

# STP Active Program Management Policies

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# I. Introduction

Active Program Management (APM) provides a mechanism for ensuring timely obligations to protect the region’s funding from lapse and rescission, and to provide flexibility for moving forward projects that are “ready” in favor of those that are “delayed”. APM is achieved through strong project and program management with active monitoring of project implementation status from project selection through obligation of federal funds. These policies were initially enacted on September 25, 2018 and were revised on December 1, 2022. The revisions reorganized and numbered the policies to make them easier to reference. Substantial changes to the 2018 policies during the 2022 revisions are summarized in Appendix A.

# II. Definitions

Advance Construction (AC)	A type of authorization for federal participation in a project that serves as an advanced commitment that funding will be reimbursed by US DOT at a later date. An AC authorization does not encumber federal funds.
AC Converted (ACC)	An accounting action by US DOT to convert an AC authorization to an obligation of funding. AC authorizations must be converted to ACC in order for reimbursement of federal funds to occur. Converted funds are encumbered and thus guaranteed to be available.
Allotment	The amount of funds to be distributed to an agency/entity by formula .
Authorization	A commitment by US DOT to participate financially in a project and agreement that the project activities may begin and are eligible for federal participation. In Illinois, authorizations are commonly made as “Advance Construction (AC)”. An authorization does not encumber funds. In these policies, authorization and obligation are used synonymously.
Carryover	The amount of funding from a prior federal fiscal year that is allowed to be added to the next federal fiscal year’s allotment.
COG	Council of governments. COGs have no role in the programming of STP funds, except where the COG and CoM are identical in boundary and membership.
CoM	Council of mayors. CoMs are the official selecting body for the region’s eleven councils. With limited exceptions, each

municipality in the region is assigned to one CoM. These assignments are revisited following each decennial census and the determination of CMAP's Metropolitan Planning Area (MPA) boundaries.

Council	Synonymous with CoM.
Expended	Funds are considered to be expended when invoices are paid and US DOT has begun reimbursing funds.
FFY	The Federal Fiscal Year (FFY) begins on October 1 of the prior calendar year and ends on September 30. All STP accounting follows FFYs.
Local Agency Agreement	All references to the Local Agency Agreement in these policies include, for projects sponsored by CDOT, the Uniform Intergovernmental Agreement (UIGA).
Mark	The estimated amount of funding available to be programmed. The mark is the sum of the allotment plus any allowed carryover.
Obligation	A commitment by US DOT to participate financially in a project. Obligations encumber funding. In these policies, authorization and obligation are used synonymously.
Obligation Remainder	The difference between the amount of funding programmed for a project phase and the actual federal obligation or authorization. These funds are available to be reprogrammed. Differences between the current cost estimate for a phase and the programmed amount for the phase, when the cost estimate is lower, may be treated as obligation remainders for the purpose of determining the amount of funding to be carried over at the end of an FFY.
Redistribution (fund)	When funding is withdrawn from a selecting body according to these policies, that funding is transferred to the redistribution.
Selecting body	The agency and/or committee that has the authority to develop a project selection methodology, approve a program of projects, and approve changes to that program.
UIGA	Within these policies, Local Agency Agreement is synonymous with the Uniform Intergovernmental Agreement (UIGA) used for projects sponsored by CDOT.

### III. Program Development

By agreement between the Councils of Mayors and the City of Chicago, endorsed by the CMAP MPO Policy Committee and the Illinois Department of Transportation, there are two distinct Surface Transportation Block Grant funded programs (STP): the Shared Fund, programmed by the CMAP STP Project Selection Committee (STP PSC) and administered by CMAP staff, and the Local Program, which is made up of twelve individual programs that are developed, programmed, and administered by the councils of mayors (councils) and Chicago Department of Transportation (CDOT).

#### A. Active Program

Each selecting body must develop and maintain a fiscally constrained five-year program of projects. Project phases included in an active program are those for which funding is committed and programmed in the CMAP TIP. Only project phases in an active program can move forward to federal authorization.

##### 1. Parts of the active program

###### a. Current year

The first year of the active program will be considered the “current year” and will be subject to obligation deadlines described in section IV.A. of these policies.

###### b. Out years

The next four years will be considered the “out years”. Project phases programmed in out years are not subject to obligation deadlines and can be actively reprogrammed in other out years at any time, subject to each year of the multi-year program maintaining fiscal constraint at all times.

##### 2. Fiscal constraint

a. Active programs will be included in the region’s TIP and are therefore subject to fiscal constraint.

b. A selecting body cannot program more funds in any individual federal fiscal year than are estimated to be available in that year. Estimates of available funding, known as programming marks, are provided by CMAP. Marks have two components:

(i) Allotment. The amount of funding allotted to each selecting body according to the distribution formula contained in the agreement between the Councils of Mayors and CDOT.

(ii) Carryover. The amount of funding that was not utilized by the selecting body in a prior federal fiscal year that is eligible per these policies (see section VIII.A.1.c.) to be carried forward to the next FFY.

### 3. Funding commitment

- a. While funds are committed for project phases in active programs, there is no real or implied guarantee of funding until an obligation occurs.
- b. Projects must follow all federal and state procedures to advance to authorization and must meet the milestones and requirements of these policies, and any additional requirements set forth by the selecting body.
- c. If federal funding is not appropriated by Congress or is not allotted to CMAP for programming by IDOT, or if appropriations and/or allotments differ in any year from programming estimates provided to selecting bodies at the time of program development, some or all programmed project phases may not be able to be authorized in the federal fiscal year that they are programmed.

## **B. Contingency Program**

It is anticipated that during each call for projects there will be more applications than can be programmed within the years of the call cycle. Additionally, to facilitate the region's goal of obligating 100% of available funding each year, selecting bodies should develop a contingency program of projects during each call cycle.

### 1. Project Inclusion

- a. The contingency program should include, in rank order, the next highest ranked projects that were unable to be funded in the CFP due to fiscal constraint.
- b. Sponsors of contingency projects must be committed to keeping projects active and moving forward toward obligation of federal funding in the two years between calls for projects.
- c. If funds for potential contingency program project phases were requested in the 3<sup>rd</sup>, 4<sup>th</sup>, or 5<sup>th</sup> year of the program, the likelihood of those phases being obligated in the two years between calls for projects should be considered before including those phases in the contingency program.
- d. Projects requiring a conformity determination that are not already included in the current conformed TIP may be included in contingency programs but cannot be reprogrammed into the current year of the active program after the TIP change submittal deadline for the spring semi-annual conformity analysis. These contingency projects can be reprogrammed into an out year of the active program as part of a Conformity Amendment to the TIP.
- e. Projects, or phases of projects, that did not apply for funding during a call for projects cannot be added to a contingency program until the next applicable call for projects.

### 2. Contingency Program Status and Expiration

- a. Inclusion of a project in a contingency program is not a guarantee of future federal funding for any phase of a project.
- b. The contingency program will expire with each subsequent call for projects.

- (i) Projects included in the contingency program from the prior CFP must reapply for funding consideration during the next call if they wish to remain eligible for STP funding.
- (ii) If the first phase of a project in the contingency program is moved to the active program, there is no guarantee that the subsequent phases will be funded via the contingency program or future active programs.
- (iii) There will be no “automatic” reprogramming from the contingency program to the active program. However, each selecting body may determine if points will be awarded during a call of projects for phases completed or in-progress while included in the contingency program.

3. Active program projects that were moved to Contingency

- a. Active projects that are reprogrammed in the contingency program, either voluntarily, or due to missing an obligation deadline, must reapply for funding consideration during the next call for projects.
- b. This reapplication will reset all deadlines associated with project phases and make phases eligible for obligation deadline extensions.
- c. If unsuccessful with future applications for STP funding, the sponsor may complete the project using another fund source(s).
- d. If the project is not completed within the timeframe required by federal law, the sponsor will be required to pay back federal funds used for previous phases of the project.

**C. Calls for Projects**

Projects are added to programs during calls for projects.

1. Schedule

a. Local Programs

Beginning with the development of FFY 2025 – 2029 programs, the councils and CDOT will solicit for project applications between October and December of odd numbered calendar years.

b. Shared Fund

Beginning with the development of FFY 2026 – 2030 programs, CMAP will solicit for project applications between October and December of even numbered calendar years.

c. All programs

From January through April, evaluations, development of recommended programs, appropriate committee reviews, and public comment will occur. A CMAP TIP Amendment(s) to incorporate the recommended program(s) will be prepared for CMAP Transportation Committee consideration ahead of the June meeting of the MPO Policy Committee. Final approval of the program(s) will

occur when the MPO Policy Committee takes action on the TIP Amendment(s) in June.

## 2. Guidelines

### a. Notification and public participation

- (i) Calls for projects must be publicly announced on the selecting body's and/or CMAP's website. Notices of calls for projects should be sent directly to eligible applicants via US Mail or e-mail.
- (ii) The scoring and project selection methodology that applies to the call for projects and all application materials must be publicly available on the selecting body's and/or CMAP's website.
- (iii) The public must be given an opportunity to comment on the draft active and contingency programs prior to approval consideration by the selecting body through a public comment period of no less than 30 days.
- (iv) The public must have opportunities to observe and participate in program development and to attend and provide comments at meetings when programming decisions will be made. The public cannot be charged a fee to attend or participate in these meetings.

### b. Eligible applicants

- (i) Applications must be accepted from any entity that is eligible to receive federal STBG funding, including but not limited to: municipalities, townships, counties, public transit providers, public ports, and public airports.
- (ii) Non-municipal sponsors may be required to have a municipal co-sponsor or a letter or resolution of support from the municipality and/or county in which the project is located.
- (iii) All municipalities in the region are assigned to a council(s) for the purposes of applying for and receiving STP funding. A council(s) cannot restrict acceptance of applications from any municipality assigned to their council and cannot require the payment of membership dues as a condition for applying for or receiving funding.
- (iv) Applicants whose jurisdictions or service areas extend beyond the boundaries of a single council, such as counties, townships, and public transit providers should apply to the council(s) in which their project is physically located.
- (v) Council procedures must allow for consideration of "multi-council" project applications. If selected for funding, the affected councils and project sponsor(s) shall coordinate with CMAP to assign a single council as the programming lead for project implementation and to facilitate any necessary transfer of programming marks between councils to facilitate

implementation and maintain programmer-level fiscal constraint within the CMAP TIP. (See section VIII.A.3)

c. Accepting applications

- (i) Applications for STP funding may only be accepted during an open call for projects. No project or project phase may be added to a selecting body's active or contingency program, except as allowed by active reprogramming provisions of these policies, outside of the call for projects cycle.
- (ii) Project applications may only be scored based on information provided to the selecting body in response to the call for projects unless the methodology of the selecting body specifies otherwise.
- (iii) Selecting bodies may designate a time period and/or process for gathering information that is missing from applications. If no designation is made, the selecting body cannot accept late or incomplete applications.

d. City of Chicago

While it is expected that the City of Chicago will not hold a traditional call for projects, staff recommended active and contingency programs shall be developed. These programs must be subject to public comment and amended into the CMAP TIP on the same schedule as the council programs.

## **D. Project selection methodologies**

Project evaluations must be based on published ranking and programming methodologies.

1. Development

- a. Methodologies must be developed in a transparent manner and the public must have opportunities to comment on them.
- b. Methodologies should be reviewed and updated between call for projects cycles

2. Requirements

- a. Methodologies must rely heavily on quantitative performance and asset condition data.
- b. Methodologies must incorporate regional planning priorities as defined in the agreement between the Councils of Mayors and City of Chicago.
- c. CMAP staff is responsible for confirming that methodologies adhere to these requirements and any other relevant state and federal requirements.

3. References

- a. These active program management policies must be included in the methodology directly or by reference via hyperlink.
- b. Selecting bodies may add additional active program management provisions to their methodologies.

## **E. Assistance for Disadvantaged Communities**

Selecting bodies may provide assistance for disadvantaged communities by utilizing Transportation Development Credits (TDCHs, also known as toll credits) in lieu of the required non-federal match. The broad use of TDCHs in the region is described in [this policy document](#).

### **1. Eligible sponsors**

- a. Eligible municipal jurisdictions are determined based upon CMAP's Community Cohorts data, which is updated annually. Only those municipalities in the highest need category (Cohort 4) are eligible to use TDCHs.
- b. Projects located within Cohort 4 Chicago Community Areas (CCAs) are also eligible to use TDCHs.
- c. Eligibility is determined at the time of application utilizing the most recently published Community Cohorts data from CMAP.
- d. Selecting bodies may limit the use of TDCHs, but may not expand that use.

### **2. Programming TDCHs**

- a. TDCHs are not an actual fund source. When TDCHs are used, the "amount" of credits to be used must be added to the STP amount programmed.
- b. The use of TDCHs must be noted in the selecting body's program and in the CMAP TIP.
- c. The use of TDCHs must be approved by IDOT. CMAP staff is responsible for obtaining this approval.

## **F. Program development**

### **1. Existing projects**

- a. Project phases that are included in an active program prior to a call for projects are considered to be existing projects.
- b. Existing projects are eligible to continue in the new program, unless preliminary engineering (or equivalent) has not started since the prior call for projects. This preliminary engineering requirement will be waived if:
  - (i) The project is for pavement preservation techniques that were selected and programmed in out years to align with sponsor/subregional/regional pavement management system recommendations; or
  - (ii) The preliminary engineering is funded with STP and was programmed in an out year during a prior call for projects.
- c. Sponsors of existing projects must reaffirm their commitment to completing the project according to the programmed schedule(s) by:
  - (i) Submitting a resolution specific to the project(s) and schedule(s);
  - (ii) Submitting a resolution or appropriate record of elected body action within one year of the CFP adopting a Capital Improvements Program (CIP), or similar, containing the project(s); or

- (iii) Submitting a letter signed by the Village Manager/Administrator, Clerk, Mayor/President, or similar, that addresses the sponsor's commitment to the project(s) and schedule(s).
  - d. Sponsors of existing projects may, with their affirmation of commitment, request that currently programmed phases of projects be reprogrammed in different FFYs to align with the anticipated schedule reflected in their most recently submitted quarterly status update.
  - e. For sponsors with multiple projects being reaffirmed, a single resolution or letter may be submitted that addresses each project.
  - f. Selecting bodies shall have discretion to require additional affirmations, such as sponsor commitment to fund cost increases.
  - g. Prior to adding new projects or project phases to the new active program, selecting bodies must:
    - (i) Accommodate all eligible existing projects, as programmed.
    - (ii) Accommodate as many reprogramming requests for existing projects as possible.
2. New projects
- a. Projects or phases of projects that were not previously funded with STP through the selecting body are considered to be new projects.
  - b. New projects or new phases of projects may only be added to the active program during a call for projects cycle or via active reprogramming from the selecting body's contingency program.
  - c. Funding priority must be given to the highest-ranking applications.
  - d. No project phase shall be programmed in an FFY that is earlier than requested by the applicant without written agreement from the applicant that includes a revised project schedule that aligns with the proposed programming.
  - e. No project phase shall be programmed in multiple FFYs unless that phase will be completed in multiple stages under multiple contracts.

## IV. Program Management

### A. Obligation Deadlines

Any project phase(s) programmed in the current FFY on or after the first day (October 1) of that FFY is required to fully obligate the programmed federal funds prior to the end of that FFY (September 30). Obligations occur at the beginning of each federally funded phase, therefore these deadlines are for starting phases, not completing them.

### 1. Definition of obligated

A project phase is considered to be “obligated” if federal funds have been authorized (including in Advance Construction) or obligated (including Advance Construction Converted) in FHWA’s FMIS database or the project phase has been included in an approved FTA grant.

### 2. Definition of fully obligated

- a. For projects processed through IDOT, the entire phase must be authorized/obligated, up to the programmed amount or the final engineer’s estimate, whichever is less, to be considered fully obligated. “Staged” construction, or “combined” engineering phases are not considered fully obligated until all stages/phases under a single State Job or Federal Project Number are fully obligated.
- b. For projects processed through FTA, funding for the entire phase must be included in the approved FTA grant.

### 3. Typical actions and timelines

The actions that trigger an obligation vary by project phase and the agency processing the project:

- a. Projects processed through FTA
  - (i) Obligations occur when the FTA grant containing the programmed funding is approved by FTA.
  - (ii) STP funds must be transferred from FHWA to FTA prior to grant approval.
  - (iii) The transfer process may take 1-3 months from the date the sponsor’s request to IDOT to initiate the transfer is made.
- b. Phase 1 Engineering (processed through IDOT)
  - (i) Obligations occur when FHWA approves an authorization request from IDOT.
  - (ii) The Phase 1 Local Agency Agreement and Engineering Services Agreement (if utilizing consultant services) must be executed by IDOT before an authorization request is made. Agreement review and execution may take 12-15 months from the date of submittal of the draft agreements.
  - (iii) For projects located within IDOT District 1, approval of the Project Programming Information (PPI) form must occur prior to the submittal of draft agreements. PPI approval typically occurs 2-3 days after submittal but may take up to 2 months if there are discrepancies between the PPI and the CMAP TIP.
  - (iv) The Qualifications Based Selection (QBS) process (if utilizing consultant services) must be completed prior to submittal of draft agreements. The timeline for completing QBS is controlled by the project sponsor.

- c. Phase 2 Engineering (processed through IDOT)
  - (i) Obligations occur when FHWA approves an authorization request from IDOT.
  - (ii) The Phase 2 Local Agency Agreement and Engineering Services Agreement (if utilizing consultant services) must be executed by IDOT before an authorization request is made. Agreement review and execution may take 9-12 months from the date of submittal of the draft agreements.
  - (iii) Phase 1 Design Approval (DA) must be obtained prior to submittal of the draft agreements. The amount of time required to receive DA varies widely based on project scope, complexity, and NEPA requirements.
  - (iv) For projects located within IDOT District 1, approval of the Project Programming Information (PPI) form must occur prior to the submittal of draft agreements. PPI approval typically occurs 2-3 days after submittal but may take up to 2 months if there are discrepancies between the PPI and the CMAP TIP.
  - (v) The Qualifications Based Selection (QBS) process (if utilizing consultant services) must be completed prior to submittal of draft agreements. The timeline for completing QBS is controlled by the project sponsor.
- d. Land Acquisition (processed through IDOT)
  - (i) Obligations occur when FHWA approves an authorization request from IDOT.
  - (ii) The ROW Local Agency Agreement must be executed by IDOT before an authorization request is made. Agreement review and execution may take 9-12 months from the date of submittal of the draft agreement.
  - (iii) Phase 1 Design Approval (DA) must be obtained prior to submittal of the draft agreement. The amount of time required to receive DA varies widely based on project scope, complexity, and NEPA requirements.
  - (iv) Approved plats and legal descriptions, cost estimates, and documentation of use of approved firms are required prior to submittal of the draft agreement.
  - (v) For projects located within IDOT District 1, approval of the Project Programming Information (PPI) form must occur prior to the submittal of the draft agreement. PPI approval typical occurs 2-3 days after submittal but may take up to 2 months if there are discrepancies between the PPI and the CMAP TIP.
- e. Construction/Construction Engineering (processed through IDOT)
  - (i) Obligations occur when FHWA approves an authorization request from IDOT.

- (ii) Federal authorization requests are made no less than six weeks prior to letting.
- (iii) The Construction Local Agency Agreement and Engineering Services Agreement (if utilizing consultant services) must be executed by IDOT before an authorization request is made. Agreement review and execution may take 7-9 weeks from the date of submittal of the draft agreements.
- (iv) Phase 1 Design Approval (DA) must be obtained prior to submittal of the draft agreements. The amount of time required to receive DA varies widely based on project scope, complexity, and NEPA requirements.
- (v) For projects located within IDOT District 1, approval of the Project Programming Information (PPI) form must occur prior to the submittal of draft agreements. PPI approval typically occurs 2-3 days after submittal but may take up to 2 months if there are discrepancies between the PPI and the CMAP TIP.

#### 4. Section 1440

The Section 1440 process allows project phases to proceed prior to the authorization of federal funds for the phase. Because funds are not authorized, receiving Section 1440 approval does not qualify as meeting the obligation deadline for the phase.

### **B. Obligation Deadline Extensions**

Project phases programmed in the current year that have demonstrated via quarterly status updates that they have met the minimum requirements below will be eligible for a one-time six-month extension of the obligation deadline and the funding programmed for the phase.

#### 1. Minimum requirements for consideration of an obligation deadline extension for projects processed through IDOT

- a. Phase 1 Engineering  
Qualification Based Selection (QBS) is complete.
- b. Design (Phase 2) Engineering  
Phase 1 Design Approval has been granted and Phase 2 QBS is complete.
- c. Land Acquisition  
Phase 1 Design Approval has been granted and plats and legal descriptions have been completed.
- d. Construction/Construction Engineering  
Phase 2 engineering and land acquisition (if needed) are in progress and the targeted pre-final plans submittal and ROW certification dates are before the dates listed on the IDOT letting schedule for the April state letting.

- e. Cost increases/supplemental funding, regardless of phase  
Previously authorized funds for the phase are not in AC and FHWA has begun reimbursement of those authorized funds.

2. Minimum requirements for consideration of an obligation deadline extension for projects processed through FTA

The NEPA process and all project/development/pre-engineering work is completed.

3. Requesting an obligation deadline extension

- a. Sponsors must request an extension in writing (via US Mail or email).
- b. Requests must be submitted no sooner than April 1 and no later than July 31 .
- c. Sponsors may submit an updated status update form demonstrating that the minimum requirements for consideration of an obligation deadline extension have been met. The prior quarter's status update will be utilized for determining qualification if an updated status update is not submitted with the request.

4. Selecting body approval of obligation deadline extensions

- a. Selecting bodies may not grant an extension if one was not requested.
- b. Selecting bodies are not required to approve extension requests and may instead reprogram a phase into the next FFY (subject to fiscal constraint). In this case,
  - (i) The funding associated with the phase will remain in the current FFY and be available for active reprogramming; and
  - (ii) the project phase will remain eligible to request and receive an extension in the future.
- c. Selecting bodies are prohibited from approving requests if:
  - (i) The sponsor has not submitted all required quarterly status updates; or
  - (ii) The sponsor has not met the minimum requirements for consideration of an extension.

5. Revocation of obligation deadline extension approvals

- a. Obligation deadline extension approvals will be revoked on September 30 if:
  - (i) For phase 1 and phase 2 engineering (processed through IDOT), the draft Local Agency Agreement and Engineering Services Agreement for the phase have not been submitted.
  - (ii) For Land Acquisition (processed through IDOT), the Draft Local Agency Agreement for the phase has not been submitted.
  - (iii) For Construction/Construction Engineering (processed through IDOT), pre-final plans have not been submitted or the target letting has been extended beyond April of the following year.

- (iv) For cost increases/supplementals (processed through IDOT), less than 75% of already authorized funds for the phase have been expended and reimbursed by FHWA.
- (v) For all phases processed through FTA, the request to transfer funds from FHWA to FTA for the phase has not been sent to IDOT.
- b. If an extension was granted, but revoked on September 30, the following will apply to the project:
  - (i) The project phase may continue in the next FFY
  - (ii) All subsequent phases of the project will be removed from the selecting body's Active program and placed in the Contingency program and will not be eligible to return to the active program until the prior phase is obligated and will be required to reapply for funding if the Contingency program expires prior to those phases being reinstated in the active program.
- c. Funds programmed for phases that had their extensions revoked will not carryover in the selecting body's marks and will be added to the region's redistribution balance, however the selecting body will be allowed to plan for the use of redistribution for project phases targeting later authorizations, as described in section VIII.I.

### **C. Active Reprogramming**

To maximize the obligation of funding, the region must take advantage of every opportunity to move projects forward to obligation and to move projects back that are encountering delays.

#### **1. Continuous monitoring**

- a. Selecting body staff are expected to continuously monitor project progress.
- b. Selecting body staff must regularly provide status information for all active and contingency project phases to the selecting body and project sponsors.

#### **2. Initiating reprogramming**

- a. Selecting body staff may take active reprogramming actions at any time, unless required by the body's policies to present actions to the selecting body for approval.
- b. Project sponsors may request consideration of active reprogramming of their project(s) at any time.

#### **3. Required reprogramming**

- a. Selecting bodies may not deny a request for active reprogramming if unprogrammed funds are available to accommodate the request and the phase(s) for which the reprogramming is requested has met all appropriate milestones.

- b. Selecting bodies must actively reprogram any phase that is targeting obligation after the final day of the FFY in which it is programmed if a request is made to move a phase(s) into that FFY, including the current year.

4. Use of reprogramming

- a. Active reprogramming may be utilized to accommodate cost changes (see section IV.G.), to move project phases from out years into the current year, to move project phases from the current year into out years, to move project phases between out years, or to move active program project phases to or from the contingency program.
- b. Selecting bodies have discretion in determining the relative priority of the above active reprogramming actions.
- c. Active reprogramming is limited only by the requirement to maintain fiscal constraint in all years of the active program at all times.
- d. Any project phase(s) moved into the current FFY through active reprogramming is subject to the same obligation deadlines as all other current year phases.
- e. If any phase of a project is actively reprogrammed into the contingency program, all subsequent phases must also be reprogrammed into the contingency program, however earlier phases of the project may remain programmed in the active program.

**D. Scope Changes**

Because project selection relies on ranking systems that may vary based on the scope of projects, scope changes are not automatically allowed.

1. Notification of scope changes

- a. Sponsors must notify selecting body staff of any scope changes as soon as they are known.
- b. Selecting body staff should consult with CMAP, IDOT, FHWA, and/or FTA staff to determine if the scope change is major or minor.

2. Minor scope changes

- a. Scope changes are considered minor if they are incidental to the design process, result in no changes to NEPA requirements, have no significant impact on cost estimates, do not result in the addition or deletion of TIP work types, or do not require a formal TIP amendment.
- b. Minor scope changes may be approved without any re-evaluation.

3. Major scope changes

- a. Scope changes are considered major if they impact NEPA requirements, have a significant impact on cost estimates, require the addition or deletion of TIP work types or require a formal TIP amendment.

- b. Major scope changes must be re-evaluated using the methodology used in the most recent call for projects cycle.
- c. If the re-evaluation results in the project receiving more points than any other project included in the active program during the most recent call for projects, the selecting body may approve the scope change.

## **E. Changes to total phase costs**

The total cost of each phase of a project must be accurately reflected in the CMAP TIP at all times. Sponsors must notify the selecting body of changes to total cost as soon as they are known, regardless of whether, in the case of increases, the sponsor intends to request additional STP funds or not.

## **F. Cost decreases**

### **1. Prior to obligation/authorization of funding**

- a. If the total cost of a phase has decreased prior to funds being obligated/authorized and the local agency agreement has not been submitted to IDOT or the FTA grant application has not been completed, both the federal and non-federal funding must be reduced to align with the new total, except if the project phase is programmed at the selecting body's maximum funding cap and the federal share at the capped amount remains less than the selecting body's maximum federal share or 80%, whichever is less, after the decrease to total cost.
- b. If the total cost of a phase has decreased prior to funds being obligated/authorized, but the local agency agreement or FTA grant application has already been submitted, the decrease should be noted in the project records, but no programming changes should be made unless the obligation/authorization is made at the decreased amount. If the obligation/authorization is made at the decreased amount, the difference between the programmed funding and the obligated/authorized funding will be treated as an obligation remainder (see section VIII.F.3.).
- c. If a cost decrease occurs on a phase programmed in the current year and the programmed STP funding is also subject to decrease, the unprogrammed funds from the decrease will be treated as an obligation remainder (see section VIII.F.3.).

### **2. After obligation/authorization of funding**

- a. If project phase costs decrease after funds are already obligated at the higher programmed amount, the unneeded funds will not be returned to the selecting body.
- b. Once unneeded funds are deobligated by US DOT, IDOT (in the case of FHWA funds) or FTA may elect to return those funds to the region in future allotments, which would then be distributed to selecting bodies according to the distribution procedures in place at that time.

## **G. Cost increases**

### **1. Responsibility**

- a. Cost increases are the responsibility of the sponsor agency unless a request for additional STP funding is approved by the selecting body.
- b. Selecting bodies may impose limits on cost increases.
- c. The programming of cost increases is limited by fiscal constraint and dictated by the status of the project phase at the time of the request, as described below.

### **2. Phase 1 and Phase 2 Engineering and Land Acquisition (processed through IDOT)**

- a. Requests made prior to the submittal of draft agreements, including when the phase is programmed in out years, may be approved and programmed in the same FFY that the phase is programmed in at the time of the request.
- b. Requests made after the submittal of draft agreements may be approved for programming as a separate line item in the first out year of the program, or a later year if the sponsor and selecting body anticipate that the originally programmed funds will not be fully expended within that first out year.
- c. After funds are obligated/authorized for the phase, requests for cost increases made prior to June 30 may be approved for programming as a separate line item in the current year of the program if at least 75% of the already obligated funds have been expended. Otherwise, requests may be approved for programming as a separate line item in the first out year of the program.

### **3. Construction/Construction Engineering (processed through IDOT)**

- a. Requests made prior to the submittal of draft agreements, including when the phase is programmed in out years, may be approved and programmed in the same FFY that the phase is programmed in at the time of the request.
- b. Requests made after the submittal of draft agreements may be approved and programmed in the current year only if the approval is made and the corresponding PPI revisions are approved prior to the "Program Revisions Due" date shown on the IDOT letting schedule for the target letting and IDOT staff confirms in writing (US Mail or email) that the final agreements and federal authorization request will reflect the increased funding. Otherwise, if approved, the increase must be programmed in the following FFY.
- c. After funds are obligated/authorized and the project has been let, requests for cost increases may be approved for programming as a separate line item in the current year of the program only if at least 75% of the already obligated funds have been expended or if the duration of the construction contract is less than the number of business days left in the FFY at the time of the request. Otherwise, requests may be approved for programming as a separate line item in the first out year of the program.

#### 4. Projects processed through FTA

- a. Requests made prior to the request to transfer funds from FHWA to FTA and prior to submittal of the FTA grant application, including when the phase is programmed in out years, may be approved and programmed in the same FFY that the phase is programmed in at the time of the request.
- b. Requests made after the request to transfer funds from FHWA to FTA, but prior to June 30 of the current may be approved and programmed in the current FFY.
- c. Requests made after the request to transfer funds from FHWA to FTA or made after June 30 of the current year may be approved and programmed in the next FFY.

#### 5. Record Keeping

- a. All cost changes (increases or decreases) must be reflected in the selecting body's published program.
- b. Following publication of an updated program, cost changes must be reflected in CMAP's TIP. Cost changes are not official until they are reflected in the TIP.
- c. Notification of the cost change approval must be made in writing (via US Mail or email) to the sponsor, preferably via a revised award letter. This notification and the request for the change must be attached to the project in eTIP prior to submitting TIP changes.
- d. Notification must be made in writing (via US Mail or email) to the sponsor if a requested increase is not approved. The reason the request was denied should be included in the notification. This notification and the request for the change must be attached to the project in eTIP

### **H. Transferring funds between phases**

STP funds are programmed by project phase, not by the overall project or sponsor, therefore sponsors may not "transfer" unneeded or unused funds from one phase(s) of a project to another phase(s) of that project, or to another project(s) within their jurisdiction, except:

#### 1. Construction/Construction Engineering

The amount of funds separately programmed for Construction and Construction Engineering may be adjusted as long as the total for the two phases combined remains the same and both phases meet the minimum requirements for non-federal matching funds.

#### 2. Multi-phase Engineering agreements

With the permission of the selecting body, CMAP staff, and IDOT, if a bi-phase or tri-phase agreement will be executed for engineering phases, the funds programmed for these phases may be combined. This combination requires the

funding for the combined phases to be programmed in the same FFY prior to combination.

3. Transit Construction/Implementation

With the permission of the selecting body, CMAP staff, and FTA, funds for construction and implementation of transit projects may be combined into a single FTA grant. This combination requires the funding for the combined phases to be programmed in the same FFY prior to combination. Funds programmed specifically for engineering of transit projects cannot be combined with either implementation or construction funding.

## V. Project Sponsor Responsibilities

### A. Designated Project Managers

Communication is critical at all levels of project implementation. Throughout project implementation there are several agencies and individuals involved in the process, including state and federal staff, CMAP programming staff, councils of mayors' staff and officials, consulting firms, sponsor staff, elected leaders, and the public. The staff of the various agencies will monitor project progress and finances.

1. Required designees

For every project included in any active or contingency program, each sponsor shall designate the following from their staff:

a. Technical Project Manager

Responsible for overseeing the implementation of the project, managing any consultants involved in the project, ensuring that all federal, state, and local requirements are met and, in conjunction with the Financial Project Manager, ensuring that the required agreements between the sponsor agency and IDOT or the sponsor agency and FTA are approved and executed in an appropriate and timely manner.

b. Financial Project Manager

Responsible for ensuring that any required local matching funds are included in the sponsor agency budget in the appropriate fiscal year(s) in which federal obligation and/or project expenditures will occur, and, in conjunction with the Technical Project Manager, that the required agreements between the sponsor agency and IDOT are approved and executed in an appropriate and timely manner.

2. Optional designees

For each project phase utilizing consulting services, a Consultant Project Manager must also be designated.

### 3. Guidelines for designees

- a. The Technical Project Manager and Financial Project Manager generally should not be the same person, unless the Technical Project Manager has a direct role in developing the sponsor's budget and/or securing local funding.
- b. Except in cases where a consultant or contractor serves in an official capacity for the sponsor (i.e. as the Village Engineer, Finance Director, etc.), the project managers must be members of the sponsor's staff.
- c. The project managers must be reported to the selecting body in a format and by a date determined by the selecting body. It is the responsibility of the sponsor to keep the selecting body informed of staffing changes affecting these designees.
- d. These managers should be familiar with the federally funded project implementation process and are strongly encouraged to take advantage of training opportunities, even if not required by the selecting body for their project(s).
- e. Required project status updates described in section V.B below may only be submitted by one of these managers, and all managers are jointly responsible for the content and timely submittal of updates.
- f. Correspondence from the selecting body and/or CMAP regarding project status, upcoming programming deadlines, or any other information regarding the programming status of projects will be sent to each of these managers. The selecting body has no obligation to corresponded with any other sponsor staff or consultants hired by the sponsor regarding the project.
- g. Correspondence from the selecting body and/or CMAP regarding the technical details of projects may be sent only to the Technical Project Manager and/or Consultant Project Manager, as appropriate.

### **B. Quarterly Status Updates**

Updates on project status and the schedule for accomplishing implementation milestones are required upon inclusion of any phase of a project within an active and/or contingency program.

#### 1. Timing

- a. Updates must be submitted to the selecting body during the months of March, June, September, and December.
- b. Updates may be submitted any day during the above months.
- c. CMAP or selecting bodies may request additional updates throughout the year. Any additional updates requested will not be a substitute for submitting during the above months.
- d. Status updates must be submitted even if no activity has occurred since the prior update.

- e. It is the responsibility of the sponsor to be aware of when updates must be submitted. Selecting bodies are not responsible for providing reminders.

## 2. Format

- a. Updates are milestone-based, detailing the initial (time of application or funding award) estimated dates for completing each milestone, updated estimated dates throughout the life of the project, and actual completion dates.
- b. CMAP will provide an update form(s) for use by all selecting bodies. The form must be completed and returned in the format provided.
- c. Separate forms will be utilized for projects processed through IDOT (road, bridge, bike/ped, and some transit station projects) and projects processed through FTA (all transit agency projects and some locally sponsored transit projects).
- d. CMAP may alter or update the form(s) from time to time or may develop alternative formats (including a platform for online submissions) in the future. Sponsors must utilize the most current version of the form(s) at all times.
- e. Unless an online submittal process is provided, updates must be submitted via email as directed by the selecting body.
- f. Certain milestones require the submittal of attachments, as documented in the update form. Attachments should be submitted via email to the selecting body, as directed by them. Attachments only need to be submitted once, unless updated during the project implementation process.
- g. Space for sponsors to provide notes or comments about each milestone will be provided. Sponsors may also use this space to document the attachments that have been submitted.

## 3. Submittal guidance

- a. Initial submittal
  - (i) Note all major milestones that have been completed and the date they were completed.
  - (ii) For projects processed through IDOT, if Phase 1 Design Approval has been received, it is not necessary to provide milestone dates for pre-engineering or intermediate phase 1 milestones.
  - (iii) For projects processed through FTA, if engineering and design final verification has been received, it is not necessary to provide milestone dates for project development/pre-engineering or intermediate engineering and design milestones.
  - (iv) If preliminary engineering has not started, only major milestones, such as Phase 2 kick-off, pre-final and final plans submittal, ROW initiation and certification, and letting date for projects processed through IDOT or final design verification, ROW initiation and completion, and construction notice

to proceed for projects processed through FTA, are required to be estimated during the initial submittal. Estimates for all other milestones must be provided during the first update after preliminary engineering has started.

- (v) The environmental class of action for the project will influence the milestones for the project. If a milestone is not applicable to the project because of the environmental class of action, "N/A" may be selected for completion status.
  - (vi) The type of funding (federal or non-federal) for each phase of the project will influence the milestones for the project. If a milestone is not applicable because of the type of funding, "N/A" may be selected for completion status.
  - (vii) If "N/A" is selected for any milestone for a reason other than (v) or (vi) above, the sponsor must provide comments or documentation for why the milestone is not applicable to the project.
  - (viii) Only completed dates and initial estimated dates can be provided during the initial submittal.
  - (ix) All estimated dates must be in the future.
  - (x) All completion dates must be in the past.
- b. Regular submittals
- (i) Only completed dates and updated estimated dates can be provided after the initial submittal.
  - (ii) All estimated dates must be in the future.
  - (iii) All completion dates must be in the past.
  - (iv) Care should be taken to update any estimated dates that have passed since the prior submittal, particularly for projects that had no activity.

#### 4. Penalties for non-compliance

Failure to submit the required status updates will result in project phases being reprogrammed or removed from the programs. Projects that are removed from the programs must reapply for funding during a future call for projects.

##### a. Projects with any phase programmed in the current year of the active program

If a required quarterly update is not submitted, the following actions will be taken by the selecting body and/or CMAP:

- (i) The phase(s) programmed in the current year will be either reprogrammed in an out year of the active program (subject to fiscal constraint) or moved to the contingency program, at the selecting body's discretion.
- (ii) All subsequent phases of the project that are included in the active program will be moved to the contingency program and will not be eligible to be

moved back into the active program until the current year phase(s) is authorized/obligated or until the next call for projects, whichever comes first.

b. Projects with any phase programmed in an out year of the active program

If a required quarterly update is not submitted, the following actions will be taken by the selecting body and/or CMAP:

- (i) All phases of the project that are included in the active program will be moved to the contingency program.
- (ii) The earliest phase will be eligible to be reinstated into the current year of the active program.
- (iii) Any phase(s) not reinstated into the active program prior to the next call for projects must reapply for funding consideration during that call.

c. Contingency projects

If a required quarterly update is not submitted, all phases of the project will be removed from the contingency program.

### **C. Training**

The project sponsor is responsible for attending all training sessions required by CMAP and/or the selecting body.

### **D. Commitments**

1. Funding

By applying for and accepting funding, the sponsor is committed to providing all required local matching funds and for any differences in cost between the awarded federal funding and actual costs.

2. Communication

By applying for and accepting funding, the sponsor is committed to communicating all changes to project scope, schedule, status, and budget to the selecting body in a timely manner.

3. Federal and State requirements (NEPA, GATA, QBS, etc.)

The sponsor must comply with all relevant federal, state, regional, and local laws, regulations, and policies regarding project implementation and use of federal funding, including but not limited to:

a. National Environmental Policy Act (NEPA)

b. Grant Accountability and Transparency Act (GATA) and 2 CFR 200.

Public Act 102-1092 amended GATA and provided that requirements under the Act do not apply to awards to local agencies for federally funded projects because those awards are governed by and must comply with 2 CFR 200.

However, until adjustments to IDOT policies and procedures for compliance with 2 CFR 200 are completed, sponsors may continue to be required to utilize

the state's Grant Management System, which in turn may require GATA pre-qualification. Sponsors are responsible for meeting all requirements of GATA and 2 CFR 200, as directed by IDOT.

c. **Qualifications Based Selection (QBS)**

Local agencies utilizing federal funds for any engineering phase must use Qualifications Based Selection (QBS) procedures for hiring the consultant for each federally funded phase. The QBS process can begin prior to the start of the FFY in which the engineering phase is programmed in order to facilitate execution of local agency and engineering agreements as soon as possible after the start of the FFY. Additional information regarding QBS can be found in the IDOT Bureau of Local Roads and Streets Manual.

## **VI. Selecting Body Responsibilities**

### **A. Training & Technical Assistance**

Selecting body staff shall be a resource for project sponsors and shall, with assistance from CMAP staff and/or IDOT, FHWA, or FTA staff, conduct any trainings required by their methodology.

### **B. Communication and Transparency**

1. Funding opportunities

Selecting bodies must publicly announce all funding opportunities as described in section III.C.2.a.

2. Award letters

a. Funded Active Program Projects

Selecting bodies must issue award letters for projects that have been selected for funding in the Active Program, containing at a minimum:

- (i) The amount of federal funding programmed for the project
- (ii) The phase(s) of the project the funding is allocated to
- (iii) The federal fiscal year(s) the funds are programmed in
- (iv) The amount of non-federal match required and/or the match ratio (federal/local) for the funding
- (v) The TIP ID(s) of the projects
- (vi) Reference and links to these APM policies
- (vii) Reference and links to any additional selecting body APM policies

b. Contingency Program Projects

Selecting bodies must issue award letters for projects that have been selected for inclusion in the Contingency Program, containing at a minimum:

- (i) The amount of federal funding requested for the project
- (ii) The federal fiscal year(s) the funds were requested for

- (iii) Project identifiers, such as the CFP ID(s) of the projects
- (iv) Reference and links to these APM policies, and any selecting body APM policies

c. All Other Projects

Selecting bodies must notify all applicants not selected for inclusion in the Active or Contingency program that they were not selected. This notification should include a brief explanation of why the application was rejected.

3. APM Actions

Selecting body staff are responsible for taking appropriate active program management actions according to these policies to maximize the obligation of STP funds.

4. Website

Each selecting body must maintain a website or web pages that provides up-to-date and historical information about the body's STP programs. In lieu of maintaining their own web page(s), the selecting body may provide information to CMAP for inclusion on CMAP's website. At a minimum the website should contain:

- a. Current active and contingency programs
- b. Current methodology
- c. Meeting calendars, agendas, minutes and/or recordings of meetings for committee(s) that may discuss and/or take action on the programming of STP funds
- d. Information on how the public can participate in the above meetings, including how to request accommodations in accordance with the ADA.
- e. Staff contact information

5. Meetings

All committee meetings at which program development decisions will be made must be open to the public and the public must have a reasonable opportunity to participate in the process.

## **C. Quarterly Status Updates**

1. Provide forms and instructions to sponsors.

Selecting body staff are responsible for developing forms and instructions for quarterly status updates or utilizing the forms and instructions provided by CMAP staff.

2. Review for completeness and reasonableness

Selecting body staff are responsible for reviewing, in a timely manner and in consultation with CMAP staff as needed, all status updates provided by project sponsors and ensuring that:

- a. Updates are complete and no milestones are missing completion status or dates, and that all required attachments have been provided.
- b. All estimated dates are in the future and all actual dates are in the past.
- c. The estimated dates are reasonable for the project scope and usual timelines associated with each milestone and any published schedules and timelines, including the IDOT Letting Schedule and CMAP's annual Master Transportation Schedule.

3. Attach to project files

Selecting body staff are responsible for attaching, in a timely manner, all status update forms and attachments to the project record in eTIP, or for contingency program projects not included in eTIP, for maintaining appropriate project files within the selecting body's records. The status update requirements of these policies has not been met until the update form and attachments are included in eTIP.

4. Active reprogramming

Selecting body staff are responsible for taking appropriate active reprogramming actions based on the information provided in the status updates, including reprogramming project phases in earlier or later FFYs.

5. Withdrawal of funding

During the first TIP change cycle following each status update cycle, selecting body staff must withdraw funding from projects that do not submit updates according to section V.B.

6. TIP changes

Selecting body staff are responsible for making all appropriate TIP changes during the first TIP change cycle following each status update cycle. Changes may include:

- (i) Updates to the project implementation status
- (ii) Updates to target letting/authorization dates
- (iii) Updates to the "Open to Traffic" field
- (iv) Updates to reflect any active reprogramming actions taken

**D. Program development and active reprogramming**

Selecting bodies are responsible for developing a five-year program every two years and for taking appropriate active reprogramming actions to maximize federal obligations while maintaining fiscal constraint in all years of the program at all times.

## **E. TIP changes**

### **1. Responsibility**

- a. Selecting body staff are responsible for making and submitting, in a timely manner, all TIP changes related to STP-funded projects.
- b. If at any time the selecting body staff does not make the appropriate TIP changes in accordance with these policies, CMAP staff may make those changes without consulting the selecting body.

### **2. Official Record**

The CMAP TIP is the official funding record for every project. If the CMAP TIP and the selecting body's program do not match, the CMAP TIP record will govern.

## **F. Record Keeping**

### **1. Project records**

Selecting body staff are responsible for maintaining records for all STP-funded projects, including but not limited to:

- a. Funding applications, including all attachments
- b. Award letters (original and revised)
- c. Quarterly Status Updates
- d. All correspondence and attachments to correspondence regarding the project that included the selecting body staff, including transmittal of forms and documents to/from the project sponsor from/to IDOT, FHWA, and/or FTA

### **2. Programming records**

Selecting body staff are responsible for maintaining programming records, including but not limited to:

- a. Call for projects announcements and materials
- b. All evaluation/scoring results
- c. All programs presented to the selecting body for consideration
- d. All programs and information presented or made available to the public
- e. All public comments received regarding programs and programming actions
- f. A record (such as meeting minutes) of all programming decisions

### **3. Continuity of Records**

Record-keeping techniques should include methods to ensure that program and project files are maintained in an appropriate format and location such that all members of the body's staff have access to the files and that files are not lost, inaccessible, or discontinued as a result of staffing changes at the body.

### **4. Retention**

- a. Project files should be retained until the project is completed and closed out by the US DOT, or for projects that applied but were not selected for funding, through the next two application cycles.

- b. The eTIP database may be used to retain project files, however selecting bodies are encouraged to retain back-up copies.
- c. Programming files should be retained until all projects contained in each program are completed.

### **G. Enforcement**

The primary responsibility for enforcing these policies lies with the selecting body. However, should the selecting body fail to take an action that is required by these policies, CMAP staff will take that action. This includes, but is not limited to, withdrawing funding from projects and project phases, reducing selecting body programming marks, and actively reprogramming any project phase(s) to maintain fiscal constraint at all times. Actions taken by CMAP to enforce these policies will be communicated to the selecting body. It is the selecting body's responsibility to notify directly affected project sponsors of any actions taken.

## **VII. CMAP Oversight Responsibilities**

### **A. Training/Technical Assistance**

Stakeholders throughout the region, including public and private sector implementers, have indicated that a thorough understanding of the project implementation process is critical for the successful completion of projects. An understanding of the process leads to realistic expectations and better overall scheduling and project planning. In partnership with FHWA, FTA, IDOT, CDOT and the Councils, CMAP will develop and provide project implementation training classes and materials for selecting bodies, project sponsors, and the consulting community. To the extent feasible and appropriate, CMAP will participate in training sessions and/or the development of training materials provided by the selecting bodies.

### **B. Communication**

#### **1. Announcements and time-critical updates**

Time critical information will be communicated to sponsors through their council planning liaisons and/or through the staff responsible for programming funds in the CMAP TIP.

#### **2. STP web page(s)**

CMAP will maintain an STP web page(s) on the CMAP website that contains all policies, guidance, training materials, status reports, accounting reports, and other pertinent information.

### **C. Accounting**

CMAP is responsible for all accounting actions for the STP programs, as detailed in section VIII below. If a conflict arises between selecting body records and CMAP records that cannot be resolved, CMAP records will be considered the official record.

## **D. Use of Transportation Development Credits - Highways (TDCHs)**

According to IDOT and CMAP policies, CMAP will make a request to IDOT, on behalf of all selecting bodies, for the use of TDCHs. Copies of the requests and IDOT approvals (or denials) will be provided to selecting body staff and included in the project files in the eTIP database.

## **E. Enforcement**

The primary responsibility for enforcing these policies lies with the selecting body. However, should the selecting body fail to take an action that is required by these policies, CMAP staff will take that action. This includes, but is not limited to, withdrawing funding from projects and project phases, reducing selecting body programming marks, and actively reprogramming any project phase(s) to maintain fiscal constraint at all times. Actions taken by CMAP to enforce these policies will be communicated to the selecting body. It is the selecting body's responsibility to notify directly affected project sponsors of any actions taken.

# **VIII. Accounting**

## **A. Programming marks**

### **1. Current Year**

#### **a. Regional allotment**

The regional allotment for the upcoming FFY is received 6-9 months before the start of each FFY via an IDOT Local Roads Circular Letter. Adjustments to the allotments contained in the Circular Letter are possible, but rare.

#### **b. Selecting Body Allotments**

Allotments for the individual selecting bodies are calculated according to the distribution formula contained in the agreement between the Councils of Mayors and City of Chicago. Allotted funds expire on the final day (September 30) of the FFY.

#### **c. Carryover**

(i) Annual maximum. Total carryover at the end of each FFY from all methods described below is limited to a maximum amount equal to the selecting body's allotment for the year.

(ii) Extended phases. An amount equal to the sum of funds programmed for project phases that were granted obligation deadline extensions, up to the maximum above, may be carried over to the next FFY. These funds must be federally authorized/obligated before March 31 or they will be withdrawn from the selecting body's programming mark.

(iii) Obligation remainders. An amount equal to the sum of all obligation remainders for all project phases that were authorized/obligated in the current FFY may be carried over to the next FFY, up to the maximum above,

if they remain unprogrammed as of the final day (September 30) of the FFY. Obligation remainders that were reprogrammed prior to the end of the FFY, including for the original project phase, will not be included in this sum. These funds expire on the final day (September 30) of the FFY.

(iv) Unprogrammed funds. Funds that are unprogrammed at the end of the FFY may not be carried over, except in limited circumstances described in section VIII.C. below, and will be transferred to redistribution.

(v) Redistribution payback. If the selecting body utilized any redistribution funding during the FFY, the carryover amount will be reduced by the amount of redistribution used and those funds will be returned to the redistribution balance.

(vi) Selecting bodies may not program against projected out year carryover at any time.

(vii) Carried over funds with different expiration dates will be accounted for separately.

d. Programming Mark

The selecting body's programming mark for the current FFY is the sum of the allotment and carryover.

2. Out Years

Programming marks for the out years (years 2-5) are estimates, based on the current year allotment and any annual changes that are reasonably expected. Changes to out year allotments are common.

a. Annual adjustments

Out year allotments are adjusted annually in response to the IDOT Circular Letter containing the regional allotment for the upcoming FFY.

b. Optional active reprogramming

Selecting bodies may actively reprogram within out years in response to these annual adjustments.

c. Required program updates

Selecting bodies must use the most recently available estimates provided by CMAP when developing a new 5-year program via a call for projects.

3. Adjustments for multi-jurisdictional projects

a. Selecting bodies may collaborate with each other to program funding for multi-jurisdictional projects.

b. For each phase of a multi-jurisdictional project, funding from multiple bodies must be programmed in the same FFY.

c. The bodies must designate one selecting body to be the lead programmer.

d. Funds will be transferred to the lead programmer from the other selecting body(ies) by adjusting the programming marks of all involved selecting bodies.

- (i) The programming mark of the lead programmer will be increased by the amount of funding programmed by the other selecting body(ies) in the FFY programmed.
  - (ii) The programming mark of the other selecting body(ies) will be reduced by the same amount.
- e. Cost changes and active reprogramming actions must be coordinated between the selecting bodies.

## **B. Programmed Funds**

At the beginning of the FFY, the amount of funds programmed by each selecting body in each FFY of the active program will be recorded as the baseline for the year. Programmed funds include phases extended from the prior FFY. Changes due to active reprogramming are accounted for as described below, and revised programmed funds are tracked throughout the year.

## **C. Unprogrammed Funds**

The difference between the selecting body's programming mark and the amount of funds programmed is the unprogrammed amount of funding that is available to be programmed. The baseline unprogrammed amount is recorded at the beginning of the FFY. The unprogrammed amount will be adjusted throughout the year due to active reprogramming and the expiration of funds. Funds that remain unprogrammed at the end of the FFY will be transferred to redistribution, except in the cases described below.

### **1. Ready to obligate phases**

If any project phase was ready to be obligated prior to the end of the FFY, but the unprogrammed amount was insufficient to fund that phase, no funding was available from redistribution, and the selecting body did not use any redistribution at any time during the FFY, the unprogrammed amount can be carried over.

### **2. Demonstration of ability to obligate**

Unprogrammed funds can be carried over if the selecting body can clearly demonstrate that those unprogrammed funds could be obligated in the next FFY because:

- a. There is a project phase(s) that is partially funded in the next FFY
- b. There is a project phase(s) that is in a later year (years 3 – 5) or in the contingency program that has met all appropriate milestones to be advanced and has a cost estimate equal to or less than the current year unprogrammed amount.

## **D. Active Reprogramming Actions**

1. Cost changes
  - a. Cost increases are accounted for as additions to the FFY in which they occur.
  - b. Cost decreases are accounted for as subtractions from the FFY in which they occur.
2. Schedule changes
  - a. Project phases that are actively reprogrammed from one FFY into another are accounted for as an addition in the FFY the phase was moved into and a subtraction from the FFY the phase was moved out of.
  - b. New project phases added to an FFY, including phases accelerated from the contingency program and cost increases required to be programmed in out years (see section VI.G.), are accounted for as an addition to the FFY.
  - c. Project phases removed from an FFY, including phases moved to the contingency program or withdrawn entirely, are accounted for as a subtraction from the FFY.

## **E. Marks Adjustments**

1. Redistribution

Transfers to or from redistribution will be reflected as adjustments to the programming mark.
2. Expired Funds

Funds that have expired will be reflected as a reduction to the programming mark.
3. Remainders

If the selecting body chooses to reprogram any obligation remainders, those remainders will be accounted for as a marks adjustment and will not be carried over at the end of the FFY.

## **F. Obligations**

1. FHWA Obligations

The authorization, including Advance Construction (AC), or obligation of funds by FHWA will be accounted for as obligations. The actual amount of funding obligated as shown in FHWA's Financial Management Information System (FMIS) database will be used.
2. FTA Obligations

The amount of funding included in approved FTA grants, as reflected in FTA's TrAMS database will be accounted for as obligations.

### 3. Remainders

Any difference between the programmed STP funding and the obligations above will be accounted for as obligation remainders. When remainders occur, selecting bodies may:

- a. Remove the remainder from the project phase and reprogram the funds for any other project phase in the current FFY. Reprogrammed remainders take on the obligation deadline of the project phase(s) they are reprogrammed on.
- b. Keep the remainder programmed for the project phase by creating a separate line item in the selecting body program and CMAP TIP for the remainder.
- c. Remove the remainder from the project phase and carry it forward at the end of the FFY. Unprogrammed remainders carried forward will expire at the end of the FFY.

## **G. Unobligated Funds**

The difference between the amount of funds programmed by the selecting body and the funds that are obligated is the unobligated balance. Unobligated funds may be carried over to the next FFY only if they are programmed for a phase that qualified for and received an obligation deadline extension.

## **H. Redistribution (transfers to)**

### 1. Unprogrammed funds.

Any funds unprogrammed (as defined in section C above) as of the last day of the FFY will be transferred to redistribution.

### 2. Expired funds.

If the selecting body does not obligate carried over funds prior to the expiration date of those funds, the funds will be transferred to redistribution.

## **I. Redistribution (planned use of)**

### 1. Circumstances

- a. Selecting bodies may plan for the use of redistribution on phases programmed in the current FFY that are targeting later authorization dates if the selecting body reasonably expects, based on quarterly status updates and normal processing timelines, that they will obligate 100% of their mark prior to the target date of these phases.
- b. CMAP staff must approve this planned use of redistribution. Approval will be based on a review of the status of project phases, the redistribution balance, and planned use by all other selecting bodies in the region.

### 2. Procedures

- a. The planned use of redistribution must be reflected in the selecting body program and the project phase(s) that will use these funds must be identified.

- b. The planned use of redistribution must be reflected in the CMAP TIP by separating and clearly labeling the line items that are planning that use. Planned use of redistribution in the CMAP TIP will use the STP-Shared fund code.

3. Limitations

- a. The selecting body must have an unprogrammed balance of \$0 to plan to use redistribution.
- b. The selecting body cannot plan to use redistribution if any project phase programmed in the current FFY is targeting an authorization date that is beyond the end of the FFY.
- c. Planned use of redistribution must always be programmed on the project phase(s) with the latest target authorization date in the FFY.
- d. The use of redistribution by other selecting bodies will not be limited by any other selecting body's planned use of redistribution.
- e. Should the redistribution balance be depleted prior to the planned use, the selecting body will need to actively reprogram the phase(s) planning that use.

**J. Redistribution (use of)**

1. Eligibility

- a. Any selecting body that has obligated 100% of their programming mark in the current FFY is eligible to utilize redistribution for any additional phases that are ready to obligate funds within the current FFY.
- b. Redistribution can be used for cost increases and/or to advance project phases from out years of an active program or from a contingency program.

2. Timing

- a. Selecting bodies can request the use of redistribution no more than six months ahead of the target authorization for the phase(s) it is being requested for and must be able to demonstrate with reasonable certainty that the target authorization is attainable.
- b. Selecting bodies may make a request prior to reaching 100% obligation if they can reasonably demonstrate that they will reach 100% obligation before the phase(s) they are requesting redistribution for will be obligated.

3. Request and approval procedures

- a. Selecting bodies should send a request via email to CMAP staff detailing the amount of redistribution requested, the project phase(s) it is being requested for, documentation of the target authorization of the phase(s), and documentation to support the need for redistribution.
- b. CMAP staff will determine if funds are available and approve requests upon verification that obligations are reasonably expected.
- c. In the event that there are more requests for the use of redistribution than those available, priority shall be given as follows:

- (i) Regional program projects shall be accommodated before local program projects
- (ii) Construction phases shall be accommodated before right-of-way, right-of-way before phase 2 engineering, and phase 2 engineering before phase 1 engineering
- (iii) Cost increases shall be accommodated before advancing active or contingency project phases
- (iv) Active out year phases shall be accommodated before contingency project phases
- (v) Readiness for obligation will have more weight than the date of the request for funding

#### 4. Limitations

- a. Redistribution cannot be used for increased costs for project scope elements that are specifically funded with other sources (such as CMAQ, TAP, Economic Development, ICC, Invest in Cook, etc.).
- b. Redistribution cannot be used for increased costs for non-participating scope elements.
- c. Cost increases using redistribution are limited to the lesser of 20% of the programmed STP funds or the selecting body's maximum increase amount.
- d. Redistribution cannot be used to increase the use of STP funds over any funding cap imposed by the selecting body.
- e. Redistribution cannot be used to increase the federal share (%) for a project phase, unless the federal share is less than the maximum participation allowed by the selecting body due only to fiscal constraint (i.e. was partially funded).
- f. Redistribution can never be used to fund a phase that received an obligation deadline extension, but did not meet that deadline.

#### 5. Payback

- a. If approved redistribution funds are not obligated by the end of the current FFY, those funds will be removed from the selecting body's programming mark in the following FFY.
- b. Selecting bodies that utilized redistribution at any time during the FFY cannot carry over any funds to the next FFY unless the amount of funds to be carried over exceeds the amount of redistribution utilized. In this case, the selecting body can carry over the difference.

## **IX. Effective Date**

These policies will take immediate effect upon approval by the STP Project Selection Committee.

## **X. Supplemental Guidance and Minor Revisions**

CMAP staff have the authority to interpret these policies and make exceptions on a case-by-case basis and to issue guidance on or minor revisions to these policies. Any guidance or revisions issued by CMAP staff will be provided to all selecting bodies and posted with these policies on CMAP's website and will be incorporated into the next major update to these policies.

# Appendix A

## Summary of Major Policy Changes (2018 – 2022)

- Policies were reorganized into outline-style numbering with cross-referencing to facilitate referencing these policies.
- Definitions were added for common terms used throughout the policies. (Section II)
- The call for projects schedule has been shifted forward by four months, beginning with the local call for FFY 2025 – 2029 and the shared fund call for FFY 2026 – 2030. (Section III.C.1)
- Clarifying language defining obligations and typical actions and timelines for obligations were added. (Sections IV.A.1 – 3)
- Language regarding the use of Section 1440 was added (Section IV.A.4)
- Policies for obligation deadline extensions were modified (Section IV.B.):
  - Sponsor options to “proceed at their own risk” or request to be moved to contingency were removed. Sponsors may still request deadline extensions and will be proceeding at their own risk if no extension is requested or if an extension is not granted.
  - Minimum requirements (completion of milestones) to be eligible to request an extension were added. These requirements are based on what is required to submit a funding agreement to IDOT or to apply for an FTA grant.
  - Clarification of approvals were added.
  - Policies to revoke extensions if the minimum requirements are not met were added.
  - Except for project phases that do not meet the minimum requirements to be considered for an extension, project phases that are not approved for, or have their extension approval revoked may remain in the program, however the funding associated with those phases will not be carried forward in the selecting body’s marks.
  - Project phases approved for extensions that miss the extended deadline are not required to be removed from the program, however the funding for those phases will be removed from the selecting body’s mark and the body will have to actively reprogram other projects to accommodate the loss of funding.
- Policies requiring active reprogramming in certain circumstances were added. (Section IV.C.3)
- Policies clarifying requirements and actions for cost changes were added. (Sections IV.E – G)
- The responsibilities of project sponsors, selecting bodies, and CMAP are more clearly defined. (Sections V – VII)
- Language regarding the format of and submittal guidance for quarterly status updates was added. (Section V.B.)

- More specific requirements for transparency and public participation in the processes was added. (Section VI.B.)
- Clarifying language regarding the selecting body's role in the quarterly update process, TIP changes, and record keeping was added. (Sections VI.C - F)
- Full descriptions of the elements of regional accounting were added. (Section VIII)
- Policies allowing selecting bodies to plan for the use of redistribution were added. (Section VIII.I)
- Clarifying language for the use of redistribution was added. (Section VIII.J)