

**Fiscal Years 2025 and 2026
Advanced Digital Construction Management Systems
Competitive Grant Program
Notice of Funding Opportunity**

**Application Opening Date: 08/17/2026
Application Closing Date: 09/16/2026**

U.S. Department of Transportation

Federal Highway Administration

Fiscal Years 2025 and 2026 Notice of Funding Opportunity

Advanced Digital Construction Management Systems Competitive Grant Program

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A. BASIC INFORMATION

The applicant should read this notice in its entirety for the information necessary to submit eligible and competitive applications. It is the applicant's responsibility to monitor any changes to this notice.	
Federal Agency Name	U.S. Department of Transportation (DOT) Federal Highway Administration (FHWA)
Funding Opportunity Title	Advanced Digital Construction Management Systems (ADCMS) Competitive Grant Program
Announcement Type	This is a new Notice of Funding Opportunity (NOFO), replacing the NOFO published on May 30, 2024.
Funding Opportunity Number	FHWA-ADCM-26-001
Assistance Listing Number(s)	20.227
Funding Details	This NOFO will award up to \$34 million in Fiscal Years (FYs) 2025 and 2026 funding via cost reimbursable grants. The actual amount available to be awarded under this notice will be subject to the availability of funds. There is a minimum of \$1 million and a maximum of \$5 million award amount for each ADCMS Program award.
Key Dates	Application Due Date: 09/16/2026 at 11:59 PM ET. DOT anticipates announcing award selections the week of December 14, 2026.
Executive Summary	The purpose of the ADCMS Competitive Grant Program is to provide incentives for eligible applicants to promote, implement, deploy, demonstrate, showcase, support, and document the application of new technology in construction projects at a program level. Eligible applicants under the ADCMS Competitive Grant Program are State Departments of Transportation (State DOT), including the District of Columbia and the Commonwealth of Puerto Rico. State DOTs are permitted to submit joint applications with other State DOTs and non-State DOTs, including local governments, Tribes, and private industry. For projects involving partnerships, FHWA expects one State DOT to serve as the lead entity and to be the

	grant recipient. The ADCMS Competitive Grant Program requires a minimum cost share of 20 percent of total project costs. Applications that do not provide at least the minimum non-Federal cost share will be classified as ineligible.
Agency Contact Information	U.S. Department of Transportation Federal Highway Administration Office of Administration 1200 New Jersey Avenue, S.E. Mail Stop: E65-103 Washington, D.C. 20590 Attn: James S. Gray Email: DigitalConstruction@dot.gov
Changes from Prior NOFO	• Removed references to rescinded Executive Orders (E.O). • Aligned the NOFO with current E.O.s and Trump Administration priorities. • Updated application evaluation criteria. • Simplified and aligned with 2 Code of Federal Regulations (CFR) 200 criteria. • Included an application template.

B. ELIGIBILITY

1. ELIGIBLE APPLICANTS

See [Section A](#) for a list of eligible applicants.

Multiple entities submitting a joint application should identify a lead State DOT applicant as the primary point of contact (POC) and recipient for purposes of financial administration of the project. The lead applicant must be an eligible entity. Joint applications should include a description of the roles and responsibilities of each applicant and should be signed by each applicant.

2. ADDITIONAL RESTRICTIONS ON ELIGIBILITY

Applicants are advised that FHWA will continue to screen projects for eligibility throughout the application review process described in [Section F](#).

3. COST SHARING

See [Section A](#). An application that does not provide at least the minimum non-Federal cost share of 20 percent of total project costs will be determined ineligible.

Cost sharing means the portion of the project's cost is not paid for with Federal funds. Other Federal funds using their appropriate matching share may be leveraged for the project but cannot be considered matching funds under an application for ADCMS Competitive Grant Program funds unless supported by statute. Non-Federal sources of income include State funds originating from programs funded by State revenue or local revenue funding programs, or private funds. FHWA will not consider previously incurred costs or previously expended or encumbered funds toward the matching requirements for any project. In addition, information on non-Federal matching requirements can be found at: <https://www.transportation.gov/grants/dot-navigator/understanding-non-federal-match-requirements>.

4. OTHER

Applications determined to be late, duplicates of applications submitted for the same round of applications, or incomplete applications will not be reviewed or considered under this funding opportunity.

5. APPLICATION LIMIT

There is no limitation on the number of applications that an applicant may submit. If submitting more than one application, indicate the funding priority of each application on the application cover page. FHWA is not required to consider the applicant's funding priority when making selections.

C. PROGRAM DESCRIPTION

1. PROGRAM PURPOSE

The purpose of the ADCMS Competitive Grant Program is to promote, implement, deploy, demonstrate, showcase, support, and document the application of advanced digital construction management systems, practices, performance, and benefits. Through ADCMS, FHWA seeks to accelerate the adoption and scaling of integrated digital tools and practices.

2. PROGRAM GOALS AND ADMINISTRATION PRIORITIES

The goals of the ADCMS Program, as defined in 23 United States Code (U.S.C.) 503(c)(5)(B), are:

1. Accelerated State adoption of ADCMS applied throughout the construction lifecycle (including throughout the design and engineering, construction, and operations phases) that maximize interoperability with other systems, products, tools or applications; boost productivity; manage complexity; reduce project delays and cost overruns; and enhance safety and quality;
2. More timely and productive information sharing among stakeholders through reduced reliance on paper to manage construction processes and deliverables such as blueprints, design drawings, procurement and supply-chain orders, equipment logs, daily progress reports, and punch lists;

3. Deployment of digital management systems that enable and leverage use of digital technologies on construction sites by contractors, such as state-of-the-art automated and connected machinery and optimized routing software that allows construction workers to perform tasks faster, safer, more accurately, and with minimal supervision;
4. The development and deployment of the best practices for the use in digital construction management;
5. Increased technology adoption and deployment by States and units of local government that enables project sponsors to integrate the adoption of digital management systems and technologies in contracts, and to weigh the cost of digitization and technology in establishing project budgets;
6. Technology training and workforce development to build the capabilities of project managers and sponsors, enabling States and units of local government to better manage projects using advanced construction management technologies and to properly measure and reward technology adoption across State and local government projects;
7. Development of guidance to assist States in updating regulations of the State to allow project sponsors and contractors to report data relating to the project in digital formats and to fully capture the efficiencies and benefits of ADCMS and related technologies;
8. Reduction in the environmental footprint of construction projects using ADCMS resulting from the elimination of congestion through more efficient projects; and,
9. Enhance worker and pedestrian safety resulting from increased transparency.

Within the Department, DOT seeks to fund projects advancing the priorities of the Trump Administration as described in DOT's mission statement and across E.O.s. DOT intends to apply principles from [DOT Order 2100.7, \(Ensuring Reliance Upon Sound Economic Analysis in DOT's Policies, Programs and Activities\)](#) when evaluating applications and making award selections. Such principles include maximizing to the extent practicable, relevant, appropriate, and consistent with law, benefits for families and communities. These benefits may include, but are not limited to, economic opportunities, such as increased access to jobs and commercial activities; or any project components that will help alleviate poverty, enhance safety, and primarily benefit families and communities by improving the quality of their lives, raising their standard of living, or enabling them to participate more fully in our economy.

The ADCMS Competitive Grant Program will support the Trump Administration priorities by accelerating the adoption of modern, data-driven technologies that improve the efficiency, transparency, and cost-effectiveness of federally funded infrastructure projects. Consistent with the Trump Administration's emphasis on reducing project delivery delays, streamlining permitting, and maximizing the impact of Federal dollars, ADCMS investments will help State and local agencies deploy tools such as digital twins, automated project tracking, advanced materials management, and real-time construction monitoring. These capabilities can strengthen accountability, shorten construction timelines, reduce waste, increase safety for the traveling public, and enhance coordination across project partners, ultimately supporting a more resilient, efficient, and performance-focused national infrastructure portfolio.

[Section F](#) of this NOFO describes the process for selecting projects furthering the program goals and the Trump Administration priorities. [Section H](#) describes progress and performance

reporting requirements for selected projects, including the relationship between reporting and the program's selection criteria.

3. PROGRAM AUTHORIZATION AND FUNDING

The ADCMS Competitive Grant Program was established by Section 13006 of the Infrastructure Investment and Jobs Act (Public Law 117-58), codified at section 503(c)(5) of Title 23, U.S.C.

This NOFO includes up to \$34 million in FYs 2025 and 2026 funding.

ADCMS Competitive Grant Program funds are available until expended. This program does not have an obligation deadline nor an expenditure deadline. The total period of performance for the award(s) is anticipated to be between 1 and 4 years. The start of the period of performance will begin on the date of grant agreement execution.

This NOFO is subject to the availability of funding. The Government's obligation under any resulting award is contingent upon the availability of funding. There is no legal liability on the part of the Government for any payment that may arise until funds are available and obligated to an award. The Government reserves the right to make no awards under this NOFO.

4. AWARD SIZE

There is no statutory minimum or maximum grant award amount for the ADCMS Competitive Grant Program awards. However, FHWA has discretion to limit the grant award amounts to a minimum of \$1 million and a maximum \$5 million.

5. TYPE OF AWARD

The anticipated award(s) will be cost-reimbursable grant agreements. See [Section G](#) for additional information on cost reimbursement.

6. PERFORMANCE GOALS

See [Section H](#) for details on performance reporting requirements and goals.

7. PREVIOUS AWARDS

Previous program awards can be reviewed at <https://www.fhwa.dot.gov/construction/adcms/>.

8. BUY AMERICA REQUIREMENTS

Funds made available under this NOFO are subject to domestic preference requirements. See [Section H](#) of this NOFO for additional details. Applicants can also refer to the FHWA Construction Program [Guide](#) for more information about addressing FHWA's Buy America requirements and Build America, Buy America (BABA) requirements.

D. APPLICATION CONTENT AND FORMAT

1. APPLICATION FORMAT

All applications must be submitted electronically through [Grants.gov](https://www.grants.gov).

Application files should be single-spaced, 12-point standard font (*e.g.*, Times New Roman), with 1-inch margins. Files should be in PDF unless otherwise specified (*e.g.*, Excel based forms and location files such as Shapefile or KML/KMZ).

FHWA recommends applicants use a file naming format of: “[Applicant organization#]-2026-ADCMS” where “Applicant organization” reflects the applicant’s legal name, abbreviated as appropriate, and where “#” represents the order of applicant priority for the grant, if the applicant submits more than one application. If necessary, the workspace title can be edited per the instructions on [Grants.gov](https://www.grants.gov).

The application package consists of the following:

<u>All Project Types</u>	<u>Non-Construction Projects-Only</u>	<u>Construction Projects-Only</u>
<u>Standard Form (SF) 424</u> (Application for Federal Assistance)	<u>SF-424A</u> (Budget Information for Non-Construction Projects)	<u>SF-424C</u> (Budget Information for Construction Projects)
<u>Grants.gov Lobbying Form</u> (Certification Regarding Lobbying)	<u>SF-424B</u> (Assurances for Non-Construction Programs)	<u>SF-424D</u> (Assurances for Construction Programs)
<u>SF-LLL</u> (Disclosure of Lobbying Activities form)		

2. APPLICATION CONTENT

Standard Forms

All mandatory SFs of the 424 family are available for download at <https://www.grants.gov/forms/forms-repository/sf-424-mandatory-family>.

For more information on SFs, please see [Standard Forms | FHWA](#)

The ADCMS Competitive Grant Program Application Template

Applicants must complete the ADCMS Competitive Grant Program Application Template and include it as an attachment to Item 15 of their SF- 424. The Application Template should provide all information necessary for FHWA to determine the project satisfies the eligibility requirements described in [Section B](#) and evaluate the criteria specified in [Section F](#).

FHWA will only review the completed Application Template and the allowable supplemental documents (*e.g.*, budget, schedule, design plans, etc.) specified within the Application Template instructions.

Specific to bundled projects, applicants should indicate within their response to readiness criteria the potential impacts to delivery timeframes if the projects were unbundled.

The application must provide a budget for the project, either within the Application Template itself, or as an attachment. The budget must identify the amount and percentage of both the Federal funding requested and any non-Federal funds to be used to pay for the project.

The Application Template can be found on [Grants.gov](https://www.grants.gov).

3. SHARING OF APPLICATION INFORMATION

DOT may share application information within DOT or with other Federal Agencies if DOT determines sharing is relevant to the respective program's objectives.

For information on confidential business information please see: [Sharing of Application Information | FHWA](#).

E. SUBMISSION REQUIREMENTS AND DEADLINE

1. ADDRESS TO REQUEST APPLICATION PACKAGE

Applicants may obtain application forms, including the Application Template, on [Grants.gov](https://www.grants.gov) under the Funding Opportunity Number under [Section A](#).

Once at [Grants.gov](https://www.grants.gov), select the Search Grants tab. Then enter one of the following:

- Opportunity Number: FHWA-ADCM-26-001
- Opportunity Name: Fiscal Years 2025 and 2026 Advanced Digital Construction Management Systems (ADCMS) Competitive Grant Program
- Assistance Listing Number: 20.227

Select the grant entry. This will open the grant opportunity Webpage. This Webpage has details about the grant and a link to the application. Click the “View on Grants.gov” button. This will open the grant opportunity on the Grants.gov Website. The first tab is a synopsis of the Opportunity. There is also a “Package” tab which contains the application package. Select the “Package” tab to download the forms needed to submit a FYs 2025 and 2026 ADCMS Competitive Grant Program application. The applicant must complete and submit all forms included in the application package for this notice, as contained at [Grants.gov](https://www.grants.gov).

Should applicants have any difficulties accessing any standard forms and require paper copies, please contact the Agency contact provided in [Section A](#) of this NOFO.

2. UNIQUE ENTITY IDENTIFIER AND SYSTEM FOR AWARD MANAGEMENT

Each applicant must:

- Be registered in System for Award Management (SAM) at [SAM.gov](https://sam.gov) before submitting its application;
- Provide a valid Unique Entity Identifier in its application; and
- Continue to maintain an active registration in [SAM.gov](https://sam.gov) with current information at all times during which it has an active Federal award or an application under consideration by a Federal Agency.

Please note the SAM registration process takes several weeks to complete.

3. SUBMISSION INSTRUCTIONS

All applications must be submitted electronically through [Grants.gov](https://grants.gov). The Department does not accept applications via mail, fax, email, or other means. Additional resources on applying through [Grants.gov](https://grants.gov) can be found at <https://www.grants.gov/applicants>.

4. SUBMISSION DEADLINE

FYs 2025 and 2026 ADCMS Competitive Grant Program applications must be submitted through [Grants.gov](https://grants.gov) by 11:59 PM EST on September 16, 2026. [Grants.gov](https://grants.gov) attaches a time stamp to each application at the time submission is complete.

5. CONSIDERATION OF APPLICATIONS

Only applicants who comply with all submission deadlines described in this notice and electronically submit on-time applications through [Grants.gov](https://grants.gov) will be eligible for evaluation and possible selection for award.

To the extent practicable, applicants should provide supporting data and documentation in a form directly verifiable by DOT. DOT may, but is not required to, contact applicants for the purpose of clarifying application information. DOT will not request additional information to perfect incomplete applications.

6. SUBMISSION ISSUES

For information on submission issues and more information on late applications, please see: [Submission Issues | FHWA](#).

7. INTERGOVERNMENTAL REVIEW

This program is not subject to E.O. 12372, *Intergovernmental Review of Federal Programs*.

F. APPLICATION REVIEW INFORMATION

1. MERIT CRITERIA

DOT will evaluate applications submitted in response to this notice using the following Merit Criteria: (1) Supports Innovation and Increases Technology Adoption and Deployment, (2) Safety and Core Infrastructure, (3) Economic Competitiveness, and (4) Reinvesting in the American Family. Each Merit Criteria will be rated using the following ratings: Highly Responsive, Responsive, or Non-Responsive. These ratings will be used at the conclusion of the Merit Criteria evaluation to assign the application an overall Merit Criteria rating of High, Medium, or Low, as described below.

Criterion #1: Supports Innovation and Increases Technology Adoption and Deployment

DOT will evaluate the extent to which proposed project advances the Department's Innovation Agenda to usher in the golden age of transportation through American innovation by encouraging the adoption of integrated digital management systems and technologies.

Criterion 1: Supports Innovation and Increases Technology Adoption and Deployment	Highly Responsive	Responsive	Non-Responsive
Objectives. The project: A. Accelerates responsible deployment of emerging transportation technologies using scalable, documented processes that encourage adoption by State, local, Tribal, and private partners, reinforcing the Nation's leadership in technology and innovation. B. Promotes enhanced decision making and closes data connection gaps by utilizing open, non-proprietary formats that ensure seamless information exchange across multiple organizations. C. Drives digital transformation in construction by replacing paper-based workflows with integrated protocols that modernize project delivery and improve information management. D. Delivers quantifiable project performance benefits through improved budgeting accuracy, reliable forecasting, and measurable	The application demonstrates how the project will meet all four objectives.	The application demonstrates how the project will meet at least two out of four objectives.	The application does not demonstrate the project will meet more than one of the objectives.

time and cost savings for both owners and contractors.			
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Criterion #2: Safety and Core Infrastructure

DOT is seeking projects that support the Trump Administration's focus on core infrastructure and will evaluate the extent to which the project's technology innovation will enhance the safety for highway workers or the traveling public (non-motorized and motorized).

Criterion 2: Safety and Core Infrastructure	Highly Responsive	Responsive	Non-Responsive
Objectives. The project: A. Uses advanced construction management technologies for project management that reduce project delays and improve long-term infrastructure performance. B. Meaningfully improves transportation safety and will reduce fatalities and serious injuries, for example by substantially mitigating worker exposure to hazards via automation or remote data. C. Shortens work zone duration with quantified estimates. D. Enhances traveler safety, for example by using real-time messaging or dynamic signage.	The application demonstrates how the project will meet at least three of the four objectives of this criterion.	The application demonstrates how the project will meet two of the four objectives of this criterion.	The application demonstrates how the project will meet one or none of the objectives of this criterion.

Criterion #3: Economic Competitiveness

DOT will evaluate the extent to which the project will promote economic competitiveness through workforce development.

Criterion 3: Economic Competitiveness	Highly Responsive	Responsive	Non-Responsive
Objectives. The project: A. Provides technology training and workforce development to build the capabilities of project managers and sponsors, enabling States and units of local government to better manage projects using advanced construction management technologies. B. Demonstrates that skills attained are broadly transferable and mapped to industry certifications.	The application demonstrates how the project will meet at least two of the three objectives of this criterion.	The application demonstrates how the project will meet one of the three objectives of this criterion.	The application does not demonstrate how the project will meet any of the objectives of this criterion.

C. Creates opportunities for local contractors or small businesses to participate in or otherwise benefit from the deployment of advanced digital construction management systems.			
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Criterion #4: Reinvesting in the American Family

DOT will evaluate the extent to which the project will reinvest in the American family by improving construction efficiencies and minimizing project delays.

Criterion 4: Reinvesting in the American Family	Highly Responsive	Responsive	Non-Responsive
Objectives. The project: A. Improves the travel experience for American families by reducing congestion delays caused by work zones through more efficient construction implementation. B. Improves wayfinding and user experience through the use of digital tools. C. Improves the communication of project design information from the design phase to the construction phase and provides project delivery efficiencies, thereby decreasing project timeframes and minimizing disruption to the traveling public, including families. D. Demonstrates measurable reduction in right of way required for construction projects, thereby protecting private property, minimizing family displacement, and preserving local communities.	The application demonstrates how the project will meet at least three of the four objectives of this criterion.	The application demonstrates how the project will meet two of the four objectives of this criterion.	The application demonstrates how the project will meet one or none of the objectives of this criterion.

MERIT CRITERIA RATINGS

Based on the assessment described in [Section F.1](#) above, FHWA will assign an overall Merit Criteria rating as shown in the table below.

Overall Merit Criteria Rating	Description
High	At least three of four Merit Criteria are rated Highly Responsive, and the remaining Merit Criterion is rated at least Responsive.
Medium	All Merit Criteria are rated at least Responsive.

Low	Any Merit Criterion is rated Non-Responsive.
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2. PROJECT READINESS ASSESSMENT

To assess the likelihood of a successful project, after evaluating and assigning an overall Merit Criteria rating, FHWA will consider Project Readiness for eligible applications receiving a Medium or High overall Merit Criteria rating.

For the Project Readiness Assessment, FHWA will consider three evaluation criteria: Technical Assessment, Financial Completeness Assessment, and Permitting Risk Assessment. FHWA will use information from the Project Readiness Assessment portion of the application as well as information contained throughout the application to complete the Project Readiness Assessment. Each Project Readiness Assessment criteria will be rated using a numerical scale (3, 2, or 1, as described below). These ratings will be used at the conclusion of the Project Readiness Assessment to assign the application an overall readiness rating.

Readiness: Technical Assessment

The Technical Assessment will evaluate the applicant's capacity to successfully deliver the project in compliance with applicable Federal requirements and the technical feasibility of the project as described in the application. The Technical Assessment criterion will be rated using the following ratings: Certain (3), Somewhat Certain (2) or Unknown or Uncertain (1), as defined in the table below.

Technical Assessment Elements	Certain (3)	Somewhat Certain (2)	Unknown or Uncertain (1)
A. The applicant has the technical and staffing resources to deliver the project. B. The project will comply with all applicable Federal requirements. C. The applicant demonstrates a commitment for timely project delivery as demonstrated by the schedule information in the application. D. The applicant demonstrates the technical feasibility of the project, includes a comprehensive risk assessment and mitigation plan, and	The application clearly demonstrates how the applicant and project will meet all four Technical Assessment Elements.	The application demonstrates that the applicant and project will meet Technical Assessment Elements B, C, and D, and may not currently have the technical or staffing resources to deliver the project but will obtain the needed resources to deliver the project if awarded.	The application does not demonstrate that the applicant or project will meet Technical Assessment Elements B, C, or D, or may not currently have the resources to deliver the project and does not commit to obtaining the necessary resources.

demonstrates the project integrates with existing frameworks (e.g., Asset Management Plan).			
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Readiness: Financial Completeness Assessment

The Financial Completeness Assessment evaluates the availability of matching funds and whether the applicant presented a complete funding package. The Financial Completeness criterion will be rated using the following ratings: Complete (3), Partially Complete (2), or Incomplete (1), as defined in the table below.

Financial Completeness Assessment Elements:	Complete (3)	Partially Complete (2)	Incomplete (1)
A. The application includes complete funding estimates based on proposal development (for non-construction projects) or recent stages of design (for construction projects). B. The application includes a plan to address potential cost overruns. C. The application demonstrates reasonable availability of all funding needed to complete the project if a grant is awarded. D. For construction projects, the proposal includes information on how future operation, maintenance, and preservation costs will be funded.	The application demonstrates that the applicant and project will meet Financial Completeness Assessment Elements A, B, C, and (for construction projects only) D.	The application demonstrates that the applicant and project will meet Financial Completeness Assessment Elements A and C. However, while a plan for cost overruns is provided, it is incomplete or based on approaches or funding sources not reasonably assumed available to the application; or for construction projects only, the funding described for future operation, maintenance, or preservation costs is not reasonably assume available to the applicant.	The application does not demonstrate that the applicant or project will meet Financial Completeness Assessment Elements A, B, C, or (for construction projects only) D.

Readiness: Permitting Risk Assessment

The Permitting Risk Assessment evaluates the status of the environmental approvals required for the proposed project and the likelihood that other necessary approvals, permits, or public engagement will affect project obligations. The applicant must also disclose if there is open litigation concerning the project; or if there is known, and difficult to resolve, public controversy or agency opposition to the project on environmental grounds. The Permitting Risk criterion will

be rated using the following ratings: High Risk (1), Moderate Risk (2), or Low Risk (3), as defined in the table below.

Permitting Risk Assessment Elements:	Low Risk (3)	Moderate Risk (2)	High Risk (1)
A. The National Environmental Policy Act (NEPA) review is complete, or the application demonstrates NEPA will be complete in time to meet the project schedule. B. All necessary permits have been obtained, or the application demonstrates permits and approvals will be obtained in time to meet the project schedule. C. Public engagement has occurred or will occur (or a reasonable justification is provided for why it is not necessary) and any known public controversy has been or will be addressed or mitigated. D. The application discloses any known and unmitigated issues posing high risk to project delivery. Examples include litigation, known public controversy, or governmental opposition to the project on environmental grounds.	The application demonstrates that the project and applicant will meet Permitting Risk Assessment Elements A, B, and C and does not have any known unmitigated risks to project delivery as shown in Element D.	The application addresses Permitting Risk Assessment Elements A, B, and C, but demonstrates there is a risk of schedule delay because either: • An Environmental Assessment or Environmental Impacts Statement is needed and the NEPA document has not been released for public review; • Permit work has not started and the schedule does not include time for schedule delays; or • Public engagement has not started and the schedule does not include time to address public input; and • The project or program does not have any known unmitigated risks to project delivery as shown in Element D.	The application does not demonstrate that the project and applicant will meet Permitting Risk Assessment Elements A, B, or C; or indicated risk as described in Element D.

Based on the Project Readiness Assessment described above, FHWA will assign an overall Project Readiness rating as shown in the table below:

Project Readiness Rating	Description
High	Two or more readiness assessment categories are rated as a 3, and no readiness assessment categories are rated as a 1.

Medium	One readiness assessment category is rated as a 3, with two readiness assessment categories rated as a 2.
Low	All readiness assessment categories are rated as a 2 or any readiness assessment categories are rated as a 1.

3. OVERALL APPLICATION RATING

Following the Merit Criteria review and Project Readiness Assessment, FHWA will assign each eligible application an overall rating of Highly Recommended, Recommended, or Not Recommended, as follows:

- A rating of **Highly Recommended** will be assigned to an application that received a High rating for both overall Merit Criteria and overall Project Readiness.
- A rating of **Recommended** will be assigned to an application that received no less than a Medium rating for both overall Merit Criteria and overall Project Readiness.
- A rating of **Not Recommended** will be assigned to an application that received a Low rating for either overall Merit Criteria or overall Project Readiness.

4. DOT PRIORITY CONSIDERATIONS

After completing the Merit Criteria review and Project Readiness Assessment, for projects receiving an overall rating of Highly Recommended or Recommended, DOT may prioritize projects with similar overall ratings based on the DOT priority considerations as described below.

- DOT may provide awards to applications receiving a high readiness rating.
- DOT may provide awards to a broad range of eligible recipients rather than to a select group of repeat players.
- DOT may provide awards that support the expansion and modernization of transportation in rural communities.

DOT may provide awards to applications proposing to pilot the initial deployment of innovative technologies.

The applicant should demonstrate how the project may meet these priority considerations within its application.

5. REVIEW AND SELECTION PROCESS

FHWA will review applications received by the deadline for completeness and eligibility based on the information found in [Section B](#) of this notice. This review phase is referred to as the Intake and Eligibility review. Applications that pass the Intake and Eligibility review will be evaluated by the Technical Review Team (TRT), and once evaluated and rated, will then be

evaluated by the Senior Review Team (SRT) to determine which applications are presented to DOT leadership for final selection, as described below.

Technical Review

The evaluation of eligible applications will be conducted by a TRT, comprised of DOT staff. The TRT will evaluate each eligible application against the Merit Criteria in [Section F](#). TRT will then complete the Project Readiness Assessment as described under [Section F](#) to determine which applications are rated as Highly Recommended, Recommended, or Not Recommended.

TRT will then evaluate each Highly Recommended and Recommended application for its responsiveness to the priority considerations. TRT will send to the SRT information on all eligible applications including the rating for each Merit Criteria, each Project Readiness Assessment criteria rating (if applicable), the overall rating (if applicable), and the evaluation of responsiveness to the priority consideration (if applicable).

Senior Review

SRT may consist of officials from the Office of the Secretary of Transportation, the FHWA Administrator, and others in senior leadership positions requested to serve by the FHWA Administrator.

SRT will determine which projects advance to Senior DOT leadership for final selection. DOT has the discretion to determine which applications best address ADCMS Competitive Grant Program Merit Criteria, Project Readiness Assessment, and selection considerations, and should be selected for award.

The Department intends to apply principles from [DOT Order 2100.7 \(Ensuring Reliance Upon Sound Economic Analysis in DOT's Policies, Programs and Activities\)](#) and [DOT Order 2100.9 \(Ensuring Nondiscrimination and Equal Opportunity in Department of Transportation Policies, Programs, and Activities\)](#) when evaluating applications and making award selections. To the maximum extent permitted by law, DOT will prioritize projects that are in alignment with the principles outlined in DOT Orders 2100.7 and 2100.9.

Reduced Awards

FHWA may enter into discussions with an applicant to discuss, if mutually agreeable, a lesser scaled amount of a potential award. This may occur because of the quantity, size, and scope of the applications received in response to this NOFO and the results of the application review process.

6. APPLICANT RISK ASSESSMENT

Prior to award, each selected applicant will be subject to a risk assessment required by 2 CFR § 200.206. FHWA will review and consider any information about the applicant in the designated integrity and performance system accessible through SAM. An applicant may review

information in SAM.gov and comment on any information about itself that a Federal awarding Agency previously entered. FHWA will consider comments by the applicant, in addition to other information in SAM.gov, in making a judgment about the applicant's integrity, business ethics, and record of performance under Federal awards when completing the risk assessment. FHWA reserves the right to deny an award based on the results of the risk assessment or include special conditions that correspond to the degree of risk assessed may be applied to the Federal award in accordance with 2 CFR § 200.206.

FHWA will consider the following factors in its risk assessment in accordance with 2 CFR 200.206:

- Financial stability: The applicant's record of effectively managing financial risks, assets, and resources.
- Management systems and standards: Quality of management systems and ability to meet the management standards prescribed in this part.
- History of performance, if applicable: The applicant's record of managing previous and current Federal awards, including compliance with reporting requirements and conformance to the terms and conditions of Federal awards, if applicable.
- Audit reports and findings: Reports and findings from audits performed under subpart F or the reports and findings of any other available audits, if applicable.
- Ability to effectively implement requirements: The applicant's effective ability to implement statutory, regulatory, or other requirements imposed on recipients of Federal awards.

G. AWARD NOTICES

1. HOW PROJECT SELECTIONS ARE ANNOUNCED

Following the evaluation outlined in [Section F](#), DOT will announce awarded projects by posting a list of selected projects at: <https://www.fhwa.dot.gov/construction/adcms/grants.cfm>. Notice of selection is not authorization to begin performance or to incur costs for the proposed project. Following the announcement, FHWA will contact the POC listed in the SF-424 to initiate negotiation of the grant agreement for authorization.

The ADCMS Competitive Grant Program grants will be awarded upon the execution of a grant agreement between DOT and the recipient.

Unsuccessful applicants may request a debriefing up to 90 days after the selected funding recipients are publicly announced. The request must be submitted by the applicant identified on the SF-424. The debrief will be limited to how the application responded to the Grant Program evaluation criteria described in [Section F](#) of the NOFO. All debrief requests should be submitted to DigitalConstruction@dot.gov.

2. REIMBURSEMENTS AND COSTS INCURRED PRIOR TO AWARD AND OBLIGATION OF GRANTS

Unless authorized by FHWA in writing after announcement of the FYs 2025 and 2026 ADCMS Competitive Grant Program selections, any costs incurred prior to FHWA's obligation of funds for a project are ineligible for reimbursement and are ineligible to satisfy the cost share requirement. FHWA will primarily administer grants on a reimbursement basis. Under the reimbursement approach, FHWA funds will reimburse recipients only for costs incurred after execution of a grant agreement for costs FHWA determines to be allowable, reasonable, and allocable, as defined under 2 CFR Part 200, and after the recipient submits valid requests for reimbursement.

If a recipient cannot complete a project on a reimbursable basis, FHWA will consider recipient requests to use alternative payment methods on a case-by-case basis.

H. POST-AWARD REQUIREMENTS AND ADMINISTRATION

1. ADMINISTRATIVE AND NATIONAL POLICY REQUIREMENTS

Administrative Requirements

All awards will be administered pursuant to the uniform administrative requirements, Cost Principles and Audit Requirements for Federal awards found in 2 CFR Part 200, as adopted by DOT at 2 CFR Part 1201. Applicable Federal laws, rules, and regulations set forth in Titles 23 and 49 of the CFR and Title 23 of the U.S.C. shall apply to awards provided under this program.

In connection with any program or activity conducted with or benefiting from funds awarded under this notice, recipients of funds must comply with all applicable requirements of Federal law, including, without limitation, the Constitution of the United States; the conditions of performance, non-discrimination requirements, and other assurances made applicable to the award of funds in accordance with regulations of DOT and FHWA; and applicable Federal financial assistance and contracting principles promulgated by OMB. In complying with these requirements, recipients must ensure that no concession agreements are denied, or other contracting decisions made on the basis of speech or other activities protected by the First Amendment. If FHWA determines a recipient has failed to comply with applicable Federal requirements, FHWA may terminate the award of funds and disallow previously incurred costs, requiring the recipient to reimburse any expended award funds.

Program Requirements

Critical Infrastructure Security, Cybersecurity and Resilience

It is the policy of the U.S. Government to strengthen the security and resilience of its critical infrastructure against all threats and hazards, including physical and cyber risks, consistent with National Security Memorandum 22 to secure and enhance the resilience of U.S. Critical Infrastructure. Each applicant selected for Federal funding must demonstrate, prior to the signing

of the grant agreement, effort to consider and address physical and cyber security risks relevant to the transportation mode and type and scale of the project. Projects that have not appropriately considered and addressed physical and cyber security and resilience in their planning, design, and project oversight, as determined by FHWA and the U.S. Department of Homeland Security, will be required to do so before receiving funds.

Domestic Preference Requirements

As expressed in E.O. 14005, *Ensuring the Future Is Made in All of America by All of America's Workers* (86 FR 7475), the Executive Branch should maximize, consistent with law, the use of goods, products, and materials produced, and services offered in, the United States. Funds made available under this notice are subject to FHWA's steel, iron, and manufactured product domestic requirements at 23 U.S.C. § 313 and 23 CFR 635.410, and the construction materials domestic preference requirement at Pub. L. No. 117-58, div. G §§ 70901–70927, as implemented by OMB at 2 CFR Part 184. FHWA expects all applicants to comply with those requirements.

For projects subject to FHWA's Buy America requirements (23 U.S.C. 313 and 23 CFR 635.410) and the Build America, Buy America Act (BABA) (Pub. L. No 117-58, div. G 70901–70927) requirements, applicants shall provide information on key items anticipated to be purchased under the program and any related domestic sourcing concerns based on market research.

Federal Anti-Discrimination

- Except where prohibited by court order, pursuant to E.O. 14173, *Ending Illegal Discrimination and Restoring Merit-Based Opportunity*, as a condition of grant award, each Recipient must agree its compliance in all respects with all applicable Federal anti-discrimination laws is material to the Government's payment decisions for purposes of section 3729(b)(4) of Title 31, U.S.C.
- Except where prohibited by court order, pursuant to E.O. 14173, *Ending Illegal Discrimination and Restoring Merit-Based Opportunity*, as a condition of grant award, each Recipient must certify it does not operate any programs promoting diversity, equity, and inclusion initiatives in violation of any applicable Federal anti-discrimination laws.

To the extent a court order bars the implementation or enforcement of one or more of these provisions with respect to a particular applicant or recipient, DOT will not implement or enforce the relevant provision(s) against that applicant or recipient for as long as the order remains in place.

Compliance with Federal Law and Policies

Except where prohibited by court order, the applicant assures and certifies with respect to any application and awarded Project under this NOFO, it will comply with all applicable Federal laws, regulations, E.O.s, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds.

2. REPORTING

Each applicant selected for the ADCMS Competitive Grant Program funding must submit semi-annual progress reports and semi-annual Federal Financial Reports (SF-425) to monitor project progress and ensure accountability and financial transparency in the program.

Each ADCMS Competitive Grant Program awardee must collect and report to FHWA information on performance measures. The performance measure for the ADCMS Grant Program will be the degree to which safety, cost, scheduling, workforce training, and right-of-way impacts on construction projects improve as a direct result of activities funded through this program.

Per the [Performance and Program Evaluation statement on the FHWA Website](#), FHWA reserves the right to request additional information, if deemed needed, to better understand the status of the project. The successful applicant will provide additional financial reporting beyond the quarterly reporting if such statements are necessary to address FHWA's Stewardship and Oversight responsibility of the awarded grants funds. The successful applicant also agrees to allow periodic project inspections and DOT will provide notice for such inspections.