

CTAA Expo

Insiders Look at FTA Oversight Reviews

May 2023

Hope Jensen, Director
Office of Program Oversight
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



FTA Oversight in Context

- Strengthens the capacity of FTA funding recipients to improve public transit for America's communities
- Meets legislation requirement
- Fulfills FTA's fiduciary responsibility to prevent and identify improper payments and to ensure every dollar counts toward improving public transit
- Confirms and promotes recipient compliance with FTA requirements
- Helps address Congressional and public questions about the use of federal funds



Comprehensive Reviews

Number/Type of Comprehensive Reviews – FY18-22

Comprehensive	FY18	FY19	FY20	FY21	FY22	Total
Triennial Review	223	196	3	209	214	845
State Management Review	15	10	0	15	13	53
Combined TR/SMR	3	5	0	7	3	18
Total	241	211	3	231	230	916



Program Oversight: FY23 Activities

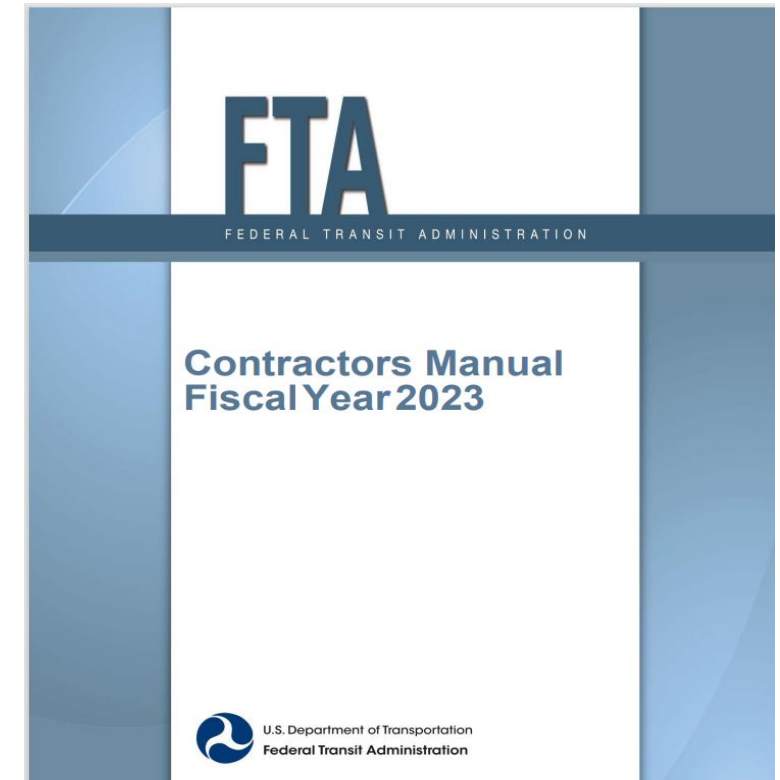
Oversight Activity	FY23
Triennial Review	202
State Management Review	12
Combined TR/SMR	5
COVID-19 Financial Reviews	49
Financial Management Review	17
Procurement System Review	—
Technical Assistance (FMO, PSR, and CORTAP)	42
Total	327



FTA's Comprehensive Review Guide

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. **Instruction to Reviewer** for Determination: Based on result of indicators
6. **Governing Directives:** Citation from law, regulation, agreement, or other guidance forming the basis of a potential finding



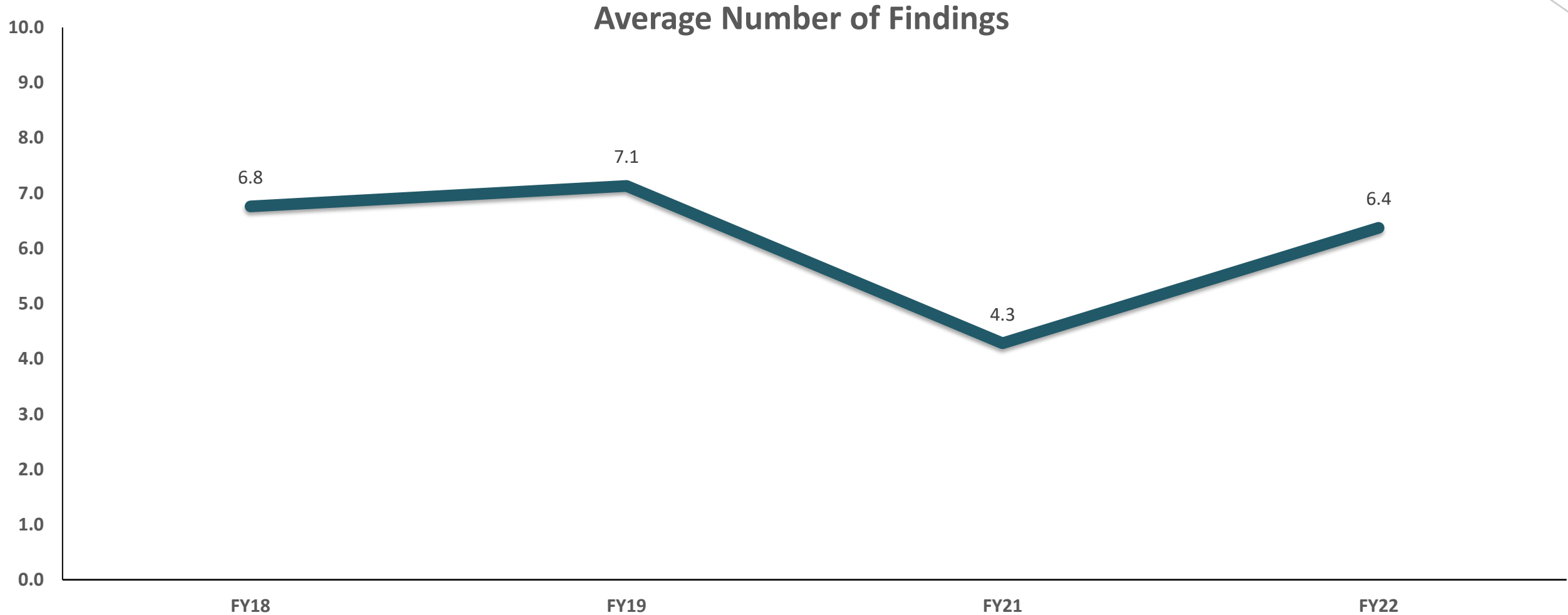
[Comprehensive Review Guide](#)

Comprehensive Review Areas

- 23 Review areas
- Review areas include:
 - Legal
 - Financial Management and Capacity
 - Technical Capacity - Award Management
 - Technical Capacity - Program Management and Subrecipient Oversight - 7
 - Technical Capacity – Project Management
 - Transit Asset Management
 - Satisfactory Continuing Control
 - Maintenance
 - Procurement
 - Disadvantaged Business Enterprise
 - ADA – General
 - ADA – Complementary Paratransit
 - Equal Employment Opportunity
 - School Bus
 - Charter Bus
 - Drug-Free Workplace Act
 - Drug and Alcohol Program
 - Section 5307 Program Requirements
 - Section 5310 Program Requirements
 - Section 5311 Program Requirements
 - Public Transportation Agency Safety Plan
 - Cybersecurity



Comprehensive Review: FY18 – FY22 Average Findings



FY22 Comprehensive Reviews: Top 11 Findings

Review Area	Finding	FY22	FY21	FY19	FY18
Procurement	P11-1 - Missing FTA clauses	91	52	37	58
Disadvantaged Business Enterprise	DBE5-1 - DBE uniform reports contain inaccuracies and/or are missing required information	40	21	47	30
Procurement	P10-2 - Lacking required cost/price analysis	34	26	28	36
Procurement	P10-1 - Lacking independent cost estimate	33	21	31	
Procurement	P4-1 - Responsibility determination deficiencies	31	29		25
Procurement	P5-1 - Incomplete written documentation of procurement history	30	26		
Disadvantaged Business Enterprise	DBE6-1 - DBE goal achievement analysis and corrective action plan not completed	29	17	26	
Procurement	P12-2 - Lobbying certifications not included in procurement solicitations or signed by bidders	27			
Title VI	TVI2-1 - Language Assistance Plan implementation deficiencies	25		29	37
Technical Capacity – Award Management	TC-AM5-1 - Inactive award/untimely closeouts	23			
Financial Management and Capacity	F4-1 - ECHO documentation deficient	23	22		



FY22 Comprehensive Reviews: Top 4 Findings

Review Area	Finding	FY22	FY21	FY19	FY18
Procurement	P11-1 - Missing FTA clauses	6.2%	5.1%	2.5%	3.6%
Disadvantaged Business Enterprise	DBE5-1 - DBE uniform reports contain inaccuracies and/or are missing required information	2.7%	2.1%	3.1%	1.8%
Procurement	P10-2 - Lacking required cost/price analysis	2.3%	2.6%	1.9%	2.2%
Procurement	P10-1 - Lacking independent cost estimate	2.3%	2.1%	2.1%	1.4%



New Procurement Oversight Approach:

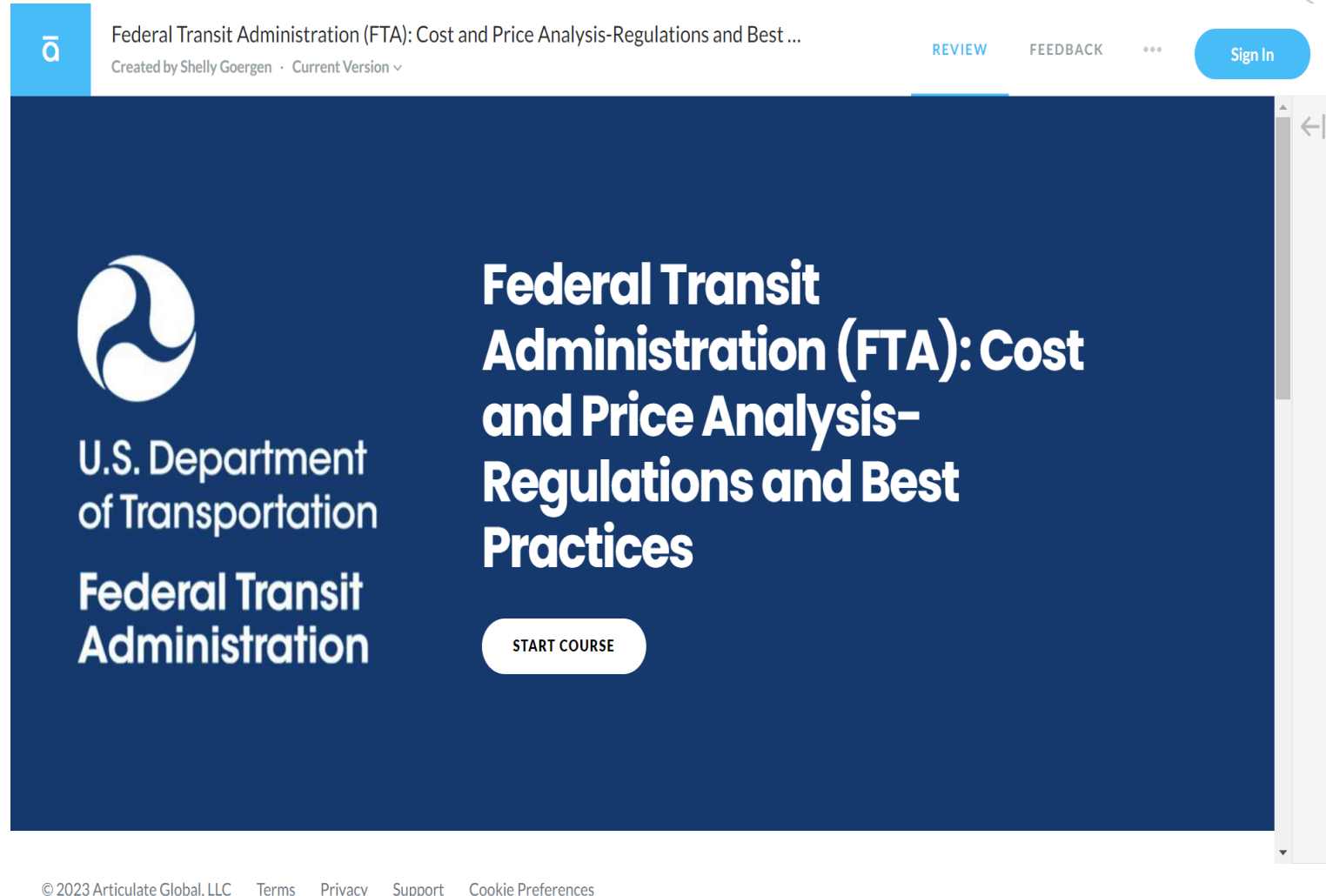
FTA has decided to take a proactive approach to procurement oversight that focuses on both technical assistance and supplemental oversight.

Educating recipients, especially those recipients who have experienced significant turnover (the top for non-compliance), is now a top focus to achieve recipient compliance. For example, FTA is developing new forms of training, tool kits and resource materials for recipients and FTA staff.

New Procurement Oversight Approach: FTA PSR Modules

New PSR Modules


- FTA is developing a series of interactive training modules for FTA recipients and employees to enhance their understanding of FTA procurement requirements.
- The PSR Modules will focus on the top procurement findings identified during the Triennial and State Management reviews. The first module focuses on independent cost estimate and required cost/price analysis.



The screenshot shows a course landing page for the Federal Transit Administration (FTA). The page has a dark blue header with the FTA logo on the left and the course title 'Federal Transit Administration (FTA): Cost and Price Analysis-Regulations and Best Practices' on the right. Below the title is a 'START COURSE' button. The page also includes a 'REVIEW' button, a 'FEEDBACK' button, and a 'Sign In' button. The footer contains copyright information and links to Terms, Privacy, Support, and Cookie Preferences.

Federal Transit Administration (FTA): Cost and Price Analysis-Regulations and Best ...
Created by Shelly Goergen · Current Version v

REVIEW FEEDBACK ... Sign In


U.S. Department
of Transportation
Federal Transit
Administration

**Federal Transit
Administration (FTA): Cost
and Price Analysis-
Regulations and Best
Practices**

START COURSE

© 2023 Articulate Global, LLC Terms Privacy Support Cookie Preferences

FTA PSR Modules (Continued)

Each Module Includes:
Clearly Defined
Learning Objectives

The screenshot displays the user interface for the 'Federal Transit Administration (FTA): Cost and Price Analysis-Regulations and Best Practices' course. The header includes the Articulate logo, course title, creator information ('Created by Shelly Goergen · Current Version'), and navigation links for 'REVIEW', 'FEEDBACK', and a 'Sign In' button.

The left sidebar, titled 'COURSE CONTENT:', lists the following modules with progress indicators:

- Introduction (checked)
- Can You Guess?
- The "Who" and the "Why"
- What Are the Differences Between a Cost Analysis and a Price Analysis?
- What Guides Us?
- Knowledge Check
- Independent Cost Estimates (ICE)
- Price Analysis: The Details
- Cost Analysis: The Details

The main content area shows a welcome message: 'Welcome to the *Cost and Price Analysis-Regulations and Best Practices* eLearning! This course will help you to learn about the basics and best practices of cost analysis and price analysis.'

Learning Objectives:

After completing this course, you should be able to:

- Define price analysis.
- Define cost analysis.
- Discuss key regulations and guidance pertaining to cost and price analysis.
- Describe the importance of conducting an independent cost estimate.
- Outline the process of completing an independent cost estimate.

The footer contains copyright information: '© 2023 Articulate Global, LLC' and links for 'Terms', 'Privacy', 'Support', and 'Cookie Preferences'.



FTA PSR Modules (Continued)

Knowledge Checks throughout the training to ensure content is retained and understood. Including a “pre-test” at the beginning.

The screenshot displays the FTA PSR Modules training interface. The top header includes the Federal Transit Administration (FTA) logo, the course title "Federal Transit Administration (FTA): Cost and Price Analysis-Regulations and Best ...", and navigation links for "REVIEW", "FEEDBACK", and a "Sign In" button. The left sidebar shows the "COURSE CONTENT:" menu with items: Introduction (checked), Can You Guess? (selected), The "Who" and the "Why", What Are the Differences Between a Cost Analysis and a Price Analysis?, What Guides Us?, Knowledge Check (marked with a question mark), Independent Cost Estimates (ICE), and Price Analysis: The Details. The main content area shows "Page 1 - Introduction" and "Page 2 of 15". The title "Can You Guess?" is displayed above a puzzle piece image. Below the image, a knowledge check question is presented: "1) The comparative process of evaluating total price without regard to the individual elements that make up the total price is called _____". Three radio button options are provided: a) A Cost Analysis, b) A Price Analysis, and c) An Independent Cost Estimate. A "SUBMIT" button is located at the bottom right of the question area. The footer contains copyright information "© 2023 Articulate Global, LLC" and links for "Terms", "Privacy", "Support", and "Cookie Preferences".

FTA PSR Modules (Continued)

And periodic quizzes after each topic.

The screenshot displays the user interface for the 'Federal Transit Administration (FTA): Cost and Price Analysis-Regulations and Best ...' course. The top navigation bar includes a blue header with the course title, 'REVIEW', 'FEEDBACK', and a 'Sign In' button. A sidebar on the left lists the course content, with 'Knowledge Check' highlighted. The main content area shows 'Page 6 of 15' and a large 'Knowledge Check' title with a 'START QUIZ >' button. The footer contains copyright information and links for Terms, Privacy, Support, and Cookie Preferences.

Federal Transit Administration (FTA): Cost and Price Analysis-Regulations and Best ...
Created by Shelly Goergen · Current Version ▾

REVIEW FEEDBACK ... Sign In

▼ COURSE CONTENT:

- Introduction ✓
- Can You Guess? ○
- The "Who" and the "Why" ○
- What Are the Differences Between a Cost Analysis and a Price Analysis? ○
- What Guides Us? ○
- Knowledge Check** ○
- Independent Cost Estimates (ICE) ○
- Price Analysis: The Details ○
- Cost Analysis: The Details ○

Page 6 of 15

Knowledge Check

START QUIZ >

© 2023 Articulate Global, LLC Terms Privacy Support Cookie Preferences



FTA PSR Modules (Continued)

Detailed steps to conduct procurement analysis.

The screenshot displays the user interface of the 'Federal Transit Administration (FTA): Cost and Price Analysis-Regulations and Best Practices' course. The top navigation bar includes the Articulate logo, the course title, the creator 'Shelly Goergen', the version 'Current Version', and links for 'REVIEW', 'FEEDBACK', and a 'Sign In' button. A left sidebar lists the 'COURSE CONTENT' with items like 'Introduction', 'Can You Guess?', 'The "Who" and the "Why"', 'What Are the Differences Between a Cost Analysis and a Price Analysis?', 'What Guides Us?', 'Knowledge Check', 'Independent Cost Estimates (ICE)', 'Price Analysis: The Details', and 'Cost Analysis: The Details'. The main content area is titled 'Steps of a Cost Analysis' and features a vertical sequence of four numbered steps: 1) Initial Review, 2) Develop Questions, 3) Discuss Questions, and 4) Develop Cost Analysis. A modal window is open over the first step, '1) Initial Review:', which contains a bulleted list: 'For more complex projects, a technical evaluation may be necessary. Technical evaluations allow you to evaluate the functions that impact costs. Technically trained and experienced personnel are in the best position to assist you in the analysis of hours, quantities, tooling, testing, head counts, productivity, and similar factors.'

Federal Transit Administration (FTA): Cost and Price Analysis-Regulations and Best ...
Created by Shelly Goergen · Current Version

REVIEW FEEDBACK ... Sign In

▼ COURSE CONTENT:

- Introduction ✓
- Can You Guess? ○
- The "Who" and the "Why" ○
- What Are the Differences Between a Cost Analysis and a Price Analysis? ○
- What Guides Us? ○
- ? Knowledge Check ○
- Independent Cost Estimates (ICE) ✓
- Price Analysis: The Details ○
- Cost Analysis: The Details ✓

Steps of a Cost Analysis

- 1 Initial Review +
- 2 Develop Questions
- 3 Discuss Questions
- 4 Develop Cost Analysis +

1) Initial Review:

- For more complex projects, a technical evaluation may be necessary. Technical evaluations allow you to evaluate the functions that impact costs. Technically trained and experienced personnel are in the best position to assist you in the analysis of hours, quantities, tooling, testing, head counts, productivity, and similar factors.

© 2023 Articulate Global, LLC Terms Privacy Support Cookie Preferences

FTA PSR Modules (Continued)

And provides links to resources and best practices. The first modules will be available before the end of the FY 23.

The screenshot displays the user interface for the Federal Transit Administration (FTA) PSR Modules. At the top, the header includes the FTA logo, the course title "Federal Transit Administration (FTA): Cost and Price Analysis-Regulations and Best ...", the creator "Created by Shelly Goergen", the version "Current Version", and navigation links for "REVIEW", "FEEDBACK", and a "Sign In" button.

The main content area is divided into two sections. On the left is a "COURSE CONTENT:" sidebar with a list of modules, each with a progress indicator (checkmark, circle, or question mark):

- Introduction (checked)
- Can You Guess? (circle)
- The "Who" and the "Why" (circle)
- What Are the Differences Between a Cost Analysis and a Price Analysis? (circle)
- What Guides Us? (circle)
- Knowledge Check (question mark)
- Independent Cost Estimates (ICE) (checked)
- Price Analysis: The Details (circle)
- Cost Analysis: The Details (checked)

The right section is titled "Resources" and contains two sub-sections:

- Downloads:** A box containing a PDF icon, the filename "Independent Cost Estimate Format.pdf", the size "28.4 KB", and a download arrow icon.
- Links:** A list containing a single link: "FTA Pricing Guide for Grantees".

At the bottom of the interface, a footer contains the copyright notice "© 2023 Articulate Global, LLC" and links for "Terms", "Privacy", "Support", and "Cookie Preferences".

Overall Tips For Compliance

Review previous State Management Review report



- Document corrective action implementation
- Avoid repeat deficiencies

Conduct a self-assessment in non-review years



- FTA updates the Contractors Manual annually

Understand how information provided for one section of the review provides input for others, such as:



- Procurement lists for DBE
- Inventory lists for Maintenance

FTA's email subscription



- Sign up for [GovDelivery](#)



FTA Mission, Vision, Values

MISSION

Improve America's Communities
through Public Transportation



VISION

A Better Quality of Life for All Built
on Public Transportation Excellence



VALUES



SERVICE

Provide reliable, transparent, responsive, and anticipatory services to meet stakeholder needs

INTEGRITY

Commitment to the highest professional and ethical standards

INNOVATION

Foster new ideas, concepts, and solutions for improved outcomes

SUSTAINABILITY

Optimize decisions, resources, and systems to make long-term positive impacts on the environment, infrastructure, and safety

EQUITY

Remove barriers for systemically underserved communities to access all aspects of economic, social, and civic life

