U.S. Department
of Transportation

Federal Transit Administration

CIRCULAR

FTA C 6100.1D

DATE: May 1, 2011

Subject: RESEARCH, TECHNICAL ASSISTANCE AND TRAINING PROGRAMS: APPLICATION INSTRUCTIONS AND PROGRAM MANAGEMENT GUIDELINES

1. PURPOSE. This circular is a re-issuance of guidance on application procedures and project management responsibilities for FTA's National Research Programs. This revision incorporates provisions of the Safe Accountable Flexible Efficient Transportation Equity Act: A Legacy for Users (SAFETEA–LU), as amended, Pub. L. 109-59 and Pub. L. 110-244 and includes the most current guidance for the Federal public transportation program as of the date of the publication.

   These requirements are intended to assist recipients in administering FTA-funded projects and in meeting federal assistance responsibilities and reporting requirements. Recipients have a responsibility to comply with regulatory requirements and to be aware of all pertinent material to assist in the management of federal assistance.

2. CANCELLATION. This circular, when final, will cancel FTA Circular 6100.1C, "Transit Research and Technology Programs: Application Instructions and Program Management Guidelines," dated 5-2-2003.

3. AUTHORITY.

   a. Federal Transit Laws, codified at 49 U.S.C. Chapter 53.

   b. 49 CFR 1.51.

4. WAIVER. FTA reserves the right to waive any provision of this circular to the extent permitted by federal law or regulation.

5. FEDERAL REGISTER NOTICE. In conjunction with publication of this circular, a *Federal Register* notice was published on April 04, 2011 (76 FR 18624), addressing comments received during the development of the circular.

6. AMENDMENTS TO THE CIRCULAR. FTA reserves the right to update this circular to reflect changes in other revised or new guidance and regulations that undergo notice and comment without further notice and comment on this circular. FTA will post updates on our website: http://www.fta.dot.gov. The website allows the public to register for

Distribution: FTA Headquarters Offices (T-W-2)
FTA Regional Offices (T-X-2)

OPI: Office of Research, Demonstration and Innovation notification when FTA issues *Federal Register* notices or new guidance. Please visit the website and click on "sign up for e-mail updates" for more information.

7. ACCESSIBLE FORMATS. This document is available in accessible formats upon request. To obtain paper copies of this circular as well as information regarding these accessible formats, telephone FTA's Administrative Services Help Desk, at 202-366-4865. Individuals with hearing impairments may contact the Federal Relay Service at 800-877-8339 for assistance with the call.

Original signed by Therese McMillian for
Peter Rogoff
Administrator

6100.1D RESEARCH, TECHNICAL ASSISTANCE AND TRAINING PROGRAM CIRCULAR

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PROJECT ADMINISTRATION

1. OVERVIEW. This chapter discusses the mechanics and requirements for post-award project administration. Financial management requirements are described in Chapter V of this circular. The following sections emphasize the requirements associated with administering and managing a federally assisted project after the Cooperative Agreement, Grant Agreement, or Other Agreement has been awarded and executed in FTA's Transportation Electronic Award and Management (TEAM) system.

2. APPLICATION PROCESS. FTA provides a streamlined electronic interface between recipients and FTA that allows complete electronic application submission, review, approval and management of all FTA-assisted projects. This is done through a Web-based electronic system, commonly known as TEAM or TEAM-Web. Among other things, recipients apply for federal assistance, inquire about the status of projects, file the required financial status and milestone progress reports and submit annual Certifications and Assurances in TEAM. The TEAM User Guide can be found at FTA's website in the "Grants and Financing" section under "Apply for and Manage Grants" located at: http://ftateamweb.fta.dot.gov/static/userguide.html.

3. PROJECT IDENTIFICATION. The recipient understands and agrees that each tangible product resulting from National Research Program projects shall contain or include an appropriate sign, designation or notification stating that the project has been financed with federal assistance provided by the DOT/FTA. Unless determined otherwise in writing from the FTA, this requirement applies to all equipment, prototypes, construction, reports, data, software, internet pages, or any similar items produced in the course of the Grant Agreement or Cooperative Agreement for the project that are part of the project's deliverables visible to the public, or are made available to other research organizations or public transportation providers. Reports must also include the disclaimer described in Chapter IV, Subsection 4g.

4. REPORTING REQUIREMENTS. Once a project is active, a recipient will be subject to one or more of the following types of post-award reporting requirements, several of which can be accomplished using TEAM. The reporting requirements may vary depending on the size of the recipient, the type and amount of federal assistance a recipient receives, or the federal interest in the project. Unless otherwise permitted in writing, quarterly reporting is required. Please contact the administering office if there are questions regarding the applicability of the following reporting requirements.

    a. Financial and Progress Reports. FTA uses the Federal Financial Reports (FFRs) and Milestone Progress Reports (MPRs) to evaluate several elements of the project's status, such as the extent to which:

        (1) The purposes of the project are being achieved;

(2) The project is progressing on time and within budget;

(3) The recipient is demonstrating competence and control in implementing the project;

(4) The project meets all program requirements; or a problem is developing which may require FTA resources to resolve.

FTA monitors project activities to ensure proper recipient stewardship of federal assistance and compliance with the laws and regulations that govern its federal assistance programs. FTA also must be able to report on program results, industry trends and its own oversight responsibilities. The information FTA needs for program forecasting, management and reporting is furnished through FFRs and MPRs submitted by recipients about significant events, relevant project activities and any changes to or variances in the project schedule or budget.

FTA staff is available to meet with recipients to agree on the appropriate level of reporting detail and formats for reporting in TEAM. This will ensure that FTA has the information needed to manage its overall program.

All recipients should report significant developments or changes as they occur during the year, including any problems, delays or adverse conditions that may materially impair their ability to meet the objective of the award, as well as any favorable developments that may enable meeting time schedules and objectives sooner or at a cost substantially less than expected in FFRs.

If necessary, attachments can accompany FFRs and MPRs by using the "paperclip" feature in TEAM.

FTA may withhold payment for failure to submit either FFRs or MPRs in a timely manner. In individual cases, FTA may grant extensions of report due dates for good cause.

Report due dates and additional information about the Federal Financial Reports, FFRs and MPRs are described below in subsection b. Please contact the administering office for questions regarding any of these reports.

b. Report Due Dates.

(1) Quarterly Reports. - FFRs and MPRs. These reports are due to FTA within 30 days after the end of each quarter, for example, by January 30, April 30, July 30, and October 30.

(2) Final Reports. Final FFRs and MPRs are due 90 calendar days after the expiration or termination of the project.

c. Federal Financial Report. A recipient must submit an FFR for each active Cooperative Agreement, Grant Agreement or Other Agreement it has executed. The requirement for an FFR applies to all FTA-assisted projects covered by this circular. The FFR accompanies the MPRs (described below in subsection d) and is used to monitor project funds. The purpose of the FFR is to provide a current, complete and accurate financial picture of the project. This report is submitted electronically in the Federal Financial Report section of TEAM and must be prepared on the accrual basis of accounting; that is, income is recognized when earned instead of when received and expenses are recognized when incurred instead of when paid. FTA does not allow the FFR to be prepared in the cash method of accounting. A recipient may keep its books on the cash basis during its accounting year. If this is the case, at the submission of the FFR, the recipient must prepare the necessary accruals and submit the FFR on the accrual basis of accounting.

The FFR must comply with the following requirements:

(1) All financial facts (for example, expenditures and obligations) relating to the scope and purpose of each financial report and applicable reporting period should be completely and clearly displayed in the reports.

(2) Reported financial data should be accurate and up to date. The requirement for accuracy does not rule out inclusion of reasonable estimates when precise measurement is impractical, uneconomical, unnecessary or conducive to delay.

(3) Financial reports should be based on the required supporting documentation maintained in the recipient's official financial management system that produces information which objectively discloses financial aspects of events or transactions.

(4) Financial data reported should be derived from accounts that are maintained on a consistent, periodic basis; material changes in accounting policies or methods and their effect must be clearly explained.

(5) Reporting terminology used in financial reports to FTA should be consistent with receipt and expense classifications included in the latest approved project.

(6) The FFR screen in TEAM consists of three tabs: Summary, Financial Status and Remarks, and Certification.

(7) The Summary Tab:

(a) *Employer Identification Number (EIN)* – Enter the EIN. The EIN is also known as a federal tax identification number.

(b) *Work in Progress/Submit Report* – Select "Work in Progress" or "Submit Report." Select "Work in Progress" to prepare the report. Once the report is complete and ready for submission, select "Submit Report."

(c) *Report Type* – Select whether the report is quarterly, monthly, annually or other.

(d) *Period* – Enter the reporting period from the drop-down menu.

(e) *Final Report?* – Enter if the report is final or not. In the drop-down menu select, "Yes, Final Report" or "No, Not Final Report." The report will be final if all the activities in the grant are completed, the funds are drawn down, there are no unliquidated obligations and the milestones are closed. Once the final report is submitted, the grant is ready for closeout. Please notify your regional program manager.

(f) *Indirect Expense* – If a recipient is charging indirect costs to the project, complete this section. Enter total amount of indirect expenses incurred on a cumulative basis. Please note that a recipient must have an approved Cost Allocation Plan in order to incur these expenses.

1 Type – Enter indirect expense type from the drop-down menu.
2 Rate – Rate approved by the cognizant agency.
3 Base – Total base amount from which the indirect cost rate is determined.
4 Period from / Period to – The period covered by the approved rate.
5 Amount Charged – Total amount of indirect expenses charged to the project on a cumulative basis.
6 Federal Share – Federal share of the indirect expenses charged.

(8) The Financial Status Tab – The information in this section is on a cumulative basis, except for the three expenditures lines (lines F, G and H).

(a) *Line A - Federal Cash on Hand* at beginning of period –Any cash on hand at the beginning of the project. In most instances, this line will be zero.

(b) *Line B - Federal Cash Receipts* –The cumulative amount of actual cash received from FTA for this project as of the reporting period end date. Report this amount on a cash basis.

(c) *Line C - Federal Cash Disbursements* – The cumulative amount of federal funds disbursed as of the reporting period end date. Disbursements are the sum of actual cash disbursements for direct charges for goods and services, the amount of indirect expenses charged to the project, and the amount of payments made to sub-recipients and contractors. Report this amount on a cash basis.

(d) *Line D - Federal Cash on Hand at End of Period* –The sum of lines A + B – C, populated by TEAM. If there is cash on hand at the end of the period, FTA requires an explanation in the remarks and certification tab, explaining why the drawdown was made prematurely or other reasons for the excess cash.

(e) *Line E - Total Federal Funds Authorized* –The total amount of all federal funds in the project including amendments. TEAM populates this field.

(f) *Line F - Federal Share of Expenditures* –The amount FTA will participate in the total project costs. You can enter this information in either the "This Period" section or the "Cumulative" section, however, do not enter in both sections. Expenditures are the total project costs (less any rebates, refunds or other credits) incurred on the accrual basis of accounting. Examples of expenditures are: (1) the sum of cash disbursements for direct charges for property and services; (2) the amount of indirect expense incurred; and (3) net increase or decrease in accounts payable or accrued expenses.

(g) *Line G - Recipient Share of Expenditures* – Of the total project costs, enter the amount the recipient will pay of the total project costs. You can enter this information in either the "This Period" section or the "Cumulative" section, however, do not enter in both sections. Enter the recipient share of actual cash disbursements (less any rebates, refunds or other credits) including payments to sub-recipients and contractors. This amount may include the value of allowable third-party in-kind contributions. Note: On the final report, this line should be equal to the total recipient share required (line N). Report this amount on an accrual basis.

(h) *Line H - Total Expenditures* – The total of all expenditures (total project costs) as of the end of the reporting period. TEAM populates this field – lines F + G.

(i) *Line I - Federal Share of Unliquidated Obligations* –The federal portion of unliquidated obligations (binding commitments entered into for goods and services not yet received). On the final report, this line should be zero. Report this amount on an accrual basis. Examples of unliquidated obligations are: (1) signed contracts for purchase of equipment when delivery has not yet occurred, (2) contracts for services not yet rendered, (3) open purchase orders, and (4) contract retention.

(j) *Line J - Recipient Share of Unliquidated Obligations* –The local share of unliquidated obligations.

(k) *Line K - Total Unliquidated Obligations* – The total of recipient binding commitments entered into for goods and services not yet received. TEAM populates this field – lines I + J.

(l) *Line L - Total Federal Share* – The total FTA is expected to contribute to the total project costs. This is the sum of federal share of expenditures (line F) and federal share of unliquidated obligations (line I). TEAM populates this field – lines F + I.

(m) *Line M - Unobligated Balance of Federal Funds* – The federal share of the project for which the recipient has not entered into a binding commitment. TEAM populates this field – lines E to L.

(n) *Line N - Total Recipient Share Required* –The total required recipient share for the Cooperative Agreement, Grant Agreement, or Other Agreement including amendments. The required recipient share should include all matching and cost sharing provided by recipients and third-party providers to meet the level required by FTA. TEAM populates this field.

(o) *Line O - Remaining Recipient Share to be Provided* – The total recipient share required (line N) minus the sum of recipient share of expenditures (line G) and the recipient share of unliquidated obligations (line J). TEAM populates this field.

(p) *Line P - Federal Program Income on Hand at the Beginning of the Reporting Period* –Any unspent federal program income on hand at the beginning of the project. In most instances, this line will be zero.

(q) *Line Q - Total Federal Program Income Earned* –The amount of federal program income earned as of the end of the reporting period. Program income is: (1) gross income received by the recipient or sub-recipient directly generated by a project supported activity, or (2) earned only as a result of the Cooperative Agreement, Grant Agreement, or Other Agreement during the project period. Examples: income from (1) fees for services performed, (2) fees for the use or rental of real or personal property acquired with project funds, (3) the sale of advertising and concessions, and (4) the sale of commodities or items fabricated under a Cooperative Agreement, Grant Agreement, or Other Agreement. Program income is not: (1) interest on project funds; (2) rebates, credits, discounts, refunds, etc. and interest earned on any of them; or (3) sale of assets. (Proceeds from the sale of real property or equipment will be handled in accordance with the requirements of §§ 49

CFR Sections 18.31 and 18.32 or 49 CFR Sections 19.32 and 19.34, as applicable.)

(r) *Line R - Federal Program Income Expended in Accordance with the Deduction Alternative* –The amount of program income that was used to reduce the federal share of the total project cost. **Only to be used if the recipient does not exercise the provisions of the common rule at 49 CFR paragraph 18.25(g)(5).** As a rule of thumb, this field is zero.

(s) *Line S - Federal Program Income Expended in Accordance with the Addition Alternative* – FTA does not allow this method; this field is zero.

(t) *Line T - Federal Program Income Expended on Allowable Transit Capital and Operating Expenses* –The amount of the federal program income earned that the recipient is allowed to spend on allowable transit capital and operating expenses as provided in the common rule at 49 CFR Paragraph18.25(g)(5) or 49 CFR Section 19.24.

(u) *Line U - Unexpended Federal Program Income* – TEAM populates this field.

(9) The remarks and certifications tab:

(a) *Recipient Remarks* – This box is for the recipient to provide comments and provide any explanations or information deemed necessary for the review of the report.

(b) *Certification checkbox* – Before submitting the report, check the certification box. Please note the certification language. The name of the TEAM user and the date is automatically populated.

(c) *FTA Remarks* – This box is for the FTA reviewer to provide comments for both the FFR and MPR. Once FTA completes the review of the data, the reviewer will enter any comments in this box. The reviewer will contact the recipient by email if FTA added comments.

d. <u>Milestone Progress Reports</u>. MPRs must be submitted for all active projects executed by the recipient and covered by this circular. The MPR is the primary written communication between the recipient and FTA.

All recipients must complete the basic summary tab of the milestone progress report section of TEAM and either complete the milestone progress tab or attach a quarterly narrative report as directed by the FTA project manager. Procedures for submitting

MPRs are described in the TEAM User Guide and are available from the FTA administering office.

Normally a quarterly narrative report is required for research projects as it permits the inclusion of more technical information as well as charts or photos. For projects funded by multiple agreements, the recipient may submit one quarterly narrative report for the entire project with prior approval of the FTA project manager. A copy must be attached for each agreement in TEAM.

The information provided in these reports should be as complete as possible, highlighting progress toward project objectives and any potential problem areas.

At a minimum, each quarterly narrative report should address the following:

(1) A summary narrative on task elements and milestone status of project activities during the reporting period, including a comparison of actual accomplishments to the objectives established for the period. Accomplishments should include items such as:

(a) Significant results and major work tasks started, completed or documented.

(b) The percent of the budget expended by task, if appropriate. Where possible, accomplishments should be related to expenditures for the same period.

(c) An activity schedule (bar chart or critical path exhibit) in each quarterly report.

(d) Expenditures incurred by each task by ALIs so that it matches with any financial report submitted to the FTA project manager;

(2) Reasons why any project objectives are not being met, identifying problem areas and the planned approach to resolve the problems;

(3) Significant events affecting the progress of the project, both positively and negatively;

(4) Whether the project is within the approved budget. If a cost overrun appears likely, explain the reason for the overrun and the measures taken to complete the project within budget, such as modifying or curtailing the scope of the project or securing additional financing from sources other than FTA. **NOTE:** Since the recipient agreed to carry out the project within a specific budget, reducing the scope of a project may require renegotiating downward the project budget and federal share;

(5) Whether the project is on schedule. If the project completion date will be delayed, indicate the steps taken to:

(a) Bring the project back on schedule; or

(b) Adjust other activities that may depend on project completion;

(6) Projected activities for the next quarter and steps anticipated in carrying them out; and

(7) Estimated completion dates, percent completed and funds required for completion.

A sample format for quarterly narrative reports is located in Appendix B of this circular. Depending on project complexity, at its discretion, FTA may also request other special reports or quarterly project management meetings.

e. Reports of Significant Events. Unforeseen events that impact the schedule, cost, capacity, usefulness or purpose of the project should be reported to FTA immediately after detection and then reflected in the next quarterly MPR. Special reports should be submitted when:

(1) Problems, delays or adverse conditions will affect the recipient's ability to achieve project objectives within the scheduled time period or within the approved project budget. The report should discuss actions taken and/or contemplated and any federal assistance needed to resolve the situation; or

(2) Favorable developments will enable the recipient to achieve project goals/complete project activities ahead of schedule or at lower cost.

f. Federal Funding Accountability and Transparency Act (FFATA) Sub-award and Executive Compensation Reporting. Recipients awarded new federal assistance greater than or equal to $25,000 as of October 1, 2010 are subject to FFATA sub-award and executive compensation reporting requirements as outlined in the Office of Management and Budgets guidance issued August 27, 2010. The prime awardee is required to file an FFATA sub-award report by the end of the month following the month in which the prime recipient awards any sub-grant greater than or equal to $25,000. Additionally, all primes must report on the names and compensation of their five most highly compensated officers of the company or the five most highly compensated officers of the first-tier recipients, if the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in federal awards; and $25,000 or more in annual gross revenues from federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.

Instructions and the FFATA Sub-award Reporting System (FSRS) can be found at: https://www.fsrs.gov.

g. Reports and Other Materials Produced by the Recipient. All reports, presentations and other products resulting from FTA sponsorship reports must contain the following acknowledgment and disclaimer:

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h. Final Report. All recipients must submit a final report. Unless otherwise directed, technical assistance and training projects must submit a final narrative progress report in TEAM detailing the actual completion date of each task and a discussion of each task. Research and development projects must submit a Final Technical Report.

i. Final and Other Major Technical Reports Produced by the Recipients. A Final Technical Report documenting project performance and the final results of research, development, demonstration, deployment or technical evaluation projects, including an Executive Summary, must be submitted by the contractor/recipient to the FTA project manager at the conclusion of the project. Some projects may produce multiple technical reports for each subtask rather than one final report covering the entire projects. For projects funded with multiple agreements, the recipient may submit one final report for the entire project with prior approval of the FTA project manager. A copy must be attached for each agreement in TEAM. All reports and supporting documentation must be provided to the FTA project manager in an electronic/web-ready format, as specified by FTA.

(1) National Technical Information Service (NTIS) . All FTA-sponsored research, development, demonstration, deployment or technical evaluation documents must be entered into the National Technical Information Service (NTIS) system. All FTA-sponsored publications are available to the public from NTIS at http://www.ntis.gov/.

(2) Electronic Copy of Report/Section 508 Compliant. Text supplied electronically may be provided by one or more of the following formats to facilitate posting on the FTA website: HyperText Mark-up Language (HTML), or searchable portable document file (PDF/Adobe Acrobat). All accompanying graphics must be provided in Graphic Interchange Format (GIF) or Joint Photographic Experts Group (JPEG) format or a format acceptable to FTA, in addition to their native format (e.g. Tag Image File Format [TIFF]).

(a) Electronic Published Documents (Internet). All published documents (including graphics) must comply and be accessible in accordance with current requirements of Section 508 of the Rehabilitation Act of 1973, as amended. All documentation must be approved by FTA before distribution to the public and prepared in a format specified by FTA. FTA is required by law to develop its website and documentation therein to meet the requirements of Section 508 of the Rehabilitation Act, as Amended (29 U.S.C. Section 794d).

(b) U.S. Access Board. Recipients of federal funds are responsible for consulting sources such as the Access Board http://www.access-board.gov/508.htm, and the section 508 website http://www.section508.gov.

(c) Section 508 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 794(d). Electronic and information technology requirements require federal agencies to make their electronic and information technology accessible to people with disabilities. The access board has stated that, "Section 508 [of the Rehabilitation Act] . . . applies to all federal agencies when they develop, procure, maintain, or use electronic and information technology. Federal agencies must ensure that this technology is accessible to employees and members of the public with disabilities to the extent it does not pose an "undue burden.'"

(3) Report Organization, Elements and Style. FTA requires all documentation to be Section 508 compliant and meet a high standard of organization and clarity of writing. The report must be organized with specific publication elements and report style guide located at http://www.fta.dot.gov/research/program_requirements. Contact the FTA project manager for further information.

(4) All FTA-sponsored reports must contain the following disclaimers on the inside front cover if published in hard copy or in a comparable prominent location if published electronically:

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(5) A report documentation page, Standard Form 298, "Report Documentation Page," must be in the front of all published research and technology reports. SF 298 is located at: http://www.fta.dot.gov/documents/SF_298.pdf.

5. PRIOR APPROVALS. Prior approval requirements depend on whether the recipient is a state or local government, in which case it is covered by 49 CFR Part 18 or an institution of higher education, hospital, and other nonprofit organization, in which case it is covered by 49 CFR Part 19. The requirements of 49 CFR Part 19 are also applied to for-profit organizations, except to the extent FTA has determined otherwise in writing. Prior approvals are also determined by the applicable cost principles.

   a. Definition of Prior Approval. "Prior approval" means prior written or electronic approval from an authorized FTA official before the expense is incurred or action takes place. Prior approval can take the form of FTA's acceptance of the proposal and/or proposal budget and subsequent incorporation into the award or written or electronic approval of a separate request submitted by the recipient.

   b. Requirements for Prior Approvals. Although the wording in 49 CFR Parts 18 and 19 is slightly different, the following actions require prior approval for all entities unless noted.

      (1) Scope or Objective Change. Change in the scope or the objective of the project or program (even if there is no associated budget revision).

      (2) Key Personnel Change. Change in a key person specified in the application or award document.

      (3) Additional Federal Assistance. The need for additional federal assistance.

      (4) Training Allowances. The transfer of training allowances (direct payment to trainees) to other categories of expense.

      (5) Transfer of Work. Unless described in the application and specified in the Cooperative Agreement, Grant Agreement, or Other Agreement, the sub-award, transfer, or contracting out of any work under an award. This provision does not apply to the purchase of supplies, material, equipment or general support services, however, see the requirements for equipment below under Federal Cost Principles.

      (6) Pre-award Costs. If approved, all pre-award costs are incurred at the recipient's risks (e.g. the federal awarding agency is under no obligation to reimburse such costs if for any reason the recipient does not receive an award or if the award is less than anticipated and inadequate to cover such costs).

      (7) Time Extensions. Initiate an extension of the expiration date of the award.