



MEMORANDUM

To: UWP Committee

From: Angela Manning-Hardimon
Deputy Executive Director, Finance and Administration

Date: September 4, 2020

Re: FY 2022 Budget Process

Starting fiscal year 2022, IDOT has requested that CMAP and the UWP Committee develop a timeline to complete the FY 2022 UWP budget and submit to IDOT by April 1, 2021. IDOT wants to ensure that grant agreements are executed by July 1 of each fiscal year. The grant agreement process is initiated with the development of the budget and scope (UWP). Over the next couple years, IDOT has made clear that they want to incrementally align our UWP budget submission with the February 14 deadline adhered to by the other MPOs across the state. The FY 2022 UWP budget will be due April 1, 2021, and the FY 2023 UWP budget will be due February 14, 2022. Accomplishing this year's deadline of April 1, 2021, will require that the UWP budget process move up 2 months and commence October 1, 2020. Please see attached for the proposed UWP budget schedule for discussion.

In August, CMAP was notified by FHWA that it intended to reevaluate the grant agreement that supports the projects identified in the competitive program. Currently CMAP places all non-Core UWP projects into a 5-year agreement, bundling many projects into one grant agreement. This causes issues when each project moves forward at differing speeds. There are multiple projects in one grant agreement, and when those projects are accomplished within different timeframes, this can result in large amounts of funding being tied up and not expended if one of the projects is delayed. To explore options to effectively manage this process, project selections, performance tracking, budget estimates, etc. will require broader conversations with the UWP Committee including additional time to deliberate and develop an implementation plan. CMAP staff recommends the UWP Committee commit to using FY 2022 as the year to redevelop the UWP Competitive program to present a plan to IDOT and FHWA prior to the development of the FY 2023 UWP budget.

In light of IDOT's request to submit the FY 2022 Budget and UWP by April 1, and move up our UWP development process timeline, and FHWA's request that we develop a plan to more efficiently and effectively administer the UWP Competitive program, CMAP staff would like to

begin to discuss how we can accomplish both goals. Given the time constraints of developing an approved UWP budget by April, one option would be to increase core funding for this fiscal year for all partners and reduce a correlating amount in the competitive program. The purpose would be to eliminate the time it takes to draft and review competitive proposals. The state's competitive SPR program would be one avenue for similar projects to secure funding this year. The additional benefit would be to support more core MPO activity completion and focus on the impacts that COVID is having on transportation activities in the region. CMAP staff are open to working with the committee to discuss and explore other alternatives.

In conclusion, the proposal staff put forth at this time would be to move up the UWP development time frame and focus on core activities for FY 2022 with the goal of revisiting the timing and administration of the competitive program with the development of the FY 2023 budget and UWP.

ACTION REQUESTED: Discussion

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