



**FAA
New England Region Airports Division**

Executing an Airport Improvement Program (AIP) Grant Agreement

Legal Binding Agreement

The Federal Aviation Administration (FAA) issuance and Sponsor's subsequent acceptance of an AIP grant agreement represents a legal binding agreement between the Sponsor and the United States of America. The sponsor must be legally, financially, and otherwise able to assume and carry out the certifications, representations, warranties, assurances, covenants and other obligations set forth within the grant agreement.

The sponsor must have the legal authority to act as the grantee. Proper execution of a grant agreement requires an opinion from the sponsor's attorney attesting to the sponsor's legal authority to act as a grantee and carry out the responsibilities under the grant agreement.

Executing the Grant Agreement

In order to understand the terms and conditions of the grant agreement, the sponsor should use the following procedure to properly execute a grant agreement.

1. Upon receipt of the grant agreement, the Sponsor should carefully review the terms and conditions set forth in the agreement.
 - Do not add, delete, or otherwise alter any part of the FAA's grant agreement/offer. Such modification will automatically void the FAA's grant agreement of assistance.
 - Sponsors with specific questions about the terms and conditions of the grant agreement should contact either the FAA Airports Program Specialist (AIP) or the FAA Project Manager.
 - The Sponsor should note the date at which the FAA's offer of a grant will expire.
2. If applicable, the Sponsor's governing body should take appropriate action to formally approve or disapprove acceptance of the grant agreement.
 - In the case of co-sponsors, each governing body will need to take appropriate action to formally approve or disapprove the acceptance of the grant agreement.
3. Assuming the Sponsor's governing body accepts the grant agreement; a Sponsor's authorized representative must sign and date all copies of the grant agreement.
4. After execution of the agreement by the Sponsor's authorized representative, the Sponsor's attorney must certify that the Sponsor's acceptance complies with state and local law and that it constitutes a legal and binding obligation of the Sponsor.
 - Sponsor's attorney must sign and date all copies of the grant agreement (either on the same day or after the Sponsor's authorized representative).

- **CAUTION:** If the Sponsor's attorney dates the certification prior to the execution by the Sponsor's authorized official, the FAA will deem the Sponsor's certification invalid and the agreement will be returned for re-certification by the Sponsor's attorney.
5. Following certification by the attorney, the Sponsor shall accomplish the following:
- When advised by FAA, fax or email a pdf copy of the signed grant agreement to the FAA Airports Program Specialist (AIP) for New England Region prior to mailing the original grant agreement. This initial submittal only requires the grant agreement pages (about 6 to 8 pages) and the SF-424 pages (about 3 to 4 pages).
 - Mail one of the fully executed agreements with original signatures prior to/by the deadline date as specified in grant agreement condition number six and in the grant offer cover letter. This submittal must include all attachments to the original agreement.
 - The Sponsor shall retain one of the fully executed agreements with original signatures for their records.

Reimbursement of Eligible Costs

Sponsors should note that they cannot seek reimbursement of incurred eligible costs until the executed grant agreement is returned to the FAA. Upon receiving the executed grant agreement, the FAA will evaluate the Sponsor's acceptance of the grant agreement. If acceptable, the FAA will initiate the process to enter the grant agreement into the FAA accounting system. The Sponsor typically will be able to submit payment reimbursement requests on incurred eligible costs within 10 business days of FAA's acceptance of the grant agreement.