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2017 Joint SSO and RTA Workshop

FTA's Office of Program Oversight: Updates

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October 26, 2017

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)
  - 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

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FTA Oversight in Context

Oversight is necessary and beneficial for grantees, the public, and FTA

- Strengthens the capacity of FTA funding recipients to improve public transit for America's communities

- Required in legislation

- Fulfills FTA's fiduciary responsibility to prevent and identify improper payments and to ensure every dollar counts toward improving public transit

- Confirms and promotes grantee compliance with FTA requirements

- Helps address Congressional and public questions about the use of federal funds

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Major Initiatives In Program Oversight

- Efforts to Foster Compliance
  - Data Reporting & Analysis
  - Proactive Technical Assistance and Training

- Efforts to Promote Efficiency and Consistency
  - Review Planning and Coordination
  - New Review Guide and Information Request
 - Annual Contractor Summit

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Review Planning and Coordination

The Program Oversight Lifecycle is a framework and schedule for program oversight reviews that helps:

- Provide grantees with better consistency in timing/scheduling

- Allow FTA to better coordinate reviews to avoid overlap, conflicts, and overburdening grantees

- Guide FTA workflow and provide holistic view of dependent processes

- Promote efficient use of contractor and FTA staff time and help balance work throughout the year

- Major lifecycle milestones include:

  - Material Updates (Spring)
  - Information Requests (early Fall)
  - Workshops (mid-Fall)
  - Deconfliction (January)
  - Site Visits (February – September)
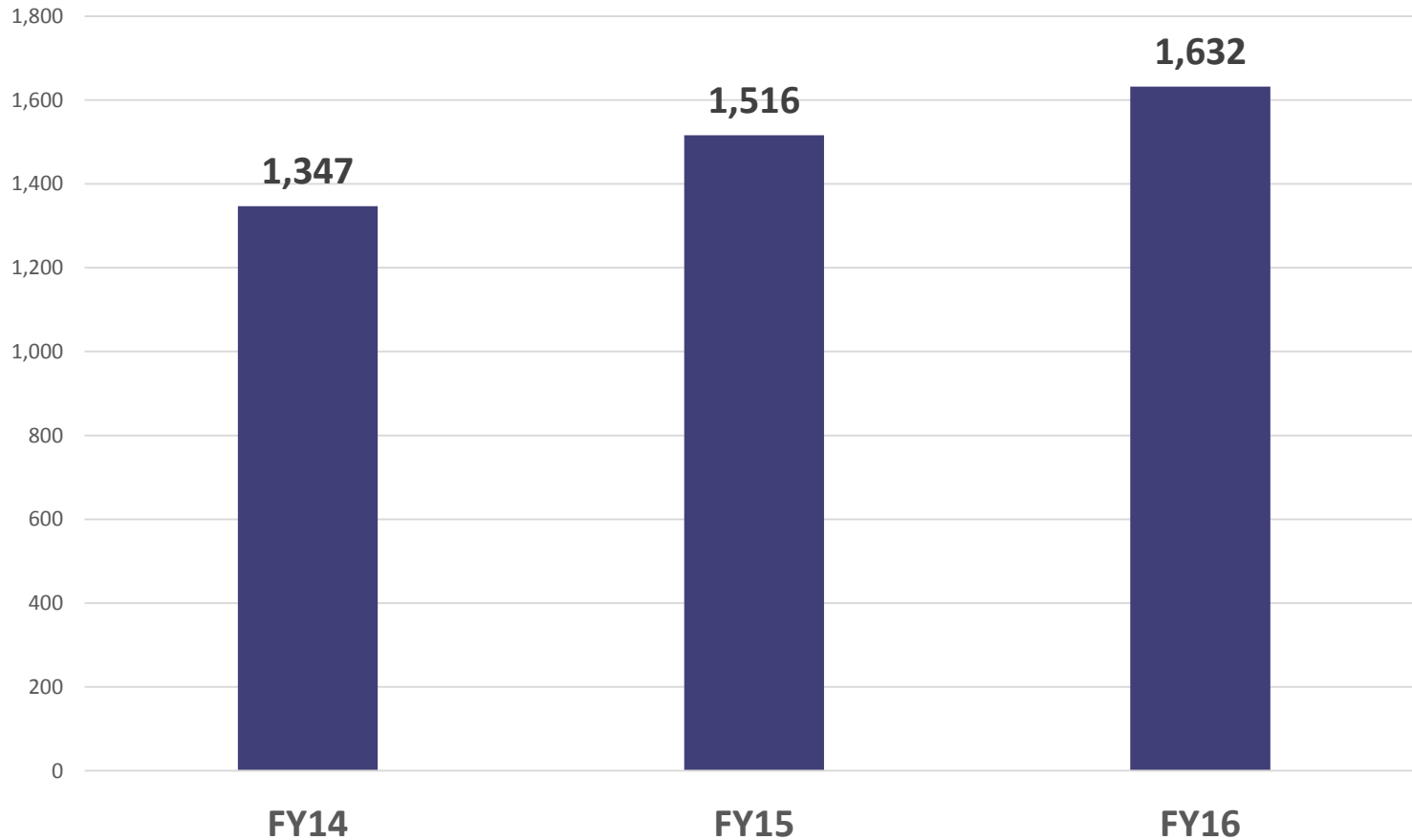 - Report Development and Issuance

Review Planning and Coordination

FTA Grantees with Multiple Reviews in one Fiscal Year, FY12-17

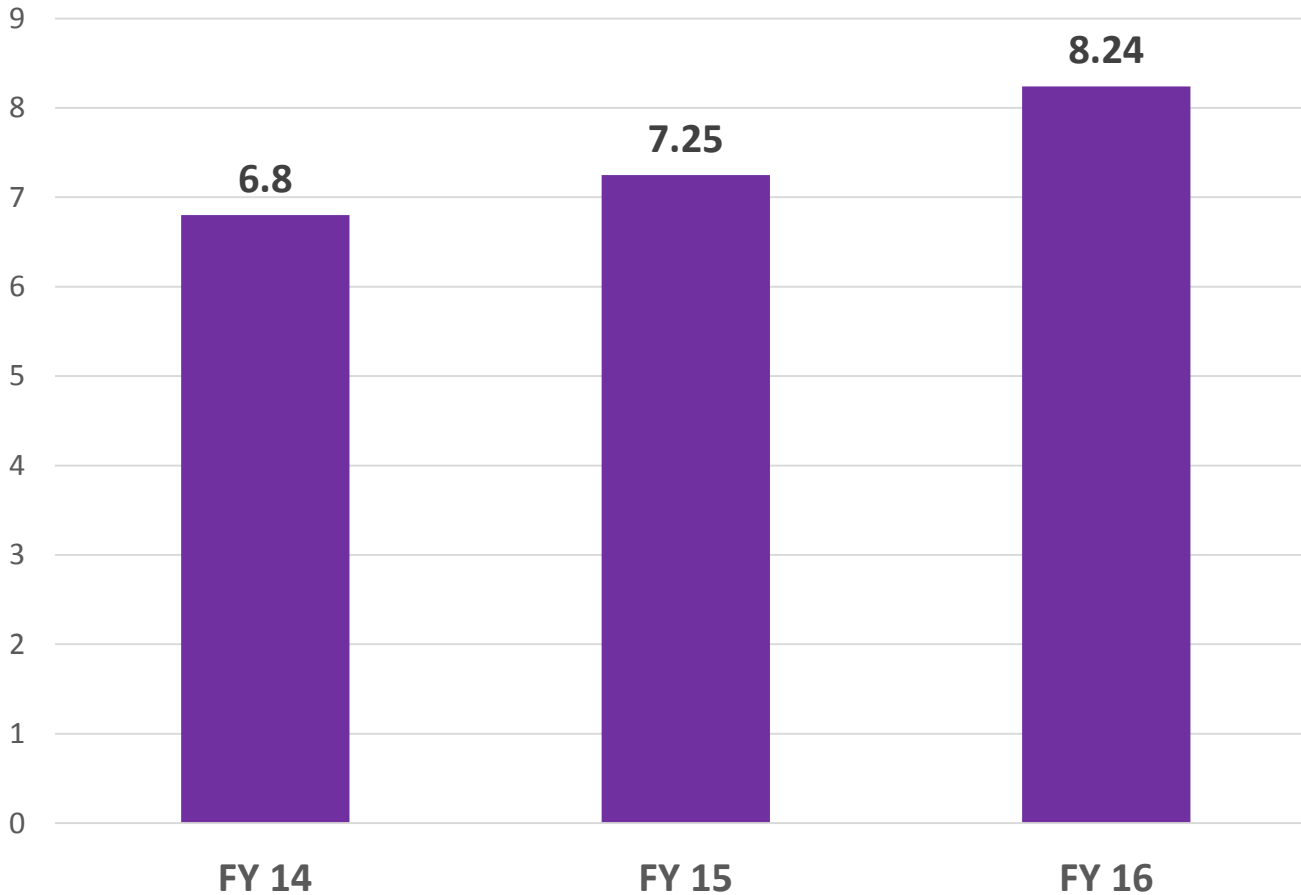| Fiscal Year	Value
FY12	48
FY13	25
FY14	15
FY15	8
FY16	9
FY17	7
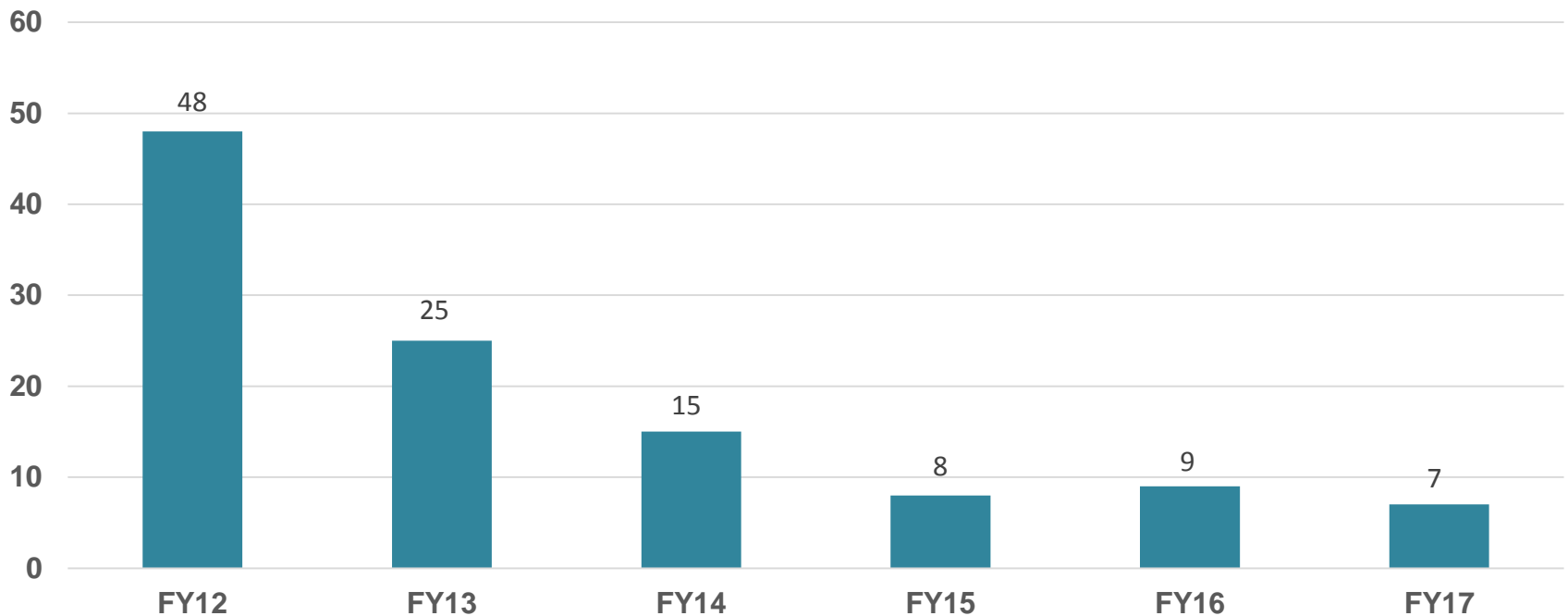
Drug and Alcohol and State Safety Oversight reviews were added to the Deconfliction process in FY16
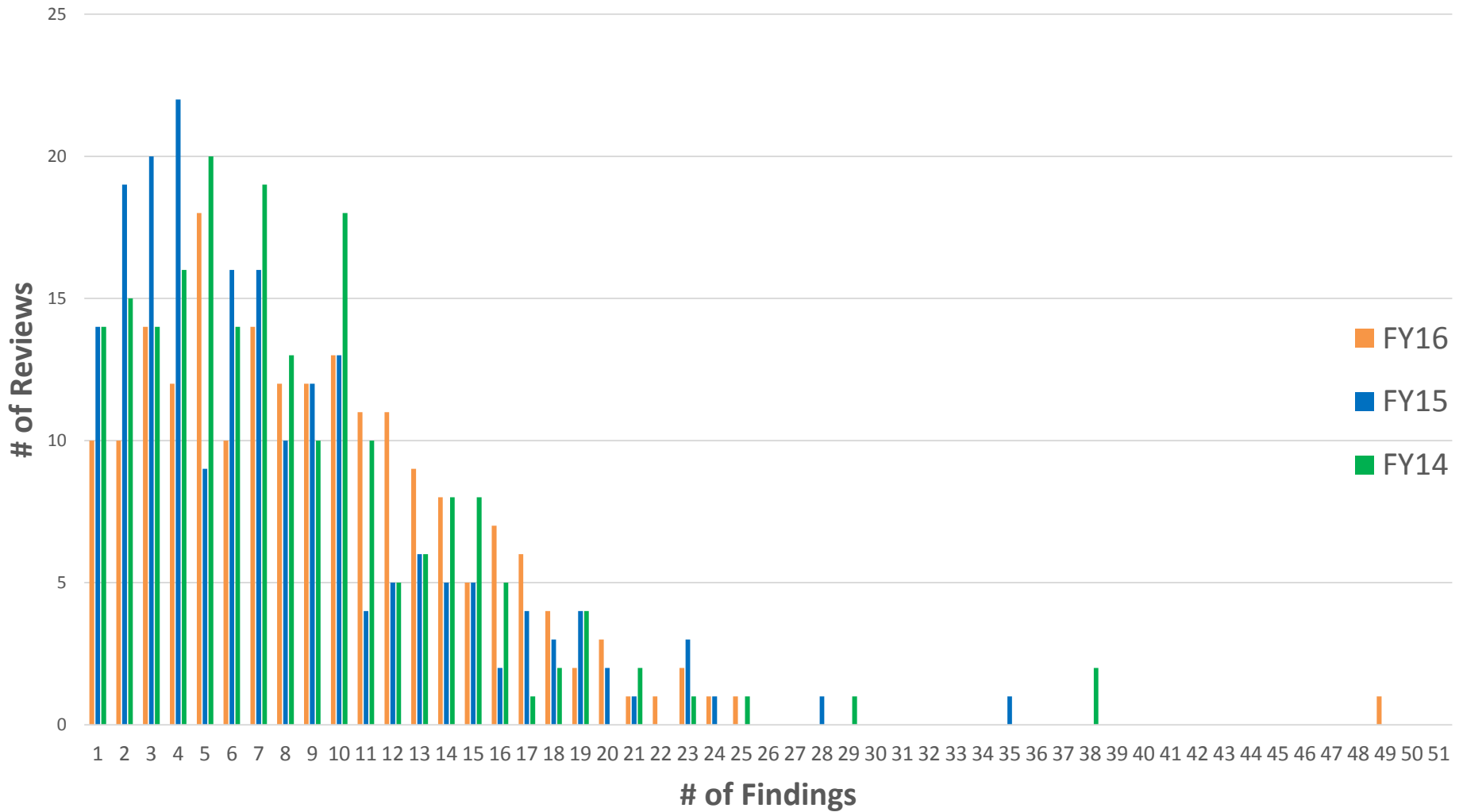
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Triennial Review Findings FY 14-16

Average Findings per Triennial Review
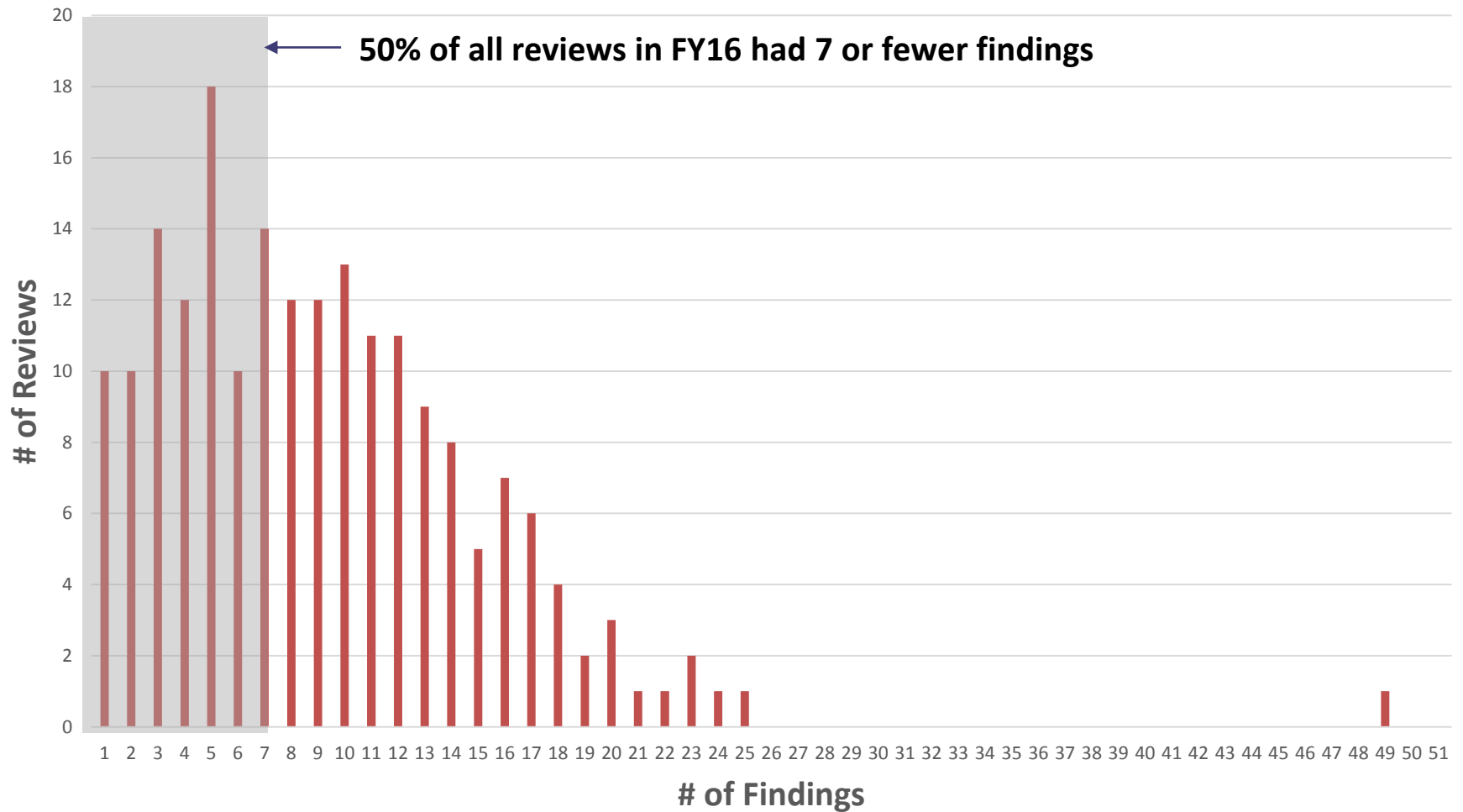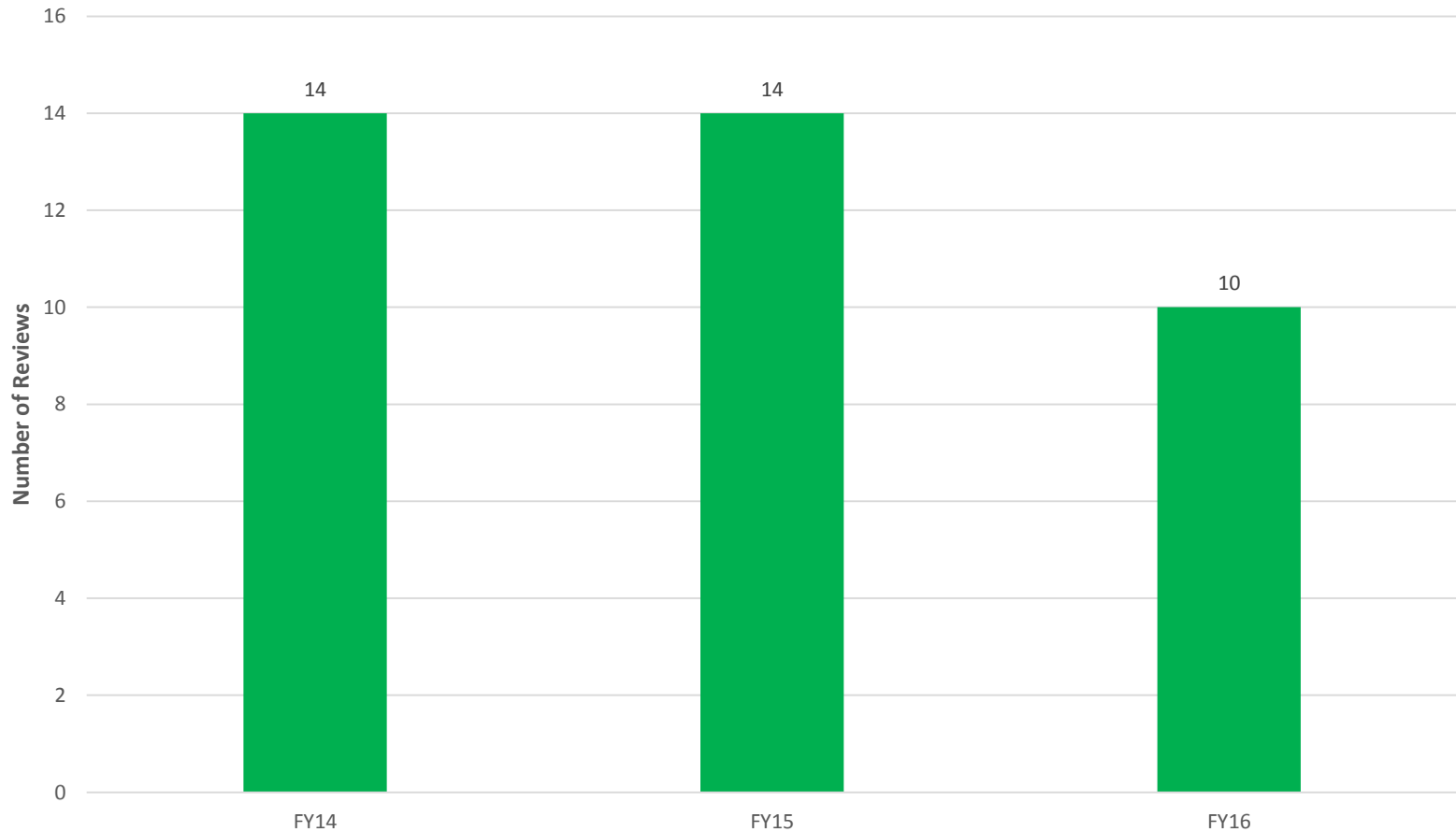
Frequency of Findings FY14-16

Frequency of Findings FY16

50% of all reviews in FY16 had 7 or fewer findings

# of Reviews (y-axis)

# of Findings (x-axis)

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Reviews With No Findings FY14-16

Triennial Review Findings by Topic Area

Triennial Review Topic Area	FY 14	FY 15	FY 16	Cumulative Total	% of All Findings
ADA	174	197	285	656	15%
Charter Bus	6	7	7	20	0%
Disadvantaged Business Enterprise	148	188	279	615	14%
Drug and Alcohol	83	100	128	311	7%
Equal Employment Opportunity	20	24	43	87	2%
Financial Management/Capacity	90	105	109	304	7%
Half Fare	15	11	7	33	1%
Legal	19	16	3	38	1%
Maintenance	108	100	119	327	7%
Planning/Program of Projects	50	53	39	142	3%
Procurement	335	388	333	1056	23%
Public Comment	15	19	17	51	1%
Satisfactory Continuing Control	89	77	66	232	5%
School Bus	1	3	1	5	0%
Security	8	3	6	17	0%
Technical Capacity	135	167	115	417	9%
Title VI	51	58	75	184	4%
Total Number of Findings	**1347**	**1516**	**1632**	**4495**	

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% of Reviews with Findings in:
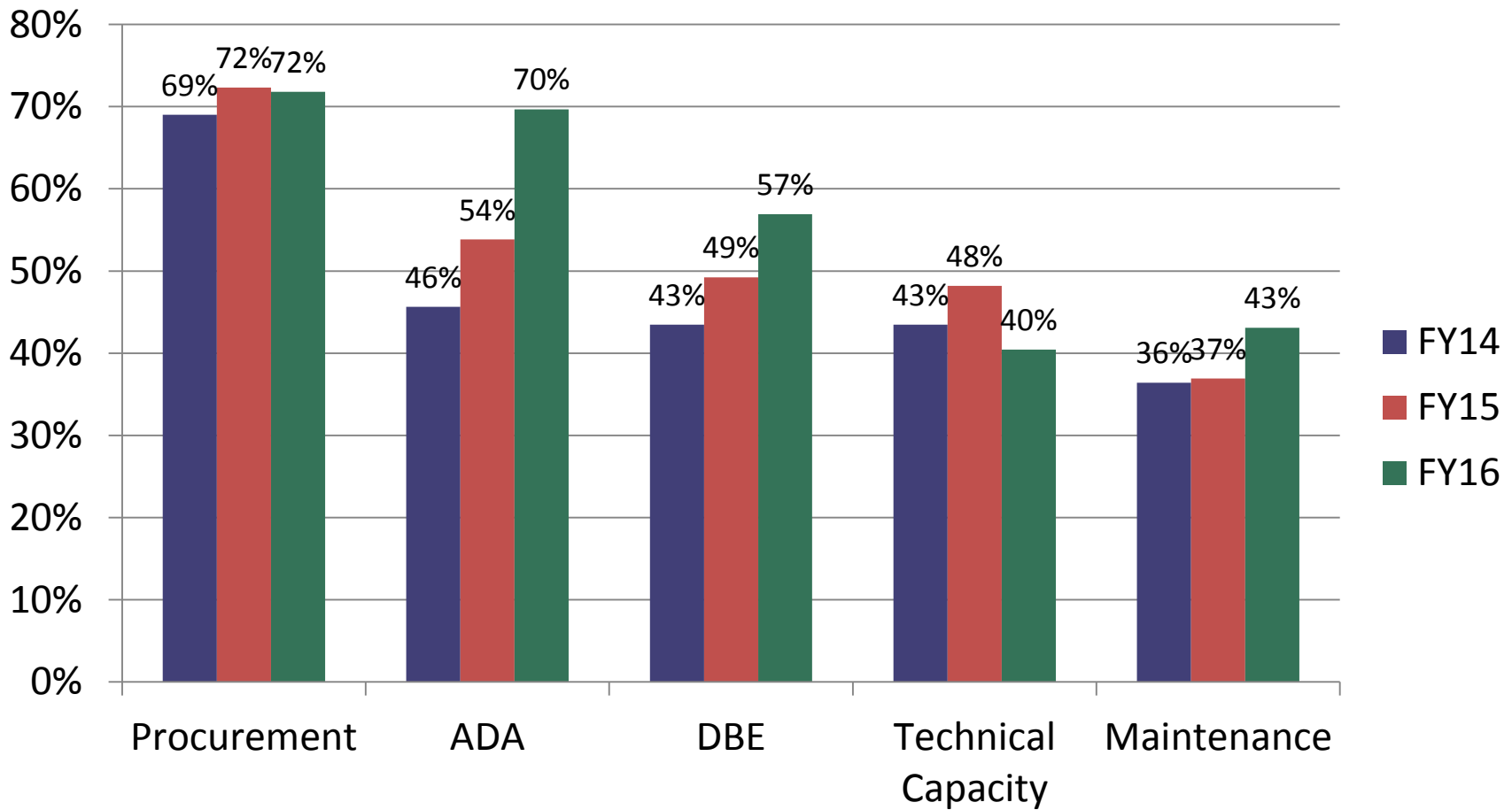
Top 10 Triennial Review Findings

FY14	FY15	FY16
ADA - Insufficient no-show policy	ADA - Insufficient no-show policy	ADA - Insufficient no-show policy
Lacking independent cost estimate	DBE uniform reports not submitted semi-annually	Lacking required cost/price analysis
No FTA clauses	No verification that excluded parties are not participating	DBE goal achievement analysis not completed or not submitted
Procurement policies and procedures not evident	No FTA clauses	Limits or capacity constraints on ADA Complementary Paratransit service
DBE uniform reports not submitted semi-annually	Technical Capacity - Incorrect FFR reporting	Facility/equipment maintenance plan lacking or inadequate
Technical Capacity - Incorrect FFR reporting	Lacking independent cost estimate	DBE uniform reports not submitted semi-annually
No verification that excluded parties are not participating	Lacking required cost/price analysis	ADA Complementary Paratransit service deficiencies
DBE goal achievement analysis not completed or not submitted	DBE goal achievement analysis not completed or not submitted	Lacking independent cost estimate
Lacking required cost/price analysis	Facility/equipment maintenance plan lacking or inadequate	Drug and alcohol policy lacking required elements
Facility/equipment maintenance plan lacking or inadequate	Procurement policies and procedures not evident	ADA service provisions deficiencies

🟩 Findings that appear in the top 10 each year

Training and Technical Assistance

- Agency desire to take a more proactive approach to improving compliance and building capacity

- Feedback from grantees and FTA regional staff

- Commitments to the industry

- Continued high rate of findings in key areas

- Spectrum of offerings to match need

  - <u>Webinars & Online Training</u>: Topic specific, short duration, open to all

  - <u>Workshops</u>: Broad compliance focus, multiple days, in-person

  - <u>Technical Assistance</u>: Grantee specific, high level of interaction

Current Status

- Technical Assistance

  - 100% increase in technical assistance request between FY15 and FY17

  - Significant shift towards more proactive assistance

- Training

  - Launched first Triennial Review webinar in 2015.

  - Topic specific trainings in planning stages

  - 22 Triennial Review Workshops in 2017 (11 in non-FTA cities)

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Program Material Updates

- Back to basics exercise to identify basic requirements for grantees and the optimal methods of assessing compliance

- Will ensure that all questions are directly related to specific, citable requirements

- Direct response to concerns express by internal and external stakeholders:
    - Basis and justifications for questions and findings
    - Burden on grantees to prepare and submit information requests
    - Quality of information request submissions
    - Requesting information to which FTA already has access
    - Dictating preferred practices vs compliant practices

New Review Guide

Each question in the review guide will have four 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. Indicators of compliance: How reviewers will assess compliance with the basic requirement

4. Determination: Based on result of indicators
   – Deficiency
   – Explanation
   – Governing directive

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Anticipated Benefits for Grantees

- Provides a much more detailed explanation of what is expected of the grantee and exactly how FTA will go about determining a grantee's compliance

- Grantees will have a better understanding of exactly why a finding of deficiency was made

- Help fulfill FTA's commitment to better transparency in its review processes

- Shifts "burden" from grantee to FTA and its contractors

- Contractor's notes for the indicators of compliance will
  - Streamline the site visit process to focus on areas of concern
  - Provide critical information to help FTA review findings
  - Identify gray areas of compliance that need to be clarified

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Contractor Summit

- <u>Purpose</u>: Bring review contractors together to foster greater consistency in the review process

- Process:
  - Presentations to reinforce FTA priorities, program updates and changes, trends, and experiences
  - Interactive scenarios/exercises involving actual review findings
  - Discussion/brainstorming about improving consistency

- Intended outcomes:
  - Understand inconsistencies in findings and corrective actions
  - Identify where and why those differences originate
  - Determine need for updates, education, and better communication
  - Emphasize the need for documenting the rationale for findings

Questions?

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