PLANNING GRANT ADMINISTRATION

MUMPO

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Overview

- Source of Requirements
  - Key Regulations and Guidance
  - Common Grant Rule
  - OMB Circulars
- General Grant Provisions
- PL Funds
  - Matching
  - Expenditures
  - Documentation
  - Records and Retention

Sources of Requirements

What requirements apply in the use of planning and research grants?

Sources of Planning and Research Funds

- Metropolitan Planning (23 U.S.C. 104(f) and 49 U.S.C. 5303)
- State Planning and Research (23 U.S.C. 505 and 49 U.S.C. 5304)
- National Highway System (23 U.S.C.103(b)(6))
- Surface Transportation Program (23 U.S.C. 133(b))
- Equity Bonus (23 U.S.C. 105 (d)(2))
- Highway Safety Improvement Program (23 U.S.C. 148 (a)(3)(B)(XIV))

Common Grant Rule

49 CFR Part 18

The Common Grant Rule establishes uniform administrative rules for Federal grants and cooperative agreements, and sub-awards to States, local and Indian Tribal Governments.

OMB Circulars

- A-21 cost principles for educational institutions
- A-87 cost principles for State, local and Indian Tribal governments (2 CFR 225)
- A-102 grants and cooperative agreements with State and local governments
- A-110 uniform administrative requirements for grants and other cooperative agreements with educational institution, non-profits and hospitals
- A-122 cost principles for non-profits
- A-132 Audits of States, locals and non-profits

Common Grant Rule

- Implications for States
  - Financial Management
  - Equipment
  - Procurement
  - Sub-grants to local governments

- Federal Funds → States → Locals

49 CFR Part 18

- Subpart A – General
- Subpart B – Pre-award Requirements
- Subpart C – Post-award Requirements
- Subpart D – After-the-grant requirements

Distribution of PL Funds

- All PL funds made available to the MPOs
- Formula developed by State's in consultation with the MPOs and approved by FHWA
- Conduct activities that benefit MPOs
- State's cannot use for grant administration

- State’s must notify MPOs of allocation
- Limited use of PL funds for statewide planning
- Included in UPWP

Funding

- PL funds require a 20% match
- Reimbursements made on requests up to 20% of allowable charges
  - Typically, local funds expended first, followed by request for reimbursement
- Cannot use other Federal funds as match
- Limited use of funds outside MPO area

What’s an Expenditure

Whatever is necessary to carry out transportation planning within the Metropolitan Planning Area as outlined in 23 CFR.

Eligible Expenditures

- Must be eligible under Title 23 U.S.C.
- Necessary and reasonable
- Verifiable from records
- Cost not incurred prior to authorization
- Allowable under applicable cost principles
  - Indirect and in-kind cost pre-approved

In-Kind Contributions

- Must be indentified in UPWP
- Must be pre-approved by FHWA
- Must meet eligibility requirements
- Must occur during contract/grant period
- Must provide supporting documentation

Cost Principles 2 CFR 225 (A-87)

Direct Costs – Costs directly applicable to contract must be determined and appropriately assigned to Federal awards.

Indirect Costs - Indirect costs are those that have been incurred for common or joint purposes.

Indirect Costs - all the cost may not be allocated to a Federal award incurred for common or joint purposes.

Indirect Costs

- Must follow NCDOT's cost allocation plan
- Must be approved by NCDOT prior to UPWP and contract approval

Documentation

- Documentation must be acceptable to FHWA
- Develop a UPWP or simplified statement of work. Can be separate or combined with SPR work program
- Meet NCDOT document requirements

Documentation

Records - financial, programmatic, statistical and supporting documents, etc. which are necessary to support expenditure and reimbursement of Federal funds.

Records

- Financial records – provide the accurate, current, and complete disclosure of all financial activities.
- Accounting records – maintain records which adequately identify the source and application of funds spent on contract.

Records

- Source documentation – data necessary to support records, i.e. cancelled checks, paid bills, payroll, time records, etc.
- Necessary documentation to support in-kind and/or indirect costs.

Retention

- Must retain records for 3-years from the date the last expenditure report is submitted for reimbursement.

Audits

- Non-Federal entities that expend $300,000 ($500,000 for fiscal years ending after December 31, 2003) or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part.
- Non-Federal entities that expend less than $300,000 ($500,000 for fiscal years ending after December 31, 2003) a year in Federal awards are exempt from Federal audit requirements for that year, except records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and General Accounting Office (GAO).