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**Module 14**  
**Finance and Project Accounting**

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## Section 1

### Overview

In many cases, the Local Government will make advance payments to TxDOT for purposes such as acquiring right-of-way, developing engineering plans, or construction projects. The LG will deliver the funds to the District Office and the District will deposit the funds and coordinate with the TxDOT Finance Division in Austin. In most cases the LG will work only with the District Office. These LG advance payments are collected *prior* to starting the work that will be paid for with the LG advance payments.

The amount of funds advanced is specified in the Advance Funding Agreement (AFA) between TxDOT and the LG. AFAs are described in Chapter 3 of these LGPP procedures.

After the project is complete, the TxDOT District Office and the Finance Division will coordinate to perform a close-out accounting for project funds.

If the LG has overpaid or underpaid, the TxDOT District Office will contact the LG and make a refund or request for additional funds, as appropriate.

For further information, the following link is to the TxDOT Finance Division website:

<http://www.dot.state.tx.us/services/finance/default.htm>