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Proposition 40 Timeline Extensions

The recently enacted state budget provides additional time for Proposition 40 grant recipients to complete their projects as shown on the chart below. If you need more information about your contract(s), please contact your Project Officer.

Original liquidation deadline	Programs Affected	Encumbrance Deadline (Contracts must be fully executed by this date):	Paperwork submission deadline	Liquidation date
June 30, 2010 (previously extended to June 30, 2011)	Urban Park Act, Murray Hayden	June 30, 2013	March 31, 2015	June 30, 2015
June 30, 2011	RZH Block, Per Capita	June 30, 2013	March 31, 2015	June 30, 2015
June 30, 2012	State Urban Parks and Healthy Communities, Youth Soccer, RZH Urban, RZH Nonurban	June 30, 2013	March 31, 2015	June 30, 2015

The Office of Grants and Local Services (OGALS) wants to ensure an efficient extension of these contracts. Please see below to determine what action is required by your agency.

Per Capita and RZH Block contracts with the entire contract balance allocated to current and completed projects – OGALS will automatically extend your contract. You may continue to incur eligible costs. OGALS is working with the State Controller’s Office and the Department of Finance to determine the amount of funds that need to be extended. You may continue to incur eligible costs on current projects during this time.

Per Capita and RZH Block contracts with balances not allocated to projects. If you have funds that have not yet been allocated to projects that you do not intend to spend, *please indicate so in a letter to your Project Officer by August 17, 2011.*

If you do intend to allocate these funds to projects, your agency will receive a new contract after submitting project applications to allocate the remaining funds. *Project applications allocating the remaining funds must be received in OGALS by March 1, 2012.* If you have not submitted any application(s) by this date, the funds will no longer be available because the 2011 Budget Act requires that all projects receiving extensions be reported to the Legislature by April 1, 2012.

For all competitive program contracts, OGALS will automatically extend your grant contract. You may continue to incur eligible costs. As soon as OGALS receives updated budget information from the State Controller’s Office, OGALS will issue and send you a

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new contract for the remaining balance of your contract. Once your contract is fully encumbered, OGALS can make additional payments.

Frequently Asked Questions

1. Should I continue to work on my Proposition 40 project?

Yes.

2. When will I receive a new contract?

We expect to be able to issue new contracts by late September. Three steps need to occur before we can do so: we will work with the Department of Finance and the State Controller's Office to determine the total of all funds that need extending; those funds will then have to be set up in new accounts by the State Controller's Office, and finally, we will have to determine the amount to be extended in each individual contract.

3. What can I do to speed this process up?

If you have unallocated funds in your Per Capita or RZH Block contract that you don't intend to spend, please let us know by August 17. That will make it easier for us to determine the total of all funds that need extending.

4. Can I send in the final paperwork for my project and schedule a final site visit?

Yes.

5. What if I have unallocated funds on my RZH Block or Per Capita contract?

You may continue to incur costs on any approved projects, but you will need to resolve what you intend to do with any unallocated funds before we will issue you a new contract.

That is, we will only issue you a new contract for the amount allocated to projects. The budget act requires us to submit a list of projects receiving extensions to the Legislature by April 1, 2012, so we need to hear from you no later than March 1, 2012.

6. If I have a contract with unallocated funds, can I get paid for my existing projects?

You won't be able to get paid until you have a new contract; you won't be able to get a new contract until you have allocated all of your funds, or informed OGALS that you will not be allocating the remaining balance of your contract.

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7. What if my project had a liquidation date of June 30, 2012?

The budget act reverted your existing contract, and provides for you to receive a new one with dates as indicated in the table above. You won't be able to receive any payments until you have a new, fully executed contract.