

Federal Transportation New Requirements and Constraints

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What has changed?

- Oversight from the Federal Office of the Inspector General (OIG) has increased drastically in the last year. Obligated funds and how long those funds have or will be on a project has surfaced as a top priority. Although the OIG had previously focused on such processes they had not strongly enforced the regulations. They are now!
- This is a federal mandate coming from Washington DC.



What is the Focus?

- **Inactives are projects where federal funds have been requested, but have sat dormant for 9 months. These are considered improper obligations where a decision by the federal government can be made to remove the federal obligation.**
- **Project End Dates are dates defined by phase. Thus a project end date is actually a phase end date.**



Are all funds involved?

- Yes all funds are involved.
 - UPWP – PL funds and funds transferred for planning purposes
 - STP – even transferred funds to PL.
 - CMAQ – even transferred funds to PL.
 - TAP
 - HSIP – even transferred funds to PL or STP.
- Inactives and Project End Dates do not distinguish between programs, projects, or political desires.
- Every federal program, every project, every phase has a project end date.
- Every project can go inactive.



Prevention measures

- For PE, RW, UT, RR, and CE - Make sure you do not request federal funds to be authorized unless the work will begin within 6 – 8 weeks of your request.
- UPWP PL funds carry a 18 month window for the 1st year funding. When the 2nd year funds are added, the project end date is pushed out to the 30th month from the beginning of the 1st year. Unless the 1st year date lapses before you apply the 2nd year funding. If this happens, you have 18 months and have lost the ability to seek reimbursement for any remaining funds for the 1st year.
- Make certain you and/or your consultant understands INDOT must receive an invoice as often as possible. No less than quarterly and preferably once a month.



Warning

- Do not wait until all work has been completed and do not allow your consultant to do the same.
- Know that any funds expected for reimbursement are in jeopardy if the project falls into inactive or the project/phase date ends.
- A project can and will go inactive before the project end date. The project end date will not protect the project if it is inactive.



Wrap up

- Questions?

