

3.0 Funding for Airport Projects

after the close of the fiscal year. The DOAV form must be used for reporting by sponsors. Reporting submitted on other forms will be returned to sponsors.

DOAV reviews the reports and makes recommendations to the VAB. Following VAB action on the reports, DOAV will notify sponsors of the VAB's decisions regarding the utilization reports. If a sponsor does not submit an entitlement utilization report and subsequently requests state discretionary funds, all prior unreported expenditures will be assumed to be outside of normal project expenditures and treated as described in 3.1.1.3.2 Projects Outside of Normal Expenditures.

3.1.1.2 State Discretionary Funds *Code of Virginia* §58.1-638.A3 directs the VAB to allocate funds to air carrier, reliever, and general aviation airports on a discretionary basis. These funds are known as discretionary funds.

3.1.1.3 Air Carrier Utilization of State Entitlement and Discretionary Funds It is the expressed intent of the VAB that an air carrier airport sponsor totally obligates its state entitlement funds prior to that sponsor receiving any state discretionary fund allocations. These funds include unexpended state entitlement funds from previous fiscal years, interest earned on state entitlement funds, and passenger facility charges used to reimburse state entitlement fund accounts.

DOAV encourages sponsors to use other available federal, state, and local funding options, such as passenger facility charges, before applying for state discretionary funds. If a sponsor uses state entitlement funds for a project and later receives reimbursement for the project from passenger facility charges, the sponsor must credit its state entitlement balance with the reimbursement amount. The passenger facility charge reimbursement must be recorded on the annual Entitlement Utilization Report.