Interim Project Budget Request Process
July 24, 2013

Purpose

The purpose of introducing interim budgeting practices is to move towards statewide consideration for funding projects and managing cash flow. The ultimate goal is to manage a portfolio of projects on a statewide basis.

General Guidelines

The interim guidance focuses primarily on funding new projects but there is also a need to review budget changes for currently funded projects as well. All projects will be reviewed for consistency with:

- Projects identified in the RAMP program including both Asset Management projects and Partnership projects;
- Projects identified on approved project lists; and.
- Projects that have funding expended within the previous 6 months.

Most of the budgeting practices for adding funds to existing projects will not change except when the dollar amount is significant to which additional guidance is described below. Allotment advises will still be performed as always with final approval from the Chief Engineer.

All budget requests not described in the following guidance will be handled on a case by case basis starting with OFMB and ending with final approval from either the Director of Staff Branches (Scott McDaniel) or The Chief Engineer (Tim Harris).

The minimum information is required for all budget requests:

- Project Description
- Project WBS number (Sub-account)
- STIP number
- Requested amount with estimated year(s) of expenditure
- Funding type
- Matching funds/split
- Ad Date

Many if not all regions have an existing budget request form that is used for internal use. If that form contains the above information, the region can and should submit that form with their request. There will likely be a time in the future that a standard form will need to be developed but until that time, the regions can use their existing form.

Because discretionary funding is limited, there will need to be assurances from either the RTD, Deputy Program Director or a Program Engineer, that the requested funds are consistent with region project priorities. It is up to each region to determine exactly how this approval will work, but all budget requests will need to have an endorsement from this level before any budget request will be processed.

If your project is in the STIP in the staging program, it will only require an administrative amendment. If it is a project new to the STIP, normal Policy/Administrative TIP/STIP rules apply. For administrative amendments, please allow OFMB up to 3 days lead time to analyze the request and perform the transfer to the regional pool. If a project was in the previous STIP, it will be our intent to honor those commitments to the best of our ability but it might result delaying or deleting another project to do so.

Budget requests for existing Design projects without a change in scope.

This process applies to existing Design projects and includes all pre-construction phases (D, R, U, E).

- **For requests less than $100,000;**
  Submit your budget request for an Expenditure-based STIP amendment with anticipated revenues in all fiscal years of the project to Pat Saffo, CCing Pam Thompson, Eric Ehrbar, Jamie Collins, and Andy Wheeler. Please include all of the necessary information as described above.

- **For Request over $100,000**
  Submit your budget request as outlined above and include Scott McDaniel and John Vetterling in that correspondence. These requests will be confirmed to be consistent with the direction of Program Management and Asset Management.

Budget requests for existing construction projects without a change in scope.

The majority of this process has not changed. However, the few changes described below applies to existing construction projects that already have a funded construction phase and are either advertised, awarded or under construction.

Submit your budget request for an Expenditure-based STIP amendment with anticipated revenues in all fiscal years of the project to Pat Saffo, CCing Pam Thompson, Eric Ehrbar, Jamie Collins, and Andy Wheeler. OFMB will be tracking funding availability and when approved, there will be transfer of appropriate funds from the statewide budget pool to the regional budget pool.

- Eric or Pam will transfer the appropriate amount of funds by fiscal year to your regional budget pool and then Jamie or Andy will inform the planner that the project is ready to STIP. Jamie or Andy will approve the STIP amendment and e-mail the Region Business Manager and STIP Planner. Then the region can budget and request inclusion into the upcoming budget supplement as usual.

Budget requests for new projects on an approved project list up through FY 14.

Submit your project for an Expenditure-based STIP amendment with all of the necessary information as described above to Pat Saffo, CCing Pam Thompson, Eric Ehrbar, Jamie Collins, and Andy Wheeler.

When budgeting construction dollars (C Phase budget requests only), you will need to plan for having the C phase of your project funded no more than 60 days in advance of the advertisement date. You can TIP and STIP (into Staging Program) projects in advance of the 60 days but STIP amendments

will not be moved to constrained STIP programs, nor will they be budgeted before the 60 days. You will need to make sure you are ready to submit this project for the upcoming budget supplement accordingly as well.

- If approved, Pat will request a transfer of appropriate funds from the statewide budget pool to the regional budget pool from Eric and Pam, CCing the region Business Manager and STIP Planner.
- Eric or Pam will transfer the appropriate amount of funds by fiscal year to your regional budget pool and then Jamie or Andy will inform the planner that the project is ready to STIP. Jamie or Andy will approve the STIP amendment and e-mail the Region Business Manager and STIP Planner. Then the region can budget and request inclusion into the upcoming budget supplement as usual.

For project budget requests <u>NOT</u> on an approved list, any project with a scope change, and any Asset Management project (excluding Surface Treatment projects on the approved list):

Region Planners will email their requests to Scott McDaniel, prior to the 10th of the month. Copy John Vetterling, Pat Saffo, Jamie Collins, Andy Wheeler, as well as the relevant Program Engineer and Resident Engineer on the email. Requests should include all of the necessary information as described above and for projects with a change in scope, the region shall provide an explanation of the changes and the reasons for them. For Asset Management projects, include all of the previously described information. If the funding request requires changing the funding of another project, include the same information as above for the project(s) the funding will be coming out of.

- Scott McDaniel, or John Vetterling in his absence, will review the request and contact the Region PEIII for any questions/clarification.
- If approved, Scott or John, will notify Pat Saffo and her backups and copy the PEIII, the RE, the Region Business Office, and the Region Planning staff.
- Pat will request a transfer of appropriate funds from the statewide budget pool to the regional budget pool from Eric and Pam, CCing the region Business Manager and STIP Planner.
- Eric or Pam will transfer the appropriate amount of funds by fiscal year to your regional budget pool and then Jamie or Andy will inform the planner that the project is ready to STIP. Jamie or Andy will approve the STIP amendment and e-mail the Region Business Manager and STIP Planner. Then the region can budget and request inclusion into the upcoming budget supplement as usual.