TRANSPORTATION POOLED FUND PROGRAM

Transportation Pooled Fund Financial Procedures Guidebook

April 2021

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Introduction

The Transportation Pooled Fund (TPF) Program has existed for more than 30 years. It is a popular means for State Departments of Transportation (DOT), commercial entities, organizations, Universities, and the Federal Highway Administration (FHWA) program offices to combine resources and achieve common research goals. Pooling resources reduces marginal costs and provides efficient use of taxpayer dollars. It also provides greater benefits to participating interests as compared to individual entities conducting or contracting for research on their own. The program was developed through ad hoc processes until 1999 when the FHWA led a workshop to "Reengineer the TPF Program." This led to the development of standard program management procedures, including the use of a TPF website for managing solicitations, participant commitments, and project progress reporting.

It has long been determined that the TPF Program is a great way to leverage funds. While there is a TPF Program Procedures Manual that outlines its overall process, the information does not provide detailed instructions as to how the various finance-related transactions should be processed. Ignoring this issue may result in increased error rates with respect to the processing of various financial transactions.

The objective of this guidebook is to increase the overall understanding of the TPF Program's financial procedures by its partners and financial staff. By doing so, it is our hope that the guidebook will enhance the overall confidence level of the user, in handling finance-related pooled fund transactions by financial staff in the FHWA and State DOTs.

Chapter 1. Program Related Legislative and Regulatory Requirements

The primary source of funding within the TPF Program is State Planning and Research (SP&R) funds. The SP&R Program is codified in Title 23, of the U.S. Code, and implementing regulations are located 23 CFR Part 420. Section 505 of Title 23 U.S.C., as amended by the Fixing America's Surface Transportation (FAST) Act, requires that States set aside 2 percent of the apportionments they receive from the National Highway Performance Program, Surface Transportation Block Grant Program, Highway Safety Improvement Program, Congestion Mitigation and Air Quality Improvement Program, and National Highway Freight Program for State Planning and Research activities. Of this amount, States must allocate a minimum 25 percent to research, development and technology (SPR-B). These activities involve research on new areas of knowledge; adapting findings to practical applications by developing new technologies; and the transfer of these technologies, including the process of dissemination, demonstration, training and adoption of innovation by users.

Section 505 of Title 23 U.S.C. identifies what activities are eligible for SP&R funding. Section 505(b)(2) allows the U.S. Secretary of Transportation to waive the funds match requirement for a project administered under the TPF Program. The authority to waive the funds match requirement has been delegated to the FHWA Associate Administrator for Research, Development and Technology.

To improve the financial accountability of TPF projects, the lead agency will have all funds transferred to them and will be responsible for project financing (obligating funds, tracking expenses, paying invoices, and returning unused funds to participating entities). The transfer authority in Title 23 U.S.C. 104(f) allows for simplified TPF program fiscal management. The TPF project lead agency is responsible for and controls all associated funds from inception through final closeout.

SPR-B funds in Pooled Fund projects, as with all other Federal Aid funds, are subject to the requirements of the Uniform Guidance under 2 CFR Part 200.

2 CFR Part 200 replaced 49 CFR Part 18 as the Uniform Administrative Requirements and Cost Principles for Federal Awards for the U.S. Department of Transportation. The Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments establishes uniform administrative rules for the U.S. Department of Transportation's grants and cooperative agreements and sub-awards to State, local and Indian tribal governments.

On December 4, 2014 FHWA issued guidance addressing the implementation of 2 CFR Part 200, "*the Uniform Guidance*," which addresses significant reforms to previous administrative requirements (formerly circular A-102).

On July 19, 2017, FHWA issued additional guidance regarding 2 CFR 200 that specifically addresses SPR Subpart B overhead and indirect cost rate determinations for contracts and sub-grants.

The Uniform Guidance includes additional reforms which are applicable to State DOTs as direct recipients of federal aid grants and sub-recipients as defined in 2 CFR 200.301.

Chapter 2. Funding Commitments (Pledge or Promise)

Within the TPF Program, the definition of a commitment is essentially a pledge or promise to formally transfer a specific level of funding to the lead agency of a Pooled Fund Project, when the "Solicitation" has been converted to a project and the Lead Agency has requested transfer of funds and provided an "Acceptance Letter" to the partners. A commitment should not be considered the actual obligation of funding. The Lead Agency will obligate funds on the project once the project partners have transferred their funds to the Lead Agency.

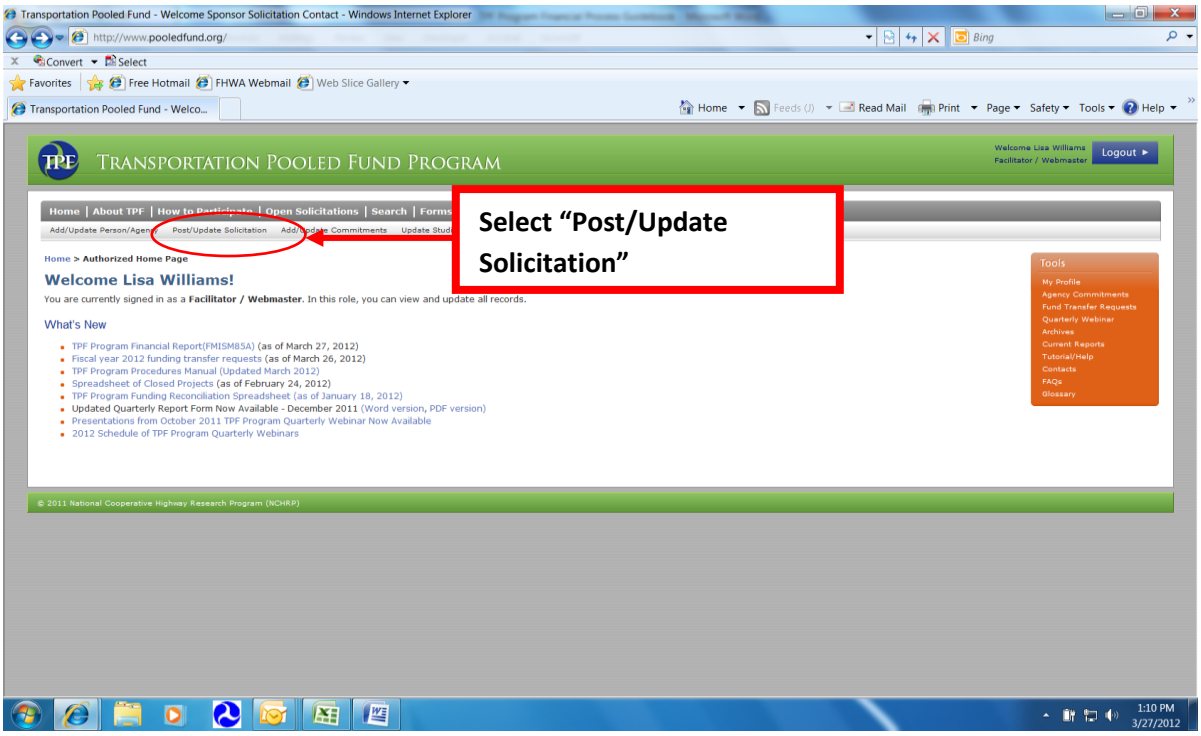
All funding commitments are to be recorded online via the TPF website. Access to the authorized user section of the website, as well as the authority to commitment funds on behalf on a specific agency is required to post a funding commitment. The role for such authority is called a "Funding Contact."

Monitoring the Status of Funding Commitments to Solicitations

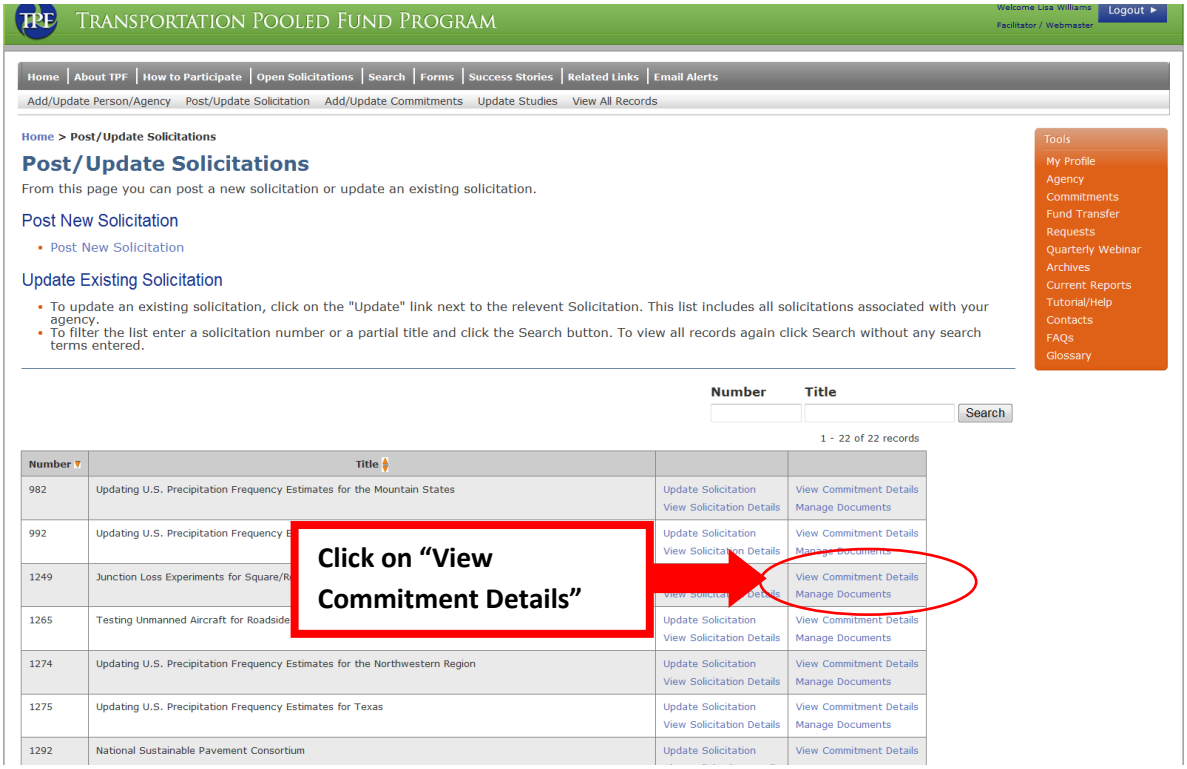
Lead Agency

The Lead Agency Contact, Lead Agency Facilitator and its Funding Contact can monitor the status of funding commitments to solicitations by completing the following steps:

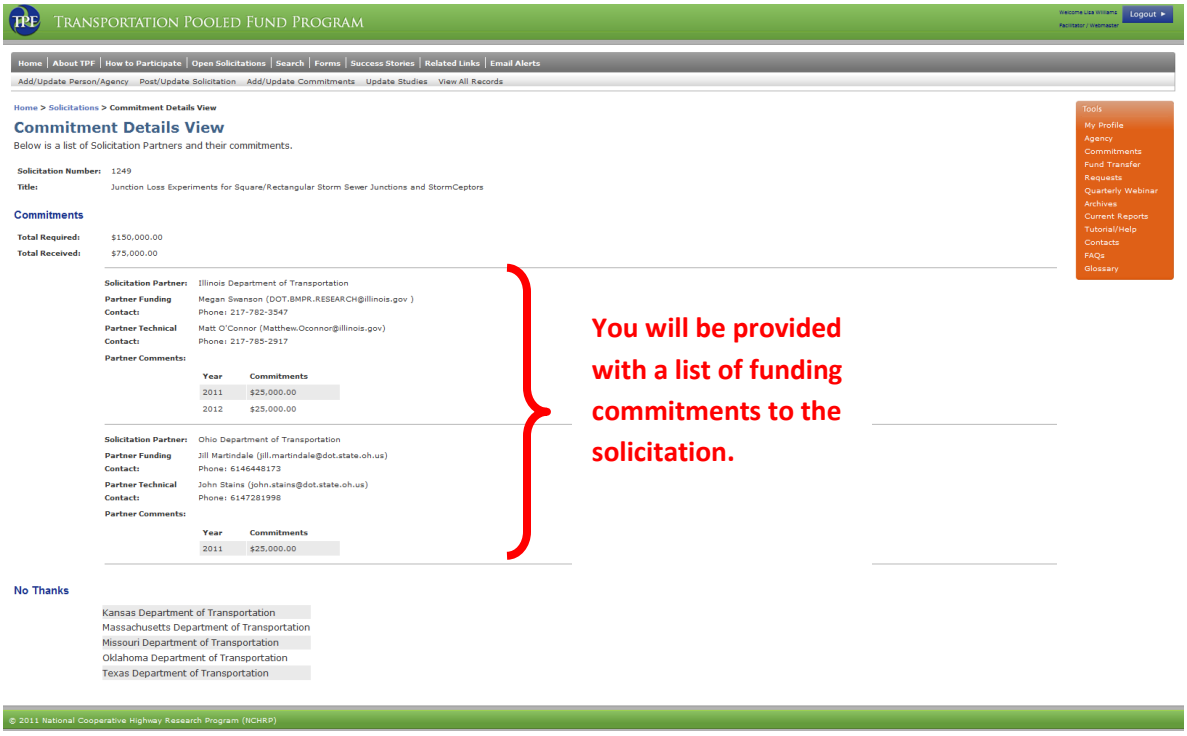
1. Log onto the TPF website and from the light grey toolbar, select "Post/Update Solicitation"



2. Identify the desired solicitation/project number and click on “View Commitment Details.”



3. You will be provided with a list of funding commitments to the solicitation.



Chapter 3. Funding Transfers

Funding transfers are allowed only after the **Commitments Required** amount is met, a **Study Number** is assigned, and the **Acceptance Letter** is issued by the Lead Agency. The Pooled Fund Program has identified five different categories of funding transfers which are described below. Detailed instructions on using the fund transfer form can be found on the TPF website here, as well as an overview video.

Section I: State Funding Transfers for State-led Projects

Participating State DOTs that have pledged Federal funding to a State-led pooled fund project through the TPF website **(www.pooledfund.org)** are required to submit a transfer request form **FHWA 1575-C and** a copy of the Lead Agency **Acceptance Letter,** to their local FHWA Division Office for processing. The details of this process are as follows:

Contributing Organization (State DOT)

The contributing organization is to:

1. Use the Transfer Form FHWA-1575-C checklist (see the end of this chapter) to ensure that the form is completed properly and in its entirety;
2. Attach a copy of the lead agency's Acceptance Letter for the project;
3. Sign the transfer form in the section "State Transportation Department" and
4. Forward the signed form, along with a copy of the lead agency's Acceptance Letter for the project, to their local FHWA Division Office Finance Manager for processing.

Local FHWA Division Office

The Financial Section of the local FHWA Division Office is to:

1. Use the Transfer Form FHWA-1575-C checklist to ensure that the form is completed properly and in its entirety;
2. Ensure that the committed funds are available;
3. Verify the existence of the Lead Agency's Acceptance Letter for the project;
4. Ensure that the appropriate form (FHWA-1575-C) is completed properly;

5. Sign the transfer form in the section “FHWA Division Administrator Concurrence” and;

6. The Finance Manager at the FHWA Division Office will forward the Form 1575-C, along with the “Acceptance Letter” to the FHWA Office of the Chief Financial Officer (OCFO) via e-mail to **FHWA_Transfers@dot.gov** (underscore between FHWA and Transfers). When preparing the e-mail to FHWA_Transfers@DOT.gov, please include the following addressee’s in the distribution:

    i. Financial Manager in the receiving lead State’s FHWA Division office.

    ii. TPF Program Manager (FHWAPooledFund@dot.gov)

FHWA OCFO

1. The FHWA Headquarters OCFO will document the receipt of the transfer request from the Division Office and maintain a tracking tool to track the status of transfers. The OCFO will update the tracking on a bi-weekly basis and the Pooled Fund Program Manager will make it available for review in the authorized section of the TPF website (www.pooledfund.org).

2. The FHWA OCFO Fiscal Management Information System (FMIS) team will process the request.

3. At the completion of the funding transfer process, a date will be listed in the “Stage 2” column of the Tracking Tool.

Lead Agency

The Lead Agency will control all funding and undertake the activities of the pooled fund project using the appropriate acquisition method (i.e., contracts, task orders, inter-agency agreements, etc.) within this process:

1. The Lead Agency is to obligate the funds that were transferred into FMIS on the project specified in the Form 1575-C.

Section II: State Funding Transfers for FHWA-led Projects

Requests by States to transfer Federal (e.g., SPR-B) funding to an FHWA-led project must be submitted via a transfer form **FHWA 1575-C** along with a copy of the Acceptance Letter, to their local FHWA Division Office for processing. The details of this process are as follows:

Contributing Organization

The contributing organization is to:

1. Use the Transfer **Form FHWA 1575-C** checklist (see the end of this chapter) to ensure that the form is completed properly and in its entirety;

2. Attach a copy of the Lead Agency's Acceptance Letter for the project;

3. Sign the transfer form in the section "State Transportation Department" and;

4. Forward the signed form, along with a copy of the Lead Agency's Acceptance Letter for the project, to their local FHWA Division Office for processing.

Local FHWA Division Office

The Financial Section of the local FHWA Division Office is to:

1. Use the Transfer Form **FHWA 1575-C** checklist (see the end of this chapter) to ensure that the form is completed properly and in its entirety;

2. Ensure that the committed funds are available;

3. Obtain a copy of the project's Acceptance Letter from the project home page in the TPF website "Document" section.

4. Ensure that the transfer form is signed;

5. The Finance Manager at the FHWA Division Office will forward the Form 1575-C, along with the "Acceptance Letter" to the FHWA OCFO via e-mail to **FHWA_Transfers@dot.gov** (underscore between FHWA and Transfers). When preparing the e-mail to **FHWA_Transfers@DOT.gov**. Please include the following addressee's in the distribution:

    a. Financial Manager in the receiving FHWA Program Office.

b. Lead Agency Contact (This information is available in the acceptance memo, as well as the project description on the TPF website).

c. TPF Program Manager **(FHWAPooledFund@dot.gov)**

d. Anyone else who should receive notification regarding the completion of the funding transfer process.

FHWA OCFO

1. The FHWA Headquarters OCFO will document the receipt of the transfer request from the Division Office and maintain a tracking tool to track the status of transfers. The OCFOs Office will provide updated tracking on a bi-weekly basis and the Pooled Fund Program Manager will make it available for review in the authorized section of the TPF website on a bi-weekly basis at www.pooledfund.org.

2. The FHWA OCFO will forward the transfer request to the FMIS Team for processing.

   a. The FMIS Team will execute the transfer requests in FMIS by moving the funds out of FMIS for transfer to the FHWA Program budget office for the project.

   b. The FMIS Team will advise the FHWA Program Budget Office that the funds are available for obligation.

3. The OCFO will issue an advice of funds for the pooled fund project. Funds will be transferred into an accounting string (*i.e., 15X0100060*). The allotment will be to the first three bytes of the BPAC (Budget Program Activity Code). For example, the BPAC for the Office of Infrastructure would be **050**TPF5046. The first three numbers of the BPAC **(050)** will indicate the program office responsible for the pooled fund project. The last four numbers (i.e., 5046) will designate the project number.

4. The Budget office will upload the Advice of Funds to associated program office.

FHWA Program Office

1. The Financial/Program Financial Manager in the office of the FHWA-led pooled fund project is to formally request that the funds be placed into Delphi.

2. The advice of funds will include all supporting documentation. This will allow the Program Office/Project Manager of the FHWA-led project to track contributions, and manage the program code of participant contributions.

3. After the funds are transferred to the program office of the FHWA-led project, the Office of Acquisition Management will award the funds on a contract/agreement, task order, etc., and the funds will be obligated by FAA in Oklahoma City (FAA/OKC).

4. The funds will be solely tracked and monitored in the Delphi accounting system. Similar to any other Federal contract, the project manager and/or COR (whichever is applicable) is responsible for monitoring the status of the funding of the project and its availability. The funds will not be tracked in FMIS, as the project is being led by FHWA. Therefore, questions regarding the status of funds should be directed to the Lead Agency Contact for the project. This information is available via the project description on the TPF website.

Section III: FHWA Funding Allocation Memo for State or FHWA-led Projects

The majority of pooled fund transfers are State-to-State transactions. FHWA Program Offices that are committing Federal (allocated) funding to a State or FHWA-led project are to use the standard allocation procedures (e.g., Allocation Memo). The requirement for developing an allocation memo is only applicable to FHWA Program offices. The allocation memo provides the following information: the pooled fund project number and description, the program code to use to obligate the funding, the federal prorate share, and the timeline by which the funds are required to be obligated, and the “Authority to Obligate”.

Upon receipt of the allocation memo, the Division Office will forward a copy of it to the appropriate State DOT office(s) (i.e. the Pooled Fund Coordinator, the Finance Office, etc.) for their use in getting the funds obligated to the appropriate project. Either an authorization is processed for a new project or a modification is processed for an existing project.

Section IV: Non-Federal Contributions for State-led Projects

Whenever a State DOT or private organization is interested in contributing non-federal funds for a State-led pooled fund project they must contact the lead agency directly for directions on how to send their funding to that state. FHWA will not accept the receipt of non-federal funds for a State-led pooled fund study.

Section V: Non-Federal Contributions for FHWA-led Projects

Within the TPF Program, the use of the lockbox to receive non-federal funds for FHWA led projects has been discontinued. **The non-federal contribution by State DOTs, or other partners, will not be accepted through the Form 1575-C transfer process by the FHWA CFOs Office.** Contributions of non-federal funds by State DOT's and other partners, to an FHWA-led project, may be made using the U.S. Department of Treasury's online payment system, **PAY.gov.** or by **sending a check**. Detailed information regarding the process for contributing funds to a FHWA-led pooled fund project via **PAY.gov or sending a check** is available in Chapter 5 of this Guidebook.

Funding Transfer Checklists (FHWA-1575-C)

Transfer Form FHWA 1575-C Checklist

Please use this checklist to ensure that the transfer form FHWA-1575-C is completed properly and in its entirety. If needed, please refer to FMIS Report T51A to obtain the name of the desired program fund that will be recorded on the transfer form. Additional information in the T51A report includes, but is not limited to the allocation limit type and program code.

1. Form Type: State-to-State Transfer (FHWA-1575-C) ☐

2. Requesting Agency: _____ To: _____ ☐
   (Contributing State DOT) (Lead Agency for TPF Project)

3. Transfer Request Contact (Required Information) ☐
   - The contact information for the person who should be notified concerning their transfer request.

4. Description of Fund - From ☐
   - Name of Program Fund

5. Fiscal Year ☐
   - Fiscal Year of the Fund

6. Program Code ☐
   - Four-character FMIS program code of the program fund to be transferred

7. Amount ☐
   - The dollar amount of funds to be transferred

8. Description of Fund – To ☐
   - Duplicate the information entered from the "Item #" listing that's located on the left side of the transfer form.
   - The complete name of the FHWA Program office and program code of who will be leading the project. Also include BPAC. For example: OFFICE OF CORPORATE RESEARCH, TECHNOLOGY, AND INNOVATION MANAGEMENT, HRTM-1, BPAC 040.
   - This information is available in the project's acceptance memo.

9. Signature Approval (State DOT **and** FHWA Division Office) ☐
   - The transfer request must be signed by authorized representatives of both the State DOT and the FHWA Division office.

10. Additional Comments

- The following information must be provided in the additional comment section
  - STATE LED-
    - The pooled fund study number (e.g., TPF-5(013);
    - The title of the study; and
    - The year of the State's contribution (e.g., Montana 2012 contribution)
  - FHWA LED-
    - the three-digit Budget, Program, Accounting Code (BPAC) that identifies the Program Office;
    - the pooled fund study number (e.g., TPF-5(013); and
    - the title of the study.

Chapter 4. Monitoring and Tracking Funding Transfers

Federal funds may be contributed to a pooled fund project via the transfer forms FHWA-1575-C. This chapter outlines the financial process for monitoring and tracking the funding transfer request.

Funding Transfer Tracking Tool

Tracking Funding Transfers in Process (i.e., Funding Transfer Tracking Tool)

All funding transfers are tracked in a spreadsheet that is maintained by the FHWA Budget Office. The Transfer Tracking Tool will show:

- the project number (TPF #)
- the name of the transferee
- the program code
- the name of the recipient
- the fiscal year of the funds that are being transferred
- the amount of funds that are being transferred
- the date the transfer request was received by FHWA and logged
- the date that the request was processed in FMIS
- the date an advice of funds was submitted for approval for FHWA led projects
- the date the transfer is complete

Funding Transfer Stages

Stage 1 – The date the request was logged by the FHWA Budget Office.

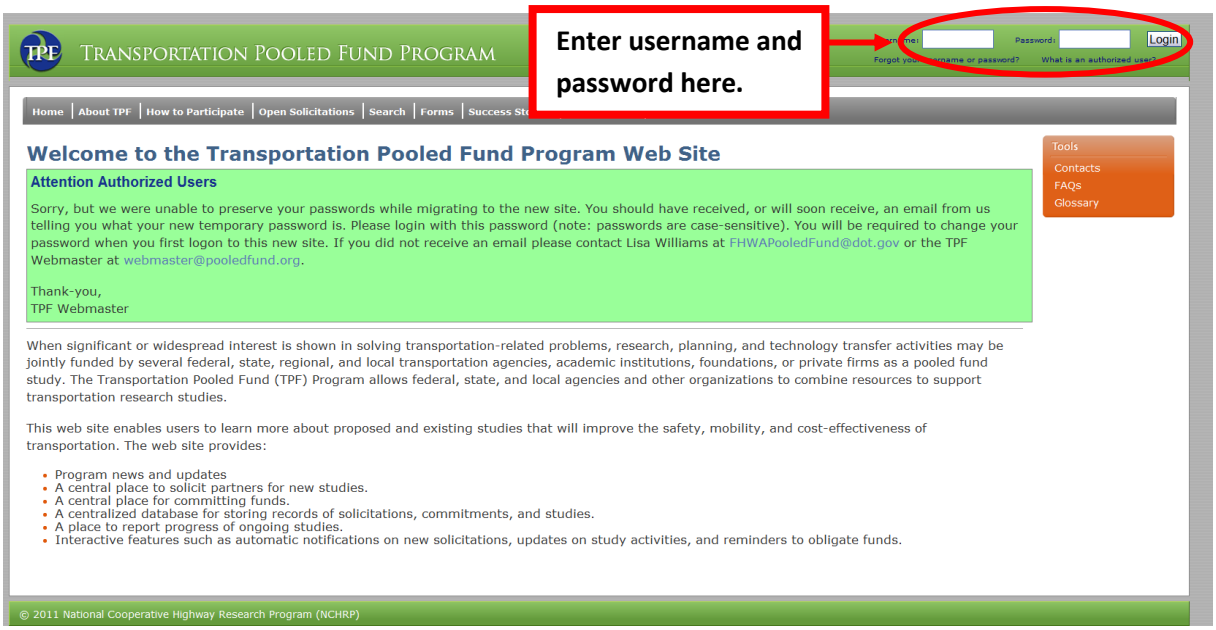
Stage 2 – The date the request was processed in FMIS. Note: If transfer is not processed, it will be indicated as “N/A” with a supporting statement under the comment column of the spreadsheet.

Stage 3 – This stage is only applicable to FHWA-led projects, and signifies the date that the Budget office submits the advice of funds for signature. State-to-State transfers and unprocessed transfers, will be indicated as “N/A”

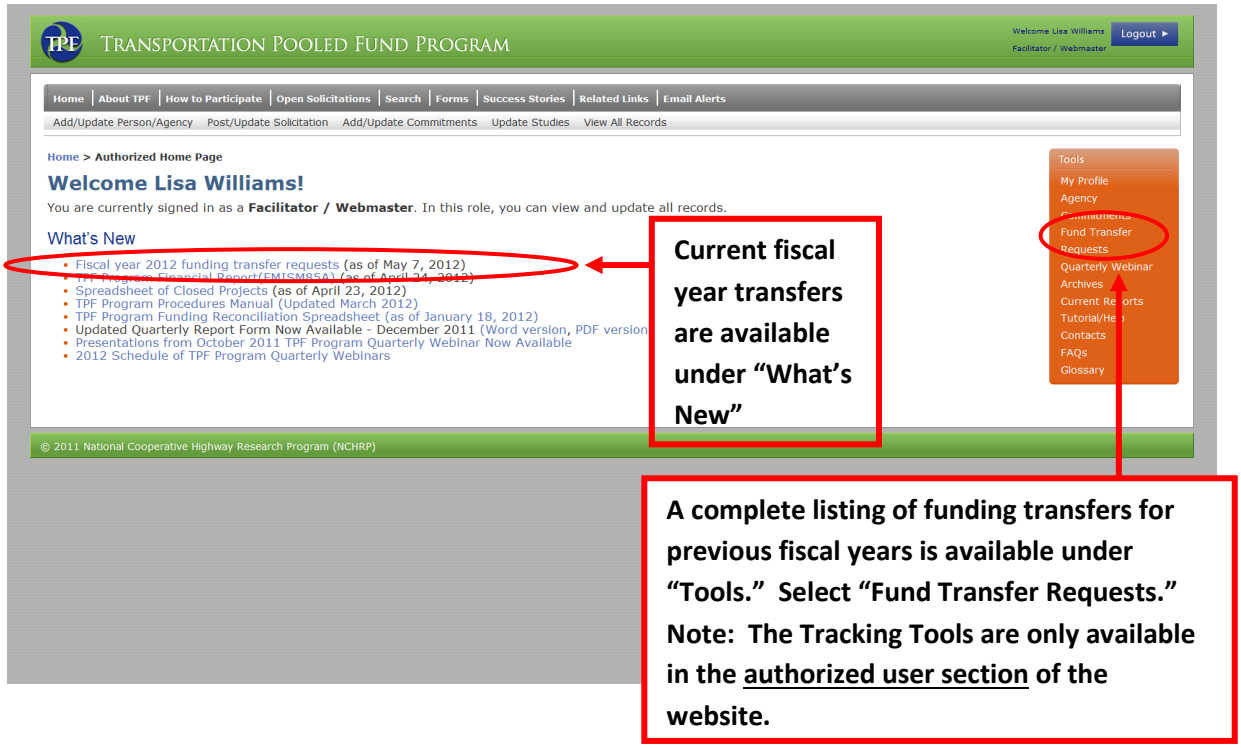
Stage 4 – This stage is only applicable to FHWA-led projects where funding was transferred to FHWA. The transfer is complete once the advice of funds is provided to the Headquarters office.

How to Access the Funding Transfer Tracking Tool:

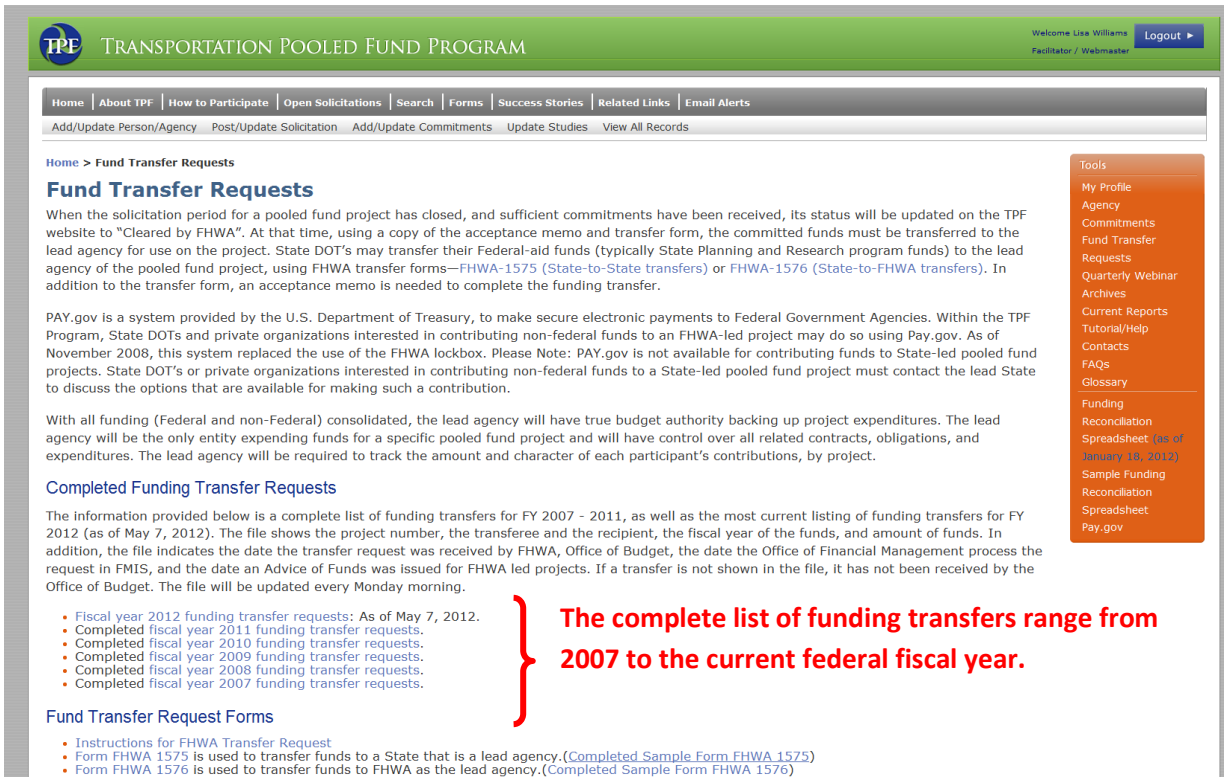
1. Log onto the TPF website



2. Select the current listing of funding transfer requests under "What's New." The complete listing of funding transfers for previous fiscal years is available under "Tools."

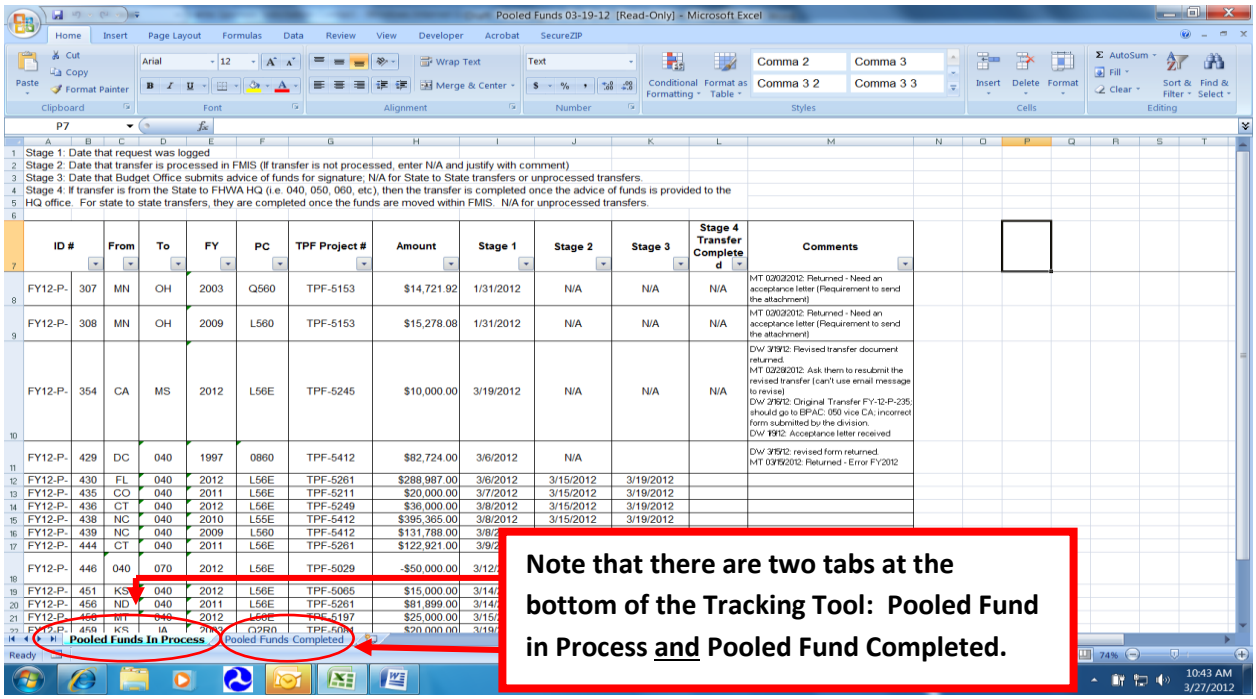


3. When choosing to view the complete listing of funding transfer requests, a new screen will appear. The listing includes the current fiscal year requests, along with previous fiscal years from FY 2007 – present. You may also obtain instructions, and samples of the transfer request forms (FHWA-1575-C).



4. When selecting a sample funding transfer spreadsheet to review, please remember that there are two tabs at the bottom of the spreadsheet: “Pooled Fund in Process” <u>and</u> “Pooled Fund Completed”.

Screenshot of Pooled Fund Transfer Tracking Tool



ID #	From	To	FY	PC	TPF Project #	Amount	Stage 1	Stage 2	Stage 3	Stage 4 Transfer Completed	Comments
FY12-P-307	MN	OH	2003	Q560	TPF-5153	$14,721.92	1/31/2012	N/A	N/A	N/A	MT 02/02/2012: Returned - Need an acceptance letter (Requirement to send the attachment)
FY12-P-308	MN	OH	2009	L560	TPF-5153	$15,278.08	1/31/2012	N/A	N/A	N/A	MT 02/02/2012: Returned - Need an acceptance letter (Requirement to send the attachment)
FY12-P-354	CA	MS	2012	L56E	TPF-5245	$10,000.00	3/19/2012	N/A	N/A	N/A	DW 3/19/12: Revised transfer document returned. MT 02/28/2012: Ask them to resubmit the revised transfer (can't use email message to revise) DW 3/19/12: Original Transfer FY-12-P-235 should go to BPAC: 050 vice CA; incorrect form submitted by the division. DW 19/12: Acceptance letter received
FY12-P-429	DC	040	1997	0860	TPF-5412	$82,724.00	3/6/2012	N/A			DW 3/19/12: revised form returned MT 03/19/2012: Returned - Error FY2012
FY12-P-430	FL	040	2012	L56E	TPF-5261	$288,987.00	3/6/2012	3/15/2012	3/19/2012		
FY12-P-435	CO	040	2011	L56E	TPF-5211	$20,000.00	3/7/2012	3/15/2012	3/19/2012		
FY12-P-436	CT	040	2012	L56E	TPF-5249	$36,000.00	3/8/2012	3/15/2012	3/19/2012		
FY12-P-438	NC	040	2010	L55E	TPF-5412	$395,365.00	3/8/2012	3/15/2012	3/19/2012		
FY12-P-439	NC	040	2009	L560	TPF-5412	$131,788.00	3/8/				
FY12-P-444	CT	040	2011	L56E	TPF-5261	$122,921.00	3/9/				
FY12-P-446	040	070	2012	L56E	TPF-5029	-$50,000.00	3/12/				
FY12-P-451	KS	040	2012	L56E	TPF-5065	$15,000.00	3/14/				
FY12-P-456	ND	040	2011	L56E	TPF-5261	$81,899.00	3/14/				
FY12-P-458	MT	040	2012	L56E	TPF-5197	$25,000.00	3/15/				
FY12-P-459	KS	IA	2008	Q2R0	TPF-500	$20,000.00	3/19/				

Please note: If a specific transfer is not evident on the tracking tool, it should be assumed that the request has not been received by the Office of Budget.

The current fiscal year’s funding transfer tracking tool is updated on a bi-weekly basis.

Upon completion of the State-to-State funding transfer, confirmation of funds received can be obtained via FMIS Business Objects.”

Correcting Funding Transfer Errors

If an error with the funding transfer has occurred, it can be corrected as follows:

State DOT Fund Transfers to State Led Projects

If the error was on behalf of the contributing organization (State DOT), the steps to reverse the transaction are as follows:

1. The organization who received the funding must complete a new transfer Form 1575-C.

2. Upon receipt of the returned funds, the contributing organization must complete a new transfer Form 1575-C with the corrected information, in order to transfer the funds to the originally intended organization.

3. The normal transfer process should be followed as outlined in Chapter 4 of this Guidebook, using the various resources to check the status of the transfer (i.e., funding transfer tracking tool and receipt of funds in FMIS.

FHWA Fund Transfers to State Led Project

If the error was on behalf of FHWA, the steps to reverse the transaction are as follows:

1. Contact the Financial Manager in your local FHWA Division to inform them of the error.

2. The Financial Manager is to review the information and confirm that the error was in fact made by FHWA, and then e-mail the FMIS Team in Headquarters to inform them of the error.

3. The FHWA will correct the error in the system, and provide confirmation of the updated information to the contributing organization **and** lead agency of the Pooled Fund Project.

4. The contributing organization and lead agency of the pooled fund project are to maintain a copy of the confirmation that the transfer error has been corrected for their future reference.

Chapter 5. PAY.gov or Sending Checks

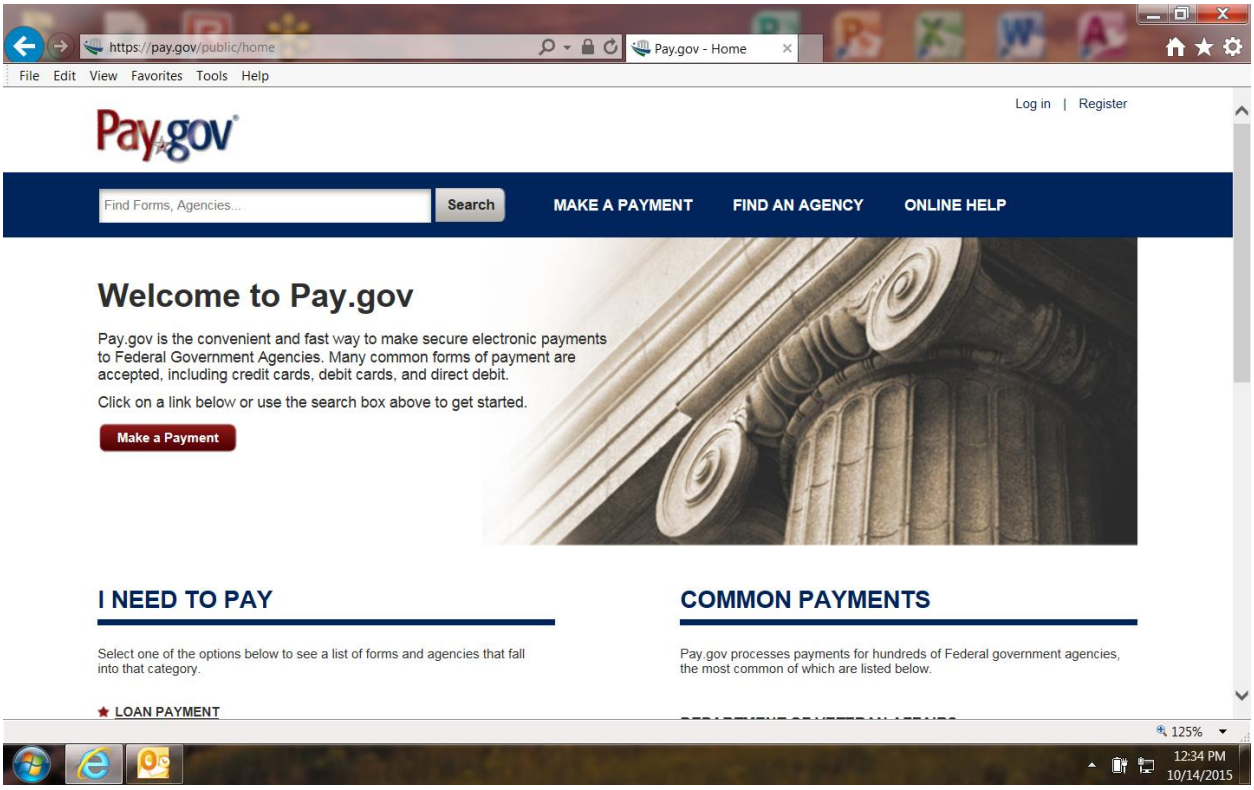
Participating States and agencies that would like to contribute non-federal funds to a FHWA led study can be made via pay.gov or through sending a check to FHWA.

Procedures for Sending Non-Federal Funds to a Pooled Fund Project "Using Pay.Gov" or "Sending a Check"

Using Pay.gov:

Step 1

Go to **https://Pay.gov** website and click on the Red Button: **Make a Payment**.



Step 2

In Box 2, Type in: **FHWA Research**

Make a Payment

Making payments through Pay.gov is free and secure. You'll need to fill out the correct online form. A form is a web page where you type in information about yourself and the payment.

Find a Form

To find the correct online form, you can:

1. Select from the list of commonly used forms:

   DEPARTMENT OF VETERAN AFFAIRS
   - VA Medical Care Copayment

   SMALL BUSINESS ADMINISTRATION (SBA)
   - View all SBA forms

   DEPARTMENT OF DEFENSE
   - Former Military Member or Former Federal Civilian Employee Debt Payment

   UNITED STATES COURTS
   - Payment of Violation Notice

   UNITED STATES COAST GUARD
   - USCG Merchant Mariner User Fee Payment

2. Search by keyword such as the type of payment, agency name, form name or number:

   FHWA Res Search

3. Click here to view a listing of all forms

4. Click here to view a listing of all agencies

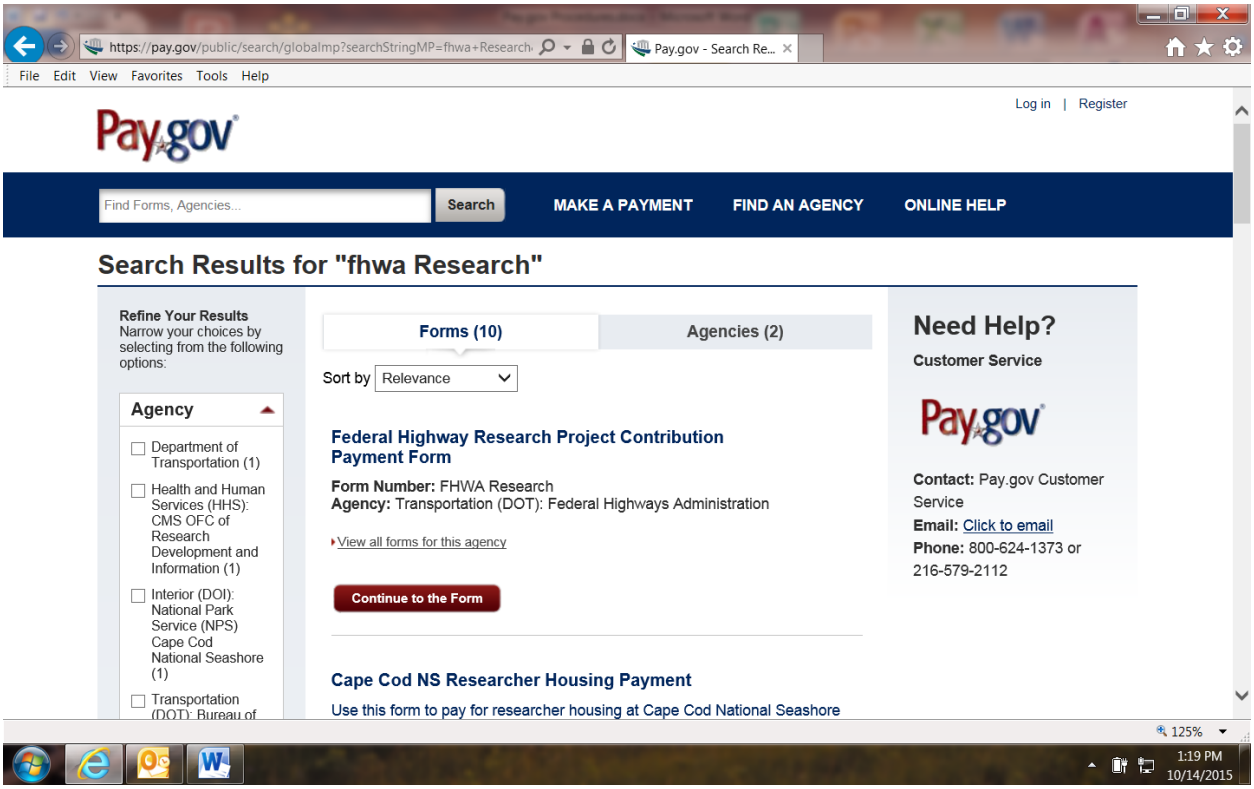
Have an Access Code?

If you received a notice that you have an electronic bill, you may Log in to your Pay.gov user account to see your bill or click the enter access code button to proceed without logging into Pay.gov.

Enter Access Code

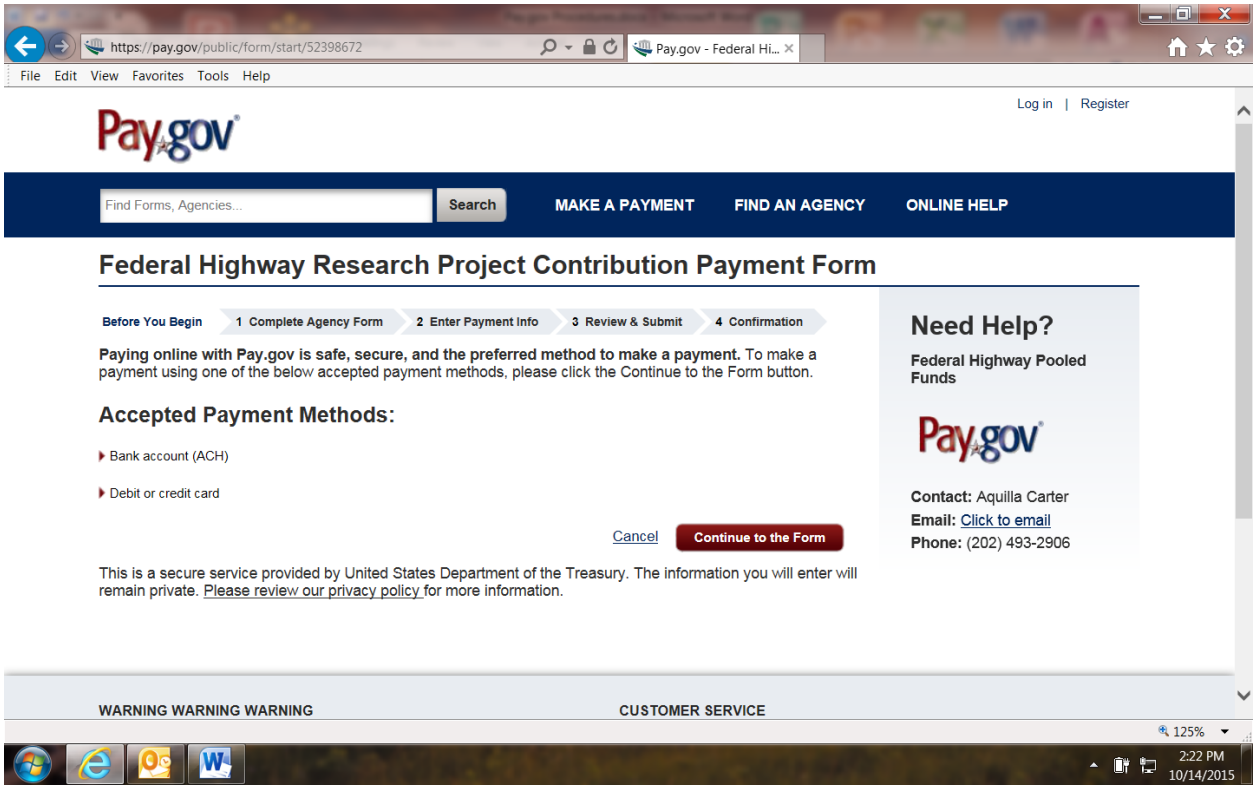
Step 3

At the **"Federal Highway Research Project Contribution Payment Form"**, click on the Red Button: **Continue to the Form.**



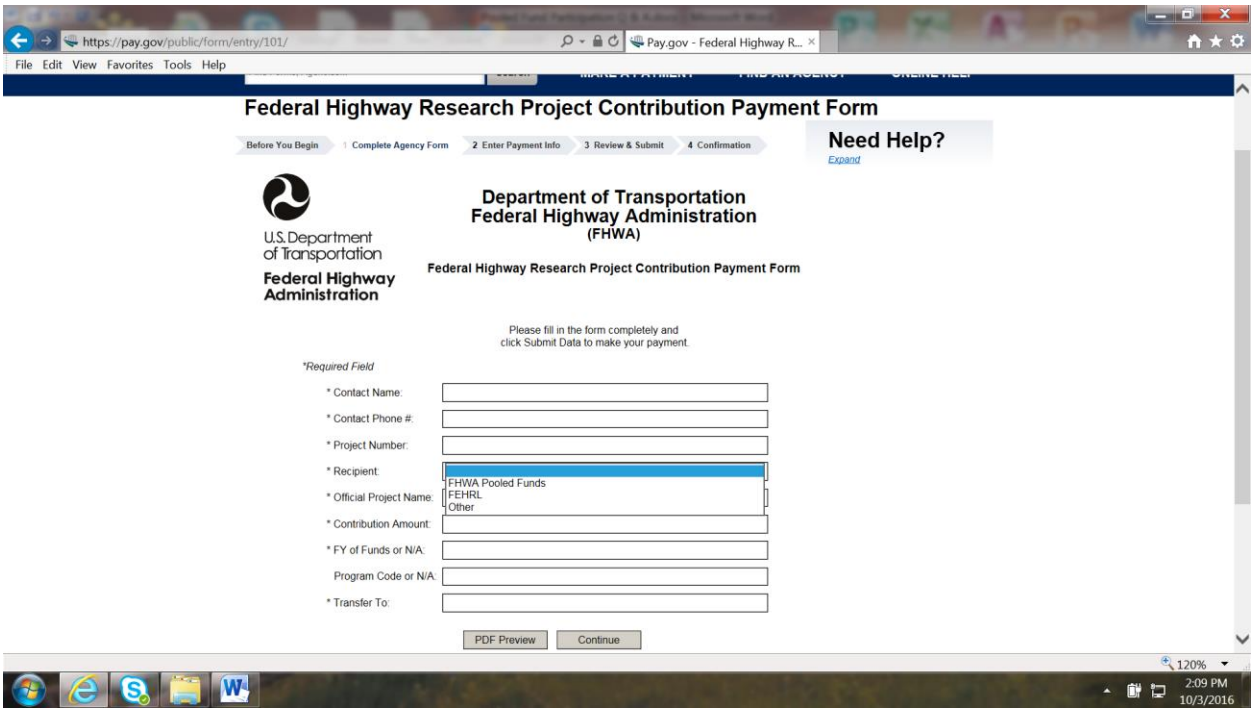
Step 4

At **"Federal Highway Research Project Contribution Payment Form"**, click on Red Button: **Continue to Form**



Step 5

Complete the **"Federal Highway Research Project Contribution Payment Form"** and click **PDF Preview** or **Continue.**



At the drop-down menu, select **FHWA Pooled Fund**.

Explanation of Fields for the "Federal Highway Research Project Contribution Payment Form"

Field Name:	Field Description
Contact Name:	Name of the Organization or State
Contact Phone Number:	Please include the name and telephone number of the person that should be notified if questions arise regarding the contribution.
Project #:	Official project number (i.e., TPF-5(XXX),
Contributor:	Select "FHWA Pooled Funds" from Drop Down Menu
Official Project Name:	Official study title and Pooled Fund Project Number
Contribution Amount:	Amount of funds being sent via PAY.gov
FY of Funds or N/A:	This field is primarily used by a Federal agency. If contribution is being made by a State or private or other organization, please type in the box **"Not Applicable"**
Program Code or N/A:	This field is primarily used by a Federal agency. If contribution is being made by a State or private or other organization, please type in the box **"Not Applicable"**
Transfer to:	Routing code of FHWA office where funds will be applied. ***Note: This information can be obtained via the pooled fund project acceptance memo***

At bottom of page, click on PDF Preview or Continue

Procedures for Sending a Check to a Pooled Fund Project

Advise the "Lead Agency Contact" that a check will be sent; ask for the "Office Code" and "Pooled Fund Project Number" to include with the check.

Below is the form to complete with the instructions. **Send the form with the check!**

Mail Check Payment to the following address for Paper Check Conversion (PCC) processing: Include this Form.

Regular Mail

DOT/FHWA
c/o ESC, AMK-324
P.O. BOX 268865
OKLAHOMA CITY, OK 73125

FedEx – Overnight Mail

FHWA-Accounts Receivable
HQ Room 265
6500 S. MACARTHUR BLVD.
OKLAHOMA CITY, OK 73169

Notice to Customers Making Payment by Check

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day we receive your payment, and you will not receive your check back from your financial institution.

Comments Box:

In this comments section the sender should include:

The **Pooled Fund Project Number**
The **FHWA Lead Organization and Organization Code**
The **FHWA Lead Contact and Phone Number**

If you'd like to receive an invoice include that request and the contact information (address/email) to return the invoice/receipt of funds to.

This information is essential for getting the funds to the correct FHWA Office.

Questions about this process can be directed to:
Tricia Sergeson– Transportation Pooled Fund Program Manager (202) 493-3166
patricia.sergeson@dot.gov

Chapter 6. Financial Process for Closing Pooled Fund Projects

The lead agency will:

1. Confirm that all project-related bills have been paid and no additional invoices will be submitted.

2. Log onto the TPF website and
   a. Post the project's final report.
   b. Update the project's status to "objectives fulfilled."

3. Complete the "Closeout funding Spreadsheet" of the project's financial records that identifies for each project partner the amount of funds received, allocation of expenditures and remaining balances within 30 days of a project's completion and submit the **"Closeout Funding Spreadsheet"** to the Pooled Fund Program Manager. Specifically:
   a. Look at the total cost of the project and allocate to the participating States.
   b. Incorporate the results of the funding reconciliation into the "Closeout Funding Spreadsheet" (final funding spreadsheet).
      - An example of a "Closeout Funding Spreadsheet" is available for review in the Appendix section of the Guidebook as well as the "Forms" section of the TPF website's toolbar.
      - Detailed information regarding how to compute the data for the final funding spreadsheet is available in this chapter.

4. Follow the steps outlined in Chapter 4 and prepare a separate transfer form (FHWA-1575-C to return any remaining funds that are listed in the UDO column of the "Closeout Funding Spreadsheet", to each project partner. The Budget Office requires that returned funds be grouped by Program Code when returning funds using form FHWA-1575-C.

5. Send a notification to the TPF Program Manager, along with an electronic copy of the "Closeout funding Spreadsheet", stating:
   a. The work on the project is completed.
   b. The project can be identified as "closed" on the TPF website.

   An e-mail is sufficient.

6. Upon receipt of the “Closeout Funding Spreadsheet”
    a. The TPF Program Manager will update the status of the project to “closed” on the TPF website.
    b. An official close out memo will be prepared and issued from the Director, FHWA Office of Corporate Research, Technology and Innovation Management to the FHWA Division office of the lead State DOT and their project partners.
    c. The project is now officially closed.
7. The FHWA Division Office is to forward a copy of the official closeout memo and final “Closeout funding Spreadsheet” to their State DOT, as they served as a participant of the pooled fund project.
8. Funds returned to States via form FHWA-1575-C will be posted as an increase to their apportioned funds in that program code in FMIS. The participating State DOTs can monitor the status of funds that are being returned to them via the funding transfer spreadsheet that’s posted in the authorized user section of the TPF website, under “What’s New.”

Computing the Closeout Funding Spreadsheet

Under the new pooled fund procedures, the lead agency is responsible for maintaining the accounting records for the pooled fund project. In addition, they are also responsible for preparing the Closeout Funding Spreadsheet. Once the spreadsheet is completed, an electronic copy is to be sent to the TPF Program Manager so that the official Closeout Letter can be prepared and issued by the FHWA Director, Office of Corporate Research, Technology and Innovation Management.

The steps to prepare the final funding spreadsheet are outlined below:

1. Obtain fiscal information with regard to funding expenditures, including:
    a. Funding commitments posted on the TPF website.
    b. Funding transfers received:
        - Funding transfer forms:
        - Program code of funds submitted.
        - Amount transferred.
    c. PAY.gov contributions (if applicable).
    d. Advice of funds (Form 370) (if applicable).
2. Use the following formula to prepare the spreadsheet:

<u>Information for Preparing the Closeout Funding Spreadsheet Information</u>

Topic	Formula
Contribution Percentage by Partner	Funds Transferred by Partner ÷ Total Amount Transferred
Invoiced Amount and Total Expenditures by Partner Columns	Total Invoiced Amount X Partner Contribution Percentage
Actual Expense % by Partner	Total Expenditure Distribution X Partner Contribution Percentage
Expenditure Distribution by Partner	Total Expense X Partner Contribution Percentage
Undelivered Orders (UDO) by Partner	Remaining funds to be returned to each partner at the completion of the project

Closeout Funding Spreadsheet Definitions

Term	Definition
Program Code	Source of Federal funding contributed to the TPF website.
Funds Transferred	Amount of funding transferred to the pooled fund project via the transfer form FHWA-1575-C; or Allocation Memo (if applicable to FHWA-led projects).
Amount Invoiced	The amount of funding contribution that was used toward the work on the project.
Total Expenditures per Partner	The total amount of the funding contribution that was expended on the project, per Partner.
Undelivered Orders (UDO)	The remaining balance from the initial contribution.
Actual Expenditure Distribution	The invoiced amount of the project, per Partner.
Actual Expense % per Partner	The percentage of funding expenditures, per Partner.

Managing and accounting for Pool Funds and study expenditures

The following chart provides an example on how the lead agency should account for the receipt of funds and allocate subsequent study expenditures.

Example: TPF-5(XXX) Study of Reflective Coatings is conducted by State J
To track the funding commitments and receipt of funds State J set up a schedule tracking the receipt of funds received along with their program code. (See below)

Agency / State	Year	Commitments	Program Code	Funds Received	Contribution Ratio
State A	2012	$15,000.00	860	$10,000.00	3.50%
	2013	$15,000.00	860	$20,000.00	6.99%
State E	2011	$70,000.00	800	$70,000.00	24.48%
State G	2012	$45,000.00	860	$45,000.00	15.73%
State J	2012	$25,000.00	810	$40,000.00	13.99%
	2013	$15,000.00	860	0	0.00%
State P	2012	$40,500.00	800	$40,500.00	14.16%
State S	2012	$40,500.00	800	$40,500.00	14.16%
University J		$20,000.00	N/A	$20,000.00	6.99%
Total		$286,000.00		$286,000.00	100.00%

For most pool fund studies the expenditure amounts charged to each participant will be based on their contribution percentage amount. The Contribution Ratio is determined by taking the Funds Received Amount and dividing it by amount of Total Funds Received. In the case of State A's Program Code 860 their Contribution Ratio is 10.49% (3.50% + 6.99%) ($30,000.00/$286,000.00).

Since transferred funds for the study are being maintained by their Program Codes, the lead agency can determine an overall Contribution Ratio that it will use for study expenditures. The overall Contribution Ratio State J will use for TPF-5(XXX) is:

Program Code	Contribution Ratio
800	52.80%
860	26.22%
810	13.99%
Univ J	6.99
Total	100.00%

State J will use the above Contribution Ratio to determine the amounts charged to the individual Program Codes or outside agencies when submitting invoices for reimbursement. For example, Invoice #1 for $37,500.00 would be allocated as followed:

Program Code	Contribution Ratio	Invoice #1 Breakout by Program Code
800	52.80%	$19,800.00
860	26.22%	$9,832.50
810	13.99%	$5,246.25
Univ J	6.99	$2,621.25
Total	100.00%	$37,500.00

State J billing in Current bill will not include the University of J's portion of $2,621.25 which is accounted for separately but will bill above amounts by program code. State J is responsible for maintaining control of funds and checking FMIS balances to ensure sufficient funds are available before submitting invoices for reimbursement.

At the end of the study State J will prepare a Closeout Funding Spreadsheet showing funds received, total expenditures, and the allocation of expenditures charged each partner along with the amount of funds being returned to each partner.

Appendix I. Glossary of Terms

100 percent SP&R funds - The normal match for SP&R funds is 80 percent federal and 20 percent non-federal funding, but the FHWA has the authority to approve the use of 100 percent federal SP&R funding for pooled-fund studies if it is in the interest of the federal-aid highway program. A sponsoring organization that is a state transportation agency submits its request for approval of 100 percent SP&R funds through its affiliated FHWA division office. FHWA may grant approval at the time it assigns the Project number, which may occur before or after the solicitation process. SPR-A funds are Planning Research funds and SPR-B funds are Research funds.

Advice of Funds – Funds that are available for obligation via a document processed by the contributing program office within FHWA.

Appropriation number (APPR) - Indicates the authorization act that authorized the funds and the category of funds within the act.

Cleared by FHWA - The funding target has been met. The FHWA facilitator has assigned a Project number and cleared the Project to proceed.

Closed – The project has been completed, all invoices have been paid, and all contract awards have been closed.

Commitment – Within the TPF Program, the definition of a commitment is essentially a pledge or promise to formally transfer a specific level of funding to the lead agency of the pooled fund project when requested. Note: A commitment should not be considered the actual obligation of funding.

Commitments Required - Total dollar amount needed to complete the Project.

Contract signed - The contractor has signed the contract to perform the Project.

Contracting Officer's Technical Representative (COTR) - A Federal employee that is responsible for monitoring the contractor's progress in fulfilling the technical requirements specified in the contract.

Delegation of Authority (DAS) - Documents the order of succession to certain official FHWA positions, reservations of authority, and the delegations of authority from the Administrator to certain Headquarters and field office officials. Authorities are classified generally according to program, e.g., Administrative, Federal-aid, Federal Lands, Highway Safety, and International Highway Programs.

Deliverables - Products of the Project, such as reports, models, recommendations, software, or new/improved designs, to be delivered by the contractor. Deliverables are specified in the work statement.

FMIS – Fiscal Management Information System (FMIS) is FHWA's primary financial information system for tracking and managing Federal funded highway projects within the Federal-aid Highway Program.

Objectives fulfilled - The contractor has fulfilled the terms of the contract, and the lead agency has received and paid the final invoice.

Obligation - The process of formally assigning eligible federal funds to a Project contract.

Project - An activity, program or project that is funded through the Transportation Pooled Fund Program. The duration of a Project may not extend past 5 years.

Project cancelled - The lead agency or FHWA has cancelled the Project.

Project number - The number assigned to the Project by FHWA by which the Project is referenced in FMIS. Note: Project numbers are assigned once the required funding commitment (pledge) level has been met.

Solicitation - The process whereby a sponsoring agency proposes a Project through the pooled-fund web site to find Project partners that will contribute funding.

Solicitation posted - The sponsoring organization has completed the problem statement, posting the solicitation on the web site.

Solicitation withdrawn - The sponsoring organization or FHWA has withdrawn the solicitation because the funding target has not been met or will not be met within the maximum one-year posting period.

SP&R-B Waiver - Section 505(b)(2) of Title 23 USC allows the U.S. Secretary of Transportation to waiver the funds match requirement for a project administered under the TPF Program. The authority to waive the funds match requirement for SPR Subpart B funds has been delegated to the FHWA Associate Administrator for Research, Development and Technology, for research-related projects; and the Associate Administrator for Planning and Environment, for planning-related projects using SPR Subpart A funds. However, the receipt of the SP&R waiver is not automatically granted. A request for the waiver must be submitted to the TPF Program Manager via your local FHWA Division office for SPR Subpart B funds and to the FHWA Office of Planning for SPR Subpart A funds.

Work statement - Developed under the direction of the Technical Advisory Committee (TAC), the work statement serves as the basis for the agreement with the contractor and includes the following: statement of problem, description of work to be accomplished, researcher requirements, Project performance timeline, estimated budget, Project communications requirements, deliverables required, and implementation plan.

TPF Website Terms –

FHWA Facilitator – The FHWA employee with administrative responsibility for the Transportation Pooled Fund Program who tracks and assigns study numbers.

FHWA Technical Liaison – An FHWA employee who serves as a resource to the technical advisory committee by contributing knowledge of the national research and technology program.

Financial Contact – FHWA Financial Office member who has "read only" access to project information on the TPF website, from their State or FHWA Headquarters Office.

Funding Contact – The person in a sponsor agency or partner organization who is authorized to solicit or commit funds. Typically, the funding contact for a state transportation agency is a member of the AASHTO Research Advisory Committee (RAC).

Lead Agency Contact – The lead agency employee who is responsible for administering the study, tracking the funding, and providing the Closeout Funding Spreadsheet to the TPF Program Manager at the completion of the project.

Lead Agency Facilitator – Assists the Lead Agency with managing the solicitation or study.

Member, Technical Advisory Committee – A member of the pooled fund project's technical advisory committee.

Research Team Member – Person who is involved in the project but is not a funding partner (such as a consultant or contractor).

Webmaster – An employee or contractor of the organization that is hosting the TPF website and who performs routine maintenance to the website as well as establishing new User IDs and Passwords.

Appendix 2. Relevant Financial Point of Contacts within the FHWA

Topic	Point of Contact
Form 1575-C Transfers execution in FMIS	Mark Tessier Phone: 866-758-8565 E-mail: Mark.Tessier@dot.gov
FMIS	E-mail: FMISTeam@dot.gov
General FMIS Questions and Funding Transfer Errors	E-mail: FMISTeam@dot.gov
National Cooperative Highway Research Program (NCHRP)	Jean Landolt Phone: 292-493-3146 E-mail: Jean.Landolt@dot.gov
PAY.gov	Tricia Sergeson Phone: (202) 493-3166 Patricia.sergeson@dot.gov
Transportation Pooled Fund Program Management	Tricia Sergeson Phone: (202) 493-3166 Patricia.sergeson@dot.gov

Appendix 3. Sample Authority to Obligate Memo

U.S. Department of Transportation
Federal Highway Administration

Memorandum

6300 Georgetown Pike
McLean, VA 22101-2296

Subject: **ACTION:** Allocation of Funds for TPF-5 (268) "National Sustainable Pavement Consortium"

Date: MAY 15 2012

From: Michael F. Trentacoste
Associate Administrator RD&T
McLean, Virginia

In Reply Refer To: HRDI-20

To: Ms. Irene Rico
Division Administrator (HDA-VA)
Richmond, Virginia

This memorandum allocates $25,000 to the state of Virginia to support the Virginia Department of Transportation led pooled fund study TPF-5(268), "National Sustainable Pavement Consortium." The objective of the proposed pooled-fund project is to establish a research consortium to support research focused on enhancing pavement sustainability.

The funding for the study comes from Title V Section 5203 B, "Innovative Pavement Research and Deployment" program funds. Allocated funds may not be used for other purposes without prior approval.

These funds should be obligated through the FMIS, and paid through the State's current billing. The fund year for this action is FY 2012. The State's obligation limitation will be increased by the amount of this allocation. These funds must be obligated before September 30, 2012, or will be withdrawn.

FHWA Program Code	Treasury Symbol	Description
5L7E	69-X-8083	Innovative Pavement Research and Deployment

If you have any questions, please feel free to contact Nadarajah Sivaneswaran at 202-493-3147.

Appendix 4. Example of a Closeout Funding Spreadsheet

Closeout Funding Spreadsheet - Pooled Fund Project: TPF-5(XXX)

Lead Agency Contact:

As of 5/14/20XX

Example Only

State/Partner	Program Code (e.g., L560)	Funds Transferred to Project Per Partner	Funds Obligated	Contribution Percentage Per Partner	Amount Invoiced	Total Expenditures Per Partner	Actual Expense % Per Partner	Un-Delivered Orders Un-Expended Funds	UDO Un-Expended Funds to be Returned to Partners
FHWA	L560	15,000.00	15,000.00	7.1429%	14,715.08	14,715.08	7.1429%	284.92	**284.92**
Florida	L560	15,000.00	15,000.00	7.1429%	14,715.08	14,715.08	7.1429%	284.92	**284.92**
Georgia	L560	15,000.00	15,000.00	7.1429%	14,715.08	14,715.08	7.1429%	284.92	**284.92**
Hawaii	L560	15,000.00	15,000.00	7.1429%	14,715.08	14,715.08	7.1429%	284.92	**284.92**
Iowa	L560	15,000.00	15,000.00	7.1429%	14,715.08	14,715.08	7.1429%	284.92	**284.92**
Idaho	L560	15,000.00	15,000.00	7.1429%	14,715.08	14,715.08	7.1429%	284.92	**284.92**
Illinois	L560	15,000.00	15,000.00	7.1429%	14,715.08	14,715.08	7.1429%	284.92	**284.92**
Minnesota	L56E	15,000.00	15,000.00	7.1429%	14,715.01	14,715.01	7.1429%	284.99	**284.99**
Mississippi	L560	15,000.00	15,000.00	7.1429%	14,715.08	14,715.08	7.1429%	284.92	**284.92**
Montana	L550	15,000.00	15,000.00	7.1429%	14,715.08	14,715.08	7.1429%	284.92	**284.92**
New York	L560	15,000.00	15,000.00	7.1429%	14,715.08	14,715.08	7.1429%	284.92	**284.92**
Ohio	L560	15,000.00	15,000.00	7.1429%	14,715.08	14,715.08	7.1429%	284.92	**284.92**
Texas	L560	15,000.00	15,000.00	7.1429%	14,715.08	14,715.08	7.1429%	284.92	**284.92**
Wisconsin	L550	15,000.00	15,000.00	7.1429%	14,715.08	14,715.08	7.1429%	284.92	**284.92**
Totals		**$210,000.00**	**210,000.00**	**100.00%**	**$206,011.05**	**$206,011.05**	**100.00%**	**$3,988.95**	**$3,988.95**

Note:

Remaining UDO/Unexpended balances will be transferred back to partners via form 1575 (State Led) or (1576) FHWA Led.

Appendix 5. Form 1575-C (State Led and FHWA Led Projects)

FHWA FUNDS TRANSFER REQUEST

Reset Form

Type of Transfer: *Select from list (required)*

In accordance with provisions of title 23 U.S.C., the State transportation department indicated below requests that Federal-aid Highway Program contract authority and obligation authority be transferred as shown.

Requesting Agency: Enter Agency Name Here or Select From List

Transfer to State: Select State DOT from List

OR

Transfer to Other: Select FHWA Office or Other Agency from List

Transfer Request Contact: Name, Title, Email, Phone

Tracking Numbers	
Requestor	FHWA

This form can be used only for apportioned funds that appear in the FMIS. Check here to acknowlege read receipt in order to proceed . ☐

	Description of Fund - From	Fiscal Year	Program Code	Demo ID or Urban Area Code	Amount
1					
2					
3					
4					
5					
6					
7					
8					

From/To out of balance by:

TOTAL FROM

From Item #	Description of Fund or Entity - To	Program Code	Demo ID or Urban Area Code	Amount

TOTAL TRANSFER

Enter Item #, Pooled Fund Project Number and Description, or any additional information

For transfer of contract authority and obligation authority

Has the State entered into an agreement with the agency indicated above to receive, obligate, expend and manage these funds for specified project(s)? ○ Yes ○ No ○ N/A

FHWA Comments

STATE DEPARTMENT OF TRANSPORTATION

I certify that the funds requested for transfer are in accordance with the applicable provisions of title 23 U.S.C.; that the funds are unobligated and uncommitted; and that the percentage of funds to be transferred combined with previous transfers does not exceed the permissible amount eligible for transfer under the affected program categories according to applicable State and Federal laws and regulations. Where applicable, concurrence from affected Metropolitan Planning Organizations and other agencies has been obtained and recorded in this office. Further, I certify that I have the authority to approve the transfer of Federal-aid Highway program funds.

Enter your title (below) and Date of Approval (right) **BEFORE** signing

Select a date

Date of Approval

Signature

Title of Approving Official

Print Form

FHWA DIVISION ADMINISTRATOR CONCURRENCE

I certify that I have reviewed the request to transfer funds as itemized above; that this request is in accordance with provisions of title 23 U. S. C. and FHWA policy and procedures; and I have the authority to approve transfer of Federal-aid Highway programs funds.

Enter your title (below) and Date of Approval (right) **BEFORE** signing

Select a date

Date of Approval

Signature

Title of Approving Official

OMB Control No. 2125-0620
Form FHWA-1575C 12/2020