



Purpose

This SOP outlines the procedures for federal grant applications at TxDOT to ensure consistency and compliance with legal requirements.

Responsibilities

The Federal Affairs Section (FED) within the Government Affairs Division (GOV) is designated as the office of Primary Responsibility for all things related to federal discretionary grants by the United States Department of Transportation (USDOT) and federal agencies under the USDOT jurisdiction.

Procedure

Developing Federal Grant Applications:

1. District/Division (D/D) contacts the FED section of the GOV division at Federal_Grants@txdot.gov, providing project-specific information and the grant program of interest.
 - **Note:** the final decision on which applications will be submitted rests with TxDOT Administration.
2. Submitting D/D collaborates with FED to craft application and seeks letters of support from community, elected leaders, and other transportation stakeholders. All letters of support must bear the signature of the Executive Director.
 - **Letters of Support for Local Entities:** TxDOT aims to establish strong partnerships with transportation stakeholders, and TxDOT may collaborate with Metropolitan Planning Organizations (MPOs), cities, or counties on grant applications. The decision on such partnerships rests with the Executive Director.
 - If a transportation partner approaches a D/D seeking TxDOT's involvement as a co-applicant or requesting a letter of support, the formal request must be submitted in writing to FED. The request must specify whether the project is part of the TxDOT system, included in the Unified Transportation Program (UTP) or Statewide Transportation Improvement Program (STIP), and whether the D/D is supportive of the project, especially if tasked with administering the federal grant.
3. FED submits application on behalf of TxDOT and responds to any additional requests for information from the USDOT program office.
 - **Note:** FED employs several consultants under contract, selected through a competitive bid process, solely for writing grant applications. These consultants are exclusively designated for federal discretionary grant writing; consultants engaged for other purposes cannot be utilized for grant writing opportunities.



4. If the grant is awarded and TxDOT is a party to the agreement, FED collaborates with the submitting D/D to complete and enter into the grant agreement using templates provided by USDOT.
5. The Contract Services Division (CSD) routes the completed agreement for Executive Director signature and executes it.

Follow-up Procedures:

6. **Invoicing and Quarterly Progress Reporting:** Every federal discretionary grant allocates funds to recipients on a reimbursable basis. Following the execution of the grant agreements with TxDOT and the commencement of the project, the Financial Management Division (FIN) assumes the responsibility of submitting invoices to USDOT for reimbursement, adhering to current USDOT policy and executed agreements.
 - The D/D overseeing the project furnishes required quarterly progress reports to FIN before the stipulated submission dates.
7. **Performance Reporting:** In certain USDOT grant programs, the D/D is required to submit performance reports. A Performance Baseline report is due prior to construction, and Performance Measurement Reports are due annually for 3 years once construction is completed.

Local Government Assistance:

1. For local government projects that have secured federal discretionary grant funds, the Federal Highway Administration (FHWA) has delegated its environmental review responsibilities under the National Environmental Policy Act (NEPA) and other environmental laws to TxDOT.
2. FHWA Texas Division will inform TxDOT's Environmental Affairs Division (ENV) of the projects that require environmental review and ENV will collect any information needed to conduct the review from the local government grant applicant.
 - For additional details, please see: [Guidance - FHWA Direct Recipient Discretionary Grant Projects](#) on ENV's [NEPA and Project Development Toolkit page](#) on <https://www.txdot.gov/>

Definitions

Federal discretionary grant: A "discretionary" grant is a grant in which a federal agency selects the awardee (i.e., grant recipient) based on merit and eligibility.

Local Government: Could pertain to any of the following; city, county, MPO, transit provider, rail provider, Port, Regional Mobility Authority, or non-profit.



References, Supplies, Tools

[TxDOT.gov Federal Grants Resources Page](#)

[TxDOT.gov NEPA Compliance Toolkit](#)

[Infrastructure Investment and Jobs Act Grant Programs Page](#)

[FED Section Crossroads Page](#)

[GOV Division Crossroads Page](#)



Revision History:

Revision Date	Revision By	Summary of Changes	Approved By
3/11/2025	STR Policy Team	Initial Version	Robin Ayers
Text	Text	Text	Text