TIMELY USE OF FUNDS POLICY

INTENT: The intent of the Timely Use of Funds Policy is to encourage Measure B/Measure BB/Vehicle Registration Fee (VRF) Direct Local Distribution (DLD) recipients (“RECIPIENT”) to expend voter-approved transportation dollars expeditiously on transportation improvements and operations that the public can use and benefit from immediately.

I. TIMELY USE OF FUNDS POLICY

RECIPIENT shall expend DLD funds expeditiously pursuant to the following requirements:

i. RECIPIENT may not hold an end of fiscal year fund balance of greater than four-times their annual DLD revenue received for that same fiscal year, by respective Measure B, Measure BB, and VRF Program. A RECIPIENT found to be non-compliant with this requirement through the Annual Program Compliance reporting process must return the equal amount of DLD funds that exceeds the maximum allowable end of fiscal year fund balance to Alameda CTC, as approved by the Commission. The Cities of Albany, Emeryville, and Piedmont are excluded from this requirement.

ii. Measure B RECIPIENT must expend all Measure B DLD funds and all interest earned thereon by June 30, 2026.

iii. RECIPIENT must document the use of end of year program fund balances towards eligible transportation improvements as part of the Annual Program Compliance Process.

II. PENALTY AND RESCISSION

RECIPIENT that does not meet the timeliness requirements set forth herein must return the equal amount of DLD funds that exceeds the maximum allowable end of fiscal year fund balance to Alameda CTC, as approved by the Commission.

All such funds returned to, or deem forfeited by Alameda CTC, shall be placed into an account for reallocation to the same programmatic type for transportation improvements in the county on a discretionary basis.

III. EXEMPTIONS

RECIPIENT may seek an exemption from the Timely Use of Funds Policy through the Annual Program Compliance reporting process. RECIPIENT must demonstrate that extraordinary circumstances have occurred, and provide a timely expenditure plan that would justify the exemption.

Exemption requests must be submitted to ALAMEDA CTC and considered by the Commission as part of the Annual Program Compliance Reporting process.
Is the Recipient’s end of fiscal year fund balance greater than four-times their annual DLD revenue received for that same fiscal year, by respective Measure B, Measure BB, and VRF program?

YES

RECIPIENT must submit a Request for Exemption with justification and implementation plan using balance.

Commission considers Request for Exemption as part of Program Compliance Process.

Approved

RECIPIENT granted exemption and allowed to carry end of year balance exceeding the policy’s requirement.

Denied

RECIPIENT must return the equal amount of DLD funds that exceeds the maximum allowable end of fiscal year fund balance to Alameda CTC, as approved by the Commission.

All such funds returned to, or deemed forfeited by Alameda CTC, shall be placed into an account for reallocation to the same programmatic type for transportation improvements in the county on a discretionary basis.

NO

RECIPIENT is in-compliance with the Timely Use of Funds Policy.
EXAMPLE PROCESS IMPLEMENTATION SCHEDULE

RECIPIENT’s Audited Financial Statement and Compliance Report
Fiscal Year 2021-22
Due December 2022

ALAMEDA CTC reviews RECIPIENT reports
January 2023

RECIPIENT is In-of-Compliance with Timely Use of Funds
(within allowable balance)
February 2023

ALAMEDA CTC continues compliance monitoring of RECIPIENT future reports
Repeat Annual Process

RECIPIENT is Out-of-Compliance with Timely Use of Funds
(exceeds allowable balance)
February 2023

ALAMEDA CTC informs RECIPIENT and seeks RECIPIENT’s Request for Exemption
March to April 2023

ALAMEDA CTC COMMISSION Considers RECIPIENT’s Request for Exemption
June 2023

APPROVED

RECIPIENT required to return the equal amount of DLD funds that exceeds the maximum allowable end of fiscal year fund balance to ALAMEDA CTC
July 2023

DENIED

All such funds returned to, or deem forfeited by Alameda CTC, shall be placed into an account for reallocation to the same programmatic type for transportation improvements in the county on a discretionary basis.

Future Date