



Federal Aviation Administration

Memorandum

Date: July 19, 2022

To: Office of Airports Regional Directors, AXX-600s
Regional Airport Planning and Programming, AXX-610s Airports District
Office Managers, XXX-ADOs

From: Robert J. Craven, Director Robert John Craven Digitally signed by Robert John Craven
Date: 2022.07.19 10:21:16 -04'00'
Office of Airport Planning and Programming, APP-1

Subject: Program Guidance Letter (PGL) 22-02: Grant Proration Alternative

1. Purpose and Background

1.1 Purpose

This PGL provides a proration alternative for obtaining a useable unit of work by allowing the use of multiple funding sources (e.g., AIP, BIL, Supplemental Discretionary, etc.) in two or more companion grants to complete a project or complete a project phase. FAA Order 5100-38D, *Airport Improvement Program (AIP) Handbook*, Chapter 3, Section 8, Paragraph 3-21 will be updated to include this additional option. The Grant Payment and Sponsor Financial Reporting Policy will be updated at a later date to reflect this option.

This proration alternative can be used by all sponsors. It can also be applied to sub-awards under the State Block Grant Program.

1.2 Background

Per Chapter 3, Section 8, Paragraph 3-21 of the - AIP Handbook, AIP grants must result in a useable unit or work, e.g., a complete project. Each project type has requirements for obtaining a useable unit of work. The AIP Handbook allows a “phased” approach to complete a useable unit of work. Under the “phased” approach, multiple grants are issued for portions of a project, often over multiple years and using multiple grant programs, to achieve a useable unit of work. Each grant must clearly define the specific portion of work to be reimbursed by referencing the dimensions of the work or the specific contracts or contract items being funded. The phases together must result in a useable unit of work.

Having to define the specific portion of work under a “phased” approach can be challenging, especially when projects are funded using multiple grant programs, when single funding programs are split in a given Fiscal Year (FY), or when a complete project or a complete project

phase require grants over multiple fiscal years. Applying dimensions of the work, specific contracts, or specific contract items to “phased” grants can lead to project costs being reimbursed under the incorrect grant or claimed on more than one grant. Also, this approach does not necessarily reflect how projects are physically constructed, and does not work well with certain types of projects (e.g., equipment acquisition).

Funds from different programs, such as AIP, BIL, and Supplemental Discretionary, cannot be included in a single grant offer, but can be used to fund portions of a project which together result in a useable unit (e.g., a runway or taxiway rehabilitation, new terminal, etc.). A sponsor can use CARES funds for a portion of a project but only if the work can be completed and the grant closed by the end of the Period of Performance (POP) of the sponsor’s CARES Act grant agreement. With multiple sources of funding available, including state and local programs, sponsors may utilize several different programs to complete either a project phase or a complete project. In cases where projects are funded from more than one program, total project costs (administrative, engineering, construction, etc.) can be prorated across multiple “companion grants” in a single FY. Proration can also be done over multiple FYs, ideally when the final project costs are known (e.g., project is completed) or if the project will be completed within three years of acceptance of the first grant to allow the grants to be closed prior to the end of the grant’s four year POP. Proration can also be used for projects funded under a single program due to a split program in a single FY (e.g., multiple Continuing Resolutions (CRs)) or for funding a project over multiple FYs out of one program (e.g., using AIP for airside work and BIL funds for terminal development). When prorating over multiple FYs, be mindful that AIP allocations may change with appropriations.

1.3 Eligibility

Eligibility of work included in each grant depends on the funding source (e.g., AIP grants are based on AIP eligibility, BIL grants are based on BIL eligibility, etc.). AIP eligibility is generally more restrictive than BIL eligibility. This PGL supplements Paragraph 3-21 of the AIP Handbook by providing field staff and airport sponsors with a proration alternative for obtaining a useable unit of work. Sponsors should consider eligibility requirements of each grant program when preparing their Capital Improvement Plan (CIP).

1.4 Implementation

This grant proration alternative is available for use starting in FY 2022. It can be used in lieu of the “phased” approach to fund a complete project using multiple companion grants in a single year, used to fund a phase of a project using multiple companion grants in a single year, and used to fund a phased project over multiple years under certain conditions. See Attachment 1 for proration, talking point, grant description, and special grant condition examples.

Grant Application and Documentation

- Separate grant applications are required for each fund type (AIP, BIL-Airport Infrastructure Grant (AIG) Allocated, BIL-AIG Competitive (Federal Contract Tower (FCT)), BIL-Airport Terminal Program (ATP), Supplemental Discretionary, etc.).
- Separate grant documentation files are required for each grant.

Grant Special Conditions

Each grant offer must include a special condition that a useable unit of work will be provided within a reasonable time frame. The following special grant conditions assume two different funding sources. If there are more than two funding sources modify them accordingly (see Attachment 1 for examples). The following conditions will be added to the SOAR special condition pick list.

- Special grant condition to include in each grant offer when the companion grants result in a useable unit of work:

Useable unit of work for companion grants. *This grant funds a portion ((insert proration of project funded under this grant) %) of the project. The sponsor agrees that it will accept a companion grant (enter grant number of companion grant(s)) to fund an additional portion ((insert proration of project funded under companion grant(s))%) of the project. The sponsor further agrees that the companion grants, together with other funding sources if necessary, will result in a complete, safe, useful, and useable unit of work per the project description. The FAA makes no commitment of funding beyond the Sponsor's available allocated funds pursuant to law. If the sponsor does not accept the companion grant, the FAA has the option to close this grant and recover the funds.*

- Special grant condition to include in each grant offer when the companion grants result in a complete phase of a phased project:

Useable unit of work for companion grants – phased project. *This grant funds a portion of the (insert phase number) phase of a (insert total number of phases) phase project. This grant funds a portion ((insert proration of project funded under this grant) %) of the complete project. The sponsor agrees that it will accept a companion grant (enter grant number of companion grant(s)) to fund an additional portion of the (insert phase number) phase which is (insert proration of project funded under companion grant(s)) % of the complete project. The sponsor further agrees that the companion grants, together with other funding sources if necessary, will result in completion of the (insert phase number) phase of the project per the project description. The FAA makes no commitment of funding beyond the Sponsor's available allocated funds pursuant to law. If the sponsor does not accept the companion grant, the FAA has the option to close this grant and recover the funds.*

- Special grant condition to include in any phased grants, regardless of funding source:
Useable unit of work – phased projects over multiple years. *This grant is intended to fund the (enter phase number) phase of a (enter total number of phases) phase project. The sponsor agrees that completion of the final phase, together with other funding sources if necessary, will result in a complete safe, useful, and useable unit of work per the project description. The sponsor further agrees that it will complete all phases of the project required to provide a safe, useful, and useable unit of work, without unreasonable delay, regardless of availability of additional Federal funding. The FAA makes no commitment of funding beyond the Sponsor’s available allocated funds pursuant to law.*

Grant Amendment Procedures – increased cost

- AIP grants can only be amended with AIP funds.
- BIL-AIG Allocated grants can only be amended with sponsor’s BIL-AIG Allocated funds.
- Amendment requests for BIL-AIG Competitive (FCT) or BIL-ATP funded grants will be considered competitively at a national level. These grants can only be amended using available funds from the same FY as included in the initial grant.
- Funds for amendments for AIP, BIL, or other programs are not guaranteed.
- The AIP amendment limits apply to both AIP and BIL grants.
- There are two methods that can be used if a grant amendment is required.
 1. Eligible cost overruns that result in a need for a grant amendment are split between the companion grants at the same proration as described in the grant offers.
 - These amendments must be done at the same time, preferably at grant closeout.
 2. Eligible cost overruns are applied to one grant and the grant descriptions changed for each companion grant to reflect the final prorated share. The need to use this method must be documented by a formal amendment process. This method should be considered when:
 - The sponsor has expiring funds available to amend only one grant at closeout (e.g., amend an AIP grant using available entitlement or nonprimary entitlement (NPE) funds that would otherwise expire, or amend a BIL grant using available BIL-AIG Allocated funds that would otherwise expire).
 - Sponsor only has one fund type available to amend at closeout (e.g., current FY BIL-AIG Allocated funds are available but AIP funds are not).
 - The companion grants include fund types which may not have funds available for amendments (e.g., BIL-AIG Competitive (FCT), BIL-ATP, Supplemental Discretionary, etc.).

- Sponsor does not have sufficient funds available at closeout to amend the companion grants while maintaining the same proration per the grant offers (e.g., sponsor does not have enough AIP funds to maintain initial proration so the amendment to the BIL grant is increased).

Grant Amendment Procedures – decreased cost

- For grants that require a decrease in Federal share, each companion grant is reduced at the same proration as described in the grant offers.

Grant Payment Requests

- Sponsors will enter reimbursement requests for the companion grants using U.S. Department of Transportation Delphi eInvoicing system, following FAA’s payment policy, including Section 6.9 Final Payment Request.
- All eligible project costs are distributed between the companion grants based on the proration as described in the grant offers.
- When companion grants are issued in the same FY, sponsors must always enter reimbursement requests for each companion grant at the same time.
- The sponsor’s invoice summary for each companion grant must include the invoiced cost, eligible cost, any non-eligible cost, the Federal share and local match.
- **ADOs will need to manually review and approve** the companion grant pay requests to ensure the correct proration is applied to each grant.
- See Attachments 3 and 4 for examples of invoice summaries.

Table 1 - Example of proration applied to pay request (assume AIP 67%, BIL 33%)

Invoice Number	Description of Work	Total Amount	AIP %	Local %
1	XYZ Company - Earthwork, Grading, Site Prep	\$100,000	\$60,300	\$6,700
2	ABC Materials Inc. - Aggregate (stone)	\$300,000	\$180,900	\$20,100

Invoice Number	Description of Work	Total Amount	BIL %	Local %
1	XYZ Company - Earthwork, Grading, Site Prep	\$100,000	\$29,700	\$3,300
2	ABC Materials Inc. - Aggregate (stone)	\$300,000	\$89,100	\$9,900

Grant Closeouts

- Sponsors will prepare closeout documentation for FAA review following Airports Standard Operating Procedure (SOP) 10.00 – Administrative Closeout of Airport Improvement Program Grants, and local ADO requirements.
- Sponsors must submit separate closeout documentation for each companion grant to the local ADO.
 - Sponsor’s closeout documentation can cover the entire project or phase per the grant description. Only the financial information (SF 425, SF 270/271, etc.) needs to be specific in the Sponsor’s companion grant closeout documentation.
- Grant closeout documentation must be submitted by the sponsor within the POP as specified in the grant offer, otherwise FAA will close the grant as outlined in the grant offer. For phased grants over multiple FYs the sponsor’s documentation must be submitted to allow grant closure within the specified POP of the earliest executed companion grant.
- The ADO must also prepare separate closeout packages, and verify that the final costs are correctly distributed to each grant as outlined in the grant offers. Review the closeout package as outlined in Airports Standard Operating Procedure (SOP) 10.00 – Administrative Closeout of Airport Improvement Program Grants.
- Following processing of the final payments, ADOs must prepare separate closeout letters for each companion grant.
- Grant closeout should be simultaneous for companion grants issued in the same FY, unless there is a specific reason otherwise (e.g., need to wait for available AIP funds to amend the AIP companion grant). All prorated grants must be closed within the POP of each grant.
- The sponsor cannot request a grant amendment after one of the companion grants is closed.

Note: When PFC funds are used in the completed project all regulatory requirements to change, modify or amend an approved PFC application, must be followed, if necessary, prior to closing the PFC application.

Attachment 1 – Proration, Talking Point, and Grant Description Examples

Example 1: Reconfigure and reconstruct 13,000 square yards (SY) of existing Concourse B apron – AIP/BIL funded in a single FY.

- Assume total eligible project cost (administration, engineering, construction, etc.) of \$3.0M.
- Assume the sponsor has \$1.8M of AIP entitlement funds available and will make up the remaining eligible Federal share with BIL-AIG Allocated funds.
- Assume Federal share of 90%.
- Assume grants are issued in the same FY, and combined provide a useable unit of work.

Table A1- Example 1: AIP/BIL Proration – Apron Reconfiguration

	Total Cost	Federal Share	Local Match
Total Eligible Project Cost	\$3.0M	\$2.7M	\$300K
AIP Grant – Reconfigure Apron - 67% of total project cost (about 8,667 SY)	\$2.0M	\$1.8M	\$200K
BIL Grant – Reconfigure Apron - 33% of total project costs (about 4,333 SY)	\$1.0M	\$900K	\$100K

In this example, \$1.8M of sponsor’s available AIP funds represents a total cost of \$2.0M ($\$1.8M/0.9 = \$2.0M$). The proration for the grant is calculated as 67% ($\$2.0M/\$3.0M = 67\%$) or an area of about 8,667 SY ($(\$2.0M/\$3.0M) \times 13,000 \text{ SY} = 8,667$). This leaves \$1.0M of eligible cost and a proration of 33% (about 4,333 SY of apron area) included in the BIL grant.

- For SOAR, the Talking Points will be as follows for the **AIP** grant:
 - TP 1- This project reconfigures and reconstructs 13,000 square yards of the existing Concourse B apron to improve operational efficiency.
 - TP 2- This grant funds 67% of the total project.
 - TP 3- This project is associated with a Bipartisan Infrastructure Law Airport Infrastructure Grant that funds the remaining eligible portion of the project.
- For SOAR, the Talking Points will be as follows for the **BIL** grant:
 - TP 1- This project reconfigures and reconstructs 13,000 square yards of the existing Concourse B apron to improve operational efficiency.
 - TP 2- This grant funds 33% of the total project.
 - TP 3- This project is associated with an Airport Improvement Program grant that funds the remaining eligible portion of the project.

As a reminder talking points are for initial grant announcements only. The proration for grants as awarded may vary based on bids and/or final construction quantities. The final grant description, amended if necessary, will reflect the actual proration of the complete project.

- Grant Descriptions
 - **AIP grant** – Reconfigure and reconstruct existing Concourse B Apron (67% of 13,000 square yards)
 - **BIL grant** – Reconfigure and reconstruct existing Concourse B Apron (33% of 13,000 square yards)

- Special grant condition (**AIP grant**):

Useable unit of work for companion grants. *This grant funds a portion (67%) of the project. The sponsor agrees that it will accept a companion grant, AIP X-XX-XXXX-XXX-2022, to fund an additional portion (33%) of the project. The sponsor further agrees that the companion grants, together with other funding sources if necessary, will result in a complete safe, useful, and useable unit of work per the project description. The FAA makes no commitment of funding beyond the Sponsor's available allocated funds pursuant to law. If the sponsor does not accept the companion grant, the FAA has the option to close this grant and recover the funds.*

- Special grant condition (**BIL grant**):

Useable unit of work for companion grants. *This grant funds a portion (33%) of the project. The sponsor agrees that it will accept a companion grant, AIP X-XX-XXXX-XXX-2022, to fund an additional portion (67%) of the project. The sponsor further agrees that the companion grants, together with other funding sources if necessary, will result in a complete safe, useful, and useable unit of work per the project description. The FAA makes no commitment of funding beyond the Sponsor's available allocated funds pursuant to law. If the sponsor does not accept the companion grant, the FAA has the option to close this grant and recover the funds.*

Example 2: Reconfigure and reconstruct 13,000 SY of existing Concourse B apron – AIP/BIL funded with multiple grants over two FYs.

- Assume:
 - The project is complete and the total final eligible project cost (administration, engineering, construction, etc.) is \$3.0M, or;
 - The project is bid and with an estimated total cost of \$3.0M and the project can be completed in within a time frame that allows for amendments of grant proration amounts, if necessary, and grants can be closed prior to the end of the period of the performance.
- Assume the sponsor has \$900K of FY 2022 AIP entitlement funds available, \$450K of FY 2022 BIL-AIG Allocated funds, and will make up the remaining eligible Federal share with \$1.2M of FY 2023 AIP entitlement funds and \$300K of FY 2023 BIL-AIG Allocated funds.
- Assume FY 2022 AIP and BIL grants are issued in FY 2022, and FY 2023 AIP and BIL grants are issued in FY 2023.
- Assume the four grants combined provide a useable unit of work.
- Assume Federal share of 90%.

Table A2- Example 2: AIP/BIL Multiple Year Proration – Apron Reconfiguration

	Total Cost	Federal Share	Local Match
Total Eligible Project Cost	\$3.0M	\$2.7M	\$300K
FY 2022 AIP Grant – Reconfigure Apron - 33.33% of total project cost (about 4,333 SY)	\$1.0M	\$900K	\$100K
FY 2022 BIL Grant – Reconfigure Apron – 16.67% of total project costs (about 2,167 SY)	\$500K	\$450K	\$50K
FY 2023 AIP Grant – Reconfigure Apron - 40% of total project cost (about 5,200 SY)	\$1.2M	\$1.08M	\$120K
FY 2023 BIL Grant – Reconfigure Apron – 10% of total project costs (about 1,300 SY)	\$300K	\$450K	\$50K

In this example, \$900K of sponsor’s available FY 2022 AIP funds represents a total cost of \$1.0M ($\$900\text{K}/0.9 = \1.0M). The proration for the grant is calculated as 33.33% ($\$1.0\text{M}/\$3.0\text{M} = 33.33\%$) or an area of about 4,333 SY ($(\$1.0\text{M}/\$3.0\text{M}) \times 13,000 \text{ SY} = 4,333$). Table A2 is based on similar calculations for FY 2022 BIL, and FY 2023 AIP and BIL grants.

- For SOAR, the Talking Points will be as follows for the **FY 2022 AIP** grant:
 - TP 1- This project reconfigures and reconstructs 13,000 square yards of the existing Concourse B apron to improve operational efficiency.
 - TP 2- This grant funds 33.33% of the complete project. This grant funds a portion of phase 1 of a 2 phase project.
 - TP 3- This project is associated with a Bipartisan Infrastructure Law Airport Infrastructure Grant that funds the remaining eligible portion of phase 1.
- For SOAR, the Talking Points will be as follows for the **FY 2022 BIL** grant:
 - TP 1- This project reconfigures and reconstructs 13,000 square yards of the existing Concourse B apron to improve operational efficiency.
 - TP 2- This grant funds 16.67% of the complete project. This grant funds a portion of phase 1 of a 2 phase project.
 - TP 3- This project is associated with an Airport Improvement Program grant that funds the remaining eligible portion of phase 1.
- For SOAR, the Talking Points will be as follows for the **FY 2023 AIP** grant:
 - TP 1- This project reconfigures and reconstructs 13,000 square yards of the existing Concourse B apron to improve operational efficiency.
 - TP 2- This grant funds 40% of the complete project. This grant funds a portion of phase 2 of a 2 phase project.
 - TP 3- This project is associated with a Bipartisan Infrastructure Law Airport Infrastructure Grant that funds the remaining eligible portion of phase 2.
- For SOAR, the Talking Points will be as follows for the **FY 2023 BIL** grant:
 - TP 1- This project reconfigures and reconstructs 13,000 square yards of the existing Concourse B apron to improve operational efficiency.
 - TP 2- This grant funds 10% of the complete project. This grant funds a portion of phase 2 of a 2 phase project.
 - TP 3- This project is associated with an Airport Improvement Program grant that funds the remaining eligible portion of phase 2.
- Grant Descriptions
 - **FY 2022 AIP grant** – Reconfigure and reconstruct existing Concourse B Apron (about 33.33% of 13,000 square yards)
 - **FY 2022 BIL grant** – Reconfigure and reconstruct existing Concourse B Apron (about 16.67% of 13,000 square yards)

- **FY 2023 AIP grant** – Reconfigure and reconstruct existing Concourse B Apron (about 40.00% of 13,000 square yards)
- **FY 2023 BIL grant** – Reconfigure and reconstruct existing Concourse B Apron (about 10.00% of 13,000 square yards)
- **Special grant condition (FY 2022 AIP grant):**

Useable unit of work for companion grants – phased project. *This grant funds a portion of the first phase of a two phase project. This grant funds a portion (33.33%) of the complete project. The sponsor agrees that it will accept a companion grant, AIP X-XX-XXXX-XXX-2022, to fund an additional portion of the first phase which is 16.67% of the complete project. The sponsor further agrees that the companion grants, together with other funding sources if necessary, will result in completion of the first phase of the project per the project description. The FAA makes no commitment of funding beyond the Sponsor’s available allocated funds pursuant to law. If the sponsor does not accept the companion grant, the FAA has the option to close this grant and recover the funds.*
- **Special grant condition (FY 2022 BIL grant):**

Useable unit of work for companion grants – phased project. *This grant funds a portion of the first phase of a two phase project. This grant funds a portion (16.67%) of the complete project. The sponsor agrees that it will accept a companion grant, AIP X-XX-XXXX-XXX-2022, to fund an additional portion of the first phase which is 33.33% of the complete project. The sponsor further agrees that the companion grants, together with other funding sources if necessary, will result in completion of the first phase of the project per the project description. The FAA makes no commitment of funding beyond the Sponsor’s available allocated funds pursuant to law. If the sponsor does not accept the companion grant, the FAA has the option to close this grant and recover the funds.*
- **Special grant condition for phased grants (both FY 2022 grants):**

Useable unit of work – phased projects over multiple years. *This grant is intended to fund the first phase of a two phase project. The sponsor agrees that completion of the final phase, together with other funding sources if necessary, will result in a complete safe, useful, and useable unit of work per the project description. The sponsor further agrees that it will complete all phases of the project required to provide a safe, useful, and useable unit of work, without unreasonable delay, regardless of availability of additional Federal funding. The FAA makes no commitment of funding beyond the Sponsor’s available allocated funds pursuant to law.*

- **Special grant condition (FY 2023 AIP grant):**

Useable unit of work for companion grants – phased project: *This grant funds a portion of the second phase of a two phase project. This grant funds a portion (40.00%) of the complete project. The sponsor agrees that it will accept a companion grant, AIP X-XX-XXXX-XXX-2023, to fund an additional portion of the second phase which is 10.00% of the complete project. The sponsor further agrees that the companion grants, together with other funding sources if necessary, will result in completion of the second phase of the project per the project description. The FAA makes no commitment of funding beyond the Sponsor’s available allocated funds pursuant to law. If the sponsor does not accept the companion grant, the FAA has the option to close this grant and recover the funds.*

- **Special grant condition (FY 2023 BIL grant):**

Useable unit of work for companion grants – phased project: *This grant funds a portion of the second phase of a two phase project. This grant funds a portion (10.00%) of the complete project. The sponsor agrees that it will accept a companion grant, AIP X-XX-XXXX-XXX-2023, to fund an additional portion of the second phase which is 40.00% of the complete project. The sponsor further agrees that the companion grants, together with other funding sources if necessary, will result in completion of the second phase of the project per the project description. The FAA makes no commitment of funding beyond the Sponsor’s available allocated funds pursuant to law. If the sponsor does not accept the companion grant, the FAA has the option to close this grant and recover the funds.*

- **Special grant condition for phased grants (both FY 2023 grants):**

Useable unit of work – phased projects over multiple years. *This grant is intended to fund the second phase of a two phase project. The sponsor agrees that completion of the final phase, together with other funding sources if necessary, will result in a complete safe, useful, and useable unit of work per the project description. The sponsor further agrees that it will complete all phases of the project required to provide a safe, useful, and useable unit of work, without unreasonable delay, regardless of availability of additional Federal funding. The FAA makes no commitment of funding beyond the Sponsor’s available allocated funds pursuant to law.*

Example 3: Acquire Snow Removal Equipment (Truck with Plow and Broom) – AIP/BIL funded with multiple grants in a single FY.

- Assume total eligible project cost (administration, engineering, construction, etc.) of \$400,000.
- Assume the sponsor has \$270,000 of AIP non-primary entitlement funds available and will make up the remaining Federal share with BIL-AIG Allocated funds.
- Assume Federal share of 90%.
- Assume grants are issued in the same FY, and combined provide a useable unit of work.

Table 3A- Example 3: AIP/BIL Proration – SRE Acquisition

	Total Cost	Federal Share	Local Match
Total Eligible Project Cost	\$400K	\$360K	\$40K
AIP Grant – Acquire SRE - 75% of total project costs	\$300K	\$270K	\$30K
BIL Grant – Acquire SRE - 25% of total project costs	\$100K	\$90K	\$10K

In this example, \$270K of sponsor’s available AIP funds results in a total cost of \$300K ($\$270K/0.9 = \$300K$). This leaves \$100K of eligible cost included in the BIL grant.

- For SOAR, the Talking Points will be as follows for the **AIP** grant:
 - TP 1- This project acquires a new snowplow truck with a blade and broom to keep the airport serviceable during snow periods and aid in the efficiency and safety of operations.
 - TP 2- This grant funds 75% of the project.
 - TP 3- This project is associated with a Bipartisan Infrastructure Law Airport Infrastructure Grant that funds the remaining eligible portion of the project.
- For SOAR, the Talking Points will be as follows for the **BIL** grant:
 - TP 1- This project acquires a new snowplow truck with a blade and broom to keep the airport serviceable during snow periods and aid in the efficiency and safety of operations.
 - TP 2- This grant funds 25% of the project.
 - TP 3- This project is associated with an Airport Improvement Program grant that funds the remaining eligible portion of the project.
- Grant Descriptions
 - **AIP Grant** – Acquire Snow Removal Equipment (Truck with Plow and Broom - 75% of acquisition)
 - **BIL Grant** – Acquire Snow Removal Equipment (Truck with Plow and Broom - 25% of acquisition)

- Special grant condition (**AIP grant**):

Useable unit of work for companion grants. *This grant funds a portion (75%) of the project. The sponsor agrees that it will accept a companion grant, AIP X-XX-XXXX-XXX-2022, to fund an additional portion (25%) of the project. The sponsor further agrees that the companion grants, together with other funding sources if necessary, will result in a complete safe, useful, and useable unit of work per the project description. The FAA makes no commitment of funding beyond the Sponsor's available allocated funds pursuant to law. If the sponsor does not accept the companion grant, the FAA has the option to close this grant and recover the funds.*

- Special grant condition (**BIL grant**):

Useable unit of work for companion grants. *This grant funds a portion (25%) of the project. The sponsor agrees that it will accept a companion grant, AIP X-XX-XXXX-XXX-2022, to fund an additional portion (75%) of the project. The sponsor further agrees that the companion grants, together with other funding sources if necessary, will result in a complete safe, useful, and useable unit of work per the project description. The FAA makes no commitment of funding beyond the Sponsor's available allocated funds pursuant to law. If the sponsor does not accept the companion grant, the FAA has the option to close this grant and recover the funds.*

Example 4: Acquire Land for Development (250 acres) – AIP/BIL funded with single grants over multiple FYs.

- Assume property has been acquired with a total eligible project cost (administration, surveying, appraisal/review, acquisition, closing costs, etc.) of \$6.3M.
- Assume the sponsor has \$960K of AIP entitlement funds and \$3.0M of AIP discretionary funds available in FY 2022.
- Assume the sponsor will make up the remaining Federal share with \$1.17M of FY 2023 BIL-AIG Allocated funds and remaining eligible costs using FY 2024 BIL-AIG Allocated funds.
- Assume Federal share of 90%.

Table A4- Example 4: AIP/BIL Proration – Land Acquisition

	Total Cost	Federal Share	Local Match
Total Eligible Project Cost	\$6.3M	\$5.67M	\$630K
FY 2022 AIP Grant (entitlement/discretionary) – Acquire Land – 69.85% of total project costs	\$4.40M	\$3.96M	\$440K
FY 2023 BIL Grant – Acquire Land – 20.63% of total project costs	\$1.3M	\$1.17M	\$130K
FY 2024 BIL Grant – Acquire Land – 9.52% of total project costs	\$600K	\$540K	\$60K

The proration for the AIP grant is calculated as 69.85% ($\$4.40M/\$6.30M = 69.85\%$). The proration for the FY 2023 BIL grant is calculated as 20.63% ($\$1.30M/\$6.30M = 20.63\%$). This leaves \$600K of eligible cost and a proration of 9.52% included in the FY 2024 BIL grant.

- For SOAR, the Talking Points will be as follows for the FY 2022 **AIP** grant:
 - TP 1- This project acquires 250 acres of land adjacent to the existing airport property to use for future eligible Airport Improvement Program development.
 - TP 2- This grant funds 69.85% of the complete project. This grant funds a portion of phase 1 of a 3 phase project.
 - TP 3- This project is associated with Bipartisan Infrastructure Law Airport Infrastructure Grants that fund the remaining phases of the project.
- For SOAR, the Talking Points will be as follows for the FY 2023 **BIL** grant:
 - TP 1- This project acquires 250 acres of land adjacent to the existing airport property to use for future eligible Airport Improvement Program development.

TP 2- This grant funds 20.63% of the complete project. This grant funds a portion of phase 2 of a 3 phase project.

TP 3- This project is associated with an Airport Improvement Program grant and a Bipartisan Infrastructure Law Airport Infrastructure Grant that fund the remaining phases of the project.

- For SOAR, the Talking Points will be as follows for the FY 2024 **BIL** grant:

TP 1- This project acquires 250 acres of land adjacent to the existing airport property to use for future eligible Airport Improvement Program development.

TP 2- This grant funds 9.52% of the complete project. This grant funds a portion of phase 3 of a 3 phase project.

TP 3- This project is associated with an Airport Improvement Program grant and a Bipartisan Infrastructure Law Airport Infrastructure Grant that fund the remaining phases of the project.

- Grant Descriptions

- FY 2022 AIP grant - Acquire Land for Development (69.85% of total project)

- FY 2023 BIL Grant - Acquire Land for Development (20.63% of total project)

- FY 2024 BIL Grant - Acquire Land for Development (9.52% of total project)

- Special grant condition for phased grants (**FY 2022 AIP grant**). Since there is only one grant each FY the “Useable Unit of work for companion grants” special grant conditions are not required.

Useable unit of work– phased projects over multiple years. *This grant is intended to fund the first phase of a three phase project. This grant funds a portion (69.85%) of the complete project. The sponsor agrees that completion of the final phase, together with other funding sources if necessary, will result in a complete safe, useful, and useable unit of work per the project description. The sponsor further agrees that it will complete all phases of the project required to provide a safe, useful, and useable unit of work, without unreasonable delay, regardless of availability of additional Federal funding. The FAA makes no commitment of funding beyond the Sponsor’s available allocated funds pursuant to law.*

- Special grant condition for phased grants (**FY 2023 BIL grant**):

Useable unit of work – phased projects over multiple years. *This grant is intended to fund the second phase of a three phase project. This grant funds a portion (20.63%) of the complete project. The sponsor agrees that completion of the final phase, together with other funding sources if necessary, will result in a complete safe, useful, and useable unit of work per the project description. The sponsor further agrees that it will complete all phases of the project required to provide a safe, useful, and useable unit of work, without unreasonable delay, regardless of*

availability of additional Federal funding. The FAA makes no commitment of funding beyond the Sponsor's available allocated funds pursuant to law.

- Special grant condition for phased grants (**FY 2024 BIL grant**):

Useable unit of work – phased projects over multiple years. *This grant is intended to fund the third phase of a three phase project. This grant funds a portion (9.52%) of the complete project. The sponsor agrees that completion of the final phase, together with other funding sources if necessary, will result in a complete safe, useful, and useable unit of work per the project description. The sponsor further agrees that it will complete all phases of the project required to provide a safe, useful, and useable unit of work, without unreasonable delay, regardless of availability of additional Federal funding. The FAA makes no commitment of funding beyond the Sponsor's available allocated funds pursuant to law.*

Example 5: Expand Terminal 180,000 square feet – AIP/BIL/PFC funded with multiple grants in a single FY.

- Assume total project cost (administration, architect/engineering, construction, etc.) of \$28.0M.
- Assume the sponsor has \$7.0M of AIP entitlement funds available, \$6.0M of BIL-ATP funds available, and will use PFC funds, as included in an approved PFC application, to fund the remaining eligible project cost.
- Assume AIP eligibility proration is 79%.
- Assume BIL-ATP eligibility proration is 89%.
- Assume PFC eligibility proration is 89%.
- Assume AIP Federal share of 75%.
- Assume BIL-ATP Federal share of 80%.
- Assume project meets PFC objective.

Table A5- Example 5: AIP/BIL Proration – Terminal Expansion*		Total Cost
Total Project Cost		\$28.0M
AIP Grant – 37.97% of total project costs (includes eligible and non-eligible costs, and local match)		\$10.63M
Expanded PFC on AIP portion		\$1.18M
BIL Grant – 30.10% of total project cost (includes eligible and non-eligible costs and local match)		\$8.43M
Remaining Costs – 27.71% of total project cost (PFC)		\$7.76M

*See Attachment 2 for proration calculation

- For SOAR, the Talking Points will be as follows for the **AIP** grant:
 - TP 1- This project expands the terminal building an additional 180,000 square feet to accommodate an increased number of passengers and baggage.
 - TP 2- This grant funds 37.97% of the complete project.
 - TP 3- This project is associated with a Bipartisan Infrastructure Law Airport Terminal Program grant that funds a portion of the project.
- For SOAR, the Talking Points will be as follows for the **BIL** grant:
 - TP 1- This project expands the terminal building an additional 180,000 square feet to accommodate an increased number of passengers and baggage.
 - TP 2- This grant funds 30.10% of the complete project.
 - TP 3- This project is associated with an Airport Improvement Program grant that funds a portion of the project.

- Grant Descriptions
 - **AIP grant** – Expand Terminal Building (37.97% of 180,000 square feet)
 - **BIL grant** – Expand Terminal Building (30.10% of 180,000 square feet)
- Special grant condition (**AIP grant**):

Useable unit of work for companion grants. *This grant funds a portion (37.97%) of the project. The sponsor agrees that it will accept a companion grant, AIP X-XX-XXXX-XXX-2022, to fund an additional portion (30.10%) of the project. The sponsor further agrees that the companion grants, together with other funding sources if necessary, will result in a complete safe, useful, and useable unit of work per the project description. The FAA makes no commitment of funding beyond the Sponsor's available allocated funds pursuant to law. If the sponsor does not accept the companion grant, the FAA has the option to close this grant and recover the funds.*

- Special grant condition (**BIL grant**):

Useable unit of work for companion grants. *This grant funds a portion (30.10%) of the project. The sponsor agrees that it will accept a companion grant, AIP X-XX-XXXX-XXX-2022, to fund an additional portion (37.97%) of the project. The sponsor further agrees that the companion grants, together with other funding sources if necessary, will result in a complete safe, useful, and useable unit of work per the project description. The FAA makes no commitment of funding beyond the Sponsor's available allocated funds pursuant to law. If the sponsor does not accept the companion grant, the FAA has the option to close this grant and recover the funds.*

Attachment 2 –Example 5 Proration Calculation

The following excel file can be found at: Q:/BIL Training Sessions/PGL Example 4 – Proration Calculation.xlsx.

Example 4: AIP/ATP/PFC Funded Project

Step 1 - Input known values

	Inputs	Notes
A	Total Project Cost	\$28,000,000.00 Input amount - varies by project
B	AIP Funds Available	\$7,000,000.00 Input amount - varies by project
C	ATP Funds Available	\$6,000,000.00 Input amount - varies by project
D	AIP eligibility proration	0.79 Input percentage determined from separate terminal eligibility proration based on AIP eligibility
E	BIL/PFC eligibility proration	0.89 Input percentage determined from separate terminal eligibility proration based on AIP eligibility with expanded PFC eligibility
F	PFC expanded eligibility on AIP	0.1 F= E - D
G	AIP Federal share	0.75 Input AIP Federal share as outlined in Sections 4-9 and 4-10 of the AIP Handbook
H	ATP Federal share	0.8 Input ATP Federal share, 80% for large and medium hub and 95% for all other airports

Step 2 - Calculate AIP and ATP Non-Eligible Cost and Local Match

Step 3 - Adjust for expanded PFC eligibility

	Funds Available (Federal Share) a	Total Amount b	Eligible Amount c	Non-eligible d	Local Match e	Expanded PFC Eligibility f	Revised Non-Eligible Amount g
I	AIP Funds Available	\$7,000,000.00	\$11,814,345.00	\$9,333,332.00	\$2,481,013.00	\$1,181,434.00	\$1,299,579.00
J	ATP Funds Available	\$6,000,000.00	\$8,426,966.00	\$7,499,999.00	\$926,967.00		\$926,967.00
K	Totals Step 2	\$13,000,000.00	\$20,241,311.00	\$16,833,331.00	\$3,407,980.00		\$2,226,546.00

Step 4 - Calculate Remaining Project Cost

L	Remaining project cost	= A - Kb \$7,758,689.00
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Step 5 - Proration Calculation

M	AIP Proration	37.97%	= (b - f) / A	\$10,632,911.00	\$6,299,999.00
N	ATP Proration	30.10%	= Jb / A	\$8,426,966.00	\$5,999,999.00
O	ATP Proration - Expanded Eligibility	3.81%	= ((C / (D x H)) - Jb) / A		
P	ATP Proration - AIP Eligibility	26.29%	= N - O		
Q	Expanded PFC on AIP Portion	4.22%	= If / A	\$1,181,434.00	
R	Remaining Cost	27.71%	= L/A	\$7,758,689.00	
		100.00%		\$28,000,000.00	

Check:

	Total Project	Federal Share
	\$10,632,911.00	\$6,299,999.00
	\$8,426,966.00	\$5,999,999.00
	\$1,181,434.00	
	\$7,758,689.00	

Step 6 - PFC Summary

	Total Amount h	Eligible Amount i	Non-eligible j
S	Remaining Cost to complete project	\$7,758,689.00	\$6,905,233.00
	Remaining Cost to complete project	\$6,905,233.00	\$853,456.00
	Expanded PFC on AIP Portion	\$1,181,434.00	
	Local Match	\$3,833,331.00	
	Total PFC	\$11,919,998.00	

Summary of Project Costs

Total AIP Funds	\$7,000,000.00
Total ATP Funds	\$6,000,000.00
Expanded PFC on AIP portion*	\$1,181,434.00
Non-eligible Cost	\$3,080,002.00
Local Match*	\$3,833,331.00
Remaining project cost*	\$6,905,233.00
Total Project Cost	\$28,000,000.00

* PFC eligible if project meets PFC objective

Attachment 3 – Example 1 Invoice Summary Example

The following excel file can be found at: Q:/BIL Training Sessions/PGL Example 1 – Invoice Summary Example.xlsx.

Grant 1 – AIP Grant

Worlds Best Airport (WBA) Sponsor Invoice Summary Grant #3-XX-XXXX-049-2022 (Companion Grant 1 - AIP)									
Invoice Date	Vendor Name	Invoice Number	Vendor Invoice Amount	Less Non-AIP Eligible	Eligible for Reimbursement	Prorated Federal Share	Prorated Local Share	Totals	Summary of Services/Materials Received
PAY REQUEST #1									
9/20/2022	XYZ Company		\$ 100,000.00	\$ -	\$ 100,000.00	\$ 60,300.00	\$ 5,700.00	\$ 67,000.00	Earthwork, Grading, Site Prep.
9/20/2022	ABC Materials, Inc.		\$ 300,000.00	\$ -	\$ 300,000.00	\$ 180,800.00	\$ 20,100.00	\$ 201,000.00	Aggregate (stone)
					\$ -				
TOTAL PAY REQUEST #1			\$ 400,000.00	\$ -	\$ 400,000.00	\$ 241,200.00	\$ 26,800.00	\$ 268,000.00	
COMPANION GRANT 1 PRORATION (AIP)			67.00%			\$ 241,200.00	\$ 26,800.00	\$ 268,000.00	
			33.00%			\$ 118,800.00	\$ 13,200.00	\$ 132,000.00	

Grant Proration and Federal/Local Share Inputs	
GRANT PRORATION (THIS GRANT)	67.00%
COMPANION GRANT PRORATION	33.00%
FEDERAL SHARE	90.00%
LOCAL MATCH	10.00%

Summary	
Total Expense This Pay App.	\$ 400,000.00
Less Ineligible Costs This Pay App.	\$ -
Total Eligible Expense This Pay App.	\$ 400,000.00
Federal Share (90%)	\$ 360,000.00
Companion Grant 1 Proration (67%)	\$ 241,200.00

Cells G9, G10, and G18 must match

Grant 2 – AIG Grant

Worlds Best Airport (WBA) Sponsor Invoice Summary Grant #3-XX-XXXX-050-2022 (Companion Grant 2 - BIL)									
Invoice Date	Vendor Name	Invoice Number	Vendor Invoice Amount	Less Non-AIP Eligible	Eligible for Reimbursement	Prorated Federal Share	Prorated Local Share	Totals	Summary of Services/Materials Received
PAY REQUEST #1									
9/20/2022	XYZ Company		\$ 100,000.00	\$ -	\$ 100,000.00	\$ 29,700.00	\$ 3,300.00	\$ 33,000.00	Earthwork, Grading, Site Prep.
9/20/2022	ABC Materials, Inc.		\$ 300,000.00	\$ -	\$ 300,000.00	\$ 89,100.00	\$ 9,900.00	\$ 99,000.00	Aggregate (stone)
					\$ -				
TOTAL PAY REQUEST #1			\$ 400,000.00	\$ -	\$ 400,000.00	\$ 118,800.00	\$ 13,200.00	\$ 132,000.00	
COMPANION GRANT 1 PRORATION (AIP)			67.00%			\$ 241,200.00	\$ 26,800.00	\$ 268,000.00	
COMPANION GRANT 2 PRORATION (BIL)			33.00%			\$ 118,800.00	\$ 13,200.00	\$ 132,000.00	

Grant Proration and Federal/Local Share Inputs	
GRANT PRORATION (THIS GRANT)	67.00%
COMPANION GRANT PRORATION	33.00%
FEDERAL SHARE	90.00%
LOCAL MATCH	10.00%

Summary	
Total Expense This Pay App.	\$ 400,000.00
Less Ineligible Costs This Pay App.	\$ -
Total Eligible Expense This Pay App.	\$ 400,000.00
Federal Share (90%)	\$ 360,000.00
Companion Grant 2 Proration (33%)	\$ 118,800.00

Cells G9, G11, and G18 must match

Attachment 4 – Example 5 Invoice Summary Example

The following excel file can be found at: Q:/BIL Training Sessions/PGL Example 5 – Invoice Summary Example.xlsx.

Grant 1 – AIP Grant

Worlds Best Airport (WBA) Sponsor Invoice Summary Grant #3-XX-XXXX-049-2022 (Companion Grant 1 - AIP)										
Invoice Date	Vendor Name	Invoice Number	Vendor Invoice Amount	Total Proration to Grant	Less Non-Eligible	Eligible for Reimbursement	Federal Share	Local Match	Total	Summary of Services/Materials Received
PAY REQUEST #1										
9/20/2022	XYZ Company		\$ 100,000.00	\$ 37,874.69	\$ 4,641.55	\$ 33,333.33	\$ 24,999.99	\$ 8,333.32	\$ 37,974.69	Earthwork, Grading, Site Prep.
9/20/2022	ABC Materials		\$ 300,000.00	\$ 113,924.04	\$ 13,924.05	\$ 99,999.99	\$ 74,999.99	\$ 24,999.98	\$ 113,924.02	Concrete footings
TOTAL PAY REQUEST #1			\$ 400,000.00	\$ 151,898.72	\$ 18,565.60	\$ 133,333.32	\$ 99,999.98	\$ 33,333.30	\$ 151,898.60	
COMPANION GRANT 1 PRORATION			37.97%	\$ 151,898.72						
COMPANION GRANT 2 PRORATION			30.10%	\$ 120,385.23						

From Grant Proration Spreadsheet

AIP Total Amount	\$10,632,931.00
AIP Amount	\$7,090,000.00
AIP Non-eligible amount	\$1,295,979.00
AIP Local Amount	\$2,333,132.00
ATP Total Amount	\$8,476,966.00
Total Project Cost	\$28,000,000.00

Grant Proration and Federal/Local Share/PFC Inputs

	Overall Proration	Non-Eligible Proration	Federal Proration	Local Proration
GRANT PRORATION (THIS GRANT)	37.97%	12.22%	65.87%	21.94%
COMPANION GRANT PRORATION	30.10%			

Payment Summary

Total Invoice Amount	\$ 400,000.00
AIP Total Amount	\$ 151,898.72
AIP Non-eligible Amount	\$ 18,565.40
AIP Federal Share	\$ 99,999.98
AIP Local Expense	\$ 33,333.30

Grant 2 – ATP Grant

Worlds Best Airport (WBA) Sponsor Invoice Summary Grant #3-XX-XXXX-150-2022 (Companion Grant 2 - ATP)										
Invoice Date	Vendor Name	Invoice Number	Vendor Invoice Amount	Total Proration to Grant	Less Non-Eligible	Eligible for Reimbursement	Federal Share	Local Match	Total	Summary of Services/Materials Received
PAY REQUEST #1										
9/20/2022	XYZ Company		\$ 100,000.00	\$ 30,586.30	\$ 3,916.59	\$ 26,785.71	\$ 21,428.58	\$ 5,957.13	\$ 30,586.29	Earthwork, Grading, Site Prep.
9/20/2022	ABC Materials		\$ 300,000.00	\$ 80,289.92	\$ 8,931.79	\$ 80,357.14	\$ 64,285.71	\$ 16,071.41	\$ 90,289.90	Concrete footings
TOTAL PAY REQUEST #1			\$ 400,000.00	\$ 120,389.22	\$ 13,242.37	\$ 107,142.85	\$ 85,714.27	\$ 21,428.54	\$ 120,385.18	
COMPANION GRANT 1 PRORATION			37.97%	\$ 151,898.72						
COMPANION GRANT 2 PRORATION			30.10%	\$ 120,385.23						

From Grant Proration Spreadsheet

ATP Total Amount	\$8,426,966.00
ATP Amount	\$6,000,000.00
ATP Non-eligible amount	\$926,966.00
ATP Local Amount	\$1,499,999.00
AIP Total Amount	\$10,632,931.00
Total Project Cost	\$28,000,000.00

Grant Proration and Federal/Local Share/PFC Inputs

	Overall Proration	Non-Eligible Proration	Federal Proration	Local Proration
GRANT PRORATION (THIS GRANT)	30.10%	11.00%	71.70%	17.80%
COMPANION GRANT PRORATION	37.97%			

Payment Summary - Companion Grant 2

Total Invoice Amount	\$ 400,000.00
ATP Total Amount	\$ 120,385.22
ATP Non-eligible Amount	\$ 13,242.37
ATP Federal Share	\$ 85,714.27
ATP Local Expense	\$ 21,428.54

Passenger Facility Charge

Worlds Best Airport (WBA) Sponsor Invoice Summary Passenger Facility Charge (PFC)								
Invoice Date	Vendor Name	Invoice Number	Vendor Invoice Amount	Total Proration to PFC	Less Non-Eligible	Eligible for PFC Reimbursement	Total	Summary of Services/Materials Received
PAY REQUEST #1								
9/20/2022	XYZ Company		\$ 100,000.00	\$ 31,929.01	\$ 3,048.05	\$ 28,880.96	\$ 31,929.01	Earthwork, Grading, Site Prep.
9/20/2022	ABC Materials		\$ 300,000.00	\$ 95,787.03	\$ 9,144.17	\$ 86,642.86	\$ 95,787.03	Concrete footings
TOTAL PAY REQUEST #1			\$ 400,000.00	\$ 127,716.04	\$ 12,192.22	\$ 115,523.82	\$ 127,716.04	
PFC PRORATION			31.93%	\$ 127,716.04				

From Grant Proration Spreadsheet

PFC Total Amount	\$8,940,123.00
PFC Amount	\$8,086,667.00
PFC non-eligible amount	\$853,456.00
Total Project Cost	\$28,000,000.00

Grant Proration and Federal/Local Share/PFC Inputs

	Overall Proration	Non-Eligible Proration
PFC PRORATION	31.93%	9.25%

Payment Summary - PFC

Total Invoice Amount	\$ 400,000.00
PFC Total Amount	\$ 127,716.04
PFC Non-eligible Amount	\$ 12,192.22
PFC Share	\$ 115,523.82