



1500 - Grant Payments

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General

This section provides supplemental guidance to assist sponsors with making reimbursements for project costs that are eligible under their Airport Improvement Program (AIP) grant.

Limitations of this Guidance

We advise users of this guide that any obligation for required action addressed within this guidance originates within applicable Federal directives such as United States Code (USC), Public Law (PL), Code of Federal Regulations (CFR) and official FAA policy directives. This guidance does not create any additional requirements or obligations over and above established policy.



1510 - DELPHI eInvoicing System

eInvoicing

In August 2012, the DELPHI eInvoicing system replaced the FTA ECHO system. Delphi eInvoicing is the U.S. Department of Transportation's (DOT) web-based portal that grantees use to electronically request payment and monitor payment status. This automated system integrates the electronic invoicing system with the DOT's core accounting system (Delphi) to allow the efficient and accurate processing of grant payments.

DELPHI eInvoicing Access Requirements

Before a user can gain access to the eInvoicing system, the DOT must authenticate and verify each user. This Authentication process requires the user to complete an online registration that includes a Proof of Identity form. Once complete, the DOT will validate the form information and either approve or disapprove access. Approved users will receive an e-mail with user name and password.

Refer to the [Delphi eInvoicing System](#) website for additional information and guidance regarding Authentication.

DELPHI eInvoicing Training and Guidance

Web based trainings, user manuals and quick reference guides are available at the [Delphi eInvoicing System Training Materials](#) webpage.

RESOURCES

Guidance

- [DELPHI eInvoicing System – Desktop User Guide](#) (pdf) – Grant Recipient
- [AIP Grant Payments](#) website

Sponsor Updates

To change authorized users or revise bank account information please contact the Central Region Fiscal Control Specialist, Sarah Smith at (816) 329-2641 or Sarah.Smith@FAA.gov.



1520 - Making the Grant Drawdown

General

Chapter 5, Section 6 of the AIP handbook govern payments under the AIP grant program. These regulations require that payment to a grantee be limited to the minimum amounts needed to meet the actual, immediate cash requirements of the grantee as they carry out the approved project.

Drawdown Frequency

Sponsors must strive to make drawdowns within a reasonable timeframe (i.e. 30 days) after receiving invoices for services, equipment or construction. Prolonged drawdown inactivity (i.e. 12 months or greater) may establish sufficient cause for the FAA to recover unused funds by closing the grant. Inactivity of open grants may also jeopardize funding of future projects.

Prior to Making Drawdown Transaction

The AIP handbook requires grantees to maintain pertinent project accounts and records that fully support all project costs. To facilitate this effort, we recommend the sponsor apply the following steps when preparing to make a drawdown against their AIP grant.

1. Assemble Cost Documentation
 - Invoices
 - Billing statements
 - Construction Progress Payment Reports
2. Identify Non-Participating Costs (if applicable)

- AIP Ineligible costs
 - Costs addressed under another grant
 - Costs addressed under State program
3. Prepare an Invoice Summary
 - a) Each drawdown transaction must include an acceptable invoice summary as supporting documentation.
 - b) Refer to Section 1530 within this sponsor guide section for additional guidance.

Making the Drawdown

Log into eInvoicing system and select "Create Standard Invoice"

- 1) Input general invoice information (number, description, amount, etc.)
 - 2) Attach current "Invoice Summary" (Refer to Sponsor Guide section 1530)
- **Do not** upload copies of actual vendor invoices
 - **Do not** upload the SF-271 or the SF-425 within the DELPHI eInvoicing system

The Sponsor may expect to receive payment within two business days of making the transaction.

Questions/Problems

If you are having difficulties accessing the eInvoicing system or completing a transaction, please contact the Delphi eInvoicing helpdesk at 1-866-641-3500. The helpdesk is available 6 am (ET) - 9PM (ET) Monday through Friday.



1530 - Invoice Summary

Drawdown Documentation

All drawdown requests made under the DELPHI eInvoicing System must include an invoice summary as supporting documentation for the transaction. The completion of an SF-270 or SF-271 **does not** fulfill this requirement.

For those AIP Sponsors assigned a nominal risk designation, which represents the majority of AIP Sponsors, the invoice summary represents the only documentation they need to upload with each drawdown transaction.

Sponsors that have an elevated risk designation (moderate or high) will need to upload additional documentation such as detailed invoices and billing statements along with the invoice summary. Sponsors may contact their FAA program manager to determine their current assigned risk level.

Regardless of assigned risk level, the Sponsor must maintain all pertinent records and accounts that fully support the claimed cost (AIP handbook Table 5-19.c).

Invoice Summary Elements and Format (11/29/12)

The FAA does not prescribe the exact format of the invoice summary. However, the invoice summary must include the specific information and elements listed below. Sponsors may customize their invoice summary to meet their own accounting needs provided it includes the following information:

General Information

- Airport Name or Loc ID
- AIP Grant Number
- Current reimbursement number (e.g. Drawdown No. 5)
- Federal Share Percentage (e.g. 90%)

Invoice Information

- Vendor Name (i.e. Consultant, Contractor, etc.)
- Brief Description of Service or Expense (e.g. design services)
- Invoice Number
- Invoice Date
- Invoice Amount
- Cost allocation (AIP/Non-AIP)

Additional Invoice Summary Guidelines (11/29/12)

- a) The invoice summary should only address one specific AIP grant.
 - Sponsors shall avoid combining invoice summaries for different grants.
- b) The invoice summary can address multiple vendors that apply to a specific grant.
- c) The sponsor may track all invoices submitted previously to the current drawdown transactions.
 - This cumulative approach allows the sponsor and the FAA program manager to quickly determine what has transpired to date.
- d) Where appropriate, we recommend the Sponsor identify the original contract amount.



Sample Invoice Summary

For benefit of our Sponsors, we have prepared a Invoice Summary Spreadsheet Template that includes the required information and elements. Please contact your Central Region grant manager for a copy.



1540 - Financial Reports

Reporting Requirement

Chapter 5, Section 6 of the AIP handbook (Order 5100.38D) establishes financial reporting requirements.

Annual reports are due no later than 90 days after the end of the Federal fiscal year.

Project Closeout

In addition to the interim financial report submittals, the sponsor must also submit final reports at the end of the project. Refer to AIP Sponsor Guide Section 1600 for complete requirements for grant closeout.

AIP Financial Reports

The following table indicates submittal frequency for the applicable financial reports based upon current FAA policy.

The SF-270, 271 and 425 can be found on the [FAA Office of Airports Forms](#) website.

Grant Financial Forms

Form	Description	Annually	Close-out	Required Per AIP Handbook Section
SF-270 or SF-271	Request for Reimbursement SF – 270 – For Land or Planning Grants Only SF 271 – For Construction or Equipment Grants Only	No	Yes	Table 5-33.a.3
SF-425	Federal Financial Report	Yes	Yes	Section 5-53, Table 5-33.a.2
Final Vendor Invoices	<ul style="list-style-type: none">Final invoices and receipts (unless the final vendor invoice is less than \$1,000)	No	Yes	Table 5-33.a.4



1550 - Payment History

Invoice Payment Platform

Sponsors that desire to verify AIP payment history are to utilize the U.S. Department of Treasury's [Invoice Payment Platform \(IPP\)](#) system. Sponsors should instruct their auditor to use this system to verify payments made during a given fiscal year.

Sponsors may also contact the FAA accounting office in Oklahoma City, OK when requesting confirmation of Federal funds received.

DOT/FAA/MMAC
PO Box 25710
Modular Bldg 257-6
Oklahoma City, OK 73125
(405) 954-8856



1560 - Improper Payments

Definition

Per section 5-52 of the AIP handbook an improper payment occurs when funds go to the wrong sponsor, the sponsor receives an incorrect amount of funds, or the sponsor uses the funds in an improper manner. Table 5-24 of the AIP handbook shows examples of improper payments. Some examples include payments to incorrect sponsors, payments for ineligible items, duplicate payments, incorrect amounts, and payments that have inadequate supporting documentation.

Sponsor's Action

Sponsors shall immediately notify the FAA program manager any time they discover an improper payment. The program manager will discuss what corrective actions the sponsor must take. In the case of an overpayment, the sponsor will need to submit a credit memo within the eInvoicing system. Tables 5-25 and 5-26 of the AIP handbook define remediation actions for improper payments.

Common Examples of Improper Payments

Listed below are some common situations that qualify as an improper payment.

1. **Seeking payment for 100% of received invoices:**

AIP participation is limited to a percentage of incurred eligible costs. A Sponsor that claims 100% of incurred costs at any time during the project meets the definition of an improper payment.

Also, simply applying the AIP participation rate to a submitted invoice total may inadvertently participate in non-participating costs resulting in an improper payment.

2. **Sponsors seeking reimbursement under the wrong grant:**

A grant agreement is a contract between the FAA and the Sponsor for specific and

defined work. Reimbursement for costs not associated with the grant work description are an improper payment.

3. **Sponsor seeking reimbursement without proper documentation:** Occasionally, sponsors may seek reimbursement of an incurred cost, but either loses or does not retain the associated invoice or billing statement. Although the cost may otherwise be eligible, since a third party audit cannot verify the cost, the FAA could disallow the cost.

4. **Sponsors including retainage costs in the construction reimbursements:**

Sponsors may only claim costs that they have actually incurred. The conventional practice is for a sponsor to retain 10% of completed work until the work is complete and the project is accepted under this approach, sponsors cannot seek reimbursement of the 10% retainage until the project is complete and the sponsor accepts the project from the contractor and subsequently releases retainage.

The exception to the above is the application of escrow accounts. Under this scenario, the sponsor addresses retainage through payments to a legal third party escrow account.

Disbursement of the escrow account may not occur until the sponsor accepts the project. Under this scenario, the sponsor is incurring the cost of the retainage at the time they make payment to the escrow account. This action permits the sponsor to seek reimbursement of the incurred retainage payment.