

**SUBJECT:** *Quality of Award Descriptions associated with the American Rescue Plan (ARP) Act Awards*

**PURPOSE:** To promulgate new OMB and FTA guidance and requirements for composing strong award descriptions in ARP awards.

**BACKGROUND:** [OMB M-21-20](#) requires agencies to validate that ARP award descriptions are written in plain language to increase transparency and ensure that the American public is able to assess whether or not ARP funding is achieving the intended goals and objectives. The OMB M-21-20 guidance requires that award descriptions provide more specificity about: award purpose; activities to be performed; expected outcomes; intended beneficiaries; and subrecipient activities.

To meet the goal of the OMB requirement and improve the award descriptions reported to USAspending, FTA is now reporting the “Executive Summary” from TrAMS as the award description for ARP and all other financial assistance awards. This notice is to advise that all new awards and amendments to existing awards must include the 5 elements, shown below.

**Please note that other information required by your regional office and the ARP Grantmaking Toolkit for Recipients may still be included in the grant application.** The following five elements are to be provided for each award and written in plain language:

- **Purpose:**
- **Activities to be performed:**
- **Expected outcomes:**
- **Intended beneficiaries:**
- **Subrecipient Activities:**

The following examples are not a substitute for other required information and may not be the only information provided/required in the application executive summary.

## EXAMPLES

### **Example 1: American Rescue Plan Grant – Section 5307**

**Purpose:** The purpose of this award is to provide 2 years of operating assistance to ABC Transit Agency and its subrecipients noted below to assist it in recovering from COVID-19 during the period of 7/01/2021 to 6/30/2023.

**Activities to be performed:** Funds will be used to cover all eligible operating expenses such as driver salaries, fuel, items having a useful life of less than one year, preventive maintenance, etc. in order to continue transit operations.

**Expected outcomes:** Funding will permit ABC Transit Agency to continue to provide operations that would otherwise have to be cut due to lack of funding.

**Intended beneficiaries:** ABC Transit Agency and the riders that rely on its service will benefit from continued services, permitting workers to get to work and riders to get to essential services.

**Subrecipient Activities:** None

### **Example 2: American Rescue Plan Grant – Section 5311 (including RTAP and Intercity, if applicable)**

**Purpose:** The purpose of this award is to provide the state of XXX and its subrecipients operating assistance, eligible capital projects, and for the rural transit assistance program (RTAP) to assist the state and its subrecipients in recovering from COVID-19 during FY2022.

**Activities to be Performed:** Funds will be used to cover eligible operating expenses such as driver salaries, fuel, items having a useful life of less than one year, preventive maintenance, etc. in order to continue transit operations. Funds will also be used to cover eligible capital expenses such as the purchase of five 24-passenger buses. Funds will also be used for training and technical assistance.

**Expected Outcomes:** Continued safe and effective operation of transit services for rural areas of XXX.

**Intended Beneficiaries:** XXX State transit agencies and citizens in the rural and non-urbanized areas of the state.

**Subrecipient Activities:** The following three subrecipients as providers of rural transit service: ABC Rural Inc.; DEF Transit, Inc.; Easy Commute Inc.; and one intercity bus operator: GHI Coach Lines. will receive ARP funds for operating assistance. The following subrecipients will receive capital funding for the purchase of equipment: JKL rural operator; MNO rural operator.

### **Example 3: American Rescue Plan Grant – Tribal (Formula or Competitive)**

**Purpose:** The XXX Tribe will utilize this ARP Award to maintain existing transit services on the reservation and assist in responding to and recovering from COVID-19.

**Activities to be Performed:** Funds will be used to cover eligible operating expenses such as driver salaries, fuel, items having a useful life of less than one year, preventive maintenance, etc. in order to continue transit operations and to prevent, prepare for, and respond to coronavirus.

**Expected Outcomes:** Funding will permit the XXX Tribe to continue to provide service that would otherwise have to be cut due to lack of funding and provide for extra cleaning and disinfectant supplies, equipment, and hours needed to ensure a clean, sanitized, and safe environment for drivers and passengers.

**Intended Beneficiaries:** XXX Tribe transit riders

**Subrecipients:** None

### **Example 4: American Rescue Plan Grant – Section 5310**

**Purpose:** The purpose of this award is to provide the XXX DOT and its subrecipients operating assistance and capital funding to prevent, prepare for, and respond to COVID-19 while providing transportation services for people with disabilities and older adults.

**Activities to be Performed:** Funds will be used to cover eligible operating expenses such as driver salaries, fuel, items having a useful life of less than one year, preventive maintenance, etc. in order to continue transit operations. Funds will also be used for eligible capital investment including the purchase of two 8-passenger vans.

**Expected Outcomes:** Funding will permit XXX DOT and its subrecipients to continue to provide service for people with disabilities and older adults that would otherwise have to be cut due to lack of funding.

**Intended Beneficiaries:** People with disabilities and older adults in the state's rural and small urban areas.

**Subrecipient Activities:** The following subrecipients will receive operating assistance to maintain services. Subrecipient 1, Subrecipient 2, etc. The following subrecipients will receive vehicles or funding under this grant: Subrecipient 3, Subrecipient 4, etc.

### **Example 5: American Rescue Plan Grant – Capital Investments Section 5309**

**Purpose:** The funding requested by ABC Transit in this ARP Capital Investments grant supplants the non-CIG matching funds of \$XX in grant ID# HI-2021-001, for the Federal Way Link Extension Light Rail Project. It does not duplicate the Federal funding for any activities in grant ID# HI-2021-001.

**Activities to be Performed:** Specifically, this ARP Capital Investments grant supplants the amount of non-CIG funding for the following activities, per the FTA Scope Activity Line Item as follows: [LIST the ALLs and project activities to be funded.

14.01.10 GUIDEWAY & TRACK ELEMENTS

14.02.20 STATIONS, STOPS, TERMINALS, INTERMODAL

14.04.40 SITEWORK & SPECIAL CONDITIONS

14.08.80 PROFESSIONAL SERVICES

**Expected outcomes:** Funding will permit ABC Transit to continue to successfully deliver the ABC Link Extension Light Rail Project.

**Intended beneficiaries:** Populace of the ABC Transit service area and local area commuters.

**Subrecipients:** None

#### Example 6: American Rescue Plan Grant – Amendment

- For grant amendments, do you address the 5 elements on the amendment, or the original grant? For an example, let's say an amendment added new money to an existing scope, or switched funding to a new scope, or both new money and new scope.
  - **ANSWER:** Include the 5 elements from the original award and revise them as needed to reflect the changes due to the amendment. Do not include the funding amount.
- If you provide information on the entire grant, it could be considered “double counting” as it might appear to the public viewer that more is being funded when it some or all of it was already funded and possibly implemented.
  - **ANSWER:** To avoid this issue, do not include the funding amount in these 5 elements.