

FTA Procurement Webinar: How to Improve Compliance in Procurement and Related Areas

July 13, 2023

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U.S. Department
of Transportation
Federal Transit
Administration

What is Program Oversight?

FTA is responsible for conducting oversight activities to help ensure that recipients of Chapter 53 grants use the funds in a manner consistent with their intended purpose and in compliance with regulatory and statutory requirements.

We do this through Comprehensive Reviews (Triennial & State Management) which:

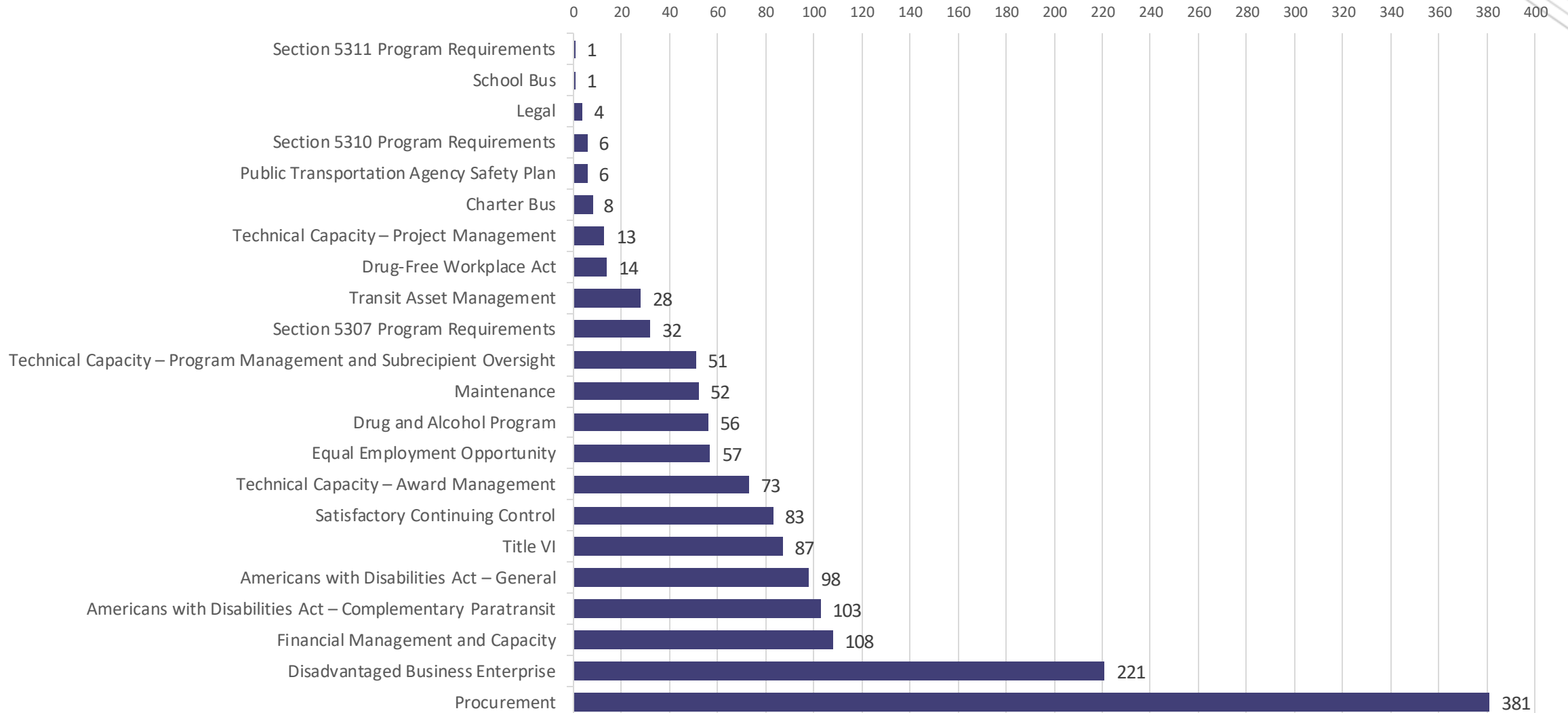
- Occur every three years
- Forward-looking instead of reactive
- Assess management practices and program implementation

Specialized Reviews (Financial, Procurement, & Civil Rights):

- Occur at FTA's discretion
- Focus on specific areas of Federal compliance



FY22 CORTAP: Findings by Review Area



Procurement Requirements



Key Regulations, Requirements and Guidance Impacting Procurement

- 2 CFR Part 200; Sections 317-327
 - Procurement Standards for Federally-Assisted Procurements
- 2 CFR Part 180
 - Suspension and Debarment
- 49 CFR Part 26
 - Disadvantaged Business Enterprise Regulations
- FTA's Master Agreement
- FTA Circular 4220.1F – Third Party Contracting Guidance

Key Regulations and Requirements Impacting Procurement

- 49 CFR Part 571
 - Federal Motor Vehicle Safety Standards
- 49 CFR Part 661
 - Buy America Requirements
- 49 CFR Part 663
 - Pre-Award and Post-Delivery Requirements
- 49 CFR Part 665
 - Bus Testing

Poll Question

I am _____ for my agency.

Instructions: Please select all that apply

- a. ...in senior management
- b. ...in the procurement department
- c. ...in the DBE department
- d. ...the procurement expert
- e. ...all of the above
- f. ...none of the above



Identifying FTA-funded Procurements



Understanding FTA Funding

- FTA funds various operational, capital, and planning activities
- Information on FTA's grant programs is available on FTA's website
- To identify procurements may be FTA-funded, understand the awards (grants) your agency receives
- FTA COVID-19 Supplemental Funds increased the amount and types of FTA-funded contracting opportunities for many recipients

The screenshot shows the Federal Transit Administration website's Grant Programs page. The page includes a navigation menu with links for Home, Grant Programs, About, Funding, and Regulations & Programs. A search bar is located in the top right corner. The main content area is titled "Grant Programs" and includes a sidebar with links for Overview, Current Programs, Expired Programs, Program Pages, Applicants, Grantee Tools, Contact Your Regional Office, and FAQ. The main content area contains a search filter with "Keywords" and "Grant Type" dropdown menus, and a table of grant programs.

Title	Description	Grant Type
Accelerating Innovative Mobility	Accelerating Innovative Mobility (AIM) will highlight FTA's commitment to support and advance innovation in the transit industry.	Competitive
Access and Mobility Partnership Grants	This program provides competitive funding to support innovative capital projects for the transportation disadvantaged that will improve the coordination of transportation services and non-emergency medical transportation services.	Competitive
Areas of Persistent Poverty Program	This program provides competitive funding for planning studies or financial plans to improve transit services in areas experiencing long-term economic distress.	Competitive
Better Utilizing Investments to Leverage Development (BUILD) Transportation Discretionary Grants Program (formerly TIGER)	US DOT's Better Utilizing Investments to Leverage Development (BUILD) Transportation Discretionary Grants program funds investments in transportation infrastructure, including transit.	Competitive
Capital Investment	Provides funding through a multi-year competitive process for	Competitive

[Grant Programs | FTA \(dot.gov\)](#)

Understanding Eligible Procurements

Highlighted Grant Program	Eligible Activities
Accelerating Innovative Mobility	Activities leading to the development and testing of innovative mobility, such as <u>planning and developing business models</u> , <u>obtaining equipment and service</u> , <u>acquiring or developing software and hardware</u>
All Stations Accessibility Program	<u>Capital projects</u> to repair, improve, modify, retrofit, or relocate infrastructure of stations or facilities for passenger use. <u>Planning projects</u> to develop or modify a plan for pursuing public transportation accessibility projects; <u>assessments of accessibility</u> , or <u>assessments of planned modifications</u> to stations or facilities for passenger use
Areas of Persistent Poverty Program	<u>Planning studies</u> or <u>financial plans</u> to improve transit services in areas experiencing long-term economic distress
Capital Investment Grants - 5309	Transit <u>capital investments</u> , including heavy rail, commuter rail, light rail, streetcars and bus rapid transit
Enhanced Mobility of Seniors & Individuals with Disabilities - Section 5310	<u>Buses, vans, wheelchair lifts, ramps, and securement devices</u> ; transit-related <u>information technology systems</u> ; <u>mobility management programs</u> ; acquisition of <u>transportation services</u> ; <u>travel training</u> ; <u>volunteer driver programs</u> ; building an accessible path to a bus stop; <u>improving signage</u> ; <u>incremental cost of providing same day service or door-to-door service</u>

Note: Not all grant programs are included in this presentation, just highlights for illustrative purposes.

Understanding Eligible Procurements

Highlighted Grant Program	Eligible Activities
Enhancing Mobility Innovation	Projects that <u>develop novel operational concepts</u> and/or demonstrate innovations that improve mobility and enhance the rider experience; projects that <u>develop software</u> to facilitate demand-response public transportation that dispatches transit vehicles through riders' mobile devices or other means
Formula Grants for Rural Areas - 5311	<u>Capital, planning, and operating assistance</u> to states to support public transportation in rural areas with populations of less than 50,000; state and national training and <u>technical assistance</u> through the Rural Transportation Assistance Program
Human Resources & Training - 5314 (b)	<u>Employment training; outreach programs</u> to increase minority and female employment in public transportation activities; <u>research on public transportation personnel and training needs</u> ; and <u>training and assistance for minority business opportunities</u> .

Understanding Eligible Procurements

Highlighted Grant Program	Eligible Activities
Metropolitan & Statewide Planning and NonMetropolitan Transportation Planning - 5303, 5304, 5305	Multimodal transportation <u>planning</u> in metropolitan areas and states
Public Transportation Emergency Relief Program - 5324	Projects for <u>protecting, repairing, and/or replacing equipment and facilities</u> that may suffer or have suffered serious damage as a result of an emergency; provides authorization for Section 5307 and 5311 funds to be used for disaster relief in response to a declared disaster
Public Transportation Innovation - 5312	<u>Research, development, demonstration and deployment projects, and evaluation of technology</u> of national significance to public transportation.
Public Transportation on Indian Reservations Program; Tribal Transit Competitive Program	Tribes may use the funding for <u>capital, operating, planning, and administrative expenses</u> for public transit projects that meet the growing needs of rural tribal communities

Understanding Eligible Procurements

Highlighted Grant Program	Eligible Activities
Urbanized Area Formula Grants - 5307	Public transportation <u>capital, planning, job access and reverse commute projects</u> , as well as <u>operating expenses in certain circumstances</u>
Coronavirus Aid, Relief, and Economic Security (CARES) Act	<ul style="list-style-type: none"> • Funds prioritized for payroll and operations. • All 5307 (even in large urbanized areas), 5310 (CRRSAA only), and 5311 recipients eligible for <u>operating assistance</u> • Under certain circumstances, administrative leave for maintenance and operations contracts is eligible • Could modify contracts to pay for eligible operating/maintenance expenses to retain readiness or eligible fixed operations/maintenance expenses • Operations and maintenance expenses incurred after January 20, 2020, even if the original contract did not meet all Federal requirements. Any new contracts would need to follow all federal requirements. • 2 CFR Part 200 Subpart D (Procurement Standards) already permitted the use of a noncompetitive (sole source) procurement when the circumstances of an emergency (or public exigency) would not permit a delay resulting from competitive solicitation.
Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA)	
American Rescue Plan Act of 2021	

FTA Coronavirus Funding Information

FTA Coronavirus
Landing Page

[https://www.transit.
dot.gov/coronavirus](https://www.transit.dot.gov/coronavirus)

American Rescue Plan Act of 2021

The [American Rescue Plan Act of 2021](#), which became law on March 11, 2021, includes \$30.5 billion in federal funding to support the nation's public transportation systems as they continue to respond to the COVID-19 pandemic and support the President's call to vaccinate the U.S. population.



Coronavirus Response and Relief Supplemental Appropriations Act of 2021

The [Coronavirus Response and Relief Supplemental Appropriations Act of 2021 \(CRRSAA\)](#) includes \$900 billion in supplemental appropriations for COVID-19 relief, \$14 billion of which will be allocated to support the transit industry during the COVID-19 pandemic. CRRSAA became law on December 27, 2020.



Coronavirus Aid, Relief, and Economic Security (CARES) Act

On Friday, March 27, 2020, the [CARES Act](#) was signed into law. FTA is allocating \$25 billion to recipients of the urbanized area and rural area formula funds.



FTA Resources

- [Transit COVID-19 Response Program Information Collection](#)
- [FTA COVID-19 Resource Tool](#) (Updated Weekly)
- [FTA COVID-19 Recovery Practices in Transit](#)
- [COVID-19 Recovery Vendor List for Public Transportation](#)
- [FTA COVID-19 FAQs](#)

FTA Coronavirus Frequently Asked Questions

Several FAQs relate to FTA-funded procurement actions

<https://www.transit.dot.gov/frequently-asked-questions-fta-grantees-regarding-coronavirus-disease-2019-covid-19>

Frequently Asked Questions from FTA Grantees Regarding Coronavirus Disease 2019 (COVID-19)

These FAQs provide clarity regarding how COVID-19 preparations impact certain FTA requirements. They also contain recommendations from the Centers for Disease Control and Prevention (CDC) to help grantees and subgrantees prepare for COVID-19. (Updated 05/18/2022)

These FAQs do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies. Grantees and subgrantees should refer to FTA's statutes and regulations for applicable requirements.

Coronavirus Disease 2019 (COVID-19) FAQs

- [CARES Act and CRRSAA Funds](#)
- [FTA Formula Funding Under Emergency Relief Program](#)
- [CARES, CRRSAA & ER Funding Requirements](#)
- [Civil Rights](#)
- [Transit Agency Responses](#)
- [Administrative Relief](#)
- [FTA Drug and Alcohol Testing Requirements](#)
- [CDC Recommendations for Workplace Preparedness & Protection](#)
- [Other Funding Sources](#)

Coronavirus Aid, Relief, and Economic Security (CARES) Act, Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA) and American Rescue Plan Act (ARP)



CA1: Are all expenses normally eligible under the [Urbanized Area Formula Program](#) (49 USC 5307), the Enhanced Mobility of Seniors and People with Disabilities Program (49 U.S.C. § 5310) and the [Formula Grants for Rural Area](#) Program (49 USC 5311) eligible under the CARES Act and CRRSAA?

A: Yes, the [CARES Act](#) and [CRRSAA](#) provide funds to prevent, prepare for, and respond to COVID-19; both the CARES Act and CRRSAA provide funds for expenses eligible under Sections 5307 and 5311, but only CRRSAA provides funds for expenses eligible under Section 5310. FTA generally will consider all expenses normally eligible under the Section 5307, 5310 and 5311 programs that are incurred on or after January 20, 2020 to be in response to economic or other conditions caused by COVID-19 and thus eligible under the CARES Act and CRRSAA, as applicable.

The CRRSAA requires that all CARES Act funds that remain unobligated as of December 27, 2020, as well as all CRRSAA funds shall, to the maximum extent possible, be directed to payroll and operations of public transit (including payroll and expenses of private providers of public transportation), unless the recipient certifies to FTA that the recipient has not furloughed any employees. Recipients are responsible for ensuring that payments of CARES Act and CRRSAA funds to subrecipients are consistent with this requirement. See also [CA32](#) regarding private provider subrecipients. CARES Act and CRRSAA funds are available for operating expenses for all FTA Section 5307, 5310 and 5311 recipients, including those in large urban areas, and including administrative leave for transit workers.

Check Your Knowledge #1

What is/are the best source(s) to find out about the types of procurements that FTA funds?

Please select all that apply

- a. FTA funding programs
- b. Recipient awards in Transit Award Management System (TrAMS)
- c. FTA FAQ webpages
- d. Agency colleagues
- e. All of the above



Knowledge Check # 1 - Answer

- a. FTA funding programs**
- b. Recipient awards in Transit Award Management System (TrAMS)**
- c. FTA FAQ webpages**
- d. Agency colleagues
- e. All of the above

Highlights of Top Procurement Deficiencies



FTA Oversight Of Procurement

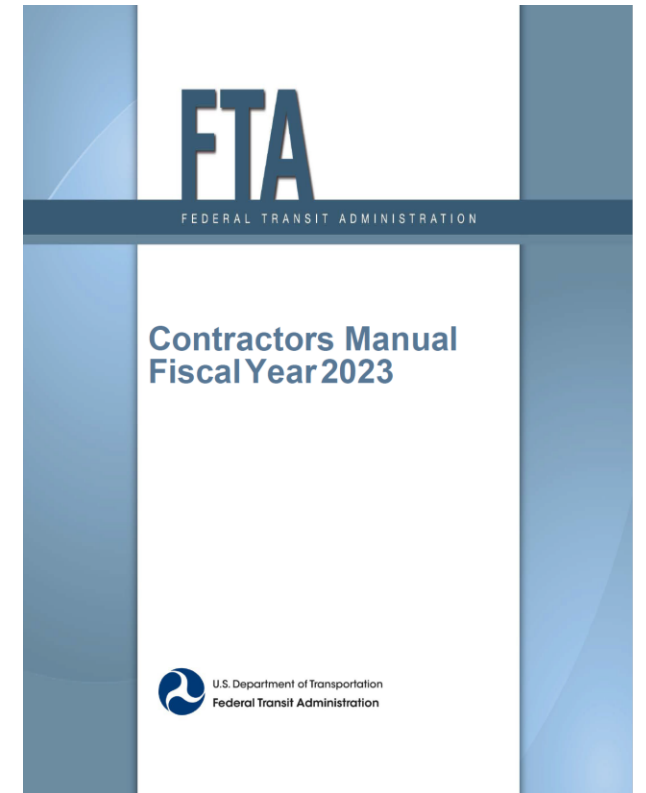
- Procurement actions are covered in several of FTA's oversight review programs
 - Comprehensive Oversight and Technical Assistance Program (CORTAP) – includes Triennial and State Management reviews
 - Can include an Enhanced Review Focus (ERF) in the procurement area
 - Procurement System Reviews (PSR)
 - Buy America Reviews
 - Financial Management Oversight Reviews
- Procurement is often a leading area of deficiencies
- The following slides provide information based on CORTAP and PSR reviews

FTA's Comprehensive Review Manual

FTA's Procurement System Review Manual

Each overarching question has six basic parts

- 1. Basic Requirement:** High-level, clear statement of what a recipient is required to do
- 2. Applicability:** Recipients to whom the requirement applies
- 3. Explanation:** Detailed description of the basic requirement
- 4. Indicators of Compliance:** How reviewers will assess compliance with the basic requirement
- 5. Determination:** Based on result of indicators
- 6. Governing Directives:** Citation from law, regulation, agreement, or other guidance forming the basis of a potential finding

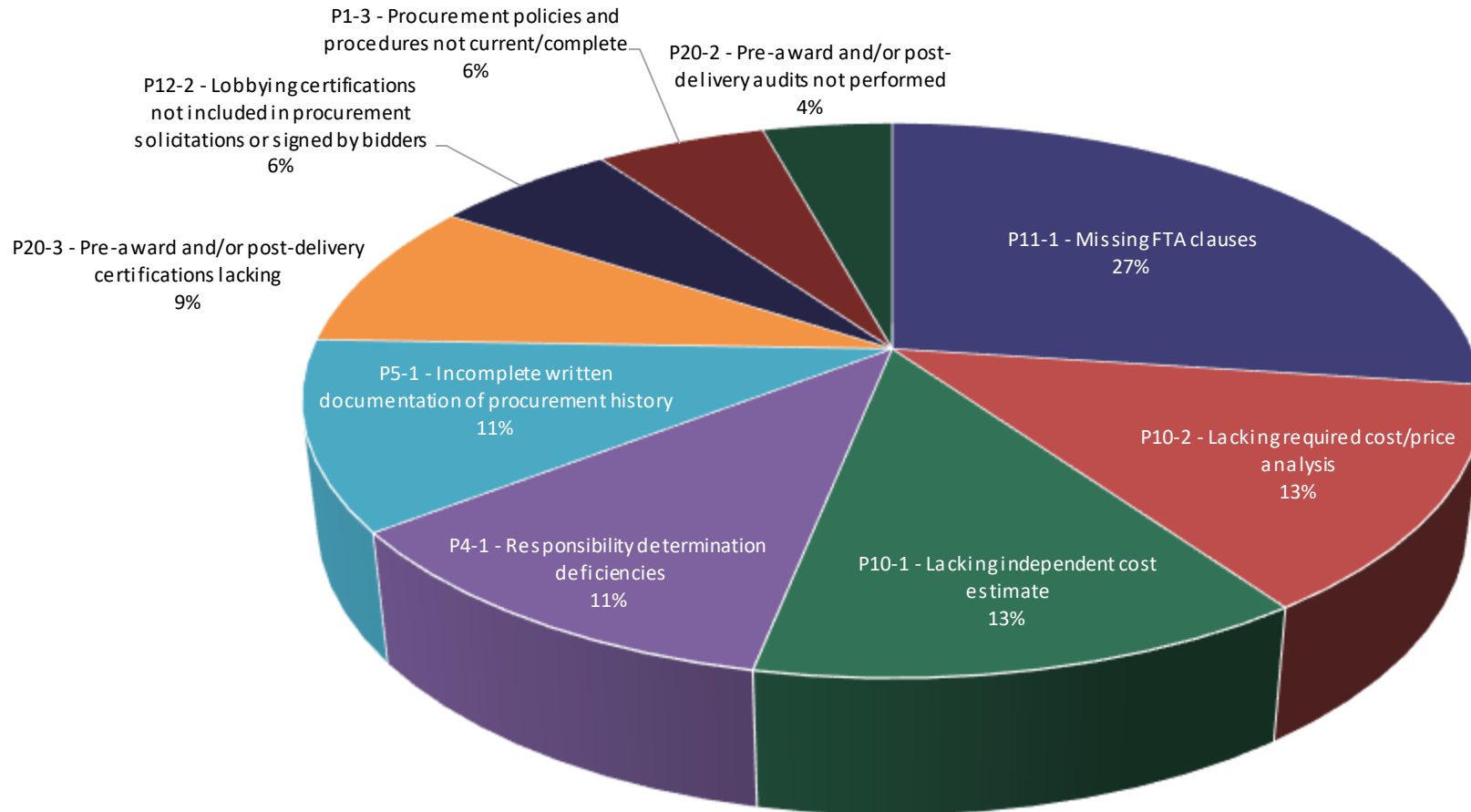


[CORTAP Contractors Manual](#)



[PSR Contractors Manual](#)

Top CORTAP Findings in Procurement FY19–FY22



Procurement

P11-1: Missing FTA Clauses

Review Guide Question:	P11-1: Did the recipient include applicable federal clauses in FTA-funded procurements exceeding the micro-purchase limit and construction contracts over \$2,000?
Indicators of Compliance:	a. Did the recipient include applicable required clauses in FTA-funded procurements?
Drivers of Deficiency:	<ul style="list-style-type: none">• Recipients are not remaining current with the Master Agreement or 2 CFR 200 (Appendix II)• Procurements are not recognized as being 'FTA-funded'<ul style="list-style-type: none">○ This has become more complicated with the increase in funding and eligible projects due to COVID-19 supplemental funds and BIL funds

Procurement

What can recipients do to prevent this deficiency?

Use a Clause Checklist

- Reference FTA's [Contractors Manual](#)
- Review [FTA's Master Agreement](#) when issued each year

Identify FTA-funded Procurements

- Develop methods for identifying procurements across all departments
- Coordinate with those conducting procurements to develop methods for identifying procurements



Procurement

P10-1: Lacking Independent Cost Estimate

Review Guide Question:	P10-1: Does the recipient develop independent cost estimates (ICE) and conduct cost and/or price analysis as described in its policies and procedures and for each procurement action above the Federal Simplified Acquisition Threshold?
Indicators of Compliance:	a. Did the recipient develop an ICE prior to the receipt of bids and proposals for procurements above the Federal Simplified Acquisition Threshold?
Drivers of Deficiency:	<ul style="list-style-type: none">• Procurements are not recognized as FTA-funded• ICE is not documented• ICE is not dated or dated after receipt of bids/proposals



Procurement

What can recipients do to prevent this deficiency?

**Establish a
Process for
Identifying FTA-
funded projects**

- Include development of an ICE as part of the procedure for authorizing a procurement
- Develop a standardized form for the ICE that identifies completion date, completion by whom and basis of completion



Procurement

P10-2: Lacking Required Cost/Price Analysis

Review Guide Question:	P10-2: Does the recipient develop independent cost estimates and conduct cost and/or price analysis as described in its policies and procedures and for each procurement action above the Federal Simplified Acquisition Threshold?
Indicators of Compliance:	b. Did the recipient conduct a cost analysis or price analysis for every procurement action above the Federal Simplified Acquisition Threshold?
Drivers of Deficiency:	<ul style="list-style-type: none">• Recipients do not conduct a cost or price analysis when applicable<ul style="list-style-type: none">○ Often occurs with one type of procurement or buyer, and/or where procurement is a decentralized function• Recipients conduct a cost or price analysis but do not document it

Procurement

What can recipients do to prevent this deficiency?

Monitor Completion of Cost or Price Analysis

- Develop and include a checklist for completion of cost or price analysis

Develop a Standardized Form for Cost or Price Analysis

- Utilize FTA's [Best Practices Procurement Manual](#) for guidance, sample forms and checklists
- Utilize FTA's [Pricing Guide for FTA Grantees](#) for additional guidance



Procurement

P5-1: Incomplete Written Documentation of Procurement History

Review Guide Question:	P5-1: Does the recipient maintain records sufficient to detail the history of each procurement as described in its policies and procedures and in compliance with 2 CFR Part 200?
Indicators of Compliance:	a. Do procurement files reviewed include required historical information?
Drivers of Deficiency:	<ul style="list-style-type: none">• Recipient procurement staff do not understand the requirement for the four minimum items to have in FTA-funded procurement files

Procurement

What can recipients do to prevent this deficiency?

› **Ensure all Required Procurement Files are Submitted**

Develop a checklist for rationale for:

- the method of procurement,
- selection of contract type,
- reason for contractor selection/rejection, and
- basis for contract price



Procurement

P4-1: Responsibility determination deficiencies

Review Guide Question:	P4-1: Does the recipient make awards only to responsible contractors as described in its policies and procedures and in compliance with the requirements of 49 U.S.C. 5325(j) and 2 CFR 200.318(k)?
Indicators of Compliance:	a. Do procurement files contain documentation that the recipient made written responsibility determinations prior to award, considering all required information?
Drivers of Deficiency:	<ul style="list-style-type: none">• Lack of consistency and/or documentation when determining contractor's responsibility prior to award in areas of<ul style="list-style-type: none">▪ Integrity▪ Compliance with public policy▪ Past performance▪ Financial and technical resources

Procurement

What can recipients do to prevent this deficiency?

Ensure all Required Procurement Files are Submitted

- Use a standardized format to determine if the contractor has the:
 - Appropriate financial and technical resources
 - Record of satisfactory performance
 - Record of integrity (such as not being debarred or suspended)
 - Compliance with public policy issues (such as items certified to)



Check Your Knowledge #2

What can recipients do to minimize deficiencies in the procurement area?

Please select all that apply

- a. Use a clause checklist that is updated to align with FTA's Master Agreement
- b. Develop a standardized form (1) for ICE (identifying completion date, completion by whom, and basis of completion) and (2) one for cost or price analysis
- c. Develop a checklist to ensure files contain four minimum items for procurement rationale
- d. Use a standardized format for making contractor responsibility determination
- e. All of the above

Knowledge Check #2 - Answer

- a. Use a clause checklist that is updated to align with FTA's Master Agreement
- b. Develop a standardized form (1) for ICE (identifying completion date, completion by whom, and basis of completion) and (2) one for cost or price analysis
- c. Develop a checklist to ensure files contain four minimum items for procurement rationale
- d. Use a standardized format for making contractor responsibility determination
- e. All of the above**

Procurement's Impact on Other FTA Compliance Areas



Compliance Areas With Procurement Intersections

DBE

- Timely and Accurate Semi-Annual Reports
- TVM Reporting

Monitoring and Oversight

- Subrecipient oversight



Spotlight on DBE Reporting

Reporting

- Timely and Accurate Semi-Annual Reports (49 CFR 26.11 and Appendix B)
- TVM Reporting (49 CFR 26.49)



Disadvantaged Business Enterprise

DBE5-1: DBE Uniform Reports Contain Inaccuracies and/or are Missing Required Information

Review Guide Question:	DBE5-1: Are the semi-annual Uniform Reports of DBE Awards or Commitments and Payments completed accurately?
Indicators of Compliance:	a. Does a review of FTA information and selected FTA-funded procurements indicate that the recipient is completing the reports accurately?
Drivers of Deficiency:	<ul style="list-style-type: none">• Lack of understanding on how the form should be completed• DBE office completes reports without the input of procurement and/or finance• Subrecipient activity is not accurately incorporated

DBE Reporting Form

Awards/Commitments this Reporting Period

		A	B	C	D	E	F	G	H	I	
A	AWARDS/COMMITMENTS MADE DURING THIS REPORTING PERIOD (total contracts and subcontracts committed during this reporting period)	Total Dollars	Total Number	Total to DBEs (dollars)	Total to DBEs (number)	Total to DBEs /Race Conscious (dollars)	Total to DBEs/Race Conscious (number)	Total to DBEs/Race Neutral (dollars)	Total to DBEs/Race Neutral (number)	Percentage of total dollars to DBEs	
	8	Prime contracts awarded this period									
	9	Subcontracts awarded/committed this period									
	10	TOTAL									

B	BREAKDOWN BY ETHNICITY & GENDER	Contracts Awarded to DBEs this Period								
		Total to DBE (dollar amount)			Total to DBE (number)					
		A	B	C	D	E	F			
		Women	Men	Total	Women	Men	Total			
11	Black American									
12	Hispanic American									
13	Native American									
14	Asian-Pacific American									
15	Subcontinent Asian Americans									
16	Non-Minority									
17	TOTAL									

Payments Made this Period

		A	B	C	D	E	F
C	PAYMENTS ON ONGOING CONTRACTS (report activity of ongoing contracts)	Total Number of Contracts	Total Dollars Paid	Total Number of Contracts with DBEs	Total Payments to DBE firms	Total Number of DBE firms Paid	Percent to DBEs
	18	Prime and sub contracts currently in progress					

		A	B	C	D		
D	TOTAL PAYMENTS ON CONTRACTS COMPLETED THIS REPORTING PERIOD	Number of Contracts Completed	Total Dollar Value of Contracts Completed	DBE Participation Needed to Meet Goal (Dollars)	Total DBE Participation (Dollars)	Percent to DBEs	
	19	Race Conscious					
	20	Race Neutral					
	21	Totals					

22	Submitted By:	24. Signature:	25. Phone Number:
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Disadvantaged Business Enterprise

What can recipients do to prevent this deficiency?

Utilize Training and Additional Resources

- Leverage [FTA](#) and [NTI](#) training materials on how to complete and interpret the results of the reports.

Communicate with Procurement Office

- Engage with procurement office on completion of Section A of the report, both the form and the provided instructions.



Disadvantaged Business Enterprise

DBE11-1: Unreported transit vehicle purchases

Review Guide Question:	DBE11-1: Did the recipient properly report all FTA-funded transit vehicle manufacturer (TVM) awards?
Indicators of Compliance:	a. For FTA-funded transit vehicle purchases or award(s) of options, did the recipient make appropriate, timely notification of the award to FTA's Office of Civil Rights?
Drivers of Deficiency:	<ul style="list-style-type: none">• Lack of understanding on how/when the report should be completed• Subrecipient vehicle procurements are not being reported• Options are not being reported• Documentation of reporting lacking

TVM Reporting

Vehicle Award Report

49 CFR 26.49(a)(4) requires FTA recipients to report vehicle procurement awards

Please submit the following information within 30 days of the award:

*** 1. Recipient Name**

*** 2. Recipient ID #**

*** 3. Please select the FTA Regional Office that serves your transit agency**

*** 4. Select the Transit Vehicle Manufacturer (TVM) awarded the contract**

*** 5. Contract Award Dollar Amount (No commas, No dollar signs)**

*** 6. Contract Award Date**

Please enter a valid date

Date

*** 7. Provide recipient point of contact**

Name

Phone Number

Email Address

8. Additional Information (Optional)

NOTE:

Before selecting Done, please print a copy of this report for your agency's records.

Done

 <https://www.surveymonkey.com/r/vehicleawardreportsurvey>

Disadvantaged Business Enterprise

What can recipients do to prevent this deficiency?

Understand the reporting requirement

- 49 CFR 26.49 requires reporting of TVM awards within 30 days of award.
- Options must also be reported when exercised.

Communicate with Procurement and Subrecipients

- Develop internal procedures/checklists with procurement for reporting base awards and options.
- Determine best method to ensure reporting of subrecipient TVM procurements.



Check Your Knowledge #3

What can recipients do to minimize deficiencies in the DBE area?

Please select all that apply:

- a. Leverage FTA and NTI training materials on how to complete and interpret the results of the semi-annual Uniform Reports of DBE Awards or Commitments and Payments
- b. Engage with procurement office on completion of Section A of the report
- c. Develop internal procedures/checklists with procurement for reporting base awards and options
- d. Determine best method to ensure reporting of subrecipient TVM procurements
- e. All of the above



Knowledge Check #3 - Answer

- a. Leverage FTA and NTI training materials on how to complete and interpret the results of the semi-annual Uniform Reports of DBE Awards or Commitments and Payments
- b. Engage with procurement office on completion of Section A of the report
- c. Develop internal procedures/checklists with procurement for reporting base awards and options
- d. Determine best method to ensure reporting of subrecipient TVM procurements
- e. All of the above**



Technical Capacity – Program Management and Subrecipient Oversight

TC-PgM7-1: Inadequate oversight of subrecipients

Review Guide Question:	TC-PgM7-1: Does the recipient’s oversight program ensure subrecipient compliance with Federal requirements and performance goals, and provide for evaluation of subrecipient risk of noncompliance with those requirements?
Indicators of Compliance:	<ul style="list-style-type: none">a. What is the recipient’s process for monitoring subrecipients?e. What actions has the recipient taken to address identified compliance issues or risk with subrecipients?

Technical Capacity – Program Management and Subrecipient Oversight

TC-PgM7-1: Inadequate oversight of subrecipients

Drivers of Deficiency:

- Recipients have subrecipients
- Recipients have oversight deficiencies in several areas of the review
 - Procurement could be one of them
- Procurement oversight procedures have been developed but not implemented
- Complications exist when subrecipients are also direct FTA recipients

Technical Capacity – Program Management and Subrecipient Oversight

What can recipients do to prevent this deficiency?

Develop a Comprehensive, Standardized Approach

- Include oversight procedures for items reviewed by FTA in Question P-21 of the Contractors Manual
- When regulations change, review and revise oversight guides

Monitor all Oversight Activities

- Document oversight activities and corrective measures
- Follow up with subrecipients on identified deficiencies

Check Your Knowledge #4

Should recipients develop oversight procedures that address items reviewed by FTA in Question P-21 of the Contractors Manual?

Please select one response

- a. Yes
- b. No
- c. Maybe



Knowledge Check #4 - Answer

a. Yes

b. No

c. Maybe

Questions

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[TRANSIT.DOT.GOV](https://www.transit.dot.gov)



FEDERAL TRANSIT ADMINISTRATION