

Section 11.1

FUNDS MANAGEMENT

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Section 11.1

FUNDS MANAGEMENT

PURPOSE

To establish uniform procedures for processing invoice transmittals, deposit transmittals, and coding for federal aid participation.

AUTHORITY

Section 20.23 Florida Statutes
Section 95.361, Florida Statutes
Section 116.01, Florida Statutes
Section 119.07, Florida Statutes
Section 215.422, Florida Statutes
Section 334.048, Florida Statutes
Section 337.251, Florida Statutes
Section 339.2815, Florida Statutes
23 Code of Federal Regulations, Parts 710.201 and 710.203
Rule Chapter 1B-24, Florida Administrative Code
Rule Chapter 1B-26, Florida Administrative Code
Office of Management and Budget Circular A-87

SCOPE

This section will be utilized by District and Central Offices of Right of Way. Other affected offices include the District Financial Services Offices/Disbursement Operations Office, District Work Program Offices, and Office of the Comptroller.

NOTE: Throughout this chapter, the use of the term “District(s)” includes the Turnpike Enterprise unless otherwise stated.

REFERENCES

Funds Management Handbook

Right of Way Manual, Section 7.2, The Real Property Negotiation Process
Procedure No. 050-020-025, Records Management

TRAINING

None required.

FORMS

The following forms are available in the Right of Way Management System (RWMS):
575-090-12, Right of Way Invoice Transmittal/Receiving Report
575-090-13, Right of Way Deposit Transmittal
575-090-14, Right of Way Contract Invoice Transmittal/Receiving Report

DEFINITIONS

Advance Payments: Only for purposes of the authorized signature certification (Section B.) on the *R/W Invoice Transmittal/Receiving Report, Form No. 575-090-12*, advance payment means that the warrant is being requested in advance of, and in preparation for the real estate closing, order of taking deposit, entry of the final judgment or court order; or is a reimbursement for relocation assistance, business damages or other eligible claim. The warrant *will not* be delivered prior to receipt of the title, resolution of the claim or receipt of other goods or services as applicable.

Comptroller: Unless otherwise stated, refers to the chief financial officer for the Florida Department of Transportation (FDOT). References may include the District Financial Services Office/Disbursement Operations Office.

Expenditure: A created or incurred legal obligation to disburse money.

Interest: Payment made in excess of the original invoice amount as directed by a court order or settlement agreement, or as a result of noncompliance with **Section 215.422, Florida Statutes (F.S.)**.

Purchasing Card (Pcard): A credit card issued for FDOT employees to make business related purchases.

Right of Way Invoice Transmittal/Receiving Report (RIT): A form for transmitting the vendor invoice or other supporting documentation to the District Financial Services/Disbursement Operations Office requesting a warrant for payment of right of way expenditures detailed in **Section 11.1.2, Right of Way Manual**.

Right of Way Contract Invoice Transmittal/Receiving Report (R/W CIT, Form No. 575-090-12): A form for transmitting the vendor invoice or other supporting documentation to the District Financial Services/Disbursement Operations Office requesting a warrant for payment of right of way contractual services.

Right of Way Deposit Transmittal: A form used for processing right of way payments received for leasing of right of way, refunds and rebates, sale of inventory items, sale of surplus property, and warrant cancellations.

Right of Way Management System (RWMS): A web-based computer application that is the primary computer application used by the Office of Right of Way to monitor the progress of projects and parcels through the right of way process. The system is also used to report various statistics and assist in the management of the work program.

Vendor Invoice: An itemized statement of goods or services received from a vendor which reflects the date, terms, method of shipment (if applicable), quantity, price and any other pertinent details.

Warrant Request Package: A packet of documents consisting of a transmittal, vendor invoice (as applicable) and supporting documentation necessary to request a warrant for right of way expenditures from the District Financial Services/Disbursement Operations Office.

11.1.1 Invoice Transmittals for Right of Way Payments

11.1.1.1 Section 215.422, F.S., requires a vendor invoice be submitted to the Office of the Chief Financial Officer no later than twenty (20) working days after receipt of the invoice and receipt, inspection and approval of the goods or services.

11.1.1.2 In accordance with **Section 215.422, F.S.,** inspection and approval of goods or services shall take no longer than five (5) working days after receipt of such goods or services, unless the bid specifications, purchase order, or contract specify otherwise.

11.1.1.3 In accordance with **Section 215.422, F.S.,** any warrant for payment of a vendor invoice not issued from the Office of the Chief Financial Officer within forty (40) calendar days after receipt of the vendor invoice and receipt, inspection and approval of the goods and services, will require the Department to pay interest to the vendor in accordance with the schedule established in **Subpart (3)(b)** of said statute.

11.1.1.4 The District Records and Funds Management Section shall be responsible for ensuring invoices are processed and warrants issued in the required time limit, so that

the Department will not be required to pay interest to the vendor.

11.1.1.5 The **RIT** must be signed by a person authorized to approve the expenditure.

11.1.1.6 Prior to approval of the **R/W CIT**, the Contract Manager must sign the vendor's invoice certifying that the goods and/or services were received on the dates specified on the vendor's invoice.

11.1.2 Expenditures

11.1.2.1 The following right of way expenditures are to be entered in RWMS and submitted on **Form No. 575-090-12, Right of Way Invoice Transmittal/Receiving Report**.

- (A) Land and severance damages, includes improvements listed on appraisal;
- (B) Mobile home purchase;
- (C) Sign purchase, nonconforming outdoor advertising signs;
- (D) Business damages;
- (E) Land owner CPA fees;
- (F) Land owner attorney fees;
- (G) Land owner appraiser fees;
- (H) Other land owner expert fees or costs;
- (I) Closing costs;
- (J) Interest;
- (K) Other court ordered fees and costs;
- (L) Relocation assistance costs including move costs and replacement housing payments.

This list is not an all-inclusive list of expenditures that can be paid with an **RIT**. The

method of procurement, how a commodity or service is obtained, as well as the amounts paid, dictate the necessary form of payment. If the amount paid annually to a single vendor (other than governmental units) exceeds the statutory threshold for competitive bids, then the Procurement Office will seek bids and issue a purchase order/contract. Also, Department rules require quotes for any item or service greater than \$2,500. If the item exceeding the quote threshold is not procured with the Pcard, then a purchase order or contract should be issued. The district should consult with the District Financial Services Office or Procurement Office to obtain appropriate technical procurement information regarding other expenditures.

11.1.3 Revenues

11.1.3.1 The following must be processed on ***Form No. 575-090-13, Right of Way Deposit Transmittal***:

- (A) Salvage credit for sale of severable items, personal property, signs, etc.;
- (B) Credit for sale of surplus property;
- (C) Lease or rental income;
- (D) Credit for refunds;
 - (1) Court Registry refund;
 - (2) Overpayments;
 - (3) Duplicate payments;
 - (4) Warrant Cancellations.

11.1.4 Revenues To Be Returned To Districts

11.1.4.1 All revenues generated by a district from the sale or lease of surplus property or leaseback of rights of way will be returned to that district.

11.1.4.2 Specific revenue object codes have been established for tracking purposes and must be used in conjunction with the district revenue organization code when processing the revenue payments. As additional revenue codes are needed, the

district should contact the Office of Right of Way, Asset Management Section, MS 22.

- (A) Joint Public-Private Development – A specific object code will be developed for each instance of revenue generated through a lease pursuant to **Section 337.251, F.S.**
- (B) Miami Intermodal Center (MIC) – All revenues generated through the lease of property acquired for the MIC will be credited using one revenue object code.
- (C) Rail Corridors – A specific object code will be developed for revenue generated through the lease of each operating rail corridor, as needed.
- (D) All Other Parcels – For each district, one object code has been established to track sale revenues and one object code has been established to track leasing revenues, including revenue from leasebacks, to be returned to the district that generated the funds.

NOTE: As soon as possible at the end of each fiscal year, a report shall be prepared by the Office of the Comptroller, General Accounting Office identifying the revenues received for the lease/sale of the properties. This report will be forwarded to the Financial Planning Office. These funds will be incorporated into the financial calculations for allowable commitments and forwarded to the Program Development Office. The respective district state fund allocations will be increased during the annual Schedule A development process.

11.1.5 Federal Participation in Right of Way Costs

11.1.5.1 As of January 20, 2000, any costs incurred by the Department, which are compensable under state law, are generally eligible for federal participation.

11.1.5.2 For right of way costs incurred prior to January 20, 2000, the following costs are normally ineligible for federal participation on right of way projects:

- (A) Appraisal fees on projects authorized between 6/9/86 and 4/14/89;

NOTE: This also includes appraisers hired as expert witnesses to testify concerning participating or nonparticipating items;

- (B) Any costs where federal participation was not requested by FDOT or not authorized by the Federal Highway Administration (FHWA);

- (C) All property owner fees and costs;
- (D) Business damages and all fees and costs pertaining to business damages;
- (E) Clerk of the Circuit Court fees for disbursement of nonparticipating court deposits;
- (F) Court deposits: any amount awarded above the initial approved appraisal for projects that were federal aid authorized between 4/16/87 and the district's reinstatement date;
- (G) Any interest associated with a nonparticipating item, or as a result of noncompliance with **Section 215.422, F.S.**;
- (H) All costs, including appraisal, acquisition, demolition, relocation or court costs necessary to acquire property marked nonparticipating on right of way maps;
- (I) Mediation fees for projects that were federal aid authorized between 4/16/87 and the district's reinstatement date;
- (J) Noise damages;
- (K) FDOT costs that were not project related;
- (L) Utility payments for property leased to others by FDOT;
- (M) Expert witness fees if the expert witness was hired to testify concerning a nonparticipating item;
- (N) Land purchase agreements. Any amount over the initial approved appraisal for projects that were federal aid authorized between 4/16/87 and the district's reinstatement date.

11.1.5.3 For right of way costs incurred on or after January 20, 2000, only the following items are ineligible for federal participation:

- (A) Any costs where federal participation was not requested by FDOT or not authorized by FHWA;

- (B) Any interest associated with a nonparticipating item, or as a result of noncompliance with **Section 215.422, F.S.**;
- (C) All costs for appraisal, acquisition, demolition, relocation or court costs necessary to acquire property marked nonparticipating on right of way maps;
- (D) Noise damages;
- (E) FDOT costs that were not project related;
- (F) Utility payments for property leased to others by FDOT;
- (G) Expert witness fees if the expert witness was hired to testify concerning a nonparticipating item.

11.1.5.4 This section applies retroactively for all projects that:

- (A) Have not been closed out by FHWA; and
- (B) Were authorized prior to January 20, 2000; and
- (C) Had costs incurred after January 20, 2000.

11.1.5.5 Credit to federal funds is not required on income received by the FDOT for the sale or lease of FDOT owned property on projects with federal participation in acquisition costs. Therefore, **Form No. 575-090-13, Right of Way Deposit Transmittal**, shall be clearly marked "DO NOT CREDIT FEDERAL FUNDS".

11.1.6 Coding of Invoice Transmittals

11.1.6.1 To correctly bill for federal aid participation, the District Right of Way Manager or authorized designee shall review, approve and ensure the proper coding of invoice transmittals for federal aid eligible or ineligible costs.

11.1.6.2 The District Records and Funds Management Section shall be responsible for pre-auditing each warrant request package for accuracy, documentation completeness, and correct federal aid participation coding. The CB column on the invoice transmittal must be coded "0" for federal participation or "1" for nonparticipation.

11.1.6.3 RWMS will default to federal aid participating on a **RIT** or **R/W CIT**. However,

the District is responsible for ensuring the coding is correct. The Federal Aid Participating or Non-Participating indicator in RWMS can be manually overridden as applicable when creating the RIT or R/W CIT.

11.1.7 Funds Management Handbook

A ***Funds Management Handbook*** has been developed and is available to assist District personnel in performing their responsibilities. The ***Handbook*** details the criteria to be followed in order to comply with this procedure. Copies of the ***Handbook*** are available on the FDOT Infonet on the Office of Right of Way website.

HISTORY

04/15/99, 09/07/99, 08/10/00, 11/01/00, 06/28/02, 07/01/03, 03/06/06, 04/30/07, 07/01/08