

# CDL-02-002

INFORMATION: Commercial Driver's License Program (CDL); Calculation of Maintenance of Effort for CDL Grants

January 24, 2002

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Chief, State Programs Division

MC-ESS

Division Administrators  
State Directors

As we concentrate our efforts to improve the effectiveness of the commercial driver's license (CDL) program through the awarding of CDL grants to the States for program enhancements, States must address their responsibility for calculating the maintenance of effort (MOE) as part of the CDL grant criteria.

The Grant Funding Availability for CDL Program Initiatives outlined in attachment A lists national priorities for CDL program improvement plus requirements for grant funding eligibility including State MOE limitations. States are not required to actually compute their CDL MOE in order to apply for grant funding. However, the State must submit the following certification in order to be eligible for a CDL grant:

I (name), (title), on behalf of the State (or Commonwealth) of (State), as requested by the Administrator as a condition of approval of a CDL grant do hereby certify as follows:

The State maintains an aggregate expenditure of funds by the State and its political subdivisions, exclusive of Federal funds, for CDL activities eligible for grant funding, at a level at least equal to the average expenditure for Federal or State fiscal years 1997, 1998, and 1999.

If the grant proposal involves an on-going project that exclusively benefits the CDL program, the MOE may be calculated simply by averaging the amount of funds that were allocated to the CDL activities eligible for grant funding during fiscal years 1997, 1998, and 1999. For example, if the State devoted the following resources to an ongoing CDL program:

1997	\$ 200,000
1998	\$ 400,000
1999	\$ 300,000

Total expenditure \$900,000/3 years  
The MOE is \$300,000 a year.

If the grant proposal involves a project, which could potentially benefit other groups in addition to CDL holders, the States should be given some flexibility in choosing a method of calculating the MOE. Whatever method is used must be clearly explained and documented.

One method of calculating the MOE in situations where a project could benefit both CDL and non-CDL users would be to take a percentage of the State driver licensing agency's personnel budget for the personnel directly involved in the project for a 12 month period, corresponding to the percentage of all licenses issued by the State for a 12 month period that are CDLs. This method assumes, for grant management purposes, that the participant salaries are constant for the three-year period. For example, the State proposes to do computer programming changes, which affect both CDL and non-CDL licenses using a computer manager and 2 computer programmers. The yearly salaries for the three persons directly involved in the project are as follows:

Computer Manager	\$ 70,000
Senior Computer Programmer	\$ 50,000
Junior Computer Programmer	\$ 40,000

The total salary cost per year is \$ 160,000

If 10 percent of the total number of licenses issued by the State during a 12-month period is CDLs, the MOE for the CDL portion of the project is \$16,000. The State Programs Division will consider other MOE calculation methods on a case-by-case basis.

States should be able to document their MOE expenditures if requested to do so by FMCSA Division, Service Center, or Headquarters personnel.

If you have any questions, please feel free to contact Mr. Ronald Finn at (202) 366-0647. Please ensure the appropriate State licensing authority receives this information.

Attachment A

cc:

AAMVA

Eastern Service Center

Southern Service Center

Midwestern Service Center

Western Service Center

FMCSA:MC-ESS: Rfinn,12/5/01

cc:

MC-E, MC-ES, CDL TEAM, MCSAP TEAM

READER, DF-(2.3) **MCSAP FILE**

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