

April 28, 2016

Carolyn Flowers  
Acting Administrator  
Federal Transit Administration  
United States Department of Transportation  
1200 New Jersey Avenue SE  
Washington, DC 20590

Re: Awards Management Requirements: Proposed Circular (FTA-2015-0030)

The American Association of State Highway and Transportation Officials (AASHTO) is pleased to provide comments on the Federal Transit Administration's (FTA) "Awards Management Requirements" proposed circular, notice of which was published in the Federal Register on February 29, 2016. Representing all 50 States, the District of Columbia, and Puerto Rico, AASHTO serves as a liaison between State departments of transportation (DOT) and the Federal government.

While the new Awards Management Requirements circular is considerably more definitive and detailed than the current Grants Management Requirements circular, it generally reflects the language of FAST and/or current FTA practice. AASHTO has several minor questions and comments (which are at the end of this letter) but we also want to use this opportunity to reach out to FTA on a "big-picture" issue regarding FTA's approach to the grant application process as described below.

This circular, in particular the "Administration of the Award" chapter, is based on FTA's long standing approach of detailed grant applications and reporting to FTA as grant funds are being expended. AASHTO strongly believes FTA should use this circular to set forth a less detailed grant application/tracking process for those funds that are apportioned directly to the state and for which the state is the applicant on behalf of a group of subrecipients, i.e., the funds apportioned to State DOTs under Sections 5311, 5310 and 5339.

AASHTO envisions a grant making process whereby a state may start awarding funds to its subrecipients for routine projects almost immediately after publication of the federal register for that fiscal year's apportionments. (By routine projects we mean replacement of vehicles and equipment that have reached their useful life and operating assistance payments to subrecipients.) Details on how the funds were expended would be reported to FTA at grant close-out. Confirmation that the state is allocating and expending the funds consistent with federal regulations would be part of the existing state review processes.

The underlying principle for this recommendation is simple. AASHTO has consistently recommended that FTA deliver and oversee the Section 5311 and 5310 programs at the recipient, not subrecipient, level. For example, in our recent comments on the draft asset management and safety plan requirements, AASHTO strongly recommended FTA allow the states to approach these new planning requirements with statewide plans for its subrecipients rather than requiring individual subrecipient plans. In commenting on FTA's National Transit Database (NTD) proposal released last November, AASHTO advocated for reporting at the recipient, not subrecipient level, for Section 5310 assets. Following this same principle, we believe FTA should approach "Administration of the Award," at a recipient level, thereby giving states more flexibility to define (and as needed redefine) the specific projects for each subrecipient over the course of a grant. AASHTO has raised this specific issue before. In AASHTO's comments on the draft "Formula Grants for Rural Areas: Guidance and Application Instructions", we asked FTA to consider a more responsive grant making process for Section 5311 funds that is cognizant of the state's role and responsibilities as the grant recipient.

As further support for our request we point to the FAST Act. In FAST, Congress recognized the need for expedited project delivery by requiring a new Capital Improvement Grant Pilot Program (CIG). CIG is a program that impacts a handful of urban transit providers each year for what could very well be the most complex projects that FTA funds. At the same time, FTA's long standing grant application processes, including those codified in this circular, for routine expenditures throughout the rural areas of the country remain time consuming. For the most simple transit capital projects, FTA, the states and thousands of subrecipients are committing scarce staff resources to the "Administration of the Award" (i.e., application, reporting, modifications and closeout) that could instead be focused on the "Management of the Award" (i.e., management, use, maintenance and disposition of the capital investments, including asset management and safety).

Therefore, AASHTO strongly recommends FTA consider revisions throughout the circular that would lay out the foundation for a less burdensome "Administration of the Award" process for those funds awarded to the states on behalf of its subrecipients. AASHTO is fully prepared to work with FTA to craft language that could be added to this circular that will allow FTA to innovate their grant making process while maintaining FTA's authority to review and confirm that the programming decisions are consistent with federal law and regulation.

We appreciate the opportunity to provide these comments. If you would like to discuss the issues raised in this letter, please contact Shayne Gill, AASHTO's Program Director for Multimodal Transportation at (202) 624-3630.

Sincerely,



Paul Trombino III  
President, American Association of State Highway and Transportation Officials  
Director, Iowa Department of Transportation

## DETAILED COMMENTS

### **Rolling Stock Rebuilding Policies (IV-26)**

In regards to rolling stock rebuilding policies, AASHTO requests that mileage should be considered in addition to the age of the vehicle.

### **Change Order Definition (Page III-3)**

Please provide a definition of this term on this page or in the Definitions and Acronyms section. This term may be understood in several different ways and should be defined as FTA understands it.

### **Reports and Other Materials Produced by the Recipient (Page III-3, Section g.)**

More information is needed as to when and in which “reports, presentations, and other products resulting from FTA sponsorship reports” must contain the disclaimer notice.

### **Layout and formatting suggestions for easier use of the document:**

- It would be extremely helpful if, when there are references to external documents throughout the Circular, a hyperlink were included (i.e. to FTA’s website) for additional information.
- Hyperlink the Table of Contents to automatically link to the appropriate section
- Throughout the document, it appears that the standard for writing the word *Federal* with a capital letter has been changed to writing it non-capitalized – *federal*. This has not been done consistently throughout the document.
- On Page III-9 Section (2) Uniform Report of DBE Awards or Commitments and Payments, To be consistent with other subsections, the title of (2) should be underlined. Additionally, there are repetitive phrases/sentences in the middle of the section:

*(b) Uniform Report of DBE Awards or Commitments and Payments. Recipients for which this part apply are required to submit the Uniform Report of DBE Awards or Commitments and Payments (the Semi-Annual Report) by June 1 and December 1 of each year in FTA's Electronic Awards Management System.*

*By June 1, the recipient must report on all FTA-funded contracts awarded and/or completed and on ongoing DBE activity for the first half of the federal fiscal year - October 1 to March 31.*

*By December 1, the recipient must report all FTA- funded contracts awarded and/or completed and on contracts awarded and/or completed and on ongoing DBE activity for the first half of the Federal fiscal year - October 1 to March 31.*

*By December 1, the recipient must report all FTA- funded contracts awarded and/or completed and on ongoing DBE activity for the second half of the Federal fiscal year - April 1 to September 30.*

- The entire section, MODIFICATIONS TO THE AWARD (beginning on page III-12, with b. Award Budget Revisions) is mis-numbered. For instance, it should begin with a., not b.; Administrative Amendments should be labeled b., not (6); Amendments to Awards should be labeled c., not (8) at so forth. This mis-numbering continues to page III-17