

SOUTHWEST WASHINGTON

REGIONAL TRANSPORTATION COUNCIL

INDIRECT COST PLAN

Prepared By:

Southwest Washington
Regional Transportation Council
1300 Franklin Street 1st Floor
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December 2019

For use in RTC's Fiscal Year 2020



STAFF REPORT/RESOLUTION

TO: Southwest Washington Regional Transportation Council Board of Directors
FROM: Matt Ransom, Executive Director
DATE: December 31, 2019 
SUBJECT: Southwest Washington Regional Transportation Council Indirect Cost Plan, Resolution 01-20-03

AT A GLANCE - ACTION

The RTC Board is being asked to adopt RTC's Indirect Cost Plan including attachments. In order to receive federal and state funds, RTC must approve the Indirect Cost Plan and maintain the approved plan on file for audit purposes per 2 CFR §200.

BACKGROUND

In the past, federal regulations required RTC to provide the State with a copy of the Indirect Cost Plan. Due to recent reform of the Federal government's guidance via the Office of Management and Budget (OMB), changes to federal regulations have occurred. The "Uniform Guidance" or 2 CFR §200 now require sub recipients receiving under \$35 million annually to certify their Indirect Cost Plan and maintain it on file for audit purposes.

POLICY IMPLICATION

Affirmative action on this Resolution would ensure RTC's compliance with 2 CFR §200 and the WSDOT Local Agency Guidelines §23.5 regarding Indirect Cost Plan requirements. This will allow RTC to continue to receive funding.

BUDGET IMPLICATION

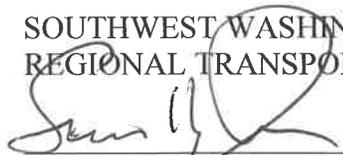
This action is consistent with RTC's current work plan.

ACTION REQUESTED

Adoption of Resolution 01-20-03 with the effective date of January 1, 2020.

ADOPTED this 7th day of January 2020, by the Southwest Washington Regional Transportation Council.

SOUTHWEST WASHINGTON
REGIONAL TRANSPORTATION COUNCIL



Scott Hughes
Chair of the Board

ATTEST:



Matt Ransom
Executive Director

Attachment: Indirect Cost Plan with attachments

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I. INTRODUCTION: Content and Structure of the Plan

This document represents the Indirect Cost Plan for the Southwest Washington Regional Transportation Council (RTC), which has been developed in conformance with OMB's Uniform Guidance: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) at 2 CFR § 200. This circular establishes the principles and standards for determining allowable costs applicable to Federal grants, contracts and other agreements with state and local governments. The principles are designed to provide that such programs bear their fair share of costs, without subsidizing other programs.

The Uniform Guidance requires the development of a written indirect cost plan to support the distribution of any joint costs related to grant programs. Such plans should set out 1) the nature of the services provided; 2) the items of expense to be charged; and 3) the method(s) to be used in distributing costs.

The Uniform Guidance and other authoritative publications recognize that more than one method is generally acceptable to allocate most costs. RTC has selected the method(s) which, in management's opinion, result in the most realistic sharing of costs, based on the relevant benefit received.

The costs charged to these programs will be reasonable, necessary, allocated consistently, and allowable under State and Federal laws and regulations.

II. DESCRIPTION OF SERVICES AND METHODS

The Southwest Washington Regional Transportation Council (RTC) is an autonomous governmental entity formed by various local governments of Clark County. The RTC was formed effective July 1, 1992, through an Interlocal Agreement and incorporated as a public non-profit corporation. It was designated as the MPO for Clark County on July 8, 1992. RTC also serves as the RTPPO for Clark, Skamania, and Klickitat Counties. The mission of the Southwest Washington Regional Transportation Council shall be to encourage and promote the development of a regional transportation system that efficiently maximizes the mobility of people and goods within and through the region and minimizes transportation air pollution.

RTC receives and administers numerous grants from Federal, State, and Local governments. These grants provide the funds necessary to operate several transportation related programs. Each of these programs is established as a cost center to record and accumulate operating costs on a monthly and annual basis.

In addition, an "Administration" cost center is established to identify, summarize and distribute RTC departmental indirect costs which benefit all of the programs. The total costs of this indirect administration cost center are allocated to the various programs based on actual direct gross staff wages (See Attachment A).

As a result, RTC is determining the actual amount of indirect cost to be charged to each program each month, as prescribed in the Uniform Guidance, Section 200.414. This method eliminates the need to estimate and negotiate a predetermined fixed rate for indirect costs. In addition, subsequent year adjustments for overpayment or underpayment of indirect costs are avoided.

In general, each expenditure will be charged to the cost center(s) based on relative benefit received. If a purchase is made for the benefit of one program, that program will be charged for the entire cost. If a purchase benefits two or more programs, the expenditure will be allocated between those programs using a basis which results in each program paying an equitable distribution of cost as related to benefits derived. If a purchase is administrative in nature, or if the purchase amount is nominal and allocation would not be practical, then the expenditure will be charged to the Administration cost center. A cost will not be allocated to a Federal award as an indirect cost if any other cost incurred for the same purpose has been assigned to a Federal award as a direct cost.

While indirect cost by definition are incurred and charged, they are done so at the actual amounts incurred rather than by use of an indirect cost rate. The actual amount per project are determined by using the salary of RTC's planning team (total direct wages exclusive of any extraordinary or distorting expenditures) as incurred on each individual project based on time spent on reporting category as the base unit. All indirect costs that have been pooled for that month (including benefits and excluding unallowable expenses) are then applied using the base unit to determine a weighted average. This method removes the need for an indirect cost rate since costs are allocated directly to the reporting category which received the benefit of the expense.

Additionally, this best practices method which aligns with 2 CFR 200 Appendix 7(f)(3):

- provides actual costs
- eliminates the need for an indirect rate
- limits receiving reimbursements prior to actual payment of expenses
- limits audit concerns
- limits distortion of costs
- increases budget accuracy
- allows the RTC board to timely and accurately approve expenses
- eliminates the need for subsequent year adjustments for overpayment or underpayment of indirect costs.

In addition, RTC has completed several audits with no findings or management letters. Those reports can be found here:

<http://portal.sao.wa.gov/ReportSearch/?dStart=1/1/2005&dEnd=12/31/2018&qItemValue=1&qItemDesc=Southwest%20Washington%20Regional%20Transportation%20Council&qItemValue=0875>

Attachment A includes a chart which provides an overview of the program or programs to be charged for each type of expenditure.

RTC will avoid incurring costs which are unreasonable or unallowable according to the Uniform Guidance, including:

- 1) bad debts;
- 2) contingency provisions;
- 3) contributions and donations;
- 4) entertainment;
- 5) fines and penalties;
- 6) general costs of government;
- 7) interest;
- 8) lobbying; and
- 9) under-recovery of costs under grant agreements.

In the event such expenditure arises, it will be charged to the cost center which consumed the expenditure, and will be identified as an unallowable Federal cost. Such expenditure will not be billed as a direct or indirect cost to any Federal grant.

Specific Allocation Methods include the following:

Salaries and Benefits

All salaries will be charged to the cost center(s) that benefit from the time spent. Each employee will prepare a timesheet for each payroll indicating the hours spent in each cost center. Hours spent for vacation, sick, and holidays will be charged to the indirect administration cost center. The timesheet will be signed by the employee and supervisor, and will account for all of the time for which compensation is paid by RTC.

All fringe benefits and payroll taxes will be charged on the same basis as the corresponding employee's gross wages. The benefits rate for budgeting purposes is based on the average Clark County rate of 50%.

All salaries and benefits are presently treated as direct costs with the exception of the administrative staff positions and vacation, sick, and holiday hours, which are treated as indirect costs.

Professional Services

Professional services will be charged to the program or programs (including Administration), which benefit from the service.

Rent - Office and Other

All rental and occupancy cost will be charged to the Administration cost center and will be allocated to programs, along with the other indirect costs, based on direct gross wages.

Office and Computer Supplies

Office and computer supplies, which are administrative in nature, will be charged to the General Administration cost center. Supplies which directly and exclusively benefit one or more programs will be charged to programs based on relative benefit received.

Software and Licensing

Software and licensing costs will be charged primarily to the Administration cost center. Software costs that directly benefit one or more programs and that do not benefit all programs will be treated as direct costs.

Computer and Office Equipment

Expendable computer and office equipment will be charged primarily to the Administration cost center as all programs benefit from such expenditures. Computer and office Equipment, including expendable equipment that directly benefit one or more programs and that do not benefit all programs will be treated as direct costs.

Travel Costs

Travel expenses will be charged to the cost center or to the program(s) which benefit from the said expense. Such allocations will be supported by travel reimbursements prepared and signed by the employee as certification the information is accurate and complete.

Registration and Tuition

Registration and tuition costs will be charged to the cost center or centers (including Administration) that benefit from the expenditure.

Dues and Memberships

Dues and memberships will be charged primarily to the Administration cost center, because as all programs benefit from such expenditures.

Communications

Communications (telephone, postage, etc.) will be charged primarily to the Administration cost center, because all programs require and benefit from such expenditures. Communication costs that directly benefit one or more programs and that do not benefit all programs will be treated as direct costs.

Advertising Costs

Advertising expenditures will be charged primarily to the Administrative cost center and will be allocated to programs along with the other indirect costs based on direct gross wages. Advertising costs that directly benefit one or more programs and that do not benefit all programs will be treated as direct costs.

Insurance

Insurance cost will be charged to programs based on relative benefit received. Most of the insurance provides agency-wide coverage, and will be charged to Administration.

Miscellaneous

Miscellaneous costs will be charged to the cost center or centers (including Administration) that benefit from the expenditure.

Capital Equipment

Prior grantor approval will be obtained for any capital equipment to be charged to a Federal, State, or Local grant. Such items will be allocated to the program(s) which benefit or use the asset.

Interest Expense

Interest expense is a non-operating unallowable cost. Accordingly, interest expense will not be charged to any of the programs, and will not be included in the Administrative costs to be allocated to the direct service programs.

III. ATTACHMENTS

Attachment A

**RTC Overview Of Programs Budget
January 1 - December 31, 2020**

	Administrative (Indirect)	UPWP	STP	State	Local	Total
REVENUES						
Federal, FHWA & FTA		823,000				823,000
Federal STP		480,000				480,000
State RTPO		197,029				197,029
Local MPO			136,021		193,864	329,885
Fed STP, VAST Mgmt. and Operations			236,000			236,000
Fed STP, Urban Freeway Corridors Operations Study			215,000			215,000
Fed STP, Regional Active Transportation			100,000			100,000
Fed STP , Household Travel Survey			500,000			500,000
Other Miscellaneous Projects					48,544	48,544
Total		1,500,029	1,187,021	0	242,408	2,929,458
EXPENDITURES						
Direct Salaries		509,276	110,219	0	41,174	660,669
Benefits (at 50%)		254,638	55,110	0	20,587	330,334
Indirect Salaries	384,000	0	0	0	0	384,000
Indirect Benefits	192,000	0	0	0	0	192,000
Professional Services						
Consultant	0	20,000	868,007	0	123,237	1,011,244
Information Services	7,500	0	0	0	0	7,500
Modeling Services	20,000	0	0	0	0	20,000
Accounting/HR Services	27,000	0	0	0	0	27,000
State Audit	18,500	0	0	0	0	18,500
Legal Services	20,000	0	0	0	0	20,000
Other Professional Services	62,500	0	0	0	0	62,500
Rent						
Office	74,160	0	0	0	0	74,160
Copy Machine/Other	6,500	0	0	0	0	6,500
Supplies and Equipment						
Office/Computer Supplies	10,000	0	0	0	0	10,000
Software/Licenses	30,000	0	0	0	0	30,000
Computer/Office Equipment	1,000	6,000	0	0	0	7,000
Travel/Training/Staff Development						
Travel	18,000	0	0	0	0	18,000
Registration/Tuition	10,000	0	0	0	0	10,000
Dues/Memberships	6,000	0	0	0	0	6,000
Communications						
Telephone/FAX/Postage	2,700	0	0	0	0	2,700
Other Communication (CVTV)	16,800	0	0	0	0	16,800
Other Expenses						
Advertising	2,800	0	0	0	0	2,800
Insurance	6,750	0	0	0	0	6,750
Miscellaneous	5,000	0	0	0	0	5,000
Indirect Total	(921,210)	710,114	153,685	0	57,411	0
Total	0	1,500,029	1,187,021	0	242,408	2,929,458

Attachment B

CERTIFICATE OF INDIRECT COSTS

This is to certify that I have reviewed the indirect cost proposal submitted herewith and to the best of my knowledge and belief:

- (1) All costs included in this proposal dated December 2019 to establish indirect costs for the calendar year ending December 31, 2020, are allowable in accordance with the requirements of the Federal awards to which they apply and the provisions of 2 CFR § 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Unallowable costs have been adjusted for in allocating costs as indicated in the indirect cost proposal.
- (2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently and the Federal Government will be notified of any accounting changes that would affect the indirect costs.

I declare that the foregoing is true and correct.

Southwest Washington Regional Transportation Council

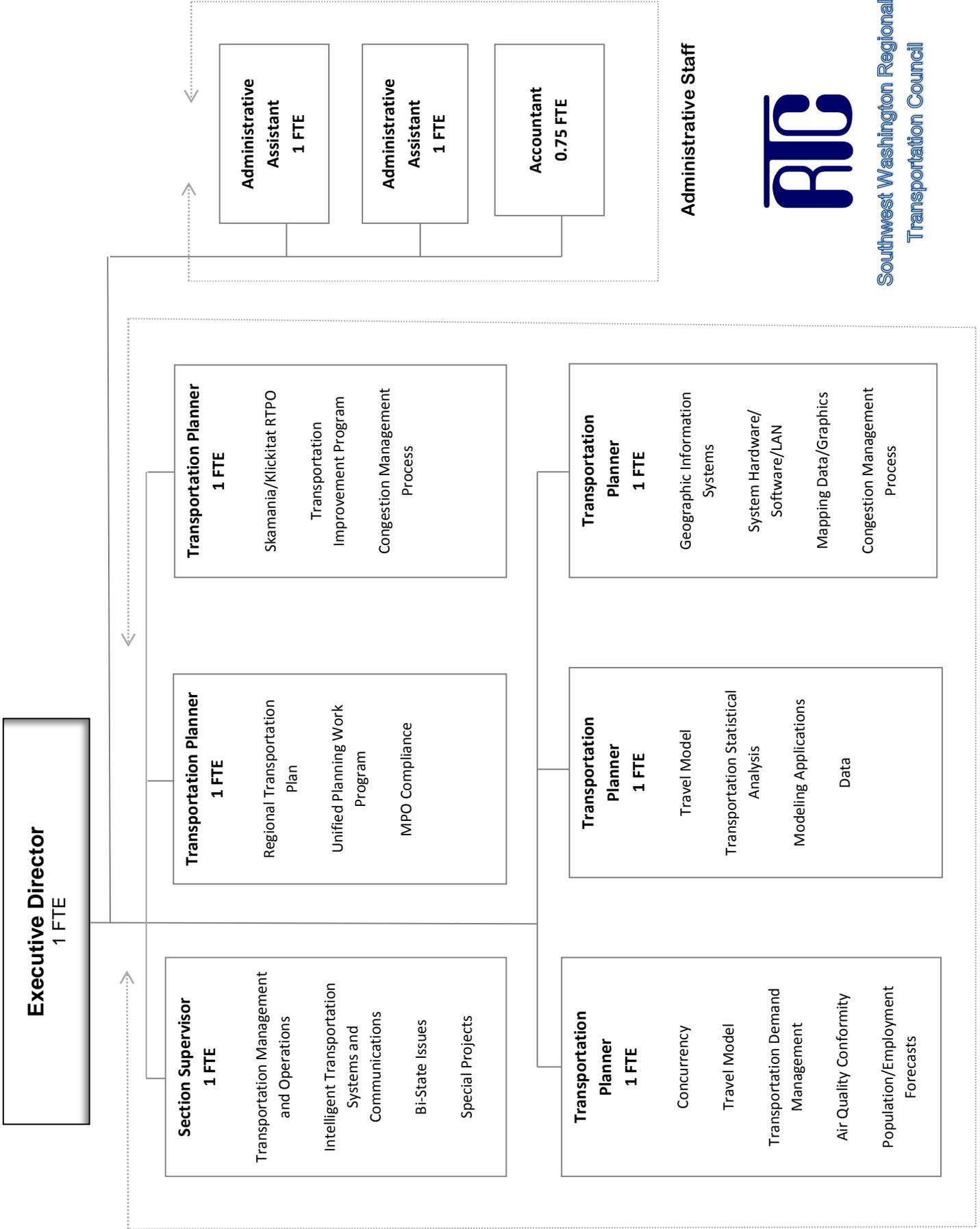


Matt Ransom, Executive Director

JAN 01 2020

Date

Attachment C



Southwest Washington Regional
Transportation Council

Planning Staff

**STAFF REPORT / RESOLUTION**

TO: Southwest Washington Regional Transportation Council Board of Directors
FROM: Matt Ransom, Executive Director 
DATE: November 26, 2019
SUBJECT: **Resolution Adopting the Calendar Year 2020 RTC Work Program and Budget, Resolution 12-19-32**

AT A GLANCE - DISCUSSION

The purpose of this resolution is to present the Work Program and Budget – Calendar Year 2020, for RTC Board adoption.

INTRODUCTION

RTC is the Metropolitan Planning Organization (MPO) for the Clark County, Washington portion of the larger Portland/Vancouver urbanized area. RTC is also the Washington State-designated Regional Transportation Planning Organization (RTPO) for the three-county area of Clark, Skamania and Klickitat. In fulfillment of the dual purposes of federal and state law, RTC prepares both fiscal and calendar year work program and budget documents, each supportive and reflective of each other.

YR 2019 BUDGET STATUS

Expenditures through year-end 2019 are expected to be at or below the calendar year (CY) 2019 budgeted amount. Notwithstanding the lower than forecast expenditures, the activities to date have allowed full progress of the 2019 Work Program and project delivery.

Current projections estimate expending roughly \$478,000 less than the planned CY 2019 budget. Savings were incurred across each budget categories. The notable budget savings was due to: lower than forecast benefit expenses due in part to recapture of previously billed benefit costs; deferred professional services expenses which were synchronized with actual project activity (versus projected); deferred equipment purchases; and significant recapture of previously earned RTC funds used previously for federal/state grant match requirements.

A summary of expenditures-to-date (as of mid-November 2019) and forecast expenditures through December 31 are listed in Table 1.

Table 1: Year 2019 Budget Status

Regional Transportation Council Budget versus Forecast for 2019			
<u>EXPENSES</u>	<u>2019 Budget</u>	<u>2019 Estimate Actual & Forecast</u>	<u>Difference Budget vs Forecast</u>
Salaries	\$1,004,490	\$997,961	6,529
Benefits	504,000	\$437,792	66,208
Professional Services	911,700	663,445	248,255
Rent	78,500	74,019	4,481
Supplies and Equipment	47,000	12,275	34,725
Travel, Training and Staff Development	34,000	13,413	20,587
Communications	19,500	15,840	3,660
Other Expenses	101,178	7,498	93,680
TOTAL EXPENSES	<u>\$2,700,368</u>	<u>\$2,222,243</u>	<u>478,125</u>

WORK PROGRAM AND BUDGET BACKGROUND

RTC’s work program and formal commitment of federal and state grant funds is annually defined as part of the federal/state fiscal year (FY) Unified Planning Work Program (UPWP) process. RTC’s UPWP defines the continuing and comprehensive regional planning and collaborative decision making process and general administration of the regional transportation planning and funding programs (*outlined in detail in the FY 2020 UPWP*).

RTC also prepares a CY budget for financial planning purposes. The CY Budget is used as an administrative plan. The CY Budget provides the RTC Executive Director with authority to administer the agency’s financial resources in delivery of the daily RTC work program according to current and planned commitments, timelines, and in compliance with adopted financial management policies.

In summary, specific details of the Work Program are enumerated in the FY UPWP, and specific details of RTC’s operating budget are detailed in the CY Budget. Together, the FY Work Program and CY Budget guide the delivery of RTC’s suite of services and program activities.

CY 2020 WORK PROGRAM

RTC’s calendar year (CY) 2020 Work Program is based on the program activities described in the approved FY 2020 Unified Planning Work Program as amended (*adopted by: BR 08-19-20*). FY 2020 UPWP web hyper-link: <https://rtc.wa.gov/programs/upwp/>

In addition to the work program of the adopted FY 2020 UPWP, staff has identified one emerging work program item that may require commitment of staff time throughout year 2020:

It is proposed that RTC have sufficient capacity to support the [Statewide Transportation Needs Assessment](#) study which is now underway and sponsored by the Washington legislature's Joint Transportation Committee. If needed to support that study, RTC will need capacity to consider an update to the RTC 10-year Transportation Project Priorities Report, and to provide ongoing support to member agencies and state legislators in preparation of new transportation funding legislation as those conversations are projected to develop over the course of year 2020.

Furthermore, with the approval of voter initiative I-976, RTC staff anticipates providing additional technical assistance and policy support to members and state legislators as implementation proposals in response to this initiative are proposed and potentially addressed in the 2020 state legislative session and at the local agency levels. RTC staff is anticipating additional staff time through CY 2020 in this regard.

CY 2020 BUDGET

Planned Revenues

Revenues on hand or projected to be granted to RTC during CY 2020 will fully support RTC operations at current staffing levels and implementation of the FY 2020 UPWP.

The CY 2020 Budget revenues are tied to State and Federal grants in hand or expected to be granted from the following sources: Federal Highway Administration (FHWA), Federal Transit Administration (FTA), Washington State DOT (WSDOT) for both RTPO and one-time project activities, and one-time commitment of STBG grants that have been previously committed to RTC program activities. Supplementing the agencies core revenues are Member *Dues*, enterprise revenues, and gains from RTC's pooled investments.

One known revenue risk is a potential reduction in forecast revenues of state RTPO funds. A reduction may result if the state Legislature does not provide new appropriations of those funds during this 2020 legislative session. Should a reduction occur, the loss of RTPO funds to RTC is projected to be de minimus and can be covered by other sources. Table 2 lists a detailed summary of the forecast 2020 Revenues to support RTC operations.

Table 2. CY 2020 Planned Revenues

<u>REVENUES</u>	<u>2020 Budget</u>
FHWA	\$626,000
FTA	197,000
STBG*	1,501,000
RTPO	197,029
Match needed from Local Dues Reserve	113,765
Local MPO Dues^	193,864
Partner Match	70,000
Interest	17,000
Gain/Loss on Investments	4,800
Enterprise Services	9,000
TOTAL REVENUES	<u>\$2,929,458</u>

* Includes one-time and project specific revenue

^ If Amended by board

Planned Expenses

The CY 2020 Budget reflects expense structures which implement RTC policies and procedures and program cost structures. Costs for operating activities have been individually reviewed and are planned at levels consistent with historic patterns and have selectively been adjusted to account for planned increases and in response to operational needs.

Personnel and Administration:

Major operating cost categories include approved personnel and benefit programs. RTC's cost structures reflect current staffing levels and pay classification plans. Since RTC purchases its complete employee benefit program suite from Clark County (ex, health, insurance, deferred compensation administration, wellness) the planned program costs are those projected by Clark County.

Staffing levels for CY 2020 remain unchanged at 9.75 FTE. Additional emphasis will be placed on staffing succession planning in line with business needs.

Professional Services:

The CY 2020 Budget plans for expenses in the professional services category to support studies and program commitments identified in the FY 2020 UPWP. RTC may procure services through interlocal agreement with members or by independent contractors to support delivery of the work program and to support staff in areas where unique skills are required.

Miscellaneous Operations:

Planned expenses to run RTC's daily operations, including activities such as paying rent, procuring recurring equipment and supplies, staff training programs, and general incidental costs are planned to remain unchanged, or have been nominally increased to reflect general inflationary increases.

The summary of planned CY 2020 Budget Expenses is listed in Table 3.

Table 3. CY 2020 Planned Expenses

<u>EXPENSES</u>	<u>2019 Budget</u>	<u>2020 Budget</u>
Salaries	\$1,004,490	\$1,044,670
Benefits	504,000	522,335
Professional Services	911,700	1,166,744
Rent	78,500	80,660
Supplies and Equipment	47,000	47,000
Travel, Training and Staff Development	34,000	34,000
Communications	19,500	19,500
Other Expenses	101,178	14,550
TOTAL EXPENSES	<u>\$2,700,368</u>	<u>\$2,929,458</u>

POLICY IMPLICATION

The Work Program incorporates the adopted UPWP and adds additional activities described in the work program document. The Work Program is designed to make incremental progress in implementing the policies and funding projects of the adopted Regional Transportation Plan. Policy recommendations which are developed in conjunction with the Work Program may be presented to the Board for final policy consideration and adoption (as needed).

BUDGET IMPLICATION

The Budget for planned expenditures totaling \$2,929,458 will be established for the period of January 1 to December 31, 2020. Available revenues and pending grants will fully fund RTC operations as planned.

ACTION REQUESTED

Adoption of Resolution 12-19-32 to establish the RTC Work Program and Budget, Calendar Year 2020.

ADOPTED this 3rd day of December 2019, by the Southwest Washington Regional Transportation Council.

SOUTHWEST WASHINGTON
REGIONAL TRANSPORTATION COUNCIL

ATTEST:



Anne McEnery-Ogle
Chair of the Board



Matt Ransom
Executive Director

Attachment: Work Program and Budget – Calendar Year 2020

Work Program and Budget

Calendar Year 2020

Southwest Washington Regional Transportation Council



Title VI Compliance

The Southwest Washington Regional Transportation Council (RTC) assures that no person shall, on the grounds of race, color, national origin, or sex as provided by Title VI of the Civil Rights Act of 1964 and the Civil Rights Restoration Act of 1987 (P.L. 100.259), be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity. RTC further assures that every effort will be made to ensure nondiscrimination in all of its programs and activities, whether or not those programs and activities are federally funded.

Americans with Disabilities Act (ADA) Information:

Materials can be provided in alternative formats by contacting Southwest Washington Regional Transportation Council (RTC)

(564) 397-6067 or info@rtc.wa.gov

Relay Service: #711 or (800) 833-6388



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BACKGROUND

RTC is the Metropolitan Planning Organization (MPO) for the Clark County, Washington portion of the larger Portland/Vancouver urbanized area (Figure 1). An MPO is the legally mandated forum for cooperative transportation decision-making in a metropolitan planning area. RTC's Metropolitan Planning Area (MPA) boundary is countywide. RTC was established in 1992 to carry out the regional transportation planning program.

RTC is also the Washington State-designated Regional Transportation Planning Organization (RTPO) for the three-county area of Clark, Skamania and Klickitat (Figure 2, map). RTPO requirements are specified in RCW47.80.010 through RCW47.80.070 and WAC 468-86.

RTC's 3-county population of Clark, Klickitat and Skamania stands at 513,370 in 2018 with Clark County having the largest population of 479,500. Clark and Skamania counties are part of the larger Portland – Vancouver – Hillsboro OR-WA metropolitan area. The Metropolitan Statistical area defined by the U.S. Census Bureau includes seven counties, Clackamas, Columbia, Multnomah, Washington, and Yamhill Counties in Oregon, and Clark and Skamania Counties in Washington with an estimated 2017 population of 2,453,168.

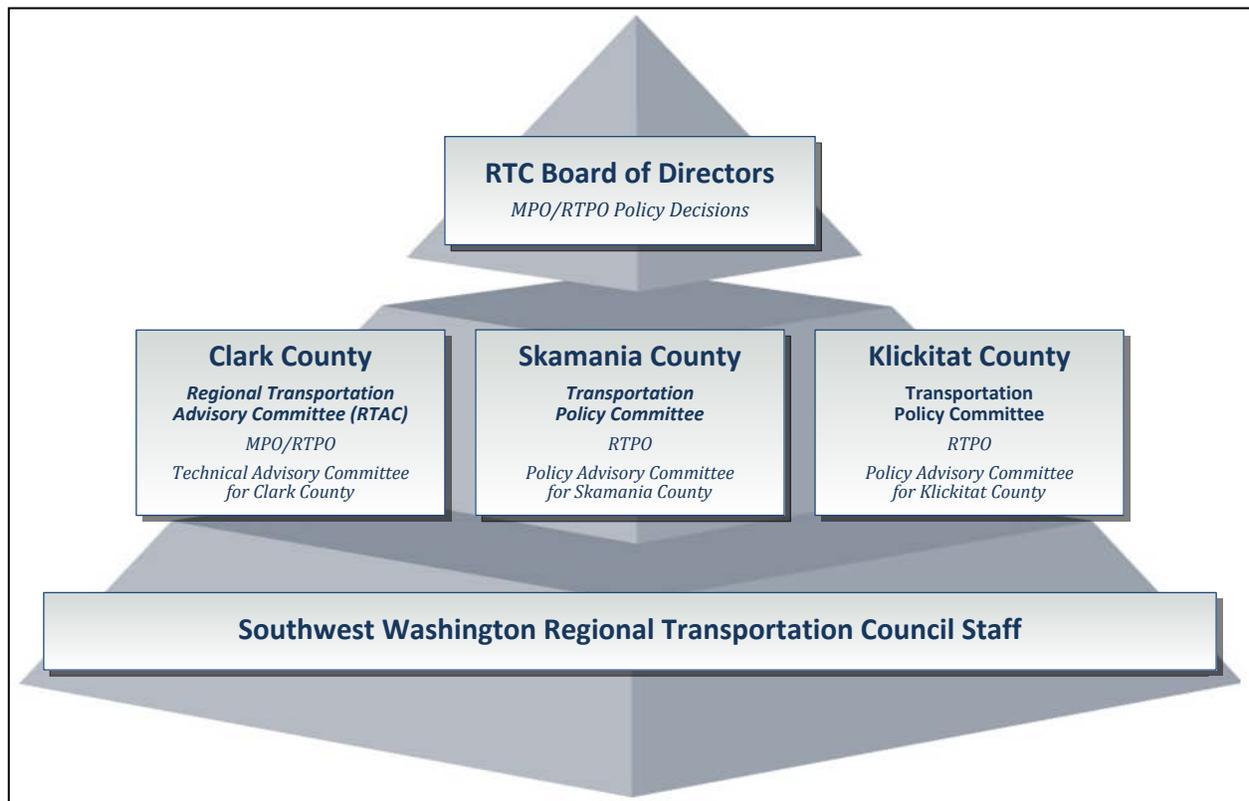
Figure 1: RTC Service Area



RTC ORGANIZATION

The Regional Transportation Council (RTC) Board of Directors is the policy decision-making body for RTC, both as MPO and RTPO. Within the Clark County MPO region, the Regional Transportation Advisory Committee (RTAC) advises the RTC Board on technical transportation issues. Consistent with the 1990 State Growth Management Act, Transportation Policy Committees for Skamania and Klickitat Counties provide policy advice for the two rural counties.

Figure 2: RTC Structure



In accordance with the RTC Interlocal Agreement and Bylaws, member agencies to RTC agree to help fund RTC's recurring operations through payment of a member agency contribution (dues) assessment. The RTC Board governs the annual member agency contribution assessment, and the assessment rates are set each April, for payment beginning the following calendar year.

Southwest Washington Regional Transportation Council: Membership 2019

Membership to RTC and participation in RTC advisory committee processes is open to all the local government agencies (counties, cities, port districts, public transit operators) within Clark, Skamania and Klickitat counties, and also includes the Oregon Department of Transportation and Metro (Portland). In addition to local agency members, the Washington state legislators service legislative districts within the RTC service area are represented as ex-officio members to the RTC Board of Directors. Designation of membership to the RTC Board of Directors is provided by in the RTC Interlocal Agreement and Bylaws. The complete listing of RTC Members and the RTC Board of Directors (as of November 2019) is reflected in Table 1.

New Board and Committee Members

In conjunction with RTC’s implementation of new state law EHB 1584, the Cowlitz Indian Tribe and Yakama Nation plan to join RTC membership in various capacities. It is proposed that the Cowlitz Indian Tribe will join RTC as a full member, and become a member of the Board of Directors, beginning January 1, 2020. The Yakama Nation intends to join the Klickitat County Transportation Policy Committee activities as of January 2020. It is also proposed that the RTAC Bylaws be amended to expand membership to include a major business representative, which is proposed to be designated to the Columbia River Economic Development Council.

Table 1: Roster of RTC Members and Board of Directors (as of November 2019)

SOUTHWEST WASHINGTON REGIONAL TRANSPORTATION COUNCIL: MEMBERSHIP 2019

Clark County	Washington State Department of Transportation
Skamania County	Port of Vancouver
Klickitat County	Port of Camas/Washougal
City of Vancouver	Port of Ridgefield
City of Washougal	Port of Skamania County
City of Camas	Port of Klickitat
City of Battle Ground	Portland Metro
City of Ridgefield	Oregon Department of Transportation
City of La Center	<i>Legislators from the following Washington State Districts:</i>
Town of Yacolt	14th District
City of Stevenson	17th District
City of North Bonneville	18th District
City of White Salmon	20th District
City of Bingen	49 th District
City of Goldendale	
C-TRAN	

2020 WORK PROGRAM

The Unified Planning Work Program (UPWP) is the Work Program for RTC. RTC’s work program and formal commitment of federal and state grant funds is annually defined as part of the federal/state fiscal year (FY) UPWP process. RTC’s FY UPWP defines the continuing and comprehensive regional planning and collaborative decision making process and general administration of the regional transportation planning and funding programs (*outlined in detail in the FY 2020 UPWP*).

The RTC Board adopted the FY 2020 Unified Planning Work Program (UPWP) on May 7, 2019 (BR 05-19-10). The FY 2020 UPWP was most recently amended on August 3, 2019 (BR 08-19-20). Prior to adoption, the draft UPWP was reviewed by FHWA, FTA, and WSDOT staff in early-March 2019, was made available for public comment prior to RTC Board adoption.

The current FY 2020 UPWP can found online at the following link:

<https://rtc.wa.gov/programs/upwp/>

FY 2020 UPWP Work Program Activities: Summary

RTC’s 2020 Work Program is designed to accomplish the mandated responsibilities under Federal and State law. In addition, the Work Program provides additional capacity to deliver staffing or support resources in areas of regional interest, where RTC’s contribution is responsive to other partner’s (local, state, federal) projects and programs, and where RTC is asked to or can contribute specific input or technical support. The major Work Program areas of the FY 2020 UPWP are summarized in table 2.

Table 2: FY/CY 2020 Work Program Elements

I	REGIONAL TRANSPORTATION PLANNING PROGRAM	
	A	Regional Transportation Plan & Implementation
	B	Transportation Improvement Program
		Regional Competitive Grant Program
	C	Congestion Management Process
	D	Vancouver Area Smart Trek Program
	E	Skamania and Klickitat RTPO
	F	Urban Freeway Corridors Operations Study
	G	Regional Active Transportation Plan
II	DATA MANAGEMENT, TRAVEL FORECASTING, AIR QUALITY AND TECHNICAL SERVICES	
	A	Regional Data, Travel Model Forecasting & Technical Services
	B	Household Travel Survey
III	TRANSPORTATION PROGRAM COORDINATION AND MANAGEMENT	
	A	Regional Transportation Program Coordination & Management
		RTC Administration
	B	Columbia Connects Bi-State Study

Work Program Items *since* FY 2019 UPWP Adoption

On occasion, new Work Program items come forward after the adoption of the UPWP and which deserve specific attention and work production by RTC. In some cases the work program item is amended into the UPWP where a specific project or funding commitment is warranted. In other cases, RTC may be able to allocate existing staffing resources to support a project or program activity in lieu of a specific budget commitment. For calendar Year 2020, RTC has identified the following work area to be of significance to the RTC region and is proposed for work commitment in YR 2020.

Regional Priority Project Assessment

RTC will design a specific method to review and present a Regional Priority Project Assessment in support of the Washington Legislature's Joint Transportation Committee Study of Statewide Transportation Needs Assessment. RTC should be prepared to engage in a timely manner, ensuring that RTC's regional priorities are known to the Legislature in advance of the development of a new statewide transportation funding package. This work program item may include the preparation of an update to RTC's previous 10-Year Transportation Projects Priority Report (the most recent version of this report was updated in January 2015 and is found here: <https://rtc.wa.gov/packets/board/2015/01/201501-06-B-10YearReport.pdf>)

Budget commitment: None anticipated at this juncture. It is anticipated that RTC staff capacity may exist to support this activity, and no external consulting assistance has been identified as needed. If these assumptions change, a budget/funding proposal will be introduced during the normal course of business activity.

CALENDAR YEAR 2020: BUDGET SUMMARY

RTC also prepares a calendar year (CY) budget for financial planning purposes. The CY Budget is used as an administrative plan. The CY Budget provides the RTC Executive Director with authority to administer the agency's financial resources in delivery of the daily RTC work program according to current and planned commitments, timelines, and in compliance with adopted financial management policies.

RTC's CY Budget outlines the anticipated operating revenues and expenses for CY 2020. The CY Budget as proposed will deliver the FY 2020 UPWP program and project activities.

RTC's CY 2020 Budget revenues include sources such as: federal and state grants, member agency assessments, and enterprise fees. Expenses for RTC are primarily related to: staffing, professional services, and miscellaneous operations activities (ex. rent, support services, equipment, staff development, etc.)

Implementation of the CY 2020 Work Program with staffing, specialty consulting services, and operations support is budgeted to cost: **\$2,929,458.**

Revenues

Federal grant revenues are stable and will nominally increase for CY 2020.

State grant revenues (RTPO) may nominally decrease in CY 2020, unless further appropriation of funds by the Washington Legislature.

One-time funding commitments from member agencies (Partner Match) will provide local match or will supplement RTC grant funding for delivery of regional studies. The Partner Match revenues will help offset RTC direct and professional services expenses.

Member Contributions (dues) for year 2020 were set at of \$192,364 on April 2, 2019. A planned amendment to increase Member Contributions by \$1,500 will be considered in conjunction with the admittance of the Cowlitz Indian Tribe as a full and contributing member of RTC. If amended, the revised CY 2020 Member Contribution revenues will be \$193,864.

Revenues available for CY 2020 will fully fund RTC operations. Detailed summaries of the planned RTC Revenues and contribution ratios are listed in Table 3 and Figure 3.

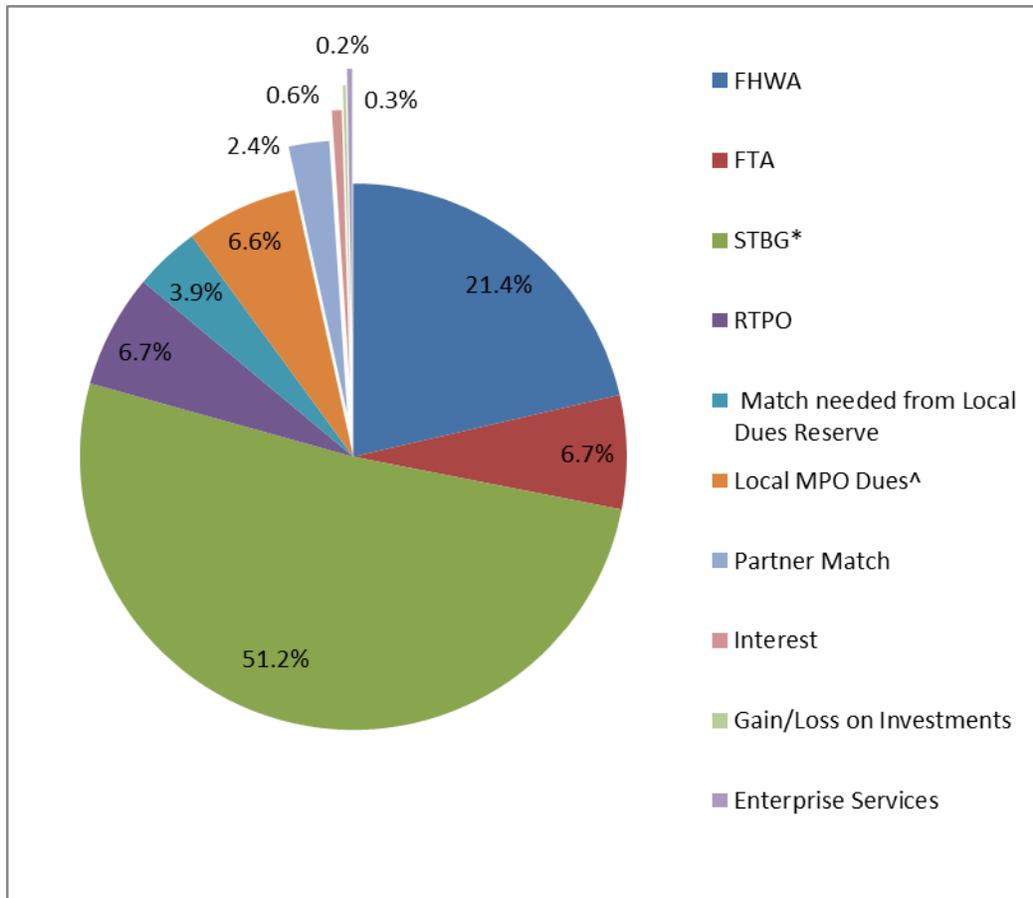
Table 3: CY 2020 Planned Revenues

<u>REVENUES</u>	<u>2020 Budget</u>
FHWA	\$626,000
FTA	197,000
STBG*	1,501,000
RTPO	197,029
Match needed from Local Dues Reserve	113,765
Local MPO Dues^	193,864
Partner Match	70,000
Interest	17,000
Gain/Loss on Investments	4,800
Enterprise Services	9,000
TOTAL REVENUES	\$2,929,458

* Includes one-time and project specific revenue

^ If Amended by board

Figure 3: CY 2020 Revenue Ratios



Expenses

Personnel salary and benefit costs are planned to increase no more than 4% from the prior year basis. Cost structures for personnel compensation and benefits are consistent with established employee position classification and salary plans and benefit plan cost structures are set by Clark County. RTC's purchases the complete employee benefit suite of health, disability, life, deferred compensation administration and support services from Clark County.

Professional services expenses are planned to increase. A major factor of the increase is the planned delivery of major projects and initiatives which have been funded by grants and committed to in the FY 2020 UPWP. Incidental increases are also expected in the areas of specialty services (legal, audit) in conformance with contractual obligations. Other professional services resources are proposed for stop-gap and staff development needs as they might arise over the year due to possible staffing transitions.

Indirect service contract expenses are to remain stable. RTC purchases payroll processing, treasury, IT (telephone and computer network), and incidental general support services from Clark County.

RTC is evaluating a reconfiguration of some support activities from the County's Auditor and Treasurer offices. Activities under review include: Accounts Payable,, and Banking services. De minimus changes to planned operating expenses may occur as a result, and implementation may require amending or creating new interagency service agreements.

Other Expenses will significantly reduce as a result of optimizing grant matching opportunities as project schedules allowed.

Table 4: CY 2020 Planned Expenses (by major category)

<u>EXPENSES</u>	<u>2019 Budget</u>	<u>2020 Budget</u>
Salaries	\$1,004,490	\$1,044,670
Benefits	504,000	522,335
Professional Services	911,700	1,166,744
Rent	78,500	80,660
Supplies and Equipment	47,000	47,000
Travel, Training and Staff Development	34,000	34,000
Communications	19,500	19,500
Other Expenses	101,178	14,550
TOTAL EXPENSES	\$2,700,368	\$2,929,458

Professional Service (Detail)

RTC procures professional services to supplement staff in areas of highly specialized and intermittent need, and, to support study agreements that implement the Unified Planning Work Program and other priority regional initiatives. Commitments of resources are related to several activities (study agreements, modeling services) have been programmed in the FY 2020 UPWP and grant funds have been committed. Other professional service expenses in key areas (audit, legal, Information Services) are defined by current agreements.

For CY 2020, new capacity is needed to procure other professional services on an as needed basis to support RTC operations should specific staffing transitions occur. A majority of RTC's existing full-time workforce is or will be eligible for retirement within the 1-3 year timeline. Current staff's longstanding tenure has provided the highest levels of skill and efficiency by which current staff deliver RTC's core work program elements. With probable near term staffing transitions, an organizational need exists to prepare for transition of staff and provide a temporary staffing, recruitment and cross training plan to ensure continuity in RTC work program delivery.

Budget proposal: \$50,000 in professional services resources to provide for staffing continuity to deliver RTC's 2020 work program. Resources could be used for activities including: temporary staffing and/or outsourcing; limited-term cross training; staff training/development; and organizational assessments. Resources would be used on an as needed basis.

Table 5: CY 2020 Planned Professional Services Expenses

Professional Services	911,700	1,166,744
Study Agreements	821,000	1,011,244
Information Services	7,200	7,500
Modeling Services	15,000	20,000
Accounting/HR Services	26,000	27,000
State Audit	12,000	18,500
Legal Services	18,000	20,000
Other Professional Services	12,500	62,500

Studies / Tasks (Detail)

RTC supports priority regional studies through funding and/or project management services on behalf of regional partners. Regional studies which have been programmed in the FY 2020 UPWP are financially supported by previously committed federal and state grants and Partner Match. RTC may execute additional project work agreements with third-parties, either by interlocal agreements with member agencies or by professional services contracts with private vendors to implement all or portions of the programmed studies and work program tasks. (Actual expenses are incurred only if work proceeds and are billed for reimbursement to member or granting agencies as funding agreements provide.)

Table 6: CY 2020 Planned Professional Services by Work Program Task

<u>Professional Services:</u>	<u>Study Agreements</u>
Vancouver Area Smart Trek (VAST)	\$140,000
ITS Regional Architecture Update	115,607
Smart Communities Assessment	35,000
Urban Freeway Corridor Operation Study	150,000
Household Travel Survey	462,400
Traffic Counts	20,000
Clark Regional Active Transportation Plan	68,237
Columbia Connections Study	20,000
TOTAL STUDY AGREEMENTS	<u><u>\$1,011,244</u></u>

Staffing Plan (Detail)

RTC employs professional staff to satisfy the delivery of the CY Work Program. The current authorized and filled full and part-time positions are 9.75 FTE and listed in Table 7.

In addition to full and part-time RTC personnel, RTC employs independent contractors to provide specialty services and functions in areas where it is more cost effective to procure contracted services.

Additional professional service resources are proposed for CY 2020 to provide limited-term temporary staffing, workforce development, and cross training capacity to address potential staff turnover due to retirement eligibility, should those specific needs arise.

Ongoing opportunities will be explored for procuring student projects and/or internships with our local university partners to develop a pipeline of future professionals and to provide professional practicum experiences. Limited stipend resources are available within the Budget.

Table 7: RTC CY 2020 Staffing Plan

Position – Title	FTE (A)	FTE (F)
Executive Director	1	1
Planner – Manager	1	1
Planner	5	5
Staff Assistant	1	1
Senior Accountant	0.75	0.75
Administrative Assistant	1	1
Total	9.75	9.75

Notes:

FTE (A): Full Time Equivalent – Authorized

FTE (F): Full Time Equivalent – Filled

Position Titles: Planner Series may utilize different position titles to better define functions and responsibilities, without modifying position classifications.

CALENDAR YEAR 2020 BUDGET

<u>REVENUES</u>	<u>2020 Budget</u>
FHWA	\$626,000
FTA	197,000
STBG*	1,501,000
RTPO	197,029
Match needed from Local Dues Reserve	113,765
Local MPO Dues^	193,864
Partner Match	70,000
Interest	17,000
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Study Agreements	821,000	1,011,244
Information Services	7,200	7,500
Modeling Services	15,000	20,000
Accounting/HR Services	26,000	27,000
State Audit	12,000	18,500
Legal Services	18,000	20,000
Other Professional Services	12,500	62,500
Rent	78,500	80,660
Office	72,000	74,160
Copy Machine/Other	6,500	6,500
Supplies and Equipment	47,000	47,000
Office and Computer Supplies	10,000	10,000
Software/Licenses	30,000	30,000
Computer and Office Equipment	7,000	7,000
Travel, Training and Staff Development	34,000	34,000
Travel	18,000	18,000
Registration/Tuition	10,000	10,000
Dues/Memberships	6,000	6,000
Communications	19,500	19,500
Telephone/FAX/Postage	2,700	2,700
Other Communication (CVTV)	16,800	16,800
Other Expenses	101,178	14,550
Advertising	2,800	2,800
Insurance	6,200	6,750
Miscellaneous	76,178	-
Previous Match Recovered	76,178	-
Office Relocation Expense	15,000	-
Other Miscellaneous	1,000	5,000
TOTAL EXPENSES	\$2,700,368	\$2,929,458

