

## **700 - Grant Implementation**

Implementation of the grant agreement may occur only after all prerequisite steps have been satisfactory fulfilled and the FAA formally approves the project for AIP participation.

The process starts with the project planning and project formulation phases. These steps include but are not limited to: ALP approval, environmental clearance, ACIP data sheet submittal, compliance verification, and Benefit Costs Analysis.

During project planning and formulation, the FAA assesses the project for justification, eligibility, reasonableness of cost, and priority assessment. Favorable determinations are recommended for funding under the AIP.

### **Project Initiation Letter (Go Letter)**

Once a project is recommended for funding, the FAA project manager will contact the sponsor to advise them that AIP funding appears favorable for their specific project. This notice, commonly referred to as the "Go Letter", is simply a "heads-up" notice to the sponsor that funding for the project is likely. Upon receipt of this letter, the sponsor should initiate necessary actions, especially long lead items such as consultant selection, in order to obtain definitive project costs.

### **Limitations of Project Initiation Letter**

Sponsors must not construe the project initiation letter as a commitment of Federal funds for the project. The official notification that Federal funds for a specific project are available occurs with the "congressional release" of funds. This purpose of this letter is to advise the sponsor that AIP funding appears favorable for the fiscal year and that sponsor should initiate actions requiring long lead times.

It is important to note that until this release has been made, all actions taken by the sponsor are viewed as a sponsor initiative. Sponsors will thus incur a portion of the project development costs well in advance of the confirmation of Federal funds. Reimbursement of such costs cannot be made until the funds are officially released and a grant agreement is in place.

### **Sponsor Responsibilities**

Upon receipt of the "go letter", the sponsor must coordinate with the FAA to establish an initial project schedule that outlines critical dates such as a date that project bids could reasonably be received. The Sponsor must coordinate any modifications to this schedule with the FAA. The sponsor should also use this notice to verify the current status of their DBE program and their pavement maintenance program.

### **Grants Based on Defined Costs**

Current FAA policy dictates that grant offers be based on defined costs as opposed to estimated costs. Basing grants on defined costs permits the efficient distribution of limited AIP funds. Grants based on estimates have historically resulted in either insufficient funding for a project or excessive funding that is not effectively utilized. As a rule, the FAA will not tender a grant offer to a sponsor until the bids are received thus substantially defining the project budget.

## 710 - Project Application

The submittal of a complete project application is a prerequisite for issuance of a grant offer. A sponsor may submit a project application at any time prior to grant issuance. However, due to current FAA policy of issuing grant offers based on defined costs, we recommended that sponsors submit the project application at the time bids are received for the project. This allows for the submittal of a project application that identifies the actual required Federal shared.

### Grant Application Components:

At this time, the application process involves the submittal of hard copy forms and supporting documentation. Sponsors should be aware that due to e-gov initiatives, significant changes to the grant application process are anticipated in the near future

The project application must be complete in order to be accepted by the FAA. The sponsor shall provide all necessary and required information. The project application must be signed and dated by an authorized official of the sponsor. An original and two copies must be forwarded to the FAA. At this time the application shall consist of the following:

#### **Development, Equipment and Land Grant Applications**

- **SF 424 Cover Sheet:** [MS Word](#) | [PDF](#)
- **FAA Form 5100-100, Part II-IV:** [MS Word](#) | [PDF](#)
  - Item 10 of Part II – Section 10 requires the sponsor to identify all tracts of land for which an interest is held as well as the type of interest that is held. Sponsor's may complete this section or submit the separate certificate of title form to demonstrate property ownership interests. Please avoid general statements such as "no property is being acquired" or "all property is owned by the sponsor"
- **Drug-Free Certification:** [MS Word](#) | [PDF](#)
  - Certification must identify all physical locations of all sponsor's employees involved on the project.
- **Exhibit A Property Map**
  - Not required for Planning and Equipment Projects
  - Sponsor may reference previous Exhibit A property map if no changes have been made. If reference is used, identify date of property map.
- **Sponsor Assurances**
  - [Airport Sponsor Assurances](#) (pdf)
- **Title VI Civil Rights:** [MS Word](#) | [PDF](#)
  - Required for first time grantees

#### **Planning Grant Applications**

- **SF 424 Cover Sheet:** [MS Word](#) | [PDF](#)
- **Planning Grant Application**
  - FAA Form 5100-101, Part II-IV: [MS Word](#) | [PDF](#)
- **Drug-Free Certification:** [MS Word](#) | [PDF](#)
- **Sponsor Assurances**
  - [Airport Sponsor Assurances](#) (pdf)
  - [Planning Agency Assurances](#) (pdf)
- **Title VI Civil Rights:** [MS Word](#) | [PDF](#)
  - Required for first time grantees

**Application Limitations:**

Sponsors should be aware that the FAA is not permitted to unilaterally make upward adjustments in the Federal share requested by the sponsor. If changes in the project budget require an upward adjustment in the requested Federal share, the sponsor will be required to submit an amended project application.

Sponsors should contact the FAA project manager to address any questions regarding the preparation of a project application.

**Application Deadline:**

Each year, the FAA establishes a deadline date for sponsors to notify the FAA of their intent to use their entitlement funds that fiscal year. This deadline date is published as a Federal Register notice in February or March of that fiscal year. Although this date may change slightly from year to year, the typical deadline date is May 1<sup>st</sup>. Sponsors should strive to have their application based on bids submitted by the published deadline date.

## 720 - Sponsor Assurances

When airport owners or sponsors, planning agencies, or other organizations accept funds from FAA-administered airport financial assistance programs, they must agree to certain obligations (or assurances). These obligations require the recipients to maintain and operate their facilities safely and efficiently and in accordance with specified conditions. These obligations are established either in the acceptance of the grant offer or in restrictive covenants to property deeds.

Grant sponsors are advised to retain a copy of the grant assurances for each project accomplished under AIP. Obligations imposed by the grant assurances extend beyond the completion of the project. The duration of these obligations depends on the type of recipient, the useful life of the facility being developed, and other conditions stipulated in the assurances.

Three sets of assurances are available depending on the type of grant.

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### RESOURCES

#### **Sponsor Assurances**

- [Airport Sponsor Assurances](#) (pdf)
- [Noise Compatibility Assurances for Non-Airport Sponsors](#) (pdf)
- [Planning Agency Assurances](#) (pdf)

## 730 - Drug Free Workplace Requirements

In accordance with the Drug-Free Workplace Act of 1988, 41 USC 702-706, grantees must certify to the Federal Agency they will provide a drug free workplace for their employees. This requirement is incorporated into grant agreements by grant assurance C.1.

- Sponsors are required to certify they will be, or will continue to provide, a drug-free workplace in accordance with the Regulation.
- Sponsors are required to identify to the agency the location for the performance of work identified in the grant agreement.

A Drug-Free Work Place certification form has been prepared for sponsors to complete and submit. This certification may be submitted at the time of the project application or at the time of grant execution.

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## RESOURCES

### Forms

- **Drug-Free Certification:** [MS Word](#) | [PDF](#)

## 740 - Title VI Assurance

Title VI states that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." To implement the requirements of Title VI, the Department of Transportation (DOT) issued 49 CFR Part 21, Nondiscrimination in Federally-assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964.

**Beginning in October 1984, the first grant issued** to a sponsor to construct a facility (including runways, taxiways, aprons, etc.) or to purchase land must include the DOT Title VI Assurance, which includes clauses for contracts and subcontracts and requirements for deeds, licenses, leases, permits or similar instruments. Since the assurance under this condition is applicable for the time the airport is in existence, there is no requirement to execute a new Title VI Assurance for that sponsor on subsequent grants.

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## RESOURCES

### Forms

- **Title VI Civil Rights:** [MS Word](#) | [PDF](#)

### Policy

- [49 CFR Part 21](#): Non-Discrimination in Federally-Assisted Programs of the Department of Transportation--Effectuation of Title VI of the Civil Rights Act of 1964

## 750 - Executing the Grant Offer

The issuance and subsequent acceptance of an AIP grant offer represents a legal binding agreement between the Sponsor and the United States of America. The sponsor must be legally, financially and otherwise able to assume and carry out the certifications, representations, warranties, assurances, covenants and other obligations set forth within the grant agreement.

The sponsor must have the legal authority to act as the grantee. Proper execution of a grant agreement requires an opinion from the sponsor's attorney attesting to the sponsor's legal authority to act as a grantee and carry out the responsibilities under the grant agreement.

### Executing the Grant

In order to assure the validity of the grant agreement, the sponsor should use the following procedure when executing the agreement.

1. Upon receipt of the grant offer, the Sponsor should carefully review the terms and conditions set forth in the agreement. The Sponsor should note the date at which the grant offer will expire.
2. The Sponsor's governing body should take appropriate action to formally approve or disapprove acceptance of the grant offer. In the case of co-sponsors, each governing body will need to take appropriate action to formally approve or disapprove the acceptance of the grant offer.
3. Assuming the Sponsor's governing body accepts the grant offer, the Sponsor's authorized representative must sign all copies of the grant agreement.
4. The signature of the authorized representative must be duly attested or notarized
5. Each copy of the agreement must bear the impressed or affixed seal of the sponsor.
6. **After execution of the agreement** by the Sponsor's authorized representative, the Sponsor's attorney must certify that the Sponsor's acceptance complies with state and local law and that it constitutes a legal and binding obligation of the Sponsor.

**NOTE:** If the attorney's certification is dated prior to the execution by the Sponsor's authorized official, the grant execution will be deemed invalid and the agreement will be returned for re-certification by the Sponsor's attorney.

7. Following certification by the attorney, the Sponsor shall accomplish the following:
  - a. Fax a copy of the cover sheet and signature sheet to the FAA project manager
  - b. Mail one copy of the executed agreement with original signatures. The remaining copy is to be retained by the sponsor for their records.

### Reimbursement of Eligible Costs

Sponsors cannot be reimbursed incurred eligible costs until the executed grant agreement is returned to the FAA. The Sponsor typically will be able to make drawdowns on incurred eligible costs within 10 business days of FAA acceptance of the grant.