

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

RESOLUTION NO. 2008-060

**AUTHORIZE A BUDGET TRANSFER
FROM THE FY 07/08 OPERATING BUDGET TO THE FY 07/08 CAPITAL BUDGET,
FOR INDIRECT COST AND EXCESS DISTRICT PROJECT MANAGEMENT COSTS**

June 27, 2008

WHEREAS, indirect costs, which are usually charged to the operating budget, are costs incurred for common or joint objectives that cannot be readily and specifically identified with a particular project, including the following: (1) costs of operating and maintaining facilities, equipment and grounds; (2) costs for depreciation or use allowances; and, (3) costs for administrative salaries and supplies; and,

WHEREAS, following the enactment of the Transportation Equity Act for the 21st Century (TEA-21) on June 9, 1998, indirect costs became eligible for federal reimbursement and can be reimbursed by federal grants as a percentage of the direct labor and fringe cost of the capital project, which percentage is known as the Indirect Cost Rate; and,

WHEREAS, in order to seek reimbursement of this cost, staff has submitted the District's Engineering Department Indirect Cost Rate Proposal and Central Service Cost Allocation Plan to the Audits and Investigations Department of the State of California, Department of Transportation for approval on behalf of the Federal Highway Administration, and the Approval Letter of the Indirect Cost Rate for FY 06/07 was received in February 2008; and,

WHEREAS, the Finance-Auditing Committee, at its meeting of June 26, 2008, has so recommended; now, therefore, be it

RESOLVED that the Board of Directors (Board) of the Golden Gate Bridge, Highway and Transportation District hereby authorizes a budget transfer from the FY 07/08 Operating Budget to the FY 07/08 Capital Budget in the amount of \$2,876,400, for recognition of Indirect Cost and excess District Project Management costs, to be funded with \$2,661,500 of federal grant funds and \$214,900 of District funds.

ADOPTED this 27th day of June 2008, by the following vote of the Board of Directors:

AYES (10): Directors Brown, Cochran, Eddie, Grosboll, Kerns, McGlashan, Newhouse Segal and Pahre; First Vice President Boro; President Moylan
1NOES (0): None
ABSENT (8): Directors Dufty, Hernández, McGoldrick, Reilly, Sanders, Sandoval and Stroeh; Second Vice President Ammiano

ATTEST:


Janet S. Tarantino
Secretary of the District


John J. Moylan

President of the Board of Directors