

# Summary Grants Management

External Session 1 – General Grants Management Overview

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FTA Office of Program Management



U.S. Department of Transportation  
Federal Transit Administration

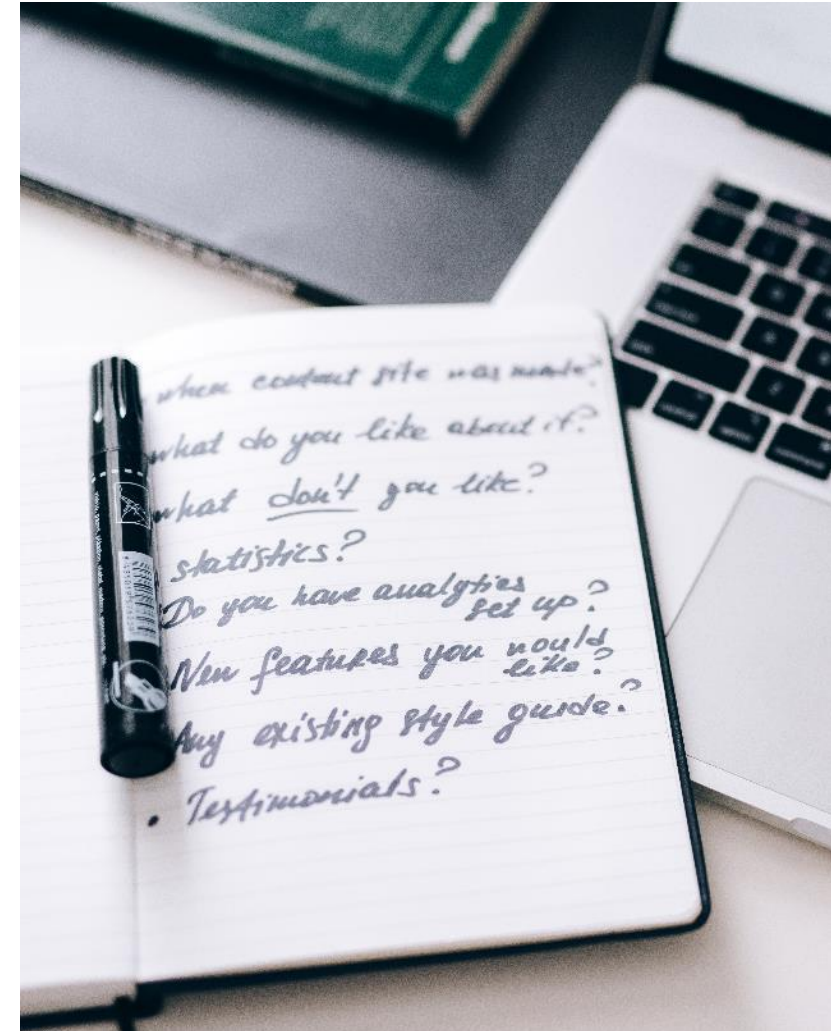


# Disclaimer

The contents of this presentation does not have the force and effect of law and is not meant to bind the public in any way. This presentation is intended only to provide clarity to the public regarding existing requirements under the law or agency policies. Recipients and subrecipients should refer to FTA's statutes and regulations for applicable requirements.

# The “Route” Ahead

- Welcoming Remarks
- Summary Grants Management Training Overview
- Federal Financial Assistance Overview
- 2 CFR Part 200 – Uniform Guidance
- Statutory Regulations & Legislation
- Federal Agency Implementation
- Roles and Responsibilities
- Next Steps

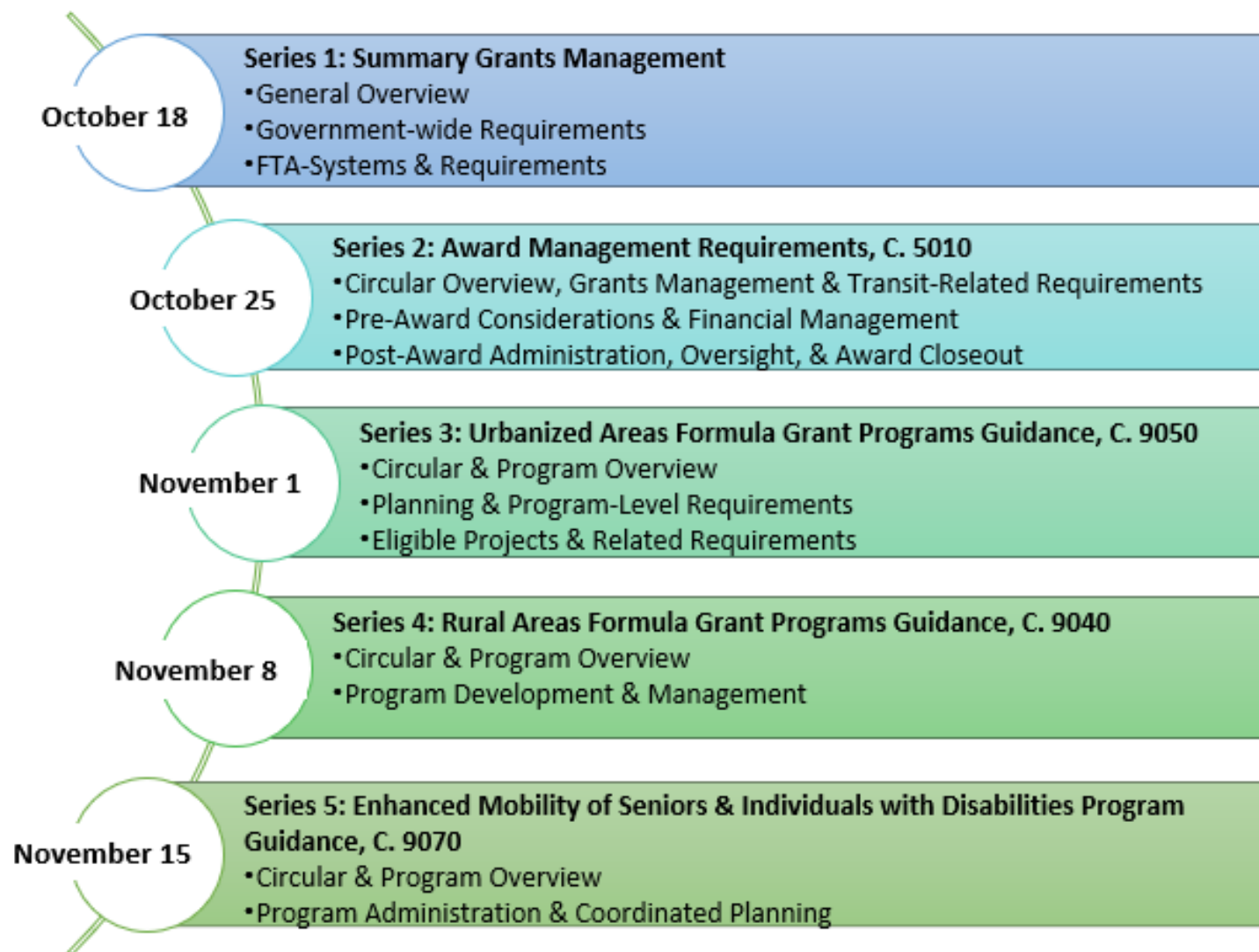


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# Video Placeholder

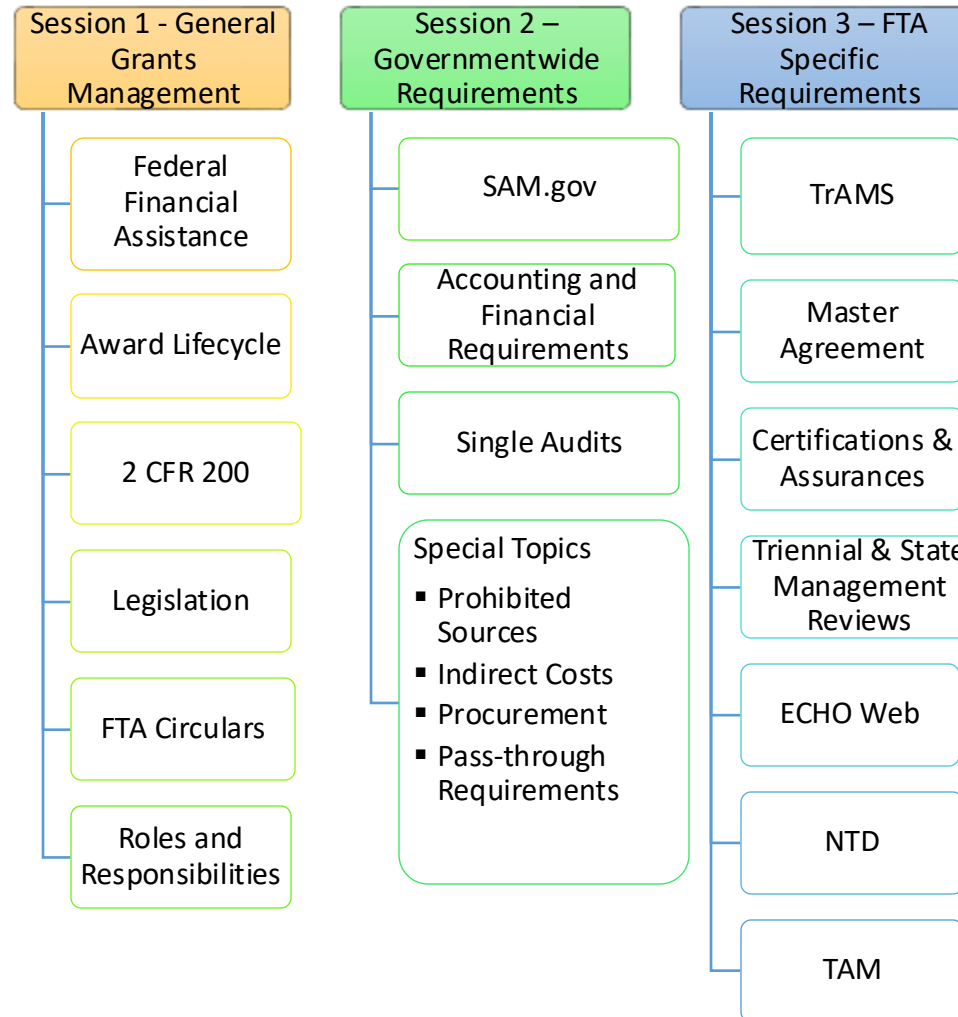
# Circular Rollout Video Release Schedule

Each Friday from October 18 through November 15, 2024, FTA will post a series of prerecorded videos addressing summary grants management information and highlight the requirements outlined in each of the revised circulars - 5010, 9050, 9040, and 9070.



# What is the External Summary Grants Management Video Series?

As part of the training planned for the updated Federal Transit Agency (FTA) circular publication, a series of sessions on general grants management and its systems & requirements was developed to create a baseline understanding of processes, tools and terminology. These trainings will help to create a foundation to understand updates to the circulars.



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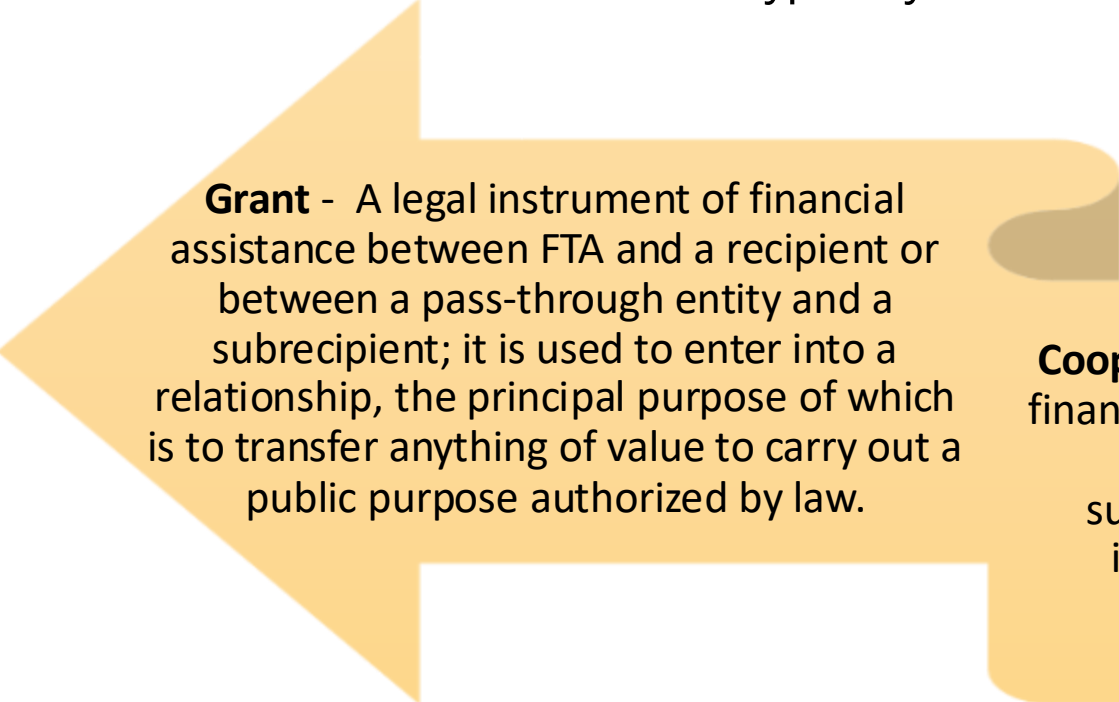
# Federal Financial Assistance Overview




# What is Federal Financial Assistance?

Federal financial assistance means support from the federal government that recipients or subrecipients receive or administer in the form of grants; cooperative agreements; non-cash contributions or donations of property; direct appropriations; food commodities; and other financial assistance.

Federal assistance for FTA awards is typically one of the following agreement types:



**Grant** - A legal instrument of financial assistance between FTA and a recipient or between a pass-through entity and a subrecipient; it is used to enter into a relationship, the principal purpose of which is to transfer anything of value to carry out a public purpose authorized by law.






**Cooperative Agreement** - A legal instrument of financial assistance between FTA and a recipient or between a pass-through entity and subrecipient provides for FTA's substantial involvement in carrying out the activity contemplated by the Federal award.

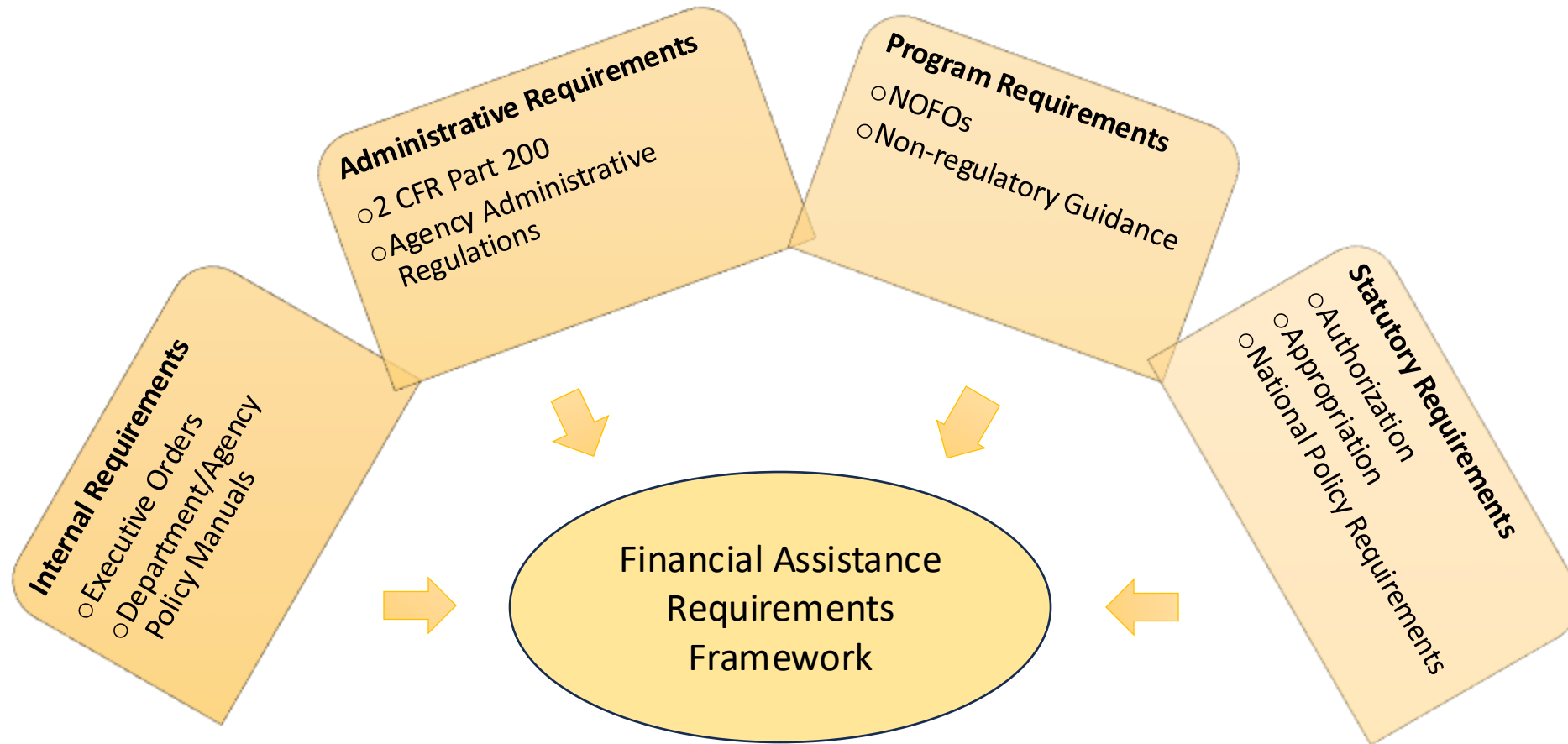


# Federal Financial Assistance or Contract?

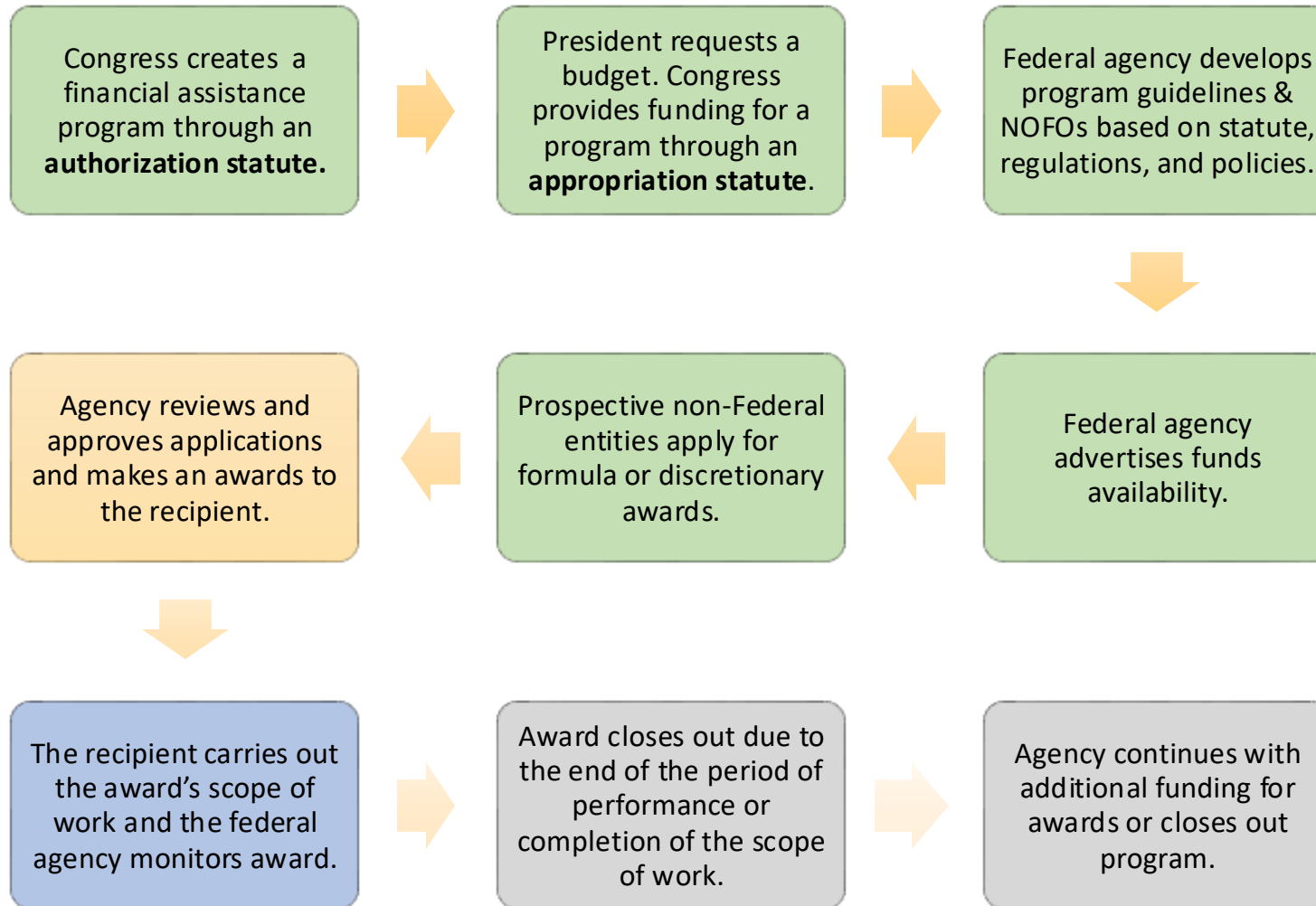
Federal financial assistance is not a contractual procurement. This distinction is particularly important for ensuring compliance with federal requirements and subaward administration.

 <b>Grant</b> <ul style="list-style-type: none"><li>○ Transfer money or property to a recipient</li><li>○ To support or stimulate a public purpose</li><li>○ No substantial FTA/recipient involvement</li><li>○ Administered under <a href="#">2 CFR 200</a> requirements</li></ul>	 <b>Cooperative Agreement</b> <ul style="list-style-type: none"><li>○ Transfer money or property to a recipient</li><li>○ To support or stimulate a public purpose</li><li>○ Substantial FTA/recipient involvement</li><li>○ Administered under <a href="#">2 CFR 200</a> requirements</li></ul>	 <b>Contract</b> <ul style="list-style-type: none"><li>○ Procurement of goods and services</li><li>○ To benefit the government or primary recipient</li><li>○ FTA/recipient involvement dependent on terms</li><li>○ Administered under <a href="#">FAR</a> requirements</li></ul>
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# Financial Assistance Requirements Framework and Grant Making



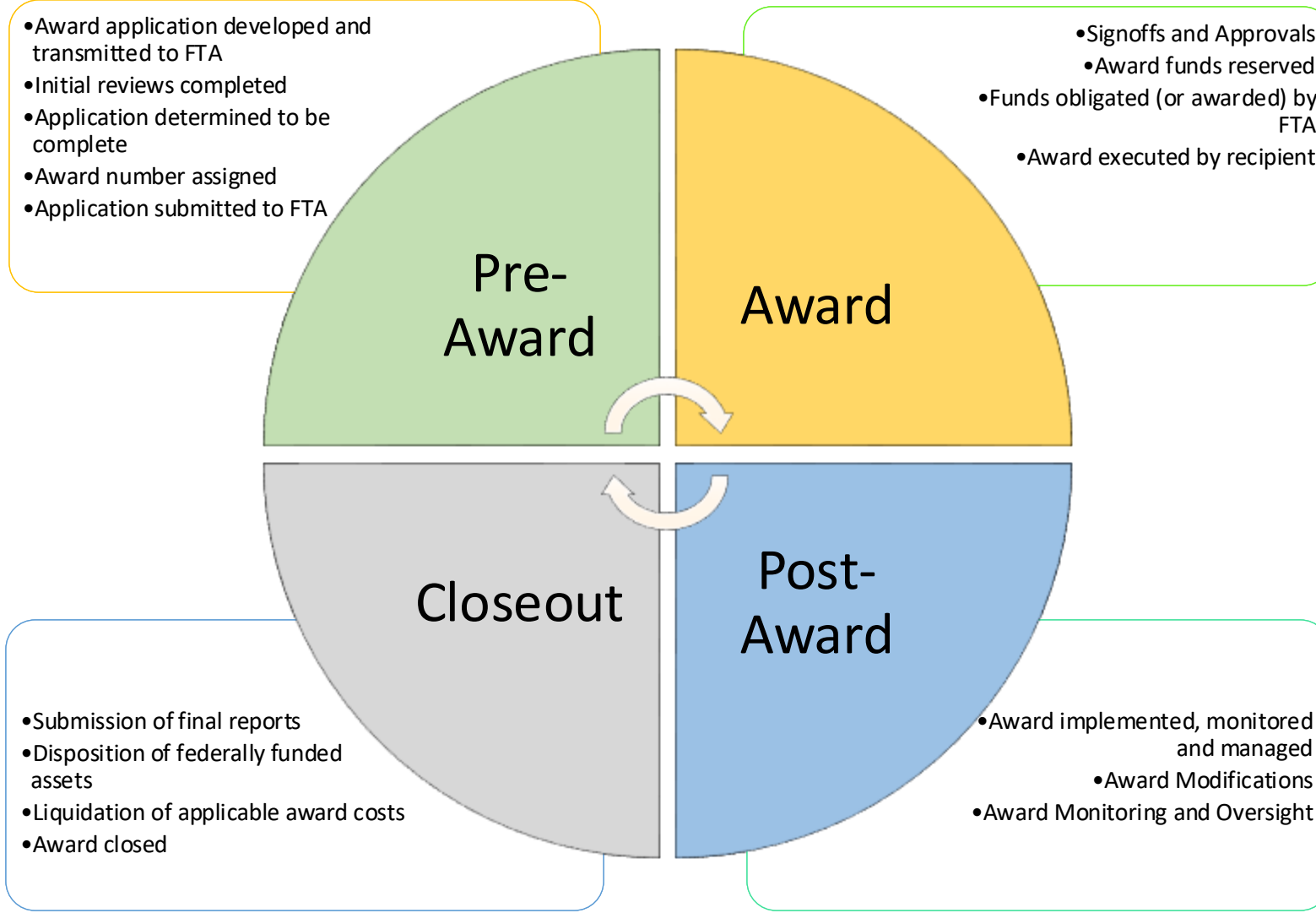
# Financial Assistance Workflow



FTA uses its authorizing and appropriation statutes, along with government-wide requirements, DOT policies, and program information to create guidance on applying, administering, and closing out awards.

In this workflow, the green steps are actions that take place prior to FTA making an award, or “pre-award” actions. The yellow step is the transformation of an approved application into a grant award. The award is made. The blue step is the implementation of the project post-award. The grey actions are for closeout.

# Financial Assistance Award Phases



The award life cycle can be outlined in separate phases - Pre-Award, Award, Post-Award, and Closeout - that each have a set of activities and requirements for FTA and applicants. Many of our processes, systems, and work is built around this concept.

# Financial Assistance & Grants Management

Grants management is the comprehensive process of overseeing all activities related to a federal assistance award. It requires federal agencies and their recipients to manage the major phases of an award's lifecycle.

Grant/Award managers oversee various components of a grant lifecycle in varying detail. Their responsibilities are generally determined based on grantor and recipient administrative structures, funding agency and recipient organization specifications, and federal requirements.

Grants management requires adherence to requirements, as well as collaboration with the grantor and recipient agencies. The award creates an agreement as well as a relationship.



# Federal Financial Assistance Resources

Topic	Resource
Introduction to Federal Financial Assistance	<ul style="list-style-type: none"><li>• <a href="https://www.cfo.gov/wp-content/uploads/2023/Introduction%20to%20Federal%20Financial%20Assistance.pdf">https://www.cfo.gov/wp-content/uploads/2023/Introduction%20to%20Federal%20Financial%20Assistance.pdf</a></li></ul>
Federal Financial Assistance – Government-wide	<ul style="list-style-type: none"><li>• <a href="https://www.cfo.gov/">https://www.cfo.gov/</a></li></ul>
Federal Financial Assistance Training	<ul style="list-style-type: none"><li>• <a href="https://www.cfo.gov/coffa/training-coffa/">https://www.cfo.gov/coffa/training-coffa/</a></li></ul>
Funding Opportunities and Federal Grant Information	<ul style="list-style-type: none"><li>• <a href="https://grants.gov/">https://grants.gov/</a></li><li>• <a href="https://sam.gov/content/assistance-listings">https://sam.gov/content/assistance-listings</a></li></ul>
Grants Management System Overview	<ul style="list-style-type: none"><li>• <a href="https://www.opm.gov/grants-management-training-agency-guide.pdf">grants-management-training-agency-guide.pdf (opm.gov)</a></li><li>• <a href="https://grants.gov/learn-grants/grants-101/">grants.gov/learn-grants/grants-101/</a></li></ul>

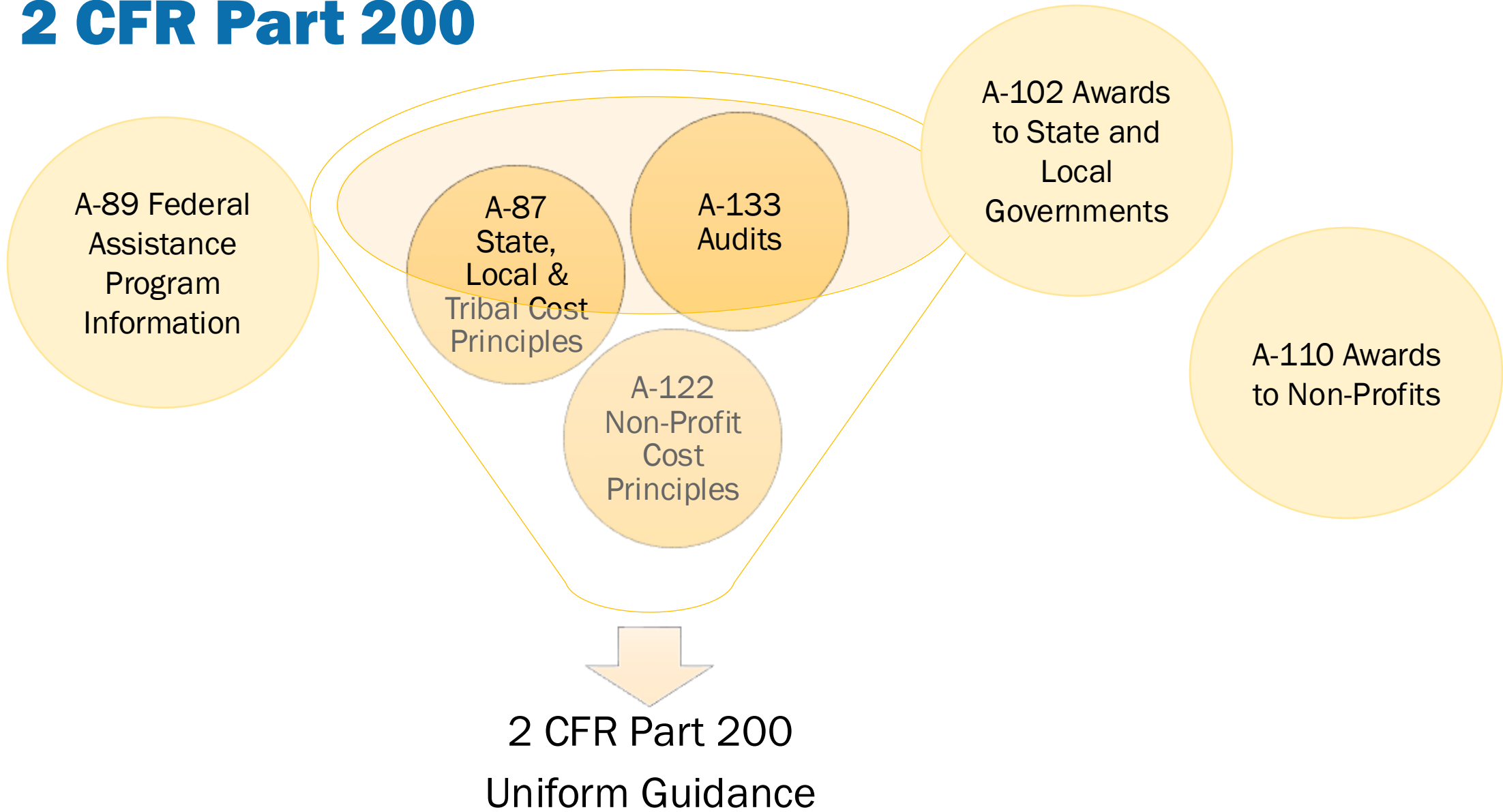
Recipients should contact their FTA regional office with specific questions regarding their applications and awards.

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# 2 CFR Part 200 – Uniform Guidance

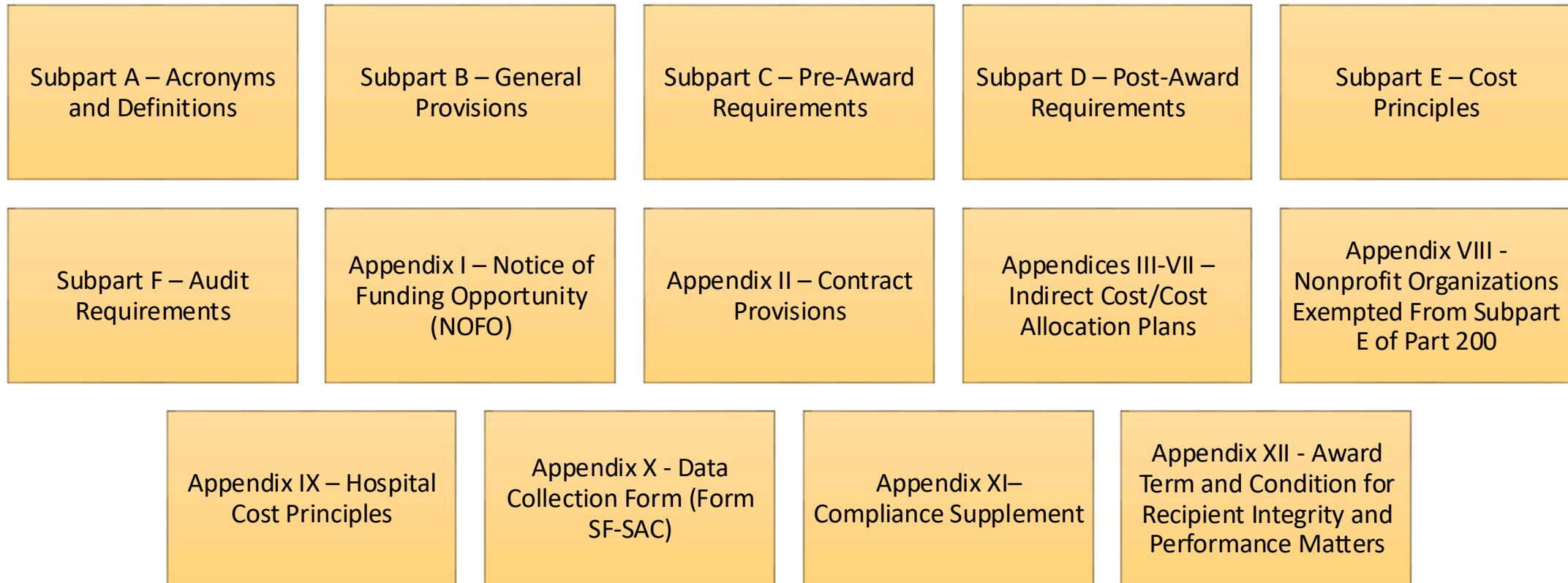


# 2 CFR Part 200




# 2 CFR Part 200 Organization

2 CFR Part 200 streamlines multiple federal requirements and guidance into a single source location. The name of the document outlines its components, and its organization reflects the award lifecycle. In addition to the six subparts, there are 12 Appendices that provide more information on specific topics.



# 2 CFR Part 200 – Uniform Administrative Requirements



Subpart B - General Provisions (200.100  
- 200.113)

Subpart C - Pre-Federal Award  
Requirements and Contents of Federal  
Awards (200.200 - 200.216)

Subpart D - Post-Federal Award  
Requirements (200.300 - 200.345)

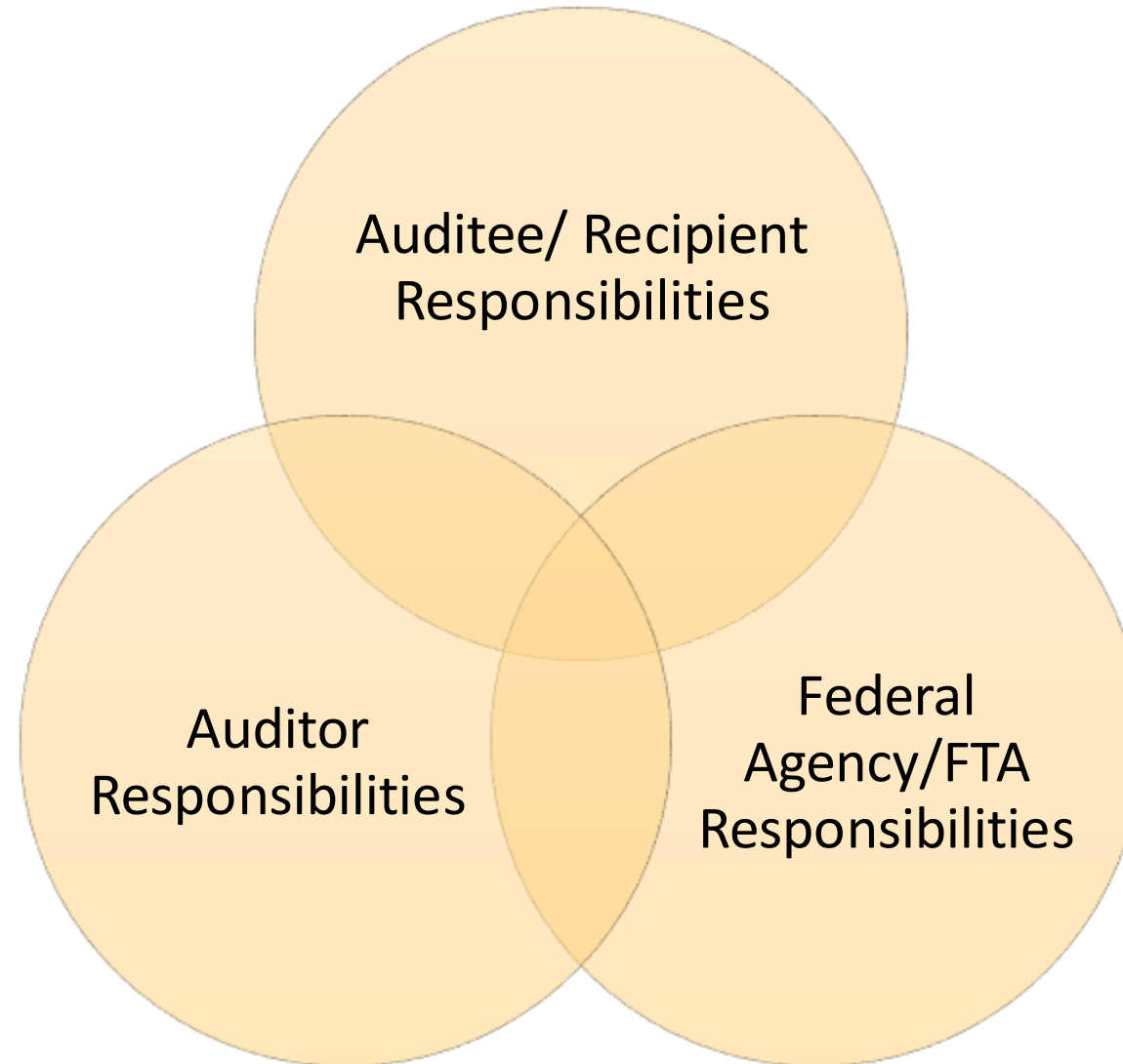
## 2 CFR Part 200 – Cost Principles

General Provisions

Indirect Costs

Selected Items of Cost

# 2 CFR Part 200 – Audit Requirements



## 2 CFR Part 200 Tips

- The Uniform Guidance uses the words "should" and "must" when identifying the responsibilities of federal awarding agencies and non-federal entities. It is important to understand the meaning of each word.
  - The word "should" implies a suggested course of action and generally refers to best practices.
  - The word "must" indicates a required action.
- The applicability of the administrative requirements, cost principles, and audit requirements varies by recipient type.
  - Recipients are required to comply with the terms and conditions of their awards, which include the federal awarding agency's regulations adopting or implementing 2 CFR Part 200.
  - Subrecipients are required to comply with the terms and conditions of their subawards, which for states, local governments, tribal governments, institutions of higher education, and nonprofit organizations are the same requirements that would apply if they received awards directly from a federal awarding agency.

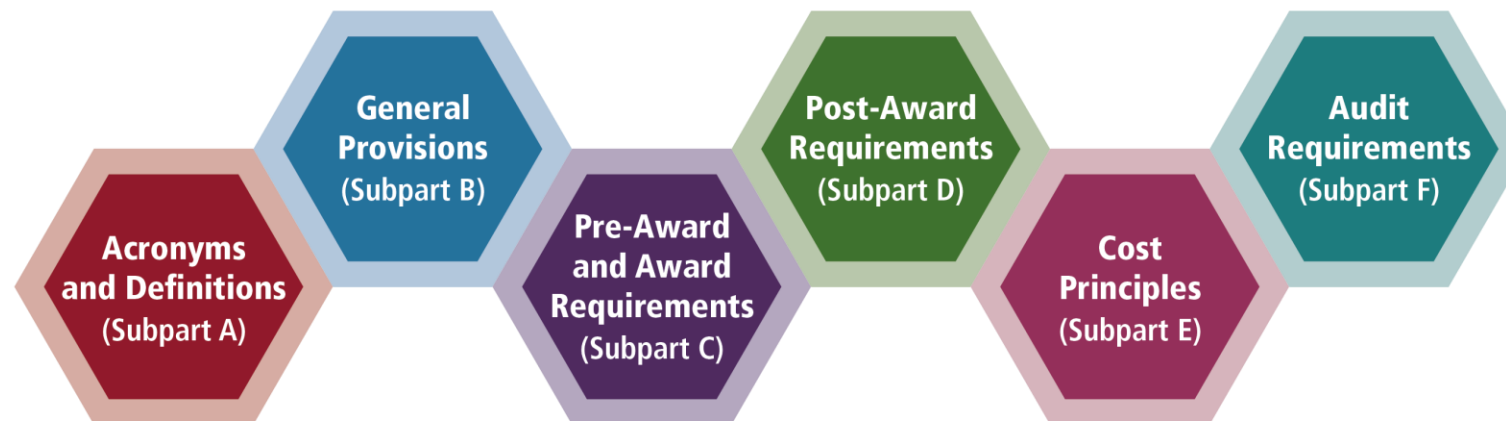
If something is not listed in the “selected items of cost” from the regulatory Cost Principles, it does not necessarily mean that it is or is not allowable. Review the item that is most closely related to the cost in question. Read the entire citation and look for exceptions.

# 2024 Revisions to 2 CFR Part 200

The Office of Management and Budget (OMB) issued guidance in 2020 and April 2024 regarding government-wide policies for the award and administration of Federal financial assistance under 2 CFR Part 200 as well as parts 25, 175, and 180 related to System for Award Management (SAM.gov), Trafficking in Persons and Debarment and Suspension, respectively.

The intent of the revisions is to improve the stewardship of Federal funds, promote equitable access to programs and services, reduce administrative burden for Federal agencies, applicants, and recipients, as well as facilitate streamlined and effective implementation and oversight of Federal programs.

These changes are incorporated into the revised FTA Circulars.





# 2024 Changes to 2 CFR Part 200

## Equipment and Aggregate Supplies Definitions/Thresholds

- Sections 200.313 (Equipment) and 200.314 (Supplies) each increase the thresholds, from \$5,000 to \$10,000, for the value of equipment and aggregate supplies a recipient may retain, sell, or dispose of at closeout.
- FTA's Bipartisan Infrastructure Law (BIL) disposition requirements for rolling stock that met useful life remain in effect, even with these changes.

## De Minimis Rate

- Increases the de minimis rate from 10% to 15% of Modified Total Direct Costs (MTDC).
- Recipients and subrecipients may elect a lower de minimis rate at their discretion and modify the definition of MTDC to permit inclusion of the first \$50,000 of any one subaward in the base.

## Single Audit

- Threshold increased from \$750,000 to \$1 million in direct federal expenditures at which a recipient is required to conduct a Single Audit.
- Revised the definitions of known questioned costs and likely questioned costs and provided further clarity on how they are identified in an audit report.

# 2 CFR 200 Resources

Topic	Resource
Federal Financial Assistance – Government-wide	• <a href="https://www.cfo.gov/">https://www.cfo.gov/</a>
2 CFR 200 – Currently Active	• <a href="https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200?toc=1">https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200?toc=1</a>
DOT 2 CFR 200 Training	• <a href="https://www.transportation.gov/grants/dot-navigator/understanding-uniform-guidance-requirement-2-cfr-200-federal-awards">https://www.transportation.gov/grants/dot-navigator/understanding-uniform-guidance-requirement-2-cfr-200-federal-awards</a>
April 2024 2 CFR 200 Revisions Overview	• <a href="https://www.cfo.gov/resources/uniform-guidance/">https://www.cfo.gov/resources/uniform-guidance/</a>
April 2024 2 CFR 200 Revisions Redline	• <a href="https://www.cfo.gov/assets/files/2%20CFR%20Revisions%202024%20Redline.pdf">https://www.cfo.gov/assets/files/2 CFR Revisions 2024 Redline.pdf</a>
OMB 2024 2 CFR 200 Reversion Guides	• <a href="https://www.cfo.gov/assets/files/Uniform%20Guidance%20Reference%20Guides%20FINAL%204-2024.pdf">https://www.cfo.gov/assets/files/Uniform Guidance Reference Guides FINAL 4-2024.pdf</a>

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# Statutory Requirements & Legislation

# Federal Assistance Legislation Overview

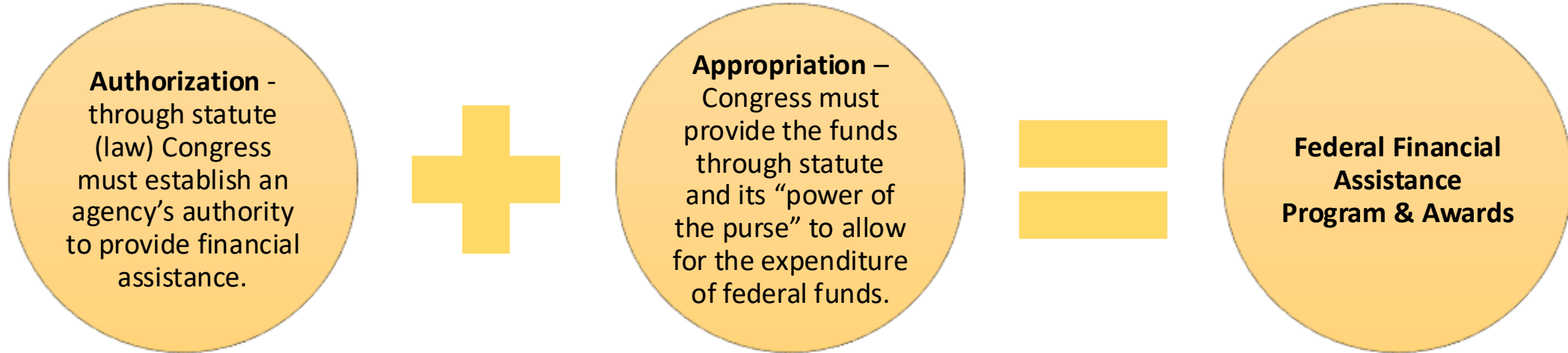
As noted, when discussing the federal assistance framework, federal legislation plays a significant role in directing federal assistance and creating parameters for cross-cutting requirements and individual programs.

Federal assistance is impacted by the following laws:

- **The Federal Assistance Management and Improvement Act** – requires OMB to streamline and simplify application and reporting processes and provide recipients with electronic avenues for conducting business.
- **Civil Rights Statutes** – requires recipients to comply with mandates not to discriminate in federally funded programs or activities as a condition the receiving federal financial assistance.
- **Build America, Buy America** – requires that all of the iron, steel, manufactured products, and construction materials used in infrastructure projects are produced in the United States.
- **Emergency Response and Recovery Acts** – in response to specific conditions, congress may provide additional funding, increase administrative and financial flexibilities, or create new financial assistance programs to address specific needs such as ARRA and the CARES Act.
- **Case Law** – due to the agreement between the federal government and recipients, there are legal decisions that direct requirements.

# Federal Assistance Legislation Overview

Two types of legislation are typically required before a federal agency can provide a federal assistance award:



Individual financial assistance programs are typically created with an authorization statute that establishes the program elements. The actual appropriation of funds is usually established in a separate statute, often with other appropriations. There are some other items to note, however:

- There are times when an appropriation statute may provide additional clarity, direction, or requirements regarding authorizing statutes.
- Some authorizing legislation outlines expected funding amounts for future years, but these amounts still require an appropriation to provide funding.

# Discretionary vs. Formula Awards

## Discretionary Awards

- Grants or cooperative agreements FTA makes to eligible applicants usually through a competitive selection process.
- Eligible applicants vary based on the specific grant program.
- FTA solicits applications and selects projects based on program and applicant eligibility, evaluation criteria, and DOT, FTA or program priorities

## Formula Awards

- Formula grants are not competitive because the funding amount for each recipient is calculated based on specific parameters set by Congress, such as a city's population.
- Funds are distributed to every recipient in a group (such as all 50 states).
- These are also known as federal-aid funds, entitlements, mandatory awards, or formula funds.

# Formula Awards & Pass-Through Requirements

Many formula award programs have states as their recipients. There may also be specific local governments or governmental agencies that are eligible for funds under formula programs when the recipient meets certain qualifying conditions.

Because formula funds are commonly awarded to one entity that then provides sub-awards to other recipients, these organizations become “pass-through” entities and are required to follow specific requirements under 2 CFR 200.331. Some of the requirements include:

Issue formal subawards to all subrecipients that include specific data elements for each award document, subrecipient requirements to ensure compliance with federal requirements and subaward closeout information.

Monitor the activities of subrecipients to ensure compliance including reviewing financial and programmatic reports, correcting deficiencies and issuing management decisions for audit findings.

Use specific monitoring tools to protect federal funds including conduct a risk assessment, provide training & technical assistance on program-related matters, performing reviews, and developing audit procedures.



# FTA Legislation - Authorizing

Congress establishes the legal authority to commence and continue FTA programs through authorizing legislation. Each reauthorization amends the Federal Transit Laws codified in Title 49 USC Chapter 53.

The **Bipartisan Infrastructure Law**, *as* enacted through the Infrastructure Investment and Jobs Act (IIJA), is the most recent authorization for surface transportation programs for Fiscal Year (FY) 2022 through FY 2026.

# FTA Legislation – Appropriations and Other Legislation

Recent appropriation legislation that has impacted FTA financial assistance awards includes:

- **Consolidated Appropriations Act, 2024** – provided FTA with a full-year spending authority
- **National Defense Authorization Act FY 2022** – in addition to providing funding for the Department of Defense, it provided FTA with the authority to transfer real property acquired or improved with Federal assistance, but no longer needed for the originally authorized purpose, to a local governmental authority, nonprofit organization, or other third-party entity if certain statutory criteria are met.



# Legislative Resources

Topic	Resource
Bipartisan Infrastructure Law [Infrastructure Investment and Jobs Act (IIJA)]	<ul style="list-style-type: none"><li>• <a href="https://www.transit.dot.gov/BIL">https://www.transit.dot.gov/BIL</a></li><li>• <a href="#">FTA Announces More than \$14 Billion in Federal Funding to Support Public Transportation Across the U.S.   FTA (dot.gov)</a></li></ul>
National Defense Authorization Act (NDAA) for Fiscal Year 2020	<ul style="list-style-type: none"><li>• <a href="#">Frequently Asked Questions Regarding Section 7613 of the National Defense Authorization Act for Fiscal Year 2020   FTA (dot.gov)</a></li></ul>

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# Federal Agency Implementation

# Federal Agency Implementation

Federal assistance programs are based upon their statutory requirements. Implementation of these requirements is impacted by the policies of the federal agency. To clarify the application process, program framework, and administrative, financial, and oversight requirements, federal agencies use various methods to relay this information.

**Program guidelines** are an agency's opportunity to provide the public, applicants, and recipients relevant information about the federal assistance program and what funded projects should include.

**Program regulations** provide detailed information programs implementation and define many of the recipient's programmatic responsibilities; they may also include details regarding program requirements, performance characteristics, programmatic reporting and evaluation.

**Dear Colleague Letters** are official notifications used to relay specific and targeted information; some agencies use them to announce competitions, better define guidance, or highlight changes prior to updating program guidelines or regulations.

**Notice of Funding Opportunities (NOFO)** are public documents that a federal agency uses to announce its intention to award grants or cooperative agreements, particularly for discretionary programs.



# FTA Regulations and Programs

To effectively monitor awards and federally funded projects, FTA provides recipients with various documents, tools and resources to guide actions. Recipients should review the following links to meet mandated documentation, reporting, and procedures that share program guidance, regulations, Dear Colleague Letters, and more:

- Demonstrating legal, financial, and technical capacity to carry out programs and projects, through [FTA Circulars](#)
- Ensuring compliance with [procurement requirements](#)
- Complying with all applicable [civil rights statutes](#) and implementing regulations
- Complying with applicable [safety](#) and [asset management](#)
- Complying with [Transportation Planning Requirements](#), including Environmental and
- Ensuring [real property requirements](#) are met
- Participating in [oversight activities](#), specifically through the mandated Triennial and State Management Reviews.



# FTA Regulations and Programs Circulars

FTA primary shares its financial assistance administrative and program guidance and requirements through circulars. FTA circulars provide guidance to award recipients and other stakeholders on how FTA awards are administered. Recipients are obligated to maintain compliance with all circulars upon acceptance of any financial assistance from FTA.

FTA just updated its award management and three program circulars in 2024:

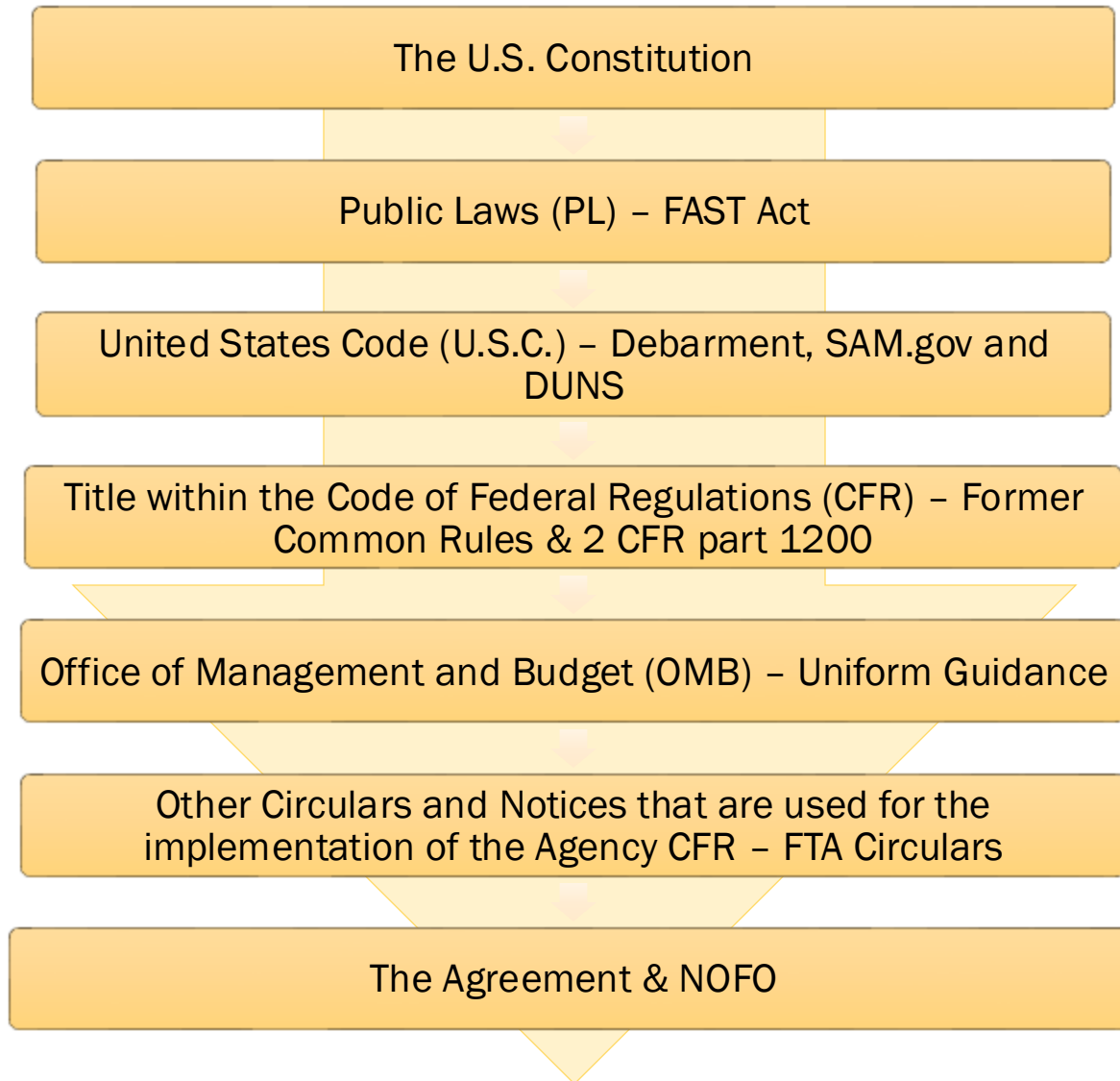
- Incorporate changes made by Department of Transportation legislation, policies, and procedures (i.e., Fixing America's Surface Transportation (FAST) Act, Bipartisan Infrastructure Law (BIL), Infrastructure Investment and Jobs Act (IIJA)).
- Update program information, requirements, definitions, and external references for greater consistency across formula program circulars.
- Provide recipients with direction on program-specific issues and how to comply with statutory and regulatory requirements.
- Consolidate pre-existing cross-cutting guidance from previous FTA program circulars.
- Reduce duplicative information repeated in separate circulars, including adding amendments for consistency and clarification.



# FTA Circulars

Circular	Program	Topic	Title
C 4710.1		Civil Rights	Americans with Disabilities Act Guidance
C 5010.1		Grants Management - General	Grant Management Requirements
C 9300.1	5309	Capital Facilities and Formula Grant Programs	Capital Investment Program Guidance and Application Instructions
C 9070.1	5310	Capital Facilities and Formula Grant Programs	Enhanced Mobility of Seniors and Individuals with Disabilities Program Guidance and Application Instructions
C 4703.1		Environmental Review/Civil Rights	Environmental Justice Policy Guidance for Federal Transit Administration Recipients
C 4704.1A		Civil Rights	Equal Employment Opportunity (EEO) Act Guidance
C 5200.1A		Grants Management - General	Full-Funding Grant Agreements Guidance
C 9500.1		Capital Facilities and Formula Grant Programs	Intergovernmental Review of FTA Planning, Capital and Operating Programs and Activities
C 7050.1 C		Joint Development	Joint Development Guidance
C 8100.1		Planning	Program Guidance for Metropolitan Planning and State Planning and Research Program Grants
C 6100.1	5312, 5313, 5214, 5322	Technology Development and Deployment	Research, Technical Assistance and Training Program: Application Instructions and Program Management Guidelines
C 9040.1	5311	Capital Facilities and Formula Grant Program	Formula Grants for Rural Areas: Program Guidance and Application Instructions
C 5800.1		Safety and Security for Major Capital Projects	Safety and Security Management Guidance for Major Capital Projects
C 4220.1		Procurement	Third Party Contracting Guidance
C 4702.1		Civil Rights	Title VI Requirements and Guidelines for Federal Transit Administration Recipients

# Order of Precedence



With so many different statutes and regulations governing the use of Federal financial assistance, there can be confusion over what requirements take precedence. The order of precedence is related to statutes, regulations, and other requirements which are enforceable to award recipients outlines.

If there is any inconsistency between any of the requirements, this order of precedence should be followed. Lower authorities cannot overrule higher authorities.

# FTA's Agency Implementation Resources

Topic	Source
FTA's Regulations and Programs	<ul style="list-style-type: none"><li>• <a href="https://www.transit.dot.gov/regulations-and-guidance/regulations-and-guidance">https://www.transit.dot.gov/regulations-and-guidance/regulations-and-guidance</a></li></ul>
FTA Circulars	<ul style="list-style-type: none"><li>• <a href="https://www.transit.dot.gov/regulations-and-guidance/fta-circulars/final-circulars">https://www.transit.dot.gov/regulations-and-guidance/fta-circulars/final-circulars</a></li></ul>
FTA Dear Colleague Letters	<ul style="list-style-type: none"><li>• <a href="https://www.transit.dot.gov/regulations-and-guidance/policy-letters/administrator-dear-colleague-letters">https://www.transit.dot.gov/regulations-and-guidance/policy-letters/administrator-dear-colleague-letters</a></li></ul>
FTA's Environmental Policy and Programs	<ul style="list-style-type: none"><li>• <a href="https://www.transit.dot.gov/regulations-and-guidance/environmental-programs/environmental-programs">https://www.transit.dot.gov/regulations-and-guidance/environmental-programs/environmental-programs</a></li></ul>

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# Roles & Responsibilities



U.S. Department of Transportation  
Federal Transit Administration



# Award Management Roles & Responsibilities

## Award Management Roles & Responsibilities

### Recipient

Recipients are responsible for the day-to-day management of their awards. This includes activities throughout the award lifecycle, including identifying and applying for financial assistance, administering award activities and funding, compiling and submitting reports, and award closeout. Recipients must comply with national policy requirements.

### Funding Agency (FTA)

Federal agencies are responsible for obligating and expending federal funds in accordance with the legislative process, within the proper timeframe, and at the stipulated amount through its federal assistance programs. They are also responsible for administering and disbursing federal funds, monitoring awards, confirming recipients establish & follow procedures to comply with Federal requirements, perform oversight & audit functions, and closeout awards.

### Headquarters (HQ) Offices

In general, HQ Offices serve a broad, program-level leadership role in program administration. Additional HQ offices may provide guidance, outline planning requirements, oversight, and monitor financial administration.

### Regional/Metropolitan Offices

Typically, these offices are closest to the recipient and are responsible for the day-to-day administration and monitoring of awards. At some agencies, these offices to conduct administrative and oversight functions only.

# Award Management Roles & Responsibilities

The federal government's federal assistance programs provide funding to promote a common good or serve a public purpose. The grantor (government agency) and the recipient enter into an agreement that seeks to put the public purpose into action with funding.

- Working together on a common thread, the government and recipient can leverage their respective resources to find solutions for the award's identified challenges.
- Working with the government can be a complex, but the formal structures, policies, procedures, and guidance discussed in the grants management framework are built to support a more fairly straight forward method of combining efforts in compliance with requirements.
- Fostering an open working relationship that discusses award progress positively impacts the outcomes.

# Next Steps

**Additional Trainings: Stay tuned to FTA's FY 2024 Circular Launch Page For Upcoming Friday Releases**

## Shared Mailbox

[FTACircularUpdate2024@dot.gov](mailto:FTACircularUpdate2024@dot.gov)

## Resources

### Learn More:

- [Award Management Requirements \(5010\) Proposed Circular](#)
- [Grant Programs for Urbanized Areas: Program Guidance and Application Instructions \(9050\) Proposed Circular](#)
- [Rural Areas Formula Grant Programs \(9040\) Proposed Circular](#)
- [Enhanced Mobility of Seniors and Individuals With Disabilities Program Guidance and Application Instructions \(9070\) Circular](#)

# FTA Mission, Vision, Values



## Mission

Improve America's Communities through Public Transportation



## Vision

A Better Quality of Life for All Built on Public Transportation Excellence

## Values

*Service*

Provide reliable, transparent, responsive, and anticipatory services to meet stakeholder needs

*Integrity*

Commitment to the highest professional and ethical standards

*Innovation*

Foster new ideas, concepts, and solutions for improved outcomes

*Sustainability*

Optimize decisions, resources, and systems to make long-term positive impacts on the environment, infrastructure, and safety

*Equity*

Remove barriers for systemically underserved communities to access all aspects of economic, social, and civic life



# Thank you!

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