

CTFP Guidelines Revisions for Payment Processing
Chapter 10 - Reimbursement and Reporting

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
1	9-1	9	Procedures for Receiving Funds	<p>An implementing agency must encumber funds OCTA awards to a project phase within the fiscal year the grant is programmed (July 1-June 30). Prior to the encumbrance of funds, an agency must have a fully executed letter agreement with OCTA. An agency encumbers funds by awarding a contract, completing the appraisal or issuing an offer letter for one parcel of right-of-way, or by providing expense reports with supporting documentation to prove an agency's workforce costs (provided that the agency intends to complete the phase with agency staff). OCTA shall consider the primary contract(s) or the contract with the largest dollar amount, associated with the phase's tasks, when an agency uses a contract to show encumbrance of CTFP funds. Once an agency encumbers CTFP funds for a phase, it can begin the process for receiving payment of the funds.</p>	<p>An implementing jurisdiction must encumber funds OCTA awards to a project phase within the fiscal year the grant is programmed (July 1-June 30). For example, if a project phase is programmed for fiscal year 2027-28, the implementing jurisdiction must encumber funds by June 30, 2028. For jurisdictions awarded funding for the construction or PI phases, OCTA will work with the local jurisdiction following Board approval of the grant to determine eligible and ineligible costs. Written confirmation from OCTA identifying these eligible and ineligible costs must be obtained prior to encumbering funds for the construction phase and before issuing any construction-related Notice to Proceed, task order, or contract for PI construction activities.</p> <p>A local jurisdiction may demonstrate encumbrance of funds by: (1) awarding a contract; (2), completing the appraisal or issuing an offer letter for one parcel of right-of-way; (3), by providing expense reports with supporting documentation to prove an agency's workforce costs (provided that the agency intends to complete the phase with agency staff) (4), or by issuing a Notice to Proceed, which must include the project name, scope of services to be provided and cost.</p> <p>When a contract is used to demonstrate encumbrance, OCTA shall consider the primary contract(s) or the contract with the largest dollar amount, associated with the phase's tasks. Once an the jurisdiction has encumbered CTFP funds for a phase and has a fully executed letter agreement, it can may initiate the process for requesting payment of the funds.</p>	<p>Reimbursement and Reporting chapter moved to Chapter 10 (from Chapter 9) to align with Master Agreements between OCTA and local jurisdictions.</p> <p>Revise section to align with the newly proposed progress payment process and OCTA's written approval process of eligibility items.</p>
2	9-1	9	Procedures for Receiving Funds	<p>OCTA will release funds through two payments. The initial payment will provide up to 75 percent (75%) of the CTFP grant share of the contract award or grant amount, whichever is less. OCTA will disburse the final payment, 25 percent (25%) of eligible funds, after it approves the final report (See Precept 35).</p> <p>For situations where a grant exceeds \$2 million, the final report retention shall be capped at \$500,000 per project phase but shall in no case be less than 10 percent (10%) of the grant for that phase. Should the 75/25 payment distribution ratio result in a final payment retention that exceeds \$500,000, the payment percentages will be adjusted to meet the \$500,000 cap until the 10 percent (10%) threshold is reached (See Precept 36).</p>	<p>OCTA will disburse grant funds through a progress payment process. To receive any payment, the local jurisdiction must submit a payment request via OCFundtracker. The local jurisdiction may elect to receive an initial payment of up to twenty percent (20%) of the total grant amount, followed by progress payment requests, or may elect to proceed directly with progress payment requests. In all cases, the local jurisdiction shall submit progress payment requests on a semi-annual basis. Unless otherwise determined by a separate cooperative agreement, progress payments must be submitted in accordance with the schedule shown in Exhibit 10-1. The odd numbered-year jurisdictions must submit progress payments by September 30th and March 31st. The even numbered-year jurisdictions must submit progress payments by December 31st and June 30th.</p> <p>All payments issued, including any initial payment and subsequent progress payments, shall cumulatively be reimbursed up to ninety percent (90%) of the total grant amount, unless otherwise determined by a separate cooperative agreement. The final retention payment will be issued within sixty (60) days following OCTA's receipt and approval of a complete and accurate Final CTFP Expenditure Report.</p>	<p>Revise section to align with the proposed progress payment process.</p> <p>Create a payment submittal schedule intended to help distribute local jurisdiction reimbursement requests more evenly throughout the year and mitigate the receipt of a large volume of requests at the same time. The proposed schedule maintains the proposed semi-annual submittal requirement while staggering submittal periods between March, June, September, and December using an odd/even jurisdiction assignment system similar to the process currently used for PMP submittals.</p>
3	9-5	9	Reimbursement	<p>OCTA shall not reimburse for a project prior to the beginning of the fiscal year of the grant. If an agency receives an advancement and begins work prior to the start of the fiscal year of the grant, the agency may request an initial payment against the grant. If an agency receives an advancement and completes a project prior to the start of the fiscal year of the grant, OCTA shall disburse the grant in a single payment. OCTA must accept the final report prior to issuing a payment.</p>	<p>OCTA shall not reimburse for a project prior to the programmed fiscal year of the grant. If an agency receives an advancement and begins work prior to the start of the fiscal year of the grant, the agency may request an initial payment against the grant. If an agency receives an advancement and completes a project prior to the start of the fiscal year of the grant, OCTA shall disburse the grant in a single payment. OCTA must accept the Final CTFP Expenditure Report prior to issuing the final payment. However, if the project is not anticipated to be completed prior to the start of the fiscal year of the grant, the local jurisdiction shall follow the progress payment process.</p>	<p>This section was moved to earlier in the chapter to improve the flow of the information.</p> <p>Add that if the project is not anticipated to be completed it shall follow the proposed progress payment process.</p>

**CTFP Guidelines Revisions for Payment Processing
Chapter 10 - Reimbursement and Reporting**

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change																																				
4	9-5	9	Procedures for Receiving Funds	<p>Once an agency encumbers Measure M funds, the agency may request a maximum of 75 percent (75%) of the CTFP share of the contract award amount or grant amount, whichever is less. For situations where a grant exceeds \$2 million, (See Precept 36).</p> <p>An example of calculating the initial funding request for a standard 75/25 payment is described below.</p> <p>Example:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>CTFP Grant Allocation</td> <td>OCTA Match Rate</td> <td>Local Agency Match Rate</td> </tr> <tr> <td align="center">\$200,000</td> <td align="center">80%</td> <td align="center">20%</td> </tr> </table> <p>Step 1 Eligible Expenses x OCTA Match Rate = Product \$ 225,000.00 X 80% = \$ 180,000.00</p> <p>Step 2 Check if Product is greater than or less than CTFP Allocation Amount: \$200,000</p> <p>Step 3 Use the lower of the Product or Allocation \$ 180,000.00 In this case the \$180,000 amount is less</p> <p>Step 4 Then multiply the \$180,000 amount by 75% (Initial Payment Percentage)</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>\$180,000</td> <td>X</td> <td>75%</td> <td>=</td> <td>\$135,000.00</td> </tr> <tr> <td colspan="4"></td> <td align="right">Invoice Amount</td> </tr> </table>	CTFP Grant Allocation	OCTA Match Rate	Local Agency Match Rate	\$200,000	80%	20%	\$180,000	X	75%	=	\$135,000.00					Invoice Amount	<p>Once an agency encumbers Measure M funds and has a fully executed letter agreement, the jurisdiction may request a maximum of 20 percent (20%) of the grant amount as an initial payment.</p> <p>Examples of calculating the initial payment request and a progress payment are described below.</p> <div style="border: 1px solid black; padding: 5px;"> <p>Initial Payment Example If the total grant amount is \$1,000,000, the initial payment is 20% of the grant.</p> <p>Formula</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>Grant Amount</td> <td>x</td> <td>Initial Payment Percentage</td> <td>=</td> <td>Initial Payment</td> </tr> <tr> <td align="center">\$1,000,000</td> <td></td> <td align="center">20%</td> <td></td> <td align="center">\$200,000</td> </tr> </table> <p>Result: The initial payment to the local jurisdiction would be \$200,000.</p> </div> <p>The remaining balance shall be requested by the local jurisdiction through progress payment submissions and will be reimbursed based on paid eligible costs during the reporting period.</p> <div style="border: 1px solid black; padding: 5px;"> <p>Progress Payment Example If the reported expenditures are \$300,000 and OCTA's match rate is 75%, and OCTA has determined the costs to be fully eligible, the progress payment amount will be 75% of the \$300,000.</p> <p>Calculation: Paid Expenditures x OCTA Match Rate = Progress Payment Amount</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>Paid Expenditures</td> <td>x</td> <td>OCTA Match Rate</td> <td>=</td> <td>Progress Payment Amount</td> </tr> <tr> <td align="center">\$300,000</td> <td></td> <td align="center">75%</td> <td></td> <td align="center">\$225,000</td> </tr> </table> <p>Result: The progress payment amount would be \$225,000 for the reporting period.</p> </div> <p>The combined total of the initial payment and/or all progress payments shall not exceed ninety percent (90%) of the grant. Retention will be ten percent (10%) of the grant and will not be released until acceptance of the Final CTFP Expenditure Report, unless otherwise determined by a separate cooperative agreement.</p>	Grant Amount	x	Initial Payment Percentage	=	Initial Payment	\$1,000,000		20%		\$200,000	Paid Expenditures	x	OCTA Match Rate	=	Progress Payment Amount	\$300,000		75%		\$225,000	Revise section to align with proposed progress payment process.
CTFP Grant Allocation	OCTA Match Rate	Local Agency Match Rate																																								
\$200,000	80%	20%																																								
\$180,000	X	75%	=	\$135,000.00																																						
				Invoice Amount																																						
Grant Amount	x	Initial Payment Percentage	=	Initial Payment																																						
\$1,000,000		20%		\$200,000																																						
Paid Expenditures	x	OCTA Match Rate	=	Progress Payment Amount																																						
\$300,000		75%		\$225,000																																						
5	9-1	9	Procedures for Receiving Funds	Agencies shall submit payment requests to OCTA in a timely fashion. The M2 Ordinance requires the submittal of a final report within 180 days of the project phase completion date (See M2 Ordinance/definitions/Precept 37). Failure to submit a final report within the 180-day time frame will result in an agency being found ineligible to receive net revenues. Per the M2 Ordinance, no provision for extension is allowed. The term "project phase completion" refers to the date that the local agency has paid the final contractor/consultant invoice (including retention) for work performed and any pending litigation has been adjudicated for the engineering phase or for the ROW phase, and all liens/claims have been settled for the construction phase.	The M2 Ordinance requires the submittal of an M2 Project Final Report within 180 days of the project phase completion date (See M2 Ordinance/Definition 28/Precept 37). Failure to submit a final report within the 180-day time frame will result in an agency being found ineligible to receive net revenues. Per the M2 Ordinance, no provision for extension is allowed. The term "project phase completion" refers to the date that the local jurisdiction has paid the final contractor/consultant invoice (including retention) for work performed and any pending litigation has been adjudicated for the engineering phase or for the ROW phase, and all liens/claims have been settled for the construction phase.	Update the referenced Definition and Precept numbers. Bold the text to emphasize the severity of consequences for not submitting an M2 Project Final Report within 180 days of project completion.																																				
6	9-1	9	Procedures for Receiving Funds	OCTA will provide a separate CTFP payment supplement that includes sample forms and instructions for payment submittals and can be downloaded from the OCFundtracker database. Payment submittals are described in this chapter and must be submitted through OCTA's online database, OCFundtracker: http://ocfundtracker.octa.net . Detailed instructions for OCFundtracker are available online at the previously mentioned website. Staff is also available to assist agencies with this process. Agencies must upload appropriate backup documentation to the database. OCTA may request hardcopy payment requests.	OCTA will provide separate CTFP payment sample forms and instructions for payment submittals that can be downloaded from the OCFundtracker database. Payment submittals are described in this chapter and must be submitted through OCTA's online database, OCFundtracker. Detailed instructions for OCFundtracker are available online at the previously mentioned website. Staff is also available to assist jurisdictions with this process. Local jurisdictions must upload appropriate backup documentation to the database. OCTA will not initiate review of any payment request until all documents listed on the Payment Checklist have been submitted through OCFundtracker and a payment request has been opened.	Clarify that the local jurisdictions must submit their payment request on OCFundtracker. This will help OCTA know when payment requests are ready to be reviewed and processed.																																				
7	9-8	9	Timely Final Reports	OCTA will work with local agencies to ensure the timeliness of final reports by utilizing the following procedures: 1. Local agencies should notify OCTA of the project phase completion date within 30 days of completion. 2. Local agencies to file a final report within 180 days of project phase completion date. 3. OCTA to issue a notification to the project manager, public works directors or TAC representative(s) 90 days after the project completion date, as reported in OCFundtracker, to remind local agencies that the final report is due in 90 days. OCTA staff will provide guidance to assist in preparation of the final report. 4. OCTA may issue a final notice letter to the project manager, public works directors or TAC representative(s) with a copy to the agency's management and finance director if OCTA does not receive the final report within 180 days of the project completion date. The final notice letter will inform the local agencies that if OCTA does not receive a response to the final notice letter and the final report within 180 days, then the funds will be unencumbered and OCTA shall request that the agency return disbursed funds, plus interest. 5. OCTA to issue the final payment to local agencies within 60 days of receiving the complete final report and all supporting documentation.	Timely M2 Project Final Reports The M2 Project Final Report is a requirement of the M2 Ordinance and is distinct from the Final CTFP Expenditure Report. The M2 Project Final Report serves as the local jurisdiction's certification of project completion for projects funded with Net Revenues and shall include a description of the work performed, an accounting of Net Revenues expended, and any interest earned on Net Revenues allocated to the project. OCTA will work with local agencies to ensure the timeliness of final reports by utilizing the following procedures: 1. Local agencies should notify OCTA of the project phase completion date within 30 days of completion. 2. OCTA to issue a reminder notification to the project manager, public works directors or TAC representative(s) 90 days after the project completion date, as reported in OCFundtracker, to remind local agencies that the final report is due in 90 days. OCTA staff will provide guidance to assist in preparation of the final report. 3. Local jurisdictions must file a final M2 Project Final Report within 180 days of project phase completion date. 4. If the M2 Project Final Report is not received within the 180-day deadline OCTA may issue a final notice letter to inform the local jurisdiction funds will be unencumbered, request that the agency return disbursed funds, plus interest and subsequent action may be taken to find the jurisdiction ineligible to receive Net Revenues.	Final Reports section was moved to earlier in the chapter to improve the flow of the information. Formally refer to the M2 Ordinance-required final report as the "M2 Project Final Report" to distinguish it from other closeout or expenditure reporting documents and address past confusion. This clarifies that the M2 Project Final Report is distinct from the Final CTFP Expenditure Report and serves as the local jurisdiction's certification of project completion and accounting of expended M2 funds. Clarify that the 180-day reporting deadline is an important requirement tied to eligibility status. Clarify the consequences of late or missing reports, including unencumbering M2 funds, requiring repayment of disbursed CTFP funds plus applicable interest, and advising that the jurisdiction may be deemed ineligible to receive Net Revenues.																																				

**CTFP Guidelines Revisions for Payment Processing
Chapter 10 - Reimbursement and Reporting**

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
8	9-11	9	Agency Workforce and Equipment Rental	The local jurisdiction must provide supporting documentation for work completed by agency staff or the use of agency workforce. The decision or justification that local agency forces could perform the work more cost effectively, more timely than a contractor or other justification must be documented. It is recommended that a unique project job key be created for each project and all project charges be billed under that job code. The agency shall multiply the fully burdened labor rate by the number of hours for each staff person assigned to the project. The jurisdiction may add overhead costs at an allowable rate up to 30 percent (30%) of payroll and fringe benefits. The jurisdiction must provide supporting documentation for equipment used by local agency staff. The jurisdiction may use local agency or Caltrans surcharge and equipment rental rates.	No materials changes to text	This section was moved to earlier in the chapter to improve the flow of the information; however no changes were made to the existing language.
9	9-11	9	Technical and/or Field Review	Once an agency submits a final report for a project, OCTA shall review the report for compliance with the CTFP Guidelines and may conduct a technical and/or field review. As part of the technical/field review of a CTFP project, OCTA may: <ul style="list-style-type: none"> • review ROW acquisitions and the potential for excess right-of-way • compare hourly breakdown of staff time compared to staff time sheets • conduct a project field review – ensure improvements are within scope • review items that agencies self-certify • verification of the reasonableness of project costs OCTA may review all phases of the project. OCTA will use the project cost estimate forms submitted with the application and revised where appropriate, project accounting records and the final report as the primary items to conduct the review. Agencies must maintain separate records for projects (i.e., expenditures, interest) to ensure compliance. OCTA will only reimburse eligible CTFP items listed on the cost estimate. The implementing agency is expected to complete the entire scope of work as presented in the original application. See Chapter 10 for independent audit requirements beyond the technical/field review.	Once a local jurisdiction submits a final CTFP expenditure report for a project, OCTA shall review the report for compliance with the CTFP Guidelines and may conduct a technical and/or field review. As part of the technical/field review of a CTFP project, OCTA may: <ul style="list-style-type: none"> • review ROW acquisitions and the potential for excess right-of-way • compare hourly breakdown of staff time compared to staff time sheets • conduct a project field review – ensure improvements are within scope • review items that agencies self-certify • verification of the reasonableness of project costs OCTA may review all phases of the project. OCTA will use the project cost estimate forms submitted with the application and revised where appropriate, project accounting records and the Final CTFP Expenditure Report as the primary items to conduct the review. Agencies must maintain separate records for projects (i.e., expenditures, interest) to ensure compliance. OCTA will only reimburse eligible CTFP items listed on the cost estimate. The implementing agency is expected to complete the entire scope of work as presented in the OCTA approved scope. For construction and PI phases, OCTA will use the OCTA written approval of eligible costs, project accounting records and the Final CTFP Expenditure Report as the primary items to conduct the review. See Chapter 11 for independent audit requirements beyond the technical/field review.	Add clarification that, for the construction and PI phases, OCTA's technical and/or field reviews will be based on OCTA's written approval to ensure consistency with the proposed process.
10	New	New	Appeal Process	None	An appeal may be submitted only if the disputed amount is at least \$100,000 or 10% of the grant amount, whichever is less. Appeals must be submitted as part of the semi-annual review process. The local jurisdiction may file an appeal by submitting a brief written statement of the facts and circumstances to OCTA staff, including references to applicable CTFP Guidelines language. The appellant local jurisdiction must submit a written statement which proposes an action for TAC consideration. The TAC shall designate TSC to receive and review the appeal. The TSC shall consider the local jurisdiction's appeal along with information provided by staff, any known precedents or past practices, the CTFP guidelines and the Ordinance. The TSC shall report to the TAC on its findings. Depending on the findings and consistency with the Ordinance, staff will make a recommendation as part of the subsequent semi-annual review staff report. The Board shall have final approval on appeals.	Add section further clarify the appeal process that was proposed under Precept 42.
11	9-11	9	Reporting of Local Fair Share (LFS)	For the purposes of reporting non-project work (maintenance, repair, and other non-project related costs) funded by Measure M LFS funds, the Measure M2 expenditure report cited M2 Ordinance, Section III(B)(8) shall satisfy reporting requirements. If LFS funds are used for projects, the local agency shall also include those projects and the utilized LFS funds and/or other Measure M2 funds in the Measure M2 expenditure report.	For the purposes of reporting non-project work (maintenance, repair, and other non-project related costs) funded by Measure M LFS funds, the Measure M2 expenditure report cited M2 Ordinance, Section III(B)(8) shall satisfy reporting requirements. If LFS funds are used for projects, the local agency shall also include those projects and the utilized LFS funds and/or other Measure M2 funds in the Measure M2 expenditure report. For further information, please refer to the Measure M2 Eligibility Guidelines which can be found on the Eligibility Website: https://www.octa.net/M2Eligibility.	Provide link to the OCTA M2 Eligibility website as a resource for accessibility and reference.
12	9-2	9	Availability of Funding	The funds granted by OCTA for each phase will be available on July 1, the first day of the fiscal year in which the funds are programmed and upon implementation of the letter agreement for the specific project.	No materials changes to text	This section was moved to earlier in the chapter to improve the flow of the information; however no changes were made to the existing language.
13	9-2	9	Cancellation of Project	If a local jurisdiction decides to cancel a project, for whatever reason, the jurisdiction shall notify OCTA as soon as possible. Projects deemed infeasible during the planning phase shall bring that phase to a logical conclusion, file a final report, and cancel remaining phases so that remaining funds can be reprogrammed without penalty. ROW funding received for property acquisition prior to cancellation shall be repaid upon cancellation, regardless of whether property has been purchased or not. Construction funding received prior to cancellation shall be repaid upon cancellation. Cancelled projects will be eligible for re-application upon resolution of issues that led to original project termination.	No materials changes to text	This section was moved to earlier in the chapter to improve the flow of the information; however no changes were made to the existing language.
14	New	New	Exhibit 10-1 Progress Payment Schedule	None	See redline version of the CTFP guidelines for revisions	Add an exhibit to visually show the proposed progress payment schedule.

**CTFP Guidelines Revisions for Payment Processing
Chapter 10 - Reimbursement and Reporting**

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
Project O - Regional Capacity Program Reimbursement and Reporting Section						
15	9-3	9	Project O - Regional Capacity Program Reimbursement and Reporting	<p>Payment Requests</p> <p>Payment requirements are located in the Guidelines. Staff may request additional documentation that is not listed on the checklist prior to approving the request.</p> <p>The checklists and interactive electronic versions of all payment forms can be downloaded via OCFundtracker at http://ocfundtracker.octa.net.</p> <p>OCTA usually releases funds through two payments. The initial payment will constitute 75 percent (75%) of the eligible contract award or allocation amount, whichever is less. In addition to the bid abstract, OCTA will require local agencies to submit appropriate backup documentation for all project phases to support the initial payment request. OCTA will release the final payment of remaining balance, usually the final 25 percent (25%) of CTFP grant funds, when the project is complete and OCTA accepts the final report. The balance is determined based on final costs for CTFP eligible program expenditures. Prior to submitting the report, review the program specific section in these guidelines that addresses the final report process.</p> <p>OCTA will reimburse costs associated with the Measure M informational signs (fabrication, installation, and removal) and do not count against a project's grant. Measure M informational "Funded By" sign removal costs should be requested in the Final Report. Prior to submitting an initial payment request, a local agency may request a meeting</p> <p>Below is additional information regarding the documentation requirements of initial payment requests:</p>	<p>Project O – Regional Capacity Initial Payment Requests Process</p> <p>The local jurisdiction must submit a payment request to receive an initial payment, as described under the Procedures for Receiving Funds section of this chapter. Staff may request additional documentation that is not listed on the checklist prior to approving the request.</p> <p>Checklists and interactive electronic versions of all payment forms can be downloaded via OCFundtracker at http://ocfundtracker.octa.net.</p> <p>OCTA will reimburse costs associated with the Measure M informational signs (fabrication, installation, and removal) and do not count against a project's grant. Measure M informational "Funded By" sign removal costs should be requested in the Final CTFP Expenditure Report.</p> <p>The initial payment request must include the following:</p>	<p>Clarify that the local jurisdictions must submit a payment request to receive an initial payment. Revise the term "final report" to "Final CTFP Expenditure Report" to align with the proposed Definitions.</p>
16	9-3	9	Project O Regional Capacity Program - Initial Payment Request Process	<p>1. Invoice – For initial payments, an agency shall invoice for 75 percent (75%) of the CTFP grant share of the primary contract(s) amount or grant amount, whichever is less. For situations where a grant exceeds \$2 million, the final report retention shall be capped at \$500,000 per project phase but shall in no case be less than 10 percent (10%) of the grant for that phase. Should the 75/25 payment distribution ratio result in a final payment retention that exceeds \$500,000, the payment percentages will be adjusted to meet the \$500,000 cap until the 10 percent (10%) threshold is reached (See Precept 36). Agencies seeking initial payment for the planning, environmental and preliminary engineering work performed by local agency forces, must submit payroll records and City Council budget allocation with the initial payment request. The payroll records should identify the project name, date of expenditures, amount, and employee position. It is recommended that a unique project key be created for each project and all project charges be billed under that job code. OCTA staff can provide a sample of acceptable form of payroll report upon local agency request.</p>	<p>1. Invoice – The local jurisdiction shall invoice OCTA for up to twenty percent (20%) of the CTFP grant. Jurisdictions seeking reimbursement for planning, environmental, or preliminary engineering work performed by local agency forces must also submit payroll records and City Council budget allocation documentation. Payroll records must identify the project name, date(s) of expenditure, amount, and employee position. It is recommended that a unique project key be established and all project charges be tracked under that job code. OCTA staff can provide a sample payroll report upon request. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount.</p>	<p>Revise invoice language to align with the proposed progress payment process. Include the minimum invoice information required by OCTA Accounts Payable to ensure accurate distribution of funds.</p>
17	9-4	9	Project O - Initial Payment Request Process	<p>2. Project Certification Letter – The public works director, or appropriate equivalent, shall submit a certification letter, with applicable statements, using the Project Certification Form 10-2. This will include the certification that the project being reimbursed has met the signage requirements laid out in Precept 22.</p>	<p>2. Project and Plans, Specifications, & Estimate (PS&E) Certification Form – The local jurisdiction shall submit a completed Project and PS&E Certification Form, signed by the Public Works Director, City Engineer, or appropriate authorized equivalent. The form shall certify that the project complies with all applicable requirements, including signage requirements outlined in Precept 24, and that the plans and specifications were properly prepared and approved in accordance with authorized procedures and adopted standards, that the approved scope of work was followed, and that the materials report was incorporated.</p>	<p>Combine the Project Certification Letter and the PS&E Certification Form into a single form to streamline the process and reduce the number of forms required to be completed by local jurisdictions. Clarify that the form shall be signed by the Public Works Director, City Engineer, or other appropriately authorized equivalent representative.</p>
18	9-4	9	Project O Regional Capacity Program - Initial Payment Request Process	<p>3. Documentation of the Contract Award – The agency shall submit a minute order, agency resolution, or other council/board action showing award of the contract and the contract amount. After contract award, the agency shall submit the project name, contractor/consultant company name, and project scope including bid/task list, for each contract. The city clerk, clerk of the board, or appropriate equivalent shall certify minutes. Agencies that use on-call consultants shall submit a purchase order or Notice to Proceed (NTP) that includes the project-specific scope of work for the contractor.</p>	<p>3. Documentation of the Contract Award – The local jurisdiction shall provide documentation demonstrating award of the contract. Acceptable documentation includes a minute order, agency resolution, executed contract, purchase order, NTP or other action authorized by an approved delegate. All submitted documentation shall clearly identify the contract amount, project name, project scope of work, and the associated bid documents or task list, and shall be certified, as applicable, by the City Clerk, Clerk of the Board, or other duly authorized official. For contracts issued under on-call or as-needed consultant agreements, the local jurisdiction shall submit a purchase order or NTP that clearly defines the project-specific scope of work and includes the associated bid/task list. Bid/task list with lump sum items may require an itemized breakdown of the costs.</p>	<p>Clarify that all supporting documentation must clearly identify the contract amount, project name, and project scope of work, and include the associated bid/task list. Further clarify that lump sum bid/task lists may require submission of an itemized cost breakdown to facilitate review and verification of project-related expenses under the CTFP requirements.</p>

**CTFP Guidelines Revisions for Payment Processing
Chapter 10 - Reimbursement and Reporting**

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
19	9-4	9	Project O Regional Capacity Program - Initial Payment Request Process	4. Revised Cost Estimate – The agency shall use the format provided in the Revised Costs Estimate Form 10-3 separating eligible and ineligible items.	4. Contract Cost Summary – The jurisdiction shall use the format provided in the Contract Cost Summar Form and must fully itemize all costs, clearly separating eligible and ineligible items. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made.	Update the form name from “Revised Cost Estimate” to “Contract Cost Summary” to better reflect that the information provided must be based on the awarded contract amount. Additionally, clarify that lump sum submissions are not acceptable, as itemized cost information is required to support review and reimbursement processing. This has been OCTA’s current practice and is being added to the Guidelines for clarification and consistency. Lump sum submissions will be returned to the local jurisdiction for revision, and the associated payment request will be removed from the processing queue until a revised submittal is received.
20	9-4	9	Project O Regional Capacity Program - Initial Payment Request Process	5. Work Schedule – OCTA prefers a complete project schedule, but an agency may provide as little as the expected start and completion dates for preliminary engineering, final engineering, right-of-way, and construction phases on the Engineering & Construction Phase Initial Report Form 10-1A.	5. Initial Payment Form – The local jurisdiction shall submit a completed Initial Payment Form. For the project schedule section, OCTA prefers submission of a complete project schedule; however, at a minimum, the jurisdiction may provide the anticipated start and completion dates for the preliminary engineering, final engineering, right-of-way, and construction phases. For the ROW phase, the local jurisdiction shall submit a fully completed Right-of-Way Phase Initial Report Form.	Update the form title from “Work Schedule” to “Initial Payment Form” to reflect the correct name of the form. Minor revisions were also made to improve clarity and overall flow.
21	9-4	9	Project O Regional Capacity Program - Initial Payment Request Process	7. Plans, Specifications, & Estimate (PS&E) Certification – Agencies shall submit a PS&E certification using the PS&E Certification Form 10-4. The agency engineer shall certify that the local agency properly prepared and approved plans and specifications in accordance with authorized procedures and adopted standards, followed approved scope of work, and incorporated materials report.		The PS&E form was combined with the Project Certification Letter, see Item Number 17.
22	9-4	9	Project O Regional Capacity Program - Initial Payment Request Process	New	7. ROW Disposal Plan – Provide an updated ROW disposal plan reflecting changes that have occurred since the original application submittal	Add a new requirement for the ROW Disposal Plan requiring local jurisdictions to submit an updated ROW Disposal Plan reflecting any changes that have occurred since the original application submittal. This clarification is intended to improve consistency and reduce potential confusion during the reimbursement review process.
23	9-4	9	Project O Regional Capacity Program - Initial Payment Request Process	8. Layout Plans – An agency shall not submit layout plans that print on paper larger than 11 inches by 17 inches.	8. Layout Plans – The local jurisdiction shall submit the most current and up-to-date layout plans available at the time of the payment request	Clarify that the local jurisdiction shall submit the most current and up-to-date layout plans at the time of the payment request. This requirement is intended to help avoid confusion regarding eligible and ineligible project items and ensure OCTA’s reimbursement review is based on the latest approved project information.
24	New	New	Project O Regional Capacity Program - Progress Payment Process	None	<p>The local jurisdiction must submit a progress payment semi-annually for incurred cost that have been paid. Staff may request additional documentation that is not listed on the checklist prior to approving the request.</p> <p>The local jurisdiction must submit progress payments in accordance with the schedule shown in Exhibit 10-1. If the local jurisdiction elects not to receive an initial payment, the first progress payment request must also include the documentation required for initial payment, as described in the section above.</p> <p>The Progress Payment Form is available for download via OCFundtracker.</p> <p>Each progress payment request must include the following:</p> <ol style="list-style-type: none"> 1. Invoice – The local jurisdiction shall submit an invoice to OCTA for OCTA’s share of eligible project costs paid during the applicable reporting period. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount. 2. Progress Payment Form – The form must be fully completed and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The project manager must sign and certify that the costs listed are true and accurate. 3. Proof of Payment – Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form. <p>Once the local jurisdiction has been reimbursed for ninety percent (90%) of the total grant amount, OCTA will not issue additional payments until the project is complete and all closeout requirements are met. However, the local jurisdiction must continue to submit progress payment requests to document ongoing project status and costs.</p> <p>If the local jurisdiction does not have any expenses to report during a given period, it must submit the No Cost Report Form indicating no costs for that reporting period.</p>	<p>Add a new section outlining the proposed Progress Payment Process. The new section identifies the documentation and minimum requirements necessary for submission of a progress payment request, including invoice requirements, the Progress Payment Form, and proof of payment documentation. The section also clarifies that local jurisdictions are required to continue submitting progress payment documentation even after reimbursement of ninety percent (90%) of the grant amount in order to document ongoing project status and costs. In addition, the section introduces a No Cost Report Form for reporting periods in which the local jurisdiction has no eligible costs to report.</p> <p>The proposed process maintains OCTA’s ability to monitor project progress, improve consistency in reimbursement documentation, and reduce delays or confusion during payment processing.</p> <p>Proposed language was added under each program reimbursement section for consistency.</p>

**CTFP Guidelines Revisions for Payment Processing
Chapter 10 - Reimbursement and Reporting**

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
25	9-6	9	Project Cost Changes	If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the final report. OCTA will review these reports to: 1. Determine that the agency submitted proper justification for the change order(s) 2. Determine if the items are eligible for reimbursement 3. Confirm that expenses are within the project's original scope of work 4. The lead agency should provide information supporting the need for the change orders in the final report. Changes in project limits for construction projects are not eligible for reimbursement.	If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request. OCTA will review these reports to: 1. Determine if the items are eligible for reimbursement 2. Confirm that expenses are consistent within delivering the OCTA approved scope of work 3. The lead agency should provide information supporting the need for the change orders. Changes in project limits for construction projects are not eligible for reimbursement.	This section was moved earlier in the chapter to improve the overall flow and organization of the information. Additionally, the first item from the existing language was removed because it has contributed to delays in the reimbursement process due to incomplete or unavailable documentation from local jurisdictions. Proposed language was added under each program reimbursement section for consistency.
26	New	New	M2 Project Final Report	None	The local jurisdiction shall notify OCTA in writing of the project phase completion date within thirty (30) days of completion to establish the applicable reporting deadline. Pursuant to M2 Ordinance requirements, the local jurisdiction shall submit the Project Final Report Form within one hundred eighty (180) days from the project completion date. The 180-day deadline is a mandatory M2 requirement directly tied to the local jurisdiction's eligibility to receive M2 Net Revenues, and no extensions shall be granted. The Project Final Report Form is available for download via OCFundtracker.	Add a new section for the M2 Project Final Report to further clarify and emphasize the local jurisdiction's reporting requirements under the M2 Ordinance. The added language is intended to improve awareness of the mandatory reporting timeline and its direct connection to M2 Net Revenue eligibility. Proposed language was added under each program reimbursement section for consistency.
27	9-6	9	Project O - Regional Capacity Program Final Payment Process	The remaining CTFP funds are reimbursed to the lead agency following completion of the final reporting process. This final payment is calculated by considering the grant allocation amount, the minimum local agency match rate, how much has been previously reimbursed as part of the initial payment, and the total eligible costs that can be applied to the grant (see program specific eligibility sections). M2 funds are applied proportionally to all eligible project expenses. Prior to submitting the Final Report, review the following section which includes items important to the final reporting process. The CTFP Payment Supplement provides additional instructions and sample forms to complete payment requests. Payment requirements are located in this chapter.	The remaining CTFP funds shall be reimbursed to the lead jurisdiction following completion of the final payment process. Prior to submitting the Final CTFP Expenditure Report, review the following section which includes items important to the final CTFP process.	Revised this section to align with the proposed payment process.
28	9-6	9	Project O - Regional Capacity Program Final Payment Process	The items listed below are to be submitted to complete the final reporting process. 1. Invoice - For final payments, an agency shall invoice for the remaining balance of the OCTA share of eligible costs or up to the grant amount. Final payment request invoices shall normally be approximately 25 percent (25%) of the eligible funds. Interest earned by an agency for initial payments received shall be applied to and deducted from the final payment balance amount.	The final payment must include the following: 1. Invoice - The local jurisdiction shall invoice for the remaining balance of the OCTA share of the grant amount. Interest earned by an agency for payments received shall be applied to and deducted from the final payment balance amount.	Revised this section to align with the proposed payment process.
29	9-6	9	Project O - Regional Capacity Program Final Payment Process	2. Project Certification Letter – The public works director, or appropriate equivalent, shall submit a certification letter, with applicable statements, using the Project Certification Form 10-2. This will include the certification that the project being reimbursed has met the signage requirements laid out in Precept 22.	2. Progress Payment Form - The form must be fully completed, indicate it is the final progress payment and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The project manager must sign and certify that the costs listed are true and accurate.	Removed the requirement for the Project Certification Letter as part of the final payment request process, as this documentation is required to be submitted with the initial payment request or the first progress payment request. Added in the Progress Payment Form, which must indicate it is the final payment request and include itemized project costs, clearly separating eligible and ineligible items.
30	9-6	9	Project O - Regional Capacity Program Final Payment Process	3. Documentation of the Contract Award – The agency shall submit a minute order, agency resolution, or other council/board action showing award of the contract and the contract amount. After contract award, the agency shall submit the project name, contractor/consultant company name, and project scope including bid/task list, for each contract. The city clerk, clerk of the board, or appropriate equivalent shall certify minutes. Agencies that use on-call consultants would need to submit a purchase order or NTP that includes the scope of work for the contractor.	3. Where ineligible costs are twenty percent (20%) or greater of the overall project cost, indicating considerable work outside of the goal and purpose of Project O, shared project costs that cannot be directly attributed to the eligible or ineligible work, will be prorated based on the share of the project that is eligible compared to ineligible. This does not supersede the OCTA written confirmation of eligible and ineligible expenses provided before the start of the project.	This section was moved to earlier in the chapter due to the removal of certain requirements. Removed the requirement for Documentation of Contract award as part of the final payment request process, as this documentation is already required to be submitted with the initial payment request or the first progress payment request. Clarified that this section does not supersede the OCTA written confirmation of eligible and ineligible expenses provided before the start of the project.
31	9-7	9	Project O - Regional Capacity Program Final Payment Process	4. PS&E Certification – Agencies shall submit a PS&E certification using the PS&E Certification Form 10-4. The agency engineer shall certify that the local agency properly prepared and approved plans and specifications in accordance with authorized procedures and adopted standards, followed approved scope of work, and incorporated materials report.	4. Proof of Project Payment – The required documentation that will be submitted includes approved invoices and may also include, but is not limited to, supportive material for agency work forces, equipment, material, and corresponding proof of payment. Additional records are required to be maintained as outlined in the Audit (Chapter 11).	Removed the requirement for the PS&E Certification as part of the final payment request process, as this documentation is required to be submitted with the initial payment request or the first progress payment request. Added in the Proof of Payment which aligns with the proposed payment process.
32	9-7	9	Project O - Regional Capacity Program Final Payment Process	5. Final Report Form – The local agency shall prepare a final report form using the Engineering & Construction Phase Final Report Form 10-5A.	5. Layout Plans – The local jurisdiction shall submit the most current and up-to-date layout plans available at the time of the payment request.	Removed the requirement of the Final Report Form as part of the final payment request process. Added in the Layout Plans to ensure OCTA has the most up-to-date plans.

**CTFP Guidelines Revisions for Payment Processing
Chapter 10 - Reimbursement and Reporting**

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
33	9-7	9	Project O - Regional Capacity Program Final Payment Process	6. Division of Costs –Supportive material shall equal the Division of Costs Form 10-6 totals that are located in the final report form separating eligible and ineligible items.	6. ROW Documents – Each parcel shall include an appraiser’s report, written offer letter, legal description with map, square footage of parcel(s), plat map (where applicable), and parcel map (where applicable). Agencies may submit equivalent documentation for OCTA’s considerations on a case-by-case basis. Agencies attempting to acquire five or more parcels for a project shall include a parcel location map. For ROW grants with surplus land please see the Excess Right of Way section for additional required documentation and disposal process.	This section was moved to earlier in the chapter due to the removal of certain requirements; however no changes were made to the existing language.
34	9-7	9	Project O - Regional Capacity Program Final Payment Process	7. Where ineligible costs are twenty percent (20%) or greater of the overall project cost, indicating considerable work outside of the goal and purpose of Project O, shared project costs that cannot be directly attributed to the eligible or ineligible work, will be prorated based on the share of the project that is eligible compared to ineligible.	7. Summary of ROW Acquisition – Agencies shall submit a summary of ROW acquisition as described in the Progress Payment Form.	This section was moved to earlier in the chapter due to the removal of certain requirements; however no changes were made to the existing language. Revised applicable form containing the ROW acquisition summary.
35	9-7	9	Project O - Regional Capacity Program Final Payment Process	8. Proof of Project Payment – The required documentation that will be submitted includes approved contract invoices and may also include, but is not limited to, supportive material for agency work forces, equipment, material, and corresponding proof of payment. Additional records are required to be maintained as outlined in the Audit (Chapter 10).	8. Notice of Completion – An agency shall submit the Notice of Completion form to certify the phase completion date (Form 10-7). See Definition 30 for phase completion date.	This section was moved to earlier in the chapter due to the removal of certain requirements. Revise the Definition number to 30.
36	9-7	9	Project O - Regional Capacity Program Final Payment Process	9. Layout Plans – An agency shall not submit layout plans that print on paper larger than 11 inches by 17 inches (where applicable). Agencies shall submit the most recently updated final design plans or “as-built” plans.	9. Before and After Project Photos (construction phases) – photographs showing the project before and after the improvements. Photographs should be high quality resolution images in JPEG or PNG file formats.	This section was moved to earlier in the chapter due to the removal of certain requirements; however no changes were made to the existing language.
37	9-7	9	Project O - Regional Capacity Program Final Payment Process	10. Documentation of Decision to Use Local Agency Forces or Agency Workforce – For all project phases, for any work performed by local agency forces or agency workforce in lieu of a primary contract for that phase, local agency must document that local agency forces could perform the work more cost effectively, more timely than a contractor or provide other appropriate justification. Documentation of this decision would also be required for audit.		Removed the requirement for Documentation of Decision to Use Local Agency Forces or Agency Workforce as part of the final payment request process as documentation needs to be provided, as this documentation is required to be submitted with the initial payment request or the first progress payment request.
38	9-7	9	Project O - Regional Capacity Program Final Payment Process	11. Documentation Supporting Local Agency Liability for Utility Relocation Costs – Local agency liability can be supported by the documentation of property rights, franchise rights/agreements, state and local statutes/ordinances, permits, or a finding by the local agency’s counsel.		Removed the requirement for Documentation Supporting Local Agency Liability for Utility Relocation Costs as part of the final payment request process, as this documentation is required to be submitted with the initial payment request or the first progress payment request.
39	9-8	9	Project O - Regional Capacity Program Final Payment Process	12. ROW Documents – Each parcel shall include an appraiser’s report, written offer letter, legal description with map, square footage of parcel(s), plat map (where applicable), and parcel map (where applicable). Agencies may submit equivalent documentation for OCTA’s considerations on a case-by-case basis. Agencies attempting to acquire five or more parcels for a project shall include a parcel location map.		This section was moved to earlier in the chapter due to the removal of certain requirements; however no changes were made to the existing language.
40	9-8	9	Project O - Regional Capacity Program Final Payment Process	13. Summary of ROW Acquisition – Agencies shall submit a summary of ROW acquisition as described in the Summary of ROW acquisition Form 10-5B.		This section was moved to earlier in the chapter due to the removal of certain requirements; however no changes were made to the existing language.
41	9-8	9	Project O - Regional Capacity Program Final Payment Process	14. Notice of Completion – An agency shall submit The Notice of Completion form to certify the phase completion date (Form 10-7). See Definition 26 for phase completion date.		This section was moved to earlier in the chapter due to the removal of certain requirements.
42	9-8	9	Project O - Regional Capacity Program Final Payment Process	15. Before and After Project Photos (implementation and construction phases) – photographs showing the project before and after the improvements. Photographs should be high quality resolution images in JPEG or PNG file formats.		This section was moved to earlier in the chapter due to the removal of certain requirements; however no changes were made to the existing language.
Project P - Regional Traffic Signal Synchronization Program Reimbursement and Reporting Section						
43	9-12	9	Project P - Regional Traffic Signal Synchronization Program Reimbursements and Reporting Requirements	The previous sections of this chapter outline the process and requirements regarding reimbursements and reporting for all competitive programs that are part of Measure M2. A lead agency shall also use the following additional reporting and documentation requirements specific to any competitive project funded through RTSSP (Project P) as part of the reimbursement process.	The Procedures for Receiving Funds section of this chapter outline the process and requirements regarding reimbursements and reporting for all competitive programs that are part of Measure M2. A lead agency shall also use the following additional reporting and documentation requirements specific to any competitive project funded through RTSSP (Project P) as part of the reimbursement process.	Revise the language to clarify that references to “previous sections of this chapter” pertain to the “Procedures of Receiving Funds” section.
44	9-12	9	Procedures for Receiving Funds	RTSSP funds projects with a three (3) year grant. Projects are divided into two components for the purposes of reimbursements and reporting: PI and Ongoing O&M.	Under the RTSSP projects are divided into two components for the purposes of reimbursements and reporting: PI and Ongoing O&M	Remove the reference to the three-year grant requirement to align with the proposed changes made under the RTSSP chapter.

**CTFP Guidelines Revisions for Payment Processing
Chapter 10 - Reimbursement and Reporting**

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
45	9-12	9	Procedures for Receiving Funds	<p>A lead agency must encumber funds OCTA allocates to a project within the fiscal year of the grant and after funding agreements with OCTA are executed. A lead agency encumbers funds by awarding a contract or providing expense reports to prove the lead or a participating agency's workforce costs, provided that the lead agency intends to complete the PI with lead agency or participating agency staff. Once an agency encumbers RTSSP (Project P) funds for PI, it can begin the process for receiving payment of the funds. Note that only the lead agency will receive payment of funds from OCTA. Any funds that are due to other participating agencies are the responsibility of the lead agency and not OCTA.</p> <p>The project lead agency must submit payment requests through OCTA's online database, OCFundtracker. Additional details about the retention caps, timely payment requests, project closeout, and payment are available in Chapter 9.</p>		Remove this section, as the information is already addressed under the "Procedures of Receiving Funds" section.
46	9-13	9	Availability of Funding	The funds allocated for projects will be available to project lead agencies July 1st of the programmed year and after funding agreements with OCTA are executed.		Remove this section, as the information is already addressed under the "Procedures of Receiving Funds" section.
47	9-13	9	Project P – Regional Traffic Signal Synchronization Initial Payment Process	<p>The initial payment will provide up to 75 percent (75%) of funds for the PI of the project. The following information specific to the RTSSP (Project P) Project is provided regarding the documentation requirements for initial payment of PI after an agency encumbers funds for the project.</p> <p>The interactive electronic versions of all payment forms can be downloaded via OCFundtracker.</p> <p>The final report has been provided so a lead agency can determine the reporting and documentation required for an initial payment request. Staff may request additional documentation that is not listed on the PI Report prior to approving the request. The checklist and electronic versions of the forms are available through OCFundtracker.</p>	<p>The local jurisdiction must submit a payment request to receive an initial payment. Staff may request additional documentation that is not listed on the checklist prior to approving the request.</p> <p>Checklists and interactive electronic versions of all payment forms can be downloaded via OCFundtracker.</p>	Revise this section to align with the proposed progress payment process.
48	9-13	9	Primary Implementation Initial Payment Process	<p>Below is additional information regarding documentation requirements for RTSSP payment requests.</p> <ul style="list-style-type: none"> • Invoice - For initial payments, the lead agency shall invoice for 75 percent (75%) of the CTFP grant share of the contract amount or grant amount of the project's PI, whichever is less. For final payments of the PI, the lead agency shall invoice the remaining balance of the project's PI phase contract amount or programmed amount, whichever is less • Project Certification Letter • Project Certification Letter (initial and final) • Revised Cost Estimate (initial) • PS&E Certification (initial and final) • Certification of Phase (initial) • Report Submission • Division of Cost Schedule (final) • Work Schedule - OCTA requires a complete project schedule, including expected start and completion dates for tasks in the PI and Ongoing O&M phases (initial and final) • ROW Documents - No requirements as ROW is not a part of RTSSP • Before and After Project Photos (PI phase) – photographs showing the project before and after the improvements. Photographs should be high quality resolution images in JPEG or PNG file formats (final). <p>Details on other aspects on Initial Payment Requests for PI including project advancement and reimbursement is available in this chapter.</p>	<p>Primary Implementation Initial Payment Process The PI initial payment request must include the following:</p> <ol style="list-style-type: none"> 1. Invoice –The local jurisdiction shall invoice OCTA for up to twenty percent (20%) of the CTFP grant. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount. 2. Project and Plans, Specifications, & Estimate (PS&E) Certification Form – The local jurisdiction shall submit a completed Project and PS&E Certification Form, signed by the Public Works Director, City Engineer, or appropriate authorized equivalent. The form shall certify that the project complies with all applicable requirements and that the plans and specifications were properly prepared and approved in accordance with authorized procedures and adopted standards, that the approved scope of work was followed, and that the materials report was incorporated. 3. Documentation of the Contract Award – The local jurisdiction shall provide documentation demonstrating award of the contract. Acceptable documentation includes a minute order, agency resolution, executed contract, purchase order, or NTP. All submitted documentation shall clearly identify the contract amount, project name, project scope of work, and the associated bid documents or task list, and shall be certified, as applicable, by the City Clerk, Clerk of the Board, or other duly authorized official. For contracts issued under on-call or as-needed consultant agreements, the local jurisdiction shall submit a purchase order or NTP that clearly defines the project-specific scope of work and includes the associated bid/task list. 4. Contract Cost Summary – The jurisdiction shall use the format provided in the Contract Cost Summar Form and must fully itemize all costs. Each line items shall clearly identify the type of equipment, quantity of equipment being installed, unit cost and total cost. Cost must be separated between eligible and ineligible items. All equipment quantities must be explicitly stated to allow OCTA to verify the scope and installation details. Submissions that do not include itemized quantities will be considered incomplete. Lump sum submissions will not be accepted and will be returned to the local jurisdiction for revision. 5. Initial Payment From – The Local Jurisdiction shall submit a completed Initial Payment Form. For the project schedule section, OCTA prefers submission of a complete project schedule; however, at a minimum, the local jurisdiction shall provide the anticipated start and completion dates for the preliminary engineering, final engineering, right-of-way, and construction phases. 	<p>Clarify the requirements for the PI initial payment.</p> <p>Clarify the required documentation and add additional information to align with the reimbursement process requirements under the RCP section.</p>

**CTFP Guidelines Revisions for Payment Processing
Chapter 10 - Reimbursement and Reporting**

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change																
49	9-14	9	Example of Initial Reimbursement for Primary Implementation (PI):	<p>Example of Initial Reimbursement for Primary Implementation (PI):</p> <table border="1"> <tr> <td>CTFP Grant Allocation</td> <td>OCTA Match Rate</td> <td>Local Agency Match Rate</td> </tr> <tr> <td>\$960,000.00</td> <td>80%</td> <td>20%</td> </tr> </table> <p>Step 1 Eligible Expenses x OCTA Match Rate = Product \$1,000,000.00 x 80% = \$800,000.00</p> <p>Step 2 Check if Product is greater than or less than CTFP Grant Allocation Amount: \$800,000 vs \$960,000</p> <p>Step 3 Use the lower of the Product or CTFP Grant Allocation In this case, the \$800,000.00 amount is lower</p> <p>Step 4 Then multiply the amount by 75% (Initial Payment Percentage)</p> <table border="1"> <tr> <td>\$800,000.00</td> <td>x</td> <td>75%</td> <td>=</td> <td>\$600,000.00</td> </tr> <tr> <td colspan="4"></td> <td>Invoice Amount</td> </tr> </table>	CTFP Grant Allocation	OCTA Match Rate	Local Agency Match Rate	\$960,000.00	80%	20%	\$800,000.00	x	75%	=	\$600,000.00					Invoice Amount		Remove the example illustrating the calculation of the initial payment to avoid duplication, as the information is already included under the "Procedures of Receiving Funds" section.
CTFP Grant Allocation	OCTA Match Rate	Local Agency Match Rate																				
\$960,000.00	80%	20%																				
\$800,000.00	x	75%	=	\$600,000.00																		
				Invoice Amount																		
50	New	New	Ongoing Operation and Maintenance Initial Payment Process	None	<p>The O&M initial payment request must include the following:</p> <ol style="list-style-type: none"> 1. Invoice – The local jurisdiction shall invoice OCTA for up to twenty percent (20%) of the CTFP grant. Jurisdictions seeking reimbursement for planning, environmental, or preliminary engineering work performed by local agency forces must also submit payroll records and City Council budget allocation documentation. Payroll records must identify the project name, date(s) of expenditure, amount, and employee position. It is recommended that a unique project key be established and all project charges be tracked under that job code. OCTA staff can provide a sample payroll report upon request. 2. Contract Cost Summary – The jurisdiction shall use the format provided in the Contract Cost Summar Form and must fully itemize all costs. Each line items shall clearly identify the type of equipment, quantity of equipment being installed, unit cost and total cost. Cost must be separated between eligible and ineligible items. All equipment quantities must be explicitly stated to allow OCTA to verify the scope and installation details. Submissions that do not include itemized quantities will be considered incomplete. Lump sum submissions will not be accepted and will be returned to the local jurisdiction for revision. 3. Initial Payment From – The Local Jurisdiction shall submit a completed Initial Payment Form. For the project schedule section, OCTA prefers submission of a complete project schedule; however, at a minimum, the local jurisdiction shall provide the anticipated start and completion dates for the preliminary engineering, final engineering, right-of-way, and construction phases. 	Add a new section for O&M initial payment requests.																

**CTFP Guidelines Revisions for Payment Processing
Chapter 10 - Reimbursement and Reporting**

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
51	New	New	Project P - Regional Traffic Signal Synchronization Program Progress Payment Process	None	<p>The local jurisdiction must submit a progress payment semi-annually for costs that have been incurred and paid for. PI and O&M costs must be submitted under separate progress payment requests; OCTA will not accept progress payment that combine both PI and O&M expenses. Staff may request additional documentation that is not listed on the checklist prior to approving the request.</p> <p>The local jurisdiction must submit progress payments in accordance with the schedule shown in Exhibit 10-1. If the local jurisdiction elects not to receive an initial payment, the first progress payment request must also include the documentation required for initial payment, as described in the section above.</p> <p>The Progress Payment Form is available for download via OCFundtracker. Each progress payment request must include the following: 1. Invoice – The local jurisdiction shall submit an invoice to OCTA for OCTA's share of eligible project costs incurred during the applicable reporting period. . The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount. 2. Progress Payment Form – The form must be fully completed and include itemized project costs, clearly separating eligible and ineligible expenses. For the PI phase, all equipment quantities must be explicitly stated to allow OCTA to verify the scope and installation details. For the O&M phase, cost must be fully itemized. Lump sum submissions will not be accepted and will be returned to the local jurisdiction for revision. The project manager must sign and certify that the costs listed are true and accurate. 3. Proof of Payment – Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form.</p> <p>Once the local jurisdiction has been reimbursed for ninety percent (90%) of the total grant amount, OCTA will not issue additional payments until the project is complete and all closeout requirements are met. However, the local jurisdiction must continue to submit progress payment requests to document ongoing project status and costs.</p> <p>If the local jurisdiction does not have any expenses to report during a given period, it must submit the No Cost Report Form indicating no costs for that reporting period.</p>	<p>Add a new section outlining the proposed Progress Payment Process. The new section identifies the documentation and minimum requirements necessary for submission of a progress payment request, including invoice requirements, the Progress Payment Form, and proof of payment documentation. The section also clarifies that local jurisdictions are required to continue submitting progress payment documentation even after reimbursement of ninety percent (90%) of the grant amount in order to document ongoing project status and costs. In addition, the section introduces a No Cost Report Form for reporting periods in which the local jurisdiction has no eligible costs to report.</p> <p>The proposed process maintains OCTA's ability to monitor project progress, improve consistency in reimbursement documentation, and reduce delays or confusion during payment processing.</p>
52	New	New	Project Cost Changes	None	<p>If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request. OCTA will review these reports to: 1. Determine if the items are eligible for reimbursement 2. Confirm that expenses are consistent within delivering the OCTA approved scope of work 3. The lead agency should provide information supporting the need for the change orders. Changes in project limits for construction projects are not eligible for reimbursement.</p>	<p>Add a new section addressing Project Cost Changes to ensure consistency with the language and requirements established under the RCP section.</p>
53	New	New	M2 Project Final Report	None	<p>The local jurisdiction shall notify OCTA in writing of the project phase completion date within thirty (30) days of completion to establish the applicable reporting deadline. Pursuant to M2 Ordinance requirements, the local jurisdiction shall submit the Project Final Report Form within one hundred eighty (180) days from the project completion date. The 180-day deadline is a mandatory M2 requirement directly tied to the local jurisdiction's eligibility to receive M2 Net Revenues, and no extensions shall be granted.</p> <p>The Project Final Report Form is available for download via OCFundtracker.</p>	<p>Add a new section for the M2 Project Final Report to further clarify and emphasize the local jurisdiction's reporting requirements under the M2 Ordinance. The added language is intended to improve awareness of the mandatory reporting timeline and its direct connection to M2 Net Revenue eligibility.</p>
54	9-15	9	Primary Implementation Final Payment Process	<p>OCTA will release the remaining balance to the lead agency, approximately 25 percent (25%) of funds for the PI, when the project's PI phase is complete and OCTA receives the project Before and After Study. The balance is determined based on the final costs for the eligible RTSSP expenditures. The Before and After Study is defined as the following: This study shall at minimum collect morning and evening peak period using travel times, average speeds, green lights to red lights, stops per mile, and the derived CSPI metric. In addition, greenhouse gas and gasoline savings should be identified. This information shall be developed both before any signal timing changes have been made and after the PI. The study shall compare the information collected both before and after the timing changes. Comparisons shall identify the absolute and percent differences for the entire corridor, by segment, direction, and time period. Segments will be defined by major traffic movements as observed during the project (e.g. commuting segments between freeways, pedestrian-friendly segments in a downtown area, etc.).</p>	<p>The remaining CTFP funds shall be reimbursed to the lead jurisdiction after completion of the final payment process and upon OCTA's receipt of the project Before and After Study for the PI phase and the O&M Report for the O&M phase.</p> <p>The Before and After Study is defined as the following: This study shall at minimum collect morning and evening peak period using travel times, average speeds, green lights to red lights, stops per mile, and the derived CSPI metric. In addition, greenhouse gas and gasoline savings should be identified. This information shall be developed both before any signal timing changes have been made and after the PI. The study shall compare the information collected both before and after the timing changes. Comparisons shall identify the absolute and percent differences for the entire corridor, by segment, direction, and time period. Segments will be defined by major traffic movements as observed during the project (e.g. commuting segments between freeways, pedestrian-friendly segments in a downtown area, etc.).</p> <p>Prior to submitting the Final CTFP Expenditure Report, review the following section, which outlines items important to the final CTFP process.</p>	<p>Revise section to align with the proposed progress payment process.</p>

**CTFP Guidelines Revisions for Payment Processing
Chapter 10 - Reimbursement and Reporting**

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
55	9-15	9	Primary Implementation Final Payment Process	The PI Report, which includes the Before and After Study for RTSSP, shall be included as a requirement at the end of the Primary Implementation phase and as part of the Final Report as required by the M2 Ordinance, Attachment B, Section III.A.9.	<p>The final payment request for PI must include the following:</p> <ol style="list-style-type: none"> 1. Invoice - The local jurisdiction shall invoice for the remaining balance of the OCTA grant. Interest earned by an agency for payments received shall be applied to and deducted from the final payment balance amount. 2. Progress Payment Form - The form must be fully completed, indicate it is the final progress payment and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The project manager must sign and certify that the costs listed are true and accurate. 3. Proof of Payment - Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form. 4. PI Report – The PI Report which includes the Before and After Study. 5. Notice of Completion - An agency shall submit The Notice of Completion form to certify the phase completion date (Form 10-7). See Definition 26 for phase completion date. 6. Before and After Photos – Photographs showing the project before and after the improvements. Photographs should be high quality resolution images in JPEG or PNG file formats. 	Clarify the documentation needed for the final PI payment request.
56	9-15	9	Ongoing Operations and Maintenance Final Payment Process	<p>Payment Requests for Ongoing Operations and Maintenance The payments for the Ongoing O&M portion of the project award will cover the remainder of the grant period after the PI phase is completed and will be paid as a reimbursement upon proof of work/payment and receipt of invoice. The invoice should include the Final O&M report with details on the ongoing O&M work done including the required (1) work monitoring and improving optimized signal timing; and optional (2) communications and detection support.</p> <p>O&M Report The O&M Report shall be completed in accordance with all CTFP Guidelines upon the end of the O&M phase. In addition, the O&M Report shall summarize the O&M period, documenting the O&M efforts and procedures for continuing maintenance. At a minimum, the O&M Report shall include when travel runs were conducted and issues and solutions throughout the phase. The report shall document all planned and programmed improvements on the study corridor as well as recommendations for further infrastructure improvements that would likely enhance the corridor signal coordination project results.</p>	<p>The final payment request for O&M must include the following:</p> <ol style="list-style-type: none"> 1. Invoice - The local jurisdiction shall invoice for the remaining balance of the OCTA grant. Interest earned by an agency for payments received shall be applied to and deducted from the final payment balance amount. 2. Progress Payment Form - The form must be fully completed, indicate it is the final progress payment and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The project manager must sign and certify that the costs listed are true and accurate. 3. Proof of Payment - Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form. 4. O&M Report – The O&M Report shall be completed in accordance with all CTFP Guidelines upon the end of the O&M phase. In addition, the O&M Report shall summarize the O&M period, documenting the O&M efforts and procedures for continuing maintenance. At a minimum, the O&M Report shall include when travel runs were conducted and issues and solutions throughout the phase. The report shall document all planned and programmed improvements on the study corridor as well as recommendations for further infrastructure improvements that would likely enhance the corridor signal coordination project results. 5. Notice of Completion - An agency shall submit The Notice of Completion form to certify the phase completion date (Form 10-7). See Definition 26 for phase completion date. 	Clarify the documentation needed for the final O&M payment request
57	New	New	Project Cost Changes	None	<p>Project Cost Changes If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request. OCTA will review these reports to:</p> <ol style="list-style-type: none"> 1. Determine if the items are eligible for reimbursement 2. Confirm that expenses are consistent within delivering the OCTA approved scope of work 3. The lead agency should provide information supporting the need for the change orders. Changes in project limits for construction projects are not eligible for reimbursement. 	Add a new section addressing Project Cost Changes to ensure consistency with the language and requirements established under the RCP section.
Project X - Environmental Cleanup Program Reimbursement and Reporting Section						
58	9-16	9	Project X - Environmental Cleanup Program Reimbursements & Reporting Requirements	The interactive electronic versions of all payment forms can be downloaded via OCFundtracker. These processes are applicable to the Tier 1 and Tier 2 Grant Programs:	<p>The Procedures for Receiving Funds section of this chapter outlines the process and requirements for reimbursements and reporting for all competitive programs under Measure M2. The ECP Program consists of two tiers, Tier 1 and Tier 2; however, both tiers must submit the documentation listed below for payment reimbursement. The processes described herein apply to both Tier 1 and Tier 2 grant programs.</p> <p>The interactive electronic versions of all payment forms can be downloaded via OCFundtracker.</p>	Add a reference to the "Procedures of Receiving Funds" section and clarify that the documentation requirements listed apply to both Tier 1 and Tier 2 funded projects.

**CTFP Guidelines Revisions for Payment Processing
Chapter 10 - Reimbursement and Reporting**

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
59	9-16	9	Project X – Environmental Cleanup Program Initial Payment Process	<p>Initial payments:</p> <ol style="list-style-type: none"> Invoice – For initial payments, an agency shall invoice for 75 percent (75%) of the CTFP grant share of the contract amount or grant amount, whichever is less. For situations where a grant exceeds \$2 million, the final report retention shall be capped at \$500,000 per project phase; but, shall in no case be less than 10 percent (10%) of the grant for that phase. Should the 75/25 payment distribution ratio result in a final payment retention that exceeds \$500,000, the payment percentages will be adjusted to meet the \$500,000 cap until the 10 percent (10%) threshold is reached (See Precept 36). Project Certification Letter – The public works director, or appropriate equivalent, shall submit a certification letter, with applicable statements, using the Project Certification Form 10-2. Documentation of the Contract Award – The agency shall submit a minute order, agency resolution, or other council/board action showing award of the contract and the contract amount. After contract award, the agency shall submit the project name, contractor/consultant company name, and project scope including bid/task list, for each contract. The city clerk, clerk of the board, or appropriate equivalent shall certify minutes. Agencies that use on-call consultants shall submit a purchase order that includes the scope of work for the contractor. Revised Cost Estimate – The agency shall use the format provided in the Revised Costs Estimate Form 10-3 separating eligible and ineligible items. PS&E Certification – The agency shall provide PS&E certification using the PS&E Certification Form 10-4. The agency engineer shall certify that the local agency properly prepared and approved plans and specifications in accordance with authorized procedures and adopted standards, followed approved scope of work, and incorporated materials report. ECP (Project X) Initial Payment - The agency shall prepare an initial payment report form using the ECP Initial Payment Report 10-5A. Location Maps of Installation – The agency shall provide a map that shows the specific locations Best Management Practices (BMP) devices were installed with catch basin identification numbers, as applicable. 	<p>The initial payment request must include the following:</p> <ol style="list-style-type: none"> Invoice – The local jurisdiction shall invoice OCTA for up to twenty percent (20%) of the CTFP grant. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount. Project and Plans, Specifications, & Estimate (PS&E) Certification Form – The local jurisdiction shall submit a completed Project and Plans, Specifications, and Estimate (PS&E) Certification Form, signed by the Public Works Director, the City Engineer, or their appropriate authorized equivalent. The form shall certify that the project complies with all applicable requirements, and that the plans and specifications were properly prepared and approved in accordance with authorized procedures and adopted standards, that the approved scope of work was followed, and that the materials report was incorporated. Documentation of the Contract Award – The local jurisdiction shall provide documentation demonstrating award of the contract. Acceptable documentation includes a minute order, agency resolution, executed contract, purchase order, or NTP. All submitted documentation shall clearly identify the contract amount, project name, project scope of work, and the associated bid documents or task list, and shall be certified, as applicable, by the City Clerk, Clerk of the Board, or other duly authorized official. For contracts issued under on-call or as-needed consultant agreements, the local jurisdiction shall submit a purchase order or NTP that clearly defines the project-specific scope of work and includes the associated bid/task list. Contract Cost Summary – The jurisdiction shall use the format provided in the Contract Cost Summar Form and must fully itemize all costs, clearly separating eligible and ineligible items. Lump sum submissions will not be accepted and will be returned to the local jurisdiction for revision. Initial Payment From – The Local Jurisdiction shall submit a completed Initial Payment Form. For the project schedule section, OCTA prefers submission of a complete project schedule; however, at a minimum, the local jurisdiction shall provide the anticipated start and completion dates. Location Maps of Installation – The local jurisdiction shall provide a map that shows the specific locations Best Management Practices (BMP) devices were installed with catch basin identification numbers, as applicable. 	<p>Clarify the required documentation and add additional information to align with the reimbursement process requirements under the RCP section.</p>
60	New	New	Project X – Environmental Cleanup Program Progress Payment Process	None	<p>The local jurisdiction must submit a progress payment semi-annually for costs that have been incurred and paid for. Staff may request additional documentation that is not listed on the checklist prior to approving the request.</p> <p>The local jurisdiction must submit progress payments in accordance with the schedule shown in Exhibit 10-1. If the local jurisdiction elects not to receive an initial payment, the first progress payment request must also include the documentation required for initial payment, as described in the section above.</p> <p>The Progress Payment Form is available for download via OCFundtracker: http://ocfundtracker.octa.net.</p> <p>Each progress payment request must include the following:</p> <ol style="list-style-type: none"> Invoice – The local jurisdiction shall submit an invoice to OCTA for OCTA's share of eligible project costs incurred during the applicable reporting period. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount. Progress Payment Form – The form must be fully completed and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted and will be returned to the local jurisdiction for revision. The project manager must sign and certify that the costs listed are true and accurate. Proof of Payment – Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form. <p>Once the local jurisdiction has been reimbursed for ninety percent (90%) of the total grant amount, OCTA will not issue additional payments until the project is complete and all closeout requirements are met. However, the local jurisdiction must continue to submit progress payment requests to document ongoing project status and costs.</p> <p>If the local jurisdiction does not have any expenses to report during a given period, it must still submit the No Cost Form indicating no costs for that reporting period.</p>	<p>Add a new section outlining the proposed Progress Payment Process. The new section identifies the documentation and minimum requirements necessary for submission of a progress payment request, including invoice requirements, the Progress Payment Form, and proof of payment documentation. The section also clarifies that local jurisdictions are required to continue submitting progress payment documentation even after reimbursement of ninety percent (90%) of the grant amount in order to document ongoing project status and costs. In addition, the section introduces a No Cost Report Form for reporting periods in which the local jurisdiction has no eligible costs to report.</p> <p>The proposed process maintains OCTA's ability to monitor project progress, improve consistency in reimbursement documentation, and reduce delays or confusion during payment processing.</p>

**CTFP Guidelines Revisions for Payment Processing
Chapter 10 - Reimbursement and Reporting**

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
61	New	New	Project Cost Changes	None	<p>If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request. OCTA will review these reports to:</p> <ol style="list-style-type: none"> 1. Determine if the items are eligible for reimbursement 2. Confirm that expenses are consistent within delivering the OCTA approved scope of work 3. The lead agency should provide information supporting the need for the change orders. Changes in project limits for construction projects are not eligible for reimbursement. 	Add a new section addressing Project Cost Changes to ensure consistency with the language and requirements established under the RCP section.
62	New	New	M2 Project Final Report	None	<p>The local jurisdiction shall notify OCTA in writing of the project phase completion date within thirty (30) days of completion to establish the applicable reporting deadline. Pursuant to M2 Ordinance requirements, the local jurisdiction shall submit the Project Final Report Form within one hundred eighty (180) days from the project completion date. The 180-day deadline is a mandatory M2 requirement directly tied to the local jurisdiction's eligibility to receive M2 Net Revenues, and no extensions shall be granted.</p> <p>The Project Final Report Form is available for download via OCFundtracker.</p>	Add a new section for the M2 Project Final Report to further clarify and emphasize the local jurisdiction's reporting requirements under the M2 Ordinance. The added language is intended to improve awareness of the mandatory reporting timeline and its direct connection to M2 Net Revenue eligibility.
63	9-17	9	Project X – Environmental Cleanup Program Final Payment Process	<p>Final Reporting Process: The items listed below are to be submitted to complete the final reporting process. A final report must be filed within 180 days of the project phase completion. Additionally, an exception to Precept 40: agencies may appeal to the ECAC and the OCTA Board on any issues that the agency and OCTA cannot resolve, as such are the approving bodies for this program.</p>	<p>The remaining CTFP funds shall be reimbursed to the lead jurisdiction following completion of the final payment process. Prior to submitting the Final CTFP Expenditure Report, review the following section which includes items important to the final process.</p>	Revise to align with the proposed progress payment process.
64	9-17	9	Project X – Environmental Cleanup Program Final Payment Process	<ol style="list-style-type: none"> 1. Invoice – For final payments, an agency shall invoice for the remaining balance of the OCTA share of eligible costs up to the grant amount. Final payment request invoices shall normally be approximately 25 percent (25%) of the eligible funds. Interest earned by an agency for initial payments received shall be applied to and deducted from the final payment balance amount. 2. Project Certification Letter – The public works director, or appropriate equivalent, shall submit a certification letter, with applicable statements, using the Project Certification Form 10-2. 3. Documentation of the Contract Award – The agency shall submit a minute order, agency resolution, or other council/board action showing award of the contract and the contract amount. After contract award, the agency shall submit the project name, contractor/consultant company name, and project scope including bid/task list, for each contract. The city clerk, clerk of the board, or appropriate equivalent shall certify minutes. Agencies that use on-call consultants would need to submit a purchase order or NTP that includes the scope of work for the contractor. 4. PS&E Certification – Agencies shall submit a PS&E certification using the PS&E Certification Form 10-4. 5. Final Report Division of Costs Schedule – The agency shall use the format provided in Form 10-6. 6. Certification of Phase Completion – The agency shall certify the phase completion date using the Form 10-7. See definition 26 for phase completion date. 7. ECP (Project X) Final Report Form 10-16 – The agency shall prepare a final report form using the ECP Final Report Form 10-16. 8. Location Maps of Installation – The agency shall provide a map that shows the specific locations BMP devices were installed with catch basin identification numbers, as applicable. 9. Proof of Project Payment – The required documentation that will be submitted includes approved contract invoices and may also include, but is not limited to, supportive material for agency work forces, equipment, material, and corresponding proof of payment. Additional records are required to be maintained as outlined in the Audit chapter. 10. Form 10-17 (where applicable) Supporting documentation for O&M costs (if used as local match). <p>For Tier 1 of the ECP (Project X), where ongoing O&M of the project were pledged as a local match, as part of the semi-annual review reporting process, OCTA will verify local agency O&M expenditures to ensure local match commitments are being met. Local agencies must complete the In-Kind O&M Report Form 10-17 for each ECP (Project X) grant as part of their semi-annual review updates.</p>	<p>The final payment must include the following:</p> <ol style="list-style-type: none"> 1. Invoice – The local jurisdiction shall invoice for the remaining balance of the OCTA grant. Interest earned by an agency for payments received shall be applied to and deducted from the final payment balance amount. 2. Progress Payment Form - The form must be fully completed, indicate it is the final progress payment and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The project manager must sign and certify that the costs listed are true and accurate. 3. Certification of Phase Completion – The agency shall certify the phase completion date using the Form 10-7. See definition 30 for phase completion date. 4. ECP (Project X) Final Report Form 10-16 – The agency shall prepare a final report form using the ECP Final Report Form 10-16. 5. Location Maps of Installation – The agency shall provide a map that shows the specific locations BMP devices were installed with catch basin identification numbers, as applicable. 6. Proof of Project Payment – The required documentation that will be submitted includes approved contract invoices and may also include, but is not limited to, supportive material for agency work forces, equipment, material, and corresponding proof of payment. Additional records are required to be maintained as outlined in the Audit chapter. 7. Form 10-17 (where applicable) Supporting documentation for O&M costs (if used as local match). <p>For Tier 1 of the ECP (Project X), where ongoing O&M of the project were pledged as a local match, as part of the semi-annual review reporting process, OCTA will verify local agency O&M expenditures to ensure local match commitments are being met. Local agencies must complete the In-Kind O&M Report Form 10-17 for each ECP (Project X) grant as part of their semi-annual review updates.</p>	<p>Removed the requirements for the Project Certification Letter, Documentation of Contract Award, and PS&E Certification as part of the final payment request process, as these documents are required to be submitted with the initial payment request or first progress payment request.</p> <p>Additionally, removed the Final Report Division of Costs Schedule and replaced it with the Progress Payment Form.</p>

**CTFP Guidelines Revisions for Payment Processing
Chapter 10 - Reimbursement and Reporting**

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
Project W - Safe Transit Stops Program Reimbursement and Reporting Section						
65	New	New	Project W – Safe Transit Stops Program Reimbursements & Reporting Requirements	None	<p>The local jurisdiction must submit a payment request to receive an initial payment, as described under the Procedures for Receiving Funds section of this chapter. Staff may request additional documentation that is not listed on the checklist prior to approving the request.</p> <p>Checklists and interactive electronic versions of all payment forms can be downloaded via OCFundtracker at http://ocfundtracker.octa.net.</p>	Add a new section for the Safe Transit Stops (Project W) program. Added language aligns with the proposed progress payment process.
66	New	New	Project W – Safe Transit Stops Program Initial Payment Process	None	<p>The initial payment request must include the following:</p> <ol style="list-style-type: none"> 1. Invoice – The local jurisdiction shall invoice OCTA for up to twenty percent (20%) of the CTFP grant. OCTA staff can provide a sample payroll report upon request. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount. 2. Project and Plans, Specifications, & Estimate (PS&E) Certification Form – The local jurisdiction shall submit a completed Project and PS&E Certification Form, signed by the Public Works Director, City Engineer, or appropriate authorized equivalent. The form shall certify that the project complies with all applicable requirements, and that the plans and specifications were properly prepared and approved in accordance with authorized procedures and adopted standards, that the approved scope of work was followed, and that the materials report was incorporated. 3. Documentation of the Contract Award – The local jurisdiction shall provide documentation demonstrating award of the contract. Acceptable documentation includes a minute order, agency resolution, executed contract, purchase order, NTP or other action authorized by an approved delegate. All submitted documentation shall clearly identify the contract amount, project name, project scope of work, and the associated bid documents or task list, and shall be certified, as applicable, by the City Clerk, Clerk of the Board, or other duly authorized official. For contracts issued under on-call or as-needed consultant agreements, the local jurisdiction shall submit a purchase order or NTP that clearly defines the project-specific scope of work and includes the associated bid/task list. Bid/task list with lump sum items may require an itemized breakdown of the costs. 4. Contract Cost Summary – The jurisdiction shall use the format provided in the Contract Cost Summar Form and must fully itemize all costs, clearly separating eligible and ineligible items. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. 5. Initial Payment From – The local jurisdiction shall submit a completed Initial Payment Form. For the project schedule section, OCTA prefers submission of a complete project schedule; however, at a minimum, the jurisdiction may provide the anticipated start and completion dates for the preliminary engineering, final engineering, right-of-way, and construction phases. 	Added clarification regarding the documentation required for the initial payment request to ensure consistency with the requirements established under the RCP, ECP, and RTSSP programs.
67	New	New	Project W – Safe Transit Stops Program Progress Payment Process	None	<p>The local jurisdiction must submit a progress payment semi-annually for incurred cost that have been paid. Staff may request additional documentation that is not listed on the checklist prior to approving the request.</p> <p>The local jurisdiction elects not to receive an initial payment, the first progress payment request must also include the documentation required for initial payment, as described in the section above.</p> <p>The Progress Payment Form is available for download via OCFundtracker.</p> <p>Each progress payment request must include the following:</p> <ol style="list-style-type: none"> 1. Invoice – The local jurisdiction shall submit an invoice to OCTA for OCTA's share of eligible project costs paid during the applicable reporting period. 2. Progress Payment Form – The form must be fully completed and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The project manager must sign and certify that the costs listed are true and accurate. 3. Proof of Payment – Provide approved invoices and supporting documentation that correspond to the costs listed on the Progress Payment Form. <p>Once the local jurisdiction has been reimbursed for ninety percent (90%) of the total grant amount, OCTA will not issue additional payments until the project is complete and all closeout requirements are met. However, the local jurisdiction must continue to submit progress payment requests to document ongoing project status and costs.</p> <p>If the local jurisdiction does not have any expenses to report during a given period, it must submit the No Cost Report Form indicating no costs for that reporting period.</p>	<p>Add a new section outlining the proposed Progress Payment Process. The new section identifies the documentation and minimum requirements necessary for submission of a progress payment request, including invoice requirements, the Progress Payment Form, and proof of payment documentation. The section also clarifies that local jurisdictions are required to continue submitting progress payment documentation even after reimbursement of ninety percent (90%) of the grant amount in order to document ongoing project status and costs. In addition, the section introduces a No Cost Report Form for reporting periods in which the local jurisdiction has no eligible costs to report.</p> <p>The proposed process maintains OCTA's ability to monitor project progress, improve consistency in reimbursement documentation, and reduce delays or confusion during payment processing.</p>

**CTFP Guidelines Revisions for Payment Processing
Chapter 10 - Reimbursement and Reporting**

Item No.	2026 Guidelines Page	2026 Guidelines Chapter	Section Title	Current Language	Proposed Language	Reason for Change
68	New	New	Project Cost Changes	None	<p>If the contract price is lower than the amount programmed, and the agency requested additional items and/or change orders during construction/study, OCTA may approve the additional costs during the review of the reimbursement request. OCTA will review these reports to:</p> <ol style="list-style-type: none"> 1. Determine if the items are eligible for reimbursement 2. Confirm that expenses are consistent within delivering the OCTA approved scope of work 3. The lead agency should provide information supporting the need for the change orders. Changes in project limits for construction projects are not eligible for reimbursement. 	Add a new section addressing Project Cost Changes to ensure consistency with the language and requirements established under the RCP section.
69	New	New	M2 Project Final Report	None	<p>The local jurisdiction shall notify OCTA in writing of the project phase completion date within thirty (30) days of completion to establish the applicable reporting deadline. Pursuant to M2 Ordinance requirements, the local jurisdiction shall submit the Project Final Report Form within one hundred eighty (180) days from the project completion date. The 180-day deadline is a mandatory M2 requirement directly tied to the local jurisdiction's eligibility to receive M2 Net Revenues, and no extensions shall be granted.</p> <p>The Project Final Report Form is available for download via OCFundtracker.</p>	Add a new section for the M2 Project Final Report to further clarify and emphasize the local jurisdiction's reporting requirements under the M2 Ordinance. The added language is intended to improve awareness of the mandatory reporting timeline and its direct connection to M2 Net Revenue eligibility.
70	New	New	Project W - Safe Transit Stops Final Payment Process	None	<p>The remaining CTFP funds shall be reimbursed to the lead jurisdiction following completion of the final CTFP payment process. Prior to submitting the Final CTFP Expenditure Report, review the following section which includes items important to the final CTFP process.</p> <p>The final payment must include the following:</p> <ol style="list-style-type: none"> 1. Invoice - The local jurisdiction shall invoice for the remaining balance of the OCTA share of the grant amount. Interest earned by an agency for payments received shall be applied to and deducted from the final payment balance amount. The invoice must include at a minimum: unique invoice number, remit to address, project number or project name and reimbursement amount. 2. Progress Payment Form - The form must be fully completed, indicate it is the final progress payment and include itemized project costs, clearly separating eligible and ineligible expenses. Lump sum submissions will not be accepted, will be returned to the local jurisdiction for revision and the payment request will be removed from the queue. The local jurisdiction will need to resubmit as a new payment request once the revisions are made. The project manager must sign and certify that the costs listed are true and accurate. 3. Proof of Project Payment – The required documentation that will be submitted includes approved invoices and may also include, but is not limited to, supportive material for agency work forces, equipment, material, and corresponding proof of payment. Additional records are required to be maintained as outlined in the Audit (Chapter 11). 4. Layout Plans – The local jurisdiction shall submit the most current and up-to-date layout plans available at the time of the payment request. 5. Notice of Completion – An agency shall submit The Notice of Completion form to certify the phase completion date (Form 10-7). See Definition 30 for phase completion date. 6. Before and After Project Photos – photographs showing the project before and after the improvements. Photographs should be high quality resolution images in JPEG or PNG file formats. <p>Electronic copies of all payment forms can be downloaded from OCFundtracker.</p>	Added clarification regarding the documentation required for the final payment request to ensure consistency with the requirements established under the RCP, ECP, and RTSSP programs.
Project V - Community-Based Transit/Circulators Program Reimbursement and Reporting Section						
71	New	New	Project V – Community Based Transit Program Reimbursements & Reporting Requirements	None	<p>Due to the unique nature of Project V, reimbursements shall be processed in accordance with the separate cooperative agreement. Prior to submitting a payment request, a local jurisdiction may request a meeting with OCTA staff to review and determine eligible and ineligible items before seeking reimbursement.</p>	Add a new section for the Community-Based Transit/Circulators Program.

Color Key

Red = Revised text in CTFP Guidelines

Green = The section was moved to improve the flow of the guidelines; however, no changes were made to the existing language.