

Port and Freight Infrastructure Program (PFIP) Non-Proportional Spending

January 25, 2024

All spending shall be proportional. An exception can be made if the applicant submits a formal request for the non-proportional spending, along with a spending plan, to the California Department of Transportation (Caltrans) with a justification and Caltrans, as delegated by the California State Transportation Agency (CalSTA), approves prior to an allocation request. Non-proportional spending is defined as any spending that does not drawdown all project funds equally for project expenditures. If non-proportional spending is approved, the following conditions would apply:

- If other state or federal funding is included in the project, the applicant must get approval for the non-proportional spending for those funds before requesting PFIP allocation.
- If the approved non-proportional spending plan allows for the expenditure of PFIP funds before other funds, (sometimes referred to as sequential spending), the project is not eligible for an increased (supplemental) allocation until all other funds committed to the project have been expended.
 - Proportional savings to the projects shall be refunded to the State. An example project savings scenario is as follows: the Agency did not use their contingency, and they have \$100k in savings. The Agency programming was proportionally 80% PFIP funds and 20% from other funding sources. In this scenario, the Agency would have to refund \$80k back to the state.
- Non-proportional spending is subject to the availability of funds, for the Port and Freight Infrastructure Program, in the budget at the time that funds are requested.