

Arizona State Transportation Board Policy #45

AZ State Match Advantage for Rural Transportation (AZ SMART) Fund Policy

1. It is the policy of the Board to facilitate the application for, and award of, federal discretionary grants to eligible Arizona applicants.
2. It is the policy of the Board to encourage all eligible applicants to utilize the benefits of the AZ SMART Fund Program.
3. It is the policy of the Board to award AZ SMART Funds during the term of the federal Infrastructure Investment and Jobs Act (IIJA) to well-developed applications that maximize the State's competitiveness for each federal discretionary grant.
4. It is the policy of the Board to:
 - a. Approve an application and application guidelines prior to each Call for Projects (CFP).
 - b. At the discretion of the Board, give preference to applicants that can demonstrate either or both of the following:
 - i. The percentage of non-federal, matching cash funds (US \$) to be provided by the Applicant on the federal grant.
 - ii. The extent to which the applicant will partner with other entities to deliver the project, including the amount of cash and in-kind funding to be provided by each entity.
 - c. Encourage applicants to:
 - i. Establish procurement policies and contracts to enable the rapid development and submission of strong and competitive federal grant applications.
 - ii. Generate well-developed cost estimates to minimize the financial impact to the applicant.
 - d. Require applicants to respond within five business days regarding the following requests to ensure funding can be awarded and deployed in an expeditious manner:
 - i. A request for more information from the Board; and
 - ii. A request to accept or decline an award which differs from the amount in the application.
 - e. Require applicants to execute any necessary intergovernmental agreements with ADOT within the following timeframes to avoid AZ SMART Funds from being idle:
 - i. 120 days from the date of award by the Board for design and other engineering services awards.
 - ii. 120 days of the date of execution of a federal grant agreement for match awards.
 - f. Require all AZ SMART Fund awards to be subject to applicable federal and state laws and ADOT policies, including timely obligation and expenditure of funding, invoicing, reporting and other requirements which may be identified by the Board or a federal discretionary grant.
 - g. Allocate interest earnings to each sub fund on a pro rata basis to help sustain the life of the AZ SMART Fund.