



## **700 - Grant Implementation**

The FAA's offer of a grant agreement cannot occur until the Sponsor satisfactorily fulfills all prerequisite steps. These include

1. FAA approving AIP participation in the project
  - Project work must be eligible per the AIP
  - Project work must be justified.
  - Project located on airport owned property
2. Sponsor establishes that projects costs are allowable
  - Well defined projects costs (i.e. through negotiations or competitive bids, not estimated)
  - Costs allowed per 49 CFR Part 22 (OMB A-87 and 48 CFR Part 31)
  - Procurement per 49 CFR Part 18.36
3. Project establishes conformance to applicable [AIP standards](#) such as
  - Construction Standards (AC 150/5370-10)
  - Design Standards (AC 150/5300-13)
  - Lighting Equipment Standards (AC 150/5340-30)
4. Congressional Notification addressing release of Federal funds

The Sponsor subsequently submits a formal application for Federal assistance using the SF-424 form and associated support documentation. The FAA will review the Sponsor's application for Federal assistance to determine if it is acceptable per the AIP. Subject to a favorable review, the FAA will issue a grant offer that addresses a specific work description (i.e. development, equipment, planning, land etc.) for a stated Federal share amount.

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## **710 - Project Initiation**

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

At the time the FAA recommends AIP funding for a Sponsor requested project, 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 favorable. The FAA's issuance of this letter **does not** constitute a guarantee the Sponsor will receive AIP funding.

The "Go letter" will identify critical target dates for select project tasks such as the submittal of the Construction Safety and Phasing Plan, submittal of project plans and specifications and the receipt of bids. Upon receiving this letter, the sponsor should initiate necessary actions, especially long lead items, in order to obtain definitive project costs by date stated in the letter.

### **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 the Sponsor will receive Federal funds for a specific project occurs with the "Congressional Notification" for the release of funds.

This purpose of the "Go letter" is to advise the sponsor that AIP funding appears favorable for the upcoming fiscal year and that the Sponsor should initiate actions that require long lead times. It is also important to note that until the Congressional notification of funding, the Sponsor shall construe all actions as a sponsor initiative instead of a confirmation of AIP funding.

Sponsors will likely incur a portion of the project development costs well in advance of any confirmation of Federal funds. Sponsors may not seek reimbursement of such costs until a grant agreement is in place.

### **Sponsor Responsibilities**

Upon receipt of the "go letter", the sponsor should take immediate action to initiate tasks necessary for the project. The sponsor should evaluate the initial project schedule identified in the "Go Letter" to determine if they will be able to meet the deadline dates. The Sponsor must coordinate any modifications of this project schedule with the FAA project manager. Significant delays may require adjustments to the project or postponement until the next fiscal year.

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

Current FAA policy requires the FAA Project Manager base grant offers on defined project costs as opposed to estimated costs. Establishing grant offers based upon defined costs permits the efficient distribution of limited AIP funds. Conversely, basing grant offers off estimates have historically resulted in insufficient funding or excessive funding for a project. Having excessive funds within a grant agreement represents inefficient utilization of limited AIP funds.

As a rule, the FAA will not tender a grant offer to a Sponsor of a development project until they receive competitive bids thus substantially defining the project budget.



## 720 - Project Application

The Sponsor's submittal of a complete project application is a prerequisite for issuance of a grant offer. Sponsors may submit a project application at any time. However, due to the current FAA policy of issuing grant offers based upon defined costs, we recommended that Sponsors submit the project application only after they receive bids for the project. This allows the Sponsor to submit a project application that addresses the actual required Federal shared. The FAA Project Manager cannot make any upward amendment of Sponsor's previously submitted application.

### Grant Application Components:

At this time, the application process involves the submittal of hard copy SF-424 form along with supporting documentation. Sponsors should note that in the near future current, e-Gov initiatives will likely result in significant changes to the grant application process.

In order to be acceptable to the FAA, a Sponsor's project application must be complete, including all required information and attachments. An authorized official of the Sponsor must sign and date the SF-424. The Sponsor shall submit one original and two copies to the FAA project manager. The application requirements for the various project types are as follows:

#### Development, Equipment and Land

- **SF 424 Cover Sheet:** [MS Word](#) | [PDF](#) (Updated 2/8/11)
- **FAA Form 5100-100, Part II-IV:** [MS Word](#) | [PDF](#)
  - Item 10 of Part II – Section 10 requires the Sponsor identify all tracts of land for which they hold a property interest in connection with the Airport. The Sponsor must also identify the date of the associated Exhibit A property map.
  - Sponsors shall avoid general statements such as “no property is being acquired” or “all property is owned by the sponsor”. The sponsor may reference the current “Exhibit A” property map by date and provide it as an attachment to the application.
  - In lieu of completing this section, sponsor may prepare and submit a separate “certificate-of-title” form that identifies are tracts and demonstrates property ownership interests they hold.
- **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 Vehicle Equipment Projects
  - Sponsor may reference a previous Exhibit A property map if they can demonstrate that no changes have occurred since last exhibit A map. If reference is used, identify date of current property map.
  - The Exhibit A map represents a snapshot of the Sponsor's current property interests. Note that the exhibit A property map serves a different purpose than the Airport Layout Plan 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](#) (Updated 2/8/11)
- **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:**

We caution sponsors that the FAA cannot make any unilateral upward adjustment to the Federal share as requested by the sponsor. If changes in the project budget require an upward adjustment in the requested Federal share, the Sponsor must submit an amended project application to reflect the revised Federal share. We encourage Sponsors 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 for that fiscal year. The FAA will publish this deadline date as a Federal Register notice sometime in January or February 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 submit their application based on received bids by this published deadline date. Sponsors that fail to meet this published date may result in postponement of their project until the following fiscal year.



## 730 - Sponsor Assurances

When airport owners or sponsors, planning agencies, or other organizations accept funds from a FAA administered airport financial assistance program, they must agree to certain obligations (or assurances). These obligations require the recipients to maintain and operate their facilities in a safe and efficient manner and in accordance with specified conditions. Sponsors incur these obligations by accepting a grant offer or through restrictive covenants to property deeds.

We advise AIP Sponsors to retain a copy of the grant assurances for each project they accomplish under a federally assisted program. Certain obligations imposed by the grant assurances will extend beyond the completion of the project work. The duration of these obligations depends on the type of recipient, the useful life of the facility under development and other conditions as stipulated in the assurances.

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

### Resources

#### Sponsor Assurances

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



## 740 - 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 established by assurance C.1. of the grant agreement

- Sponsors must certify they will be, or will continue to provide, a drug-free workplace in accordance with the Regulation.
- Sponsors must identify to the agency the location(s) for their employee's performance of work as identified by the work description of the grant agreement.

### Certification Format and Submittal

For the convenience of the Sponsor, we have prepared a form for the [Drug-Free Work Place certification](#). We request that Sponsors submit this certification along with their project application.

### Causes for Rejection

In order to be acceptable, a Sponsor's project application must be complete. An authorized official of the Sponsor must sign and date the application. Some causes for rejection include the following:

- Failure to identify the project information
- Failure to indicate a response for each certification statement
- Failure to identify all appropriate locations for performance of work
- Failure to **sign** and **date** the certification

### Resources

#### Forms

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



## 750 - 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."*

In implementing 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.

### 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



## 760 - 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 understand the terms and conditions of the grant agreement, the sponsor should use the following procedure when executing a grant 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 FAA's offer of a grant will expire.
  - **Do not add, delete, or otherwise alter any part of the FAA's offer.** Such modification will automatically void the FAA's offer of assistance.
  - Sponsors with specific questions about the terms and conditions of the agreement should contact the FAA Project Manager to discuss the concern.
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, a Sponsor's authorized representative must sign **all** copies of the grant agreement.
4. The Sponsor must duly attest or notarize the signature of the authorized representative.
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 Sponsor's attorney dates the certification 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:
  - Fax or email a pdf copy of the signed grant agreement to the FAA Project Manager. This initial submittal only requires the cover sheet through the signature sheet
  - Mail one copy of the executed agreement with original signatures. This submittal must include all attachments to the original offer.
  - The Sponsor shall retain one copy for their records.

### Reimbursement of Eligible Costs

Sponsors should note that they cannot seek reimbursement of incurred eligible costs until the executed grant agreement is returned to the FAA. Upon receiving the executed grant, the FAA will evaluate the Sponsor's acceptance of the agreement. If acceptable, the FAA will initiate the process to enter the agreement into the FAA accounting system. The Sponsor typically will be able to make drawdowns on incurred eligible costs within 10 business days of FAA acceptance of the grant.