



TRANSPORTATION INVESTMENT ACT LOCAL GOVERNMENT 25% DISCRETIONARY DISTRIBUTIONS Frequently Asked Questions

- 1. When will my local government receive the first transfer of TIA discretionary funding?**
GSFIC expects to make the first distribution on or about March 1, 2013 and monthly thereafter.

- 2. How do I tell GSFIC where to send my local government's share of TIA proceeds?**
Local governments must complete the Authorization Agreement for Automatic Deposits and return the original form and bank letter to GSFIC by December 15, 2012. The form can be found at www.gsfic.ga.gov

- 3. How will the amount of my local government's share of the TIA proceeds determined?**
Each local government's share is determined by multiplying the actual monthly proceeds and the local government's FY 2013 LARP factor.

- 4. How can my local government use the TIA discretionary proceeds?**
Code Section 48-8-249 (e) provides "proceeds shall be used by the local governments only for transportation projects as defined in paragraph (10) of Code Section 48-8-242 and may also serve as the local match as required for state transportation projects and grants."

Code Section 48-8-242 (10) provides "Project means, without limitation, any new or existing airports, bike lanes, bridges, bus and rail mass transit systems, freight and passenger rail, pedestrian facilities, ports, roads, terminals, and all activities and structures useful and incident to providing, operating, and maintaining the same. The term shall also include direct appropriations to a local government for the purpose of serving as a local match for state and federal funding."

- 5. Does my local government need to have a separate bank account for the TIA proceeds?**
No. There is not a specific legal requirement for a separate bank account for the local discretionary share of TIA proceeds.

Local governments should consult their auditors regarding whether a separate account of TIA proceeds may be prudent.

- 6. Do the TIA discretionary proceeds need to have a separate fund for accounting purposes?**
Yes. Local governments should reflect TIA revenues and expenses as a special revenue fund in their annual financial statements.

The Department of Community Affairs will be adding a special revenue fund to the Uniform Chart of Accounts.

7. Do the audit and reporting requirements for SPLOST proceeds apply to TIA proceeds?

No. The Transportation Investment Act of 2010 only specifically addresses the audit requirements for the 75% of TIA proceeds held in trust by GSFIC for the projects on the Approved Investment List.

Local governments should reflect TIA revenues and expenses as a special revenue fund in their annual financial statements.

The Georgia Department of Audits and Accounts will require a corrective action plan if the local government's auditor includes a finding in the audit report for any noncompliance with TIA.

8. If a local government does not complete the direct deposit form, will their discretionary money be automatically sent through the mail?

No. GSFIC will only remit TIA proceeds to local governments via ACH transfer. The Authorization Agreement for Automatic Deposits must be completed with either the Depository Bank Information or the Georgia State Treasury Investment pool fund number. In the event a local government does not remit their Authorization Agreement, GSFIC will hold each local government's portion of the TIA sales tax in a reserve account, and release those funds within five business days of receiving the account information.

9. On the Authorization Agreement for Automatic Deposits, what is the difference between the Signature of Chief Elected Official and Signature of Authorized Official?

The Authorized Official is typically the staff person responsible for the government's financial operations. In some cases, the authorized official may also be the Chief Elected Official.

10. Can someone who is the notary also sign as the Chief Elected Official or the Authorized Official?

No. The person who notarizes the Authorization Agreement for Automatic Deposits must be someone other than the chief elected official and the authorized official.

11. Is any documentation needed to support the ABA/Transit Routing Number and the Account Number?

Yes. GSFIC must receive validation from the bank (ON BANK LETTERHEAD) that the information is correct for ACH transfers. Please instruct your bank to include the account information on the letter and to make a statement that the information is correct for ACH transfers.

12. Can I change my deposit decision later?

Yes. Local governments can submit revised forms at any time during the imposition of the TIA tax. Please allow 5 business days after receipt of the form for GSFIC to process changes.