



# Safe Streets and Roads for All Costs and Contracting

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The Safe Streets and Roads for All (SS4A) grant program follows the grant governance and financial requirements described 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 [page 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.

#### **Can I include indirect rate in my application?**

Indirect rate is an allowable cost for SS4A. Applicants with an indirect rate approved by their Federal Cognizant Agency as identified in 2 CFR 200.1 must use that rate. Otherwise, the 10 percent de minimis rate may be used. When applying indirect rate, applicants must follow the requirements outlined 2 CFR 200.412 through [200.415](#). If an applicant includes indirect rate as part of their application and has a Federal Cognizant Agency letter with their approved rate indicated, they should include the letter as part of their application materials.

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

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

- Section 1, administrative and legal expenses: Expenses relating to management of the federal grant award.
- Section 10, equipment: SS4A uses the definition of equipment as defined by 2 CFR 200.1: equipment with a useful life of at least one year and that costs \$5,000 or more.<sup>1</sup>

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<sup>1</sup> 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](#).

- Section 11, miscellaneous: Most behavioral and operational activity expenses will be contained in this section.
- Section 15, program income: If your program is expected to have any program income as defined by [2 CFR 200.307](#) (e.g., revenues from a bicycle helmet distribution, registration costs from an activity, or revenues from taxes, special assessments, levies, or fines), please be sure to reflect those costs in your application.

## 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 if the related expenses take place after the grant agreement is signed and if they are reasonable, allocable, and necessary to accomplish the grant objectives/scope of work. Applicants who intend to use a contractor or consultant should note this in their application narrative and/or budget documents, pursuant to [2 CFR 200.208\(c\)\(6\)](#).

Costs incurred after FY 2024 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, including but not limited to [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 200.318-327](#) 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?

A contractor may assist in writing the grant application and then in the execution of the grant agreement. However, procurement of any contractors, pre- or post-award should adhere to the procurement standards in [2 CFR 200.318 through 200.327](#) and any applicable Federal requirements such as the cost principles in [2 CFR 200 subpart E](#), including [2 CFR 200.401](#), and [2 CFR 200.403](#). Recipients should be mindful of these provisions

when developing the scope of work for their contactors. 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 executed before setting up a contract to implement a grant, because any costs incurred prior to a signed grant agreement are generally 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 SS4A grant awards.

### **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:

- Prior to submitting your FY 2024 grant application, consider conducting a Request for Information (RFI) or conducting market research in order to gauge the cost associated with the work you are planning to contract out. This will assist you in developing the budget in your grant application and help ensure you are requesting the appropriate amount of funding for the activities outlined in your grant application.
- 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 they 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 200.318 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](http://www.sam.gov).

## **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 points of contact in the application. 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.