
**NATIONAL POOLED FUND
TRANSPORTATION ASSET MANAGEMENT
RESEARCH PROGRAM**

**Memorandum of Understanding
1/6/2004**

**Federal Highway Administration
Midwest Regional University Transportation Center
Midwest Transportation Consortium
Participating State Agencies**

Memorandum of Understanding

➤ Introduction/Background

Asset management is a concept with rising importance in state DOT environments, especially related to changes in public expectations and extraordinary advances in technology. Transportation budgets are strained by growing demand for transportation services, state DOT's face challenges in addressing system preservation, and users demand transportation systems that are environmentally sensitive yet maintain engineering credibility and financial feasibility.

As a business process and decision-making framework, asset management promises states new tools to demonstrate the sound investment decisions that have been increasingly demanded of transportation agencies. Since every state possesses these assets and each state must be accountable to taxpayers who are demanding returns on transportation investments, it is imperative that we develop tools, processes, and understanding to ease the transition for transportation professionals. Defining common management strategies regardless of states' diverse transportation needs will require research, training, and technology transfer.

Fulfilling these requirements within each state will be financially stressful and time consuming. The National Pooled Fund for Transportation Asset Management Research has been established through the Wisconsin Department of Transportation, administered by the Midwest Regional University Transportation Center in the Department of Civil and Environmental Engineering at the University of Wisconsin-Madison. The pooled fund will assist states in fulfilling these research needs. The intent of the pooled fund program is to supplement the national asset management research efforts, prevent duplicity of coexisting efforts, and provide a means for regional state DOT's to share resources, technology, and ideas in a coordinated environment.

➤ Name and Purpose of the Program

This program shall be known as the "Transportation Asset Management Research Program." Hereinafter referred to as the "program."

➤ Purpose of the Memorandum of Understanding (MOU)

The MOU formally describes administrative, financial and organizational procedures to implement the program and establishes roles and responsibilities for the contracting parties in carrying out the contract requirements.

➤ Lead Agency

The Wisconsin Department of Transportation shall be the lead agency. Responsibilities of the lead agency shall include:

1. Administration of an agreement with the Midwest Regional University Transportation Center.
2. Through an administrative contract, initiate the research project contracts and scopes of services with the University of Wisconsin-Madison Office of Research and Sponsored Programs.
3. Review and submit quarterly vouchers through the FHWA Wisconsin Division Office to the FHWA Washington Office for payment and transmit a copy to the Technical Committee member from each participating state.
4. Through an administrative contract, solicit program proposals from participating states, the Midwest Transportation Consortium, and the Midwest Regional University Transportation Center at the University of Wisconsin-Madison.
5. Obtain Financial Commitment forms from each individual state for each specific fiscal year's program of project (see attached form).

➤ **Participating States**

Participating states must sign this Memorandum of Understanding. Other states may request to join the pooled fund program by contacting the Steering Committee or Midwest Regional University Transportation Center. With concurrence of the Steering Committee, state(s) will become member(s) upon signing this Memorandum of Understanding.

➤ **Steering Committee**

A Steering Committee will be established with the following membership:

1. At least one person from each participating state who is knowledgeable in the funding process and in Transportation Asset Management terminology. One of the members will be elected to serve as Chairperson for a period of one year. Each state will have one vote.
2. A representative from the FHWA Office of Asset Management, Ex-Officio member.
3. A representative from the FHWA Division Offices of participating states, Ex-Officio member.
4. A representative from the Midwest Regional University Transportation Center, Ex-Officio member.
5. A representative from the Midwest Transportation Consortium, Ex-Officio member.

The Chairperson shall be the state representative who will establish needed meetings of the participating states and the FHWA in concert with the Midwest Regional University Transportation Center. The Chairperson will work with the Midwest Regional University Transportation Center through the Wisconsin Department of Transportation and the FHWA Wisconsin Division and Washington Offices to coordinate reviews of the following:

1. Overall program contract and the annual budget for the program.
2. Contract administration charges.
3. Coordinate review of individual studies and check for possible duplication of other Transportation Asset Management research.

The Steering Committee duties shall be as follows:

At the beginning of the program:

1. Develop research topic selection priority criteria.
2. Prioritize the research projects.
3. Determine the overall pooled fund program budget and the contribution per state.

Annually, prior to the beginning of the program year (Federal Fiscal Year):

1. Develop and approve the annual priority list of Transportation Asset Management topics to be researched.
2. Determine funding source and contribution per state.
3. Authorize the Midwest Regional University Transportation Center and Midwest Transportation Consortium (if desired) to put forth a general call for proposals related to Transportation Asset Management research.

For each research project:

1. Authorize the MRUTC to prepare and post Requests for Proposals (RFP's) for each research topic.
2. Determine participating states, review proposals, and select research teams.
3. Review project status reports.
4. Review and recommend for FHWA approval final reports for nationwide distribution and implementation.

➤ **Project Managers**

The MRUTC or MTC Director will serve as the project managers. The project managers will be the first line of contact for technical issues related to a particular research project. The project managers will coordinate decision making with the technical advisory committee members from participating states and will lead the information exchange on each particular project.

➤ **Funding of Pooled Fund Study**

The Steering Committee will establish an overall program of projects. An annual budget shall be prepared and each participating state will sign a Financial Commitment Form.

Sources of funds may include FHWA Office of Asset Management, state matching funds and other sources that may be made available.

States can use 100% State Planning and Research funds for this program. FHWA has established project TPF-5(036) for this program.

➤ **The Flow of Funds**

The flow of funds will take place as follows:

1. When Federal-aid SPR funds are used and states wish to pool their annual funds in FHWA Washington Headquarters, states will provide FHWA the state matching funds for their share of the costs, at the beginning of the year. One hundred percent federal or state funds may also be pooled in this manner for draw-down. Each state must develop the necessary documentation (e.g. PR-2A) and approvals for their SPR Part II Work Program.
2. When other fund sources are used, the program should be referenced in the SPR Part II Work Program.
3. On a quarterly basis, the lead agency will directly bill the FHWA. FHWA Washington Headquarters will draw-down from each participating state's account.
4. Contracts will be executed between the lead agency and the Midwest Regional University Transportation Center for documentation and accounting of financial activities under this Memorandum of Understanding. Each State understands that funds will be used as the non-federal matching funds under the USDOT University Transportation Center Program.
5. Financial Commitment Forms will be signed by each participating state for each specific fiscal year's program of projects.

➤ **Procedures to Withdraw from the Study**

If a signatory to this Memorandum of Understanding desires to terminate participation in the program, the appropriate official should notify the Steering Committee chairperson and the Midwest Regional University Transportation Center at least thirty days in advance. Signatory(s) requesting termination will retain responsibility for all existing commitments.

➤ **Audits**

The Midwest Regional University Transportation Center, Midwest Transportation Consortium, and Wisconsin Department of Transportation will comply with Federal audit requirements and their records will be available for review by the participating states and FHWA. All records relating to the performance of any work accomplished under this program shall be retained for a period of three years after the final payment.

Execution of Memorandum of Understanding

The _____ and the Federal Highway
(State Department of Transportation)

Administration agree to this Memorandum of Understanding and authorize their officers to sign it.

State Highway Agency

Federal Highway Administration

(Agency Name)

(Division Office)

(Signature)

(Signature)

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**Transportation Pooled Fund Study
Commitment Form**

To: Nina McLawhorn
Wisconsin Department of Transportation
4802 Sheboygan Avenue, Room 451
Madison, WI 53707

From: State: _____

Study Title: Transportation Asset Management Research Program

_____ **Yes** **We have reviewed the proposed study and are interested in participating.**

_____ **No** **We have reviewed the proposed study and are not interested in participating.**

Comments:

Proposed Level of Funding Support

(This is not an authorization of funding. States will be asked to obligate funds later.)

Current Federal Fiscal Year _____:

Future Federal Fiscal Years:

Anticipated Funding Source:

100% SPR

_____ **Other Federal Funds (specify)**

_____ **State Funds**

_____ **Local Funds**

_____ **Other (specify)**

Comments:

State Contact for Study:

(Name, title, address, phone, email)

Technical Advisory Committee Rep:

(if different than state contact)

Signature, AASHTO Research Advisory Committee Member