Preparation Guidelines for the ‘TransNet Extension Activities – RTCIP Fund’ (Schedule C)  
Fiscal Year 2019

Purpose: Report of TransNet Extension Regional Transportation Congestion Improvement Program (RTCIP) activity for funds held with local jurisdictions.

Information: These Guidelines are meant to assist in the preparation of Schedule C but may not include all situations. Should a situation arise that is not addressed, please contact the appropriate SANDAG staff.

Section 9 of the TransNet Extension Ordinance provides detail of the New Development Exactions, or RTCIP, fee collections and use of revenue. It should be noted that a jurisdiction has 7 years from the year after collection to commit funds.

If funds are not (at least) committed by the 7-year deadline, the jurisdiction is required to send the (7-year deadline) funds to SANDAG. SANDAG will then determine a purpose within the Ordinance guidelines. Because of the 7-year restriction, RTCIP expenditures should be using the FIFO method.

Terminology
BOD = Board of Directors
‘Commit’ = Programmed in the RTIP
FIFO = First In, First Out (spend oldest funds first)
RTCIP = Regional Transportation Congestion Improvement Program

Schedule C Preparation

I. Include the following columns with cumulative data:
   - Project Year
   - Last Date to Commit funds
   - MPO ID
   - Funds Received
   - Interest Income
   - Project Expenditures
   - (Agency) Adjustments – only include if needed
   - Funds Committed at June 30, 2018 – only include if needed
   - Cumulative Status
     - June 30, 2019 (current year)
     - June 30, 2018 (prior year)

II. Guidelines:

1. Add a new row to the bottom of the Schedule for the current year (For Fiscal Year ended June 30, 2019) in the Project Year column.

2. The Last Date to Commit Funds date is counted as seven years from the end of the following fiscal year. For the fiscal year ended June 30, 2019, count year one as June 30, 2020 (seven years will be June 30, 2026).
Preparation Guidelines for the ‘TransNet Extension Activities – RTCIP Fund’ (Schedule C) Fiscal Year 2019

3. **Funds Received** is the amount of RTCIP fees collected in the current fiscal year. This amount should not change in future audits (see #6 for exceptions).

4. **Interest Income** may be applied to each listed uncommitted year that has a beginning balance or to a new ‘Interest Income’ line. This column may change each year until all funds have been committed. Interest should be allocated equitably to each uncommitted year that has a beginning balance.
   a. **Exception:** Once funds have been committed for a specific year in the RTIP, do not apply additional interest income on a go-forward basis as this could result in non-compliance.
   b. **Exception:** If all funds have been committed then all current year interest (uncommitted funds) are to be applied to an ‘Interest Income’ line.

5. Always spend the oldest funds first (FIFO)! Remember there are only seven years to commit funds before they are required to be relinquished to SANDAG. Apply expenditures to the oldest year with unspent funds and then move to the next year, etc.

6. All prior period adjustments should be recorded in the Adjustment column in the year where the error occurred. In the subsequent year audit cycle, the ‘Adjustment’ amount will move into the appropriate column to make the cumulative amounts whole. Similar to rules for the adjustments in Schedule B.

7. Funds Committed (Programmed in the RTIP) that are unspent at June 30, 2019, should be reflected in a Funds Committed at June 30, 2019 column.

8. The **Cumulative Status** section has two columns at the ITOC’s request:
   a. The first column should reflect the current year uncommitted ending balances for each fiscal year containing activity; and
   b. The second column should reflect the balance from the prior fiscal year audit schedule.

9. All adjustments require a note in the audit year reported. Notes will then drop off the Schedule in the subsequent audit cycle.

10. Remove the rows if **all** of the following occurs:
    a. Committed funds are fully spent and Cumulative Status is zero;
    b. The **Last Date to Commit funds** is past (not the current audit year); and
    c. The Cumulative Status (both columns) was zero in the prior year

11. Must add a footnote when funds have been committed but not spent within 7 years.