



U.S. Department of
Transportation

Office of the Secretary
of Transportation

ADVANCE COPY

PAGE CHANGE

DOT 4000.8A
Chg 1

Subject: USE OF CONTRACTS, GRANTS, AND COOPERATIVE AGREEMENTS

1. PURPOSE. This Page Change transmits revised pages to DOT 4000.8A, Use of Contracts, Grants, and Cooperative Agreements, of 8-17-82.
2. EXPLANATION OF CHANGE. This change is necessary to provide revised requirements and appropriate citations as follows:
 - a. 49 CFR Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, was published in the Federal Register on March 11, 1988. This rule establishes consistency and uniformity among Federal agencies in the administration of grants and cooperative agreements to State, local, and federally recognized Indian tribal governments. The rule replaces the requirements that were contained in Office of Management and Budget (OMB) Circular A-102. OMB Circular A-102 was revised and published in the Federal Register on March 11, 1988. The current OMB Circular A-102 is limited to guidance to Federal agencies, while 49 CFR Part 18 contains administrative requirements for grantees and subgrantees.
 - b. Transportation Acquisition Regulation (TAR) Subsection 1206.304, Approval of the Justification, was published in the Federal Register on November 19, 1987. The requirements of this subsection replace DOT 4200.10, Sole Source Review and Approval.
3. FILING INSTRUCTIONS.
 - a.

<u>Remove Pages</u>	<u>Dated</u>	<u>Insert Pages</u>	<u>Dated</u>
3-4	8-17-82	3-4 5	8-17-82
 - b. After filing the attached pages, this transmittal may be discarded.

FOR THE SECRETARY OF TRANSPORTATION:

DISTRIBUTION: All Secretarial Offices
All Operating Administrations

OPI: Office of
Acquisition and
Grant Management

- (3) Surveys, studies, and research which provide specific information desired by the Government for its direct activities, or for dissemination to the public.
 - (4) Consulting services or professional services of all kinds if provided to the Government or, on behalf of the Government, to any third party.
 - (5) Training projects where the Government selects the individual or specific groups whose members are to be trained or specifies the content of the curriculum (not applicable to fellowship awards).
 - (6) Planning for Government use.
 - (7) Production of publications or audiovisual materials required primarily for the conduct of the direct operations of the Government.
 - (8) Design or development of items for Government use or pursuant to agency definition or specifications.
 - (9) Conferences conducted on behalf of the Government.
 - (10) The generation of management information or other data for Government use.
- e. Normally use assistance instruments (grants or cooperative agreements) for the following purposes:
- (1) General financial assistance (stimulation or support to eligible recipients under specific legislation authorizing such assistance.
 - (2) Financial assistance (stimulation or support) to a specific program activity eligible for such assistance under specific legislation authorizing such assistance.
- f. Award and administer each of the three legal instruments in accordance with the appropriate directives. Procurement contracts shall be awarded and administered in accordance with the provisions of the Federal Acquisition Regulation, the Transportation Acquisition Regulation (TAR), and other DOT directives covering direct contracting activities. Grants and cooperative agreements with units of State and local government shall be awarded

Vertical line denotes change.

and administered in accordance with OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments, and the common rule establishing consistency and uniformity in administering grants and cooperative agreements to State, local, and Indian tribal governments, 49 CFR Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, and with DOT directives covering such transactions. Grants and cooperative agreements with universities and nonprofit institutions shall be awarded in accordance with OMB Circular A-110, Grants and Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations, and DOT directives covering such activities.

- g. Obtain the maximum competition practicable in awarding grants or cooperative agreements whenever discretion is permitted in selecting recipients. Awards which are based upon a formula or a similar entitlement technique and where there is no discretion in selecting recipients, e.g., Federal-Aid Highway Awards, are not subject to this requirement for competition. Whenever discretion in selecting recipients is permitted in awarding grants or cooperative agreements, records shall be maintained which state the procedures followed in selecting recipients and the value of awards.
- h. Whenever competition has not been sought or obtained in proposed discretionary grants and cooperative agreements with recipients other than units of State and local government, approval shall be obtained in accordance with the levels set in TAR Section 1206.304, Approval of the Justification. Justification must, at a minimum, cite the legislative requirement for the sole source, or other rationale for concluding that no other source is available, and a description of how the search for other sources was conducted, and the results of that search.
- i. Award contracts when undertaking research, development and demonstration projects unless the principal purpose of the transaction is clearly to stimulate or support recipient's research efforts. Where the principal purpose does not fall clearly in one or the other category of procurement or assistance, i.e., where the DOT element and the recipient share in the project's benefits, a contract shall be used.
- j. Apply the instructions appearing in the OMB Guidance and this Order in the administration of programs which provide assistance that supports recipient operating costs and expenses.

Vertical line denotes change.

- k. Submit all exceptions as described in Section J of the OMB Guidance, OMB Exception Procedures, to the Assistant Secretary for Administration for approval and submission to OMB.
 - l. Maintain necessary records to provide the answers to the seven questions appearing in Section L of the OMB Guidance, Agency Records.
 - m. Submit to the Assistant Secretary for Administration the information required under Section M of the OMB Guidance, OMB Reporting Requirements, within 30 days of the date of this Order.
7. IMPLEMENTATION. The policy and procedures in this Order are effective immediately. Implementing instructions shall be issued within 45 days following publication of this Order and a copy provided to the Assistant Secretary for Administration.

FOR THE SECRETARY OF TRANSPORTATION:

Robert L. Fairman
Assistant Secretary
for Administration