

2023 Biennial FTA State and Tribal Programs and Transit Partnerships Conference

FTA Office of Program Oversight:
Overview, Metrics, and Discussion

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TSO-30: Office of Program Oversight

Agenda

- Office of Program Oversight
- Oversight Reviews
- Oversight Statistics
- Oversight Tracking System (OTrak)
- Discussion

Office of Program Oversight



TSO-30: Office of Program Oversight

- **Office of Program Oversight**
 - Deliver national oversight program
- **Compliance Programs Division**
 - Manage oversight review programs
 - Provide education and training
 - Provide technical assistance and corrective action support
- **Performance Analysis and Quality Assurance Division**
 - Develop and conduct oversight needs assessment
 - Conduct quality control and quality assurance
 - Conduct data analysis and create reports
 - Manage Single Audit Findings
 - Manage Oversight Tracking System (OTrak)



What is Program Oversight?

- **Purpose of program oversight:**
 - Assess and promote recipient compliance
 - Strengthen recipient capacity to improve public transit
- **Compliance determined through:**
 - Comprehensive Reviews
 - Triennial Reviews
 - State Management Reviews
 - Specialized Reviews (PSR, FMO, and Civil Rights)
 - Conducted at FTA's discretion
 - Targets specific areas
- **Compliance improved through:**
 - Technical assistance and corrective action support
 - Training

Comprehensive: Triennial and State Management Reviews – Funding Programs

- **5307 (49 USC 5307)**
 - Eligible recipients: Urbanized areas
 - Eligible activities:
 - Transit capital and operating assistance in urbanized areas
 - Transportation-related planning
- **5310 (49 USC 5310)**
 - Eligible recipients: States and certain designated recipients
 - Eligible activities:
 - Transportation services for older adults and people with disabilities in all urbanized and rural areas
- **5311 (49 USC 5311)**
 - Eligible recipients: States and federally recognized Indian Tribes
 - Eligible activities:
 - Public transportation in rural areas with populations of less than 50k
 - State and national training and technical assistance

Comprehensive Review Areas

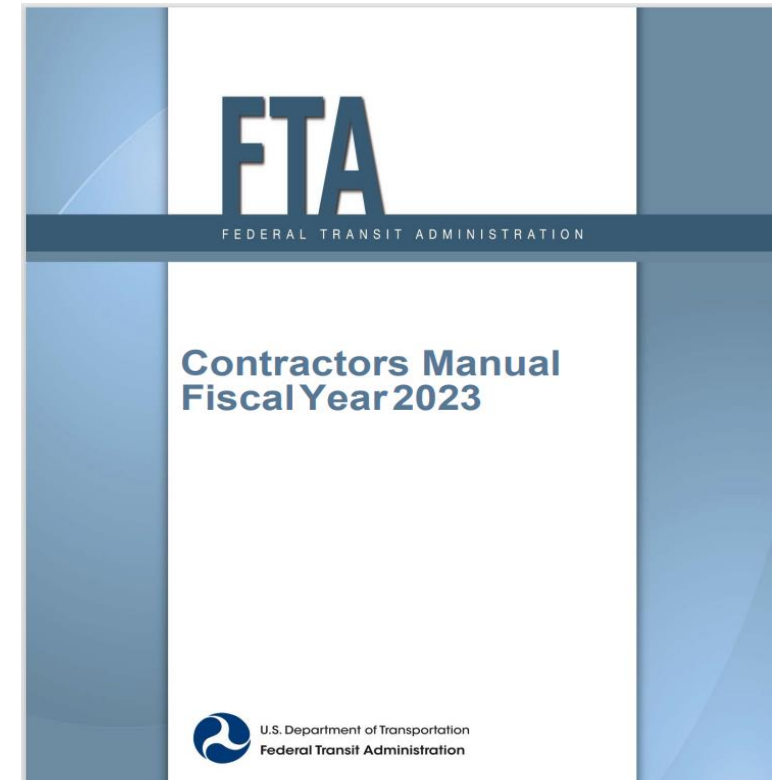
- 23 Review areas
- Review areas include:
 - Legal
 - Financial Management and Capacity
 - Technical Capacity - Award Management
 - Technical Capacity - Program Management and Subrecipient Oversight - 7
 - Technical Capacity – Project Management
 - Transit Asset Management
 - Satisfactory Continuing 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



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](#)

Oversight Review Lifecycle

FY2023 lifecycle: Aug 2022 through Dec 2024



Financial Management Oversight Reviews

- **FMO reviews:**
 - Examine a recipient's financial management system
 - Determine if the financial management systems and internal controls are adequate
- **Types of Reviews**
 - Full Scope Financial Management System Review
 - Follow-up Reviews
 - Cost Allocation Plan and Indirect Cost Proposal Reviews
 - Agreed Upon Procedures
 - Consulting Engagement
 - Financial Condition and Capability Assessment

COVID-19 Financial Spot Reviews

- Incorporated and implemented in FY2021
- Reviews a sample of Electronic Clearing House Operation (ECHO) draws and limited review of financial systems
- 3 rounds of reviews:
 - Round 1 - 118 reviews, which started in August 2021
 - Round 2 - 68 reviews, which started in April 2022
 - Round 3 – 46 reviews, starting August 2023

Procurement System Review (PSR)

The Procurement System Review (PSR) program determines if recipients are meeting these regulatory and policy requirements and identifies any necessary corrective actions.

Objectives include:

- Encourage and facilitate improving recipient procurement operations
- Foster use of industry best practices
- Identify and deliver technical assistance
- Spot emerging issues with recipients and identify mitigating solutions
- Identify trends and provide targeted training to address recurring or systemic issues
- Contribute to the development of policy and other guidance documents

FY2023 Overview



Program Oversight: FY23 Activities

Oversight Activity	FY23
Triennial Review	202
State Management Review	12
Combined TR/SMR	5
COVID-19 Financial Reviews	47
Financial Management Review	17
Procurement System Review	–
Technical Assistance (FMO, PSR, and CORTAP)	47
Total	330



FY23 – Oversight Program Enhancements

- **Revised PSR Program**

- New approach includes:

- Enhanced PSR reviewer training for FTA contactors
 - **Expanded PSR workshops** for recipients
 - Introduction of PSR training for FTA Regional staff
 - **Tailored technical assistance** for FTA recipients
 - Tailored PSR reviews that focus on areas of need rather than a broad program review



FY23 – Other Education and Training Activities

- **Training (Workshops and Webinars)**
 - New 5307 Recipient Training
 - Developed and delivered 2 modules
 - » New resource web page (recorded webinars, training slides, recommended resources)
 - » Top 10 Procurement Findings and How to Avoid Them
 - Recipient Information Request Package
 - How to Calculate and Document Operating Expenses

FY18 - 22 Oversight Statistics

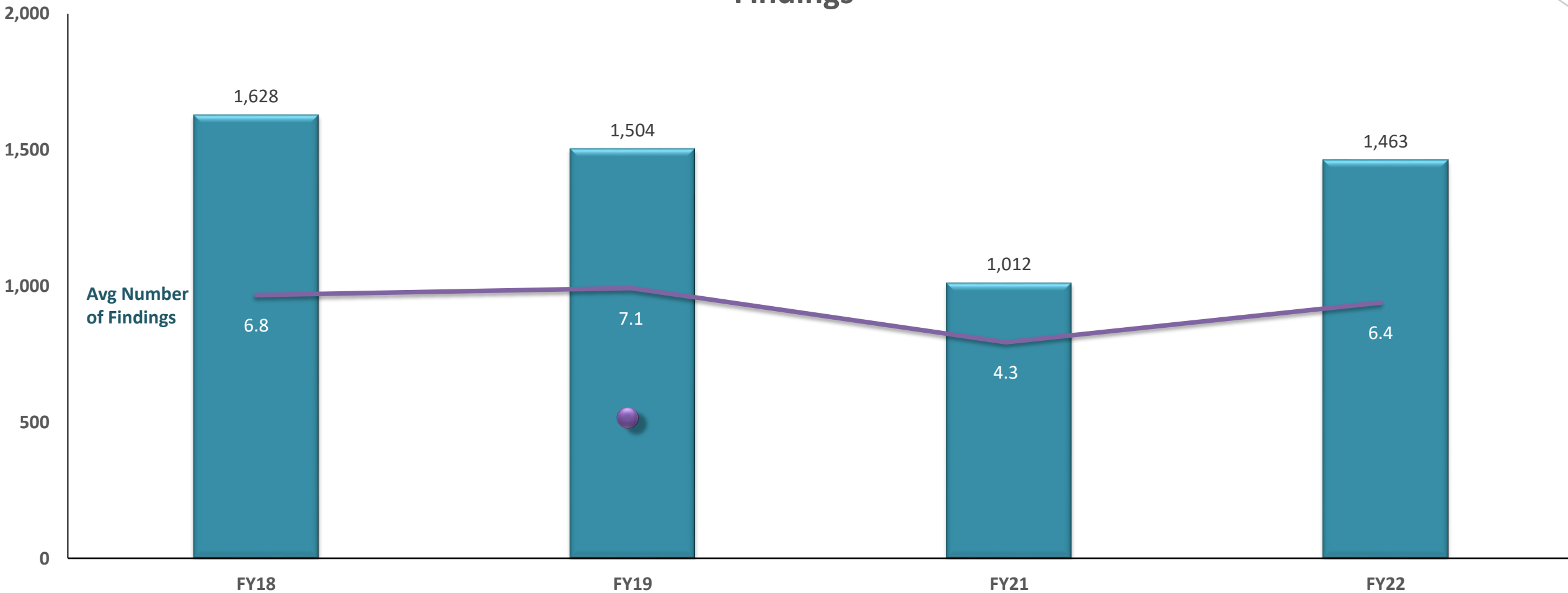


Program Oversight: FY18 – FY22 Activities

Review Activity	FY18		FY19		FY21		FY22	
	Reviews	Findings Issued	Reviews	Findings Issued	Reviews	Findings Issued	Reviews	Findings Issued
Triennial Review	223	1,529	196	1,358	212	819	214	1,321
State Management Review	15	85	10	86	15	136	13	113
Combined TR/SMR	3	14	5	60	7	57	3	29
COVID-19 Financial Reviews	N/A	N/A	N/A	N/A	118	96	68	47
Financial Management Review*	7	50	9	43	14	68	7	7
Procurement System Review*	6	45	7	69	3	6	2	11
Total	254	1,723	227	1,616	369	1,182	307	1,528

Comprehensive Review Findings: FY18 – FY22

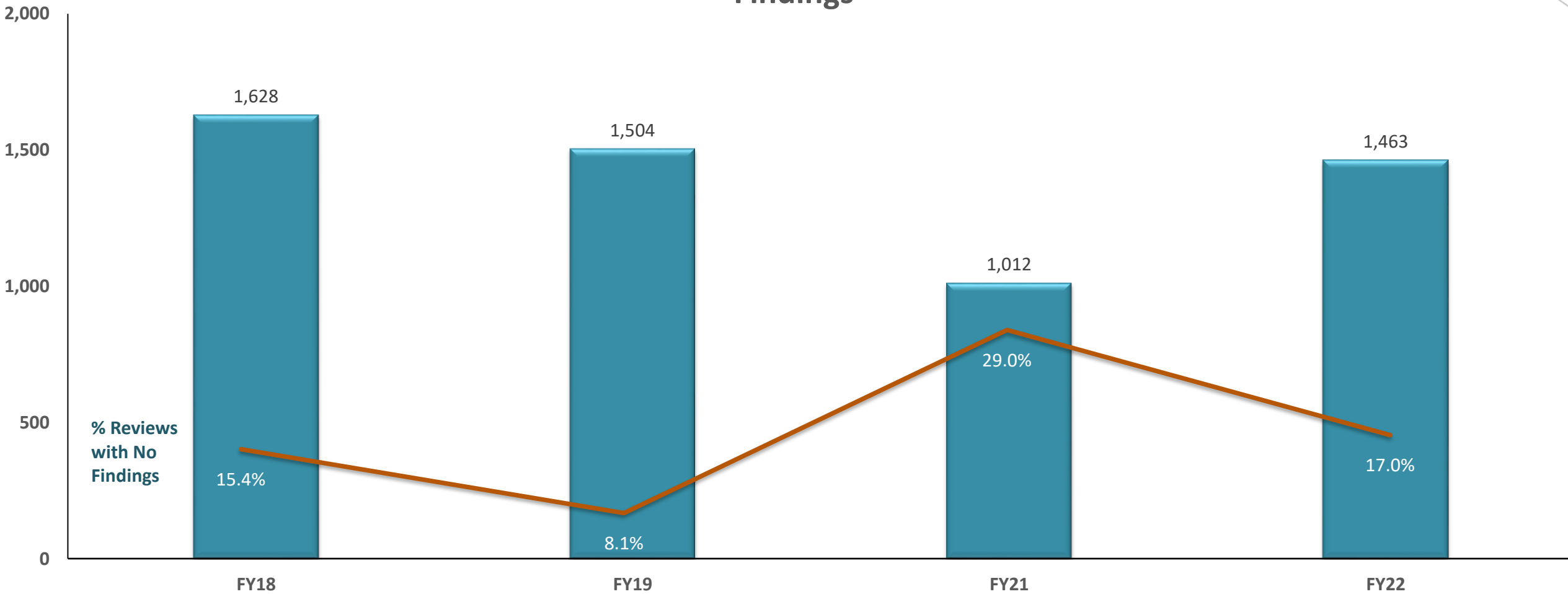
Findings



Note: Comprehensive Reviews include TR, SMR, or Combined TR/SMR.

Comprehensive Review Findings: FY18 – FY22

Findings



Note: Comprehensive Reviews include TR, SMR, or Combined TR/SMR.

Comprehensive Review: FY18-22 Repeat Findings

Fiscal Year	# of Reviews	Repeat Findings	Non-Repeat Findings	% of Repeat Findings
FY18	241	112	1,516	6.9%
FY19	211	112	1,392	7.4%
FY21	234	90	922	8.9%
FY22	230	111	1,352	7.6%
Total	916	425	5,182	7.6%

Program Oversight: Top 11 Findings (FY18 – FY22)

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

State Management Review (SMR)

Combined TR/SMR

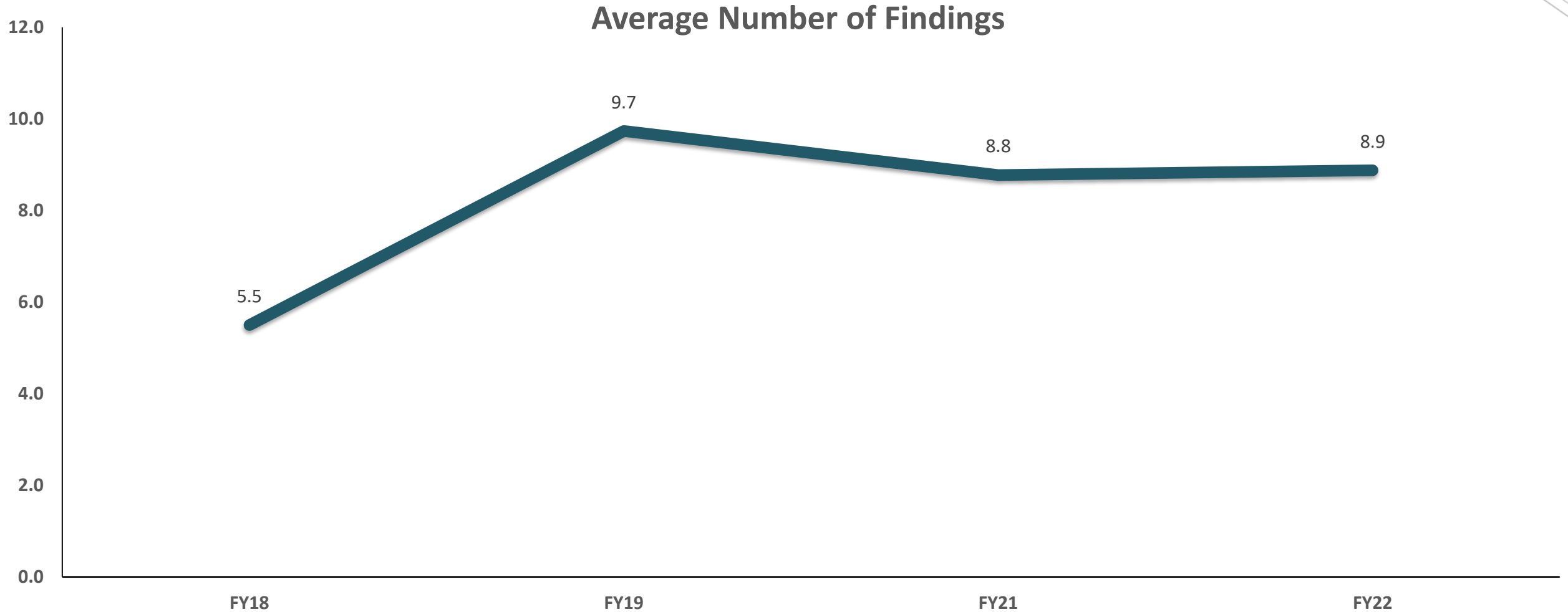
Reviews and Findings



SMR/Combined: FY22 – FY18

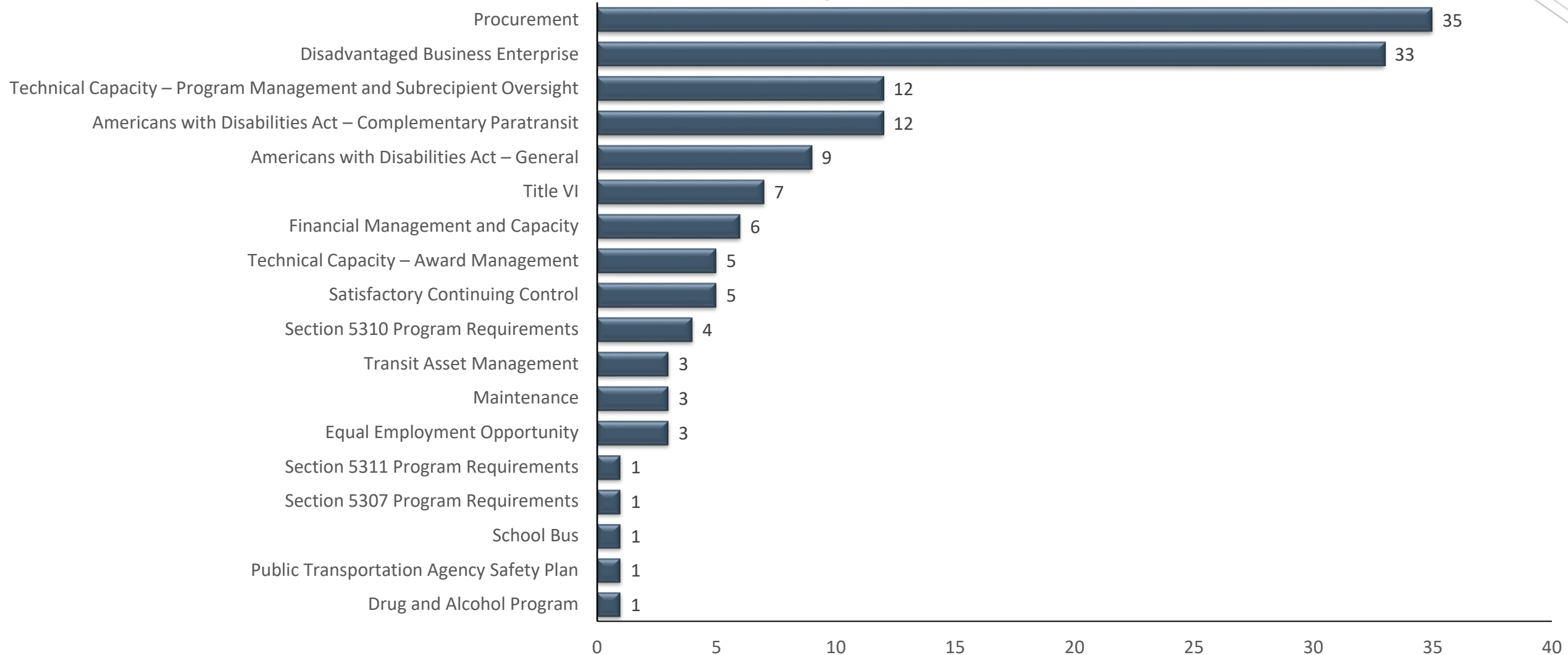
	FY22			FY21			FY19			FY18		
<u>Region</u>	Review	Finding	Avg. Finding	Review	Finding	Avg. Finding	Review	Finding	Avg. Finding	Review	Finding	Avg. Finding
TRO-01	2	23	11.50	2	6	3.00	2	16	8.00	2	5	2.50
TRO-02	2	3	1.50	–	–	–	–	–	–	2	8	4.00
TRO-03	–	–	–	2	20	10.00	3	24	8.00	1	2	2.00
TRO-04	2	14	7.00	5	20	4.00	3	31	10.33	2	9	4.50
TRO-05	3	8	2.67	1	36	36.00	2	9	4.50	2	25	12.50
TRO-06	2	5	2.50	2	26	13.00	1	9	9.00	2	1	0.50
TRO-07	1	29	29.00	2	5	2.50	1	4	4.00	1	5	5.00
TRO-08	2	45	22.50	3	40	13.33	1	9	9.00	2	14	7.00
TRO-09	–	–	–	4	38	9.50	1	38	38.00	2	23	11.50
TRO-10	2	15	7.50	1	2	2.00	1	6	6.00	2	7	3.50
Total	16	142	8.88	22	193	8.77	15	146	9.73	18	99	5.50

SMR/Combined: FY18 – FY22 Average Findings



FY22 SMR/Combined: Findings by Review Area

Findings



FY22 SMR/Combined: Top 10 Findings

Review Area	Finding	FY22	FY21	FY19	FY18
Disadvantaged Business Enterprise	DBE5-1 - DBE uniform reports contain inaccuracies and/or are missing required information	✓	✓	✓	
Technical Capacity – Program Management & Subrecipient Oversight	TC-PgM6-1 - FFATA reporting deficiencies	✓	✓	✓	✓
Procurement	P10-2 - Lacking required cost/price analysis	✓	✓	✓	
Procurement	P21-1 - Insufficient oversight of subrecipient procurements	✓	✓		✓
Procurement	P11-1 - Missing FTA clauses	✓	✓	✓	✓
Disadvantaged Business Enterprise	DBE6-1 - DBE goal achievement analysis and corrective action plan not completed	✓	✓	✓	
Procurement	P10-1 - Lacking independent cost estimate	✓	✓	✓	
Procurement	P12-2 - Lobbying certifications not included in procurement solicitations or signed by bidders	✓		✓	
Disadvantaged Business Enterprise	DBE12-1 - Insufficient documentation of monitoring DBE compliance of contractors	✓			
Title VI	TVI1-2 - Revisions to Title VI program not made	✓			

Oversight Tracking System (OTrak)



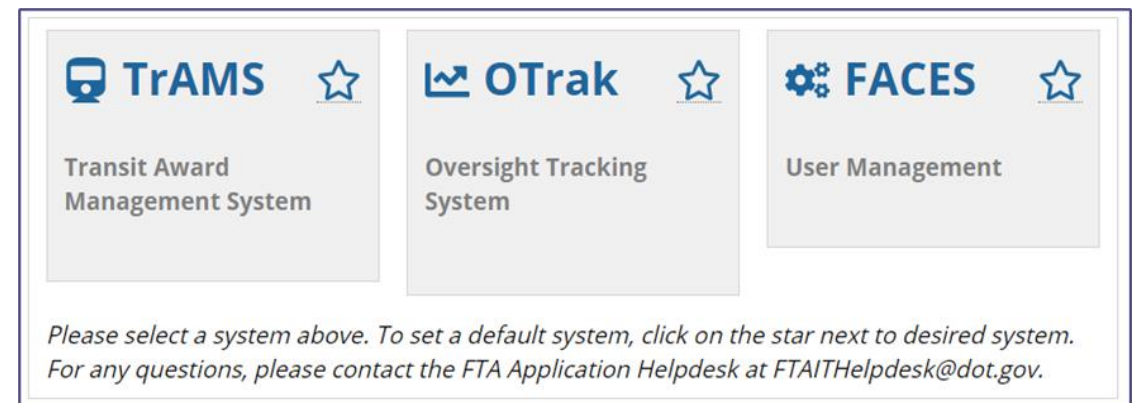
What is the Oversight Tracking System (OTrak)?

- **FTA's official system of record for program oversight data**
- Oversight programs:
 - Civil Rights
 - Comprehensive: Triennial Reviews (TRs), State Management Reviews (SMRs)
 - COVID-19 Financial Spot Reviews
 - Financial Management Oversight (FMO)
 - Procurement System Review (PSR)
 - State Safety Oversight (SSO) Audits
 - Single Audits
 - Tribal Transit Program
- Oversight activity data includes:
 - Process Stages/Events (activity milestones with dates, ex: Final Report – FTA to Recipient)
 - Documents (ex: Final Reports, Corrective Action Closure Justifications)
 - Deficiencies/Findings and Corrective Actions

Additional information about OTrak: <https://www.transit.dot.gov/OTrak>

What is OTrak? *(continued)*

- New version of OTrak launched for **FTA staff** and **contractors** April 26, 2021.
- **Recipient** integration:
 - Federal fiscal year (FY) 2023 – Recipient Pilot Program
 - Twenty-five (25 recipients receiving a TR, SMR, or Combined TR/SMR)
 - FY 2024 – All recipients receiving a TR, SMR, Combined TR/SMR, or PSR.
- OTrak is on FTA’s Appian platform, known as the **Transit Integrated Appian Development (TriAD)** platform.
- From the TriAD, all of the FTA Appian databases/systems you have been granted access to can be accessed.



Additional information about OTrak: <https://www.transit.dot.gov/OTrak>

OTrak Pilot - Recipient List

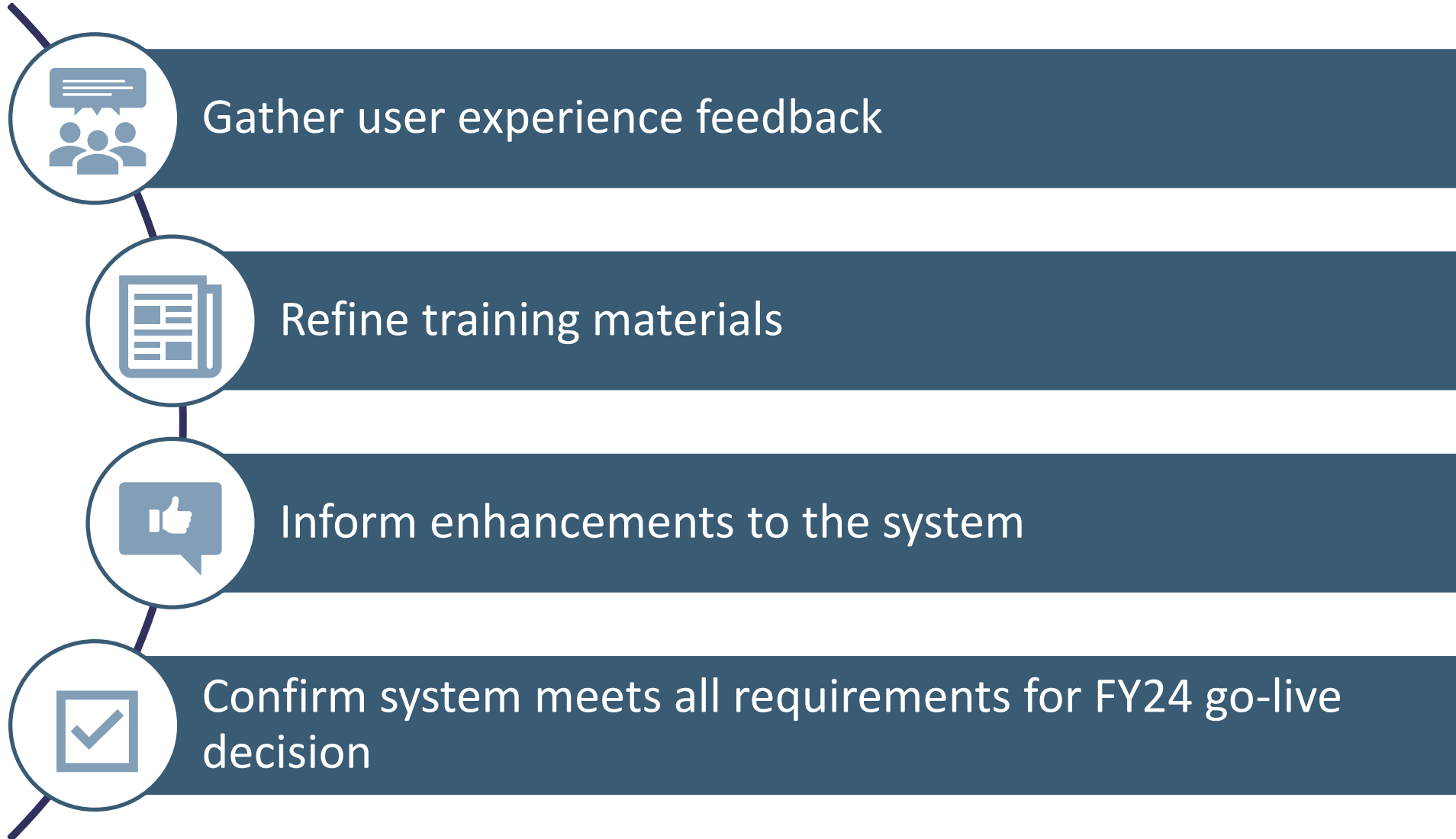
Reg.	Recipient Name	Recip ID	Type
TRO-1	Greater Bridgeport Transit Authority	1752	TR
	Nashua, City of	2413	TR
TRO-2	Glens Falls, City of	1781	TR
TRO-3	Delaware DOT	1396	TR/SMR
	Transportation and Motor Buses for Public Use Authority (AMTRAN)	1420	TR
	Transportation District Commission of Hampton Roads	1456	TR
TRO-4	Alabama DOT	1000	TR/SMR
	Craven County Government	7278	TR
	Florida DOT	1001	TR/SMR
	Metropolitan Atlanta Rapid Transit Authority (MARTA)	1101	TR
	South Carolina DOT	1006	SMR
TRO-5	Minnesota DOT	2039	SMR
	Northeast Illinois Regional Commuter Railroad Corporation (METRA)	5005	TR
	Rochester, City of	1222	TR

Reg.	Recipient Name	Recip ID	Type
TRO-6	Central Oklahoma Transportation & Parking Authority	1525	TR
	Norman, City of	7358	TR
TRO-7	Bi-state Development Agency Of The Missouri-Illinois Metropolitan District	1830	TR
	Topeka Metropolitan Transit Authority	1823	TR
TRO-8	Billings, City of	1150	TR
	Utah Transit Authority (UTA)	1167	TR
TRO-9	Arizona DOT	1635	SMR
	Napa Valley Transportation Authority	5001	TR
	Orange County Transportation Authority	1682	TR
TRO-10	Central Puget Sound Regional Transit Authority	5656	TR
	Fairbanks North Star, Borough of	1734	TR

Recipients will be in OTrak for the first time to manage findings and corrective actions.

= Triennial Review (TR) – 19
 = State Management Review (SMR) – 3
 = Combined TR/SMR – 3

FY23 OTrak Pilot Group Goals



Recipient Functionalities in OTrak

- User Management for OTrak through FTA's Access and Control Entry System (FACES) / annual recertification
- Assign Recipient Points of Contact (POCs) to the review in OTrak
 - Recipient POCs will receive notifications
- Submit corrective action documentation / requests for closure
- Request corrective action due date extensions
- View / download final reports

FY24 Roll Out

- **Who Will Use OTrak?** All recipients receiving a FY24:
 - Comprehensive Reviews (TR, SMR, Combined TR/SMR)
 - Procurement System Reviews (excluding Technical Assistance)
- **More Information / Training:**
 - FY24 workshops (fall 2023)
 - User Management & OTrak Training (spring / summer 2024)
 - Training resources will be available in OTrak
 - Website: <https://www.transit.dot.gov/OTrak>
- **Points of Contact (POC):**
 - Your FTA Manager at FTA's regional office (primary POC)
 - Oversight contractors (until the Final Report is issued)

Discussion





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