

Measure I Capital Improvement Plan Compliance Checklist

- Do not exceed the limit on categorical expenditures in the Plan.** Include no more than 50% of estimated annual revenue to general program categories for pavement management programs, system improvements, and general maintenance or other miscellaneous categorical expenditures (Policies VLS-9c, VVLS-13c, MDLS-11c). Each jurisdiction shall constrain the total annual amount of Measure I planned expenditures to 150% of SANBAG's forecasted annual revenue for Mi Local Pass-Through Funds, plus any fund balances and/or revenue resulting from bonds secured by Measure I Revenue (Policies VLS-9b, VVLS-13b, MDLS-11b).

- Specific Projects must be documented in every year of the Plan.** While categorical expenditures are justified in the Plan, specific projects must also be identified in each year of the Plan. Include named projects totaling at least 50% of annual expenditures in each year of the Five Year Plan. (Policies VLS-9d, VVLS-13d) Project types may include pavement overlay, construction, reconstruction, widening or other improvements. Any single project expenditure in excess of \$100,000 shall be listed as an individual project and shall not be included in a general program category. (Policies VLS-10 VVLS-14, MDLS-12)

- Expenditure of Measure I funds must be on projects identified in the Capital Improvement Plan adopted by the governing body.** The Five Year Capital Improvement Plan is the basis for the annual audit. Jurisdictions will have flexibility in moving projects around in the Plan; however, in order for a project to be eligible for expenditure of Local Street funds, the project must be included in the Plan (Policies VLS-11 VVLS-15, MDLS-13). The Plan can be also be modified by action of the governing body throughout the year, if necessary or beneficial. A copy of the modified Plan should be sent to SANBAG prior to the end of the fiscal year to avoid an audit finding.

- Streets and roads under one project/contract must be itemized on the invoice.** Plans that include expenditures for multiple streets and roads under one contract must list specific streets and roads, but may list only the total cost for work on all streets and roads in the contract. To avoid an audit finding, the local jurisdiction must: (1) List the project with individual streets and roads in the Plan; and (2) Break down the work on each street and road in the project on the invoice (i.e. an expense must be shown for each project identification). This protocol most typically applies to jurisdictions that group projects under their Pavement Management Program with one cost estimate. If itemized invoices are not provided to the auditor and the project exceeds 50% of annual revenue, a categorical expenditure audit finding will result.

- Measure I Plans must be in the established format.** Plans that are in unique formats, budget documents, and general capital improvement plans have lead to interpretive difference during the audit process. Projects contained in the Plans must be broken down by year of implementation. An electronic format for the Measure I Plans can be obtained from "Measure I Central" on the SANBAG web site at the Forms tab. (<http://www.sanbag.ca.gov/funding/mi.html>).

- Spend Measure I Local Pass Through Funds only on transportation related projects.** If there are any questions about the eligibility of Measure I to be expended on a project, refer to the local expenditure policies on the SANBAG web site or contact SANBAG Staff for additional assistance.