

STATE BLOCK GRANT PROGRAM MEMORANDUM OF AGREEMENT
BETWEEN
THE FEDERAL AVIATION ADMINISTRATION
AND

THE _____

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RECORD OF ADDENDA

Section/Page	Change	POC Signature	Date
1.0	Initial Version		October 2023

DRAFT

STATE BLOCK GRANT PROGRAM MEMORANDUM OF AGREEMENT

BETWEEN

THE FEDERAL AVIATION ADMINISTRATION

AND

THE _____

THIS MEMORANDUM OF AGREEMENT (referred to herein as the “Agreement”), made this day of _____, by and between the [State Agency], by and on behalf of the [State/Commonwealth] of _____ (referred to herein as [“State”/“Commonwealth”]), and the Federal Aviation Administration (referred to herein as the “FAA”), an agency of the United States of America.

WHEREAS, the FAA has selected the [State/Commonwealth] as an approved participant in the FAA’s State Block Grant Program (SBGP); and

WHEREAS, the State is responsible for administering Federal funding pursuant to 49 United States Code (U.S.C.) § 47128 for sponsors of participating nonprimary airports, as defined below; and

WHEREAS, per 49 U.S.C. § 47128, the FAA issued a regulation at 14 Code of Federal Regulations (CFR) Part 156, *State Block Grant Pilot Program*, Advisory Circular (AC) 150/5100-21, *State Block Grant Program*, FAA Order 5100.38, *Airport Improvement Program Handbook*, and other relevant FAA guidance to support program administration and compliance responsibilities outlined in this Agreement for participating States to carry out the SBGP; and

WHEREAS, consistent with the AC, this Agreement identifies the scope of the respective SBGP responsibilities of the FAA and the State, and the State agrees to comply with the terms of this Agreement and the provisions within the SBGP grant agreements between the FAA and the State; and

WHEREAS, successful accomplishment of the SBGP requires understandings and commitments on the part of both the State and the FAA to ensure mutual adherence to Federal and State law and regulation and the efficient use of Federal funds; and

WHEREAS, the State and the FAA, intending to be legally bound, do hereby agree to the following understandings and commitments with respect to the SBGP.

ARTICLE I – SCOPE OF THE AGREEMENT

1. DEFINITIONS OF COMMON TERMS IN THIS AGREEMENT

The following definitions are applicable to this Agreement:

- a. Airports District Office (ADO): FAA office that works directly with the State to administer the SBGP. This includes Regional Offices (RO) in smaller regions without ADOs.
- b. Airport Capital Improvement Plan (ACIP): A subset of the NPIAS plan for airport development, is the primary financial planning tool for systematically identifying, prioritizing, and assigning funds to help meet the capital project needs of airports within the National Plan of Integrated Airport Systems (NPIAS). The ACIP also provides the basis for grant planning and management under the AIP.
- c. Block Grant: Grant issued to the State on behalf of a NPIAS airport or airports within the boundaries of the State.
- d. Federal responsibilities: May include administering Airport Improvement Program (AIP) discretionary funds, a release of Federally acquired or Federally conveyed airport property for sale, issuing a Part 139 certificate, installing or moving FAA owned navigational equipment (NAVAIDs), establishing or modifying a flight procedure, or other actions as defined by the FAA.
- e. Federal Aviation Administration (FAA): The Agency, Headquarters (HQ), ADO or RO working with the State to administer the SBGP.
- f. FAA Forms: Those applicable forms approved by the Federal government, including but not limited to FAA forms, the Office of Management and Budget (OMB) forms, Standard Forms (SF), etc.
- g. Federal Fiscal Year (FY): October 1-September 30.
- h. Federal funds: For purposes of this Agreement, funds specifically for capital development administered under 49 U.S.C. Chapters 471 and 475. This currently includes AIP funds, associated Supplemental discretionary funds, and funds received under the Infrastructure Investment and Jobs Act of 2021 (IIJA), which are treated as having been made pursuant to the Secretary's authority under 49 U.S.C. § 47104(a). The FAA is providing administrative funding to support the States' implementation of IIJA infrastructure grants to participating airports. For any future grant programs implemented by statute, if administrative funding is provided to the FAA, the parties will come to mutual agreement on sharing the administrative funding with the States if consistent with Federal law.

i. Federal requirements: Federal requirements are the State's administrative responsibilities that must be implemented and carried out in a manner consistent with 49 U.S.C. § 47128 and 14 CFR Part 156. In accomplishing the SBGP, the State must comply with all the current requirements set forth in the assurances attached to each grant agreement between the FAA and the State, as well as Federal law, including 49 U.S.C. Chapters 471 and 475, Federal regulations, FAA Orders, Program Guidance Letters (PGLs), Standard Operating Procedures (SOPs), and current FAA authorization. Also, the State must comply with ACs, Executive Orders (EOs), and OMB Circulars. The State assumes the administrative responsibility to complete applicable environmental requirements that the FAA would normally fulfill to meet National Environmental Policy Act of 1969 (NEPA), state and local environmental policy acts, and other Federal environmental requirements in accordance with Section 27 of this Agreement. A current list of relevant Federal laws, EOs, Federal Regulations, OMB Circulars, and FAA Orders is included as part of the grant offer each FY.

j. Federally acquired land: Land that was acquired with Federal funds including the AIP, IJJA, Federal Aid to Airports Program, Airport Development Aid Program, and as part of an AP-4 agreement. It also includes sponsor-acquired land that was used for the sponsor match for an AIP project or was swapped for AIP purchased land.

k. Federally conveyed land: Land conveyed to the sponsor by the Federal government through a written deed of conveyance (also called a patent) that contained specific restrictions or allowances for the use of the land. This includes land transferred under (1) the Surplus Property Act, codified in 49 U.S.C. §§ 47151-47153, including former military airports conveyed to local public entities under 10 U.S.C. § 2687 of the Defense Base Closure and Realignment Act program or any other Federal laws; and (2) Section 16 of the Federal Airport Act of 1946, Public Law (Pub. L.) 79-377, Section 23 of the Airport and Airway Development Act of 1970, Pub. L. 91-258, and Section 516 of the Airport and Airway Improvement Act of 1982, Pub. L. 97-248, and recodified at 49 U.S.C. § 47125.

l. Federally obligated land: Land that is included on the Exhibit "A" Airport Property Inventory Map as airport property and therefore Federally obligated for compliance under the terms and covenants of a grant agreement. The entirety of the airport property that comprises the airport's property map should be deeded or under control of the sponsor through a long-term lease and must be inventoried to identify acquisition and/or conveyance to the airport and shown on the Exhibit "A" Airport Property Inventory Map.

m. Major Federal Action: As defined in NEPA, in general "a major Federal action means an action that the agency carrying out such action determines is subject to substantial Federal control and responsibility." The most common Major Federal Actions that FAA's Office of Airports undertakes are approval of Airport Layout Plans (ALPs) or changes to ALPs, approval of Federal financial assistance, and approval of a release of Federally acquired or Federally conveyed land.

n. National Plan of Integrated Airport Systems (NPIAS): identifies existing and proposed airports that are important to national air transportation, and it provides a forward-looking estimate of the type and cost of eligible AIP development needed to meet the needs of civil aviation.

o. Sponsor: As defined in 49 U.S.C. § 47102, a public agency that submits to the Secretary an application for financial assistance for the Airport, and a private owner of a public-use airport that submits to the Secretary an application for financial assistance for the Airport.

p. Subaward: An award provided by the State to an airport sponsor for the sponsor to carry out part of a Federal award received by the State. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the State considers a contract.

2. IMPLEMENTATION, TERMS, AND CONDITIONS OF THIS AGREEMENT

The term of this Agreement shall begin upon the date of the State attorney's execution and shall continue for five FYs. In furtherance of implementation, the FAA will perform the following functions within the first year of the agreement:

- a) Provide training to the State regarding Agreement implementation, including, but not limited to, Section 163 determinations, Exhibit "A" Airport Property Inventory Map reviews, use of Obstruction Evaluation/Airport Airspace Analysis (OE/AAA) to fulfill Agreement requirements, and sponsor eligibility review to fulfill compliance responsibilities; and
- b) Provide system upgrades to OE/AAA that will allow the State to provide comments upon construction safety and phasing plans (CSPPs) and responses to airspace cases per this Agreement.

The FAA will coordinate with the State to modify the Agreement via an addendum should updates be necessary as a result of future legislation that materially changes any of the Agreement's provisions or implementation of the SBGP. Both the State and the FAA shall review this Agreement annually during the first quarter of the FY to determine if an addendum is required. Article VI (Unique Considerations) may be amended to include addendums agreed to in writing by both parties, subject to the approval of the Manager, FAA Office of Airports Financial Assistance Division (APP-500). If the State does not agree to addendums required by Federal law or policy, the FAA may elect to terminate this Agreement.

3. PARTICIPATING AIRPORTS

This Agreement shall apply to those existing or future airports eligible for funding under the SBGP in accordance with 49 U.S.C. § 47128(a) and able to assume the responsibilities as outlined in 49 U.S.C. §§ 47105-47107 and FAA Order 5100.38, Paragraph 2-6. These include nonprimary airports located within the boundaries of the State that are eligible for the receipt of Federal funding administered by the State in accordance with 49 U.S.C. § 47128. The State will recommend and the FAA will determine annually which nonprimary airports are participating under the SBGP based on the list of nonprimary airports in the current NPIAS, except those airports that have opted out of the SBGP, as described further below. Airports classified as primary, as defined by 49 U.S.C. § 47102(16), are not eligible for funding under the SBGP.

The sponsors of nonprimary airports that also own at least one primary airport may opt out of the SBGP by notifying the FAA and the State in writing of their intent to opt out not less than one hundred eighty (180) days prior to the start of the next FY.

Airports that change status (primary/nonprimary) will be added to or removed from the SBGP at the beginning of the next FY, unless a mutually agreed upon alternate process is reached. Specifically, the FAA may continue to administer grants for those airports that frequently shift between primary and nonprimary status. The FAA and the State are responsible for administering those grants or subawards they issue, regardless of subsequent changes in primary versus nonprimary status.

4. ROLE OF FAA AND RELATIONSHIP TO SPONSORS AND CONSULTANTS

The ADO shall provide overall program guidance on behalf of the FAA and shall serve as the primary contact for the State. A detailed list of program functions and responsibilities under the SBGP is included as Attachment A to this Agreement. The ADO shall refer sponsors and their consultants to the State to answer questions about active and proposed projects administered under the SBGP and other program related matters, as applicable under the terms of this Agreement. The ADO shall provide guidance and direction to the State as needed. However, the State bears ultimate responsibility for project administration that complies with Federal requirements.

5. REMOVAL OR VOLUNTARY WITHDRAWAL

If the State does not fulfill its obligations pursuant to this Agreement and Federal requirements, the FAA may temporarily suspend or permanently remove the State from the SBGP after providing notice to the State. Examples of causes for temporary suspension and/or removal include lack of sufficient staffing to administer the SBGP and repeated failure to comply with program requirements (i.e., airspace review, compliance responsibilities, financial management, including large outstanding balances) as specified in this Agreement. The extent and nature of

the State's inability to meet program requirements will determine whether temporary suspension or permanent removal is warranted.

Should the FAA temporarily suspend the State, the ADO will work with the State to determine a corrective action plan and a timeframe for compliance. During the temporary suspension, the ADO will assume all administrative responsibilities associated with the SBGP. If the State does not fulfill its corrective action plan, the FAA may terminate this Agreement within one hundred eighty (180) days.

The State may elect to voluntarily withdraw from the SBGP prior to the start of a new FY. The State must formally notify the ADO at least one hundred eighty (180) days prior to the FY in which the State intends to cease operating as a SBGP participant.

Upon receipt of the written request to withdraw, the assigned ADO will work with the State to develop an agreeable transition plan that will take into account the State's current SBGP, which includes, at a minimum: (1) the number of participating airports; (2) remaining grant periods of performance; (3) unexpended Federal funds; (4) outstanding reporting and actions and issues pertaining to the administration and oversight of the SBGP; (5) administration of all open grants and subawards, including when the final phases of administration and closeout of such projects may extend beyond the effective date when the State executes its withdrawal from the SBGP; and (6) any other outstanding program issues, including compliance-related actions. The transition plan will define actionable steps required by both parties to enable an efficient and orderly transition of responsibilities. During the transition, the State must continue to comply with all applicable agreements, grant assurances, obligations, Federal requirements, and program responsibilities set forth by the FAA in this Agreement and attached addendums, as applicable. The FAA and the State agree to make good faith efforts to support a coordinated seamless transition that creates no negative impact on the safe operation of airports.

6. DISPUTE RESOLUTION

Where possible, disputes regarding implementation and the content of this Agreement will be resolved by informal discussion between the ADO and the State. In the event the State and the FAA are unable to resolve any disagreement, the dispute may be elevated to the FAA HQ Office of Airports. If the parties are unable to resolve any disagreement through good faith negotiations, the termination provisions under Section 5 could be invoked after all opportunities have been exhausted.

7. LIABILITY OF THE UNITED STATES GOVERNMENT

The United States of America shall not be responsible or liable for damage to property or injury to persons that may arise from, or be incident to, compliance with this Agreement.

8. PRIOR AGREEMENTS AND AMENDMENTS

This Agreement supersedes the obligations under any previous State Block Grant Program Memorandum of Agreement entered into between the FAA and the State. This Agreement shall not be amended, altered, or modified except by an instrument in writing duly executed by the State and the FAA.

9. ADHERENCE TO GRANT AGREEMENTS

The State agrees to comply with Federal requirements, as well as with the Federal grant assurances, State Block Grant Assurances, and contractual conditions attached to each grant agreement executed between the State and the FAA. The State further agrees to incorporate the applicable set(s) of Federal assurances and contractual conditions contained in each grant agreement in all subawards and contracts executed by the State on behalf of a participating airport to carry out its administrative responsibilities for all grant amounts issued in accordance with 49 U.S.C. § 47128.

10. STATE PRIORITIES, PROCEDURES, AND FORMS

For AIP formula funding decisions (i.e., utilizing non-primary entitlements (NPE) and state apportionment (SA)), the FAA strongly encourages the State to use the FAA's well established national priority ranking system (NPR), in accordance with 49 U.S.C. § 47128, as a base for preparing and submitting the State's Capital Improvement Plan (CIP) in order to ensure effective, consistent, nation-wide, equitable distribution of safety standards. Additional guidance can be found in FAA Order 5090.5, *Formulation of the NPIAS and ACIP*.

The NPR is one factor in prioritizing funding decisions. The FAA respects each State's prerogative to include other qualitative factors, such as special emphasis areas, special programs, and other specific circumstances that warrant priority consideration. A State that wants to use specific qualitative factors must document these factors and note how and when they operate in its funding decisions.

Regardless of what factors are used, States are encouraged to use NPE funding on the highest priority projects as required by 49 U.S.C. § 47120 and § 47115(d)(2), because the FAA must factor in the use of entitlements when making discretionary funding decisions. If a State plans to use NPE for a lower priority project when requesting discretionary funds for that airport in the same year, the State must submit justification as outlined in Chapter 5 of FAA Order 5090.5 to their respective ADO for review.

Furthermore, the FAA shall permit a State to use a State-specific, published priority system that differs from the NPR system only if such system considers the above outlined goals and is not inconsistent with the goals of the NPR system, per 49 U.S.C. § 47128. States must submit to the FAA HQ Office of Airports for review and approval its project evaluation and selection system

that must incorporate safety and security, system capacity, and environment, before implementation. If a State uses the NPR system that only differs by specific qualitative factors such as submission need not restate the NPR system, but only describe how such qualitative factors generally impact the NPR results.

For nationally competitive funding programs (i.e., supplemental discretionary and IJJA discretionary funding), IJJA Airport Infrastructure Grant funds, and funding granted for specific purposes (i.e., COVID relief funding), the State must evaluate each project based on the statutory guidance given by FAA relating to that program.

11. ADMINISTRATION ELEMENTS

While there is no minimum number of staff required to administer the SBGP, the State must maintain an organization capable of effectively administering the SBGP in accordance with this Agreement and the most current grant agreement(s) issued each year from the FAA to the State.

The State is responsible for administering Federal funds, including oversight, in a manner consistent with the FAA. As part of this oversight responsibility, the FAA recommends the State have the necessary resources and personnel similar to an ADO. This includes Civil Engineers, Aviation Planners, Environmental Protection Specialists, Program Managers, and other qualified staff trained to fulfill the State's program responsibilities under this Agreement and adhering to Federal requirements.

The State is required to have an accounting system that accurately reflects expenditures of SBGP funds.

The FAA's periodic reviews of SBGP performance outlined in Attachment C will be used as a tool to help determine if the State is effectively administering the SBGP and ensure success in the program (see Section 13).

12. ALLOWABLE PROJECTS

The State may only use SBGP funds to accomplish projects deemed allowable which are eligible and justified under 49 U.S.C. Chapters 471 and 475, as interpreted by the FAA through FAA Order 5100-38 or current guidance, and as agreed to in the most current grant agreement issued by the FAA to the State. Questions of eligibility and justification should be directed to the ADO.

13. FAA REVIEW OF STATE BLOCK GRANT PROGRAM

The ADO shall review the State's adherence to program and administrative requirements through its oversight efforts. The ADO will evaluate the State's adherence to Federal requirements including statutes, regulations, written policy shared with the State, and EOs, which will include electronic review of documents and virtual and in-person visits to project sites and State offices. The ADO will conduct various program oversight reviews per Attachment C. The State agrees to

comply with Federally sponsored or approved efforts to review its administration and implementation of its program. The goal of these reviews is to educate and collaborate with the State on Federal requirements so that the SBGP can be successful.

ARTICLE II – FINANCIAL MANAGEMENT

14. BLOCK GRANTS

In order to avoid large unliquidated (unspent) fund balances, and to ensure that outstanding balances are being expended and that the proposed projects are consistent with the project prioritization requirements outlined in Section 10 of this Agreement, the State agrees to the following:

- a) Application: must submit grant applications annually to the ADO. The application may include the State's CIP, which has been approved by and coordinated with the ADO. In lieu of submitting the CIP, the State has the option to submit a breakdown of requested block grant funds for the current FY grant cycle by airport name, location identifier, project title and phase, and fund type (i.e., NPE, SA, and discretionary), and specifying any funds that will be transferred to another airport;
- b) Provide any information requested by the ADO so that the ADO can perform a risk evaluation of the State prior to the State receiving Federal funds in accordance with 2 CFR § 200.206 and the current Airport Improvement Program (AIP) Grant Oversight Risk Model Policy; and
- c) Verify that each sponsor:
 - (1) Is eligible to receive Federal funding and is able to assume the responsibilities as outlined in 49 U.S.C. §§ 47105-47107 and FAA Order 5100.38 or other relevant FAA guidance. This includes current compliance with grant assurances and having good title to airport property;
 - (2) Has an active System for Award Management (SAM) registration with no active exclusions; and
 - (3) Is not debarred, suspended, or otherwise excluded from or ineligible for participation in Federal programs or activities as outlined in 2 CFR Part 180.

The ADO will review the CIP. The ADO will also review the State funding request to ensure that the State has plans to obligate the requested funds within twelve (12) months of the anticipated grant award date. The ADO will provide comments back to the State as necessary. After concurrence with the funding request, the ADO may issue one or more block grants to the State for each FY for the NPE and SA funds for eligible airports. Finally, the ADO will carry over, or protect, any NPE or SA not associated with a project in the current FY to minimize large

outstanding state block grant balances. The ADO may issue subsequent block grants to the State within each FY for the discretionary funds for specific projects at eligible airports. Other Federal funds will be issued under separate grant agreements between the FAA and the State.

Once the State accepts and executes the grant offer, it becomes a formal agreement. The State may then provide funds to sponsors through subawards for specific projects. Each State may develop its own process for subawards but must meet SBGP grant administration requirements in this Agreement.

These subawards may contain funds from multiple block grant agreements but cannot exceed the amounts apportioned by statute to each airport for NPEs, unless a transfer of NPEs has taken place. Title 49 U.S.C. § 47117(c)(2) allows a sponsor to transfer its NPE in a given year to another sponsor in the State. The State may develop a process to transfer NPEs between locations, but a record of these transfers must be kept and submitted with each block grant closeout using FAA Form 5100-110, *Request for FAA Approval of Agreement for Transfer of Entitlements*, or a State equivalent. This record documents the State's approval on behalf of the FAA for the NPE transfer.

Obligated discretionary funds may not be transferred to another airport or project, and any remaining unpaid discretionary funds will be recovered by the ADO upon closeout.

The State must ensure that Federally funded projects are implemented to ensure the expeditious expenditure of Federal funds and project completion within the grant agreement Period of Performance (PoP). Unless explicitly stated otherwise in an amendment from the ADO, the grant agreement PoP ends four (4) years (one thousand four hundred sixty (1,460) calendar days) from the date the State's attorney executes the agreement, which is recorded in FAA's financial accounting system. See Section 19 (grant closeouts and records retention) regarding PoP amendments.

The State must also ensure that all sponsors comply with 2 CFR Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* requirements.

If requested by the State, expiring NPEs shall be returned to the ADO in the FY in which they expire for conversion to SA in accordance with 49 U.S.C. § 47117. Similar to the information provided with the State's initial grant application for these funds, a list of projects and associated funding amounts will be requested with the expiring NPE conversion request application. The ADO will annually provide the State the last date upon which expiring NPEs can be returned and converted.

15. FEDERAL SHARE REQUIREMENT

The Federal share for all subawards shall not exceed the statutory limit per funding program, as included in the grant agreement between the FAA and the State. The State has flexibility to fund individual projects at any matching share they deem appropriate provided the total Federal grant funds spent by the State do not exceed the statutory limit.

16. APPROPRIATE USE OF BLOCK GRANT FUNDS

The State shall follow guidance on the appropriate use of SBGP funds as stated in 49 U.S.C. § 47110(b)(1), FAA Order 5100-38, AC 150/5100-21, *State Block Grant Program*, and other relevant Federal requirements.

It is the State's and airport sponsor's responsibility to recover improper payments without using Federal funding to carry out the work effort. The State can undertake the recovery efforts or pass on the obligation to participating airport sponsors. The State can recover their applicable local share based upon the share of financial assistance provided in the grant.

The State shall take all steps, including withholding future funds, or litigation, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal anti-trust statutes, or misused in any other manner in any project upon which Federal funds have been expended.

The State must obtain the approval of the ADO for the amount of the Federal share of such funds and return the recovered Federal share to the ADO, including funds recovered by settlement, order, or judgment. Also, the State must furnish to the ADO, upon request, all documents and records pertaining to the determination of the Federal share amount or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements, in court or otherwise, involving the recovery of such Federal share must be approved in advance by the ADO.

17. ELIGIBILITY OF ADMINISTRATIVE COSTS

SBG program administrative costs, which are those specific costs related to administration of the SBGP and would normally be incurred by the FAA if it were administering the SBGP, are not eligible for reimbursement. This would include training, CIP development, grant compliance activities, software costs, block grant financial management costs, and other specific overall programmatic costs that cannot be attributed to a specific project.

Block grant funds may be used for allowable project administration costs that are directly related to administering an eligible Federally funded project. These project administration costs would normally be incurred by a sponsor and are eligible under an airport development grant issued by the FAA and thus a subaward issued by the State. These types of costs include contract management, bidding, engineering, preparation of pay requests, and costs for other work that would normally be performed by a consulting firm. Any project administration costs incurred by

the State must be documented with sufficient supporting documentation as determined by the ADO. The FAA expects the State to charge for these costs to the grant subject to 49 U.S.C. § 47110, *Allowable Project Costs*, and FAA Order 5100.38 or other relevant FAA guidance. The State, however, is not required to assess project administration costs if the State prefers to absorb them.

18. BLOCK GRANT PAYMENTS

Block Grant Payments must be administered through the use of the Delphi eInvoicing System, which is the electronic grant payment system for U.S. Department of Transportation (DOT) Financial Assistance Awardees.

States must submit block grant drawdowns in accordance with FAA Order 5100.38 or other relevant FAA guidance. Supporting document requirements for ADO approval of grant drawdowns are outlined in the Airport Improvement Program (AIP) Grant Payment and Sponsor Financial Reporting Policy.

Per FAA policy, states must submit payment requests at least every twelve (12) months starting from the date of the grant acceptance. The ADO also has the option to require the State to submit payment requests as often as every three (3) months (quarterly). This mirrors the financial reporting frequency provided in 2 CFR § 200.328. This does not limit the State from submitting payment requests more frequently than every three (3) months. Continued grant inactivity in excess of twelve (12) months can be cause for termination of a grant agreement.

19. GRANT CLOSEOUTS AND RECORDS RETENTION

In order to comply with grant assurances, the State agrees to follow *Retention Requirements for Records* outlined in 2 CFR § 200.334 and National Archives and Records Administration (NARA) *General Records Schedules 1.1: Financial Management and Reporting Records* and *General Records Schedule 1.2 Grant and Cooperative Agreement Records* for records created by Federal agency program offices responsible for managing grants. The State is to follow the appropriate disposition instructions in NARA general records schedules. The State is required to retain all supporting project documentation for a minimum period of three (3) years from the date of the final request for reimbursement per 2 CFR § 200.334. The State and/or the sponsor must maintain all subaward sponsor records as well as information needed to satisfy all Civil Rights provisions (See Section 33). All project records must be available to the ADO, the FAA, DOT, and other Federal offices for inspection upon request.

For land grants, Federal obligations last in perpetuity and are attached to the land. The grant assurances for land must be attached to the deed upon filing at the Recorder of Deeds.

For equipment grants, records must be retained for three years after final disposition (2 CFR § 200.334 exception (c)).

The State may only charge allowable costs for obligations incurred prior to the end date of the PoP. The State must submit all grant closeout documentation and liquidate (pay off) all obligations incurred under the grant no later than one hundred twenty (120) calendar days after the end date of the PoP. At a minimum, in accordance with FAA Order 5100.38 and any applicable SOPs, the State must submit to the FAA and maintain documentation including:

- Construction Project Final Acceptance – Airport Improvement Program Sponsor Certification (FAA Form 5100-129)
- Summary of the Final Project Cost
- Statement indicating that all related project expenses were reasonable in amount, necessary for the project, and are paid in full.

The grant agreement between the FAA and the State must be closed and all funds accounted for within the closeout package.

The State must use the block grant funds within the PoP. In limited circumstances, such as ongoing litigation of a project funded under the grant agreement between the FAA and the State, the State may request one PoP extension in accordance with 2 CFR Part 200. The State will submit a written request (email) for the amendment to the ADO. The ADO will confirm the extension via letter (email).

If the State does not submit all required closeout documentation within the one hundred twenty (120) calendar days after the end of the PoP, the FAA will proceed to close out the grant no later than one year after the PoP end date with the information available at that time (2 CFR § 200.344). Per 2 CFR § 200.344, the FAA has a reporting obligation to the OMB-designated integrity and performance system for any State's material failure to comply with the closeout documentation requirements and schedule.

Any funds recovered by FAA at the time of grant closeout will be made available to the State based upon their period of availability, unless already expired.

20. REPORTING REQUIREMENTS

In accordance with 2 CFR § 200.328, the State must provide the following reports to the FAA or the ADO:

- Annual SBGP Grant and Subaward Data Request Template: The FAA will provide the request template in the first quarter of each FY. Within ninety (90) days of the request, the State must report program activity for each open block grant, including the description of each Federally funded project by airport with identification of amount and Federal funding type used on each project.

- Outlay Report and Request for Reimbursement for Construction Program, SF-271: For construction projects, the State must submit this report, or an approved equivalent report approved by the ADO, annually, due ninety (90) days after the end of each FY, to summarize requests for reimbursement. This report is also required in the final grant closeout package.
- Request for Advance or Reimbursement, SF-270: For non-construction projects, the State must submit this report, or an equivalent report approved by the ADO, annually, due ninety (90) days after the end of each FY, to summarize requests for reimbursement. This report is also required in the final grant closeout package.
- Federal Financial Report, SF-425: The State must provide this form annually, within ninety (90) days of the end of each FY, to show the financial progress of each grant. This report is also required in the final grant closeout package.
- Federal Funding Accountability and Transparency Act Report (FFATA) (monthly): This report is required of the State, as a recipient of individual Federal grants of \$30,000 or more awarded via grant. The State is required to report subawards and executive compensation data (where necessary) on the FFATA Subaward [subgrantee] Reporting System (FSRS) at <http://www.fsr.gov/>. The State has thirty (30) days after the end of each month to submit this report.

21. SINGLE AUDIT REPORTS

In accordance with 2 CFR § 200.332 and § 200.501, the State must conduct a Single Audit Report and monitor its progress through the Federal Audit Clearinghouse. If any recommendations are made relating to funds administered through the SBGP, the State must notify the ADO and share a copy of the Single Audit Report. The State must also share its responses to the recommendations and their ultimate resolution with the ADO. In addition, if a sponsor's Single Audit Report includes recommendations relating to funds administered through the SBGP, the State will ensure that the sponsor addresses and resolves those recommendations.

ARTICLE III – PROGRAM FUNCTIONS AND RESPONSIBILITIES

Many of the program activities that would normally be the responsibility of the ADO become the responsibility of the State under the SBGP. The State's and the ADO's program responsibilities for airport actions are described in Attachment A.

22. CAPITAL DEVELOPMENT AND PLANNING UPDATES

In accordance with the scheduled outline in FAA Order 5090.5, *Formulation of the NPIAS and ACIP*, Appendix C, Tables C1 & C2, the State agrees to provide data and updates related to the NPIAS and CIP as requested. The State must coordinate and compile this data from sponsors and then provide it to the ADO. The data request must include airport name and location, name of

sponsor, brief description of each project, and the estimated amount, FY, and type of Federal funds requested. Consistent with 49 U.S.C. § 47120(b), the FAA will give lower priority to discretionary projects submitted by sponsors that have used entitlement funds for projects that have a lower priority than the projects for which discretionary funds are being requested. To make its discretionary funding requests as competitive as possible, the State should apply all of a sponsor's available NPE to a proposed project for it to be considered for discretionary funding. In addition, the State may be requested to provide the status of environmental review, a benefit-cost analysis (if required) for discretionary funds, or other information needed as part of the planning process, including prioritization, eligibility, and justification. The State agrees to provide FAA at least a five (5) year CIP for each participating airport annually, with specific deadlines set by the FAA. The ADO will acknowledge receipt of the CIP and provide comments and requests for revision as necessary on the submitted data.

23. SECTION 163

On October 5, 2018, H. R. 302, "FAA Reauthorization Act of 2018" was signed into law (Pub. L. 115-254). Section 163 limits the FAA's authority to regulate airport land and limits FAA's approval authority on ALPs. On October 27, 2020, FAA HQ Office of Airports issued instructions to FAA staff and states participating in the State Block Grant Program on implementing Section 163. Please contact your respective ADO for the latest version of the instructions.

The State shall follow the process outlined in the Section 163 instructions (or subsequent guidance pertaining to Section 163 issued by the FAA) for determining whether or not the State has ALP approval authority for airports participating in the SBGP. The ADO will assist the State as needed to help make the proper determination or will make the determination for the State upon request.

24. AIRPORT LAYOUT PLAN (ALP)

The State shall maintain a current ALP for all participating airports, consistent with guidance found in FAA SOP 2 - *Standard Operating Procedure for FAA Review and Approval of Airport Layout Plans (ALPs)*, as well as other applicable guidance including AC 150/5070-6, *Airport Master Plans*. Once the ALP has been reviewed by the State, it must be submitted to FAA for review in accordance with 49 U.S.C. § 47107 and any other required circulation. All comments generated by the FAA's review through OE/AAA shall be adjudicated and incorporated into the ALP document prior to approval by the State. No grant shall be issued to an airport sponsor by the State under the SBGP unless the airport has an approved ALP, and the project is consistent with the approved ALP. The ALP approval letters should recognize the approval limitations under Section 163 (this language is included in the Section 163 Instructions).

As part of the ALP review process, the State will review and approve the forecast using the criteria in AC 150/5070-6. If the forecast exceeds the Terminal Area Forecast (TAF) by more

than the allowable percentage in the AC or if otherwise requested by the ADO, the State will coordinate the forecast with the ADO for APP-400 review and approval.

25. EXHIBIT “A” AIRPORT PROPERTY INVENTORY MAP

An Exhibit “A” Airport Property Inventory Map depicts the airport property that is Federally obligated for compliance under the terms and covenants of a grant agreement, also referred to as “obligated land”. Consistent with grant assurances, the State should work with its sponsors to ensure that they update and maintain an Exhibit “A” Airport Property Inventory Map, which clearly shows by appropriate legal description all airport land owned by the sponsor for airport purposes, including land and interests in land in the runway approach areas, plus any areas or tracts of land proposed to be acquired in connection with a project. The Exhibit “A” Airport Property Inventory Map shall be prepared in accordance with FAA SOP 3 - *Standard Operating Procedure for FAA Review of Exhibit “A” Airport Property Inventory Maps*.

New airport sponsors receiving a grant for the first time must submit an Exhibit “A” Airport Property Inventory Map depicting the land required to support the facilities needed to operate the airport.

The State will ensure that as part of a noise land acquisition in a Federally funded project the sponsor will prepare or update a Noise Land Inventory Map and Reuse Plan to standards satisfactory to the FAA and submit said documentation in final form to the FAA and the State, in accordance with 49 U.S.C. § 47107(c)(2).

26. LAND USE OR RELEASE FOR SALE; DISPOSAL OF EXCESS/UNNEEDED OR RELEASE OF OBLIGATIONS

In accordance with 49 U.S.C. §§ 47107(c)(2), 47125 and 47151-47152, Federally funded or Federally acquired land that is not needed for airport purposes must receive consent or approval for a non-aeronautical use or release for sale.

The State shall advise the ADO promptly of (1) any request for non-aeronautical use of land on Federally acquired or Federally conveyed land, (2) release of any Federal obligations on land, and (3) any proposed release of land for sale. The State will review sponsor requests for land use changes and for release of airport land from Federal obligations in conformance with FAA Order, 5190.6, *Airport Compliance Manual*. The State must review the request and provide its recommendation to the ADO. The ADO shall review the request, perform any required coordination with other Federal or State entities, and make the final determination. The FAA Associate Administrator for Airports (ARP-1) is the FAA approving official for a sponsor’s request to be released from its Federal obligations for the purpose of abandoning or disposing of an entire airport before disposal can occur. That authority is not delegated. The State will coordinate with the ADO on any airport closures.

All subaward funded land and easement acquisition projects must meet all land acquisition requirements outlined in FAA Order 5100.38, including but not limited to good title, recording of the grant assurances with the deed, update of the Exhibit “A” Property Inventory Map, and conformance with 49 CFR Part 24, *Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs*, FAA Order 5100.37, *Land Acquisition and Relocation Assistance for Airport Projects*, and AC 150/5100-17, *Land Acquisition and Relocation Assistance for Airport Improvement Program Assisted Projects*.

The State shall work with the ADO to confirm State and sponsor requirements for tracking and release of Federally acquired or Federally conveyed land. If the land at issue is PFC funded, the State shall contact the ADO for direction.

27. ENVIRONMENTAL RESPONSIBILITIES AND OVERSIGHT

In administering block grant funds, the State agrees to assume responsibility for, where permissible by law, compliance with the National Environmental Policy Act of 1969 (NEPA, 42 U.S.C. §§ 4331 – 4336), as implemented by the Council on Environmental Quality (CEQ) Regulations for Implementing the Procedural Provisions of NEPA (40 CFR Parts 1500-1508) and the most recent versions of the FAA’s NEPA procedures (FAA Order 1050.1, *Environmental Impacts: Policies and Procedures* and FAA Order 5050.4, *NEPA Implementing Instructions for Airport Actions*) and related FAA guidance (e.g., the FAA Order 1050.1 Desk Reference and the FAA Order 5050.04 Environmental Desk Reference for Airport Actions), and applicable “special purpose laws and requirements,” as defined in FAA Order 1050.1. In administering block grant funds, and when conducting NEPA, the State also agrees to abide by the limitations on FAA approval authorities established by Section 163 (see Section 23, above). Special purpose laws and requirements that apply to the State’s administration of block grant funds are described in FAA Orders 1050.1 and 5050.4, and related FAA guidance.

The State’s environmental compliance responsibilities when administering block grant funds for a project will vary depending on whether the project involves an associated FAA Major Federal Action (see definition in Section 1) and whether the State has been delegated authority to undertake the Major Federal Action. See Appendix A for further details.

1. *Projects that involve only entitlement or State apportionment*

For projects that involve only the use of SBGP entitlement or SA grant funds, the State is responsible for undertaking FAA’s Major Federal actions of approval of the grant funds and approval of a change to the ALP (if applicable) in accordance with 49 U.S.C. § 47128. Therefore, for these projects, the State is responsible for compliance with NEPA and applicable special purpose laws and requirements. The State will provide the sponsor with appropriate guidance and assistance in the preparation of the environmental document, independently evaluate the environmental document, and take responsibility for the contents of the environmental document.

However, for any project for which the State proposes to use SBGP entitlement or SA grant funds and that requires a Major Federal Action undertaken by the FAA which has not been delegated to the State under 49 U.S.C. § 47128 (e.g., approval of a release of Federally funded or Federally conveyed property or an impact to FAA owned or supported NAVAIDs, new flight procedures, etc.), the State should consult directly with the ADO and/or the responsible FAA office, as applicable.

For any project that requires ADO involvement, the State will consult with the ADO on the appropriate level of NEPA review and level of ADO involvement. After the ADO and the State agree on and the ADO approves the level of NEPA review, and unless an alternate level of ADO involvement is determined, the State will undertake the environmental review. The FAA will provide the State with appropriate guidance and assistance in the preparation of the environmental document. The FAA will independently evaluate the environmental document and will take responsibility for the contents of the environmental document.

2. Projects that involve the use of discretionary funds

For projects involving discretionary funds, regardless of the type of funds utilized for the environmental review, the FAA retains responsibility for undertaking approval of use of the funds. Therefore, the FAA is responsible for compliance with NEPA and applicable special purpose laws and requirements. The ADO will provide the State with appropriate guidance and assistance in the preparation of the environmental document. The FAA will independently evaluate the environmental document and will take responsibility for the contents of the environmental document.

3. The FAA's SBGP oversight authority for compliance with NEPA and special purpose laws and requirements:

The ADO is available to assist the State regarding all aspects of the State's environmental compliance responsibilities under this Agreement and NEPA. This applies to specific projects or the State's overall environmental program, which includes Federal and non-Federal actions.

As part of its oversight authority, the ADO may review specific State environmental analyses. This would occur if the ADO determines it is necessary to assess the State's compliance with its environmental responsibilities under the SBGP. Bases for these determinations include, but are not limited to, the level or complexity of a NEPA analysis or the State's past performance preparing similar analyses.

In addition, failure of the State to meet its environmental responsibilities under the SBGP, either for a specific action or the overall environmental program, may jeopardize continued eligibility and participation in the SBGP.

Under 49 U.S.C. § 47128(d), other Federal agencies responsible for issuing an approval, license, or permit to ensure compliance with an environmental requirement applicable to a project to be carried out by a State using block grant funds must (1) coordinate and consult with the State, (2) use the environmental analysis prepared by the State, if adequate, or (3) consult with the State to describe the supplemental analysis the State must provide to meet applicable Federal requirements.

28. DESIGN CRITERIA

The geometric and design criteria to be used for projects under this program must be those promulgated by the FAA in FAA AC 150/5100-13, *Airport Design*, and other applicable ACs. The FAA expects Federally funded projects to meet these design standards. In limited circumstances, a request for a modification of these standards by a sponsor can be submitted. It must be first submitted to the State for review and comment. The State or sponsor must submit all requests for modification of standards to the ADO for SBGP projects. Currently, the Airport Data and Information Portal (ADIP) will accept a request for modification of standards from the State or the sponsor. The parties should coordinate prior to submission for FAA action. Any project that complies with FAA standards, or for which a modification of standards has been mutually agreed to by the ADO and the State, shall be deemed to meet FAA standards for the purpose of Federally funded projects at that airport.

29. CONSTRUCTION PLANS AND SPECIFICATIONS

The construction specifications used for projects under the SBGP shall be those approved by or published by the FAA in the applicable ACs, unless specifically allowed by law. Alternative individual standards may be proposed by a participating State as a State standard for ADO approval. Eligible projects complying with either FAA or FAA-approved State standards shall be considered as meeting Federal standards for Federally funded projects. The State shall be responsible for review and acceptance of construction plans and specifications for purposes of bidding for any project under the SBGP. The State shall provide the construction plans and specifications for all proposed discretionary projects upon the ADO's request.

30. CONSTRUCTION SAFETY PHASING PLANS

Each Federally funded project under the SBGP that occurs within the air operations area must have a CSPP consistent with the relevant FAA guidance such as ACs, engineering briefs, and SOPs. The State will provide initial comments and ensure that the CSPP is submitted into OE/AAA in accordance with the relevant FAA guidance. The State will provide comments through OE/AAA on the CSPP, including any recommended mitigation measures, for ADO final approval. At certificated Part 139 airports, the coordination for airports shall include the FAA Airport Certification Safety Inspector (see Section 39).

31. AIRSPACE DETERMINATIONS

The State shall maintain the automated airport/runway database in OE/AAA at all nonprimary airports approved for participation in the SBGP. This will ensure airspace protection for plans on file, such as a future runway extension.

The ADO is responsible for managing on-airport Non-Rulemaking Airspace (NRA) aeronautical studies, which includes issuing the final FAA determination in accordance with 14 CFR § 77.31. The State is responsible for providing their response within forty-five (45) working days, which at a minimum verifies that the proposed development is consistent with the airport's approved ALP.

The FAA's Air Traffic Obstruction Evaluation (OE) Group is responsible for managing off-airport OE aeronautical studies (generally within the limits of the Part 77 conical surface of the airport), which includes issuing the final FAA determination in accordance with 14 CFR § 77.31. On behalf of the ADO, the State will verify that the airport runway/database is up to date and reflects the most current plans on file pertaining to the OE case. The State is also responsible for providing its response within fifteen (15) working days, consistent with FAA guidance, including, but not limited to, FAA Order JO 7400.2, *Procedures for Handling Airspace Matters* and SOP 9 – *FAA Aeronautical Study, Coordination and Evaluation*.

The FAA's Technical Operations Service Area Office is responsible for managing Non-Rulemaking (NR) aeronautical studies. On behalf of the ADO, the State will provide its division response within forty-five (45) working days, consistent with FAA guidance, including, but not limited to, FAA Order JO 7400.2 and SOP 9.

32. INSTRUMENT FLIGHT PROCEDURE (IFP) REQUESTS

The FAA shall notify the State of all IFP requests relating to participating SBGP airports and request the State's comments on whether it supports the requests and the State's verification of the airport-specific information that is needed in support of the requests. In accordance with FAA Order 8260.43, *Flight Procedures Management Program*, the State's review is to include, but is not limited to, identifying any known safety issue(s) and any published or pending publication requests (e.g., airport construction). The FAA does not support temporary procedures with a duration of less than one year. The ADO will decide whether to support the request and notify the State of the decision.

33. DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM AND AIRPORT CONCESSION DBE (ACDBE) PROGRAM, TITLE VI, AND AMERICANS WITH DISABILITIES ACT OF 1990

The State, consistent with applicable grant assurances, will comply with and ensure eligibility for its participating airports with all applicable civil rights obligations, in accordance with the annual SBGP grant agreement.

DBE Plans and Goal Setting

If the State issues subawards for participating airports where the local airport performs project implementation, the State may delegate their DBE program responsibilities to those airports or retain it at the State level for all participating airports. Airports, or the State, as applicable, are responsible for developing and updating the DBE program and setting goals per the required timeframes and ensuring reporting to the FAA Office of Civil Rights (ACR) is accomplished. These documents will be submitted to ACR through the electronic portal for ACR approval. The State should monitor the portal for approval of plans and goals prior to issuing subawards.

For States that do not issue subawards for participating airports and handle project implementation at the State level, the State is responsible for developing and maintaining a DBE program, setting goals, and reporting to ACR as required. The State may use the total of all State block grant funded contracts by the State to meet the State's overall DBE goal covering their participating airports.

Oversight and Enforcement

The State shall ensure that a current DBE program, goals, and reporting covering each participating airport within the SBGP is submitted to ACR as required.

The State will coordinate directly with ACR so that ACR can determine how funds were expended either by subaward reporting as required or during the State's application for Federal funds.

Complaints

The DBE Liaison Officer (DBELO) as identified in the DBE program document is responsible for DBE program complaint investigations. For those States that issue subawards to local airports, the airport DBELO would be responsible for handling complaints. For States that do not issue subawards, the State DBELO would handle the complaints. For the ADA and Title VI programs, typically it is the person named on the complaint poster that must be conspicuously displayed in the public areas of the airport that is responsible for handling complaints.

Outreach

The State and/or subawardee must take appropriate outreach steps to encourage available ACDBEs to participate as concessionaires whenever there is a concession opportunity at a non-primary, non-commercial service, general aviation, reliever, or any other airport that does not have scheduled commercial service; however, the State and/or subawardee is not required to have an ACDBE program covering those airports.

34. COMPLIANCE RESPONSIBILITIES

Eligibility

The State agrees to verify that the terms and conditions contained in all subaward agreements, including the applicable Federal grant assurances, are being met by sponsors for the duration of the obligations or until such time that the State ends its participation in the SBGP. To accomplish this, the State agrees to conduct a sponsor eligibility review for each sponsor at least every three (3) years or when their next project is planned, as outlined in the State's CIP, whichever is later, to ensure that basic eligibility conditions are being met. Components of the eligibility review will include, but may not be limited to:

- 1) Confirmation that the sponsor holds good title to airport property (either through fee simple ownership or through lease with more than 20 years remaining);
- 2) Confirmation that the sponsor has submitted an Exhibit "A" Airport Property Inventory Map that meets FAA requirements;
- 3) Confirmation that the sponsor continues to meet the legal requirements to be a sponsor pursuant to local, state, or Federal law; and
- 4) Confirmation that the sponsor is in compliance with all applicable Federal grant assurances in the manner the FAA prescribes.

The State will provide the ADO a summary of the eligibility review and will work with sponsors to develop corrective action plans to address any concerns resulting from the eligibility review.

The FAA will provide guidance and training on sponsor eligibility review requirements. As needed, the State will invite FAA representatives to State aviation conferences to provide compliance education and guidance directly to sponsors.

The State will not issue a SBGP subaward to a sponsor when the FAA has advised the State in writing that consideration of grant applications to that sponsor should be withheld due to compliance concerns. The FAA will support the State in meetings and follow-up discussions to ensure the sponsor understands the applicable compliance requirements.

Compliance Enforcement

The goal of the FAA's compliance program is to educate sponsors and address issues prior to their escalation into the informal complaint process. The State is the first point of contact for participating airports to help advance this goal, build relationships, and encourage compliance in accordance with FAA Order 5190.6 and associated Federal requirements.

The State will assist the FAA in performing an investigation under Title 14 CFR Part 13 of informal complaints filed with either the State or the FAA concerning the compliance of sponsors participating under the SBGP and promptly forward any informal complaint under 14 CFR Part 13 received by the State to the ADO for investigation. The State will assist the FAA in following the Part 13 process in accordance with current guidance. At a minimum, the State will provide the following sponsor information to the FAA in a timely manner: 1) the most recent ALP; 2) the most recent Exhibit "A" Airport Property Inventory Map; 3) Federal grant history; 4) sponsor contact information; and 5) any correspondence related to the complaint. Additional information regarding the complaint may also be requested by the FAA. The State shall promptly notify the ADO of any grant assurance violations based on the State's knowledge of a Part 13 investigation, information that comes into the State's possession, and/or the State's own observations. Formal complaints filed under Title 14 CFR Part 16 will be adjudicated by the FAA Office of Airport Compliance and Management Analysis (ACO-100) only. The FAA may ask the State to provide records similar to the above list in relation to a Part 16 complaint.

If the FAA receives a hotline complaint concerning safety and/or the compliance of sponsors participating in the SBGP, the State will assist the FAA by providing any information requested by the ADO or the FAA regarding the hotline complaint.

Release of Federal Obligations and Sponsorship Transfers

When a sponsor at a participating airport proposes to dispose of airport real property and/or convert airport property to non-aeronautical use, the State will ensure that a Section 163 evaluation is completed and reviewed by the ADO. If the Section 163 evaluation determines that either ALP or Land Use Approval Authority exists over the proposed disposal of airport property and/or conversion to non-aeronautical use, the State will require the sponsor to prepare and submit to the FAA a package in accordance with FAA Order 5190.6 regarding request for land releases or other releases from Federal obligations. The FAA will approve any land releases or other releases from Federal obligations. ARP-1 is the FAA approving official for a sponsor's request to be released from its Federal obligations for the purpose of abandoning or disposing of an entire airport before disposal can occur. That authority is not delegated. The State will coordinate with the ADO on any airport closures.

Within the FAA, all requests for airport sponsorship transfers must be coordinated first with the ADO, but ultimate approval remains with the FAA Office of Airport Compliance and

Management Analysis pursuant to Compliance Guidance Letter 2021-01, Guidance for Transfer of Federally Obligated Airports.

Temporary Closure of Airports for Nonaeronautical Purposes

When an airport sponsor proposes to temporarily close the airport or part of the airport for a nonaeronautical event, it must submit its request for a temporary airport closure to the State and the ADO. Final FAA Policy on the Temporary Closure of Airports for Nonaeronautical Purposes (88 Fed. Reg. 30640, May 12, 2023) provides a list of documentation and required information that a sponsor must include in its written request. The State will review the written request to ensure it is complete and coordinate with the sponsor to address any missing information. The State also will provide input to the ADO. The ADO will provide final approval or disapproval of the proposal.

35. WILDLIFE MANAGEMENT

Off Airport Wildlife Management

For the safety of the flying public, wildlife management is a priority. Landfills and other incompatible land uses around the airport shall be reviewed by the State in accordance with AC 150/5200-33, *Hazardous Wildlife Attractants On or Near Airports*, and AC 150/5200-34, *Construction or Establishment of Landfills Near Public Airports*. The State will work with the ADO to support state and local authorities in their efforts to enact zoning ordinances or other measures to ensure airport protection.

On Airport Wildlife Management

If an airport has an identified wildlife issue through wildlife strike reports or other user reports, the State should work with the airport on wildlife management and mitigation solutions. This could include having a qualified biologist do a Wildlife Hazard Site Visit and develop a written adaptation of the site visit recommendations or a corresponding Wildlife Hazard Management Plan (WHMP). Any capital development derived from the recommendations in the WHMP should follow FAA Order 5100.38 or other relevant FAA guidance for eligibility and be pursued as a top safety priority.

36. NATIONAL SAFETY INITIATIVES

The FAA and the State agree that safety is our top priority. The FAA periodically rolls out national safety initiatives that have been designated by Congress within the law or identified by the FAA that will improve the safety and efficiency of the National Airspace System, i.e., Runway Safety Area (RSA) improvements, Safety Management System (SMS), or Runway Incursion Mitigation (RIM) initiative. As part of the roll out, the FAA will provide the State with overall information about the initiative and coordinate actions needed, including an implementation plan, which could include updates to airport CIPs to fund high priority safety

initiatives. For SMS, the FAA may elect to conduct Safety Risk Management (SRM) at participating airports where it is deemed beneficial and appropriate. The State will need to participate in the SRM process. The State is also expected to periodically issue subawards for special emphasis projects in support of identified capital development needed as part of the safety initiatives. The ADO will work with the State to update its statewide CIP to align with the national safety initiative, including development of a funding plan and timing of implementation.

37. NEW OR REPLACEMENT NPIAS AIRPORTS

The State must review and provide a recommendation to the ADO concerning any proposed new entries into the NPIAS. A proposed new entry includes an existing airport requesting entry into the NPIAS, construction of a new greenfield airport, or construction of a new airport to replace an existing NPIAS airport. The State will submit any proposed new NPIAS entries to the ADO for review and coordination/approval by the FAA Office of Airport Planning and Programming (APP-1). The FAA will lead and provide approval for all aspects of the new airport process including NPIAS entry, feasibility study, ALP approval, and final new airport determination. No Federal funds may be spent until the new entry has been coordinated with and approved by APP-1. The State will support the FAA throughout this process. Anticipated primary airports will remain with the ADO, and nonprimary airports will be handled by the State starting with the first development grant for the airport.

38. LAND USE COMPATIBILITY

To the extent allowed under law, the State shall support sponsors with their efforts to protect against encroachment and incompatible land use, such as establishing zoning protections to safeguard the Federal investment at an airport.

39. PART 139 AIRPORTS

All 14 CFR Part 139 airport certification matters shall remain the responsibility of the FAA, including development proposed in connection with Part 139 requirements, funded under the SBGP.

ARTICLE IV – TRAINING

40. TRAINING PARTICIPATION

State staff directly involved in the administration and implementation of the State's block grant program are encouraged to participate in FAA identified SBGP training courses and other learning opportunities offered by the FAA, as budget and availability allow. The FAA will provide a training plan that covers various recommended courses and a variety of avenues for delivery, i.e., FAA Academy, Electronic Learning Manager System (eLMS), and recurrent trainings. The FAA will, to the extent possible, provide virtual training options to help facilitate low cost training. Attachment B includes a minimum recommended training plan for State staff

based upon job duties. The State will identify a training point of contact responsible for maintaining the training records of State staff and ensuring that State staff has access to training opportunities.

ARTICLE V – COMMUNICATION

41. COMMUNICATION

The FAA is establishing a designated Block Grant Point of Contact (POC). The POC will communicate with States so that States have current and necessary information to administer the SBGP. The FAA’s communication efforts will include at a minimum:

- A monthly call or virtual meeting with the FAA and all States, where updates to Federal requirements and current issues will be discussed. The agenda for each monthly meeting will be coordinated between FAA and the States.
- A monthly call or meeting with the State’s respective ADO to discuss the status of the SBGP and any issues or questions from the State. Such conversation can occur more frequently than on a monthly basis if desired by the State and its ADO.
- Quarterly FAA calls or virtual meetings with FAA directorates (environmental, engineering, etc.) where States can raise questions relating to the subject matter at issue and hear the latest guidance in that subject area.
- Participation in the National Association of State Aviation Officials’ annual conference and legislative conference in order to provide another forum for discussion on the SBGP.

If the State has a question regarding any issue relating to the SBGP, including this Agreement, the State’s first point of contact is the ADO.

ARTICLE VI – UNIQUE CONSIDERATIONS

The FAA and the State may mutually agree to customize Article VI of this MOA as needed to reflect unique situations, such as provisions within the Agreement that conflict with State law. Any elements of Article VI must be approved in advance by the FAA’s Office of Airports, Airport Financial Assistance Division (APP-500).

[Insert Approved Unique State Consideration(s)]

ARTICLE VII – ACCEPTANCE

The terms of this Agreement shall remain in effect while any SBGP grant is active. By signing below, the following parties agree to the understandings, responsibilities, and terms of this Agreement.

Shannetta R. Griffin, P.E.

Associate Administrator, Office of Airports (ARP-1)

Federal Aviation Administration

Acknowledgement:

[Name]

Manager, Airports District Office/Regional Office

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.¹

Executed this day of _____.

Signed for the State of _____:

(Signature of State's Designated Official Representative)

.....
(Typed Name of State's Designated Official Representative)

.....
(Title of State's Designated Official Representative)

(Signature of State's Counsel)

.....
(Typed Name of State's Counsel)

.....
(Title of State's Counsel)

¹ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. Section 1001 (False Statements) and could subject you to fines, imprisonment, or both.

MOA ATTACHMENT A

LIST OF PROGRAM FUNCTIONS AND RESPONSIBILITIES

PROGRAM AREA	STATE	FAA	COMMENTS
A. SPONSOR ELIGIBILITY			
Determine that a sponsor not previously included in SBGP is eligible for inclusion	Review and Recommend	Approval	The State is to forward documentation to the ADO for determination. FAA Order 5100.38.
B. CONSULTANT SELECTION			
Receive and review sponsor's consultant selection procedures	Action		Usually sponsor certification. Follow AC 150/5100-14 and Grant Assurance 32.
Ensure preparation of independent cost estimate prior to sponsor negotiating with consultant	Action		AC 150/5100-14. Use of State staff in lieu of external consultant evaluated on a case-by-case basis to meet requirement.
Obtain sponsor certification to comply with terms, conditions, and assurances in subaward agreement	Action		The State approves in writing to the sponsor.
C. ENVIRONMENTAL RESPONSIBILITIES			
<u>For projects involving only entitlement or SA</u>			The ADO can assist with reviews if requested by the State.
Advise sponsors and consultants of environmental requirements for proposed projects	Action		The State will handle all projects that involve only the use of SBGP entitlement or SA grant funds and when the only Major Federal Action is approval of the grant funds and an ALP change.

PROGRAM AREA	STATE	FAA	COMMENTS
Determine and document if project is categorically excluded from environmental review	Action		Follow SOP 5 – <i>Standard Operating Procedure for CATEX Determinations.</i>
Review and comment to sponsor on all environmental documentation	Action		
Approve draft Environmental Assessments (EAs)/Environmental Impact Statements (EIS) for public availability purposes	Approval		
Make final determination on EAs/EISs and Finding of No Significant Impact (FONSI)/Record of Decision (ROD)	Action		
Advise sponsor and monitor compliance with mitigation plans and conditions of environmental approvals during construction	Action		The State will monitor mitigation plans for all projects regardless of Federal action and provide updates to the ADO.
<u>For projects involving the use of discretionary funds</u>			
Advise sponsors and consultants of environmental requirements for proposed projects, review and comment to sponsor on all environmental documentation	Review	Action	For projects anticipated to use discretionary funds (even if the environmental review is funded via entitlement) and/or which require a release of Federally acquired or Federally conveyed land, the ADO will oversee the environmental review process in its entirety, including providing appropriate guidance and support to the State, the airport sponsor, and their consultant (as applicable) and signature of the EA, in

PROGRAM AREA	STATE	FAA	COMMENTS
			accordance with FAA Orders 1050.1 and 5050.4.
Determine the appropriate level of environmental review	Review	Action	The ADO will determine the level of environmental review.
Approve draft EAs/EISs prior to public review	Review	Action	The ADO must review and approve all EAs/EISs prior to publishing the document for public review.
Approve final EA/EIS and make the determination on the FONSI/ROD	Review	Action	For projects anticipated to use discretionary funds (even if the environmental review is funded via entitlement) and/or which require a release of Federally acquired or Federally conveyed land, the ADO will oversee the environmental review process in its entirety, including providing appropriate guidance and support to the State, the airport sponsor, and their consultant (as applicable) and signature of the EA, in accordance with FAA Orders 1050.1 and 5050.4.
Advise sponsor and monitor compliance with mitigation plans and conditions of environmental approvals during construction	Review	Action	The State will monitor mitigation plans for all projects regardless of Federal action and provide updates to the ADO.
Other Environmental Actions			
Part 150	Review	Accept/ Approve	The ADO has primary actions, including acceptance of Noise Exposure Maps and approval of Noise Compatibility Plans. The State assists.

PROGRAM AREA	STATE	FAA	COMMENTS
Initial notification for American Indian and Alaska Native Tribal Consultation	Review	Action	<p>Order 1210.20 – American Indian and Alaska Native Tribal Consultation Policy and Procedures (i.e., Government to Government).</p> <p>The ADO handles Government to Government consultation.</p>
Review & submit Area of Potential Effects (APE) determinations to the State Historical Preservation Office (SHPO)	Review	Action	<p>Section 106 of the National Historic Preservation Act of 1966, Public Law 89-665 (codified as amended at 16 U.S.C. § 470h-2).</p> <p>For projects involving discretionary funds and those that require a release of Federally acquired or Federally conveyed land, the ADO consults with SHPO on all matters pertaining to Section 106.</p>
Review & submit Determination of Eligibility reports to the SHPO	Review	Action	<p>Section 106 of the National Historic Preservation Act of 1966, Public Law 89-665 (codified as amended at 16 U.S.C. § 470h-2).</p> <p>For projects involving discretionary funds and those that require a release of Federally acquired or Federally conveyed land, the ADO consults with SHPO on all matters pertaining to Section 106.</p>
Review & submit Determination of Effect reports to the SHPO	Review	Action	<p>Section 106 of the National Historic Preservation Act of 1966, Public Law 89-665 (codified as amended at 16 U.S.C. § 470h-2).</p> <p>For projects involving discretionary funds and those that require a release of Federally acquired or</p>

PROGRAM AREA	STATE	FAA	COMMENTS
			Federally conveyed land, the ADO consults with SHPO on all matters pertaining to Section 106.
Execute Programmatic Agreements (PA) & Memorandum of Agreement (MOA) with the SHPO	Review	Action	<p>Section 106 of the National Historic Preservation Act of 1966, Public Law 89-665 (codified as amended at 16 U.S.C. § 470h-2).</p> <p>The ADO is available for consultation and assistance.</p> <p>For projects involving discretionary funds and those that require a release of Federally acquired or Federally conveyed land, consult with the FAA on coordination of State and FAA activities related to compliance with Section 106.</p>
Wildlife Hazard Site Visits (WHSV)/Assessments (WHSA)	Review	Action	The State reviews and submits the WHSV/WHSA to the FAA for acceptance.
D. FEDERALLY FUNDED PROJECTS			
Annual List of Participating Airports	Review	Action	The ADO will determine annually which nonprimary airports are under the SBGP based on the list of nonprimary airports in the current NPIAS, except those airports that have opted out of the SBGP.
Verify sponsor is eligible to receive Federal funding and is able to assume the responsibilities outlined in 49 §§ 47105-47107 and FAA Order 5100.38, Paragraphs 2-6	Action	Review	The State will verify the sponsor's current compliance with grant assurances, that the sponsor has good title to airport property, that the sponsor has submitted an Exhibit "A" Airport Property Inventory Map that meets FAA requirements, and that the sponsor continues to

PROGRAM AREA	STATE	FAA	COMMENTS
			meet legal sponsorship requirements pursuant to local, state, or Federal law.
Verify no active exclusions in SAM	Action	Review	The State will report SAM status with delivery of its grant application to the ADO.
Verify sponsor is not debarred, suspended, or otherwise excluded from or ineligible for participation in Federal programs or activities	Action	Review	The State will perform this verification prior to submittal of a grant application for the sponsor.
Assist sponsors in project formulation	Action	Review	The ADO should be involved with project formulation for discretionary funded projects.
Develop CIP	Action	Review	The State is to forward a five (5) year CIP to the ADO annually. The ADO reviews, provides feedback, including assistance to resolve issues, and documents its review.
Select projects for funding in a specific FY, as documented in the State's CIP or an alternative breakdown of requested block grant funds the State submits to the ADO	Action	Review	The State is to forward to the ADO each FY either the State's five (5) year CIP or a breakdown of planned subaward projects at approved airports to occur that FY, including airport name and location, name of sponsor, and the estimated amount and type of Federal funds requested. The ADO acknowledges and advises on programming and fiscal issues where necessary. The ADO also reviews and provides discretionary project selections to the State.
Ensure project meets programming prerequisites, including eligible and justified	Action	Action	49 U.S.C. Chapters 471 and 475, and FAA Order 5100.38. The ADO will provide final determination of

PROGRAM AREA	STATE	FAA	COMMENTS
			justification for discretionary projects.
Approval of donations (labor, material, equipment)	Action		FAA Order 5100.38.
Part 139 Equipment	Review	Action	The State coordinates with the FAA Part 139 inspector. The State is to adjust its CIP as needed.
E. GRANTS			
Prepare subaward offers	Action		The State must incorporate all Federal contract provisions that apply to a project funded with Federal funds in all subawards issued to sponsors or subawards issued by the State on behalf of sponsors. The ADO will provide an updated list of contract provisions/conditions on an annual basis.
Approve subaward payments	Action		Subaward payments must be based on requirements outlined in 2 CFR Part 200, the AIP Handbook and AIP Grant Payment and Sponsor Financial Reporting Policy.
Grant Payment Requests	Action	Approve	The State is to submit their grant payment requests electronically through the DOT Electronic Grants Payment System, DELPHI eInvoicing, with supporting documentation attached.
Closeout	Action	Approve	The State is to close out grants between the State and the FAA and will ensure that all subawards with participating airports are closed in accordance with

PROGRAM AREA	STATE	FAA	COMMENTS
			SOP 10 – <i>Administrative Closeout of Airport Improvement Program Grants and 2 CFR Part 200.</i>
F. PROJECT IMPLEMENTATION			
Participate In Pre-Design Conference	Action		The State is to attend, as available.
Determine need for relocation of FAA facilities, coordinate reimbursable agreements between FAA Technical Operations (ATO) and sponsor	Action	Action	The State is to advise the ATO of need for facility relocation. The State's Project Manager is to coordinate with the ATO as needed; ADO determines AIP eligibility if impacting AIP funding.
Review and comment on engineer's report for project	Action	Action	The ADO will review and provide comments on discretionary funded project plans and specifications, including the engineer's report.
Modifications to Standards	Review	Approval	The State is to review, provide comments, and submit any request for modification of standards requested for a Federally funded project through ADIP for FAA approval. Early coordination with the ADO is recommended prior to ADIP submission.
Review and approve airport construction safety phasing plan	Review	Approve	The State is to follow the FAA CSPP SOP 1 – <i>FAA Evaluation of Sponsor's Construction Safety and Phasing plans Funded by the AIP or PFC Programs.</i>
Review plans & specifications to verify eligibility and	Action	Review/Action	FAA Order 5100.38. The ADO will review and

PROGRAM AREA	STATE	FAA	COMMENTS
compliance with required specifications			comment on discretionary funded projects.
Obtain Sponsor (subawardee/State) Certification for Project Plans and Specifications	Action		
Coordinate Sponsor's annual DBE plan	Action		If the State issues subawards for participating airports, the State ensures sponsor forwards to ACR for approval. If the State does not issue subawards and handles project implementation at the State level, the State is responsible for developing and maintaining a DBE program.
Participate in pre-bid conference	Action		If held, the State may choose to attend.
Review proposed contract documents. A State that is also the airport sponsor (or that acts as an agent for the airport sponsor on contractual matters) must do so in a manner that avoids any actual or perceived conflicts of interest	Action		As needed.
Determine estimated project costs are reasonable and within project budget	Action		
Advertising for bids	Action	Action	The FAA will provide recommendation to advertise for planned discretionary funded projects.
Review bid tabulation and project budget, verify bonding requirements met, and concur in award of contracts to lowest responsible and responsive bidder	Action		The State is to confirm contractor(s) not on debarment list. FAA Order 5100.38.

PROGRAM AREA	STATE	FAA	COMMENTS
Participate in pre-construction conference. Discuss posting of current EEO and wage rate posters	Action		The State is to attend and verify current EEO and wage rate posters will be posted at the project site.
Make decisions regarding Buy American requirements	Review	Action	The State coordinates collection of required forms to ensure projects meet Buy American requirements. The State provides accurately completed forms to the ADO for determination. Only the FAA may issue waivers.
Review executed contract documents, authorize issuance of Notice to Proceed	Action		FAA Order 5100.38.
Obtain sponsor certification for Equipment/Construction Contracts	Action		These certifications can be found at the Airports Forms webpage.
Approve change orders to construction contracts	Action	Review	FAA Order 5100.38. The ADO will review and approve for discretionary funded projects only.
Approve Supplemental Agreements to consultant contracts	Action		FAA Order 5100.38.
Coordinate with FAA on NAVAID shutdowns and protection of FAA cables/facilities	Action	Action	The State shall ensure coordination with staff listed as primary contacts for impacted NAVAIDs in the NRA determination letter. The ADO can assist as needed.
Conduct construction reviews	Action		The State conducts periodic reviews as appropriate.
Review acceptance tests and inspection reports during construction	Action		As needed.

PROGRAM AREA	STATE	FAA	COMMENTS
Verify compliance with airspace determinations during construction reviews	Action		Usually requires notice prior to closing runways etc. to ensure timely NOTAM issuance.
Approve force account work for participation	Action	Action	FAA Order 5100.38. The ADO will approve any force account work in advance for discretionary projects only. The State will approve any force account work in advance for non-discretionary projects.
Conduct final acceptance site visit	Action		
Obtain Sponsor Certification for Construction Project Final Acceptance	Action		
Submit updated Airport Master Record/Sketch	Action		The State will keep the Airport Master Record/Sketch up to date via the ADIP and National Flight Data Center Portals. The ADO will assist as needed.
Obtain and review "Record Drawing"	Action		
G. LAND ACTIONS			
Appraisals	Action		
Relocation assistance	Action		
Title Opinions	Action		
Donated land	Action		
Certification of Real Property	Action		
Property interest prior to construction	Action		

PROGRAM AREA	STATE	FAA	COMMENTS
Changes to Exhibit "A" Airport Property Inventory Map as a result of purchase or sale of land, change in land use, or easement	Action	Action	Contact the ADO if action results in a change in land use or sale.
H. PLANNING PROJECTS			
For existing airport Master Plans and ALPs, assist sponsor in developing work scope	Action		FAA AC 150/5070-6.
Review and comment on draft documents	Action		
Attend information meetings and public hearings	Action		As available.
Approve forecasts in writing	Action	Action	Use forecast approval criteria in AC 150/5070-6. Do not approve forecasts that exceed criteria and instead coordinate for FAA review via the ADO to APP-400. Determine existing and future critical aircraft by runway per AC 150/5000-17. The ADO will review if requested or if exceeding the TAF by more than the allowable percentage.
Accept final documents in writing with appropriate disclaimers	Action		
The State will ensure ALP drawing sets are uploaded to OE/AAA for airspace review	Action		
Update OE/AAA Airport Runway Database	Action	Review	The State will keep up to date the OE/AAA Airport/Runway Database at all nonprimary airports approved for participation in the SBGP to include updating existing runway supplemental data and

PROGRAM AREA	STATE	FAA	COMMENTS
			update of proposed runway information for use in OE/AAA case evaluation. The ADO will assist as needed.
Approve ALP	Action	Review	The FAA reviews all land use changes.
Section 163 determinations	Action	Action	The State is to make and keep track of Section 163 determinations either through checklist or letter for any airport action following FAA 163 instructions. For Major Federal Actions (i.e., land release), the State will forward analysis to the ADO for final Section 163 determination.
State system plans	Action	Review	The ADO will review and accept state system plans.
I. NPIAS/ACIP			
Recommend locations for inclusion/deletion	Review	Action	The State is to forward request to the ADO with letter of the State's opinion upon request.
The State compiles and provides CIP project data to the ADO for inclusion into the ACIP	Review	Action	
New or replacement NPIAS airports	Review	Action	The State is to coordinate and provide recommendation for any new or replacement airport for the NPIAS. The FAA is to provide final review and approval.
J. COMPLIANCE/RELEASES			
Advise the ADO promptly of any proposed sale or release of land or proposed change in land use on an obligated airport	Review	Action	The State is to review any sponsor requests for land use changes and for release of airport land from Federal obligations and provide its

PROGRAM AREA	STATE	FAA	COMMENTS
			recommendation to the ADO. The ADO will review the request, perform any required coordination with other Federal or State entities, and make the final determination.
Investigate informal Part 13 complaints; promote resolution; recommend corrective actions; and ensure sponsor is in compliance with its Federal grant obligations	Review	Action	The State is to assist the ADO with informal complaints.
Investigate and adjudicate Part 16 complaints	Review	Action	The State is to assist the FAA with formal complaints upon request. The FAA may ask the State to provide records in relation to the complaint.
Investigate hotline complaints	Action	Action	If the FAA receives a hotline complaint concerning safety and/or the compliance of sponsors participating in the SBGP, the State will assist the FAA by providing any information requested by the ADO or the FAA regarding the hotline complaint.
Landfill Construction and Expansion Proposals	Review	Action	The State will review all landfill construction and expansion proposals and make recommendations to the ADO.
K. ADMINISTRATION			
Draft responses to congressional inquiries, submit to ADO within sufficient time to meet response deadline	Review	Action	The State is to provide draft responses to the ADO for FAA action.
Maintain file of Program Guidance Letters (PGLs) and		Action	The FAA will notify the State of all PGLs and supplemental guidance. Copies of PGLs are available

PROGRAM AREA	STATE	FAA	COMMENTS
other supplemental guidance from the FAA			at the Airports Program Guidance Letters and Program Information Memorandums for the Airport Improvement Program webpage.
Maintain file of Airports SOPs and other supplemental guidance from the FAA		Action	The FAA will notify the State of all SOPs and supplemental guidance. Copies of SOPs are available at the Airports Standard Operating Procedures webpage.
Submit Annual Report of Federal Financial Transactions (SF 270 and/or 271 and 425)	Action	Review	Refer to FAA Order 5100.38.
Program Process Review	Review	Action	<p>The FAA and the State are to conduct regular reviews of the State's adherence to Federal and FAA programmatic and financial policies.</p> <p>The FAA is to conduct a triennial formal review and audit of the State's administration of the SBGP with periodic process reviews. See Attachment C.</p>
L. OTHER			
IFP Requests	Review	Action	The State verifies airport-specific information needed and comments on whether it is in support of the request. The FAA makes the final recommendation.
Airspace submittals for on-airport (NRA)	Action	Action	The ADO will manage and issue the final FAA determination for all NRA cases. The State will provide its division response within forty-five (45) business days

PROGRAM AREA	STATE	FAA	COMMENTS
			consistent with FAA guidance (FAA Order JO 7400.2 and SOP 9). The State's response will verify that the proposed development is consistent with the airport's approved ALP.
Airspace submittals for off-airport (OE)	Action	Action	The FAA's Air Traffic OE Group will manage and issue the final FAA determination for all OE cases. The State will provide its division response within fifteen (15) business days consistent with FAA guidance (FAA Order 7400.2 and SOP 9) for cases near SBGP participating airports. The State's response will verify that the airport/runway database is up to date and reflects the most current plans on file pertaining to the OE case.
Non-rulemaking (NR) airspace submittals	Review	Action	The FAA's Technical Operations Service Area Office will manage and issue the final determination for all NR studies. The State will provide its division response within forty-five (45) business days consistent with FAA guidance (FAA Order 7400.2 and SOP 9).
Notice for Construction, Alteration and Deactivation of Airports (7480-1 proposals)	Review	Action	The ADO will coordinate with the State on construction, alteration, and deactivation of private-use airports that include airspace impacts and any proposals for public-use airports.
RSA Inventory (RSAI)	Action	Action	The State/airport inspector is to update RSAI forms following ARP SOP 8 –

PROGRAM AREA	STATE	FAA	COMMENTS
			<i>Standard Operating Procedure for Runway Safety Area Determination</i> and forward to the ADO for review and to upload to ADIP. The ADO is also to complete RSAs for certificated airports.
RSA Determination (RSAD)	Action	Approval	Following ARP SOP 8, the State is to complete and forward the RSAD to the ADO for final signature. The ADO will upload the RSAD to ADIP once signed.
On Airport Wildlife Management	Action	Action	If an airport has an identified wildlife issue, the State will work with the airport on wildlife management and mitigation solutions. The ADO will assist as needed.
Special/Non-Aeronautical Events	Review	Approval	The State will perform initial review of any special events on participating airports and make recommendation to the ADO for final approval.
National Safety Initiatives	Action	Action	The FAA will provide the State with information about any national safety initiatives and coordinate actions needed. The State is expected to periodically issue subawards for special emphasis projects in support of identified capital development needed as part of the safety initiatives. The ADO will work with the State to update its CIP to align with the national safety initiative.

ATTACHMENT B
MINIMUM TRAINING RECOMMENDATIONS

TRAINING
<p>The curriculum maps below for each employee type outlines the <u>minimum</u> recommended training, either available online via eLMS or in-person via FAA Academy. These courses are currently available via eLMS but are subject to change. The FAA expects States to hire employees with at least a basic knowledge of their area (i.e., employee hired to be a community (airport) planner has some knowledge or background in the aviation planning field), in line with FAA standard hiring practice for the Federal job series of the corresponding employee type. Classifications and qualifications for the respective job series can be found at www.opm.gov/policy-data-oversight/classification-qualifications/. This is being provided for the States' use only. Additional courses above the minimum list provided below are available in eLMS. The FAA will also provide States access to various field updates/trainings as applicable. The State's training point of contact should coordinate with the FAA ACO for more training information.</p>

COMMUNITY (AIRPORT) PLANNER OPM Community Planning Job Series 0020	
COURSE ID	Class Title
FAA06401	Airport Planning Criteria (Web)
FAA06045	Airport Planning and Design
FAA30200994	Overview of Safety Management System (SMS)
FAA06000001	Airports IOE/AAA
30202697	Formulation of the NPIAS and ACIP
30200772	Airport Systems Planning and Design
FAA30201358	NEPA Introductory Course
FAA30201406	Community Involvement Manual Awareness Training
FAA30202792	Airport Improvement Program (AIP) Handbook Lessons 1-5 and Final Quiz
FAA06028	Land Appraisal and Title Option
FAA06049	Airport Noise and 14 CFR, Part 150 Noise Studies
FAA30202596	Basic Field Compliance Course
FAA06024	Recurrent Planning

COMPLIANCE SPECIALIST	
OPM General Inspection Enforcement and Compliance Job Series 1801	
COURSE ID	Class Title
FAA30202596	Basic Field Compliance Course
FAA06028	Land Appraisal And Title Option
FAA30200994	Overview of Safety Management System (SMS)
FAA30202792	Airport Improvement Program (AIP) Handbook Lessons 1-5 and Final Quiz
FAA06000001	Airports IOE/AAA
FAA06401	Airport Planning Criteria (Web)
FAA06045	Airport Planning And Design
FAA06049	Airport Noise And 14 CFR, Part 150 Noise Studies
FAA06043	Recurrent Compliance
30202697	Formulation of the NPIAS and ACIP

ENGINEER	
OPM Civil Engineering Job Series 0810	
COURSE ID	Class Title
FAA30200994	Overview of Safety Management System (SMS)
FAA30202792	Airport Improvement Program (AIP) Handbook Lessons 1-5 and Final Quiz
FAA06045	Airport Planning And Design
FAA06000001	Airports IOE/AAA
FAA06401	Airport Planning Criteria (Web)
FAA06021	Recurrent Engineering
30202697	Formulation of the NPIAS and ACIP

ENVIRONMENTAL PROTECTION SPECIALIST	
OPM Environmental Protection Specialist Job Series 0028	
COURSE ID	Class Title
FAA30201358	NEPA Introductory Course
FAA06049	Airport Noise And 14 CFR, Part 150 Noise Studies
FAA30201406	Community Involvement Manual Awareness Training
FAA06038	Recurrent Environmental Procedures
FAA30202792	Airport Improvement Program (AIP) Handbook Lessons 1-5 and Final Quiz
30202697	Formulation of the NPIAS and ACIP

FINANCIAL ASSISTANCE SPECIALIST	
OPM Program Analyst Job Series 0301	
COURSE ID	Class Title
FAA06401	Airport Planning Criteria (Web)
FAA06045	Airport Planning And Design
FAA30202792	Airport Improvement Program (AIP) Handbook Lessons 1-5 and Final Quiz
FAA06048	Recurrent Airports Financial Assistance
30202696	Introduction to Airports Financial Assistance Program
30202697	Formulation of the NPIAS and ACIP

ATTACHMENT C

PERIODIC REVIEWS OF SBGP PERFORMANCE

As stated in Article I, Section 13 of this Agreement, the FAA will conduct formal program oversight reviews of the State's administration of the SBGP in order to ensure the State's adherence to program and administrative requirements.

FAA AC 150/5100-21 requires the FAA to review at least one program area every three (3) years for each State. It is within the FAA's discretion to expand that review beyond one program area if there are questions or issues about multiple program areas. The FAA will coordinate formal review dates with the State prior to November 1 of the FY in which the review will occur and during that coordination, will notify the State of the program area(s) to be reviewed. A maximum of three to five program areas will be included in the review.

Examples of these reviews include (but are not limited to) sponsor eligibility, consultant selection, planning processes and projects, environmental processing, grant administration, project implementation, land acquisition, airport layout plans, compliances/releases, and overall program administration. Additional details on the various programmatic reviews are below.

General Topics Covered at all Programmatic Reviews:

- Adequacy of the State's organization and staff to effectively manage the SBGP;
- Confirm that State staff directly involved in administration of the SBGP have taken or will take the training courses identified in Attachment B to this Agreement or demonstrate equivalent training and/or competency;
- The State's progress with grants;
- Verification of individual airport sponsor eligibility;
- Validation and verification of Disadvantaged Business Enterprise (DBE) Program and Airport Concession DBE (ACDBE) Program, Title VI, and Americans with Disabilities Act of 1990, consistent with grant assurances and this Agreement;
- Verification that airport sponsor is able to assume the responsibilities outlined in 49 U.S.C. §§ 47105-47107 and FAA Order 5100.38, Paragraph 2-6. This includes current compliance with grant assurances and having good title to airport property;
- Verification of the State's review and processing of compliance issues;
- Review of State's land release processes;
- Incorporation of applicable grant terms and conditions in subawards;
- Processes for protecting against real or perceived conflicts of interest; and
- The State's programming process and administration of subawards consistent with this Agreement.

Specific Items Verified at Financial Reviews:

- A random sampling of subawards and their financial records;
- Reimbursements to sponsors were made at the correct percentage for completed work;
- Reimbursements to sponsors were supported with appropriate documentation;
- The allocation of NPE and NPE transfer agreements;
- Closeout processes and documentation;
- Overall grant administration and progress;
- Funding utilization rates;
- Grant fund types are used as required;
- Program administration costs are not being funded with AIP; and
- Cost Allocation Plans for direct and indirect project administration costs.

Specific Items Covered at Project Management Reviews:

- Consultant selection processes;
- Environmental review and approval processes;
- Project designs and construction specifications review;
- Construction Safety Phasing Plan review coordination;
- ALP currency;
- Exhibit “A” Airport Property Inventory Map currency;
- Land acquisition;
- Modifications to Standards; and
- Sponsor construction and equipment procurement processes, including compliance with Buy American requirements.

Specific Items Covered at Project Selection and Federal Funding Requirements Reviews:

- A review of the State’s project selection process, including:
 - Planned usage of various categories of Federal funding (NPE, SA, discretionary, etc.); and
 - Confirmation that safety improvements are prioritized;
- A random review of subawards to ensure compliance with FAA Orders and guidance related to eligibility, justification, and allowable costs; and
- Ensuring revenue producing projects are funded only when appropriate.

The FAA will document its review and provide a summary report and any necessary corrective action for the State’s response within thirty (30) calendar days of the conclusion of the program review. The State will have thirty (30) calendar days to comment and submit any necessary corrective action plan to the FAA, after which the FAA will finalize the report.