

March 30, 2012

Office of Management and Budget 725 17th St. NW Washington DC, 20500

Attention: Office of Federal Financial Management "Grant Reform"

Dear Docket Clerk:

On behalf of the more than 1,500 member organizations of the American Public Transportation Association (APTA), I write to provide comments on the Office of Management and Budget's (OMB) Advance Notice of Proposed Guidance on the Reform of Federal Policies Relating to Grants and Cooperative Agreements; Cost Principles and Administrative Requirements (Including Single Audit Act), which was released for comment on February 28, 2012.

## About APTA

APTA is a non-profit international trade association of more than 1,500 public and private member organizations, including public transit systems; high-speed intercity passenger rail agencies; planning, design, construction and finance firms; product and service providers; academic institutions; and state associations and departments of transportation. More than ninety percent of Americans who use public transportation are served by APTA member transit systems.

## **Comments**

APTA strongly supports OMB efforts to streamline the grant making and administration processes. We believe the vast majority of the proposals contemplated would be helpful for grantees in general and offer the following specific comments and recommendations.

Regarding indirect rates, we greatly favor the optional use of flat rates. The substantial differences in grantee size and sophistication strongly suggests having an option would ensure the best fit for the wide array of grantee organizations and be consistent with OMB's intent to maximize the efficiency of the process.

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President & CEO Michael P. Melaniphy Regarding administrative requirements, we strongly suggest updating the "Common Grant Rule" to account for the evolution of government procurement practices since the rule was last updated and to increase the maximum residual value of property subject to disposition.

Thank you for the opportunity to assist in this important action. For additional information, please contact James LaRusch, APTA's chief counsel and vice president corporate affairs, at (202) 496-4808 or jlarusch@apta.com.

Sincerely yours,

Michael P. Melaniphy

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President & CEO