

# National Summer Transportation Institute Program

## Frequently Asked Questions

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### *Program Administration*

#### **1. What is the National Summer Transportation Institute (NSTI) Program?**

The NSTI Program is a transportation focused career awareness initiative. The purpose is to create awareness and stimulate interest in middle and high school participants to take advantage of career opportunities that exist in the transportation industry, to provide academic enhancement activities, and to encourage students to pursue transportation-related course work at the college and university level. This program allows students the opportunity to spend 2-4 weeks receiving a realistic college preview geared at transportation related coursework at prominent accredited college/university campuses across the country.

#### **2. Why do we have a NSTI Program?**

In an effort to address the need for a diverse workforce in the 21<sup>st</sup> Century and to create awareness of the career choices and opportunities that exist in the transportation industry, the US DOT and FHWA established various educational initiatives. NSTI is one of these initiatives. It endeavors to address future transportation workforce needs by ensuring that the transportation industry has a well-trained qualified and diversified workforce.

#### **3. What is the role of the Federal Highway Administration (FHWA) Headquarters' Office of Innovative Program Delivery (HIN)?**

HIN administers the NSTI Program and provides funding and technical assistance to FHWA Division Offices, State DOT's, and University and College host sites.

#### **4. What is the NSTI organizational structure?**

The NSTI organizational structure consists of accredited colleges and universities host sites throughout the United States, its territories, District of Columbia, and Puerto Rico.

#### **5. How can I participate in this program? Whom do I contact?**

Accredited institutions interested in becoming host sites should contact their local State DOT Civil Rights Office or the FHWA Division Office Civil Rights representative. Interested Parents and students should contact their local State DOT-Civil Rights Office.

#### **6. What is the deadline for submitting statements of work (SOW), what is its format (i.e., electronic or hard copy), and who receives it?**

The deadline for submitting SOWs is based on funding. Typically HIN issues a call-for-SOWs early in the fiscal year; however, the Division Office establishes the deadline for the

State DOT to submit their SOWs to Divisions for review/concurrence as long as the deadline is prior to the Divisions due date to HIN. The deadline for Divisions to submit their SOWs for HIN concurrence will be December of every year, barring any continuing resolutions (CRs). CRs can delay funding and the call for SOW's. State DOT's must send SOWs electronically in Word format and budgets in Excel format.

## 7. **What are the components that should be included in the SOW?**

The SOW components are:

### 1. Program Information

- Host Site (Name/Address)
- Amount of Funding Requested
- Length of Program
- Type of Program
- Anticipated Number of Students
- Grade Levels

### 2. Program Overview

This is a brief statement of the purpose and anticipated outcomes of the program.

### 3. Program Administration

- Recruitment and Student Selection Procedures
- Staffing Requirements
- Program Cost, including budget (Excel)
- Inter-Modal Advisory Committee
- Specific Named Partners
- Implementation Schedule
- Program Curriculum
  - Academic Program
  - Enhancement Program
  - Sports/Recreation Program
- Conducting Follow-up Survey of Participants

## 8. **Who can participate in the program?**

Any student can participate in the NSTI program.

In addition, the host site and its personnel shall not exclude any person from participating in this program, deny the benefits of this program, or otherwise subject any student to discrimination because of race, color, national origin, sex, age, or disability, low income, and/or Limited English Proficiency. More precisely, HIN encourages the proactive outreach and recruitment of under-represented students and student groups (i.e. minorities, females, socially and economically disadvantaged individuals, and students with disabilities).

## 9. **Can a State DOT include the cost of making an accommodation for a student with disability within its budget?**

Yes. The host site should factor into its budget a contingent amount for students with disabilities. If the host site does not need the funds, then it can ask the State DOT and the Division to repurpose the funds elsewhere in the program, as needed. In the case where a host site exceeds the contingent amount, it will need to submit a written request for additional funding. The request will need to describe the type(s) of accommodation required and the cost. This will require a revision to the original budget. The host site must submit the request for additional funding and its revised budget to the State DOT and the FHWA Division Office for review and approval. On a case-by-case basis, the Division staff working closely with the NSTI National Program Manager will verify and approve any request for additional funds for accommodating students with disabilities.

**10. How do States/host sites comply with Section 508 standards of the Rehabilitation Act as mentioned in the sample request for proposal; specifically website compliance?**

States DOTs and host sites must ensure that their procurement of electronic and information and technology takes into account the needs of all end users, including those members of the public with disabilities who seek information or services in order to have access to and use information and data.

See Section 508 of the Rehabilitation Act (<http://www.access-board.gov/508.htm>) and the Federal IT Accessibility Initiative (<http://section508.gov/>) for detailed information.

Transportation for students with disabilities should be handled by the host site.

**11. Is there any guidance to ensure that economically disadvantaged students receive priority? How do you define "economically disadvantaged students?" How is this information collected?**

HIN encourages host sites to recruit minorities, females, and economically disadvantaged students, student groups, and students with disabilities during recruitment.

Economically disadvantaged means an individual comes from a family with an annual income below a level based on low-income thresholds according to family size established by the U.S. Census Bureau. US DOT regulation 49 CFR Part 26.5(b) states, "*Socially and economically disadvantaged individual* means any individual who is a citizen (or lawfully admitted permanent resident) of the United States and who has been subjected to racial or ethnic prejudice or cultural bias within American society because of his or her identity as a members of groups and without regard to his or her individual qualities. The social disadvantage must stem from circumstances beyond the individual's control."

**12. How should an out-of-State student's application be handled?**

The State DOTs should provide guidance for out-of-State student eligibility. The HIN does not determine eligibility for students applying for the NSTI program. However, State DOTs may establish individual guidelines for student eligibility as long as they are consistent with the Federal law and NSTI program guidelines

**13. Can the State DOT offer the NSTI opportunity to schools that have hosted the program in the past?**

All accredited colleges and universities are eligible to participate in the NSTI program but must follow the application process outlined in the Desk Reference. Additionally, State DOT's must follow the State's procurement process regarding projects that receive Federal funds.

**14. Who is responsible for conducting the orientation/closing events? What is the purpose of these events?**

The project director should plan and host orientation and closing events/ceremonies for the participants and parents/guardians. The orientation event should provide a thorough explanation of student expectations, an overview of all planned upcoming activities, and review the rules and general information about the host site. The closing program should provide recognition to the outcomes achieved by the students. Host sites should provide awards for accomplishments, special recognition, and certificates of completion to the students.

**15. Does HIN require an annual report of any kind? When are they due?**

An annual questionnaire replaced the 15-page annual report. At the close of the NSTI Fiscal Year program, HIN will send a link to all host sites' Project Directors via the Division Office. Host sites must complete the questionnaire by mid-October.

**16. Why does HIN collect an assessment/questionnaire? Who is responsible for completing/submitting it? What is done with the information?**

HIN collects the data to determine program quality, effectiveness, and uses the information to communicate outcomes to HIN Leadership. HIN forwards a copy of the results to the Division Offices for review. HIN encourages the Division to share the information with the State DOT.

**17. Is there a Web site for the NSTI Program?**

Yes, however HIN's website is currently under construction. The projected completion date is October 30, 2016. HIN will broadcast the new site information as soon as it is running.

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***Summer Transportation Institute (STI) Host Site***

**18. What is the host site organizational structure?**

A host site Project Director must conduct and be responsible for collaborating with the State DOT, FHWA Division Office, and/or HIN staff when developing and implementing all

phases of the NSTI Program. The project director must also supervise all host site staff. Staff positions include an academic program coordinator, academic aide, residence hall counselor, etc. and in turn supervise students.

**19. What types of NSTIs are there?**

A Host site can classify a NSTI Program as a middle school (7-9 grades) or a high school (10-12 grades) program, and as residential or non-residential program, it cannot be both. For example, it can be resident high school program or a non-resident high school program. Middle school programs need to focus on career exploration. High school programs should include activities designed to assist students with preparing for post-secondary education courses and to encourage them to pursue transportation-related careers. In a residential program, the participant resides on the college or university campus, including host site living arrangements. In a non-residential program, the participant commutes to and from campus every day. All NSTI programs should be between 2-4 weeks. More information about program types can be found in the NSTI Desk Reference located on the HIN's SharePoint. State DOTs and Host sites, please contact your FHWA Division office to request an electronic copy.

**20. What are the responsibilities of a STI host site?**

The host site conducts either a residential or a non-residential NSTI Program with a minimum of 15 participants. A host site develops and conducts an NSTI Program focusing on critical and systematic educational endeavors that explore all aspects of the transportation industry, its role in our society, and the potential transportation careers available. This includes creating a curriculum that introduces students to the diverse modes and disciplines in transportation, including how transportation plays an integral role in our lives, as well details career opportunities that exist in today's transportation world.

***Funding/Budget***

**21. What is the annual funding for the NSTI Program?**

Annual funding for the NSTI Program depends on the annual budget that HIN receives each year for the On-the-Job Training/Supportive Services (OJT/SS) Program. HIN sets aside a portion of the OJT/SS Program funds for the FY NSTI Program. Usually, HIN allocates \$2.6 million for the NSTI Program among the participating states. However, HIN recommends that you establish partnerships that can provide in-kind contributions.

**22. How does the process for release of funds work and when are host sites notified of approved funding?**

HIN allocates funds to the Division Offices typically by January/February period. The Division notifies the designated State DOT personnel of the available funding allocation.

Afterward the State DOT sets up a project in FMIS and moves the funds to the project. It is important to note that each host site must have a different project number in FMIS and payments must be tracked independently for each site. The State DOTs will contact the host site(s) after it receive notification of award from the Division.

**23. Does this program have to follow federal program guidelines?**

The NSTI program must follow all federal-aid financial requirements in particular:

[2 CFR 225 – Cost Principles for State, Local, and Indian Tribal Governments \(OMB Circular A-87\)](#)

[Part 200--Uniform Administrative Requirements, Cost Principles, & Audit Requirements for Federal Awards](#)

**24. Can host sites use Federal funds for the sports and recreation events as a component to enhance the experience? If so, what does the NSTI program allow?**

**200.438 Entertainment costs.**

Costs of entertainment, including amusement, diversion, and social activities and any associated costs are unallowable, except where specific costs that might otherwise be considered entertainment have a programmatic purpose and are authorized either in the approved [budget](#) for the Federal award or with prior written approval of the [Federal awarding agency](#).

The following **costs are unallowable** as per the cost principles prescribed in the regulations and are applicable to educational institutions: Cost of entertainment including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows, sports events, meals, lodging, rentals, transportation, and gratuities). However, entertainment cost as part of a programmatic exercise program, such as a one hour break to exercise as a team in a sporting event would be allowed. That is, funds used to pay for renting or using soccer equipment for a day, or paying for pool use fees, are allowed, as this is part of the “collegian experience,” thus, it has a programmatic purpose. HIN wants to make it clear; it will not pay for visits to amusement parks for a fun day. On the other hand, HIN will fund field trips to transportation museums as part of a programmatic education experience.

Moreover, HIN recommends that host sites utilize the sports/recreational resources already available on the campus to fulfill this component of the program. You may wish to check with your State transportation agency to see if it can be used for this type of activity.

**25. Can host sites request funding for promotional items/gifts and/or marketing items?**

Federal funds may not be used for gifts or promotional items.

### **§200.410 Collection of unallowable costs**

Payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise.

For more detail on allowable costs, click on the link below:

[200 CFR Subpart E—Cost Principles](#)

If your State laws, regulations, and policies allow the purchase of gifts or promotional items, you may use **State** funds, but again host sites cannot use Federal funds.

## **26. What is an allowable, reasonable, and allocable cost?**

### **§200.403 Factors affecting allowability of costs.**

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- (d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).
- (g) Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

### **§200.404 Reasonable costs.**

A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when the non-Federal entity is predominantly federally funded. In determining reasonableness of a given cost, consideration must be given to:

(a) Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the non-Federal entity or the proper and efficient performance of the Federal award.

(b) The restraints or requirements imposed by such factors as: sound business practices; arm's-length bargaining; Federal, state, local, tribal, and other laws and regulations; and terms and conditions of the Federal award.

(c) Market prices for comparable goods or services for the geographic area.

(d) Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the non-Federal entity, its employees, where applicable its students or membership, the public at large, and the Federal Government.

(e) Whether the non-Federal entity significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the Federal award's cost.

### **§200.405 Allocable costs.**

(a) A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received. This standard is met if the cost:

(1) Is incurred specifically for the Federal award;

(2) Benefits both the Federal award and other work of the non-Federal entity and can be distributed in proportions that may be approximated using reasonable methods; and

(3) Is necessary to the overall operation of the non-Federal entity and is assignable in part to the Federal award in accordance with the principles in this subpart.

(b) All activities which benefit from the non-Federal entity's indirect (F&A) cost, including unallowable activities and donated services by the non-Federal entity or third parties, will receive an appropriate allocation of indirect costs.

(c) Any cost allocable to a particular Federal award under the principles provided for in this part may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or for other reasons. However, this prohibition would not preclude the non-Federal entity from shifting costs that are allowable under two or more Federal awards in accordance with existing Federal statutes, regulations, or the terms and conditions of the Federal awards.

(d) Direct cost allocation principles. If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then, notwithstanding paragraph (c) of this section, the costs may be allocated or transferred to benefitted projects on any reasonable documented basis. Where the purchase of equipment or other capital asset is specifically authorized under a Federal award, the costs



are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required. See also §§200.310 Insurance coverage through 200.316 Property trust relationship and 200.439 Equipment and other capital expenditures.

(e) If the contract is subject to CAS, costs must be allocated to the contract pursuant to the Cost Accounting Standards. To the extent that CAS is applicable, the allocation of costs in accordance with CAS takes precedence over the allocation provisions in this part.

**Not Allowed -- Closing Event Costs:**

- Cost of meals provided during the entertainment or socializing events.
- Cost of meals provided during non-NSTI related events.

**27. Can host sites change a line item after HIN already approved the budget?**

Yes. However, the FHWA Division Office has final approval on any budget changes once HIN awards funds. If there is a change, the Division Office must notify HIN on any budget change (e-mail is sufficient).

**28. What is the purpose of a stipend?**

The purpose of a stipend is to help defray costs associated with participating in the program. For example, transportation expense to/from the host site. Stipends must not be awarded in a lump sum. HIN requires stipends to be awarded on at least a weekly basis. Host sites may deduct from the stipend for days missed since no cost is incurred if the participant cannot attend. A stipend provided as an incentive to complete the program is not allowed. A stipend to pay for a needed mathematical calculator is an allowed expense, providing the student submits a receipt for the cost. Stipends may be reduced/disallowed if funding request exceeds the recommended program costs.

**29. Can host sites request funding for food? If so, does this pertain to orientation and/or closing events?**

Yes. Allowable costs directly related to the program are as follows:

1. Cost of meetings and conferences, the primary purpose of which is the dissemination of technical information.
2. Cost of meals and other items incidental to above mentioned meetings or conferences.
3. Cost of student meals for a residential program.
4. Orientation Meeting, Convocations, and Commencement: Food is allowed if it is reasonable for all participants necessary for instruction, as long as the costs are allocated to an instruction function, or otherwise allocated based on the sponsored agreement. As stated, in the OMB Circular, Student Administration and Services, the orientation meeting is similar to the convocation listed below:

- i. The expenses under this heading are those that have been incurred for the administration of student affairs and for services to students, including expenses of such activities as deans of students, admissions, registrar, counseling and placement services, student advisers, student health and infirmary services, catalogs, and commencements and *convocations*. The salaries of members of the academic staff whose responsibilities to the institution require administrative work that benefits sponsored projects may also be included to the extent that the portion charged to student administration is determined in accordance with Section J.10. This expense category also includes the fringe benefit costs applicable to the salaries and wages included therein, an appropriate share of general administration and general expenses, operation and maintenance, and use allowances and/or depreciation.
- ii. In the absence of the alternatives provided for in Section E.2.d, the expenses in this category shall be allocated to the *instruction function*, and subsequently to sponsored agreements in that function.

5. Closing Event:

Allowable Closing Event Cost

HIN allows host sites to pay for food as long as it is part of the instruction function and is not for an entertainment expense. The cost for the food must be reasonable and only be for the students, necessary faculty, and invited guest speaker(s), but is not allowed for the guests of the students.

**29. If a State does not use all of its allocated NSTI funds, does it need to return them to FHWA? In addition, when should a State DOT closeout a project?**

Yes. Any unexpended funds must be deobligated from a project. The State DOT must report deobligated funds to the Division. It is the Division's responsibility to notify HIN as soon as the State deobligates the funds from a project. HIN will return unobligated funds back to the broader OJT/SS Program pool for future redistribution.

**§200.343 Closeout.**

The Federal awarding agency or pass-through entity will close-out the Federal award when it determines that all applicable administrative actions and all required work of the Federal award have been completed by the non-Federal entity. This section specifies the actions the non-Federal entity and Federal awarding agency or pass-through entity must take to complete this process at the end of the *period of performance*.

(a) The non-Federal entity must submit, no later than 90 calendar days after the end date of the *period of performance*, all financial, performance, and other reports as required by the terms and conditions of the Federal award. The Federal awarding agency or pass-through entity may approve extensions when requested by the non-Federal entity.

**30. Can you provide clarity on the statement, “expend all funds by the end of the 90 day performance period?”**

Once a State DOT begins a project in FMIS and the Division approves the project, then this begins the performance period. Once the State DOT completes the project then it has 90 days to collect and close all pending funding actions, and then close the project ((see (a.) above)).

**31. Can a State DOT request a deferment from participating in the NSTI program for a year and will that impact funding for the next year? If yes, how?**

HIN does not allow deferment for a participant. If a State chooses not to participate, in funding, then under current allocation methods it will affect the State DOT program in the following year. Current allocation works on an average of 3-5 years; therefore, if a State DOT foregoes a year of funding, it will affect future funding.

**32. Can the State use 504(e) funds for the program? (Include memo)**

Yes, HIN highly encourages the use of 504(e) funds. However, if you are funding your STI with only 504(e) funds, please add “504(e) Funds” to the project description. This allows HIN to track NSTI funds more efficiently in the Financial Management Information System (FMIS).

23 U.S.C. § 504(e) ([Section 504\(e\)](#)) permits State DOTs to apply funds from the National Highway Performance Program, Surface Transportation Program, Highway Safety Improvement Program, or Congestion Mitigation and Air Quality Improvement Program to further support the NSTI program.

**33. On the NSTI Memo there is a section that states that Indirect cost can't exceed 10% but the budget template still has 15% as we have done in the past. What should we use?**

The regulations allow 10% indirect cost unless the state and/or university has an indirect cost allocation plan (iCAP) approved by FHWA or another Federal Agency that allows for more.