working directly on the project as documented by payroll records.
 - (b) Employee benefits are calculated as a percentage of direct labor dollars as set by the board and include:
 - (i) F.I.C.A. (Social Security) - Employer's share;
 - (ii) Retirement benefits (employer's share of actual cost);
 - (iii) Hospital, health, dental and other welfare insurance;
 - (iv) Life insurance;
 - (v) Industrial and medical insurance.
 - (c) Employee leave:
 - (i) Vacation;
 - (ii) Sick leave;
 - (iii) Holiday pay;
 - (iv) Civil leave.
- (2) Contract engineering services as specified by a consultant agreement.
- (3) Permit fees.
- (4) Right of way acquired for the project includes the following costs:

(8/30/07)

(a) Purchase cost of all property and property rights needed for specific projects in accordance with chapter 8.26 RCW including access rights, easements, losses in property value or damages (if any);

(b) Salaries, expenses, or fees of appraisers, negotiators and attorneys.

(5) Contract construction work.

(6) Project specific capital equipment acquisition approved by the board.

(7) Project specific vehicle and equipment charges will be reimbursed based on the actual rental cost paid for the equipment. If agency owned equipment is used, rental rates established by the agency's "equipment rental and revolving fund" will be reimbursed. All vehicle and equipment costs will be charged the agency standard rate for all projects regardless of the source of funding. Agencies without an equipment revolving fund will be reimbursed based on rates published by department of transportation for similar equipment.

(8) Project specific direct materials, supplies, and services used for projects will be reimbursed based on actual cost.

[Statutory Authority: Chapter 47.26 RCW. WSR 07-18-050, § 479-06-030, filed 8/30/07, effective 9/30/07.]

WAC 479-06-040 Indirect/overhead costs. Indirect or overhead costs are common administrative cost objectives that cannot be easily charged to the project. Indirect costs incurred by an agency for administrative costs will be reimbursed up to a maximum of ten percent of the direct labor costs.

[Statutory Authority: Chapter 47.26 RCW. WSR 07-18-050, § 479-06-040, filed 8/30/07, effective 9/30/07.]

WAC 479-06-050 Progress payments. Payments of funds are governed by the following:

(1) Incurred costs must be in conformity with all applicable federal and state laws, rules, regulations, and procedures.

(2) Agencies will submit requests for payment on forms prescribed by the board. Requests for payment will be submitted as the project progresses.

(3) The director may require a payment to be divided into installments if one of the following criteria is met:

(a) The agency has not billed for six months or longer;

(b) The agency has billed for an amount over the director determined level; or

(c) Cash balance of the account is below fifty percent of the minimum operating reserve.

(4) Costs incurred prior to phase approval are not eligible for reimbursement.

[Statutory Authority: Chapter 47.26 RCW. WSR 07-18-050, § 479-06-050, filed 8/30/07, effective 9/30/07.]

WAC 479-06-060 Financial records requirement. (1)

Agencies must maintain documents that support project costs incurred. The supporting documentation may be required by the board for first project payment and at other times during the project life.

(2) Records must be maintained in accordance with the *Records Retention Schedule* as published by the secretary of state's office.

[Statutory Authority: Chapter 47.26 RCW. WSR 07-18-050, § 479-06-060, filed 8/30/07, effective 9/30/07.]

WAC 479-06-070 Project record review. Project records may be reviewed by the board to ensure that project costs are eligible for reimbursement. The records may be requested at any time during the project.

[Statutory Authority: Chapter 47.26 RCW. WSR 07-18-050, § 479-06-070, filed 8/30/07, effective 9/30/07.]

WAC 479-06-080 Final settlement. Up to five percent of total transportation improvement board funds may be retained until the agency submits final, complete, and accurate closeout documentation for a project.

A unilateral closeout of a project may be initiated by the board when an agency has not responded to requests for final documentation and all funds are expended.

[Statutory Authority: Chapter 47.26 RCW. WSR 07-18-050, § 479-06-080, filed 8/30/07, effective 9/30/07.]

WAC 479-06-090 Recovery of board funds on canceled projects. If the grant award was made as a result of falsification, negligence, or deliberate misrepresentation on the part of the agency, the board may require repayment of funds. An agency is not responsible to repay transportation improvement board funds if the effort was made in good faith and circumstances are beyond the agency's control.

[Statutory Authority: Chapter 47.26 RCW. WSR 07-18-050, § 479-06-090, filed 8/30/07, effective 9/30/07.]

WAC 479-06-100 Programming of funds. The transportation improvement board selects projects based on an estimate of fund balance, projected revenues, current project expenditures, and future program obligations. The amount allocated per program will not exceed projected cash needs for a six-year period.

[Statutory Authority: Chapter 47.26 RCW. WSR 07-18-050, § 479-06-100, filed 8/30/07, effective 9/30/07.]