

Contracts-Checklists

Subject:

Urbanized area grant application process, including process for transferring Federal Highway Administration (FHWA) funds to Federal Transit Administration (FTA).

Information:

This procedure is for urbanized area transit agencies to receive state funding match for FTA funding applications. There is separate guidance below for grant applications for FTA program funding and for grant applications requiring funds to be transferred from FHWA programs.

Actions Needed:

1. Instructions for grant applications for FTA program funding:

- A. A transit agency will obtain an **official** FTA MI grant number and create a grant application in the Transportation Electronic Award & Management (TEAM) system. This includes entering all required information in the grant application.
- B. The transit agency will submit a copy of the grant application with the **official** FTA MI number to their Office of Passenger Transportation (OPT) project manager. The project manager will verify match funding from the Comprehensive Transportation Fund as indicated in the approved state capital match plan.
- C. While the application is being reviewed and approved by FTA, OPT will process the MDOT project authorization with the transit agency and secure appropriate approval. The MDOT approval process for project authorizations may take up to three months.
- D. When the grant application has been awarded by FTA, the transit agency will forward a copy of the grant application including FTA award notification page(s) to their OPT project manager. Receipt of the award notification indicates to OPT that the MDOT project authorization can be executed and mailed to the transit agency.

2. Instructions for grant applications for FHWA program funds which must be transferred (flexed) to FTA:

FHWA programs include Surface Transportation Program (STP), Small Urban Program, Transportation Alternatives Program, and Congestion Mitigation/Air Quality Program (CMAQ). It also includes projects approved by the Rural Task Force.

- A. A transit agency will obtain an **official** FTA MI grant number and create a grant application in the TEAM system. This includes entering required information in the grant application. Please be sure to clearly identify the transfer-fund project, the amount of funds, and the FHWA program from which the funds are being transferred.

- B. Forward to the OPT project manager a copy of the FTA application with the **official** MI number and the page(s) of the approved Transportation Improvement Program (TIP) in which the flex project(s) are referenced. The dollar amount and project description must be consistent among the grant application, TIP, and CMAQ list (if projects are funded via CMAQ funds). OPT will review the information and submit the flex request to MDOT Financial Operation Division (FOD). FOD will then process the flex request and send a letter to the FHWA Division Office requesting the flex. The FHWA Division Office will notify FOD, MDOT Planning, and FTA upon approving the flex request. The next step will involve review and approval processes from FHWA head office and U.S. Department of Treasury. FTA will review to ensure the flex projects are included in the TIP. The flex process usually takes approximately two months.

NOTE: The description, quantity and dollar amount of the project(s) must be consistent between the TIP and the grant application. Also, FHWA obligational authority for the area must be available. Usually obligational authority stays available until September; **however, the flexes usually need to be processed by August.**

- C. While the flex process is taking place, OPT will process the MDOT project authorization with the transit agency and secure appropriate approval. The MDOT approval process for project authorizations may take about three months.
- D. After FHWA approves the flex request, OPT project manager will send the approval letter or notification to the transit agency. When FTA receives notification from the U.S. Department of Treasury that the transfer funds are available, FTA will have the transit agency submit the grant and obtain the transfer funds. The application will then be considered for the FTA award process.
- E. When the grant application has been awarded by FTA, the transit agency will forward a copy of the grant application including FTA award notification page(s) to their OPT project manager. Receipt of the award notification indicates to OPT that the MDOT project authorization can be executed and mailed to the transit agency.

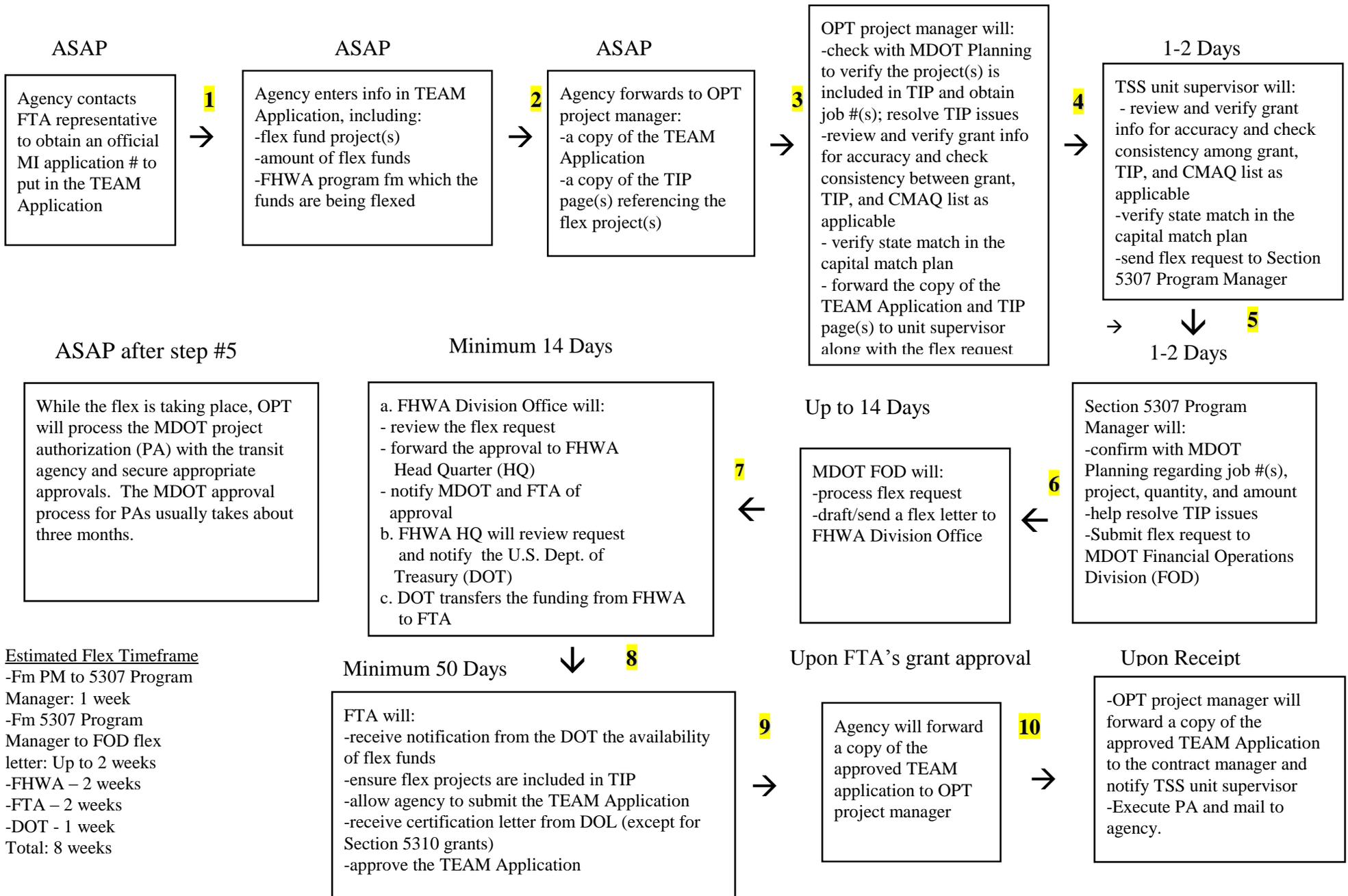
*For details, see the attached Urban Agency Flex Funding Process Flow Chart

Contact: If you have any questions on this procedure, please contact your project manager.

Approved:  _____ Date 5/16/14

Attachment: Urban Agency Flex Funding Process Flow Chart

Urban Agency Flex Funding Process Flow



Estimated Flex Timeframe
-Fm PM to 5307 Program Manager: 1 week
-Fm 5307 Program Manager to FOD flex letter: Up to 2 weeks
-FHWA – 2 weeks
-FTA – 2 weeks
-DOT - 1 week
Total: 8 weeks