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COMMISSION

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## *Memorandum*

TO: Transit Finance Working Group

DATE: November 4, 2009

FR: Anne Richman

RE: American Recovery and Reinvestment Act Update

### **Upcoming Deadlines**

As a reminder, a number of regional deadlines are approaching for ARRA grants, summarized below.

#### Transit Formula Funds:

- November 30: Transit System Preservation projects must be under contract, unless a specific extension has been granted by the MTC Commission.

#### FHWA Flexed Funding for Transit (\$15.3 million)

- November 30: funds must be in an obligated grant
- June 30, 2010: projects must be under contract

Agencies that anticipate having difficulty meeting these deadlines are urged to contact MTC staff as soon as possible. The Federal deadline for obligating all ARRA funds is March 2, 2010; funds not in an executed grant by that time will be redistributed by FTA/FHWA to complying regions of the country.

### **FY10 Certifications and Assurances**

The FY10 FTA Certifications & Assurances were published in the Federal Register on October 19<sup>th</sup>. For any grants that were not executed prior to the TEAM system shutdown in September, FTA will not award the grant until the grantee completes the FY10 Certifications and Assurances. Operators with grants still in process who have not yet completed this documentation are urged to do so, so as not to contribute to any delay in grant awards.

### **FTA Guidance on Grant Amendments**

Following is information from the FTA Economic Recovery web site regarding the conditions under which FTA will allow ARRA grant amendments (from [http://www.fta.dot.gov/index\\_9440\\_9327.html](http://www.fta.dot.gov/index_9440_9327.html), dated 10-27-09):

***Question:***

***Under what circumstances will FTA allow grant amendments and budget revisions to ARRA grants?***

***Answer:***

*Prior to September 30, 2010, FTA will allow amendments to ARRA grants under the following circumstances:*

- *To add previously unobligated ARRA resources to a grant;*
- *To allow up to 10% of ARRA funds to be used for operating assistance, and*
- *To allow the addition of a new scope that will be funded using cost savings from bids coming in under the previous estimate.*

*FTA will allow budget revisions to ARRA grants under the following circumstances:*

- *Any budget revision that does not require prior FTA approval per 5010.1D;*
- *To add an activity line item that will be funded using cost savings from bids coming in under the previous estimates.*

**Note:** *Where a budget revision or amendment is being added as a result of cost savings, documentation should be included in the TEAM grant file. Additionally, in order for adherence to these procedures to be accurately reflected in the grant records, budget revisions and grant amendment activities should be separate actions. Please do not combine them in a single amendment.*

Operators should contact their FTA grant representatives to discuss individual amendment requests, and should notify MTC of any amendments that are being considered.

### **Update to Commission**

MTC staff intends to take an ARRA update to the Commission in December, showing progress against the regional deadlines, and presenting for approval the various revisions that have been requested by operators in the last few months (i.e. shifting funds between projects, etc.). Please provide information to Glen Tepke or Anne Richman on any further revisions before November 13 so that changes can be incorporated into this update.

Thank you for your continued efforts on the ARRA programs. Please contact Anne Richman [arichman@mtc.ca.gov](mailto:arichman@mtc.ca.gov) or Glen Tepke [gtepke@mtc.ca.gov](mailto:gtepke@mtc.ca.gov) with questions.