

# FTA

FEDERAL TRANSIT ADMINISTRATION

## **GRANTS 101**

**July 16, 2018**

**FTA Region I**

**Charles Dyer, Regional Counsel**



U.S. Department of Transportation  
Federal Transit Administration



<http://forgotten-ny.com/2010/05/grant-citynew-dorp-staten-island/>

## FTA GRANTS – WHAT ATTORNEYS NEED TO KNOW



**ABANDON ALL HOPE YE WHO ENTER HERE**

<http://othemts.tumblr.com/post/5606499955/best-bus-wrap-advertising-ever>

# FTA: A Grant Making Agency

## FTA's FRAMEWORK FOR MISSION DELIVERY

Financial Assistance	Technical Assistance	Research, Demonstration & Innovation	Oversight
← - - - - - P o l i c y I n n o v a t i o n - - - - - →			
<ul style="list-style-type: none"> <li>• Metropolitan Planning</li> <li>• Statewide &amp; Non-Urban Planning</li> <li>• Urbanized Area</li> <li>• Rural Area</li> <li>• Seniors &amp; Individual with Disabilities</li> <li>• Emergency Relief:               <ul style="list-style-type: none"> <li>• Hurricane Sandy Recovery &amp; Resilience</li> </ul> </li> <li>• State of Good Repair</li> <li>• Bus &amp; Bus Facilities</li> <li>• Low/No Emission Bus</li> <li>• Capital Investment Grants</li> <li>• Workforce Development</li> <li>• Transit Oriented Development</li> <li>• State Safety Oversight</li> <li>• [FHWA - STBGP &amp; CMAQ]</li> <li>• [USDOT - TIGER]</li> <li>• [USDOT – TIFIA, RRIF loans]</li> <li>• [FRA – FY17 PTC grants]</li> </ul>	<ul style="list-style-type: none"> <li>• Technical Assistance &amp; Industry Standards</li> <li>• National Transit Institute</li> <li>• Transportation Safety Institute</li> <li>• Workforce Development &amp; Training</li> <li>• Technical Assistance Centers               <ul style="list-style-type: none"> <li>• Rural Technical Assistance Program</li> <li>• National Aging &amp; Disability Transit Center</li> <li>• National Center for Mobility Management</li> <li>• Transit Oriented Development Initiative</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Research, Development, Demonstration &amp; Deployment               <ul style="list-style-type: none"> <li>• multiple projects underway</li> </ul> </li> <li>• Transit Cooperative Research Program</li> <li>• Bus testing</li> <li>• Bus Component Testing</li> <li>• Small Business Innovation Research</li> </ul>	<p><u>Safety Oversight</u></p> <ul style="list-style-type: none"> <li>• Public Transportation Safety Program</li> <li>• Training Certification</li> <li>• State Safety Oversight</li> <li>• Drug &amp; Alcohol</li> </ul> <p><u>Program Oversight</u></p> <ul style="list-style-type: none"> <li>• Planning Certification</li> <li>• Civil Rights</li> <li>• Triennial Reviews</li> <li>• Procurement System Reviews</li> <li>• Financial Management Reviews</li> </ul> <p><u>Project Oversight</u></p> <ul style="list-style-type: none"> <li>• Capital Project Management Reviews</li> <li>• Financial Capacity Review</li> </ul>

## Legislative Authority

- *UMTA Act of 1964 – origins in HUD*
  - *Reauthorizations*
  - *Codification in Title 49 USC Chapter 53*
  - *Annual Appropriations – obligation limitation for Trust Funds and actual general funds*
- *Special Provisions, CRs etc. – published FR*

*FTA's programs are authorized in the Federal Transit Act, as amended by the FAST Act (49 USC Ch 53)*

*The Fixing America's Surface Transportation (FAST) Act was signed into law in December 2015. The act, which supports transit funding through fiscal year 2020, reauthorizes FTA programs and includes changes to improve mobility, streamline capital project construction and acquisition, and increase the safety of public transportation systems across the country.*

## Financial Assistance – Two Types

- **Formula Grant Programs**

- How much money a grantee receives is determined by a formula (established in law or administratively).
- The UZA receives the money through formulas set by law.
- Grantees typically receive their funds through a “split letter” which is administrative.
- FTA uses data from the National Transit Database (NTD) and the U.S. Census to calculate the Fiscal Year (FY) 2018 formula apportionments.

- **Discretionary Grant Programs**

- Congress or FTA determines how much money an individual grantee receives, based on competition.

- **Grant Programs:** <https://www.transit.dot.gov/grants>

## Categories of Assistance

- In general, FTA provides three broad categories of financial assistance through grants:
  - **Planning**
  - **Capital** (see definition of “capital project” in 49 U.S.C. § 5302(3); includes, e.g., preventive maintenance)
  - **Operating**
- For “Public Transportation” (by definition generally excludes **intercity bus\*** and rail, school bus, charter bus and tour, exclusive taxi)  
*(Note - \*Under 5311(f) a portion of funds go to intercity bus; to support the connection between nonurbanized areas and the larger regional or national system of intercity bus service)*
- FTA awards and oversees formula-based and competitive federal grant programs, distributing funding to state and local transit providers to assist them in developing transit systems, or to improve, maintain, and operate existing systems.

# FTA Grant Programs

## Formula Programs

- 5303, 5304 Metropolitan & Statewide Planning
- 5307 Urbanized Area Formula Program (UZA Funds)
- 5310 Enhanced Mobility of Seniors & People with Disabilities
- 5311 Non-UZA Funds
  - 5311 Formula Grants for Rural Areas
  - 5311(b)(3) Rural Transportation Assistance Program
  - 5311(c)(1)(B) Tribal Transit Formula Grants
- 5337 State of Good Repair Grants
- 5339(a) Grants for Buses and Bus Facilities Formula Program



## FTA Grant Programs

### Discretionary Programs – Competitive Grants

- 5307 Passenger Ferry Grant Program
- 5309 Fixed Guideway Capital Investment Grants - New Starts/Small Starts
- 5311(c)(1)(A) Tribal Transit
- 5312 Mobility on Demand (MOD) Sandbox Demonstration Program
- 5324 Public Transportation Emergency Relief Program
- 5339(b) Bus and Bus Facilities Infrastructure Investment Program
- 5339(c) Low and No Emission Vehicle Program
- **BUILD** – Better Utilizing Investments to Leverage Development Transportation Grant Program (Formerly TIGER)

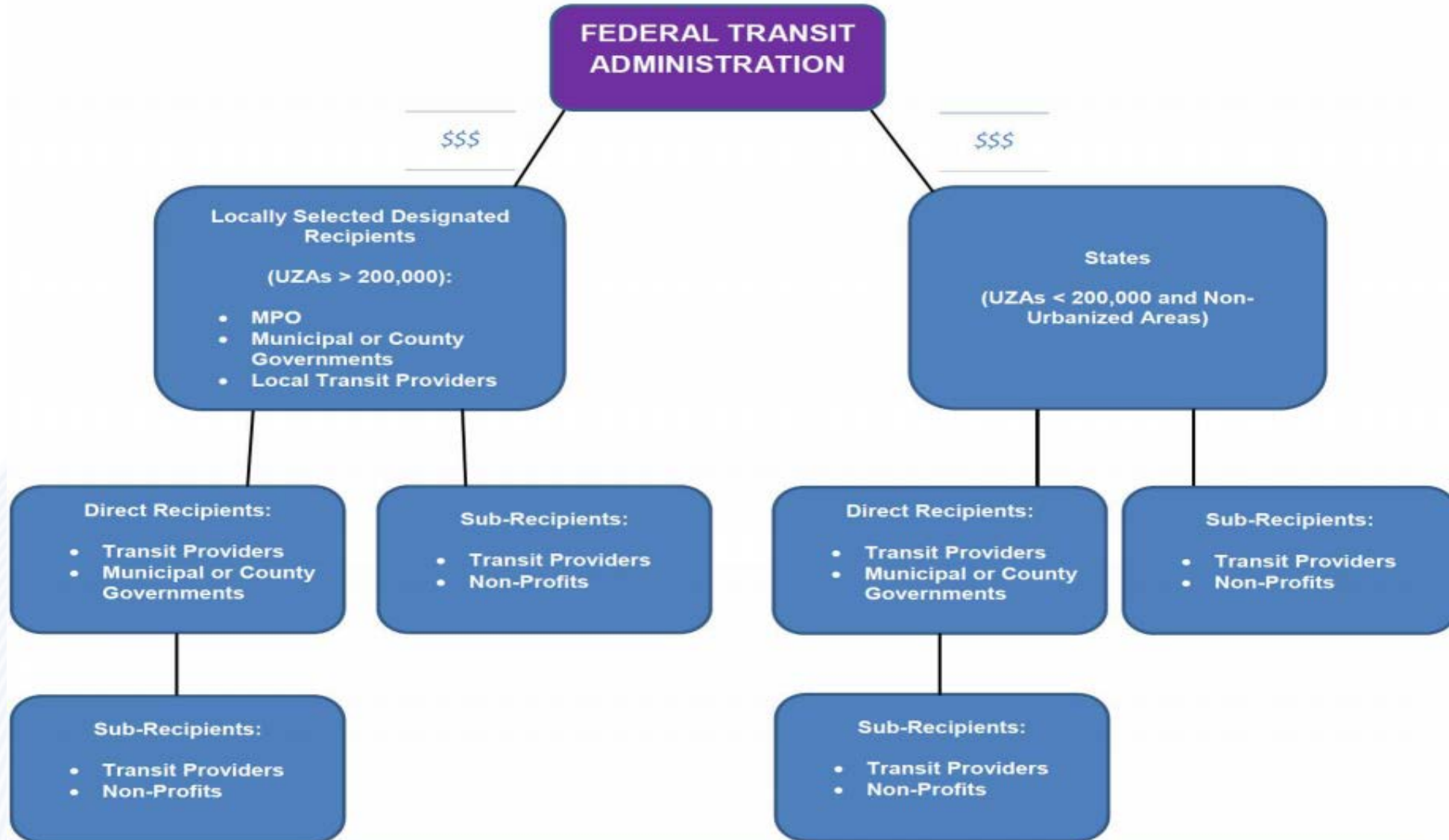
# FTA Grant Programs

## Urbanized Area Formula Program

- **The Urbanized Area Formula program (5307)** provides grants to urbanized areas (UZA), as defined by the U.S. Census, for public transportation capital and planning expenses, as well as operating expenses in certain circumstances. The formula for the urbanized area program is based on population, density, and transit service factors.
- Examples of eligible expenses include the purchase of rolling stock, equipment, track or facilities, Job Access and Reverse Commute, and planning expenses, among other items.
- The 5307 program includes operating assistance eligibility for transit systems in urbanized areas under 200,000 in population, for systems that operate less than 100 buses in larger urbanized areas, and for ADA paratransit operations.



## Recipients of Urbanized Area Federal Formula Transit Grants



## Designated Recipients

- Principal authority over use and distribution of UZA funds in coordination with MPO
- State, transit provider, and MPO concurrence
- FTA encourages one per UZA
- Can be single designated recipient for multiple contiguous large UZAs
- Authorizes direct recipients through “split letter”
- Can be MPO
- Manages sub-recipients

## Direct Recipients

- Transit providers
- Authorized to receive funding through “split letter”
- Takes on responsibility for complying with FTA regulations
- Manages grants directly with FTA
- Manages sub-recipients

## Sub-Recipients

- **Pass-through arrangement**
- **Small transit providers and nonprofits**
- **Direct recipient takes on responsibility for complying with FTA regulations for sub-recipient**
- **Reports to designated or direct recipient and not FTA**
- **Direct and designated recipients show how managed through program management plans**

# FTA Grant Programs

## Urbanized Area Formula Program

### Eligible Recipients

- Funding is made available to designated recipients that are public bodies with the legal authority to receive and dispense federal funds.
- Governors, responsible local officials and publicly owned operators of transit services shall designate a recipient to apply for, receive, and dispense funds for urbanized areas pursuant to 49 USC 5307(a)(2).
- The governor or governor's designee acts as the designated recipient for urbanized areas between 50,000 and 200,000. For urbanized areas under 200,000 in population, the funds are apportioned to the governor of each state for distribution.
- For urbanized areas with 200,000 in population and over, funds are apportioned and flow directly to a designated recipient selected locally to apply for and receive Federal funds.

# FTA Grant Programs

## Urbanized Area Formula Program

### Eligible Activities include:

- planning, engineering, design and evaluation of transit projects and other technical transportation-related studies;
- capital investments in bus and bus-related activities such as replacement, overhaul and rebuilding of buses, crime prevention and security equipment and construction of maintenance and passenger facilities;
- capital investments in new and existing fixed guideway systems including rolling stock, overhaul and rebuilding of vehicles, track, signals, communications, and computer hardware and software.
- In addition, associated transit improvements and certain expenses associated with mobility management programs are eligible under the program. All preventive maintenance and some Americans with Disabilities Act complementary paratransit service costs are considered capital costs.
- For urbanized areas with populations less than 200,000, operating assistance is an eligible expense. Urbanized areas of 200,000 or more may not use funds for operating assistance unless identified by FTA as eligible under the Special Rule (See 49 U.S.C. 5307(a)(2)).



# FTA Grant Programs

## Urbanized Area Formula Program

### Eligible Activities include:

#### Transit Projects

- Planning
- Engineering
- Design
- Evaluation

#### Technical transportation-related studies

#### Capital investments

- Bus
- Bus-related activities
  - replacement of buses
  - overhaul of buses
  - rebuilding of buses,
  - crime prevention and
  - security equipment

- Construction of maintenance and passenger facilities; and
- Capital investments in new and existing fixed guideway systems including
- Rolling stock,
- Overhaul and rebuilding of vehicles, track, signals, communications, and
- Computer hardware and software.

# FTA Grant Programs

## Rural Formula Program

- The Rural Formula program (5311) provides capital, planning, and operating assistance to states to support public transportation in rural areas with populations less than 50,000. The formula for the rural program is based on population, land area (i.e. lack of density), and transit service factors.
- Each State DOT must prepare an annual program of transit projects for this federal rural transit funding. The program must provide for fair and equitable distribution of 5311 transit funding throughout the state. States must also use 15% of their annual 5311 allocation to support intercity bus service, unless these needs have been sufficiently met.
- The Rural Program includes set-asides for Public Transportation on Indian Reservations and for the Rural Transit Assistance Program (RTAP), which conducts research, technical assistance, training and related support services in rural areas.

# FTA Grant Programs

## State of Good Repair

- **The formula-based State of Good Repair program (5337)** is dedicated to repairing and upgrading the nation's existing rail transit systems along with high-intensity motor bus systems.
- The state of good repair formula is based on transit service factors, provided a fixed guideway system has been in revenue service for seven years or more.
- These funds reflect a commitment to ensuring that public transit operates safely, efficiently, reliably, and sustainably so that communities can offer balanced transportation choices that help to improve mobility, reduce congestion, and encourage economic development.
- Eligible activities include projects to modernize or improve existing fixed guideway systems, including the purchase and rehabilitation of rolling stock, track, line equipment, structures, signals and communication, power equipment and substations, passenger stations and terminals, and other maintenance, operational, and equipment needs.

# FTA Grant Programs

## Bus and Bus Facilities

- **The Grants for Buses and Bus Facilities Program (5339)** provides capital funding to replace, rehabilitate and purchase buses and related equipment, and to rehabilitate or construct bus-related facilities.
- Approximately 60 percent of the bus funding is provided to UZAs and states through a formula allocation based on population and bus service factors.
- The remaining 40 percent is allocated annually through a competitive grant process, considering the age and asset condition, as well as other evaluation criteria.
- A sub-program of the competitive bus funding provides competitive grants for bus and bus facility projects that support low and zero-emission bus vehicles and related infrastructure.

## FTA Grant Programs

### Transit for Seniors & Individuals with Disabilities

- **The Enhanced Mobility of Seniors & Individuals with Disabilities Program (5310)** provides formula funds for programs to serve the special mobility needs of transit-dependent populations, specifically seniors and people with disabilities, beyond traditional public transportation services and Americans with Disabilities Act (ADA) complementary paratransit services.
- The formula for this program is based on the population of seniors and people with disabilities in an area.

# FTA Grant Programs

## Capital Investment Grants

- **The discretionary Capital Investment Grant (CIG) program (5309)** provides funding for fixed guideway capital investments such as:
  - new and expanded rapid rail,
  - commuter rail, light rail, streetcars,
  - bus rapid transit,
  - and ferries, as well as corridor-based bus rapid transit investments that emulate the features of rail.
- Transit law outlines a multi-step process that projects must follow in order to receive CIG funding.

# FTA Grant Programs

## Capital Investment Grants

- There are three types of eligible projects:
  - **New Starts** projects are new fixed guideway projects or extensions to existing fixed guideway systems with a total estimated capital cost of \$300 million or more, or that are seeking \$100 million or more in CIG funding.
  - **Small Starts** projects are new fixed guideway projects, extensions to existing fixed guideway systems, or corridor-based bus rapid transit projects with a total estimated capital cost of less than \$300 million and that are seeking less than \$100 million in CIG funding.
  - **Core Capacity** improvement projects are substantial capital investments in existing fixed guideway corridors that are at capacity today, or will be within five years. The project must increase the capacity of the corridor by 10 percent. Core capacity improvement projects may not include elements designed to maintain a state of good repair.

# FTA Grant Programs

## Capital Investment Grants

- All projects seeking funding must be evaluated by FTA at various points throughout the process on two types of criteria outlined in transit law:
  - 1) project justification criteria, and
  - 2) criteria examining the strength of the local financial commitment.
- In order to be eligible to receive a construction grant, projects must receive at least a “Medium” overall rating from FTA and meet other federal grant requirements.
- More information on the CIG program may be found at:  
<https://www.transit.dot.gov/funding/grant-programs/capital-investments/capital-investment-grant-program>.



## FTA Grant Programs

### Low or No Emission Program

- 49 USC Section 5339(c)
- Vehicle and related equipment purchases
- Electric, hydrogen, fuel cell or low emission fuels (for example CNG, or hybrid)
- Program provides funding for the purchase or lease of zero emission and low emission transit buses as well as for the acquisition, construction, or leasing of supporting facilities and equipment.

## FTA Grant Programs

### Low or No Emission Program

#### What does it cover?

- Vehicles—Purchase or lease
- Facilities—Charging facilities—Maintenance facilities
- Equipment necessary to implement or maintain the vehicles in service
  - Batteries, purchase or lease
  - Tools
  - Equipment necessary for inclusion in bus system

## Flexible Funding Programs

### Surface Transportation Block Grant Program (STP)

- The STP program promotes flexibility in State and local transportation decisions, and provides flexible funding to best address State and local transportation needs.
- Funds under this program are administered by the Federal Highway Administration, which distributes funding as a lump sum to each State via formula.
- Eligible activities include both transit planning and transit capital needs, and the funds are directed at the discretion of the state and MPOs.
- For more information on the STP program, please visit:  
<http://www.fhwa.dot.gov/fastact/factsheets/stbgfs.cfm>.

## Flexible Funding Programs

### Congestion Mitigation & Air Quality Improvement Program (CMAQ)

- The CMAQ program provides flexible funding to best address air quality and congestion issues in States and localities.
- Funds under this program are administered by the Federal Highway Administration, which distributes funding as a lump sum to each State via formula.
- The CMAQ program provides a flexible funding source to State and local governments for transportation projects and programs to help meet the requirements of the Clean Air Act. Funding is available to reduce congestion and improve air quality for areas that do not meet the National Ambient Air Quality Standards.
- For more information on the CMAQ program, please visit:  
<http://www.fhwa.dot.gov/fastact/factsheets/cmaqfs.cfm>.

## Grantee Basics

- *Does the grantee have its one time legal files in place?*
  - Opinion of counsel
  - Authorizing legislation or board action
  - Designated recipient letter from the governor or their agent (i.e. state DOT)
- Is the grantee up to date with its Civil Rights program requirements?
  - All grantees, except tribes, must have a Title VI program on file
  - Americans with Disabilities Act of 1990 (ADA)
  - Disadvantaged Business Enterprise (DBE) program
  - Equal Employment Opportunity (EEO) program
- Does the grantee have a DUNS number?
- Is its SAM (System of Award Management) status current?
- Did the grantee sign/pin the certifications and assurances and master agreement?
- Does the grantee have access to ECHO?



## Prerequisites

- Legal Authority
- Technical Capacity
- Financial Capacity
- DUNS Number - Each FTA grant recipient is required to have an accurate DUNS number included in its recipient profile in TrAMS.
- TrAMS Access - Transit Award Management System.
- ECHO Access - Electronic Clearing House Operation (ECHO) system. Note: ECHO access is not a pre-condition for grant submission or award.
- Certifications and Assurances
- Civil Rights Compliance
- Pre-Award Authority/LONP

## The Big Picture

- Legal Capacity
- Technical Capacity
- Financial Capacity

## Legal Authority

- ***Designated Recipient*** – obtain Designated Recipient letter from governor (or other authorized person) if not on file, officially designating the grantee the “designated recipient” of FTA funds of Section 5307, ~~5316~~ and/or ~~5317~~ grant funds ONLY.
- ***Opinion of Counsel*** – each grantee must be legally empowered to carry out the activities specified in the grant.
  - Obtain from grantee an Opinion of Counsel citing the legal authority that enables grantee to apply for, receive and spend FTA funds and to provide local match, if required.
  - Opinion needs to include statement affirming that attorney knows of no legal impediment to grantee’s implementing the project if funds are awarded.
  - Regional Office staff may require the resubmission of the Opinion of Counsel document from established grantees in certain circumstances, such as anything that impacts legal capacity including, but not limited to, litigations and restructuring.



## Legal Authority

- ***Authorizing Resolution*** – obtain Resolution (or equivalent) from grantee's Board of Directors (or equivalent) authorizing an official responsible for applying for grants and legally committing grantee to compliance with grant terms.
  - Sample Authorizing Resolution (see [https://www.transit.dot.gov/sites/fta.dot.gov/files/Appendix\\_A\\_Legal\\_Capacity\\_Documents.pdf](https://www.transit.dot.gov/sites/fta.dot.gov/files/Appendix_A_Legal_Capacity_Documents.pdf)).
  - Name or organizational changes may require a resubmission of the Authorizing Resolution document from established grantees
- ***Certifications and Assurances*** – verify that grantees have signed the current year Certifications and Assurances.

# Legal Authority

## Certifications & Assurances

- FTA is authorized to consolidate the certifications and assurances required by federal law or regulations for its programs into a single document that an applicant for or recipient of federal assistance under 49 U.S.C. chapter 53 must submit annually or as part of its application for federal assistance.
- To receive federal assistance appropriated or made available for the grant, cooperative agreement, loan, loan guarantee, line of credit, and major credit instrument programs FTA/DOT administers, each applicant must submit the annual Certifications and Assurances required for the type of federal assistance it seeks.
- After publication, each applicant must submit applicable FY 2018 Certifications and Assurances before FTA may award federal assistance to support that applicant's request.
- You must select the Certifications and Assurances in Category 01 in addition to any other applicable Certifications and Assurances, except as FTA determines otherwise in writing.
- Any provision of the Certifications and Assurances in Category 01 that does not apply will not be enforced.



## Certifications and Assurances

The Applicant agrees to comply with applicable provisions of Categories 01 – 21. \_\_\_\_\_ **OR**

The Applicant agrees to comply with applicable provisions of the Categories it has selected:

### Category Description

- 01. Required Certifications and Assurances for Each Applicant. \_\_\_\_\_
- 02. Lobbying. \_\_\_\_\_
- 03. Private Sector Protections. \_\_\_\_\_
- 04. Rolling Stock Reviews and Bus Testing. \_\_\_\_\_
- 05. Demand Responsive Service. \_\_\_\_\_
- 06. Intelligent Transportation Systems. \_\_\_\_\_
- 07. Interest and Financing Costs and Acquisition of Capital Assets by Lease. \_\_\_\_\_
- 08. Transit Asset Management Plan, Public Transportation Safety Program, and State Safety Oversight Requirements. \_\_\_\_\_
- 09. Alcohol and Controlled Substances Testing. \_\_\_\_\_
- 10. Fixed Guideway Capital Investment Grants Program (New Starts, Small Starts, and Core Capacity Improvement). \_\_\_\_\_
- 11. State of Good Repair Program. \_\_\_\_\_
- 12. Grants for Buses and Bus Facilities and Low or No Emission Vehicle Deployment Grant Programs. \_\_\_\_\_
- 13. Urbanized Area Formula Grants Programs and Passenger Ferry Grant Program. \_\_\_\_\_
- 14. Enhanced Mobility of Seniors and Individuals with Disabilities Programs. \_\_\_\_\_
- 15. Rural Areas and Appalachian Development Programs. \_\_\_\_\_
- 16. Tribal Transit Programs (Public Transportation on Indian Reservations Programs). \_\_\_\_\_
- 17. State Safety Oversight Grant Program. \_\_\_\_\_
- 18. Public Transportation Emergency Relief Program. \_\_\_\_\_
- 19. Expedited Project Delivery Pilot Program. \_\_\_\_\_
- 20. Infrastructure Finance Programs. \_\_\_\_\_
- 21. Construction Hiring Preferences. \_\_\_\_\_



## Certifications and Assurances

SIGNATURE PAGE

### **AFFIRMATION OF APPLICANT**

BY SIGNING BELOW, on behalf of the Applicant, I declare that it has duly authorized me to make these Certifications and Assurances and bind its compliance. Thus, it agrees to comply with all federal laws, regulations, and requirements, follow applicable federal guidance, and comply with the Certifications and Assurances as indicated on the foregoing page applicable to each application its Authorized Representative makes to the Federal Transit Administration (FTA) in federal fiscal year 2018, irrespective of whether the individual that acted on his or her Applicant's behalf continues to represent it. FTA intends that the Certifications and Assurances the Applicant selects on the other side of this document should apply to each Award for which it now seeks, or may later seek federal assistance to be awarded during federal fiscal year 2018. The Applicant affirms the truthfulness and accuracy of the Certifications and Assurances it has selected in the statements submitted with this document and any other submission made to FTA, and acknowledges that the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. § 3801 et seq., and implementing U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR part 31, apply to any certification, assurance or submission made to FTA. The criminal provisions of 18 U.S.C. § 1001 apply to any certification, assurance, or submission made in connection with a federal public transportation program authorized by 49 U.S.C. chapter 53 or any other statute. In signing this document, I declare under penalties of perjury that the foregoing Certifications and Assurances, and any other statements made by me on behalf of the Applicant are true and accurate.

Signature \_\_\_\_\_ Date: \_\_\_\_\_  
 Name \_\_\_\_\_ Authorized Representative  
 of Applicant



## Certifications and Assurances

SIGNATURE PAGE

**AFFIRMATION OF APPLICANT'S ATTORNEY** For (Name of Applicant):

\_\_\_\_\_

As the undersigned Attorney for the above-named Applicant, I hereby affirm to the Applicant that it has authority under state, local, or tribal government law, as applicable, to make and comply with the Certifications and Assurances as indicated on the foregoing pages. I further affirm that, in my opinion, the Certifications and Assurances have been legally made and constitute legal and binding obligations on it. I further affirm that, to the best of my knowledge, there is no legislation or litigation pending or imminent that might adversely affect the validity of these Certifications and Assurances, or of the performance of its FTA assisted Award.

Signature \_\_\_\_\_ Date: \_\_\_\_\_  
Name \_\_\_\_\_ Attorney for Applicant

Each Applicant for federal assistance to be awarded by FTA must provide an Affirmation of Applicant's Attorney pertaining to the Applicant's legal capacity. The Applicant may enter its electronic signature in lieu of the Attorney's signature within TrAMS, provided the Applicant has on file and uploaded to TrAMS this hard-copy Affirmation, signed by the attorney and dated this federal fiscal year

# Master Agreement

- The official Federal Transit Administration (FTA) Master Agreement applies to each Underlying Agreement (Grant Agreement, Cooperative Agreement, Loan, Loan Guarantee, or Line of Credit) for a specific Award
- Purpose of the Master Agreement
  - FTA Master Agreement contains the standard terms and conditions that apply to the Underlying Agreement with the Recipient
- FTA Master Agreement (Fiscal Year 2018) (75 pages long)

<https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/funding/grantee-resources/sample-fta-agreements/114766/fta-master-agreement-fy2018.pdf>



## Master Agreement

- Section 1. Terms of this Master Agreement and Compliance
- Section 2. Definitions
- Section 3. Implementation
- Section 4. Ethics
- Section 5. Federal Assistance
- Section 6. Non-Federal Share
- Section 7. Payments to the Recipient
- Section 8. Records and Reports Related to the Award and the Underlying Agreement
- Section 9. Record Retention and Access to Sites of Performance
- Section 10. Completion, Audit, Settlement, and Closeout
- Section 11. Right of the Federal Government to Terminate
- Section 12. Civil Rights
- Section 13. Planning
- Section 14. Private Enterprise
- Section 15. Preference for United States Products and Services
- Section 16. Procurement
- Section 17. Patent Rights
- Section 18. Rights in Data and Copyrights
- Section 19. Use of Real Property, Equipment, and Supplies
- Section 20. Transit Asset Management



## Master Agreement (cont.-)

- Section 21. Insurance
- Section 22. Relocation and Real Property
- Section 23. Construction
- Section 24. Employee Protections
- Section 25. Early Systems Work Agreement
- Section 26. Environmental Protections
- Section 27. State Management and Monitoring Systems
- Section 28. Charter Service
- Section 29. School Bus Operations
- Section 30. Geographic Information and Related Spatial Data
- Section 31. Federal "\$1 Coin" Requirements
- Section 32. Public Transportation Safety
- Section 33. Motor Carrier Safety
- Section 34. Safe Operation of Motor Vehicles
- Section 35. Substance Abuse
- Section 36. Protection of Sensitive Security and Other Sensitive Information
- Section 37. Special Notification Requirements for States
- Section 38. Freedom of Information
- Section 39. Disputes, Breaches, Defaults, or Other Litigation
- Section 40. Amendments to the Underlying Agreement
- Section 41. FTA's Transit Award Management System (TrAMS)
- Section 42. Information Obtained through Internet Links
- Section 43. Severability



## Technical Capacity

- ***The grantee can demonstrate that it has adequate technical capacity to enter into, execute, manage, monitor and complete projects included in its grant agreements with the FTA***
  - Annual List of Certifications and Assurances have been properly executed by the grantee and that the regions have no information that would suggest that certifications and assurances are not credible before grant submission
  - Grantee's organization has or will have an appropriate number of qualified staff to conduct grant related activities.
  - Adequate administrative mechanisms/institutional capacity to carry out grant related activities (e.g., to conduct procurements, manage capacity, maintain and operate equipment).



## Financial Capacity

- ***The grantee can demonstrate adequate financial capacity to match FTA funds with local funds (as required) and manage the projects included in the grant.***
  - The grantee is capable of providing adequate local match for federal grant funds and managing the grant-funded projects.
    - The grantee must certify that it has or will have available the proportionate amount of local share promptly as project costs are incurred or become due, except to the extent that the Federal Government determines in writing that the local share may be deferred.
    - If there is a concern about the grantee's financial capacity, the Regional Office may request that a grantee provide additional documentation (e.g., cash flow plan for operating and maintaining the asset for the next three years or historical cash flow information for the preceding three years, financial plan showing funds for the completion of a construction project, etc.).
  - The grantee understands the program requirements, federal grant recipient requirements (e.g., audit requirements and financial reporting); FTA can provide technical assistance as appropriate (e.g., provide the grantee with links to FTA Circulars, the Triennial Review Workbook on FTA's public website, and the "internal control questionnaire").

# FTA's Public TrAMS Page

<http://www.fta.dot.gov/TrAMS>

**U.S. Department of Transportation  
Federal Transit Administration**

CONNECT WITH FTA  
Sign Up for Updates | Twitter | YouTube | Facebook

News | Grant Programs | Funding & Finance | Regional Offices | Contact Us | About FTA | Top Requests | Search

[Home Page](#) >> [Grant Programs](#) >> [Applying for FTA Funding](#) >> [TrAMS](#)

## The Transit Award Management System (TrAMS): FTA's Next Generation of TEAM

[Sign up for email updates on this topic.](#)

Welcome to the Transit Award Management System (TrAMS), FTA's platform to award and manage federal grants. TrAMS was created to provide greater efficiency and improved transparency and accountability and replaces the TEAM platform.

- TrAMS Home
- TrAMS HELP and Guidance
- TEAM to TrAMS Transition Information
- TrAMS Training
- Frequently Asked Questions
- TrAMS Notices Archives

AAA | SHARE | ...

# What is an FTA Circular?

- FTA circulars provide instructions to grantees or other stakeholders on how FTA grants will be administered. This guidance provides grantees with direction on program specific issues and statutory requirements. Grantees are required to comply with all circulars after signing the agreement accepting federal financial assistance. Two key FTA circulars include:

## Award Management Requirements

- **Circular 5010.IE**
- Topic: Award Management

## Third Party Contracting Guidance

- **Circular: C 4220.IF**
- Topic: Procurement

## Also OMB's Uniform Guidance - 2 CFR 200

- "government-wide framework for grants management"

# Other FTA Circulars

- Guidance on Joint Development - Circular: C 7050.1A
- Equal Employment Opportunity (EEO) Act Guidance - Circular: 4704.1A
- Americans with Disabilities Act Guidance - Circular: C 4710.1
- Bus and Bus Facilities Program: Guidance and Application Instructions - Circular: C 5100.1
- State of Good Repair Grant Program: Guidance and Application Instructions - Circular: C 5300.1
- Formula Grants for Rural Areas: Program Guidance and Application Instructions - Circular: C 9040.1G
- Enhanced Mobility of Seniors and Individuals with Disabilities Program Guidance and Application Instructions - Circular: C 9070.1G
- Topic: Enhanced Mobility of Seniors and Individuals with Disabilities Program Urbanized Area Formula Program: Program Guidance and Application Instructions - Circular: C 9030.1E
- Title VI Requirements and Guidelines for Federal Transit Administration Recipients - Circular: C 4702.1B
- Capital Investment Program Guidance and Application Instructions - Circular: C 9300.1B
- Program Guidance for Metropolitan Planning and State Planning and Research Program Grants - Circular: C 8100.1C
- Safety and Security Management Guidance for Major Capital Projects - Circular: C 5800.1
- Full-Funding Grant Agreements Guidance - Circular: C 5200.1A



## The Big Picture- Is the Activity Eligible?

What activities can be funded in Small Urban areas with 5307?

- For example, recipients in UZAs with populations of less than 200,000 may use Section 5307 funds for operating assistance. There is no limitation on the amount of their apportionment that recipients in these UZAs may use for operating assistance.

What Circular governs this grant?

- FTA C. 9030.1E

What does the Circular say?

- See C. 9030.1E, Ch. IV "Eligible Projects and Requirements"

## Grant Application Basics

Is the grantee using pre-award authority?

The Federal Register Notice of Apportionments documents FTA's automatic pre-award authority granted for certain classes of grants and specifies the conditions with which grantees must comply in order to maintain eligibility for future funds.



## Grant Application Basics

### Is the activity part of the approved TIP, STIP or UPWP?

- In urbanized areas with a population of 50,000 or more (as determined by the U.S. Census), a designated metropolitan planning organization (MPO) is responsible for developing, in cooperation with state officials and affected transit operators, a long range (20 year) transportation plan, and a project-specific, shorter term four year fiscally constrained **transportation improvement program (TIP)** for their particular area. All projects proposed for FTA funding must be included in the four year TIP and 20 year plan.
- Each state and territory is also responsible for formulating a **statewide TIP** and a statewide long range transportation plan that takes the regional planning of the MPOs across the state into account. The state's TIP includes all the capital transit projects desired for rural areas in the state (areas under 50,000 in population), as well as all capital projects contained in the MPO-level TIPs for urbanized areas within the state. Only those projects included in the statewide TIP can receive FTA funding, and the projects must also be consistent with the state's long range transportation plan.
- A **Unified Planning Work Program (UPWP)** is an annual or biennial statement of work identifying the planning priorities and activities to be carried out within a metropolitan planning area.

The appropriate planning document needs to be attached to the grant application.





## Grant Application Basics

What is the environmental determination for each activity?

- All projects proposed for FTA funding must meet the requirements of the **National Environmental Policy Act (NEPA)** (42 U.S.C. 4321 et seq.), which requires federal agencies to consider the environmental effects of the projects they propose to support before making a decision to proceed
- NEPA and related environmental requirements must be fulfilled for each independent project in the grant application
- Regional Office staff will advise the applicant of the level of environmental review and documentation required for NEPA compliance (*See generally, 23 C.F.R. §771*)

Many of these grants are typically categorically excluded. [See 23 C.F.R. §771.118](#) for FTA categorical exclusions & guidance:

<https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/Section%20118%20Guidance-June%202016.pdf>



## Procurement

- This is one of the areas of highest risk for grantees
- “Full and open competition” is just the beginning of it.
  - **Super Circular/Uniform Guidance (2 CFR 200)**
  - **Circular 4220.1F**
  - **Federally Required Clauses** (C 4220.1F, Appendix D, Matrices, A. Third Party Contract Provisions)
    - A current but not all inclusive and comprehensive list of statutory and regulatory requirements applicable to grantee procurements (such as Davis-Bacon Act, Disadvantaged Business Enterprise, Clean Air, and Buy America) is contained in the **FTA Master Agreement** (Section 16. Procurement)
  - **Best Practices Procurement Manual (BPPM) & Appendix A.1 – Contract Clause Guidance and Instructions**
  - Recipients are responsible for evaluating these requirements for relevance and applicability to each procurement.
  - FAQs on the FTA website
- Joint procurements are encouraged and “piggybacking” is discouraged; helpful piggybacking checklist in the BPPM
- FTA relies on the grantee certs and assurances



# Appendix A. Federally Required and Other Model Contract Clauses

- A.1 ACCESS TO RECORDS AND REPORTS .....A-3
- A.2 BONDING REQUIREMENTS .....A-5
- A.3 BUS TESTING.....A-14
- A.4 BUY AMERICA REQUIREMENTS .....A-16
- A.5 CARGO PREFERENCE REQUIREMENTS.....A-19
- A.6 CHARTER SERVICE .....A-21
- A.7 CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT .....A-23
- A.8 CIVIL RIGHTS LAWS AND REGULATIONS.....A-24
- A.9 DISADVANTAGED BUSINESS ENTERPRISE (DBE) .....A-28
- A.10 EMPLOYEE PROTECTIONS.....A-37
- A.11 ENERGY CONSERVATION.....A-41
- A.12 FLY AMERICA .....A-42
- A.13 GOVERNMENT-WIDE DEBARMENT AND SUSPENSION .....A-45
- A.14 LOBBYING RESTRICTIONS .....A-47
- A.15 NO GOVERNMENT OBLIGATION TO THIRD PARTIES .....A-49
- A.16 PATENT RIGHTS AND RIGHTS IN DATA.....A-50
- A.17 PRE-AWARD AND POST-DELIVERY AUDITS OF ROLLING STOCK PURCHASES.....A-53A-2
- A.18 PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS AND RELATED ACTS.....A-54
- A.19 PUBLIC TRANSPORTATION EMPLOYEE PROTECTIVE ARRANGEMENTS.....A-56
- A.20 RECYCLED PRODUCTS.....A-58
- A.21 SAFE OPERATION OF MOTOR VEHICLES.....A-59
- A.22 SCHOOL BUS OPERATIONS .....A-61
- A.23 SEISMIC SAFETY .....A-63
- A.24 SUBSTANCE ABUSE REQUIREMENTS.....A-64
- A.25 TERMINATION.....A-69
- A.26 VIOLATION AND BREACH OF CONTRACT.....A-75



## Federally Required Clauses - Overall Guidelines

- Check Purchase Threshold
  - If Micro-Purchase ( $\leq \$3,500$ ), only Davis-Bacon clauses required for purchases above \$2,000
  - If Small Purchases ( $\leq \$150,000$ ), some clauses apply
  - If  $> \$150,000$ , most clauses apply
- Type of Procurement informs which clauses are needed
- See Circular 4220.1F (Matrices) for details
- Do not incorporate clauses by reference
- Do not simply list the clause title and Master Agreement or C 4220.1F reference



## Procurement Actions

- Include clauses in standard boilerplate of contract in the solicitation
  - This will allow the suppliers to bid based on complying with the requirements
  - Some clauses implement the certifications provided by the contractor
- Sign a contract with the supplier incorporating boilerplate contract included in solicitation
- Don't allow suppliers to take exceptions to required FTA clauses
- You can provide the specific clauses on your website and reference them in your Purchase Order or contract.
- You must have all the applicable required clauses to be compliant.



Federal Transit  
Administration  
[www.fta.dot.gov](http://www.fta.dot.gov)