



Safe Streets and Roads for All Costs and Contracting

The Safe Streets and Roads for All (SS4A) grant program follows the grant governance and financial requirements set up in [2 CFR Part 200](#). While some Title 23 and Title 49 requirements apply to SS4A for construction guidance, they do not apply for SS4A when it comes to costs and contracting. This fact sheet provides clarification on costs and contracting. See the additional [fact sheet on match and cost sharing](#).

Frequently Asked Questions about SS4A Costs and Contracting

Project Costs

Do grants have percentage cost caps for specific line items such as administrative fees, engineering, etc.?

No, there are no percentage minimums or maximums for specific line items.

However, the quantity and quality of the projects and strategies in relation to the cost amounts is part of Implementation Grant application evaluation. The United States Department of Transportation (USDOT) expects most of the funding for Implementation Grants to go towards project and strategy execution. See Section E.1.ii Implementation Grant Selection Criteria in the [Notice of Funding Opportunity](#) (NOFO) for how USDOT will assess project costs in relation to the selection criteria.

I am applying for an Implementation Grant, but I am doing projects that do not involve construction. How do I reflect this on my 424 C?

All those applying for an Implementation Grant need to complete a 424 C. Include any non-construction costs in sections 1, 10, 11, and 15 as applicable. All construction costs should be filled in as appropriate in the remaining sections within the form.

- Section 1, administrative and legal expenses: Expenses that are involved with managing the federal grant award.
- Section 10, equipment: SS4A applies the definition of equipment as defined by 2 CFR 200.1, which states that equipment has a useful life of at least one year and costs \$5,000 or more¹.
- Section 11, miscellaneous: Most behavioral and operational expenses will be contained in this section.
- Section 15, program income: If your program is expected to have any program income (e.g., donations from a bicycle helmet distribution or registration costs from an activity), please be sure to reflect those costs in your application.

¹ Some agencies may have a lower threshold than \$5,000 for their definition of equipment. Please be sure to check your local capitalization level. For more guidance on equipment, please see [2 CFR 200.313](#).

Contracting

Can we use grant funds to pay for consultants or contractors?

Hiring contractors or consultants to directly support the execution of the grant award and its activities is an eligible cost. To be an eligible cost, expenses related to contracting with these individuals or organizations must take place after the grant agreement has been signed and be reasonable, allocable, and necessary to accomplish the grant objectives/scope of work. Costs incurred after FY 2023 SS4A award announcements, but before the grant agreement is signed, will only be eligible if specifically requested by a recipient and authorized by USDOT in writing.

Expenses incurred prior to the grant award announcement, e.g., costs to develop a grant application, are not eligible for reimbursement.

Procuring contractors or consultants must follow local procurement guidelines and any applicable Federal requirements such as [2 CFR 200.400](#), [2 CFR 200.401](#), and [2 CFR 200.403](#). For further information about procurement guidelines and associated consultant and contractor costs, review [2 CFR 200.320](#) and [2 CFR 200.430](#).

Do we have to hire a contractor if we get a grant award?

It is up to your organization to determine if it is appropriate to work with an outside contractor to complete the work outlined in your grant application. Some communities may have internal resources within or outside of their specific agency to write an Action Plan, conduct supplemental planning or demonstration activities, or complete certain implementation projects, whereas others do not have access to these type of resources within their community agency or agencies and need to seek the assistance of a contractor.

Partners and other stakeholders may also be resources to assist in accomplishing the goals outlined in your grant applications and working with them may help you successfully implement your grant award. These types of organizations may also be able to assist in meeting the match requirements for this program.

If a contractor writes the grant application on behalf of the applicant, can the contractor also receive funds from the grant award?

Yes, a contractor could assist in writing the grant application and then assist in the execution of the grant agreement. After the grant has been awarded, procurement of any contractors should adhere to the procurement standards set forth in [2 CFR 200.317 through 200.327](#) and any applicable Federal requirements such as the cost principles set forth in [2 CFR 200 subpart E](#), including [2 CFR 200.401](#), and [2 CFR 200.403](#). For further information about procurement guidelines and associated consultant and contractor costs, review [2 CFR 200.320](#) and [2 CFR 200.430](#).

I am thinking about getting started now to set up the contracts to execute a potential grant award. Should I wait until the grant is awarded?

USDOT strongly recommends that you wait until awards have been announced and a grant agreement is established before setting up a contract to execute a grant, because any costs incurred prior to a signed grant agreement are not eligible costs and cannot be used toward local match. Costs incurred after grant awards have been announced, but before there is a signed grant agreement, are only eligible costs if authorized by

USDOT in writing consistent with [2 CFR 200.458](#). USDOT intends to authorize such costs only on a case-by-case basis after USDOT's announcement of FY 2023 SS4A grant awards in late 2023.

We have determined we need to procure a contractor. Now what?

While USDOT does not provide a list of approved contractors, here are some tips and guidance to keep in mind when looking to hire a contractor:

- Hiring contractors or consultants to directly support the execution of the grant award and its activities is an eligible cost. To be an eligible cost, expenses related to contracting with these individuals or organizations must take place after the grant agreement has been signed and be reasonable, allocable, and necessary to accomplish the grant objectives/scope of work. Contracting costs incurred before a signed grant agreement will only be eligible costs if the costs were incurred after award announcement and USDOT authorized those expenses in advance, consistent with [2 CFR 200.458](#). Expenses incurred prior to the grant award announcement, e.g., costs to develop a grant application, are **not** eligible for reimbursement.
- Procuring contractors or consultants must follow local procurement guidelines and any applicable Federal requirements such as [2 CFR 200.400](#), [2 CFR 200.401](#), and [2 CFR 200.403](#). For further information about procurement guidelines and associated consultant and contractor costs, review [2 CFR 200.320](#) and [2 CFR 200.430](#).
- [2 CFR 200.317 through 200.327](#) outlines procurement standards; there are none that are specific to USDOT. Local agencies must have their own documented procurement procedures that are consistent with State, local, and Tribal laws, regulations, and standards and perform oversight to ensure that contractors perform in accordance with the terms of the contract.
- Review [2 CFR § 200.318](#) for general procurement standards guidance, including encouragement of consolidating procurements, shared-services, value engineering clauses, etc.
- Seek responsible contractors who have a history of working on these types of projects and who have not been debarred or suspended from participating in Federal assistance programs or activities. To check if an entity has been debarred or suspended, visit www.sam.gov.
- Take steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. ([2 CFR § 200.321](#)).

Can a contractor prepare and submit our application?

While a contractor may prepare and submit an application on behalf of the applicant, staff from an eligible entity must be listed as the point of contact and alternate point of contact. Eligible entities include political subdivisions of a state or territory, federally recognized Tribes, Metropolitan Planning Organizations (MPOs), and multijurisdictional groups composed of eligible applicants. Furthermore, staff from an eligible entity must be the ones signing all applicable application forms. If there are any questions or concerns about application content by the SS4A team, political subdivision or Tribal staff are responsible for addressing questions.

Please refer to the [NOFO](#) for more information on eligible activities and projects.