UNITED STATES DEPARTMENT OF TRANSPORTATION

AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009
AGENCY AND PROGRAM PLANS UPDATE
SECOND QUARTER 2010

"Today, we see clearly how Recovery Act funds and the Department of Transportation are building the platform for a brighter economic future – they're creating jobs and making life better for communities everywhere."

– Vice President Joseph R. Biden

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U.S. Department of Transportation's Agency-wide American Recovery and Reinvestment Plan

The Department of Transportation's (DOT) broad recovery goals reflect those of the American Recovery and Reinvestment Act of 2009 (hereafter referred to as the Recovery Act). The Act aims to create and preserve jobs and promote economic recovery while at the same time support investments in infrastructure that have long-term economic benefits. The former goal requires the Department to spend Recovery Act funds quickly on projects that will contribute to the Federal government's larger efforts to promote economic recovery. The latter goal requires the Department to invest Recovery Act funds in projects that provide long-term benefits for the Nation's transportation systems.

The transportation programs funded by the Recovery Act are consistent with these broad goals. A significant amount of the Department's Recovery Act funding is provided to State and local transportation authorities through existing program structures, which helps ensure that these funds will be used for transportation projects that create and preserve jobs as quickly as possible.

The Department of Transportation received a total of $48.1 billion, of which $38.6 billion was distributed through existing funding programs. Highway formulas were used to distribute $27.6 billion, $8.4 billion through transit programs, $1.3 billion through aviation programs, $1.3 billion to Amtrak, and $100 million in grants to shipyards. While these funds were distributed using methods that were already in place before the Recovery Act, the Act also subjects many of them to "use or lose" provisions that ensure recipients spend funds, put people to work, and contribute to our economic recovery quickly.

Much of this funding has been distributed directly to the States, who will determine how it is spent on eligible projects. Therefore, achievement of the Department's goals and the goals of the Recovery Act relies heavily on prudent and strategic decisions made at the State and local levels. DOT will monitor the States' investment decisions, and while the Administration has publicly expressed its policy preferences in a variety of forums, it does not have authority to override decisions made by the States.

The Recovery Act also created new programs that reflect the intent of both Congress and the Administration to create long-term economic benefits by investing in a transportation network that can keep America competitive in the 21st century. The Recovery Act included $8 billion to jumpstart high-speed and intercity rail programs in the United States. This investment is not likely to provide the immediate economic recovery benefits that could be achieved through investments in existing highways and transit systems, but it represents a down payment for our efforts to transform travel in the United States and helps ensure that we reap benefits from our transportation systems for years to come. President Obama has also proposed to request $1 billion in each of the next five years, in addition to the Recovery Act's $8 billion investment, to ensure that the Federal commitment to high-speed rail continues.

According to the Federal Railroad Administration's High Speed Rail Strategic Plan, the goals of this new program are to ensure safe and efficient transportation choices, build a foundation for economic competitiveness, promote energy efficiency and environmental quality, and support interconnected livable communities. These goals dovetail with the priorities that Secretary LaHood has established for the Department, which include economic recovery and growth, improving the safety of our transportation facilities and systems, improving the sustainability of our transportation systems, and investing in transportation that supports livable communities.

The Recovery Act also created a new $1.5 billion discretionary grant program administered by the Secretary's office to invest in projects that provide long-term economic benefits. This program presents the Department with a unique opportunity both to promote short-term economic recovery and also to focus the Federal transportation investment process on projects that are expected to provide benefits well into the future.

Unlike any other DOT program, the Secretary's discretionary grant program is multi-modal, allowing the Department to consider the benefits of investments in highway, transit, rail (passenger or freight), ports or inter-modal projects. The program also aims to ensure that investments are made in both urban and rural transportation facilities and systems and that an equitable geographic distribution of funding is achieved. With these broad goals in mind, DOT conducted a competitive award process for these discretionary grants. We received 1,400 applications from all 50 states, territories, and the District of Columbia requesting nearly $60 billion. Applications were reviewed based an analytical evaluation system that included technical panels and economic analysis. Teams of subject-matter experts from within the Department participated in the application review process. On February 17, 2010 $1.5 billion was awarded to states, tribal governments, cities, counties, and transit agencies across the country to fund 51 innovative transportation projects. Six of these projects are expected to break ground in July 2010.

A new Federal Transit Administration grant program funded by the Recovery Act (*Transit Investments for Greenhouse Gas and Energy Reduction*) likewise provides an opportunity for the Department to signal a shift in the Nation's long-term approach to transportation investment. Similar to the Discretionary Grant program, projects were asked to compete for grant funds based on how much their proposed capital investment is expected to reduce energy consumption or greenhouse gases, or both. As of June 2010, the Federal Transit Administration has awarded 41 of these grants and two more are currently pending. This accounts for the entire $100,000,000 provided for this specific program.

Throughout the implementation of the Recovery Act, DOT has continued its focus on transparency and accountability. This is reflected in heightened management attention to grant, contract, and loan procedures and aggressive, Department-wide risk assessment and mitigation efforts. Even before the Recovery Act was passed in Congress and signed into law by President Obama, the Department created a special team, comprised of senior leadership from throughout the Department, to ensure that any Recovery Act funds appropriated to the Department would be spent quickly, wisely and transparently. This team, known as the TIGER Team (Transportation Investment Generating Economic Recovery), coordinates the Department's role in the economic recovery effort ensuring that funds are allocated properly and transparently.

Since the passage of the Recovery Act, the DOT has made significant progress in achieving the goals of the legislation. During the first seventy weeks of implementation, $37.7 billion of the $48.1 billion has been provided to more than 14,300 projects Nationwide. Nearly 12,300 projects are either underway or completed with many larger projects expected to come on-line in the summer of 2010. These accomplishments are significant milestones in DOT's implementation of the Recovery Act.

II. Funding Summary Table by Appropriation Title

This table includes the amounts appropriated to each DOT Recovery Act program. A status report on DOT's implementation progress is included in Appendix A.

Operating Administration	Treasury Symbol	Budget Authority ($ millions)	Program Name
Office of the Secretary of Transportation	69-0106	1,500	Supplemental Discretionary Grants for a National Surface Transportation System
Federal Aviation Administration	69-1304	200	Facilities and Equipment
	69-1306	1,100	Grants-in-Aid to Airports
Federal Highway Administration	69-0504	27,500	Highway Infrastructure Investment
Federal Railroad Administration	69-0724	1,300	Capital Grants to the National Railroad Passenger Corporation
	69-0718	8,000	Capital Assistance for High Speed Rail Corridors
Federal Transit Administration	69-1133	750	Capital Investment Grants
	69-1102	750	Fixed Guideway Infrastructure Investment
	69-1101	6,900	Transit Capital Assistance
Maritime Administration	69-1771	100	Assistance to Small Shipyards
Office of Inspector General	69-0131	20	Salaries and Expenses
TOTAL	**-----**	**48,120**	**Transportation Total**

III. Agency Coordination

Two weeks before the Recovery Act was signed, U.S. Transportation Secretary Ray LaHood created a dedicated team of professional staff to coordinate its role in President Obama's economic recovery program. This group known as the Transportation Investments Generating Economic Recovery -- or TIGER Team -- was tasked with ensuring that funding under the Recovery Act was rapidly made available for transportation infrastructure projects and that project spending was monitored and reported on in a transparent manner. The DOT TIGER Team is composed of approximately 60 officials from across the Department's Operating Administrations and offices. The team is co-chaired by the Deputy Assistant Secretaries for Budget and Programs, and for Transportation Policy.

Through the implementation of the Recovery Act, the TIGER Team continues to be responsible for coordinating the Department's role in prioritizing Recovery Act transportation investments, distributing funds to State and local governments quickly, and monitoring the distribution of funds. The team developed financial reporting standards, performance measures, a risk management process, and a system for reporting job creation. A virtual workspace for Recovery Act activity and reporting is available through a "TIGER" collector reporting tool, which is used to facilitate collaboration, report critical TIGER Team deadlines and accomplishments, and to share data across the Department.

Initial Implementation

During the first few months of implementation of the Recovery Act, there were eight TIGER Team working groups created to address specific areas that required agency-wide coordination. Each working group was led by senior staff and attended by issue-area experts from across the Department on a weekly basis. A discussion of the specific TIGER Team working groups follows.

Data Collection Stewardship Group

This working group was tasked with responding to the data reporting requirements of the Recovery Act. The Department gathers funding data centrally on each DOT Recovery Act program and reports this data to *www.Recovery.gov* and to the Congress with an unprecedented level of detail and frequency. During the early days of implementation, this working group developed strategies for gathering financial data as efficiently and unobtrusively as possible, with particular attention to data quality. By using a specially adapted "TIGER COLLECTOR Reporting Tool", we have been now able to perform the data consolidation and reporting tasks needed to provide consistently reliable data.

This tool helps ensure that the data reporting functions continue to conform to the Office of Management and Budget's (OMB) implementation guidance, architecture specifications, and templates. It also serves as the final Departmental repository for the following reports required by the Recovery Act or OMB guidance:

1. Recovery Act section 1201 reporting by Recovery Act funding recipients
2. Recovery Act section 1609 NEPA status reporting, and Presidential Quarterly Report

Executive Accountability Board

This working group includes senior management from the Offices of Administration, Budget, Policy, and General Counsel within the Office of the Secretary of Transportation, along with representatives from the five Operating Administrations receiving Recovery Act funding. The Board also includes senior leadership from both the Office of Inspector General (OIG) and the Government Accountability Office (GAO).

A key purpose of this group is to encourage communication between the audit community and audited entities in the Department, facilitate dissemination of information on best practices that result from OIG/GAO activity, and provide a forum to help ensure that the audit community is aware of current actions by the Department. At the same time, this group helps ensure the Department is kept apprised of actions taken and underway by GAO and OIG.

The working group has also expedited action on Recovery Act-related reports issued by OIG and GAO. It has taken responsibility for responding to various OIG reports on Recovery Act implementation, has facilitated efforts to respond to the recommendations, and to close out final action on these recommendations. Similar efforts for OIG and GAO reports will continue throughout the duration of the Recovery Act.

The development and continued use of the Recommendation Action Tracking System, or Recovery-Act "RATS" system helps to keep track of each Recovery Act-related recommendation across the Department with detailed information on the recommendation, the individual responsible for action related to the recommendation, action status, and the results of the action. The system was developed during January and February of 2009, and implemented in March. We continue to rely on this system in addressing concerns raised by the OIG and GAO community through reports and advisories.

At this point in the implementation process, the OIG and GAO review teams have found it helpful to meet frequently with the Operating Administrations to discuss specific issues or areas of concern as their review of the Department's programs continue. As a result, the Executive Group is now meeting periodically when specific concerns arise.

During the early implementation phase, GAO selected a core group of 16 states and the District of Columbia to follow government-wide use of Recovery Act funds. GAO evaluated states' and localities':

1. Planning and decision-making processes;
2. Decisions and justifications for spending Recovery Act funds;
3. Planned accountability approaches;
4. Up-front controls and best practices for grant and contract management;

5. Safeguards against fraud, waste, and abuse; and
6. Assessments of impact.

These reviews have continued through the course of Recovery Act implementation and involve examination of the use of all Recovery Act funds from across the Federal government. The GAO has also begun reviews of the Secretary's new Discretionary Grant program and the Federal Railroad Administration's new High Speed and Intercity Passenger Rail program.

OIG has used a phased approach to Recovery Act funding oversight. This included reviewing acquisition and oversight workforce needs, confirming whether effective grant and financing systems were in place, and reviewing whether or not the Recovery-Act oversight mechanisms were established. They used an "environmental scan" approach to drill down into Operating Administration practices, looking for potential issue areas to guide future inquiries. The OIG has also instituted a process of issuing "ARRA Advisories". The OIG intends for these advisories to focus on specific issues that may be addressed through targeted actions more quickly than is typically the case through traditional OIG reports.

Jobs Reporting

This group has been coordinating the Department's responses to the two separate jobs reporting requirements required by the Recovery Act in Sections 1512 and 1201. The OMB guidance includes government-wide instructions for Section 1512 jobs reporting, which is restricted to direct reporting requirements for grant recipients.

Section 1512 Jobs Reporting:

The Recovery Act requires those receiving Recovery-Act related funds to report the number of direct jobs that result. This requirement applies to all programs that receive Recovery Act-related funding. DOT has been participating in this Government-wide effort and has been working with State and local counterpart organizations to help recipients understand the proper procedures for reporting jobs information based on the reporting guidelines provided by the Office of Management and Budget. We have seen steady improvements in the collection process as the recipient community continues to become more familiar with the reporting procedures.

Based on the data collected from the first three Section 1512 reporting periods, U.S. DOT recipients have reported a weighted average of 41,754 direct jobs. With each direct job created, a wave of indirect and induced jobs is also occurring within the economy.

Section 1201 Jobs Reporting:

While grant recipients have the direct reporting requirement under Section 1512, DOT also has an additional jobs reporting requirement. Section 1201 includes a job reporting requirement that is specific to transportation programs. OMB implementation guidance does not address these requirements. As a result, the Jobs Reporting working group prepared its own draft guidance to assist recipients in complying with these jobs estimates, and distributed it to the Operating Administrations.

Grant recipients are required to provide Section 1201 jobs reports to the Operating Administrations based on the following schedule:

- 90 days after enactment
- 180 days after enactment
- 1 year after enactment
- 2 years after enactment
- 3 years after enactment

As required, the first three deadlines have been met and the jobs information has been provided to the Congress. Recipients report only direct, on-project jobs billed directly to the project. This includes prime contractors, sub-contractors, second tier contractors and State labor. Each Operating Administration then estimates the number of "indirect" jobs and total employment based on the project's outlays, and will use these estimates to develop the Section 1201 reports to Congress.

The Jobs Reporting Group will continue to work with the Recovery Act recipient community during each of the quarterly reporting periods. This group will all ensure that the remaining Section 1201 statutory deadlines are met.

Financial Stewardship

This working group provides a forum for budget and finance staff from across the agency to address the challenges they face in fulfilling the financial reporting requirements of the **Recovery Act**. Its focus has been on identifying, tracking and reporting Recovery Act funding within DELPHI (the Department's official financial management system). The Department has successfully run all financial reporting for the Recovery Act through this system since the beginning of DOT's Recovery Act implementation, and anticipates continued success with this method. The group also developed procedures to ensure consistent reporting of funds moved through reimbursable agreements or transferred outside of the originating Operating Administration.

In addition to financial reporting and data collection, members of this working group have developed risk assessment procedures and guidance for the Operating Administrations that are currently being implemented. These procedures will be discussed in greater detail in Section IV of this report.

The Financial Stewardship working group has proven to be a backbone for the Department's Recovery Act implementation. This group continues to meet weekly to discuss technical issues, to share best practices, and to work through the steps needed to implement the latest Recovery Act guidance.

They frequently report on issues and concerns at the larger TIGER Team meetings and to the TIGER Team leads. Their work provides much of the information used in the official weekly reports.

Financial Assistance

This working group serves as a forum for acquisition and grants officers from the Operating Administrations to address any issues or challenges faced in fulfilling the requirements of the Recovery Act and share best practices learned. Staff members from the OIG also attend the meetings to advise of perceived risks and to learn how the modal administrations are complying with the Recovery Act's oversight requirements after grants are awarded. A Grants Executive Board has also been created to manage risk for all of the Department's financial assistance programs, including those associated with the Recovery Act.

Communications

This working group coordinates major Recovery-Act announcements and events for the Department. One of this working group's primary functions is to coordinate press releases within the Department and across the Administration related to the Department's Recovery Act activities. Local media outlets across the country have picked up those releases, expanding public awareness of the Department's recovery activity.

Most recently, the Communications/Public Affairs Group has reported on the following major events in the transportation arena:

- President Obama and Secretary LaHood traveled to Columbus, Ohio on Friday, June 17, 2010 to participate at the groundbreaking of the Parsons and Livingston Avenue Improvement Project, the 10,000th Recovery Act road project to get underway.

- On May 13, 2010, Secretary LaHood announced that the Choctaw Nation of Oklahoma received the 1,000th grant for transit awarded under the American Recovery and Reinvestment Act (ARRA).

- On March 5, Vice President Biden and Secretary LaHood announced $600 million in new transit awards to 42 states. Those grants allowed the Federal Transit Administration to meet the March 5 deadline for putting all of their Recovery Act transit formula dollars to work.

- On March 1, Vice President Biden and Secretary LaHood visited a construction site in Orlando, Florida, to announce that the Federal Highway Administration had met the deadline to put 100 percent of their Recovery Act highway funding to work.

- On February 17, 2010, the DOT marked the one year anniversary of the Recovery Act by awarding 51 TIGER Discretionary Grants totaling $1.5 billion to projects that have a significant impact on the nation, a region or metropolitan area, particularly those located in economically-distressed areas and with strong job-creation potential. DOT officials will highlight groundbreakings for these projects throughout the summer.

- On January 28, 2010, President Obama and Vice President Biden traveled to Tampa, Florida to announce awards totaling $8 billion in ARRA funds to states across the country to develop the first nationwide program of high-speed intercity passenger rail service.

Public Affairs also produces a video series of interviews with workers on Recovery Act projects entitled "Voices of the Recovery Act," and highlights groundbreakings and job creation on the Secretary's blog. In addition, Secretary LaHood has done interviews on the Recovery Act with *the Chicago Tribune, Associated Press, The Washington Post, the Detroit News, the Arizona Republic, PBS, Bloomberg, WGN Radio, George Will, Business Week, The Ed Schultz Show on MSNBC, NPR, ABC* and many other print, radio and TV outlets.

Information Technology (IT)

This working group is led by the Office of the Chief Information Officer, and works closely with the Communications group to ensure that all of the Recovery Act information required to be made available online is posted on time and meets all of OMB's specifications.

In response to the volume of e-mail and telephone inquiries on the Department's Recovery Act activities, this working group has brought the National Transportation Library's (NTL) Reference Service into the Recovery Act effort. NTL has developed a Frequently Asked Questions (FAQs) website solution to address the most common concerns, and phone and email inquiries are routed to the NTL's Reference Service for response. This Reference Service is offered between 8:00 a.m. and 5:00 p.m., Monday through Friday. The Department strives to respond to all inquiries within 24 hours. Performance metrics for the NTL's Reference Service are also captured, reported, and used to identify additional candidates for FAQs.

The group also coordinates efforts to use Geographic Information Systems (GIS) to map Recovery Act project data on a publicly accessible website. These maps present accurate counts of the number of projects receiving funding in various States and the specific dollars dedicated to Recovery-Act related work. A comparison of the data shows the different ways various States choose to use their transportation-related Recovery dollars. Some choose to target several major projects while others fund a collection of smaller ones depending on the needs of the State and local areas.

The TIGER Team working groups have been critical in identifying challenges, establishing standard procedures, creating milestones, and tracking deliverables. By focusing on specific focus areas, they have been able to put in place the systems needed to track the Department's implementation progress consistently.

Overall Departmental Management

While the TIGER Team working groups focus on targeted implementation concerns, the overarching TIGER Team serves as the senior body in charge of Recovery Act implementation at DOT. This forum provides an opportunity for the working groups to report on technical issues, to identify best practices among the various Operating Administrations, and provides a place to discuss critical issues. It also provides an opportunity for the TIGER Team leads to share the latest guidance and to provide important information for the entire community.

Information on accomplishments, upcoming events, challenges and milestones are reported at TIGER Team meetings so that the entire DOT community is aware of Recovery Act accomplishments and events. The TIGER team co-chairs ensure that this information is also available for use by the Vice President, the Secretary, and the Department's leadership team. Regular updates are submitted as required to the *www.Recovery.gov* website.

The TIGER Team also tracks all reporting deadlines in the OMB guidance and from Congress making sure they are met as required.

IV. Management Oversight

Progress and Performance Measurement

Overall Progress Tracking and Performance Improvement

Progress on distributing Recovery Act funds is reported to Secretary LaHood weekly. The Secretary also meets with the TIGER Team leads at least monthly. Maps and other visualization tools are used to clearly communicate patterns of funding distribution by the Operating Administrations. This information can also be arrayed by program, State, and Congressional District. Regular feedback from the Secretary, on both the progress to date and a variety of management and oversight mechanisms, is then communicated to the TIGER Team, and quickly passed down through the appropriate management chains. The purpose is not only to identify potential problems but also to improve business processes, and continually raise the standards to which the Department holds itself.

In addition, all Senior Executives involved in Recovery Act implementation have a specific condition of performance built in to their individual performance plans. The performance standard states that each contributing Senior Executive will support the implementation of the Recovery Act in such a way that recipients and uses of all funds are transparent to the public and reported clearly, accurately, and in a timely manner to mitigate and minimize waste, fraud, error, and abuse. Specifically, Senior Executives must:

- identify qualified personnel to oversee the implementation of Recovery Act;
- award contracts and distribute funds promptly, fairly, and in a reasonable manner according to standard contract guidelines;

- avoid uncontrollable delays and cost overruns by following program milestones in funding projects; and,
- establish and implement program goals that show continuous improvement.

Performance Tracking and Measurement

The DOT's eleven Program-Specific Recovery Plans, covering each of the Department's major Recovery Act programs, serve as guides for monitoring performance and anticipated achievements at the program level. Program milestones and a limited number of preexisting performance measures are in place to help the Department assess how well the program funds are performing in terms of transportation infrastructure objectives, as well as the employment goals of the Recovery Act. Over the past few months, new measures have been developed for the programs that are new, including the Discretionary (TIGER) Grant program and the High Speed Intercity Passenger Rail program.

The Department relies on its funding recipients to report back on progress at the project level. As discussed above, recipient reporting has required a new reporting relationship between the Department and State and local governments, and more robust information systems have been put into place to process the enormous volumes of data generated during this effort. With each reporting cycle, the process improves and the community understands more clearly what is expected for accurate jobs reporting.

Public Performance Monitoring

While the Department's internal processes at the Department level, program level, and recipient level are all designed to ensure good use of Recovery Act funds, the public plays an important role in monitoring progress and performance. A variety of raw data as well as graphical reports are available for public review.

As more and more Recovery Act project information becomes available, the public may provide feedback on the merits of the projects themselves or on the performance of the recipients of DOT Recovery Act funds.

Early on, the President has asked the Department to put a spotlight on any project it considered to be an imprudent use of recovery funds. We realize the public can also help at the State and local levels in ensuring projects with both near- and long-term economic impact are selected over projects with less promise. The Department will continue to provide a robust data source to support the public's vital role in performance monitoring and to ensure that the accountability for Recovery Act dollars is transparent to the public.

Risk and Corrective Actions

The DOT provides effective oversight to ensure that Recovery Act funds are appropriately monitored by instituting responsible internal controls. Over the past year, the Department has institutionalized a comprehensive Risk Management Plan in each of its Agencies to provide a standardized approach to Risk Mitigation.

Using a four-step approach, which began in April 2009, DOT continues to manage the risks associated with Recovery Act funding. The four-step approach includes the following components:

- **Risk Assessment Questionnaire.** This tool targets immediate areas for mitigation as most program managers promptly initiated corrective action plans to resolve identified gaps.

- **Risk Management Profile.** This profile determines the scope and magnitude of additional programmatic reviews necessary to comply with Recovery Act internal control requirements.

- **Risk Mitigation Strategy.** This strategy describes and documents risk mitigating procedures and/or strategies to address identified risks and are periodically being reviewed and reassessed.

- **Risk Strategy and Validation Testing.** Validation testing ensures that the proper mitigation of all risks that may impede the DOT's achievement of and compliance with Recovery Act objectives are addressed and that proper internal controls are in place. It also helps to ensure that all requirements, mitigation efforts, and other actions are validated and tested for all programs receiving Recovery Act funds.

Since implementing this process, the DOT has required each of its Operating Administrations to prepare monthly updates to closely track each area of identified risk. Additionally, the Operating Administrations are required to analyze each program receiving Recovery Act funds to identify new issues and corresponding risks.

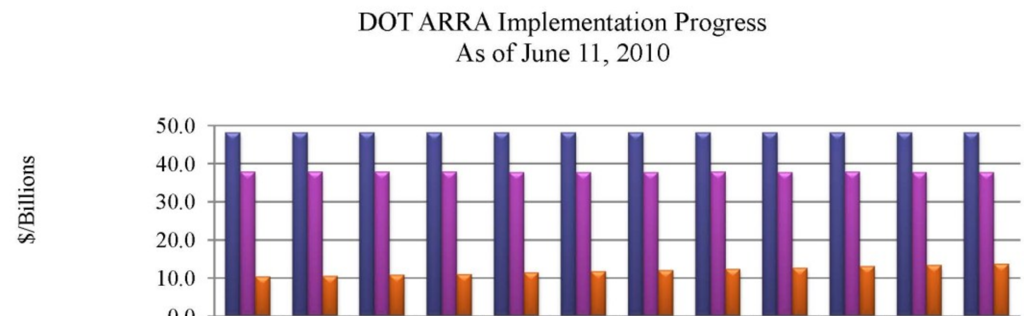
Each area of risk is documented and tracked separately with a comprehensive corrective action plan including detailed information on the vulnerability, dates for mitigation, and current status. This process has provided DOT management with a real-time monitoring and oversight tool. To date, the Department is actively monitoring over 100 corrective action plans related to programs receiving Recovery Act funds.

Lastly, we continue to work in close collaboration with the DOT Office of the Inspector General (OIG) by immediately incorporating their findings into our overall corrective action plans.

Appendix A: Recovery Act Obligation and Outlays

The attached table provides an update of the Department of Transportation's implementation progress as of June 2010. In addition to the total amounts obligated and expended, this table includes the number of projects that have received a "notice to proceed" or other indication from the Federal level that the project meets requirements for receiving Recovery Act funds. It is at this point, that workers are hired, supplies and equipment are purchased and the project commences.

DOT OVERALL PROGRESS
As of June 11, 2010



	Week 58	Week 59	Week 60	Week 61	Week 62	Week 63	Week 64	Week 65	Week 66	Week 67	Week 68	Week 69
Total Appropriation	48.1	48.1	48.1	48.1	48.1	48.1	48.1	48.1	48.1	48.1	48.1	48.1
Total Obligated	37.8	37.8	37.8	37.8	37.7	37.7	37.7	37.8	37.7	37.8	37.7	37.7
Total Outlays	10.264	10.437	10.697	10.892	11.363	11.697	11.908	12.269	12.589	13.033	13.261	13.591

Projects Underway	10,899	11,126	11,325	11,427	11,521	11,658	11,770	12,021	12,090	12,132	**12,295**

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AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

DOT - Agency Specific Program Plans

United States

Department of Transportation

American Recovery and Reinvestment Act

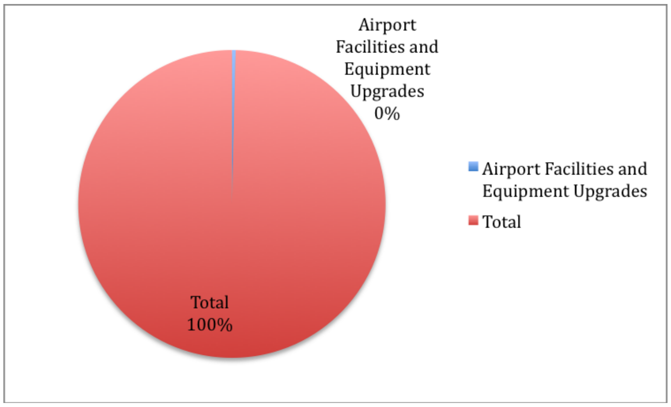
Federal Aviation Administration

Facilities and Equipment

Funding

Funding: $200,000,000

Percentage of DOT total Recovery Act funding: .4%



Type: Discretionary Funding

Period of Availability: Two years (through 2010)

Time line for announcing:

Date	Announcement
FY 2009 & FY2010	The Air Route Traffic Control Center Modernization program has awarded 2 core contract and 4 local contracts totaling $41,431,844 in FY 2009 and will award $8,568,156 in FY 2010.
FY 2009 & FY 2010	The Tower and Terminal Radar Approach Control Facilities Program will award multiple contracts totaling $17,760,000 in FY2009 and $62,240,000 in FY 2010.
FY 2009 & FY 2010	The Power Systems Program has awarded multiple contracts totaling $29,775,770 in FY 2009 and $20,224,230 in FY 2010.
FY 2009 & FY 2010	The Navigation and Landing Program has awarded multiple contracts totaling $11,710,000 in FY 2009 and $8,290,000 in FY 2010.

Web links to all related press releases: http://www.faa.gov/recovery/

Amount allotted for distribution: $200,000,000

Obligations and Outlays:

	September 2009	December 2009	March 2010
Obligations	$ 89,688,479	$ 104,432,409	$ 136,261,038
Outlays	$ 2,461,968	$ 10,404,255	$ 21,157,934

Program Description

Program objectives:

FAA's facilities and equipment program finances major capital investments related to modernizing and improving air traffic control and airway facilities, equipment, and systems. The program provides funds to establish, replace, relocate, or improve air navigation facilities and equipment and aviation safety systems. Recovery funds have been used to upgrade power systems in the amount of $50,000,000, air route traffic control centers in the amount of $50,000,000, airport traffic control towers in the amount of $80,000,000, and navigation and landing equipment in the amount of $20,000,000.

Public benefits:

To provide needed power systems, facility construction, and refurbishments that will improve the function and condition of FAA facilities. In addition, new jobs and the preservation of existing jobs will occur from the construction work that will be undertaken to accomplish the planned facility projects.

Project level activities:

The projects that will be completed under the Recovery Act FAA facilities and equipment program consist of two components. 1) Site survey projects that have determined the exact specifications of the work that will be undertaken at each work site. 2) The completed site surveys resulted in a written scope of work that have been executed under each construction project.

The en route traffic control center program consists of 25 construction projects that will contribute to refurbishing 18 centers that are 40+ years of age. The construction projects include: Exterior wall replacements, elevator replacements, roof replacement and parking lot expansion, and refurbishment of mechanical systems.

The power systems program is implementing replacement and upgrade construction projects at over 120 locations nationwide. The projects include the installation of uninterruptible power supplies, power cable and breaker replacements, installation and upgrades for lightening protection, grounding and bonding, battery replacements, fuel storage tank replacement for engine generators, and installation and upgrade of engine generators.

The air traffic control tower and terminal radar approach control facility program will construct 3 new large tower facilities, partially fund the replacement of 4 small contract towers, and modernize 3 tower facilities.

The navigation and landing program will construct and install 4 airport lighting systems and 3 airport instrument landing systems, purchase antennas to support localizer facilities, and will install replacement lamp monitoring systems at 10 runway sites. In addition, 574 heating ventilation and air conditioning system replacements in unmanned navigation and landing facilities will be implemented at 128 airport locations nationwide.

Funding determination:

There is no formula used in distributing funds

Project selection criteria:

By and large, projects have been completed through existing contracts which were competitively bid. The air traffic control tower and terminal radar approach control facility program did not have contracts already in existence for the planned Recovery Act projects and competitively bid the new contracts.

Funding decisions made by:

U.S. Department of Transportation

Contracting vehicle(s):

The types of contracts that have been utilized to execute the Recovery Act Facilities and Equipment program to the maximum extent possible are firm fixed price contracts. In the event that a cost plus fixed fee contract was used, it included contract maximums and savings incentives.

Primary recipients: Profit organizations

Beneficiaries: General Public

Significant program challenges and mitigation strategies:

Completion of projects within two years of the enactment of ARRA. To mitigate the challenge, FAA has implemented a schedule of review dates and enhanced frequency of reviews. Specifically, there has been 1) an overall program review on a monthly basis; 2) a biweekly project review; 3) a monthly contractor review and 4) ad hoc on-site inspections of contractor performance.

FAA reviews the following performance elements: (1) contractor compliance with contract requirements, (2) technical accomplishments, (3) cost, (4) schedule, (5) job creation and/or preservation, (6) resources, and (7) quality assurance.

Program Activities

Activities:

All the work under this program consists of construction projects.

Milestones

	Milestone	Date	Anticipated Accomplishment
1	Facilities and Equipment projects identified	March 2009	Individual projects were selected from a list of previously validated operational needs that were awaiting funding. Milestone was completed in March 2009.
2	Spend plans and acquisition strategies finalized	March 2009	The plan for awarding contracts and paying incurred expenses for the program is established in conjunction with the proposed contract vehicles that will result in program implementation. Milestone was completed in March 2009.
3	The first individual contract is awarded for the Recovery Act program	May 2009	Contract awarded for modernization projects at the Air Route Traffic Control Center Facilities. Projects include exterior curtain wall replacement, elevator replacement, and sustainment of the major mechanical systems at eighteen locations. Milestone was completed in May 2009.
4	First air route traffic control center project begins	June 2009	This project represents the first of many facility improvement projects at 18 center locations nationwide. Milestone was completed in May 2009.
5	The last air route traffic control center project is completed	January 2011	This milestone represents the 100% completion point for the air route traffic control center portion of the Recovery Act program. To date, 5 individual projects have been completed on time for the air route traffic control center program under the Recovery Act. This program will accomplish 25 individual projects at

			18 locations.
6	First power system contract is awarded	May 2009	First major contract award for the power system program that will result in the implementation of the program. Milestone was completed in May 2009.
7	Construction and installation begins at the first power systems project site	June 2009	This milestone represents the beginning of the implementation of the power systems improvements that will occur at over 120 locations nationwide. Milestone was completed in June 2009 with the beginning of the engine generator project in Atlanta. This $1.6 M power system project is on track to be completed in June 2010.
8	Construction and installation completed at 100% of power systems locations	August 2010	Full completion of all phases of the Recovery Act Power Systems projects at over 120 locations nationwide. To date, 45% of planned power projects have been completed.
9	The first of 10 competitively awarded firm fixed price construction contracts was awarded for the tower program	September 2009	The first tower construction project was awarded and construction began in December 2009.
10	Construction began at Wilkes Barre, PA, on a new tower and terminal radar approach control facility	November 2009	Construction of the new facility anticipated to be completed June 2011.
11	Construction and installation completed at 100% of tower and terminal radar approach control facility locations	September 2012	Full completion of all phases of the Recovery Act tower program.
12	The first navigation and landing program contract is awarded	May 2009	Implementation and construction of the navigation and landing portion of the Recovery Act program will begin. Milestone was completed in May 2009 with the award of a firm fixed price contract to New Bedford

			Panoramex for the purchase and installation of Replacement Lamp Monitoring Systems (RLMS) at 10 locations.
13	The first navigation and landing site begins construction	July 2009	The construction and implementation phase of the program for navigation and landing begins. The completion of the first RLMS project occurred at Ontario, CA, ahead of schedule, in May 2009.
14	Construction and installation completed at 100% of navigation and landing program locations	November 2010	Full completion of all phases of the Recovery Act navigation and landing program. Currently 93% of the planned Navigation and Landing Projects have been completed.

Anticipated Results

Expected Outcome 1: Accelerated work on projects that had not been planned to be initiated until 2010.

Expected Outcome 2: Facility condition will improve through upgrades or replacement.

Expected Outcome 3: Increased availability of National Airspace Facility equipment will occur resulting in fewer system outages.

Expected Outcome 4: Better efficiencies and reduced costs associated with daily operation and maintenance of the facilities and equipment that were replaced/upgraded.

Measure 1: Power systems installed

Explanation of measure: Report on the number of power systems installed on a monthly basis. (approximately 120 sites)

	2009	2010	2011	2012
Target set prior to ARRA	0	13	134	30
New target set with ARRA	36	111	30	0
Measure Frequency: Monthly		Calendar Year ☐ or Fiscal Year ☒		
☒ Higher is better: Yes		☐ Lower is better		

* 177 projects are represented across 120 physical project locations.

** Previous measures included non ARRA projects. Numbers have been changed to show actual and planned projects funded only with ARRA funding.

Measure 2: Air Traffic Control Towers/Terminal Radar Control Facilities modernized or replaced (10 total*)

	2009	2010	2011	2012
Target set prior to ARRA	0	0	0	2
New target set with ARRA	0	0	4	5
Measure Frequency: Monthly		Calendar Year ☐ or Fiscal Year ☒		
☒ Higher is better: Yes		☐ Lower is better		

* 7 Replace; 3 Modernize Projects

** Previous targets reflected FAA's initial planning for tower and terminal radar control facilities. Targets have been updated to reflect actual data for FY 2009 and FY 2010 and more recent planning. Targets represent construction completion dates and show the increased number of ARRA projects to be implemented resulting from current ARRA project savings. All contract awards have been less than anticipated.

Measure 3: En route traffic control center modernization

Explanation of measure: Report monthly number of Air Route Traffic Control Centers modernized. (18 total)

	2009	2010	2011	2012
Target set prior to ARRA	0	3	5	10
New target set with ARRA	1	7	10	0
Measure Frequency: Monthly		Calendar Year ☐ or Fiscal Year ☒		
☒ Higher is better: Yes		☐ Lower is better		

Measure 4: Improvements to navigation/landing facilities.

Explanation of measure: Report monthly on number of sites receiving improvements to navigation/landing facilities. (approximately 136 sites)

	2009	2010	2011	2012
Target set prior to ARRA	0	0	3	2
New target set with ARRA	35	98	3	0
Measure Frequency: Monthly		Calendar Year ☐ or Fiscal Year ☐		
☒ Higher is better: Yes		☐ Lower is better		

* 131 project locations would not be completed without recovery funding.
**Numbers have been changed to show currently funded ARRA projects. Approximately 8 projects were ruled out during the formal site survey study that preceded project implementation.

Measure 5: ARRA projects completed at approximately 340 sites.

Explanation of measure: Calculate the number of Recovery Act FAA Facilities and Equipment projects that have been completed on a monthly basis.

	2009	2010	2011	2012
Target set prior to ARRA	0	16	142	52
New target set with ARRA	72	216	47	5
Measure Frequency: Monthly		Calendar Year ☐ or Fiscal Year ☒		
☒ Higher is better: Yes		☐ Lower is better		

* Previous targets reflected FAA's initial planning ARRA projects. Targets have been updated to reflect actual data for FY 2009 and FY 2010 and more recent planning. Targets show an increased number of ARRA projects to be implemented resulting from current ARRA project savings. All contract awards have been less than anticipated.

Risk Management & Evaluation

The Department of Transportation created a common risk management protocol for each of its Recovery Act programs to follow. It includes (1) completing a risk assessment to identify risks, (2) completing a risk profile to assess risks, (3) developing a risk mitigation strategy to address identified risks, and (4) participating in a validation and testing process to ensure that risks are being addressed. This Recovery Act program is participating fully in the established risk-management process and completed a final Risk Management Plan in September 2009 that was reviewed and validated by an independent audit. This Recovery Act Program reviews the Risk Management Plan Monthly and updates the formal document as required.

General Risk	It is FAA policy that risk management applies to all levels of FAA activity, from small projects to large programs. It applies to such risk areas as cost, schedule, technical, performance, safety, security, human factors, operability, production, supportability, management, funding, and stakeholder satisfaction. The FAA process consists of four steps: (1) gap analysis; (2) develop and execute risk mitigation strategies; (3) track and evaluate mitigation efforts; and (4) continue mitigation activity until risk is eliminated or its consequences reduced to acceptable levels.
Reporting Risk	A gap analysis was performed for the Reporting Risk area. FAA is following the DOT schedule and will submit the various components of the DOT Risk Management Plan consistent with the DOT schedule.
Human Resources Risk	A gap analysis was performed for the Human Resources Risk area and no gaps were identified. FAA Headquarters program staffing is adequate to execute the Recovery Act facilities and equipment program. FAA will continue to monitor this area to ensure that human field resources are applied as necessary to achieve the Recovery Act objectives.
Grants Risk	Not Applicable to the facilities and equipment program because this is not a program that provides grants.
Procurement Risk	A gap analysis was performed for the Procurement Risk area. No gaps were identified.
Budget/Financial Risk	A gap analysis was performed for the Budget/Financial Risk area. No gaps were identified. Existing well-defined processes are in place with the capability to execute Recovery Act requirements without

	modifications.
Systems Risk	A gap analysis was performed for the Systems Risk area. No gaps were identified. Existing IT systems have the capability to handle the Recovery Act requirements without modification.
Audit Investigations Risk	A gap analysis was performed for the Audit and Investigations Risk area. No gaps were identified.
Performance Risk	In the Performance Risk area, the program was assessed from several perspectives: (1) its contribution toward achieving FAA Flight Plan and Recovery Act performance goals; (2) monitoring and measuring of contractor performance; (3) tracking technical, cost, and schedule performance; and (4) monitoring the program for Recovery Act performance. Existing monitoring and review processes, along with financial and scheduling systems, were assessed to determine if required capability was available for monitoring of various performance parameters. The reporting process has been adjusted to accommodate weekly and bi-weekly reporting to facilitate early detection of performance areas needing attention.

Planned program assessment / evaluation:

To ensure that projects selected for the Facilities and Equipment program can be implemented consistent with FAA goals and Recovery Act goals.

Estimated Start Date	Estimated Completion Date
February 2009	April 2009

Results of recent program assessment / evaluation:

The Facilities and Equipment program consists of projects that can be implemented within the required timeframe and meet FAA Flight Plan goals and Recovery Act goals.

Estimated Start Date	Estimated Completion Date
Not Applicable	Not Applicable

Scheduling reviews:

Projects under the Facilities and Equipment program will be reviewed regularly.

Overall Program Review: Monthly

Project Review: Biweekly

Contractor Review: Monthly

Contractor Performance: On site inspections as required.

Communicating with recipients:

The program manager communicates with recipients through monthly program reviews, briefings, video conferences, telecoms, and e-mail. These communications are performed in consultation with the contracting officer. The scope can range from specific programmatic or technical issues to full program reviews. The frequency of program reviews is normally accomplished on a monthly basis. When problems exist that need attention, the frequency of communications can range from daily to weekly.

Communicating with public and stakeholders:

The program manager will communicate to the public via the FAA website http://www.faa.gov/recovery/. Transparency requirements will be met by providing the data required in quarterly section 1512 and monthly 1609 reports. Other information is communicated through electronic, print, broadcast, such as the tiger collector system which has the benefit of allowing the public to engage in email questions and answers.

Collecting and validating project-level data:

The program contracts contain Data Item Descriptions that detail the data and data definitions that the recipient is to report at specified periods. The contracting officer is responsible for assuring the recipient meets all contract requirements. The program manager validates the data through in-plant quality reliability officer input, program office technical and business personnel, and on-site FAA engineers that are monitoring the work and conducting inspections.

Ensuring best use of federal funds:

For jobs creation and retention	The projects selected for Recovery Act funding were operational needs that had been identified through FAA's acquisition planning process. These projects are dedicated to the replacement or sustainment of FAA buildings and equipment and were selected from a prioritized list of infrastructure repairs. Recovery Act funding has allowed the opportunity to accelerate these projects. The FAA has given priority to these projects because acquisition planning had been completed and they consisted primarily of construction projects that would likely provide jobs quickly.
For program or project outputs	The projects selected were validated operational needs and had been through FAA's acquisition planning process. These projects adhered to the guidance in the program specific Recovery Act language directing the FAA to, "make improvements to power systems, air route traffic control centers, air traffic control towers, terminal radar approach control facilities, and navigation and landing equipment." The individual projects were chosen because they were more likely to be executed quickly when compared with other projects within their respective program categories. In addition, FAA chose projects that had high energy efficiency ratings and would return the added benefit of long term budget savings.
For other public benefits	The projects selected were validated operational needs and have been through the FAA acquisition planning process. Implementation of these projects enhances the performance of the national airspace system by maintaining a high level of National Airspace System availability resulting from reduced outages. Increased availability reduces congestion and supports the goal of achieving on-time airport arrivals. The flying public benefits from on time arrivals.

Holding program managers and recipients accountable:

Program Managers	Program Managers are held accountable through their annual performance plans which detail their expected performance. Failure to meet expectations has an adverse impact on potential pay increases.
Primary and Secondary Recipients	Contracting officers are responsible for ensuring that recipients comply with contract requirements. The contracting officer has the authority to order that outside audits be conducted in any contractual area. Acquisition Management System policy provides FAA the authority to terminate projects for non-compliance. Secondary recipients are held accountable by the prime recipient, who is held accountable by the Federal Aviation Administration.

Compliance & Results

Reducing environmental impacts:

Contract requirements will include provisions of the National Energy Conservation Policy Act that require energy and water conservation measures for federal buildings, facilities, or space. Portions of this act have been amended by the Energy Independence and Security Act of 2007 that adopts the energy intensity goals of Executive Order 13423 beginning in year 2008. It provides for enhanced building standards, lighting, water, and energy usage goals. Contract requirements will also include the provisions of Executive Order 13221, Energy Efficient Standby Power Devices that requires the agency to purchase commercial products that use no more than one watt in their external or internal standby power devices or functions. The contracting officer is responsible for ensuring that all contract requirements are compiled with and has the authority to order audits to determine compliance with any or all contract requirements.

Complying with National Environmental Policy:

Contract requirements will include provisions of the National Environmental Policy Act that requires environmental assessment or environmental impact statement for proposed federal actions. The contracting officer is responsible for ensuring that all contract requirements are complied with and has the authority to order audits to determine compliance with any or all contract requirements.

Complying with National Historic Preservation Standards:

The program contract requirements will include the provisions of the National Historic Preservation Act, 16USC 470, that requires federal agencies to take into account the effect of any federal undertaking on any property in or eligible for listing in the National Register of Historic Places. The contracting officer is responsible for ensuring that all contract requirements are complied with and has the authority to order audits to determine compliance with any or all contract requirements.

Holding recipients accountable for energy efficiency and/or green building standards:

The program contract requirements will include the provisions of International Building Code that establishes the current international building code in effect for all new construction of federal buildings. The contract requirements will also include the provisions of Executive Order 13423, Strengthening Federal Environmental, Energy, and Transportation Management (January 24, 2007) that provides that (i) new construction and major renovation of agency buildings; and (ii) 15 percent of the existing federal capital asset building inventory of federal agencies move toward sustainable environmental practices. The contracting officer is responsible for ensuring that all contract requirements are complied with and has the authority to order audits to determine compliance with any or all contract requirements.

United States

Department of Transportation

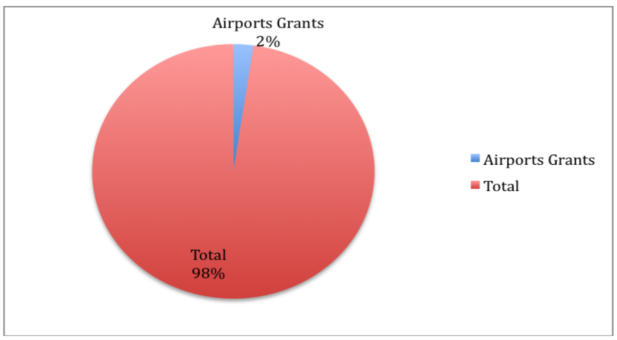
American Recovery and Reinvestment Act

Federal Aviation Administration

Grants in Aid to Airports

Funding

Funding:	$1,100,000,000
Percentage of DOT total Recovery Act funding:	2%



Type:	Grant
Period of Availability:	Two years (through 2010)

Time line for announcing:

Date	Announcement
June 17, 2009	At least 50% of the $1.1 billion in funding provided by Recovery Act, or $550 million, must be awarded within 120 days of enactment.
February 16, 2010	All funding must be awarded within one year of enactment of the Recovery Act or it will be lost.
September 30, 2010	Last day for funds already de-obligated (or recovered) from prior Recovery Act grants to be re-obligated on other Recovery Act grants.

Web links to all related press releases:
http://faa.gov/recovery/communications

Amount allotted for administrative cost: $2,200,000

Amount allotted for distribution: $1,097,800,000

Obligations and Outlays:

	September 2009	December 2009	March 2010
Obligations	$ 1,078,803,954	$ 1,098,745,110	$1,098,627,323
Outlays	$ 179,022,105	$ 487,612,275	$ 622,270,837

Program Description

Program objectives:

Grants-in-Aid for Airports (Recovery Act) funds the planning and development of a safe and efficient national airport system to satisfy the needs of U.S. aviation interests. This includes (but is not limited to) airport improvement grants for development projects that enhance safety, capacity and security. These projects include construction or rehabilitation of new airports, runways, runway safety areas, taxiways, aprons, terminal buildings, and Aircraft Rescue and Fire Fighting (ARFF) buildings.

Public benefits:

1) Increased safety and capacity of the Airport System by building and rehabilitating runways taxiways and aprons;
2) Increased safety with the construction of Aircraft Rescue and Fire Fighting (ARFF) buildings and purchase of ARFF equipment; and
3) Increased capacity of terminal facilities to accommodate growing passenger traffic.

Project level activities:

Project activities include (but are not limited to) airport improvement grants for development projects that enhance safety, capacity and security.

ARRA will fund grants for a wide range of projects at commercial service and general aviation airports for the purpose of improving safety, maintaining and improving capacity, while providing jobs to American workers. These projects include:

- Construction and rehabilitation of runways, taxiways and aprons.
- Installation of airfield guidance signs
- Construction and improvement of Runway Safety Areas.
- Construction of Aircraft Rescue and Fire Fighting (ARFF) buildings and purchase of ARFF equipment.
- Construction, expansion, improvement and rehabilitation of airport terminal facilities.

Funding determination:

There is no formula used in distributing funds

Project selection criteria: Any project eligible for discretionary funding in the regular Airport Improvement Program may be eligible for Grants-in-Aid for Airports (Recovery Act) funding if it also meets the additional requirements of Recovery Act. Recovery Act funds must not supplant planned FY2009 expenditures from airport-generated revenues or from other State and local sources for airport development activities. Priority consideration will be given to those projects that can be awarded within 120 days (by June 17, 2009) and that can be completed within two years of the date of enactment of the Act (February 16, 2011).(See the "Recovery Act Guidance (PDF)" link at http://www.faa.gov/recovery/programs/)

Funding decisions made by: Region/Metropolitan Planning Organizaton/District

Contracting vehicle(s):

Construction contracts issued by Sponsors under the airports improvement program are, in general, firm-fixed price contracts.

Primary recipients: State/Local

Beneficiaries: General Public

Significant program challenges and mitigation strategies:
Meeting timeline for project completion under Legislation. The FAA is requiring grant recipients (sponsors) to commit to project timelines specified by the legislation as part of project selection and grant award processes. In addition FAA has implemented outreach to airport managers association, sponsors, and awardees to ensure understanding of ARRA requirements.

Program Activities

Activities:

Construction or rehabilitation of new airports, runways, runway safety areas, taxiways, aprons, terminal buildings, and Aircraft Rescue and Fire Fighting (ARFF) buildings.

Milestones:

	Milestone	Date	Anticipated Accomplishment
1	50% of Grants-In-Aid Recovery Act funding is awarded	June 2009	At least 50% of funding must be awarded by 120 days from enactment (June 17, 2009) in accordance with all relevant requirements. (As of June 17, 2009, target exceeded with 65% of funding awarded.)
2	100% of Grants-in-Aid for Airports Recovery Act funding is awarded.	February 2010	All funding must be awarded by one year from enactment (February 16, 2010) in accordance with all relevant requirements. (as of December 31, 2009, 100% of funding awarded)
3	100% of funds recovered grant funding is re-awarded.	September 2010	Any funds recovered by FAA due to final cost underruns on projects must be re-obligated by September 30th, 2010.
4	100% of Grants-in-aid Recovery Act projects	February 2011	All grants issued as part of the ARRA program should be completed by evidence by the project's final

	must be completed.		inspection.

Anticipated Results

Expected Outcome 1:

System safety and capacity projects awarded with ARRA funds will be accelerated and substantive gains realized within two years.

Expected Outcome 2:

Increased capacity to accommodate growing passenger traffic through the accelerated construction or rehabilitation of airports.

Expected Outcome 3:
Increased safety and capacity of the Airport System by building and rehabilitating runways, taxiways, runway safety areas, and aprons.

Expected Outcome 4:
Increased capacity of terminal facilities to accommodate growing passenger traffic.

Expected Outcome 5:
Increased safety with the construction of Aircraft Rescue and Fire Fighting (ARFF) buildings and purchase of ARFF equipment.

Measure 1: Quality of Projects selected, based on the National Priority Rating system used for the Airport Improvement Program.

Explanation of measure: The National Priority Rating system provides uniform criteria so that project funding decisions are made consistently and funds are used efficiently. Highest priority is given to projects relating to safety, security, reconstruction, standards, and capacity. The National Priority Rating system is one of several factors used in project funding decisions. Projects below 62 NPR may be selected if there is adequate documentation to justify the selection to the satisfaction of the FAA.

	2009	2010	2011	2012
Target set prior to ARRA	41	41	41	41
New target set with ARRA	62	62	62	62
Measure Frequency: Annually	Calendar Year ☐ or Fiscal Year X			

☒ Higher is better: Yes	☐ Lower is better

Measure 2: Projects awarded by category: Airside (runways, taxiways, runway safety areas, aprons, etc.), Landside (terminal buildings, access roads, etc.), and Other (including, but not limited to: equipment, aircraft rescue and fire fighting buildings, and noise mitigation).

Explanation of measure: This is a tabulation of the quantity of projects awarded in grant by project category. Some grants may contain multiple projects in different categories. FAA expects to award all ARRA projects in FY 2009.

	2009	2010	2011	2012
Target set prior to ARRA (AIP)	N/A*	N/A	N/A	N/A
New target set with ARRA:				
Number of Airside Projects	249	28	0	0
Number of Landside Projects	24	3	0	0
Number of Other Projects	35	4	0	0
Measure Frequency: Monthly	Calendar Year ☐ or Fiscal Year ☒			
☒ Higher is better: Yes	☐ Lower is better			

* FAA does not have historical data on which to base targets for AIP projects awarded.

Measure 3: Number of projects completed by category: Airside (runways, taxiways, runway safety areas, aprons, etc.), Landside (terminal buildings, access roads, etc.), and Other (including, but not limited to: equipment, aircraft rescue and fire fighting buildings, and noise mitigation).

Explanation of measure: This is a tabulation of the quantity of projects completed by project category as determined by the project final inspection.

	2009	2010	2011	2012
Target set prior to ARRA (AIP)	N/A*	N/A	N/A	N/A
New target set with ARRA:				
Number of Airside Projects	0	139	110	28
Number of Landside Projects	0	14	10	3
Number of Other Projects	0	20	15	4
Measure Frequency: Monthly		Calendar Year ☐ or Fiscal Year ☒		
☒ Higher is better: Yes		☐ Lower is better		

* FAA does not have historical data on which to base targets for AIP projects completed.

Risk Management & Evaluation

The Department of Transportation created a common risk management protocol for each of its Recovery Act programs to follow. It includes (1) completing a risk assessment to identify risks, (2) completing a risk profile to assess risks, (3) developing a risk mitigation strategy to address identified risks, and (4) participating in a validation and testing process to ensure that risks are being addressed. This Recovery Act program is participating fully in the established risk-management process and may even enhance that process with additional program-specific risk management actions.

General Risk	The FAA's Office of Airports and Internal Controls Division have completed a Risk Assessment Questionnaire. Areas of potential risk have been identified and a Risk Mitigation Strategy has been prepared for the identified risks. Management will meet quarterly to determine if further actions are needed to mitigate identified risks and to identify and mitigate new and emerging risks
Reporting Risk	Reporting risks identified are associated with the evolving reporting requirements, the time needed to implement modifications to systems to meet new reporting needs, and the validity of data reported by grant recipients on jobs.
Human Resources Risk	Field and HQ offices have identified additional personnel needs. Senior management evaluated these assessments and formulated strategies to address. These strategies included the creation of temporary detail assignments and pursuing waivers to allow the hire of retired annuitants.
Grants Risk	The existing Airport Improvement Program has a risk assessment program. Sponsors/grants identified during project review are assigned a risk level. Those sponsors/grants identified as a higher risk are subject to submission of additional project documentation and project oversight. See Program Guidance Letter 2007-01 (available at: http://www.faa.gov/airports/aip/guidance_letters/).
Procurement Risk	Procurement Risk is low due to the reliance on sponsor certification. Sponsors accept grant obligations and provide assurances/certify to prompt, fair, and reasonable contract awards. Risk is addressed in Recovery Act Stakeholder Guidance, Section 14: Special Grant Conditions, Item B [http://www.faa.gov/airports/aip/]
Budget/Financial Risk	Known risks associated with internal control of sponsor payments through ECHO (Electronic Clearing House Operation). Risk also associated with improper payments.

	Mitigation strategies under development, and will include contractor support to review payments.
Systems Risk	We have used a combination of grant mangement, financial management, and field reporting systems to address evolving reporting requirements. FAA developed an internal ARRA data collector for grant recipients to report 1201c and monthly data. Modifications to our grant management system have been implemented to address all reporting requirements. Medium risk associated with sponsor-provided data. Risks and mitigating strategies have been developed to review grant recipient provided data and compare responses against existing FAA Airports grant management system. Risk continue to be assessed as guidance and methods for collecting grant recipient data are available.
Audit/Investigations Risk	The FAA has one outstanding finding from the OIG's 2006 Inactive Obligation audit. The FAA recently addressed this finding by implementing an interface between the grant management system and financial management system. All other audit findings have been addressed in a timely manner. We anticipate forthcoming audit findings associated with improper payments, and are committed to addressing all issues identified.
Performance Risk	Performance risk is low because the FAA does not provide direct project oversight with regard to project cost and performance. Instead, FAA holds the sponsor responsible for management of the project. The FAA receives reports issued by full-time resident inspectors monitoring project schedules and finances retained by sponsor.

Planned program assessment / evaluation:

Existing, ongoing assessments will be expanded to include Recovery Act processes through FY-2011.

1. The Office of Airports conducts evaluations of regional program implementation on a rotating basis (2-3 Regions/FY as resources permit).
2. Each Regional Airports Division conducts internal audits of grant documentation on a quarterly basis. Recovery Act grants will be added to the universe from which samples are identified.

The evaluations will ensure compliance with general airport grant guidance and specific grant documentation guidance. The grant documentation provides evidence of the completion of the project as originally justified while meeting requirements of the Recovery Act.

Estimated Start Date	Estimated Completion Date
March 2010	September 2010

Results of recent program assessment / evaluation:

There has not been a recent assessment of this program.

Estimated Start Date	Estimated Completion Date
Not Applicable	Not Applicable

Accountability & Transparency

Scheduling reviews:

The grantees submit required documentation at varying milestones of project development established by existing policy, such as at bid, pre-construction meeting, notice-to-proceed, final inspection, etc.

Performance elements to be reviewed: Grant documentation such as certifications and invoices, and reporting requirements such as payment draw-down and the number of jobs created or sustained.

Communicating with recipients:

The communication plan will follow the standard communication process in place for the normal Airport Improvement Program. This consists of program manager communications with individual airport sponsors on program issues of eligibility, project justification, time schedules, required submittals and reporting.

Communicating with public and stakeholders:

The FAA has established the website faa.gov/recovery in order to directly provide the public and stakeholders with a question and answer section, stakeholder guidance and a list of approved Recovery Act projects. Major communications and press releases can also be found on the website. In addition, visitors to the website have the opportunity to email the FAA directly with questions or comments related to the Recovery Act program. The FAA has also established a process to support grant recipient reporting through its Regional Offices.

Collecting and validating project-level data:

Data collection follows the established process specified in the Airport Improvement Program Handbook, Order 5100.38C, which specifies what documentation and project data must be shared with the FAA based on the type of project.

Additional Recovery Act-specific data collection requirements were addressed as guidance became available. The FAA adhered reporting requirements for ARRA. FAA developed an internal ARRA data collector for grant recipients to report 1201c and monthly data. Additionally, FAA developed and implemented data validation processes applied to recipient reported data submitted to FederalReporting.Gov, as well as, data submitted to FAA via the ARRA data collector.

The FAA will conduct internal audits to ensure that Recovery Act grant sponsors are providing the FAA with appropriate documentation as specified in the AIP Handbook and in Recovery Act-specific guidance.

Ensuring best use of federal funds:

For jobs creation and retention	Projects selected for Recovery Act funding were based on consideration for the intent of the Recovery Act legislation to preserve and create jobs and promote economic recovery. To ensure that all
For program or project outputs	In addition to selecting projects most likely to result in job creation, the normal National Priority Rating system is used to ensure the most beneficial projects to the safety, capacity, and security of the nation's system of public airports are selected. Recovery Act grants are generally held to a higher standard than normal Airport Improvement Program projects (a National Priority Rating threshold of 62 for most Recovery Act projects, instead of the 40-42 threshold usually applied to program projects). The FAA approved 30 Recovery Act projects that fell within 42-62 NPR because they were justified.
For other public benefits	These projects will benefit the public by providing new or preserved transportation infrastructure to facilitate commerce and positively impact safety.

Holding program managers and recipients accountable:

Program Managers	FAA program managers and other employees involved in implementing Recovery Act are being held to a new employee performance objective to ensure that responsibilities associated with Recovery Act are a part of individual performance evaluations.
Primary and Secondary Recipients	Recovery Act grant recipients are being advised that their adherence to Recovery Act requirements may be considered in future Airport Improvement Program discretionary funding decisions. They are also required to certify to special grant conditions in order to receive an Recovery Act grant obligation (see Stakeholder Guidance, Attachment 1 – Airport Sponsor Certification, available at www.faa.gov/recovery/programs).

Compliance & Results

Reducing environmental impacts: All projects funded by Recovery Act funds were required to be ready to implement at time of award, and consequently met all existing environmental requirements as required by the National Environment Policy Act (NEPA).

Complying with National Environmental Policy: The FAA must review and approve National Environmental Policy Act analysis provided by the project sponsor before a Recovery Act grant can be considered "shovel ready." This analysis may include a categorical exclusion determination, an environmental assessment, or an environmental impact statement.

Complying with National Historic Preservation Standards: National Historic Preservation Standards are included with National Environmental Policy Act analysis.

Holding recipients accountable for energy efficiency and/or green building standards: The FAA allowed grant recipients to determine what energy efficiency and/or green building standards should be used for development of Recovery Act projects.

United States

Department of Transportation

American Recovery and Reinvestment Act

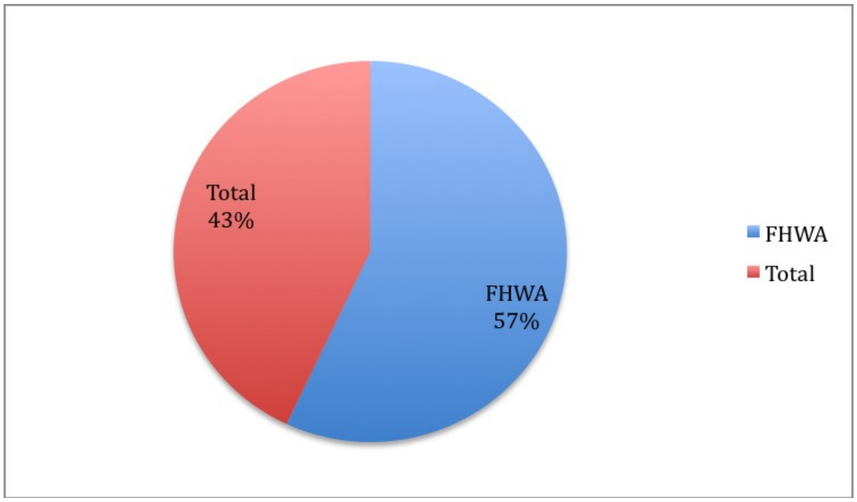
Federal Highway Administration

Highway Infrastructure Investment

Funding

Funding: $27,500,000,000

Percentage of DOT total Recovery Act funding: 57%



* Please note this does not include amounts transferred from the Highway Infrastructure Account to FTA and outside agencies.

Type: Formula and Discretionary funding
Period of Availability: Two years (through 2010)

Major Funding Announcements:

Date	Announcement
March 2010	Requirement to obligate 100 percent of Highway Infrastructure Investment Grant Funds was met.
April 2010	All Discretionary Grant Program Grant Funds were awarded.

Amount allotted for administrative cost: $40,000,000

Amount A for distribution: $27,460,000,000

Amount issued as of Aug 2009 $27,036,823,220[1]

Obligations and Outlays:

	September 2009	December 2009	March 2010
Obligations	$ 19,492,827,688	$ 22,666,586,831	$ 26,468,036,061
Outlays	$ 2,416,172,114	$ 5,690,823,588	$ 7,108,159,662

Program Description

Program objectives:

The Federal Highway Administration (FHWA) is uniquely positioned to administer the Highway Infrastructure Investment portion of the American Recovery and Reinvestment Act of 2009 (Recovery Act); in particular, the goal to "invest in transportation, environmental protection, and other infrastructure that will provide longer term economic benefits" to the Nation. As public stewards of the Federal Highway Program, the FHWA currently provides technical assistance and funding to States and Metropolitan Planning Organizations for the development, operation, and maintenance of the national system of highways and roads. In addition, the FHWA provides funds and oversight to improve the transportation system serving Federal and tribal lands. The Recovery Act funds will augment current investments, authorized by SAFETEA-LU, from the Highway Trust Fund and enable states, regional and local governments to accelerate to completion a number of highway infrastructure projects planned or now underway.

Public benefits:

The Recovery Act will fund Highway Infrastructure projects with longer-term societal and economic benefits. The Federal (Federal-Aid and Federal Land) Highway Program addresses a number of societal concerns such as increased demand for system capacity to meet the expanding movement of goods and people, maintaining an aging infrastructure, the continuing need to improve highway safety and security, and the costly burden of traffic congestion. Most of the Recovery Act project funds are being used to maintain and improve pavement condition, which should reduce wear and tear on vehicles and lower operating costs for drivers. The Federal Highway program also ensures a connected system of roads that serve interstate, regional, and national needs. No other Federal program addresses this purpose. In addition, the Federal Lands Highway program provides for the management and oversight of roads on public lands and Indian reservations.

[1] Number reflects the total amount available for obligation after $423,176,780 in Flex-Fund Transfers made by recipients to FTA for eligible transit projects pursuant to Title 23 U.S.C.

Project level activities:

ARRA funds will be administered under the existing Federal Aid Highway Program goals and regulations. Funds may be used for restoration, repair, construction and other activities eligible under the Surface Transportation Program (STP) as defined within 23 U.S.C. 133(b), and for passenger and freight rail transportation and port infrastructure projects eligible for assistance under subsection 23 U.S.C. 601(a)(8). Priority will be given to projects with a completion time prior to February, 2012 and to projects located in Economically Distressed Areas as defined by section 301 of the Public Works and Economic Development Act of 1965, as amended (42 U.S.C. 3161). Funds will also be used by recipients in a manner that maximizes job creation and economic benefit.

As of the second Quarter of FY2010, or March 31, 2010, the following dollar amounts and their percentages relative to the total amount of funds obligated:

Project Type	Obligations	% Total
Bridge Improvement	$1,181,065,225	5%
Bridge Replacement	$1,457,143,253	6%
New Bridge Construction	$577,514,936	2%
New Construction	$1,922,299,453	7%
Other	$685,748,892	3%
Pavement Improvement	$13,243,396,343	51%
Pavement Widening	$4,693,518,357	18%
Safety/Traffic Management	$1,329,288,937	5%
Transportation Enhancements	$1,082,264,429	4%
TOTAL	**$26,172,239,825**	**100.0%**

A selection of some of the major projects across the country funded in whole or part with Recovery Act funds include:

1. Adding additional High Occupancy Vehicle (HOV) lanes in California ($189 million),
2. New bridge construction in Florida and Connecticut ($127 million and $72 million, respectively), and Bridge Preservation work on the I-95 Girard Point Bridge in Pennsylvania ($66 million)
3. Major road rehabilitation projects in New Jersey (Route 295, $81 million), Kansas (U.S. 69 Corridor in Overland Park, $52 million) and New York (Route 112 in Brookhaven, $49 million).
4. Construction of the Dallas-Ft. Worth Connector in Texas ($250 million)
5. Construction of the Nelsonville Bypass in Ohio ($120 million)
6. Preservation of the Girard Point Bridge on I-95 over the Schuylkill River in Philadelphia, Pennsylvania ($77 million)

A map depicting all of the projects in the U.S. that were funded in whole or part is available at https://fhwaapps.fhwa.dot.gov/rap/

Funding determination:

Half of the funds were apportioned to States based on a weighted formula using the total lane miles of Federal-aid highways, total vehicle miles traveled on Federal-aid highways, and the estimated tax payments attributable to highway users that are paid into the Highway account of the Highway Trust Fund. The remaining funds were obligated based on each State's share of FY 2008 Obligation Limitation funding. The legislation requires a redistribution of funds from States that have not obligated more than 50 percent of funds awarded to that State within 120 days of apportionment (June 29, 2009) with the remainder of the funds subject to redistribution as of February 17, 2010. www.fhwa.dot.gov/economicrecovery/arardistribution.htm

Federal Lands Program, Territorial Highway, Ferry Boats, Disadvantaged Business Enterprises and Oversight/Administration expense amounts were determined by Recovery Act legislation. For Federal Lands Highway, the individual program amounts were also defined in the legislation.

Project selection criteria:

Projects are selected by each State under normal Federal-aid Highway Program procedures (CFDA 20.205) and Recovery Act-specific guidance, which is located at http://www.fhwa.dot.gov/economicrecovery/guidancelist.htm.

Funds may be used for restoration, repair, construction and other activities eligible under the Surface Transportation Program (STP) as defined within 23 U.S.C. 133(b), and for passenger and freight rail transportation and port infrastructure projects eligible for assistance under subsection 23 U.S.C. 601(a)(8). Priority will be given to projects that can be completed by February 17, 2010 and those projects located in economically-distressed areas. Recovery Act funds are not eligible to be used for advanced construction purposes, or for expenses incurred prior to their obligation on a project.

Funding decisions made by:

State, Region/Metropolitan Planning Organization/District and Local Government.

Contracting vehicle(s):

FHWA has awarded a series of Blanket Purchase Agreements (BPA) to support the Division offices with Recovery Act oversight. Orders under a BPA are expected to be firm fixed priced. These BPAs will also support HQ activities.

Primary recipients: States

Beneficiaries: General Public

Significant program challenges and mitigation strategies:

At present the only regulatory barrier faced by the program is obtaining Paperwork Reduction Act approval for forms used by states & contractors to report information on Recovery Act-funded projects (excluding Section 1201 reporting). If FHWA fails to receive approval beyond the 6 month waiver already granted, the Agency's ability to meet reporting requirements, especially in terms of the number of jobs created, could be threatened.

Challenge 1: Local Public Agency (LPA) Oversight - Challenge - This risk includes lack of experience of some LPAs in handling Federal aid projects and the lack of oversight by some State DOTs in ensuring proper management of Federal-aid projects. There will be time pressure on local projects that may be less ready-to-go than State DOT projects. The temptation will be to circumvent procurement and bidding procedures, and/or to use other non-compliant procedures that are more familiar. Other concerns are that LPAs may have inadequate quality assurance and inspection procedures and may violate other requirements such as Davis Bacon and Buy America, and may use funds for ineligible purposes."

Challenge 2: Plans, Specifications, and Estimates (PS&E) Quality - With aggressive project obligation schedules there was the potential for increased errors and omissions leading to change orders, cost overruns, delays, permit violations, and substandard products. With most projects authorized and moving into the construction phase, Plan, Specification & Estimates is no longer considered as a key agency challenge.

Challenge 3: Contract Administration - This risk area includes the areas of procurement, bidding, and the management of contract terms and changes. In the rush to get projects out the door, appropriate procurement processes may be circumvented. The large influx of dollars may limit competition and industry may have inadequate capacity to handle the work leading to price escalation and delays. There may be an increased potential for price fixing and bid rigging. This risk area also includes managing the risks of inadequate local and State oversight and management of contract changes that could lead to cost increases and time delays. This area is of particular concern because of the high dollar values involved.

Challenge 4: Quality Assurance - The quality of construction and materials continues to be a high-risk area. Where there are weak procedures in place, potentially untrained or inadequate inspection personnel, and a time and material squeeze on contractors, there may be substandard material acceptance and construction. Increased funding levels may stress the quality assurance programs of States who generally handle this well. In addition to waste, fraud, or abuse impacts, this area threatens the service life of facilities, environmental compliance, and the safety of the traveling public.

Challenge 5: Disadvantaged Business Enterprise (DBE) Program -With a substantially increased program, there could be difficulties in meeting DBE goals. Where there is inadequate industry capacity, there may be attempts by contractors to avoid or the States to relax scrutiny of good faith efforts, and temptation to use front companies. The Commercially Useful Function requirement is an area of known risk for fraud and abuse.

Challenge 6: Eligibility/Improper Payments - Where there are weak internal controls for the segregation, expenditure, and billing of Federal funds, ineligible costs may be billed and paid, resulting in non-compliance with requirements of the legislation.

Challenge 7: Achievement of Program Goals - Public expectations are high regarding the Recovery Act. FHWA has an opportunity to either build or lose credibility depending on how well the Recovery Act projects are managed. With the major milestones for fund obligation successfully achieved, this overarching area is no longer considered a key challenge.

Challenge 8: Indian Reservation Roads (IRR) Program - Indian Reservation Roads (IRR) Program - The IRR Program has previously been identified as high risk by FLH, and is high risk for Recovery Act. Reasons driving the high risk include: the program uses a tribal share regulatory formula resulting in Recovery Act funds being made available proportionally to all 562 federally recognized tribes; complex political and sovereignty issues, including Tribal rights of first refusal for contract performance; varied tribal levels of transportation expertise, and the nationwide effort required by the Federal Government to carry out the program stewardship and oversight on the Tribes.

Challenge 9: (New) Work Zone Safety and Mobility – With over 12,000 Recovery funded projects and construction expected to peak in 2010, there will be active work zones all over the country. This will increase the risk of ineffective work zone traffic control leading to unsafe situations for workers and drivers. In addition, there is a risk of non-compliance with the Work Zone Final Rule, particularly on locally administered projects.

Challenge 10: (New) Data Quality and Integrity – The data reporting requirements with ARRA have been significant. With emphasis on transparency and timely reporting, there will be external weaknesses in the timeliness and accuracy of reporting, and internal risks regarding the capacity for system development, data accessibility, reporting, and analysis.

In FY 2009, FHWA identified eight strategies to respond to Recovery Act challenges. The cross-cutting risk mitigation strategies address the challenges by building capacity, providing guidance and information, and ensuring oversight:

1. Resource Enhancement
2. Communication and Education

3. Sharing Risk with Partners, particularly State DOTs
4. Enhanced Division Office Oversight
5. National Oversight
6. Measure, Monitor, and Periodically Review
7. Information and Tool Development
8. Reassessment and Feedback
9. Federal Lands Highway Risk Management Strategies

In FY 2010, FHWA will continue to pursue the following mitigation strategies:

- Implement the Recovery Act risk management plan, including an enhanced visible monitoring approach to program oversight.
- Execute an aggressive monitoring program of Recovery Act projects and share best practices or lessons learned.
- Aggressively implement Recovery Act reporting requirements.
- Continue Recovery Act communication and education with State and local decision makers and practitioners, adjusted for the FY 2009 experiences.

Program Activities

Milestones:

	Milestone	Date	Anticipated Accomplishment	Status
1	Apportionment of Funds	March 2009	Made available $26,810,000,000 in Recovery Act program funds to State and Territorial DOTs, and made available $550,000,000 to Federal Lands and Indian Reservations.	Completed
2	Develop an Agency-wide Risk Management Plan based on Risk Management Plans submitted by FHWA Offices.	April 2009	FHWA Risk Management Plan released to public at FHWA Recovery Act Web site. The risk management plan was developed with input from all FHWA program and division offices. The risk management plan is available on FHWA's recovery website.	Completed
3	On the Job Training and Ferry Boat Grants Awarded	July 2009	Awarded $6.7 million in On the Job Training/Support Services Grants to recipients in 13 states and $60 million in Ferry Boat Grants for 29 projects in 19 states and one territory.	Completed

4	120 day Redistribution	June 2009	June 19, 2009- All States met the requirement to obligate 50% of eligible funds within 120 days of apportionment as required by Recovery Act legislation.	Completed
5	One Year Redistribution	February 2010	Deadline for obligating all Recovery Act funds; those not obligated by February 17, 2010 subject to redistribution per legislation. States will obligate RECOVERY ACT funds on an on-going basis. State DOT's will be provided information on a regular basis by FHWA division offices per their obligation status. Administrative funds are not subject to this deadline	Completed
6	Obligations of Recovery Act funds must be made	Sept. 2010	FHWA's existing fiscal management systems give state DOTs and FHWA division offices the ability to identify the amount and type of funds that must be obligated to meet this requirement. FHWA division offices and HQ will conduct oversight activities, including ensuring that 1511 and other reports are submitted in a timely manner in order to facilitate quick obligations. This is the final deadline for obligating Grant funding (administrative funds excepted).	Ongoing
7	Implement National Review Teams	June 2009	National Review Teams began on-site project reviews in June, 2009. The 4 Review Teams are focusing on issues including Contract Administration, Project Plans Specifications & Estimates, Disadvantaged Business Enterprises, Quality Assurance, Payment Eligibility and Local Public Agencies. As of May 4, 2010 the Review Teams had visited all 50 states, the District of Columbia, and Puerto Rico. The teams have conducted 95 site visits and reviewed 163 risk areas involving 663 ARRA projects	Ongoing

Anticipated Results

Measure 1: Pavement Condition, Good Ride Quality

Explanation of measure: Percent of travel, i.e. vehicle miles traveled, on the National Highway System meeting pavement performance standards for good rated ride. The current year rating is based information gathered over the previous two years.

Pavement Condition, Good Ride Quality				
	2009	**2010**	**2011**	**2012**
Target set prior to ARRA	57%	58%	59%	60%
New target set with ARRA	57%	58%	59%	60%
Actual	56%			
Measured by Fiscal Year		Higher is better		

Measure 2: Percent of Recovery Act Funds Obligated

Explanation of measure: Percent of Recovery Act funds fully obligated by the States and other FHWA grant recipients as reported in the Financial Management Information System (FMIS).

Percent of Recovery Act Funds Obligated										
	FY 2009				**FY 2010**				**FY 2011**	**FY 2012**
Qtr	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q4**	**Q4**
Target set prior to ARRA	75%				100%				100%	100%
New target set with ARRA	75%				100%				100%	100%
Actual	0%	15%	60%	72%	87%	99%				
Measured by Quarter				Higher is better						

Measure 3: Percent of Recovery Act Funds Expended

Explanation of measure: Percent of funds expended by the States and other FHWA grant recipients as reported in the Financial Management Information System (FMIS).

Percent of Recovery Act Funds Expended										
	FY 2009				**FY 2010**				**FY 2011**	**FY 2012**
Qtr	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q4**	**Q4**
Target set prior to ARRA	20%				63%				81%	93%
New target set with ARRA	20%				63%				81%	93%
Actual	0%	0%	4%	9%	21%	27%				
Measured by Quarter					Higher is better					

Performance Indicator 1: Miles of pavement improved projects under Construction, fully and partially funded.

Explanation of indicator: Miles of pavement improved on projects issued a Notice to Proceed that are fully or partially funded by Recovery Act. This does not include safety, traffic management, and capacity expansion projects, which are reported separately below. Information obtained from the Recovery Act Data System (RADS) using the project length provided by the states.

Miles of pavement improved projects under Construction, fully and partially funded.										
	2009				2010				2011	2012
Qtr	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q4	Q4
Actual	0	14,326		16,741	22,927					
Measured by Quarter					Higher is better					

Performance Indicator 2: Miles of safety and traffic management improvement projects under construction, fully and partially funded.

Explanation of indicator: Miles of safety and traffic management improvements on projects issued a Notice to Proceed that are fully or partially funded by Recovery Act. Information obtained from the Recovery Act Data System (RADS) using the project length provided by the states.

Miles of safety and traffic management improvement projects under construction, fully and partially funded.										
	2009				2010				2011	2012
Qtr	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q4	Q4
Actual	0	1,555		2,256	3,287					
Measured by Quarter					Higher is better					

Performance Indicator 3: Miles of capacity expansion projects under Construction, fully and partially funded.

Explanation of indicator: Miles of capacity expansion on projects issued a Notice to Proceed that are fully or partially funded by Recovery Act. Information obtained from the Recovery Act Data System (RADS) using the project length provided by the states.

Miles of capacity expansion projects under Construction, fully and partially funded.										
	2009				2010				2011	2012
Qtr	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q4	Q4
Actual	0	664		501	715					
Measured by Quarter					Higher is better					

Performance Indicator 4: Number of Bridge Projects under Construction, fully and partially funded.

Explanation of indicator: Number bridge projects issued a Notice to Proceed that are fully or partially funded by Recovery Act. Information obtained from the Fiscal Management Information System (FMIS) and the Recovery Act Data System (RADS).

Number of Bridge Projects under Construction, fully and partially funded.										
	2009				2010				2011	2012
Qtr	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q4**	**Q4**
Actual	0	680		846	1,067					
% of all Projects	0	13.3%		13.4%	11.9%					
Measured by Quarter					Higher is better					

Performance Indicator 5: Number of Transportation Enhancement (and Other) Projects under Construction, fully and partially funded.

Explanation of indicator: Number of Transportation Enhancement (and Other) projects issued a Notice to Proceed that are fully or partially funded by Recovery Act. Information obtained from the Fiscal Management Information System (FMIS) and the Recovery Act Data System (RADS).

Number of Transportation Enhancement (and Other) Projects under construction, fully and partially funded.										
	2009				2010				2011	2012
Period	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q4**	**Q4**
Actual	0	705		980	1,314					
% of all Projects	0	13.9%		15.5%	14.6%					
Measured by Quarter					Higher is better					

Performance Indicator 6: Number of "Green" Projects under Construction, fully and partially funded.

Explanation of indicator: Number of "Green" projects issued a Notice to Proceed that are fully or partially funded by Recovery Act. Information obtained from the Fiscal Management Information System (FMIS) and the Recovery Act Data System (RADS). A Green project is defined as projects that are specifically focused on improving the environment, transit, bicycle or pedestrian safety, scenic highways, historic preservation, and similarly related projects.

Number of "Green" Projects under Construction, fully and partially funded.										
	2009				2010				2011	2012
Period	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q4**	**Q4**
Actual	0	942			1,141					
% of all Projects	0	15.1%			12.7%					
Measured by Quarter					Higher is better					

Performance Indicator 7: Number of Projects with payments to Disadvantaged Business Enterprise (DBE) Contractors, fully and partially funded.

Explanation of indicator: Number of projects with a payment to DBE Contractors on projects that are fully or partially funded by Recovery Act. Information obtained from the FMIS and RADS.

Number of Projects with payments to Disadvantaged Business Enterprise (DBE) Contractors, fully and partially funded.							
	2009				2010	2011	2012
Period	**Q1**	**Q2**	**Q3**	**Q4**	**Q4**	**Q4**	**Q4**
Actual	0	59	3,003	3,431			
% of all Projects	0%	4.1%	38%	34%			
Total Cumulative Payments		$9,316,056	$660,459,501	$699,691,957			
Measured by Quarter				Higher is better			

Performance Indicator 8: Number of obligated Projects partially or completely within Economically Distressed Areas (EDA), fully and partially funded.

Explanation of indicator: Number of Projects in EDA underway and funded fully or partially with Recovery Act funds will be obtained from the RADS database. A project is considered to be in an Economically Distressed Area if it is located in one of the counties listed as EDA in the March 13, 2009 Bureau of Labor Statistics EDA map or it has been identified as an EDA project by a State DOT based on further local refinement of the EDA criteria.

Number of obligated Projects partially or completely within Economically Distressed Areas (EDA), fully and partially funded.										
	2009				2010				2011	2012
Period	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q4**	**Q4**
Actual	0	3,775	4,391	5,754	7,325					
% of all Projects	0	61%	63%	60%	60%					
Measured by Quarter					Higher is better					

Performance Indicator 9: Number of obligated On-the-Job Training Supportive Services (OJT/SS) Projects, fully and partially funded.

Explanation of indicator: Number of obligated OJT/SS Projects funded fully or partially with Recovery Act funds will be obtained from the Financial Management Information System (FMIS).

Number of obligated On-the-Job Training Supportive Services (OJT/SS) Projects, fully and partially funded.									
	2009				2010			2011	2012
Period	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q4**
Actual	0	0	17	18	31				
% of all Projects	0%	0%	0.22%	0.17%	0.25%				
Measured by Quarter					Higher is better				

Performance Indicator 10: Number of obligated Ferry Boat Discretionary (FBD) Program Projects, fully and partially funded.

Explanation of indicator: Number of FBD Projects underway and funded fully or partially with Recovery Act funds will be obtained from the Financial Management Information System (FMIS). Twenty-nine FBD projects have been awarded; one grant for $3.2 million in California will be administered by the Maritime Administration (MARAD)

Number of obligated Ferry Boat Discretionary (FBD) Program Projects, fully and partially funded.									
	2009				2010			2011	2012
Period	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q4**
Actual	0	0	2	14	18				
% of all FBD Projects	0%	0%	<0.1%	0.14%	0.15%				
Measured by Quarter				Higher is better					

Performance Indicator 11: Number of Direct Job Months Created or Retained by ARRA Projects under Construction, fully and partially funded.

Explanation of indicator: Number of direct job months created or retained by projects fully or partially funded with Recovery Act funds. Basic payroll information is obtained from monthly submittals from State DOTS. The project information is matched to the Financial Management Information System (FMIS) expenditures then adjusted by percentage of Recovery Act funds used on the project.

Number of Direct Job Months Created or Retained by ARRA Projects under Construction, fully and partially funded.										
	2009				**2010**				**2011**	**2012**
Period	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q4**	**Q4**
Actual	0	14,400	78,121	75,552	44,900					
Measured by Quarter					Higher is better					

Risk Management & Evaluation

The Department of Transportation created a common risk management protocol for each of its Recovery Act programs to follow. It includes (1) completing a risk assessment to identify risks, (2) completing a risk profile to assess risks, (3) developing a risk mitigation strategy to address identified risks, and (4) participating in a validation and testing process to ensure that risks are being addressed. This Recovery Act program is participating fully in the established risk-management process and may even enhance that process with additional program-specific risk management actions.

General Risk	FHWA Headquarters and Division offices continue to follow existing procedures to pay, track, monitor and report on grants awarded under the Recovery Act. Also, new risk management and reporting plans/procedures have been developed to respond to Recovery Act requirements. FHWA developed and made available to States (via an Economic Recovery website: http://www.fhwa.dot.gov/economicrecovery/index.htm) Recovery Act Implementing Guidance, dated April 1, 2009; Recovery Act reporting requirement forms; questions and answers that address new requirements and conditions; along with additional Recovery Act emerging information and instructions. FHWA developed a risk management plan specific to Recovery Act. This plan describes the process for identifying, mitigating, assessing and reporting on risks and corrective actions associated with the implementation of Recovery Act; and is available at the FHWA Recovery Act website..

Reporting Risk	FHWA has developed and issued reporting requirements and forms, which have already received OMB's emergency review and approval. The forms and guidance document were distributed to the Division offices and states on March 19, 2009, and were made available on FHWA's Recovery Act website on March 26. FHWA has also added additional staff to deal with Recovery Act requirements; 47 (27 full-time, 20 part-time) positions eligible for dual compensation and 20 positions approved for direct hire authority. FHWA's financial (FMIS, RASP and DELPHI) and operational (PRISM (procurement) and CASTLE (time and attendance) systems have the capacity and controls necessary to support the increase in activity associated with implementing Recovery Act. FHWA has held and will continue to hold a series of webinars with state DOTs to address new issues related to Recovery Act implementation and oversight.
Human Resources Risk	FHWA developed a comprehensive staffing plan to support the Recovery Act, using a variety of staffing options. OPM approved 47 (27 full-time, 20 part-time) positions eligible for dual compensation, which expires March 30, 2011. Direct hire authority for up to 20 term appointments was also granted, with appointment required to end by September 30, 2012. A variety of position types are being used to meet the hiring needs, including term appointments (positions for more than 2 year but less than 5 years), temporary appointments (positions for less than 1 year), temporary promotions (up to 5 years), details, temporary reassignments, and permanent positions. FHWA has also made use in moderation of contracting services and other contracting options. Additionally, Senior leadership across FHWA continually update the comprehensive resource planning master schedule for employing, administering and overseeing the Recovery Act activities. Furthermore, existing FHWA delegations of authority empower personnel to make decisions and administer the Recovery Act programs.
Grants Risk	FHWA has established activities and processes to ensure funds are awarded promptly, fairly and reasonably. This process encompasses a stewardship agreement (an agreement between the State DOT and FHWA detailing how the Fed-Aid Program will be implemented and oversight activities performed in the respective state), risk management framework, Fiscal Management Information System (FMIS) and Delphi accounting systems as well as review and oversight programs (i.e., the Financial Integrity Review and Evaluation (FIRE) program and the National Review

	Program). FHWA will work with the OIG and OST to take timely action to review all suspension/debarment referrals and undertake appropriate action as they arise. (FHWA Order 2000.2A).
Procurement Risk	Internal guidance and procedures prescribing necessary contract provisions and clauses based upon GAO directives have been developed and distributed to contract specialists for inclusion in RFPs as required to cover HQ and Fed. Lands Recovery Act activities. Additionally, All contracts are formulated and follow the Federal Acquisition Regulation (48 CFR). In addition, new Recovery Act clauses and language prescribed by OMB have also been provided to the contract specialists for inclusion in contract awards, as required. Additionally, specific language has also been included in Recovery Act related project agreements. All projects selected for acquisition funding undergo a rigorous review by several levels of program, management, and acquisition officials to validate the need. Following award, both program managers and contract administrators monitor contractor progress and spending through the review and approval of periodic invoices. In addition close-out audits are conducted when work is completed.
Budget/Financial Risk	FHWA is executing Recovery Act under existing Federal-aid Highway Program regulatory framework. Title 23 USC 106 requires FHWA to establish an oversight program which includes FHWA and state responsibilities. FHWA has established activities and processes to ensure funds are awarded promptly, fairly and reasonably. This process encompasses a stewardship agreement; risk management framework; Fiscal Management Information System (FMIS); Delphi accounting system; and review and oversight programs (such as the Financial Integrity Review and Evaluation (FIRE) program and the National Performance Review Program). Senior leadership across FHWA has developed a comprehensive resource planning master schedule for employing, administering and overseeing the Recovery Act activities. Finally, separate TAFS have been created for all Recovery Act funds.
Systems Risk	Recovery funds are managed through existing FHWA systems--FMIS, RASP and DELPHI. These systems have the capacity necessary to management and control Recovery Act funds, as required by Title 23 USC. Built-in system edits mitigate errors and help ensure data quality and integrity. Also, system user training is periodically provided to minimize input errors. The required data elements for reporting and oversight reside in the

	financial and operating systems and this information is readily accessible to fulfill analysis and reporting requirements. In addition, FHWA has issued Recovery Act reporting requirements and established the Recovery Act Data System (RADS) for collecting data on all projects utilizing Recovery Act funds.
Audit/Investigations Risk	FHWA regularly responds to A-123 Appendix A findings (identified via Exception Notices) and the FMFIA program. These findings are tracked via corrective action plans, as applicable. There were no A-123 process-level or transaction-level findings reported during the latest A-123 Grants Management reviews (FY 2008 transaction-level and FY 2009 process-level reviews). One material weakness was reported in FHWA's FY 2007 FMFIA assurance statement. Corrective actions related to the FMFIA material weakness are being addressed and tracked through completion. FHWA uses corrective action plans to actively monitor and track through completion findings identified in external and internal audits and reviews. Known internal control weaknesses are identified and corrected in accordance with timelines established in corrective action plans.
Performance Risk	There is a risk FHWA will fail to meet public expectations in regards to the Recovery Act. Expanded staffing and increased oversight will help to mitigate this risk. Additionally, increased cooperation and oversight at the FHWA division level, including the development of Recovery Act checklists for use by State DOTs will decrease this risk.

Planned program assessment / evaluation:

Start Date	Estimated Completion Date
July 2009	October 2010

Results of recent program assessment / evaluation:

Start Date	Completion Date
February 2009	March 2009

On March 31, 2009, the OIG issued the report "American Recovery And Reinvestment Act Of 2009: Oversight Challenges Facing The Department Of Transportation" describing the major challenges and related focus areas for DOT. These challenges and focus areas were tailored based on OIG reports and known weaknesses with the DOT. The challenges included (1) ensuring that Recovery Act funds were spent properly, (2) implementing the new accountability requirements and programs, and (3) combating fraud, waste, and abuse. Our Recovery Act risk assessment considered this report with the other vulnerabilities that have been identified through the FHWA national review program or OIG reports. The actions to address these issues are ongoing and at various stages of implementation.

Improvement(s) made:

These areas of risk were considered:

a. Local Public Agency (LPA) Oversight – FHWA self-declared this area as an internal control material weakness as a result of an FHWA national review. We have begun implementation of corrective action plans by all Division Offices, targeted for completion by 9/30/2010. Status is 25% complete.

b. Quality Assurance in Materials and Construction – A 2007 FHWA review identified specific weaknesses in oversight of contractor quality control, agency acceptance, independent assurance, dispute resolution, laboratory accreditation and qualification, and personnel qualification/certification. A key recommendation was to develop a QA Manual of Practice as a single point of reference document providing guidance and information to Division Offices. This effort was completed with the publication and dissemination of the FHWA *Area Engineer Manual 2010.*

c. Management of Construction Contract Changes – An FHWA national review found that while most State DOTs reviewed had well-documented procedures and FHWA Division Offices were actively involved in the contract change review and approval process, there are specific opportunities to make improvements in consistency, documentation, organization of FHWA guidance, and tracking. The key recommendation was to develop a QA Manual of Practice as a single point of reference document providing guidance and information to Division Offices. This effort was completed with the publication and dissemination of the FHWA *Area Engineer Manual 2010.*

d. Consultant Procurement & Administration of Engineering and Design Services – Questionable procurement and administration practices in the State DOTs were identified by an FHWA national review. Some of the practices are the result of a good faith effort by States to interpret and implement Federal laws and regulations. However, there is widespread inconsistency, lack of efficiency, and non-compliance with Federal requirements. A key recommendation was to update 23 CFR 172 to reflect the changes in law that have occurred.

e. Value Engineering – Value engineering provides a substantial opportunity for the States to obtain the most value from Federal-aid funds by achieving savings on planned construction projects. The OIG estimated in a report that if the States conducted required National Highway System (NHS) value engineering studies and high-potential non-NHS value engineering studies, and accepted more recommendations, additional planned projects could have been started. A key recommendation was to revise the FHWA value engineering policy. We anticipate revisions to CFR 23 with publication of a draft final rulemaking late in FY 2009.

f. Indirect Costs for Design & Engineering Firms – Not providing sufficient oversight, and given the one-time infusion of significant amounts of Federal dollars into the Federal-aid Highway Program, there may be a significant amount of unallowable consultant overhead costs in FY 2009 and beyond. A key recommendation was to revise the FHWA value engineering policy. We anticipate revisions to CFR 23 with publication of a draft final rulemaking late in FY 2009.

g. Inactive Obligations – The OIG has identified reduction of inactive obligations as a key component of funds management. Obligations that have an outstanding balance and no activity within the preceding 12 months are inactive. Divisions must review obligations to ensure that Federal funds are properly obligated and are being used effectively, and that unused funds are safeguarded or de-obligated to minimize misuse. A key recommendation was to revise the FHWA value engineering policy. We anticipate revisions to CFR 23 with publication of a draft final rulemaking late in FY 2009.

Scheduling reviews:

Scheduled review dates or frequency:

1. March 27, 2009: Division Risk Assessments returned.

2. Increased sight inspections by FHWA staff to ensure compliance with Recovery Act standards. As of July 31, 2009 close to 4000 Recovery Act project related internal reviews have been performed.

3. Three National Review Teams began on-site project reviews in June 2009. These teams are focusing on several issues during their inspections including Contract Administration, Project Plans Specifications & Estimates, Disadvantaged Business Enterprises, Quality Assurance and Local Public Agencies. A fourth team was added in January 2010 to review payment eligibility. As of May 4, 2010 the Review Teams had visited all 50 states, the District of Columbia, and Puerto Rico. The teams have conducted 95 site visits and reviewed 163 risk areas involving 663 ARRA projects.

Communicating with recipients:

a) Regular meetings between FHWA and key State and local partners to discuss the progress of activities and projects, potential barriers, and plans to address them.

b) Ensure widespread distribution of the Local Public Agency (LPA) reference materials by Division Offices in each State to key local agencies, decision makers, and the Local Technical Assistance Programs.

c) Enhancement and increased delivery of training to LPAs.

d) Communication and education by Division Offices regarding the FHWA risk monitoring efforts. A clear message was delivered to State and locals agencies regarding the importance of this effort and the responsibilities that are borne by governmental agencies at all levels.

e) Formal review of the Recovery Act implementing guidance with State DOT staff in known areas of national and local vulnerability.

f) Coordination and information sharing with entities responsible for conducting single audits in accordance with OMB Circular A-133.

g) Bi-weekly web-conferences were held between HQ, the Division Offices and the State DOT’s to communicate the latest OMB data reporting procedures and guidance. Web conferences continue to be held as changes occur.

h) Bi-weekly coordination meetings were with Federal Land Management Agencies and tribal governments in delivering the Federal Lands portion of the Recovery Act implementation.

FHWA established a Recovery Act web page to assist all FHWA partners and stakeholders in implementing the Act as expeditiously as possible. Include and update key questions and answers to provide the latest information. In addition, FHWA has:

a) Coordinated a kick-off meeting between the FHWA Executive Director, and State CEOs to communicate the need to carry out the Recovery Act "by the book".

b) Delivered National web-seminars for LPAs regarding Federal-Aid requirements.

c) Delivered National web-seminars and other events, including a national civil rights forum in August 2009, for FHWA, State DOTs, and LPA regarding DBE requirements.

d) Coordinated with the American Association of State Highway and Transportation Officials (AASHTO) Standing Committee on Finance and Administration to conduct national outreach to firms and organizations doing single audits of governments using Recovery Act Funds.

e) Provided general outreach to transportation related associations/organizations such as NACE, APWA, ATRBA, etc

Communicating with public and stakeholders:

FHWA posted an interactive map accessible through the public homepage, www.fhwa.dot.gov is which is updated weekly and allows the public to see the number, and dollar amount of projects obligated, as well as a percentage graphic. FHWA Public Affairs uses existing channels to communicate with the general public. In addition, public affairs periodically announces Recovery Act-related milestones.

The FHWA public homepage also contains the link: http://www.fhwa.dot.gov/economicrecovery/index.htm the provides the public with more specific highway related information including important milestones, such as grant solicitations, rescission procedures and oversight activities (see above).

Collecting and validating project-level data:

Data collection: Data are being collected through an FHWA developed application called the Recovery Act Data System or RADS for short. Generally, the data are provided by State DOTs, FHWA Division offices, and others involved in reviewing and auditing projects and programs. Other non-standard pieces of information are being collected by other means in order to fulfill ad-hoc tasks and support intermittent decision-making. The creation and maintenance of the RADS application was supported by 3.2 contractor work years in 2009 year, and 4 contractor work years per year in 2010 to 2012.

Data validation:

FHWA staff and onsite contractors in headquarters review incoming data to the database. The individuals validate data by calling Division offices when inconsistent data are detected . The RADS application also has built-in data validation checks and a validation report that Divisions and States can use to determine if certain data items in RADS have violated one or more data checks.

Other data items are validated through the process of creating reports and data analysis. .

Ensuring best use of federal funds:

For jobs creation and retention	FHWA has established monthly collection of direct employment data from States and other FHWA grant recipients.
For program or project outputs	As part of our reviews and oversight of State compliance with the Recovery Act, FHWA has developed key performance metrics identified in the Risk Management Plan to monitor competitive awards, timely award and expenditure of funds, timely completion of work, and cost overruns. The data and information reported by recipients, correlated to financial data from existing systems at the national level, is allowing us to conduct analysis in high-risk areas that were previously impossible. This analysis may provide insights to further strengthen our program and project oversight efforts and allow us to identify and address emerging vulnerabilities.
For other public benefits	The responsibility for selecting projects eligible for Recovery Act funds is with the States. The States regularly report outcome performance data to DOT and FHWA, so that the Agency can report progress nationwide in achieving outcomes using measures for traffic congestion, highway-related fatalities, bridge and pavement performance and conditions, and environmental streamlining. Internally produced studies such as the biennial *Conditions and Performance Report* provide an overall assessment of program benefits related to highway infrastructure. The DOT shares the data with other government agencies and publicly releases the State-level data annually in publications such as Highway Statistics. The FHWA and DOT report on its progress in achieving its strategic outcomes annually in the DOT *Performance and Accountability Report.*

Holding program managers and recipients accountable:

Program Managers	FHWA offices added Recovery Act activities to their FY 2009 and 2010 unit performance plans. FHWA uses corrective action plans to actively monitor and track through completion. Program managers and other employees at FHWA will be held accountable for meeting Recovery Act-specific goals through existing processes of review by supervisors, including through the existing performance appraisal process.

Primary and Secondary Recipients	Primary Recipients: FHWA is executing the Recovery Act under the existing Federal-aid Highway Program regulatory framework. Title 23 USC 106 requires FHWA to establish an oversight program which includes FHWA and state responsibilities. FHWA has established activities and processes to ensure funds are awarded promptly, fairly and reasonably. This process encompasses a stewardship agreement; risk management framework; Fiscal Management Information System (FMIS); Delphi accounting system; and review and oversight programs (such as the Financial Integrity Review and Evaluation (FIRE) program and the National Performance Review Program). FHWA has also held and will continue to hold Recovery Act webinars with State DOTs; in March,2009 the FHWA administration conducted a webinar with tha AASHTO CEO group. Additional staff has been hired at the division office level to conduct greater checks of documentation and quality assurance processes. FHWA will also adhere to the redistribution of funds requirement in the Recovery Act legislation. In keeping with the intent to create jobs quickly, states may lose funds if they fail to meet the maintenance of effort requirements as intended by Congress (see redistribution requirements). Secondary Recipients: Held webconferences with Local Planning Agencies on 3/12/2009 and 3/18/2009. FHWA is also working with state and local agencies to increase sub receipient oversight at the state DOT level, including the development of FHWA checklists and conducting regular monitoring and reviews.

Compliance & Results

Reducing environmental impacts:

Recovery Act funds will help to reduce emissions and improve energy efficiency in the following ways: improving traffic flow, thereby reducing vehicle idling and stop-and-start driving conditions that are associated with higher levels of emissions; encouraging changes in travel behavior that reduce motor vehicle miles traveled (such as shifts to ridesharing, bicycling, or walking); and using technologies to reduce the rate of emissions. Existing documentation and rules put forth by the agency will continue to be fully applied to all projects funded by the Recovery Act. FHWA will also add one full-time and one part-time employee through FY 2011 to deal with environmental issues.

Complying with National Environmental Policy:

All NEPA requirements will be fully complied with for Recovery Act projects under existing rules and procedures.

Complying with National Historic Preservation Standards:

FHWA will continue to use existing Historic Preservation standards in regards to historical preservation. The proposed use of land from an historic resource on or eligible for the National Register will normally require an evaluation and approval under Section 4(f) of the DOT Act.

Holding recipients accountable for energy efficiency and/or green building standards:

FHWA will ensure compliance with all existing NEPA rules and regulations. States will report the status of environmental compliance of their projects to FHWA on Form-1586

United States

Department of Transportation

American Recovery and Reinvestment Act

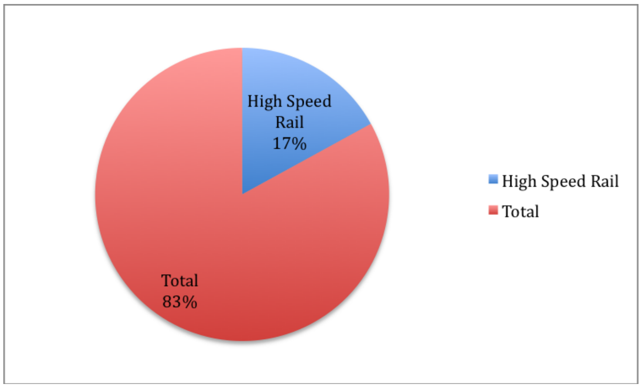
Federal Railroad Administration

Capital Assistance for High Speed Rail Corridors and Intercity Passenger Rail Corridors

Funding

Funding: $8,000,000,000

Percentage of DOT total Recovery Act funding: 17%



Type: Grant

Period of Availability: Four years (through 2012)

Time line for announcing:

Date	Announcement
January 2010	Selected applicants announced
April 2010 – September 2012	Grant awards made on rolling basis

Amount allotted for administrative cost: $20,000,000

Amount allotted for distribution: $7,980,000,000

Obligations and Outlays:

	September 2009	December 2009	March 2010
Obligations	$ 4,931,066	$ 5,627,277	$ 6,537,271
Outlays	$ 1,863,128	$ 2,244,830	$ 3,035,774

Program Description

Program objectives:

The High-Speed Intercity Passenger Rail Program is intended to develop and expand high-speed and intercity passenger rail service in the United States. The objectives of this program are twofold. In the long-term, it aims to build an efficient, high-speed passenger rail network connecting major population centers 100 to 600 miles apart. In the near-term, the program will begin to lay the foundation for this modernized transportation system by investing in intercity passenger rail infrastructure, equipment, and intermodal connections.

Public benefits:

This program will benefit the public in a number of ways. First and foremost, high-speed rail provides a cost-effective and efficient alternative to air and automobile travel, particularly for distances of 600 miles or less. High-speed rail can improve travel options by increasing access to underserved communities and interconnecting communities who are already served by rail. Rail is also one of the most energy efficient modes of transportation, with a number of environmental benefits. For example, by utilizing electric and clean diesel power technologies, rail can result in lower pollutant and greenhouse gas emissions per passenger-mile than other modes of travel. The construction of a high-speed rail network is also expected to support the United States economy by revitalizing related domestic production and service industries.

Project level activities:

There are two applicant-funding tracks under the High-Speed Intercity Passenger Rail Program that award funds appropriated through the Recovery Act. Track 1 – Projects include acquisition, construction of or improvements to infrastructure, facilities, and equipment that demonstrate independent utility. Track 2 – Programs include the development of a set of inter-related projects that constitute the entirety or a distinct phase (or geographic section) of a long-range service development plan – projects which collectively produce benefits greater than the sum of each individual project.

Funding determination:

There is no formula used in distributing funds.

Project selection criteria:

Projects were assessed against six evaluation criteria, which are organized into three categories: Public Return on Investment, Project Success Factors and Other Attributes. The Federal Railroad Administrator also considered several cross-cutting factors to make strategic investments in programs and projects focused on three key areas that will deliver transportation, economic recovery and other public benefits:

1. Building new high-speed rail corridors that will fundamentally expand and improve passenger transportation in the geographic regions they serve
2. Upgrading existing intercity passenger rail services
3. Laying the groundwork for future high-speed passenger rail services through smaller projects and planning efforts.

Detailed explanations of the evaluation and selection criteria can be found in the interim guidance for the High-Speed Intercity Passenger Rail Program, http://www.fra.dot.gov/Downloads/RRDev/fr_hsipr_guidance.pdf.

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Funding decisions made by: U.S. Department of Transportation

Contracting vehicle(s):
The majority of contracts will be firm fixed price contracts.

Primary recipients: States

Beneficiaries: General Public

Significant program challenges and mitigation strategies:

Challenge 1: Lack of Industry Expertise and Human Resources. The relatively small investment in passenger rail in recent decades and growing retirements of personnel throughout the rail sector have resulted in a shrinking pool of experts in the field. A renewed investment program will eventually bring more expertise back into the industry, but that process is likely to lag behind the need to plan, implement and manage a major new program.

Challenge 2: State Fiscal Constraints. The current economic downturn has left many States in a precarious fiscal condition. Many have not budgeted for new capital investments or potential operating expenses, though, some States do currently invest in passenger rail including funding operating costs. While an expansion of passenger rail and development of high-speed rail fits well into the transportation vision of many States, decisionmakers will be confronted with difficult budget decisions to advance these programs in coming years, even with an expanded Federal commitment.

Challenge 3: Partnerships with Private Railroads. Although Federal law provides Amtrak a right of access to private railroad facilities, that access has been constrained by the capacity of rail lines and by freight traffic. With the prospect of significant public funding flowing through States to support capital investments – often in existing, privately owned rail lines – for expanded and improved passenger services, partnerships will be needed between States and the private railroads that own the infrastructure. Whether for comprehensive corridor improvement programs or discrete projects, State-railroad agreements will be needed to ensure that public investments will fulfill, and continue to be available for their intended purposes.

Challenge 4: Multi-State Partnerships. Most intercity passenger rail corridors, including designated high-speed rail corridors, cross State boundaries. Viable high-speed rail corridor strategies will likely require a multi-State partnership in many cases. To successfully plan, fund, build and operate these corridors, the States involved will need to act in a coordinated fashion, through an interstate compact, a multi-State agreement, or other instrument. It will be challenging to organize any such multi-State agreement involving different political and administrative entities within each State.

Mitigation Strategy 1: These risks will be mitigated through a comprehensive risk management strategy that includes substantial stakeholder outreach and guidance. In May and June of 2009, the Federal Railroad Administration hosted seven workshops around the country to solicit stakeholder and public input into the development of guidance for the High-Speed Intercity Passenger Rail Program. These workshops provided the agency the opportunity to gather interested stakeholders and begin to foster the collaboration and partnerships that are vital to the program's success. On June 17, the Federal Railroad Administration published the program guidance, which contained the directions and requirements for applying for funds under the program. It also established a pre-application to determine the nature of projects likely to be submitted for consideration and to provide applicants with any feedback necessary to complete their applications. Following the receipt of the pre-applications on July 10, the agency conducted site visits and conference calls with pre-applicants to provide feedback and answer questions.

After selection announcements, FRA has continued to work closely with states to identify proposed project readiness and to ensure that several key technical and programmatic conditions are met, prior to award, to mitigate project implementation risks..

Mitigation Strategy 2: Per the authorizing statute for this program, the Federal Railroad Administration requires detailed project management plans as part of all major project grants. FRA also requires applicants to reach stakeholder agreements with interstate partners, host railroads, right-of-way owners and contract railroad operators providing service.

Mitigation Strategy 3: For high-value, higher-risk service development proposals funded under Track 2, the agency will provide a commitment to fund the proposal through a Letter of Intent and obligate funds for construction through cooperative agreements with applicants. Track 2 Letters of Intent and cooperative agreements must include specific milestone deadlines for completion of environmental, engineering, design and other work. The use of cooperative agreements all for oversight and federal participation at a level greater than that associated with standard grant agreements.

Mitigation Strategy 4: As part of the Transportation Appropriations Act of 2010 (FY 2010 DOT Appropriations Act), Congress allocated an additional $2.5 billion for the HSIPR Program, of which up to $50 million could be used for planning activities. The appropriations act permitted the Secretary of Transportation to retain a portion of this planning funding to facilitate, at the Federal level, the preparation of planning documents for high-speed rail corridors that cross multiple States. Accordingly, FRA has solicited proposals from groups of States that wish to be considered for this innovative approach to planning multistate passenger rail corridors. This is one of several ways in which FRA is working to facilitate multi-state partnerships.

Program Activities

Milestones:

	Milestone	Date	Anticipated Accomplishment	Status
1	Publication of Program Interim Guidance	June 2009	Per recovery Act Requirements, the Federal Railroad Administration published guidance detailing the evaluation criteria, requirements and directions for applying for the High-Speed Intercity Passenger Rail Program. The guidance also announced the solicitation of program pre-applications.	Completed on time
2	Pre-application Solicitation	July 2009	Pre-applications were solicited in order to give the agency an early assessment of the potential universe of projects and programs. The pre-application process allowed the Federal Railroad Administration to provide pre-applicants with any feedback necessary to complete their applications.	Completed on time
3	First Solicitation Round for Track 1 – Project Applications	August 2009	Receive first round of Track 1 – Projects applications.	Completed on time

4	Award of First Round Track 1 – Project Grants	April 2010 – September 2012	Award grants for construction, final design, preliminary engineering or National Environmental Policy Act completion of individual capital improvement projects.	Ongoing
5	First Solicitation Round for Track 2 – Program Applications	October 2009	Receive first round of Track 2 – Programs applications.	Completed on time
7	Award First Round Track 2 – Program Letters of Intent and Cooperative Agreements	April 2010 – September 2012	Issue Letters of Intent and enter into cooperative agreements for the implementation of service development programs.	On-going

Anticipated Results

Expected Outcome:
Detailed output and outcome measures and targets for the High-Speed Intercity Passenger Rail Program are under development. At this stage, the Federal Railroad Administration is able to set measures related to the administration of the program. The following list contains program implementation anticipated results:

Measure 1:
Number of Applications Received for the Track 1 – Projects and Track 2 Programs Solicitations

Explanation of measure: The Federal Railroad Administration has received all applications for the two rounds of application solicitations anticipated under the High-Speed Intercity Passenger Rail Program.

Number of Applications Received for the Track 1 – Projects and Track 2 Programs Solicitations				
	2009	2010	2011	2012
Target set prior to ARRA	N/A	N/A	N/A	N/A
New target set with ARRA*	214	45	N/A	N/A
Measure Frequency: Annually			Reported by: Fiscal Year	

*Actual Figures

Measure 2:
Amount of funding awarded to Track 1 and Track 2 projects – Projects Applications

Explanation of measure: As required, FRA will award and obligate all HSIPR funding appropriated through the Recovery Act by September 2012).

Amount of funding awarded to Track 1 and Track 2 projects – Projects Applications				
	2009	2010	2011	2012
Target set prior to ARRA	N/A	N/A	N/A	N/A
New target set with ARRA	0	$560,000,000	Unknown at present	$7,980,000,000**
Measure Frequency: Annually		Reported by: Fiscal Year		

**Cumulative figure.

Risk Management & Evaluation

The Department of Transportation created a common risk management protocol for each of its Recovery Act programs to follow. It includes (1) completing a risk assessment to identify risks, (2) completing a risk profile to assess risks, (3) developing a risk mitigation strategy to address identified risks, and (4) participating in a validation and testing process to ensure that risks are being addressed. This Recovery Act program is participating fully in the established risk-management process and may even enhance that process with additional program-specific risk management actions.

General Risk:

The High-Speed Intercity Rail Program is a new program in the Federal Railroad Administration; therefore, the agency is currently in the process of developing risk assessment/management protocols.

Reporting Risk	Grantees will be required to comply with the reporting requirements provided in the Recovery Act. The Federal Railroad Administration also plans to mandate increased oversight and reporting on Track 2 -- Service Development Programs.
Human Resources Risk	At this time, as a new program, the agency is utilizing full-time staff, personnel detailed from other DOT agencies, and contractor resources to sufficiently implement the program. FRA has also received 20 additional FTE to support HSIPR Program implementation and has filled several of these newly-created positions.
Grants Risk	The interim guidance for the program outlines many procedures and requirements grantees will be obligated to comply with under the Recovery Act. FRA has also drafted a comprehensive grant management and oversight manual to govern the oversight of grants funded through the Recovery Act. FRA has also created a web page for grant-recipient technical assistance to address key grant and technical program management questions.
Procurement Risk	The interim guidance for the program outlines many of the procurement procedures that grantees are required to follow under law. These requirements will also be included in grant agreements and cooperative agreements. Recipients are also required to submit a project management plan that must include sound procurement procedures.

Budget/Financial Risk	The Federal Railroad Administration allocated specific accounting codes to the High Speed Rail funds provided by the Recovery Act. These codes will separate these funds from other agency program activities.
Systems Risk	The agency currently utilizes Delphi as the accounting system to capture the financial elements of programs. The agency also uses Grant Solutions to receive and manage high-speed rail grants.
Audit/Investigations Risk	As with any agency program, the role of internal controls is to ensure that program procedures align to reduce/eliminate waste, fraud, and abuse. The Federal Railroad Administration plans to follow federal guidance in implementing specific monitoring activities to address related risk issues.
Performance Risk	Through the reporting measures mandated under the Recovery Act, as well as additional requirements being developed by the Federal Railroad Administration, the performance of grantee projects will be tracked. The High-Speed Intercity Passenger Rail Program will be closely monitored to ensure that it is meeting a host of Recovery Act requirements; including, delivering programmatic results, achieving economic stimulus, achieving long-term public benefits, and satisfying transparency and accountability objectives.

Planned program assessment / evaluation:

Due to the fact that the High-Speed Intercity Passenger Rail Program is new to the agency, the program's components are being developed as the program is implemented. As the program matures, the Federal Railroad Administration will be able to better determine how to evaluate its critical elements. Grant assessments cannot be made until funding is awarded later this year.

Estimated Start Date	Estimated Completion Date
To be Determined	To be Determined

Results of recent program assessment / evaluation:

Not applicable. This is a new program.

Scheduling reviews:

Grant recipients must submit progress reports on a quarterly basis. To demonstrate progress, the grantee will be responsible for reporting against established cost, milestone, and scheduling information.

Communicating with recipients:

Given the nature of the program, grant technical representatives and project management oversight teams will be in frequent contact with recipients. For simple projects, such communications may take the form of quarterly status teleconferences and annual site visits, while complex corridor development programs may be subjected to more frequent communications and reports.

Communicating with public and stakeholders:

In May and June of 2009, the Federal Railroad Administration hosted seven workshops around the country to solicit stakeholder and public input into the development of guidance for the High-Speed Intercity Passenger Rail Program. It also established Docket Number FRA-2009-0045 and the HSIPR@DOT.gov email address to continue soliciting public input and feedback on the guidance, as well as general program observations and questions. The agency has conducted a series of conference calls and outreach meetings with interested stakeholders to communicate program developments and gather feedback. These efforts will continue as the program matures. The agency will continue to utilize its website as a comprehensive source of information for the program.

Collecting and validating project-level data:

The Federal Railroad Administration will utilize the TIGER Collector system, developed by DOT, to capture monthly reporting elements from grantees, and the government-wide www.federalreporting.gov website to capture quarterly reporting elements. The agency will review and confirm the information gathered by these tools, validate work performed against disbursement invoices, and conduct site visits when appropriate.

Ensuring best use of federal funds:

For jobs creation and retention	The program's evaluation criteria takes into account a proposed project's impact on promoting new or expanding business opportunities, including the short and long term creation and preservation of jobs.
For program or project outputs	Detailed output and outcome measures for the program will be developed once the Federal Railroad Administration knows which projects will be funded under the program.
For other public benefits	The program will benefit the public through its support of interconnected-livable communities, provision of energy efficiencies, foundation for economic competitiveness, and provision of safe and efficient transportation alternatives to automotive and air travel.

Holding program managers and recipients accountable:

Program Managers	The Federal Railroad Administration personnel designated to manage the High-Speed Intercity Passenger Rail Program will have specific duties outlined in their position descriptions which link to the implementation of administering the program per the Recovery Act oversight specifications.
Primary and Secondary Recipients	In addition to the reporting mandated under the Recovery Act, such as Section 1201 periodic reports and Section 1512 quarterly reports, the Federal Railroad Administration will require increased oversight on the new program. The Section 1201 periodic reports and Section 1512 quarterly reports require similar information; however, the information is reported on a different time basis. The reports include job creation data, project status and financial data such as program outlays.

Reducing environmental impacts:

Rail is already among the cleanest and most energy-efficient of the passenger transportation modes. A future High Speed Rail/Intercity Passenger Rail network using new clean diesel or electric power can further enhance rail's advantages. According to one recent study, implementation of pending plans for the federally designated high-speed rail corridors could result in an annual reduction of 6 billion pounds of carbon dioxide.

Complying with National Environmental Policy:

All construction projects funded under the High-Speed Intercity Passenger Rail Program will be required to have completed the necessary National Environmental Policy Act clearance prior to award.

Complying with National Historic Preservation Standards:

National Historic Preservation Act compliance will be achieved in concert with the overall National Environmental Policy Act process.

Holding recipients accountable for energy efficiency and/or green building standards:

While no specific standards are anticipated, the High-Speed Intercity Passenger Rail Program's evaluation criteria takes into account a proposed project's impact on environmental quality and energy efficiency and reduction in dependence on foreign oil, including use of renewable energy sources, energy savings from traffic diversions from other modes, employment of green building and manufacturing methods, reductions in key emissions types, and the purchase and use of environmentally sensitive, fuel-efficient, and cost-effective passenger rail equipment.

United States

Department of Transportation

American Recovery and Reinvestment Act

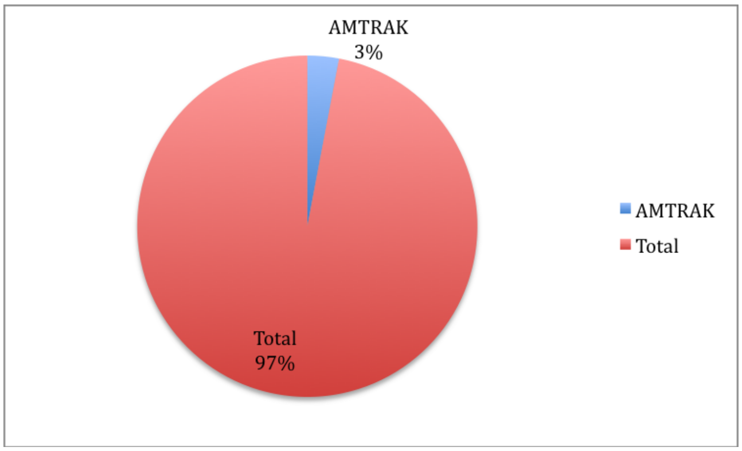
Federal Railroad Administration

Capital Grants to the National Railroad Passenger Corporation

Funding

Funding: $1,300,000,000

Percentage of DOT total Recovery Act funding: 3%



Type: Grant

Period of Availability: Two years (through 2010) for program funds and five year funding (through 2013) for Inspector General activities

Time line for announcing:

Date	Announcement
March 2009	Recovery Act funding for Amtrak announced

Amount allotted for administrative cost: $6,475,000

Amount allotted for distribution: $1,288,000,000

Obligations and Outlays:

	September 2009	December 2009	March 2010
Obligations	$ 1,293,565,468	$ 1,293,567,606	$ 1,297,231,273
Outlays	$ 98,697,512	$ 165,991,459	$ 287,329,378

Program Description

Program objectives:

The objective of the capital grants to Amtrak authorized by the Recovery Act is to improve and expand Amtrak's fleet, track, bridges, tunnels and signals, as well as improve the safety and security of its facilities. Priority for non safety and security funds is provided to projects for the repair, rehabilitation, or upgrade of railroad assets or infrastructure, and for capital projects that expand passenger rail capacity, including the rehabilitation of Amtrak's fleet. Of the capital grants funding, $450 million was specifically designated for capital security grants. The security projects will focus on enhancements in situational awareness, Improvised Explosive Device (IED) and Vehicle Borne Improvised Explosive Device (VBIED) detection, risk assessment/risk reduction cycle optimization (when vulnerabilities are discovered), and quick response communications within the intercity passenger rail network.

Public benefits:

Amtrak's fleet and fixed infrastructure (track, bridges, tunnels, signals, etc) is aging and faces significant deferred maintenance. In addition, the company has been unable to expand system capacity to meet the demand of growing ridership in recent years. The investments authorized by the Recovery Act will allow Amtrak to reduce the amount of deferred maintenance in its fleet, fixed infrastructure and fixed facilities (train stations, storage and maintenance facilities), as well as expand capacity to meet the growing demand for intercity passenger rail transportation. The security investments will assist Amtrak in its ability to detect vulnerabilities and respond quickly to threats on the system, thereby providing a safer ride for its users.

Project level activities:

The Recovery Act funds provided to this program are intended to rebuild and modernize Amtrak’s infrastructure and equipment, as well as for security and life safety projects. The infrastructure funding will assist Amtrak return its assets to a state of good repair, expand passenger rail capacity and lead to the creation or preservation of jobs. Examples of grant funding include improvements to Amtrak stations and maintenance facilities, bridge repairs, returning locomotives and passenger cars to service, and upgrades to rail tracks and rights of way. The security funds will be utilized for both preventative and response preparation measures to potential terrorist attacks and other disasters. Examples of grant usage include the implementation of a secure communications network, intrusion detection and deterrence investments, reinforcing critical infrastructure, upgrading fire alarm systems, and providing communications and power supply redundancies.

Funding determination:

There is no formula used in distributing funds

Project selection criteria:

Project selection is made by Amtrak. Amtrak is limited to spending funds on capital projects. Of the $1.3 billion made available, no less than $450 million is reserved for security projects, and of the non-security projects, only 60 percent of the funds may be spent on projects located along the Northeast Corridor. In addition, only those projects that can be completed by February 17, 2011 are eligible for funding.

Funding decisions made by: U.S. Department of Transportation

Contracting vehicle(s):
The majority of projects will be firm-fixed price contracts (depending on the nature of the project)

Primary recipients: Profit organizations

Beneficiaries: General Public

Significant program challenges and mitigation strategies:

Challenge 1: Grantee's completion of all projects by February 17, 2011 as specified by the Recovery Act.

Challenge 2: Grantee's ability to manage a capital program whose budget will more than double over the next two years.

Challenge 3: The ability of all Amtrak projects to gain the NEPA clearance necessary to begin work and meet the February 17, 2011 completion date specified in the grant agreement.

Mitigation Strategies:

The Recovery Act legislation mandates that all projects must gain the National Environmental Policy Act clearance necessary to have work completed by February 17, 2011. In order to ensure this, the grant agreement between the Federal Railroad Administration and the grantee specifies the necessary measures the grantee must take. These measures include obtaining the necessary environmental clearances, providing training to its employees, requiring that solicitation and contract documents specify a February 17, 2011 completion date, and monitoring and reporting on progress against forecasts. In addition to meeting a rigorous time schedule, Amtrak will be handling a project load and capital budget double its normal size. Amtrak recently submitted to the Federal Railroad Administration a project management proposal which details how the company plans to manage projects under this grant with its current staff, and if necessary, hire project management consultants in order to fulfill the project and time requirements.

Program Activities

Activities: Construction and engineering services

Milestones

	Milestone	Date	Anticipated Accomplishment	Status
1	Award of Grant	March 2009	Executed grant agreement with grantee.	Completed on-time
2	Award of Grant	April 2009	Made first quarterly disbursement under the grant agreement.	Completed on-time
3	Second Quarterly Disbursement	July 2009	Made second quarterly disbursement under the grant agreement.	Completed on-time
4	Third Quarterly Disbursement	October 2009	Make third quarterly advanced disbursement under the grant	Completed on-time

			agreement	
5	Fourth Quarterly Disbursement	January 2010	Make fourth quarterly advanced disbursement under the grant agreement	Completed on-time
6	Fifth Quarterly Disbursement	April 2010	Make fifth quarterly advanced disbursement under the grant agreement	Completed on-time
7	Sixth Quarterly Disbursement	July 2010	Make sixth quarterly advanced disbursement under the grant agreement	Ongoing
8	Seventh Quartelry Disbursement	October 2010	Make seventh quarterly advanced disbursement under the grant agreement	Ongoing
9	Eith Quarterly Disbursement	January 2011	Make eight and final quarterly advanced disbursement under the grant agreement	Ongoing
10	End of Program	February 2011	All projects will be complete by February 17, 2011	Ongoing

Anticipated Results

Expected Outcome 1: Amtrak's list of deferred maintenance projects will decrease through the use of the $850 million of Recovery Act funding. Critical projects such as infrastructure repair and facilities maintenance will be addressed with the funds benefitting the system's riders.

Expected Outcome 2: Amtrak will be able to expend approximately $450 million to address security and life safety needs. These funds will be utilized for both preventative and response preparation measures to potential terrorist attacks and other disasters. A few project examples include the implementation of a secure communications network, intrusion detection and deterrence investments, reinforcing critical infrastructure, upgrading fire alarm systems, and providing communications and power supply redundancies.

Measure 1: Number of Amtrak cars and locomotives returned to service.

Explanation of measure: Through monthly and quarterly reporting by Amtrak, FRA tracks the number of stored and wrecked cars and locomotives returned to service with ARRA funding. Under Amtrak's ARRA grant agreement, they will return 15 diesel locomotives to use in long distance service. Amtrak will also return to service 21 long distance cars and 60 Amfleet cars, including sleepers, lounge, coach, diner and food service cars. Amtrak will bring all cars returned to service into compliance with Americans with Disabilities Act regulations. FRA has adjusted the FY 2010 and FY 2011 targets based on/due to the fact that the initial targets were developed by Amtrak within 30 days of passage of ARRA. Delays in being able to staff up and start production have pushed back production.

Number of Amtrak cars and locomotives returned to service.				
	2009	2010	2011	2012
Target set prior to ARRA				
New target set with ARRA	7	50	39	
Actual	3			
Measure Frequency: Quarterly	Reported by Fiscal Year			

Measure 2: Number of concrete and wood ties replaced

Explanation of measure: Concrete and wooden ties provide the base for railroad tracks. Many of these ties are deteriorating and must be replaced to safely support the track system. Through monthly and quarterly reporting, FRA tracks the number of concrete and wooden ties replaced.

Number of concrete and wood ties replaced				
	2009	2010	2011	2012
Target set prior to ARRA				
New target set with ARRA	2,174	223,367	51,755	
Actual	0			
Measure Frequency: Quarterly	Reported by Fiscal Year			

Measure 3: Number of miles of right of way improvements.

Explanation of measure: Improvements along rights of way are necessary to provide for proper maintenance of assets, on time performance, safety and security.

Through monthly and quarterly reporting, FRA tracks these improvements.

Number of miles of right of way improvements.				
	2009	2010	2011	2012
Target set prior to ARRA				
New target set with ARRA	11	49	24	
Actual	0			
Measure Frequency: Quarterly	Reported by Fiscal Year			

Measure 4: Number of Amtrak structures (stations, maintenance facilities, bridges) built or improved.

Explanation of measure: Through monthly and quarterly reporting, FRA tracks the number and locations of improvements to Amtrak facilities and bridges. Significant work is needed to bring many of Amtrak's facilities and stations into a state of good repair to allow for continued use. In addition to the repairs needed to address safety concerns at these facilities and stations, many stations require improvements to comply with Americans with Disabilities Act regulations. Like these facilities and stations, many bridges that support Amtrak rail operations require maintenance or replacement as a result of their deteriorated condition and age. The $100 million Niantic River Bridge Replacement in Connecticut will address the Acela train delays that inconvenience traffic and customers along the Northeast Corridor on a daily basis.

Number of Amtrak structures (stations, maintenance facilities, bridges) built or improved.				
	2009	2010	2011	2012
Target set prior to ARRA				
New target set with ARRA	59	316	138	
Actual	0			
Measure Frequency: Quarterly	Reported by Fiscal Year			

Measure 5: Completion percentage of Information Technology projects

Explanation of measure: Through monthly and quarterly reporting, the Federal Railroad Administration tracks the progress of Amtrak's Recovery Act information technology projects by monitoring the number of wireless access point installations occurring each month at Amtrak locations. These wireless access points will allow personnel out in the field to access internal Amtrak systems. The Federal Railroad Administration also assess the development of the third phase of Amtrak's Employee Information Management program, which is scheduled for completion by March 2010 with the influx of Recovery Act funding. The third component of Amtrak's information technology projects will be monitoring the progress of the Enterprise Data Access and Availability project to build an enterprise data warehouse at Amtrak's Washington, DC headquarters and associated data marts for use across all of Amtrak's business units.

Completion percentage of Information Technology projects.				
	2009	2010	2011	2012
Target set prior to ARRA				
New target set with ARRA	29%	60%	11%	
Actual	0			
Measure Frequency: Quarterly	Reported by Fiscal Year			

Risk Management & Evaluation

The Department of Transportation created a common risk management protocol for each of its Recovery Act programs to follow. It includes (1) completing a risk assessment to identify risks, (2) completing a risk profile to assess risks, (3) developing a risk mitigation strategy to address identified risks, and (4) participating in a validation and testing process to ensure that risks are being addressed. This Recovery Act program is participating fully in the established risk-management process and may even enhance that process with additional program-specific risk management actions.

General Risk	In general, the risks associated with the grant are meeting the requirement of project completion by February 17, 2011 (as mandated by the Recovery Act) and the ability of the grantees to administer capital projects funded by this grant in addition to its normal capital program. In the past, the Capital Grants program has had difficulty in monitoring the performance and effectiveness of projects. To mitigate this risk, along with the risks of fraud, waste, and abuse of grant funds, the Federal Railroad Administration has enlisted post-monitoring efforts, including monthly and quarterly reporting requirements, as part of its risk mitigation efforts.
Reporting Risk	The grantee is required per the grant agreement for Recovery Act funding to adhere to all guidance that may be issued on reporting. The Federal Railroad Administration's grants management staff has set up a monitoring framework to ensure that the grantee is fulfilling its requirements per the grant agreement. By entering into an interagency agreement with the Volpe National Transportation Systems Center, FRA has augmented its staff capabilities to conduct technical oversight of the projects.
Human Resources Risk	At the time of enactment of the Recovery Act (February 2009), the grantee did not possess sufficient human capital to

	implement Recovery Act, in addition to its on-going programs. The Federal Railroad Administration used its oversight funds to contract technical expertise to assist in evaluating and overseeing the high risk projects funded under the Recovery Act. The grantee also helped to alleviate the human capital shortage by using it's technical oversight contractor to provide temporary staffing on projects to augment Amtrak staff.
Grants Risk	DOT awards and obligates grants as soon as appropriations are provided for Amtrak. It then disburses/outlays quarterly based on the anticipated cash flow of the grantee. This information is recorded as government transactions, whereas Amtrak's awarding of contracts and disbursements are entirely non-governmental transactions. Amtrak provides FRA with a monthly report listing all non firm fixed price and non competitive contract awards. FRA staff reviews this list to ensure compliance with flow through conditions on procurement.
Procurement Risk	The Federal Railroad Administration mitigates procurement risk by authorizing Amtrak to expend grant resources on project management expenses, including the hiring of project management contractors to help oversee and implement the projects. Amtrak has awarded a contract to Jacbos Engineering to help it perform construction management and procurement activities on the majority of the value of the grant.
Budget/Financial Risk	Under the grant agreement, the Federal Railroad Administration's contribution is limited to the amounts appropriated under the Recovery Act. If individual projects go over budget, the grantee must reduce their scope or use its own resources to cover any shortfall.
Systems Risk	Since this grant is to only one grantee, the Federal Railroad Administration does not envision issues with grants management

	systems.
Audit/Investigations Risk	Under the grant agreement, Amtrak is obligated to allow the Federal Railroad Administration and/or its contractors to review accounts and records with reasonable notice at any location. In addition, the grant agreement requires the grantee's Chief Operating Officer to certify that all funds are used appropriately. The grantee is also compelled under the grant agreement to complete an audit that is compliant with federal audit rules. The grantee's A-133 audit was completed in May, 2010.
Performance Risk	The grantee must provide monthly reports to the Federal Railroad Administration on the progress of all projects. In addition, if the grantee believes it will not be able to complete a project by February 17, 2011, it must take remedial steps and report to the Federal Railroad Administration on the steps taken.

Planned program assessment / evaluation:

FRA plans to conduct ongoing program assessments and evaluations, the details of which are to be determined.

Start Date	Estimated Completion Date
December 2010	September 2011

Results of recent program assessment / evaluation:

The Federal Railroad Administration has not yet initiated a program evaluation of the Recovery Act grant activities. However, in 2005, Amtrak underwent a full program assessment, which revealed inefficiency in program results and accountability.

Improvement(s) made: Since the program's assessment in 2005, federal funding appropriated to Amtrak has been aimed at providing dollars to address infrastructure inefficiencies. As money is distributed to address the infrastructure needs, this will ultimately improve Amtrak's on-time performance.

Estimated Start Date	Estimated Completion Date
To Be Determined	To Be Determined

Accountability & Transparency

Scheduling reviews: The Federal Railroad Administration conducts quarterly reviews of Amtrak's Recovery Act funded capital projects. FRA has completed quarterly reviews in May, August, and November of 2009, as well as February of 2010. An additional quarterly review is scheduled for May, 2010.

Communicating with recipients: The Federal Railroad Administration holds weekly conference calls with the grantee, as well as ad hoc communications as needed. The Volpe Center, acting as FRA's technical oversight agent, has since March of 2010 conducted site visits and desktop audits of Amtrak. In addition, the Contracting Officer's Technical Representative (COTR) for the grant with FRA has participated in many of the site visits.

Communicating with public and stakeholders: Communications with the public is facilitated through the Federal Railroad Administration's Recovery Act portion of the DOT website, which reflects information on frequently asked questions received by the agency.

Collecting and validating project-level data: The Federal Railroad Administration depends upon the grantee to report project level data. The purpose of FRA's quarterly review of projects is to validate the project level data provided by the grantee. In addition, through the Volpe Center, FRA is conducting site visits of high risk projects to validate the grantees reporting.

Ensuring best use of federal funds:

For jobs creation and retention	Amtrak is required by the grant agreement to complete all projects by February 17, 2011. To meet this deadline, Amtrak will have to hire and retain employees accounting for both direct and indirect jobs.
For program or project outputs	Amtrak has a proven record of being able to spend funds provided for capital projects through non Recovery Act appropriations. Through its funding of Amtrak's project management expenses, the Federal Railroad Administration will help ensure that projects are completed on time and within budget.
For other public benefits	The Recovery Act funds will go towards addressing equipment and infrastructure needs, as well as addressing system security issues. Improving the equipment and infrastructure will assist in Amtrak's on-time performance statistics and provide a more reliable service for system patrons, coupled with security dollars which will provide a safer system.

Holding program managers and recipients accountable:

Program Managers	The program manager is held accountable through frequent reporting. Position descriptions of the Federal Railroad Administration's managers who are tracking the development of the Capital Grants program have been updated to include the additional oversight work required by the Recovery Act.
Primary and Secondary Recipients	Through frequent reporting and quarterly reviews, the Federal Railroad Administration aims to identify problems early and work with the grantee to remedy problems quickly and efficiently. Secondary Recipients: This does not apply because Amtrak is the sole recipient of the grant.

Reducing environmental impacts: Intercity rail transportation is both energy efficient and environmentally friendly compared to other modes of intercity transportation. The Amtrak improvements funded under the Recovery Act, combined with efficiency improvements and consumption reductions in other modes of transportation, will help to reduce national surface transportation-generated carbon dioxide levels.

Complying with National Environmental Policy: The grantee will not be allowed to receive advance disbursements on any project that has not received National Environmental Policy Act clearance.

Complying with National Historic Preservation Standards: The Federal Railroad Administration has a established a process for ensuring compliance with National Historic Preservation standards.

Holding recipients accountable for energy efficiency and/or green building standards: Not applicable.

United States

Department of Transportation

American Recovery and Reinvestment Act

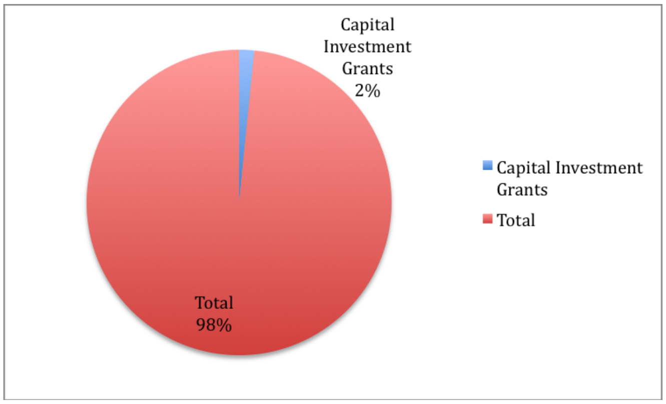
Federal Transit Administration

Capital Investment Grants

Funding

Funding: $750,000,000

Percentage of DOT Total Recovery Act Funding: 1.6%



* Does not include amounts transferred from the Highway Infrastructure Account to FTA.

Type: Discretionary funding

Period of Availability: Two years (through 2010)

Timeline for announcing:

Date	Announcement
May 2009	FTA announced the project selections in the Federal Register
May 2010	Funds must bedrawn down (outlayed) by recipients

Amount allotted for distribution: $742,500,000

Amount allotted for oversight and administrative cost: $7,500,000

Amount of Obligations and Outlays:

	September 2009	December 2009	March 2010
Obligations	$ 468,320,000	$ 468,320,000	$ 742,600,000
Outlays	$ 306,960,000	$ 419,097,324	$ 166,396,788

Program Description

Program objectives:

The purpose of the Capital Investment Grant program is to provide funding for new fixed-guideway transit systems or for extensions of existing fixed guideway systems including heavy rail, light rail, commuter rail, bus rapid transit, streetcars, ferries, andbus corridor improvements.

Public benefits:

Investment in transit fixed guideway and bus infrastructure contribute to the livability of our cities and communities by reducing air pollution, reducing congestion during peak commuting periods, and promoting urban land use patterns that reduce energy use. These investments allow individuals who do not have vehicles, persons with disabilities, people with low income, and senior citizens to have basic mobility for access to employment, services, and leisure locations.

Project level activities:

Construction of fixed-guideway public transportation systems and corridor-based bus projects

Funding determination:

The program is discretionary and awards are competitive. Statutory criteria stipulates that projects must be in construction or able to award funds within 150 days of enactment.

Project selection criteria:

Projects were chosen from among those with existing Full Funding Grant Agreements (FFGA) or Project Construction Grant Agreements (PCGA) with FTA. The process for securing an FFGA with FTA is described in detail at http://www.fta.dot.gov/planning/newstarts/planning_environment_2608.html.

Funding decisions made by:

US DOT, Region/MPO/District and Local Gov.

Contracting vehicle(s):

Contracting in this Program is done exclusively by the grant recipients. They are using a wide variety of contracting vehicles, consistent with Federal, state and local regulations, depending on the nature of the activity being contracted and other local decision-making factors.

Primary recipients:

Local Governments

Beneficiaries:

General Public, transit system users

Significant program challenges and mitigation strategies:

Challenge 1: Providing sufficient oversight of the Recovery Act program with existing program resources.

Challenge 2: Grant recipients are required under Section 1201 and Section 1512 of the Recovery Act to make various reports relating to transit projects. It is a challenge to define a Recovery Act “Project”, however, in terms of funding for a major construction program that was already underway and will in most cases be ongoing for many years.

Challenge 3: Implementation, including grantee compliance with the enhanced federal reporting requirements associated with the Recovery Act.

Mitigation strategies:

Capital Investment Grants were awarded for New Starts projects which are already under FTA’s Project Management Oversight (PMO) Program. The PMO program is highly structured and provides a significant amount of oversight to these major capital projects.,

To mitigate potential implementation issues related to reporting, FTA provides extensive outreach and training to its ARRA grantees and actively monitors the reporting activity in FederalReporting.gov to facilitate compliance. In addition, FTA developed and implemented a formal penalty policy for FTA ARRA grantees who fail to comply with ARRA’s reporting requirements. All Capital Investment Grant recipients are reporting as required.

Program Activities

Summary of implementation process:

	Milestone	Date	Anticipated Accomplishment	Status
1	Allocation of funds	May 2009	Determination of project selection and announcement of award allocations	Completed on Time
2	1st 1201 ARRA reporting	May 2009	Comply with Section 1201 of ARRA	Completed
3	2nd 1201 ARRA reporting	August 2009	Comply with Section 1201 of ARRA	Completed
4	Q3 2009 1512 ARRA Reporting	October 2009	Comply with Section 1512 of ARRA	Completed with 100% compliance)
5	Q4 2009 1512 ARRA Reporting	January 2010	Comply with Section 1512 of ARRA	Completed with 100% compliance
6	3rd 1201 ARRA reporting	February 2010	Comply with Section 1201 of ARRA	Completed
7	Q1 2010 1512 ARRA Reporting	April 2010	Comply with Section 1512 of ARRA	Completed with 100% compliance
8	Disburse all allocated funds (outlayed)	May 2010	Although not statutorily required by May 2010, FTA nevertheless set this as a goal.	Over 80 percent has been outlayed.
6	Return un-obligated Capital Investment funds to U.S. Treasury	October 2010	No unobligated funds returned to U.S. Treasury	All funds have been obligated

Anticipated Results

Expected Outcome:

1) Support Expansion of Transit Systems

Capital Investment Grants are designed to support transit construction projects. ARRA funds allow FTA to accelerate the scheduled federal share of project funding. Accelerated outlays of Federal funds under ARRA allow transit agencies to defer local matches giving them additional financial capacity to deal with the impact of current economic conditions on operations.

Without ARRA funding: Federal funding for New/Small Starts projects is provided on schedule and in accordance with existing Full Funding Grant Agreements (FFGAs) and Project Construction Grant Agreements (PCGAs).

With ARRA funding: Federal funding for New/Small Starts projects will be accelerated by Recovery Act funds and, for certain projects, will more closely match construction period cash outflows. This accelerated payment of Federal funding will provide temporary cash flow relief to financially stressed transit authorities.

2) Stimulate the Economy

FTA will manage Recovery Act dollars to encourage grantees to use them to put Americans back to work. FTA estimates that 2582 direct job-years will be created or sustained by this program.

Measure:

1) Support Expansion of Transit Systems

FTA will allocate additional funds to existing grantees with priority being given to those projects that are in construction. Percentages of available ARRA funds allocated will be based on project cash flow needs to support construction activities.

Success at expanding transit service is reflected in ridership growth as measured in published before-and-after studies for projects funded by this program.

Effective administration of transit expansion projects is reflected in the percent of of projects under FFGAs with current cost estimates that do not exceed baseline cost by more than 5%.

2) Stimulate the Economy

Data from ARRA recipient reports will be compiled to measure the effectiveness of the program in getting funds into the economy.

The jobs target will be measured against direct job FTE's reported for this program to Section 1512 reporting at www.FederalReporting.gov.

Explanation of measure:

1) Support Expansion of Transit Systems

The *growth in ridership due to funded projects* is evaluated for each project through before-and-after studies of project effectiveness. This will be reported on a project basis when the reports are released (typically two years after project completion). Projects are completed in accordance with locally established construction schedules approved by FTA prior to award of a full funding grant agreement. No annual goals have been established for this measure.

Growth in ridership due to funded projects				
	2009	2010	2011	2012
Before and After Ridership Growth	Not Yet Avail.			
Higher is better				

The *percent of transportation infrastructure projects that exceed baseline cost* is focused on cost containment to ensure that projects are completed on time and on budget. This measure is only applicable to projects with FFGAs in place.

Percent of transportation infrastructure projects that exceed baseline cost				
	2009	2010	2011	2012
Target set prior to ARRA	<5%	<5%	<5%	<5%
New target set with ARRA	<5%	<5%	<5%	<5%
Measure Frequency: Quarterly		Reported by Fiscal Year		
Lower is better				

2) Stimulate the Economy

FY obligations and the *number of projects awarded*, under way, and completed are reported No annual goals have been established for this measure.

FY obligations and the *number of projects awarded*, under way, and completed.				
	2009	**2010**	**2011**	**2012**
Total FY Obligations	$468 M			
Number of Projects awarded	9			
Number of Projects under way	0			
Number of Projects completed	9			
Measure Frequency: Annually		ARRA Calendar year (February – January) from 1201(c) report		
Higher is better				

The *number of direct jobs created or sustained* (in job years) will be reported. No annual goals have been established for this measure.

The *number of direct jobs created or sustained* (in job years).				
	2009	**2010**	**2011**	**2012**
Direct jobs created or sustained	1,689			
Measure Frequency: Annually		Reported by ARRA Calendar Year (February – January) from 1201(c) report		
Higher is better				

Risk Management & Evaluation

Risk:

The Department of Transportation created a common risk management protocol for each of its Recovery Act programs to follow. It included (1) completion of a risk assessment to identify risks, (2) development of a risk profile to assess risks, (3) development of a risk mitigation strategy to address identified risks, and (4) participation in an ongoing validation and testing process to ensure that risks are being addressed. Recovery Act funded programs have been fully absorbed in FTA's established risk-management and oversight processes and have enhanced that process with additional project-level and program-specific risk management actions.

General Risk	FTA has a long-standing oversight program, and funds were distributed to projects under the existing New/Small Starts program guidelines.
Reporting Risk	FTA requires quarterly grant reporting and utilizes existing financial management systems wherever possible. Section 1201 data is being collected in FTA's Transportation Electronic Award Management (TEAM) System and grantees are submitting the1512 reports directly in FederalReporting.gov.
Human Resources Risk	FTA selected a team of highly qualified staff from across the agency to implement the Recovery Act. . FTA has re-employed 9 annuitants and hired 15 new direct hires as well as 16 new term employees to support the Recovery Act. FTA has 2 open vacancy announcements and has issued Certificates of Eligible Candidates to selecting officials for 8 other vacancies. We are awaiting Certificates for 2 more vacancies.

Grants Risk	Funds were allocated to New Starts or Small Starts grantees that have projects under construction or that are able to obligate the funds for construction within 150 days of recovery Act enactment. These grantees are familiar with FTA's grant program and the Federal requirements associated with receiving FTA funding. In addition, FTA closely monitors quarterly financial status and milestone reports for ARRA grants. FTA is also providing real time guidance and training to Recovery Act grant recipients through participation in conferences, webinars and outreach sessions. FTA also has an agency recovery site www.fta.dot.gov/recovery, which includes Recovery Act program guidance for grantees.
Procurement Risk	FTA has not issued any requests for proposals in support of Recovery Act activities to date. FTA will issue new task orders under existing contracts that will include the necessary Recovery Act requirements in support of program management and oversight activities.
Budget/Financial Risk	New Treasury accounts were established so Recovery Act funds are not co-mingled with non-Recovery Act funds. FTA has established unique accounting codes to separate and track Recovery Act funds in financial management systems, and grantees cannot mix Recovery Act program funds with non-Recovery Act funds in a single grant.
Systems Risk	FTA incorporated Recovery Act-specific codes in its grants management system and identified ways to use the accounting system to manage and control funds.
Audit/Investigations Risk	FTA developed standard operating procedures for grant making, grant management and oversight; and, will continue to follow A-133 guidance to address internal control weaknesses that may be identified.
Performance Risk	FTA continues its grant management activities such as monitoring quarterly milestone progress reports and financial status reports.

Planned program assessment / evaluation:

A summary report is produced at the end of each project. Grantees are evaluated once every three years under FTA's triennial review program which assesses compliance with all regulations and procedures. There are ongoing reviews by the Office of Civil Rights of compliance with Departmental requirements, including ADA, DBE, Title VI, and EEO. In addition, each FTA grantee is assessed each year to determine those grantees who may be in need of additional technical resources or are in need of in-depth programmatic review programs such as Financial Management Oversight Reviews, State Management Reviews, and Procurement System Reviews.

Start Date	Estimated Completion Date
May 2009	April 2011

Results of recent program assessment / evaluation:

GAO issues reports annually on FTA's capital investment grants program. The findings of these studies are primarily centered on the project evaluation process, including the need for streamlining the application process, the need to incorporate additional criteria into project evaluations, and the likely increase in future applications for participation in this program. FTA has taken steps to revise and improve its project rating and evaluation framework to respond to these findings.

Start Date	Completion Date
2006	2009

Accountability & Transparency

Scheduling reviews:

Project plans are reviewed at the alternatives analysis stage, preliminary engineering stage, final design stage, and before a Full Funding Grant Agreement is signed. During construction, projects grantees submit monthly reports which are fully reviewed.

Communicating with recipients:

In monthly conference calls that are usually initiated upon project entry into preliminary engineering, FTA reviews plans and progress, recipient reports, and application documents and provides feedback to grantees. Management and headquarters staff are notified of any issues that need to be resolved.

Communicating with public and stakeholders:

FTA prepares an Annual Report to Congress that includes a status update on each project that is posted to FTA's website. That web site also has sections dedicated to project management and other topics of interest to the public. FTA also maintains a complaint hotline where the public can submit comments on misuse of government funds. These complaints are fully investigated and receive full responses. Grant recipients communicate directly with the public on how the project is progressing.

Collecting and validating project-level data:

Program staff will review data submissions that come into the agency from the grant recipients through the grant processing system as well as the Recovery Act reporting system.

Data will be validated by FTA staff.

Ensuring best use of federal funds:

For jobs creation and retention	These are projects already under construction that result in tangible outputs, and provide public benefit more quickly than could be realized by funding new projects that have not yet completed the planning and project development process. By accelerating the receipt of Federal funds, financing costs for the projects are being reduced and pressure on scarce local resources is being eased.
For program or project outputs	Grantees submit monthly reports and are subject to quarterly project reviews that insure projects are completed on time and within budget by dealing with issues as soon as they are identified.
For other public benefits	Well-designed transit systems have a multitude of social benefits that enhance the livability of our communities. They also provide safe, energy-efficient transportation alternatives to automobile travel and promote local economic development.

Holding program managers and recipients accountable:

Program Managers	Management establishes goals on which personal performance evaluations are based. Recovery Act performance goals have been incorporated into these agreements. ARRA implementation is a component of FTA's overall performance plan.
Primary and Secondary Recipients	Quarterly reporting requirements, project review meetings, milestone progress reporting, and financial status reporting.

Reducing environmental impacts:

Projects funded by these grants support transit system expansion to serve existing and new transit users. These transit riders might otherwise be driving, using non-renewable energy, and contributing more greenhouse gas emissions and pollution to the atmosphere.

Complying with National Environmental Policy:

All projects funded have completed the environmental review process required by the National Environmental Policy Act (NEPA). NEPA compliance is documented in the grant system.

Complying with National Historic Preservation Standards:

No project is cleared for funding if there is an unresolved National Historic Preservation Act issue.

Holding recipients accountable for energy efficiency and/or green building standards:

FTA Grant agreements require compliance with cross cutting Federal requirements. Environmental reviews, construction management oversight, and compliance reviews take into consideration applicable standards.

United States

Department of Transportation

American Recovery and Reinvestment Act

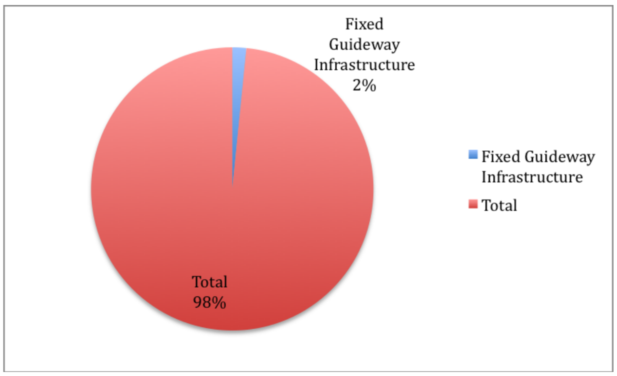
Federal Transit Administration

Fixed Guideway Infrastructure

Funding

Funding: $750,000,000

Percentage of DOT Total Recovery Act Funding: 1.6%



*Please note this does not include amounts transferred from the Highway Infrastructure Account to FTA.

Type: Formula Grant funding

Period of Availability: Two years (through 2010)

Time line for announcing:

Date	**Announcement**
March 2009	FTA announced the Recovery Act apportionments in the Federal Register
September 2009	50 percent of Fixed Guideway Infrastructure Investment (FG) Program funds obligated.
March 2010	Remaining FG funds (second 50 percent) obligated in a grant
September 2010	Any reallocated FG funds are obligated

Amount allotted for distribution: $742,500,000

Amount allotted for oversight and administrative cost: $7,500,000

Amount of Obligations and Outlays:

	September 2009	December 2009	March 2010
Obligations	$ 738,537,577	$ 738,537,577	$ 743,255,847
Outlays	$ 76,451,634	$ 119,559,778	$ 166,396,788

Program Description

Program objectives:

Provide capital assistance for the modernization of existing fixed guideway (FG) systems such as heavy rail, commuter rail, light rail, monorail, trolleybus, aerial tramway, inclined plane, cable car, automated guideway transit, ferryboats, that portion of motor bus service operated on exclusive or controlled rights-of-way, and high-occupancy-vehicle (HOV) lanes.

Public benefits:

Investment in transit fixed guideway infrastructure provides transportation alternatives that contribute to the livability of our cities and communities by reducing air pollution, reducing congestion during peak commuting periods, and by promoting urban land use patterns that reduce energy use. These transportation services also provide individuals who do not have vehicles, persons with disabilities, people with low income, and senior citizens basic mobility to access employment, services, and leisure locations. Fixed guideway funding supports maintenance of a state of good repair for this infrastructure, this contributes to improved reliability, safety, and service quality.

Project level activities:

Eligible purposes are capital projects to modernize or improve existing fixed guideway systems, including purchase and rehabilitation of rolling stock, track, line equipment, structures, signals and communications, power equipment and substations, passenger stations and terminals, security equipment and systems, maintenance facilities and equipment, operational support equipment including computer hardware and software, system extensions, and preventive maintenance.

Funding determination:

There is a seven-tiered formula that is used to allocate FG funds. The Recovery Act funding was only enough to fully fund tiers 1-3 and partially fund tier 4. Accordingly, the funds were distributed to the older transit systems that were in operation during 1997. In order to qualify for fixed guideway funds an area must have a fixed guideway system that is at least one mile in length and seven years old. Formula factors also include vehicle revenue miles and fixed guideway miles.

Project selection criteria:

Project selection is up to the local planning process, but project eligibility is reviewed by FTA regional offices prior to grant approval. Regional offices also review projects for compliance with all necessary federal requirements such as civil rights, planning, and National Environmental Policy Act regulations.

Funding decisions made by:

Region/MPO/District and Local Government

Contracting vehicle(s):

Contracting in this Program is done exclusively by the grant recipients. The grant recipients are using a wide variety of contracting vehicles, consistent with Federal, state and local regulations, depending on the nature of the activity being contracted and other local decision-making factors.

Primary recipients: Local Government, Quasi-Public Nonprofit Institutions

Beneficiaries: General Public, Transit system users

Significant program challenges and mitigation strategies:

Challenge 1: FTA faces a statutory deadline of September 1, 2009, by which time each of the 41 areas that were allocated Fixed Guideway Infrastructure formula funds must have obligated at least 50% of these funds, or face losing a portion of their allocation. This presents challenging workloads for staff performing technical assistance in grant preparation and grant processing if grantees are to meet their September 1, 2009, deadlines. The normal FTA grant approval process includes extensive reviews before award and obligation of the grant, including outside review by the Department of Labor.

Challenge 2: Additional layers of grant application review by the Office of the Secretary of Transportation and the Office of Management and Budget have been added to FTA's normal grant-making process for ARRA grants. These reviews slowed down FTA's ability to obligate grants and the ability of allocated areas to obligate 50% or more of their allocation by September 1, 2009, even with timely submittal of a grant application by mid-June.

Challenge 3: Oversight - preventing misuse of funds with existing oversight resources.

Challenge 4: Grant recipients are required under Section 1201 and Section 1512 of the Recovery Act to make various reports relating to transit projects. Some grantees may have limited capacity to develop reports, particularly for the number of jobs created or retained by each project. Technical issues with the federalreporting.gov website may also be a problem. Many grantees may also need assistance to establish DUNs and CCR registration as required.

Mitigation strategies:

FTA is mitigating these challenges by rehiring retired FTA employees to increase staff capacity for technical assistance and grant processing. FTA also advised its grantees that grant applications for at least 50% of each area's allocation had to be submitted no later than July 1, 2009. This provided FTA with an adequate amount of time, given the additional resources noted above, to review and process over 47 grant applications, award XXX grants, and obligate the funds by the September 1, 2009 deadline. FTA worked closely with the Department of Labor to ensure their timely processing of these grants. FTA also coordinated with OST and OMB to provide guidance and technical assistance to ARRA grantees on ARRA's reporting requirements.

Program Activities

Summary of implementation process:

On March 5, 2009, FTA published the allocation of formula funds in the Federal Register. Accordingly, eligible public transportation providers, State Departments of Transportation, and Metropolitan Planning Organizations in those areas began submitting grant applications to FTA for formula funds.

By September 1, 2009, grant recipients in each allocated area received grant awards for at least 50 percent of the area's initial allocation.

By March 5, 2010, all of the allocated funds were awarded in grants.

Since all Fixed Guideway ARRA funds are obligated, there are no funds in this program at risk of being returned to the US Treasury on September 30, 2010, which is the statutory deadline for having all funds obligated in approved grants. .

ARRA grant recipients are providing quarterly financial status reports and quarterly milestone progress reports to FTA on their progress in carrying out the activites listed in the ARRA grant. ARRA grant recipients are also complying with the reporting requirements in Section 1201 and Section 1512 of the Recovery Act.

September 30, 2015 is the last day for grant recipients to receive reimbursement of an eligible expenditure under an ARRA grant.

Milestones:

	Milestone	Date	Anticipated Accomplishment	Status
1	Apportionment of funds	March 2009	Accomplished	Completed on Time
2	1st 1201 ARRA reporting	May 2009	Accomplished	Completed
3	2nd 1201 ARRA reporting	August 2009	Accomplish on time	Completed
4	Reallocation of unobligated funds from first 50 percent of formula allocation (if any).	October 2009	Accomplish on time	No Funds Needed to be Reallocated
5	Q3 2009 1512 ARRA Reporting	October 2009	Comply with Section 1512 of ARRA	Completed with 100% compliance
6	Q4 2009 1512 ARRA Reporting	January 2010	Comply with Section 1512 of ARRA	Completed with 100% compliance
7	3rd 1201 ARRA reporting	February 2010	Accomplish on time	Completed on Time
8	Reallocation of remaining unobligated funds.	March 2010	Accomplish on time	No Funds Needed to be Reallocated
9	Q1 2010 1512 ARRA Reporting	April 2010	Comply with Section 1512 of ARRA	Completed with 100% compliance
10	Return unobligated funds	September	No funds will be unobligated on	

	to U.S. Treasury	2010	September 30, 2010.	

Anticipated Results

Expected Outcome:

1) Improve the average condition of the nation's transit rail agencies

Most fixed guideway funds are used for maintenance and replacement of rail infrastructure. With ARRA funding, transit rail agencies are expected to show improved operational performance, ride quality, and life cycle costs.

2) Stimulate the Economy

FTA is managing Recovery Act dollars to encourage grantees to use them to put Americans back to work. FTA estimates that approximately 2,582 direct job-years will be created or sustained by this program.

3) Utilize ARRA Funds to the Fullest Extent

FTA has worked closely with grantees to obligate ARRA funds according to the milestone schedule above. FTA has successfully obligated all ARRA fundsand eliminated the risk that any of these ARRA funds will need to be returned to the U.S. Treasury as unobligated on September 30, 2010.

Measure:

1) Improve the average condition of the nation's transit rail agencies

FTA will report the average condition of the transit rail fleet. Conditions will be reported using agency reports to the National Transit Database processed by FTA's Transit Economic Requirements Model, which measures the condition of the transit rail fleet using a scale of 1 (poor), 2 (marginal), 3 (fair), 4 (good), and 5 (excellent).

2) Stimulate the Economy

The jobs target will be measured against direct job FTE's reported for this program to Section 1512 reporting at www.FederalReporting.gov.

3) Utilize ARRA Funds to the Fullest Extent

Data from ARRA recipient reports are being compiled to measure the effectiveness of the program in getting resources into the economy. This includes:

- the number of projects awarded and the funds associated with them;
- the number of projects under way and the funds associated with them; and
- the number of completed projects and the funds associated with them.

Project funding is broken down by Federal share, non-Federal share, and ARRA share.

Explanation of measure:

1) Improve the average condition of the nation's transit rail agencies

In the last year for which data is available, 2006, the *average condition of the Nation's rail fleet* of nearly 20,000 vehicles was 3.51. An infusion of recovery money should improve the average condition and sustain it at a higher level for several years. No annual goals have been established for this measure.

Improve the average condition of the nation's transit rail agencies				
	2009	2010	2011	2012
Ave. Condition of Rail Fleet	Not Yet Avail.			
Measure Frequency: Annually		Reported by Fiscal Year		
Higher is better				

2) Stimulate the Economy

The *number of direct jobs created or sustained* (in job years) will be reported. No annual goals have been established for this measure.

The *number of direct jobs created or sustained* (in job years)				
	2009	**2010**	**2011**	**2012**
Direct jobs created or sustained	593			
Measure Frequency: Annually		Reported by ARRA Calendar Year (February – January) from annual 1201(c) report		
Higher is better				

Utilize ARRA Funds to the Fullest Extent

Fiscal Year obligations and *number of projects awarded*, under way, and completed are being reported. No annual goals have been established for this measure.

Fiscal Year obligations and *number of projects awarded*, under way, and completed				
	2009	**2010**	**2011**	**2012**
Fiscal Year Obligations	$738M			
Projects/funds awarded	46			
Projects/funds under way	26			
Projects/funds completed	6			
Measure Frequency: Annually		Reported by ARRA Calendar Year (February –January) from annual 1201(c) report		
Higher is better				

FTA has reported the *percentage of areas that met the goal of obligating 50% of their apportioned funds by September 1, 2009*.

Percentage of areas that met the goal of obligating 50% of their apportioned funds by September 1.				
	2009	**2010**	**2011**	**2012**
% of areas the meet 9/1/09, 50% obligation deadline	100%	N/A	N/A	N/A
goal	100%	N/A	N/A	N/A
Measure Frequency: Annually		Reported by Fiscal Year		
Higher is better				

FTA will report the *percentage of ARRA funds that remain unobligated on October 1, 2010* and then must be returned to the US Treasury.

***Percentage of ARRA funds that remain unobligated on October 1,* and returned to the US Treasury**				
	2009	**2010**	**2011**	**2012**
% of ARRA funds unobligated on 10/1/2010	N/A	N/A	N/A	N/A
goal		0%	N/A	N/A
Measure Frequency: Annually		Reported by Fiscal Year		
Lower is better				

Risk Management & Evaluation

Risk:

The Department of Transportation created a common risk management protocol for each of its Recovery Act programs to follow. It included (1) completion of a risk assessment to identify risks, (2) development of a risk profile to assess risks, (3) development of a risk mitigation strategy to address identified risks, and (4) participation in an ongoing validation and testing process to ensure that risks are being addressed. Recovery Act funded programs have been fully absorbed in FTA's established risk-management and oversight processes and have enhanced that process with additional project-level and program-specific risk management actions.

General Risk	FTA has a long-standing oversight program, and funds were distributed to projects under the existing fixed guideway program guidelines.
Reporting Risk	FTA requires quarterly grant reporting and utilizes existing financial management systems wherever possible. Section 1201 data is being collected in FTA's Transportation Electronic Award Management (TEAM) System, and grantees are submitting their 1512 reports directly in FederalReporting.gov.
Human Resources Risk	FTA selected a team of highly qualified staff from across the agency to implement the Recovery Act. FTA has re-employed 9 annuitants and hired 15 new direct hires as well as 16 new term employees to support the Recovery Act. FTA has 2 open vacancy announcements and has issued Certificates of Eligible Candidates to selecting officials for 8 other vacancies. We are awaiting Certificates for 2 more vacancies.
Grants Risk	Recovery Act Fixed Guideway funds were allocated to current FTA Fixed Guideway program recipients. These grantees are familiar with FTA's grant program and the Federal requirements associated with receiving FTA funding. FTA closely monitors quarterly financial status reports and milestone reports for Recovery Act grants. FTA is also providing real time guidance and training to Recovery Act grant recipients through participation in conferences, webinars and outreach sessions. FTA has an agency web site www.fta.dot.gov/recovery, which includes Recovery Act program guidance for grantees.
Procurement Risk	FTA has not issued any requests for proposals in support of Recovery Act activities to date. FTA will issue new task orders under existing contracts that will include the necessary Recovery Act requirements in support of program management and oversight activities.
Budget/Financial Risk	New Treasury accounts were established so that Recovery Act funds are not co-mingled with non-Recovery Act funds. FTA has established unique accounting codes to separate and track Recovery Act funds in financial management systems, and grantees cannot mix Recovery Act program funds with non-Recovery Act funds in a single grant.
Systems Risk	FTA incorporated Recovery Act-specific codes in its grants management system and identified a better method to use the accounting system to manage and control funds.

Audit/Investigations Risk	FTA developed standard operating procedures for grant making, grant management and oversight; and, will continue to follow A-133 guidance to address internal control weaknesses that may be identified.
Performance Risk	FTA uses existing oversight procedures including project management oversight, financial management oversight, procurement reviews, and triennial reviews. These procedures have been modified to address the enhanced oversight needs associated with ARRA grants (reporting, procurement, and project management). In addition, FTA continues its grant management activities such as monitoring quarterly milestone progress reports and financial status reports.

Planned program assessment / evaluation:

Recipients are evaluated once every three years under the FTA Triennial Review program which assesses compliance with all regulations and procedures. FTA conducts annual grantee oversight assessments to maintain a comprehensive oversight program which includes ARRA recipients. There are also ongoing reviews by the FTA Office of Civil Rights for compliance with Federal and Departmental requirements.

Start Date	Estimated Completion Date
March 2009	March 2012

Results of recent program assessment / evaluation:

The Fixed Guideway program was assessed in cooperation with the Office of Management and Budget in 2004. The program was rated effective. The primary recommendation was to evaluate ways to increase transit ridership across the country. In addition, FTA was to review its grant processes to ensure they were as efficient as possible.

In April 2009, FTA released the “Rail Modernization Study: A Report to Congress.” It found that one-third of the seven largest rail system’s capital assets are either in “marginal” or “poor” condition and found a state-of-good-repair backlog of approximately $50 billion (2008 dollars) for these systems.

Improvement(s) made: FTA developed several programs, such as United We Ride and A Ridership Tool Kit, to help grantees build ridership. More recently FTA has been working to develop improvements to the program to address the state-of-good-repair backlog.

Start Date	Completion Date
2004	2008

Accountability & Transparency

Scheduling reviews:

FTA conducts annual grantee oversight assessments to maintain a comprehensive oversight program and this includes ARRA recipients. Triennial reviews of all recipients are performed once every three years. All grant elements are reviewed to ensure compliance, many on a comprehensive basis with some aspects audited on a spot check basis.

Communicating with recipients:

FTA regional office staff maintain regular communication with recipients by providing technical assistance; reviewing quarterly milestone reports; providing oversight through FTA oversight contractors, conducting site visits, and participating in key decision points when needed.

Communicating with public and stakeholders:

FTA provides an extensive level of public outreach as required by Federal transportation planning legislation. FTA maintains a web site that posts Recovery Act project information so the public can track results on both an aggregate level and at the project level. Suspected abuse of Federal funds can be reported to the FTA through our complaint hotline - complaints are aggressively investigated. FTA issues occasional press releases as needed.

Collecting and validating project-level data:

Submissions will be reviewed through FTA's TEAM grant processing system and at FederalReporting.gov for the 1201/1512 reports. FTA staff engage in rigorous data validation and verification activities to ensure the accuracy of Recovery Act data.

Ensuring best use of federal funds:

For jobs creation and retention	The tiered funding system directed Recovery Act funds to the older transit agencies that are investing in maintenance activities to improve their state of good repair.

For program or project outputs	FTA studies have shown that the older transit agencies have a greater percentage of their capital assets that are in poor condition. Funding improvements at these agencies will do the most to improve average asset conditions.
For other public benefits	The top tiers in the apportionment formula represent the biggest urban transit systems. These areas generally have urban development patterns that are more reliant on transit service. Maintaining fixed guideway transit in these areas provides the maximum public benefit.

Holding program managers and recipients accountable:

Program Managers	Management establishes goals on which personal performance evaluations are based. Recovery Act performance goals have been incorporated into these agreements.
Primary and Secondary Recipients	Quarterly reporting requirements, project review meetings, milestone progress reporting, and financial status reporting.

Compliance & Results

Reducing environmental impacts:

In general, better transit service, as supported by well-maintained fixed guideway systems, attracts riders and potentially decreases the impact of automobile use by replacing it with less energy-intensive multi-passenger modes of transportation.

Complying with National Environmental Policy:

FTA staff ensures that all major projects are compliance with National Environmental Policy Act requirements before they are awarded.

Complying with National Historic Preservation Standards:

No project is cleared for funding if there is an unresolved National Historic Preservation Act issue.

Holding recipients accountable for energy efficiency and/or green building standards:

FTA does not fund projects in grants without documented compliance with the National Environmental Policy Act. In addition, FTA is reporting the environmental staus and all environmental actions taken on Recovery Act funded projects.

FTA Grant agreements require compliance with cross cutting Federal requirements. Environmental reviews, construction management oversight, and compliance reviews take into consideration applicable standards.

United States

Department of Transportation

American Recovery and Reinvestment Act

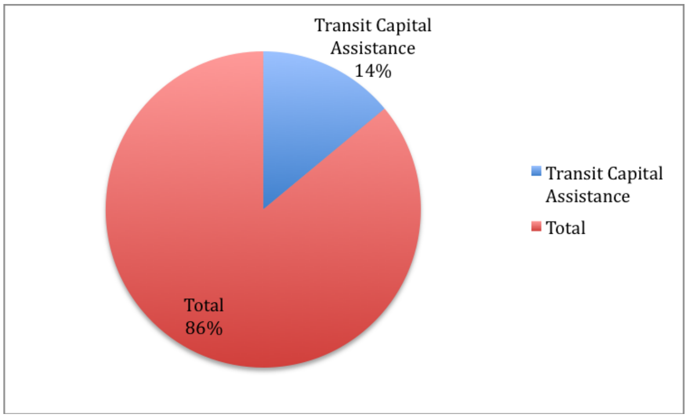
Federal Transit Administration

Transit Capital Assistance

Funding

Funding: $6,900,000,000

Percentage of DOT Total Recovery Act Funding:



*Please note this does not include amounts transferred from the Highway Infrastructure Account to FTA.

Type: Formula and Discretionary Grant funding

Period of Availability: Two years (through 2010)

Time line for announcing:

Date	Announcement
March 2009	FTA announced the apportionments of Transit Capital Assistance (TCA) formula funds for urbanized areas and for rural areas in the Federal Register
March 2009	The availability of discretionary TCA funds for Tribal Transit grants was announced in the Federal Register
March 2009	The availability of discretionary TCA funds for Energy Reduction (TIGGER) grants was announced in the Federal Register.
October 2009	Project selections were announced for discretionary TIGGER grants.
September 1, 2009	States and urbanized areas obligated at least half of their apportioned formula funds.
December 2009	Project selections were announced for discretionary Tribal transit grants

March 5, 2010	States and urbanized areas obligated 100% of their apportioned formula funds.
September 2010	Any remaining funds are obligated.

Amount allotted for distribution: $6,850,700,000

Amount allotted for oversight and administrative cost: $49,300,000

Amount of Obligations and Outlays:

	September 2009	December 2009	March 2010
Obligations	$ 6,244,718,257	$ 6,268,894,265	$ 7,178,280,136
Outlays	$ 570,243,992	$ 1,038,661,490	$ 1,603,521,832

Program Description

Program objectives: To support transit system expansion, maintenance and asset renewal to serve existing and new transit users, plus to a limited extent, the operating needs of public transportation systems in urbanized, rural, and tribal areas. To make investments that reduce the overall energy use and greenhouse gas emissions of transit systems.

Public benefits: Federal capital investments in transit infrastructure allow individuals who do not have vehicles, persons with disabilities, people with low income, and senior citizens to have basic mobility for access to employment, basic services, and leisure locations. Investment in transit infrastructure translates into transportation alternatives that contribute to the livability of our cities and communities by reducing air pollution, reducing congestion during peak commuting periods, and promoting urban land use patterns that reduce energy use.

Project level activities: Activities in this program include:

- supplying buses, vans, rail cars, and other vehicles for service in public transportation, either as replacement for existing vehicles or for expansion of fleets
- construction or rehabilitation of maintenance facilities or administrative buildings
- construction or rehabilitation of rail track, tunnels, elevated structures, or stations
- purchase of equipment, such as generators, shop equipment, radios, security cameras, and computers needed for the operation and maintenance of

transit vehicles fleets, track, rail stations, repair facilities, and administration buildings
- operating assistance (limited to 10% of formula apportionment, typically used to subsidize fuel and labor costs)

Funding determination: There are formulas for two of the four sub-programs that support transit infrastucture. Formulas are defined in legislation and are based on Census Bureau data and data collected in FTA's National Transit Database. Data for all agencies that receive funds from FTA are collected in this database. Technical factors including passenger miles, vehicle revenue miles, number of vehicles in maximum revenue service, and population of service area are used to match the amount of funding to local transit needs. Discretionary programs for Native American tribes and for energy efficiency will be selected competitively.

Project selection criteria: Project selection for formula funds is up to the local planning process, but project eligibility was reviewed by FTA regional offices prior to grant approval. Regional offices also reviewed projects for compliance with all necessary federal requirements such as civil rights, planning, and National Environmental Policy Act regulations.

Funding decisions made by: US DOT, State, Region/MPO/District and Local Government

Contracting vehicle(s): Contracting in this Program is done exclusively by the grant recipients. They are using a wide variety of contracting vehicles, consistent with Federal, State and local regulations, depending on the nature of the activity being contracted and other local decision-making factors.

Primary recipients: Local government, State transit authorities, and tribes. Sub-recipients in non-urbanized areas may include private nonprofit organizations and commercial intercity bus operators.

Beneficiaries: General Public, transit system users, transit labor union membership

Significant program challenges and mitigation strategies:

Challenge 1: FTA faced a statutory deadline of September 1, 2009, by which time each of the 297 areas that were allocated Transit Capital Assistance (TCA) formula funds must have obligated at least 50% of these funds or face losing a portion of their allocation. This presented challenging workloads for staff performing technical assistance in grant preparation and grant processing. The normal FTA grant approval process includes extensive reviews before award and obligation of the grant, including outside review by the Department of Labor.

Challenge 2: Additional layers of grant application review by the Office of the Secretary of Transportation and the Office of Management and Budget were added to FTA's normal grant-making process for ARRA grants. These reviews slowed down FTA's ability to obligate grants the ability of allocated areas to obligate 50% or more of their allocation by the September 1, 2009 deadline, even with timely submittal of a grant application by mid-June.

Challenge 3: Oversight of this program, which involves over 600 grantees and over 1,000 separate grants, to prevent misuse of funds will be a significant challenge.

Challenge 4: Grant recipients are required under Section 1201 and Section 1512 of the Recovery Act to make various reports relating to transit projects. Some grantees have limited capacity to develop reports, particularly for the number of jobs created or retained by each project. Technical issues with the federalreporting.gov website may also be a problem. Many grantees also needed assistance to establish DUNs and CCR registration as required.

Mitigation strategies:

FTA mitigated these challenges by rehiring retired FTA employees to increase staff capacity, providing extensive technical assistance to grantees and establishing interim deadlines to keep the grant making process moving forward. For example, FTA advised its grantees that grant applications for at least 50% of each area's allocation were to be submitted no later than July 1, 2009. This allowed for adequate time to review the grant application and process it through the Department of Labor so that the grants were awarded and funds obligated by September 1, 2009. FTA worked closely with the Department of Labor to insure their timely processing of these grants. FTA also coordinated with OST and OMB to provide guidance on reporting required under ARRA for transit grant recipients.

To mitigate potential implementation issues related to reporting, FTA provides extensive outreach and training to its ARRA grantees and actively monitors the reporting activity in FederalReporting.gov to facilitate compliance. In addition, FTA developed and implemented a formal penalty policy for FTA ARRA grantees who fail to comply with ARRA's reporting requirements. All required Section 1201 reports and more than 99% of the required Section 1512 reports have been submitted.

Program Activities

Summary of implementation process:

On March 5, 2009, FTA published the apportionment of formula funds in the Federal Register. The apportionment allocated funds to urbanized areas over 200,00 in population, and allocated funds to each State for urbanized areas under 200,000 in population within that State and for all of the non-urbanized areas within that State.

Accordingly, eligible public transportation providers, State Departments of Transportation, and Metropolitan Planning Organizations began submitting grant applications to FTA for grant awards of those formula funds.
By September 1, 2009, grant recipients in each allocated area were required to have at least 50 percent of the area's initial allocation obligated in awarded grants. This requirement was met.

By March 5, 2010, all allocated funds were to be awarded in grants. Any allocated funds that were not awarded by that time were subject to redistribution by FTA to those areas that were able to get all their apportioned funds awarded. This requirement was met.

On March 23 and March 24, 2009, FTA issued a Notice of Funding Availability (NOFA) for both the ARRA Tribal Transit and ARRA Transit Investment for Greenhouse Gas Reduction and Energy Reduction (TIGGER) subprograms, respectively. Selections were announced in the Federal Register for both programs and grants are now being awarded.

On September 30, 2010, all funds not obligated in an approved grant will be returned by FTA to the US Treasury.

Once a grant award was made, the grant recipient was able to spend grant funds on the eligible activities listed in the grant, and then apply to FTA for reimbursement of those expenditures as they were made. Grant recipients are submitting quarterly financial status reports and milestone progress reports to FTA on their progress in carrying out the activites listed in the grant. Grant recipients are also submitting reports in FederalReporting.gov,per Section 1201 and Section 1512 of the Recovery Act.

September 30, 2015 is the last day for grant recipients to receive reimbursement of an eligible expenditure under an ARRA grant.

Milestones

	Milestone	Date	Anticipated Accomplishment	Status
1	Apportionment of funds	March 2009	Accomplish on Time	Completed on Time
2	1st 1201 ARRA reporting	May 2009	Comply with Section 1201 of ARRA	Completed
3	2nd 1201 ARRA reporting	August 2009	Comply with Section 1201 of ARRA	Completed
4	Reallocation of unobligated funds from first 50 percent of TCA formula allocation (if	September 2009	Accomplish on Time	No reallocation required.

	any).			
5	Q3 2009 1512 ARRA Reporting	October 2009	Comply with Section 1512 of ARRA	Completed with 97% compliance
6	Q4 2009 1512 ARRA Reporting	January 2010	Comply with Section 1512 of ARRA	Completed with 100% compliance
7	3rd 1201 ARRA reporting	February 2010	Comply with Section 1201 of ARRA	Completed
8	Reallocation of remaining TCA formula allocation (if any).	March 2010	Accomplish on time	No reallocation required
9	Q1 2010 1512 ARRA Reporting	April 2010	Comply with Section 1512 of ARRA	Completed with 99% compliance
10	Return unobligated funds to U.S. Treasury	October 2010	Accomplish on time	

Anticipated Results

Expected Outcome

1) Improve the average condition of the nation's transit bus fleet

With ARRA funding, the average condition of the transit bus fleet is expected to improve allowing more reliable operational performance and better ride quality. Without ARRA funding, the average condition of the nation's transit bus fleet was projected to decline.

Approximately 37 percent of ARRA Transit Capital Assistance funds are being used by grantees to purchase transit vehicles, rehabilitate existing vehicles and perform preventive maintenance.

2) Reduce Energy Consumption and Greenhouse Gas Emissions

It is expected that the total annual energy consumed directly by transit agencies, and the direct greenhouse gas emissions from these agencies, will be reduced. The Transit Investment in Greenhouse Gas and Energy Reduction (TIGGER) grants provided $100 million in grant awards to public transit agencies for capital investments that will assist in reducing the energy consumption and greenhouse gas emissions attributed to public transportation operations.

3) Stimulate the Economy

FTA estimates that 23,828 direct job-years will be created or maintained by the ARRA Transit Capital Assistance program. FTA has worked with grantees to obligate ARRA funds according to the milestone schedule above and FTA has managed Recovery Act dollars to encourage grantees to use them to put Americans back to work.

4) Utilize ARRA Funds to the Fullest Extent

FTA worked with grantees to obligate ARRA funds according to the milestone schedule above. FTA has worked to minimize the amount of unobligated funds that are at risk of being returned to the U.S. Treasury if not obligated by September 30, 2010. FTA has managed the Recovery Act process so that 100% of eligible areas met the goal of obligating 50% of their apportioned funds by the September 1, 2009 deadline.

Measure:

1) Improve the average condition of the nation's transit bus fleet

FTA will report the average condition of the transit bus fleet, the number of buses purchased to replace aging vehicles, and the number of buses purchased to expand vehicle fleets using ARRA funds. Conditions will be reported using agency reports to the National Transit Database processed by FTA's Transit Economic Requirements Model, which measures the condition of the transit bus fleet using a scale of 1 (poor), 2 (marginal), 3 (fair), 4 (good), and 5 (excellent).

2) Reduce Energy Consumption and Greenhouse Gas Emissions

TIGGER projects will report the actual amounts of greenhouse gas and energy reduction they achieve using a formula provided by the Environmental Protection Agency (EPA) at www.epa.gov/solar/energy-resource/calculator.html. This will be reported, along with the reduction prediction from the project proposals.

3) Stimulate the Economy

The jobs target will be measured against direct job FTE's reported for this program to the Department's Section 1201(c) reporting in FTA's grant management system. Data from FTA's obligation records and ARRA recipient reports are being compiled to measure the effectiveness of the program in getting resources into the economy. This includes:

- Fiscal Year Obligations
- the number of projects awarded;
- the number of projects under way; and
- the number of completed projects.

Explanation of measures:

1) Improve the average condition of the nation's transit bus fleet

The *average condition of the Nation's bus fleet* of over 70,000 vehicles was 3.01 in 2006, the last year for which data is available. In 2003, the average condition was 3.11. Existing levels of Federal investment in replacing bus fleets are not adequate to maintain the average condition of the bus fleet. The infusion of Recovery Act money is projected to improve the average condition of the fleet. No goal has been established for this measure.

Improve the average condition of the nation's transit bus fleet				
	2009	**2010**	**2011**	**2012**
Avg. Condition of Bus Fleet	Not Yet Avail.			
Measure Frequency: Annually		Reported by Fiscal Year		
Higher is better				

The total *number of buses purchased* will be reported along with the percentage for replacement of existing outdated vehicles (the remainder being for fleet expansion). Expenditures will be reported by Federal share, non-Federal share, and ARRA share. No goal has been established for this measure.

The total *number of buses purchased* and the percentage for replacement of existing outdated vehicles				
	2009	**2010**	**2011**	**2012**
Total Buses purchased	9812			
% of Buses purchased as replacements	88.3%			
Measure Frequency: Annually		Reported by Fiscal Year		
Higher is better				

2) Reduce Energy Consumption and Greenhouse Gas Emissions

Actual *reductions in greenhouse gas emissions and energy usage* resulting from TIGGER projects will be reported. This will be compared to predicted values from the project proposals. No goal has been established for this measure.

Reductions in greenhouse gas emissions and energy usage resulting from TIGGER projects.				
	2009	**2010**	**2011**	**2012**
Predicted greenhouse gas emission reductions				
Actual greenhouse gas emission reductions	Not Yet Avail.			
Predicted reduction in energy usage				
Actual reduction in energy usage	Not Yet Avail.			
Measure Frequency: Annually		Reported by Fiscal Year		
Higher is better				

3) Stimulate the Economy

The *number of direct jobs created or sustained* (in job years) are being reported. No goal has been established for this measure.

The *number of direct jobs created or sustained* (in job years)				
	2009	**2010**	**2011**	**2012**
Direct jobs created or sustained	7,607			
Measure Frequency: Annually		ARRA Calendar year (February – January) from 1201(c) report		
Higher is better				

4) Utilize ARRA Funds to the Fullest Extent

The *number and value of projects awarded*, under way, and completed are being reported. Expenditures are reported by Federal share, non-Federal share, and ARRA share. No goal has been established for this measure.

The number and value of projects awarded, under way, and completed				
	2009	**2010**	**2011**	**2012**
Fiscal Year Obligations	$5,993B			
Number of Projects awarded	573			
Number of Projects under way	402			
Number of Projects completed	11			
Measure Frequency: Annually		ARRA Calendar year (February – January) from 1201(c) report		
Higher is better				

FTA is reporting the *percentage of areas that met the goal of obligating 50% of their apportioned funds by September 1, 2009*.

Percentage of areas that met the goal of obligating 50% of their apportioned funds by September 1.				
	2009	**2010**	**2011**	**2012**
% of areas that meet 9/1/09, 50% obligation deadline	100%	NA	NA	NA
goal	100%	NA	NA	NA
Measure Frequency: Annually		Reported by Fiscal Year		
Higher is better				

FTA will report the *percentage of ARRA funds that remain unobligated on October 1, 2010* and then must be returned to the US Treasury.

Percentage of ARRA funds that remain unobligated on October 1, and returned to the US Treasury.				
	2009	**2010**	**2011**	**2012**
% of ARRA funds unobligated on 10/1/2010	N/A			
goal		0%		
Measure Frequency: Annually		Reported by Fiscal Year		
Lower is better				

Risk Management & Evaluation

Risk

The Department of Transportation created a common risk management protocol for each of its Recovery Act programs to follow. It included (1) completion of a risk assessment to identify risks, (2) development of a risk profile to assess risks, (3) development of a risk mitigation strategy to address identified risks, and (4) participation in an ongoing validation and testing process to ensure that risks are being addressed. Recovery Act funded programs have been fully absorbed in FTA's established risk-management processhave enhanced that process with additional program-specific risk management actions.

General Risk	FTA has a long-standing oversight program, and funds were distributed to traditional FTA grantees under the existing urbanized and non-urbanized formula programs.
Reporting Risk	FTA requires quarterly grant reporting and utilizes existing financial management systems wherever possible. Section 1201 data is being collected in FTA's Transportation Electronic Award Management (TEAM) system and grantees are submitting the 1512 reports directly in FederalReporting.gov.
Human Resources Risk	FTA selected a team of highly qualified staff from across the agency to implement the Recovery Act. FTA has re-employed 9 annuitants and hired 15 new direct hires as well as 16 term-employees to support the Recovery Act. FTA has 2 open vacancy announcements and has issued Certificates of Eligible Candidates to selecting officials for 8 other vacancies. We are awaiting Certificates for 2 more vacancies.
Grants Risk	Transit Capital Assistance funds have been allocated to current FTA grant recipients who are already familiar with FTA's grant program and the Federal requirements associated with receiving FTA funding.

	In addition, FTA closely monitors quarterly financial status and milestone reports for Recovery Act grants. FTA is also providing real time guidance and training to Recovery Act grant recipients through participation in conferences, webinars and outreach sessions. FTA established and maintains an agency web site www.fta.dot.gov/recovery, which includes Recovery Act program guidance.
Procurement Risk	FTA issued some requests for proposals in support of Recovery Act activities to date. FTA is also issuing new task orders under existing contracts in support of program management and oversight activities for ARRA grants.
Budget/Financial Risk	New Treasury accounts were established so that Recovery Act funds are not co-mingled with non-Recovery Act funds. FTA has established unique accounting codes to separate and track Recovery Act funds in financial management systems, and grantees cannot mix Recovery Act program funds with non-Recovery Act funds in a single grant.
Systems Risk	FTA incorporated Recovery Act-specific codes in its grants management system and identified ways to use the accounting system to manage and control funds.
Audit/Investigations Risk	FTA developed standard operating procedures for grant making, grant management and oversight; and, will continue to follow A-133 guidance to address internal control weaknesses that may be identified.
Performance Risk	FTA is using existing oversight procedures including Project Management Oversight (PMO), financial management oversight, state management reviews, procurement system reviews and triennial reviews. These procedures have been modified to address the enhanced oversight needs associated with ARRA (reporting, procurement, and project management). New oversight programs for ARRA energy efficiency/greenhouse gas emissions reduction and tribal programs have also been developed. In addition, FTA continues to monitor quarterly milestone progress reports and financial status reports.

Planned program assessment / evaluation:

Recipients are evaluated once every three years under the FTA Triennial Review or State Management Review programs, which assesses compliance with all regulations and procedures. FTA also conducts annual grantee oversight assessments to maintain a comprehensive oversight program and these include ARRA recipients. In addition FTA will be conducting reviews of Tribal grant recipients using new oversight procedures being developed for the discretionary tribal transit portion of the non-urbanized area formula program. There are also ongoing reviews by the FTA Office of Civil Rights for compliance with Federal and Departmental requirements.

Estimated Start Date	Estimated Completion Date
March 2009	March 2012

Results of recent program assessment / evaluation:

A program assessment was conducted in conjunction with the Office of Management and Budget for formula grants in 2004, research in 2006, and state grants 2007. All were rated effective. The assessments made recommendations to improve program oversight and make funding sources more flexible and easier to apply for.

Improvement(s) made: Ongoing policy and guidance to address issues as they are identified. Although this program was rated effective, two weaknesses were identified. FTA is considering program changes in the next reauthorization to make the programs more flexible and simplify their structure. Funding to support additional program oversight activities will also be requested.

Start Date	Completion Date
2004	2007

Accountability & Transparency

Scheduling reviews:

FTA conducts annual grantee oversight assessments to maintain a comprehensive oversight program and this includes ARRA recipients. Triennial reviews of all recipients are performed once every three years. All grant elements are reviewed to ensure compliance, many on a comprehensive basis with some aspects audited on a spot check basis.

Communicating with recipients:

FTA regional office staff maintains regular communications with recipients by providing technical assistance; reviewing quarterly reports; providing oversight through FTA oversight contractors, conducting site visits, and participating in key decision points where needed.

Communicating with public and stakeholders:

FTA provides an extensive level of public outreach as required by Federal transportation planning legislation. FTA maintains a web site that posts Recovery Act project information so the public can track results on both an aggregate level and at a project level. Suspected abuse of Federal funds can be reported to the FTA through our complaint hotline - complaints are aggressively investigated. FTA issues occasional press releases as needed.

Collecting and validating project-level data:

Submissions are reviewed through FTA's TEAM system and at FederalReporting.gov for the 1201/1512 reports. FTA staff engage in rigorous data validation and verification activities to ensure the accuracy of Recovery Act data.

Ensuring best use of federal funds:

For jobs creation and retention	FTA fully reviewed grant proposals to ensure that they met planning, environmental, and other Federal requirements.
For program or project outputs	FTA Quarterly Milestone and financial status reviews withtargeted oversight and technical assistance to grantees at risk of not meeting ARRA objectives.
For other public benefits	FTA is working to better characterize the benefits of transit to the public. These are discussed in agency reports.

Holding program managers and recipients accountable:

Program Managers	Management established goals on which personal performance evaluations are based. Recovery Act performance goals have been incorporated into these agreements. ARRA implementation is a component of the Agency's overall performance plan.
Primary and Secondary Recipients	Quarterly reporting requirements, project review meetings, milestone progress reporting, and financial status reporting.

Compliance & Results

Reducing environmental impacts:

Projects funded by these grants support transit system expansion, maintenance and asset renewal to serve existing and new transit users. Without expansion and maintenance of transit systems, these riders might otherwise be driving, using non-renewable energy, and contributing more greenhouse gas emissions and pollution to the atmosphere.

Complying with National Environmental Policy:

FTA staff ensures that all major projects are in compliance with National Environmental Policy Act requirements before they are awarded.

Complying with National Historic Preservation Standards:

No project is cleared for funding if there is an unresolved National Historic Preservation Act issue.

Holding recipients accountable for energy efficiency and/or green building standards:

FTA Grant agreements require compliance with cross cutting Federal requirements. Environmental reviews, construction management oversight, and compliance reviews take into consideration applicable standards.

United States

Department of Transportation

American Recovery and Reinvestment Act

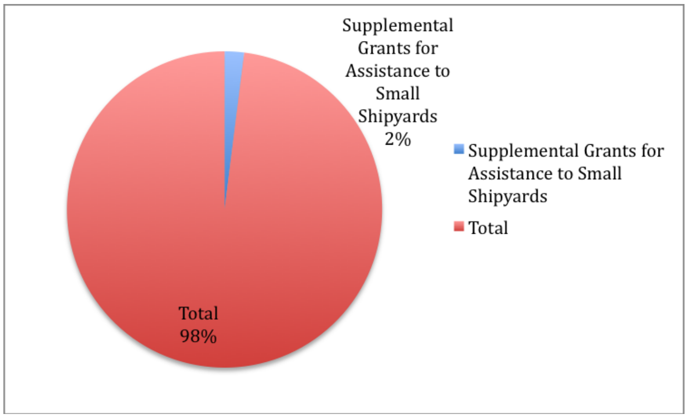
Maritime Administration

Supplemental Grants for Assistance to Small Shipyards

Funding

Funding: $100,000,000

Percentage of DOT total Recovery Act funding:



Type: Grants

Period of Availability: Two years (through 2010)

Timeline for announcing:

Date	Announcement
February 2009	Period for submission of grant application began
March 2009	Detailed program information announced in Federal Register
April 2009	Application for Recovery Act funding due
August 2009	Recovery Act grant awards announced
August 2009	Maritime Administration will award grants and obligate funds
August 2010	Final project performance reports will be due

Amount allotted for administrative cost: $2,000,000

Amount allotted for distribution: $98,000,000

Amount of Obligations and Outlays:

	September 2009	December 2009	March 2010
Obligations	$ 98,087,255	$ 98,090,603	$ 98,099,978
Outlays	$ 39,904	$ 13,792,135	$ 31,037,305

Program Description

Program objectives:

The purpose of the grants is to make capital improvements at small shipyards that foster increased productivity and quality in domestic ship construction, conversion, or repair for commercial and federal government use. The grants cover a maximum of 75-percent of the estimated cost of improvements. The shipyard ownership is responsible for the remainder.

Not more than twenty-five percent of the funds available will be awarded to shipyard facilities that have more than 600 production employees. Funding was awarded to eligible applicants for capital investments to increase operating productivity or for training programs to advance shipbuilding technical skills.

A shipyard is a commercial facility that builds and delivers or repairs completed vessels. Companies that repair or build components or ship systems are not eligible.

Public benefits:

Expansion of small shipyard productivity contributes to job-creation through a more competitive industrial base.

Project level activities:

The program is for capital improvements at small shipyards. Projects that are eligible for grants include, but are not limited to: (1) shipyard crane improvement projects; (2) shipyard material processing improvement projects; and (3) shipyard training projects.

Funding determination:

There is no formula used in distributing funds.

Project selection criteria:

The shipyard facility for which a grant is sought must be in a single geographical location within or near a maritime community, and may not have more than 1200 production employees. Other considerations include economic circumstances and conditions of the maritime community near to which a shipyard facility is located; and projects that would be effective in fostering efficiency, competitive operations, and quality ship construction or repair.

Funding decisions made by: U.S. Department of Transportation

Contracting vehicle(s):
The Recovery Act provides for the provision of grants to qualified shipyards.

Primary recipients: Private Sector For-Profit Organizations

Beneficiaries: Shipyard Owners, Shipyard Labor

Significant program challenges and mitigation strategies:

Challenge 1: The applicant may not be able to fully fund the twenty-five percent they are required to pay prior to payment of any federal funds for a project.

Challenge 2: Implementation of reporting requirements including grantee compliance with enhanced Recovery Act reporting requirements.

Challenge 3: Communicating program information to grantees and the public.

Mitigation Strategies:

If the Administrator of the Maritime Administration determines that a proposed project merits support and cannot be undertaken without a higher percentage of Federal financial assistance, the Administrator may award a grant for such project with a lesser matching requirement than is described in item 1 of the Federal Register reference. Unless waived for good cause, the awardees' matching requirement must be paid prior to payment of any federal funds for the project.

Grantees provide monthly Performance Program Reports including performance narrative addressing and updating status and progress of grant-funded projects. Input provided in these reports informs program oversight and project-level and program-level tracking and reporting.

In addition to notifications to individual grantees, as necessary or appropriate, the program utilizes agency internet sites for posting/provision of program information and updates. DOT also provides program information via the internet.

Program Activities

Activities:

The program is for capital and infrastructure improvements at small shipyards.

Milestones

	Milestone	Date	Anticipated Accomplishment	Status
1	Assistance to Small Shipyards Recovery Act grants program details issued in the Federal Register.	March 2009	Completed on time	Completed on Time
2	All eligible applications requesting Recovery Act grants received	April 2009	Completed on time	Completed on Time
3	All grants awarded	August 2009	100% of grants selected and awarded.	Completed on Time
4	Funds obligated	August 2009	100% of Recovery Act funds were obligated.	Completed on Time
5	First project performance progress reports	October 2009	100% of reports received in timely fashion.	Completed on Time
6	Monthly project performance reports	November 2009	100% of reports received in timely fashion	Completed on Time
7	Monthly project performance	December 2009	100% of reports received in timely	Completed on Time

	reports		fashion	
8	Monthly project performance reports	January 2009	100% of reports received in timely fashion	Completed on Time
9	Monthly project performance reports	February 2010	100% of reports received in timely fashion	Completed on Time
10	Monthly project performance reports	March 2010	100% of reports received in timely fashion	Completed on Time
11	Monthly project performance reports	April 2010	100% of reports received in timely fashion	Completed on Time
12	Monthly project performance reports	May 2010	100% of reports received in timely fashion	
13	Monthly project performance reports	June 2010	100% of reports received in timely fashion	
14	Monthly project performance reports	July 2010	100% of reports received in timely fashion	
15	Monthly project performance reports	August 2010	100% of reports received in timely fashion	
16	Monthly project performance reports	September 2010	100% of reports received in timely fashion	
17	Final project performance progress reports	To be determined	100% of reports received in timely fashion	69% are Complete

Anticipated Results

Expected Outcome 1:

Grant funding provided by the Recovery Act supports capital investment to expand the shipbuilding productivity of small shipyards. Improved facilities, equipment, and material processes contributes to increased shipyard capacity, improved efficiency and throughput, and expanded capabilities for building larger ships.

Expected Outcome 2:

Grant funding provided by the Recovery Act supports additional capital investment and infrastructure improvement to expand the ship repair efficiency of small shipyards. Improved infrastructure, facilities, equipment, and material processes contributes to increased shipyard repair capacity, improved efficiency and throughput, and expanded capabilities for repairing and servicing larger ships.

Measure 1: Total Grant Awards

Total number of grant awards made with customary funding as well as Recovery Act funds

Total number of grant awards made with customary funding as well as Recovery Act funds				
	2009	**2010**	**2011**	**2012**
Target set prior to ARRA	14	17	N/A	N/A
New target set with ARRA	84	17	N/A	N/A
Measure Frequency: Annually		**Reported by Fiscal Year**		

Measure 2: Shipyard Crane Improvement Projects

Investments in new cranes and crane facilities.

Investments in new cranes and crane facilities.				
	2009	**2010**	**2011**	**2012**
Target set prior to ARRA	6	6	N/A	N/A
New target set with ARRA	24	6	N/A	N/A
Measure Frequency: Annually		**Reported by Fiscal Year**		

Measure 3: Shipyard Material Processing Improvement Projects

Investments in new material processing equipment, including welding facilities, equipment, and systems: pipe benders; hydraulic press; computer numerical controlled cutting tables and equipment; hydraulic press brake; engineering software; etc.

Investments in new material processing equipment				
	2009	2010	2011	2012
Target set prior to ARRA	7	11	N/A	N/A
New target set with ARRA	30	11	N/A	N/A
Measure Frequency: Annually	Reported by Fiscal Year			

Measure 4: Shipyard Training Projects

The number of grants issued to support training of shipyard personnel, supporting training of shipyard personnel in shipyard management and technical capabilities.

The number of grants issued to support training of shipyard personnel				
	2009	2010	2011	2012
Target set prior to ARRA	1	1	N/A	N/A
New target set with ARRA	7	1	N/A	N/A
Measure Frequency: Annually	Reported by Fiscal Year			

Risk Management & Evaluation

The Department of Transportation created a common risk management protocol for each of its Recovery Act programs to follow. It includes (1) completing a risk assessment to identify risks, (2) completing a risk profile to assess risks, (3) developing a risk mitigation strategy to address identified risks, and (4) participating in a validation and testing process to ensure that risks are being addressed. This Recovery Act program is participating fully in the established risk-management protocal and may even enhance that protocol with additional program-specific risk management actions.

General Risk	The program has increased in size from last year, so new procedures and systems are being developed to accommodate the increase. All reporting requirements and additional Recovery Act requirements are being

	incorporated through participation in Department-wide Recovery Act efforts.
Reporting Risk	All recipients of grants or cooperative agreements awarded under all Federal programs that exceed $100,000 or more per project/grant period, excluding those that support research, are required to submit a performance progress report to the Maritime Administration in accordance with the terms established in the award document. The performance progress report must be submitted at least on a monthly basis, as directed in the award document. A final performance progress report shall be required at the completion of the award agreement.
Human Resources Risk	Current resources are sufficient to support the program.
Grants Risk	By law, the timeline was set and has been met. Applications were evaluated based on the law that established the program. Grant awards are not time limited, the period of performance is determined in the grant agreement. Any cost overruns are the applicant's responsibility.
Procurement Risk	Current procurement workforce is sufficient.
Budget/Financial Risk	Budget and financial systems are in place to effectively monitor the program and the related administrative funds.
Systems Risk	The Maritime Administration's Program Office manages the grants, and ESC and Delphi account for the funds.
Audit/Investigations Risk	The Maritime Administration uses corrective action plans to actively monitor and track through completion findings identified in external and internal audits and reviews. Known internal control weaknesses are identified and corrected in accordance with timelines established in corrective action plans.
Performance Risk	The Maritime Administration tracks and reports measures and metrics identified above. Additionally, program performance information is provided to the TIGER team for use in tracking and reporting to the public.

Planned program assessment / evaluation:

Plans for evaluation of the Assistance to Small Shipyards program have not been established.

Estimated Start Date	Estimated Completion Date
Not Applicable	Not Applicable

Results of recent program assessment / evaluation:

A program assessment or evaluation has not yet been conducted for the Assistance to Small Shipyards program.

Estimated Start Date	Estimated Completion Date
Not Applicable	Not Applicable

Accountability & Transparency

Scheduling reviews:

Grants have agreements in place detailing each grantee's methodology and timeline for implementing the project. Grants are monitored through the performance progress report's reporting requirements..

Communicating with recipients:

Grantees are required to submit a monthly report to the program manager within the Maritime Administration. Grantees are required to provide detailed project progress, along with their request for reimbursement as expenses are paid out.

Communicating with public and stakeholders:

All awards granted were posted as a news release on the Maritime Administration's Internet Web site, which may be found by clicking on the following link:
http://www.marad.dot.gov/about_us_landing_page/marad_recovery_act/recovery.htm

Collecting and validating project-level data:

Grantees are required to submit a monthly report detailing progress requested in the agreement. The project data is reviewed by the program manager and management within the Maritime Administration to validate project-level data and to ensure that grantees are meeting project milestones. If there are any inconsistencies, the program manager contacts the grantee via phone.

Ensuring best use of federal funds:

For jobs creation and retention	Grantees are required to maintain records, which they must have available for the Maritime Administration to review and audit, and submit periodic reports to include the number of direct, on-project, jobs created or sustained by the award. They also have to include, to the extent possible, the estimated number of indirect jobs created or sustained in the associated supplying industries that includes the number of job-years created and the total increase in employment since the date of enactment of the American Recovery and Reinvestment Act of 2009.
For program or project outputs	The best use of federal funds is determined through analysis, using a score sheet based on the law, demonstrating how the project is effective in fostering productivity, competitive operations, and quality ship construction, repair, or reconfiguration. In addition, projects are detailed in the grant agreement. Grants are fixed price and the grantee is responsible for the payment of any cost over-runs.
For other public benefits	Grants are awarded to private shipyards, which support the economic development of local port communities. Also, through shipbuilding and repairs, the shipyards contribute to maintaining or expanding waterborne freight transport capacity serving suppliers, manufacturers, retailers and consumers. Waterborne transport can help alleviate congestion in other freight transportation modes with significantly reduce fuel consumption on a per ton-mile basis.

Holding program managers and recipients accountable:

Program Managers	Accountability is provided through a detailed methodology and timeline for implementing the project or by a prioritized list of project elements and cost of each for where funding for an entire project is not available.
Primary and Secondary Recipients	Grantees are required to submit a monthly report detailing progress and other information requested in the agreement.

Compliance & Results

Reducing environmental impacts:

The requirement does not apply to this program.

Complying with National Environmental Policy:

Shipyards are required to complete a National Environmental Policy Act checklist as part of their award.

Complying with National Historic Preservation Standards:

The requirement does not apply to this program.

Holding recipients accountable for energy efficiency and/or green building standards:

The requirement does not apply to this program.

United States

Department of Transportation

American Recovery and Reinvestment Act

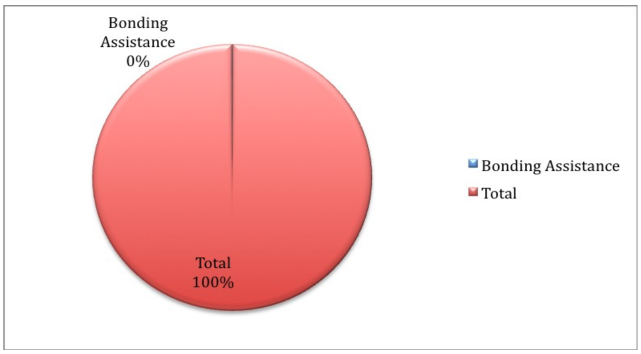
Office of the Secretary

Disadvantaged Business Bonding Assistance

Funding

Funding: $20,000,000

Percentage of DOT total Recovery Act funding: .04%



Type: Direct Expenditure

Period of Availability: Two year funding (thru 2010)

Time line for announcing:

Date	Announcement
FY 2009	Federal Register Notice effective August 28, 2009

Amount allotted for administrative cost: $0

Amount allotted for distribution: $20,000,000

	September 2009	December 2009	March 2010
Obligations	$ 13,292	$ 33,916	$ 104,222
Outlays	$ 13,292	$ 33,916	$ 104,222

Program Description

Program objectives:

The objective of the Disadvantaged Business Enterprise (DBE) Recovery Act Bonding Assistance Program is to assist DBEs to obtain bid, payment, and performance bonds in a timely and efficient manner, which will enable DBEs to compete for and perform transportation-related projects receiving Recovery Act funding from DOT.

Public benefits:

Disadvantaged Business Enterprise business owners will benefit by receieving a reimbursement of the fees paid to surety companies and to the Small Business Administration, on bonds issued for transportation related contracts funded by the American Recovery and Reinvestment Act. Thus enabling Disadvantaged Business Enterprise companies to continue to grow their small businesses, create jobs, and stimulate the economy.

Project level activities:

In an effort to assist Disadvantaged Business Enterprises (DBEs) to obtain transportation and infrastructure contracts at the local, state and federal levels, the Department of Transportation's (DOT) Office of Small and Disadvantaged Business Utilization (OSDBU) has established under the American Recovery and Reinvestment Act (ARRA) of 2009, the Disadvantaged Business Enterprise Bonding Assistance Program. This initiative will help level the playing field to allow more Disadvantaged Business Enterprises to perform on transportation and infrastructure projects receiving ARRA funding assistance from any DOT mode of transportation such as Federal Highway Administration (FHWA), Federal Transit Administration (FTA), Federal Aviation Administration (FAA), Federal Railroad Administration (FRA), and the Maritime Administration (MARAD). In addition, such a contract may be with any federal agency where the DBE is working on transportation related ARRA projects and this contract(s) will assist the DBE in competing for future transportation contracts from any Federal, state, or local transportation agency. This provision is applicable to a subcontract or prime contract at any tier in the construction project.

The ARRA Bonding Assistance Program is bonding assistance in the form of a cost reimbursement. DOT will directly reimburse Disadvantaged Business Enterprises the premiums paid to the surety company for performance, payment or bid/proposal bonds. In the event the Disadvantaged Business Enterprise also obtains a bond guarantee from Small Business Administration's (SBA) Surety Bond Guarantee Program (SBGP), the DOT will also reimburse the DBE for the small business concern (principal) fee of 0.729% of the contract price designed to assist Disadvantaged Business Enterprise performing on DOT ARRA transportation-related contracts.

Funding determination:

This is not a formula-based program. Bonding assistance will be equally available to primary and subtier contractors competing for and performing transportation-related projects receiving Recovery Act funding from DOT.

Project selection criteria:

This is not a formula-based program. Primary and subtier contractors certified as DBEs must submit an application for reimbursement. To be eligible for reimbursement, the DBE must have paid for a bond issued on or after August 28, 2009 to bid on or performing a transportation-related projects receiving Recovery Act funding from DOT.

Funding decisions made by: US Department of Transportation

Contracting vehicle(s):

Disadvantaged Business Enterprise Financial Assistance

Primary recipients:

Non-Government – General Recipients: Owners of disadvantaged businesses certified as Disadvantaged Business Enterprises, which includes minority-owne3d and women-owned businesses.

Beneficiaries: General Public

Significant program challenges and mitigation strategies:

The bonding assistance funding is only 2-year funding and restricted to only transportation-related projects receiving DOT ARRA funds. Due to those restrictions, because of the time it took to develop a bonding assistance program within the ARRA framework, the program was implemented after the majority of ARRA transportation-related projects were started so the program now faces a challenge to assist enough eligible DBEs. To mitigate this challenge, DOT is exploring asking for a change in the restrictions to the funding, thus allowing DOT to continue this program and implement other forms of bonding assistance until such time that the funds are completely liquidated.

Program Activities

Summary of implementation process:

DOT has the existing financial infrastructure in place to disburse reimbursement for approved bonding assistance applications. The approval process merely followed the existing invoice approval and payment processes. To implement the program, DOT designed an application form and instructions and complied with the Paperwork Reduction Act. DOT published a Federal Register Notice of Funding Availability and additional guidance. DOT also published guidance for those applicants that meet the Section 1512 reporting requirements. Finally, DOT disseminated information regarding the DBE ARRA BAP program to potential applicants.

To disseminate information about the DBE bonding assistance program, DOT developed an in-house outreach campaign at the state and local level to promote and distribute information related to this program. This campaign is a joint effort between DOT and state DOTs, Office of Civil Rights at the state and local levels, and other government agencies such as Small Business Administration, Minority Business Development Agency, and others. Part of the communication effort to disseminate information to small business is coordinated through the nine Small Business Transportation Resource Centers (SBTRCs). Cooperative agreements with business organizations across the country are already in place to assist small businesses. In addition, DOT sent informational memos to members of Congress to notify their constituents and to large primecontractors to notify their subcontractors, who are typically the DBEs that are eligible for the program. DOT also issued a press release.

Milestones:

	Milestone	Date	Anticipated Accomplishment
1	Request for Applications	August 2009	Determination of project selection criteria and publication of solicitation of applications
2	Design and implement processes, financial systems requirements, marketing and information dissemination strategies, and guidance to Disadvantaged Business Enterprises to execute the program	August 2009	Fully functional program made available to Disadvantaged Business Enterprises
3	Issue first reimbursement	September 2009	
4	Award final reimbursement	September 8, 2010	

Anticipated Results

Expected Outcome

Between 1,500 and 2,000 Disadvantaged Business Enterprises (DBE) will be able to receive bonding assistance in the form of a cost reimbursement. Thus more Disadvantaged Business Enterprise companies will be able to compete for projects.

Related Outputs: The number of bond subsidies awarded to Disadvantaged Business Enterprises. To be eligible for bonding assistance, Disadvantaged Business Enterprises must first be competing for or performing on transportation-related projects receiving Recovery Act funding from DOT Operating administrations.

Measure Number of Disadvantaged Business Enterprises (DBE) that will get financial assistance through the bonding assistance program.

Explanation of Measure: Data received from the surety industry and the U.S. Small Business Administration indicates that the average bond for a small and emerging business or DBE is $350,000. Based on an average bond premium fee charged by the surety companies of 2.5% of the contract price, and a principal fee of 0.729% of contract price charged by SBA to obtain a bond guarantee, we estimate the number of DBEs that we can assist with the $20 million appropriated through ARRA is 1,770.

	2009	2010	2011	2012
Target set prior to ARRA	0	0	0	0
New target set with ARRA	2	1768	0	0
Actual	2			

Risk Management & Evaluation

Risk:

The Department of Transportation created a common risk management protocol for each of its Recovery Act programs to follow. It includes (1) completing a risk assessment to identify risks, (2) completing a risk profile to assess risks, (3) developing a risk mitigation strategy to address identified risks, and (4) participating in a validation and testing process to ensure that risks are being addressed. This Recovery Act program is participating fully in the established risk-management process and may even enhance that process with additional program-specific risk management actions.

General Risk	OSDBU performed a risk assessment to identify gaps and assign overall risk. We have identified three gaps, to which we are addressing. We plan to mitigate risk by thoroughly considering DOT's roles and responsibilities in order to meet Recovery Act requirements and clearly identify them in the Memorandum Of Agreement.
Reporting Risk	The program performed a risk assessment to identify gaps and assign overall risk. We have identified 2 gaps, to which we are addressing. The Office of Management and Budget published a list of ARRA programs that have to comply with Section 1512, and the Disadvantaged Business Enterprise Bonding Assistance Program was not included.
Human Resources Risk	The program performed a risk assessment to identify gaps and assign overall risk. We have not identified any gaps. We are in the process of preparing a risk profile and devising a plan to mitigate and monitor identified risks.
Grants Risk	Not Applicable
Procurement Risk	Not Applicable
Budget/Financial Risk	The program performed a risk assessment to identify gaps and assign overall risk. We have not identified any gaps. We are in the process of preparing a risk profile and devising a plan to mitigate and monitor identified risks.
Systems Risk	The program performed a risk assessment to identify gaps and assign overall risk. We have not identified any gaps. We are in the process of preparing a risk profile and devising a plan to mitigate and monitor identified risks.
Audit/Investigations Risk	The program performed a risk assessment to identify gaps and assign overall risk. We have not identified any gaps. We are in the process of preparing a risk profile and devising a plan to mitigate and monitor identified risks.
Performance Risk	There is only an average to low risk of our ability to meet our performance objectives and Recovery Act requirements.

Planned program assessment / evaluation

Nature and Pupose: Determine if the bonding assistance provided to Disadvantaged Business Enterprises through our program has increased the ability to compete and receive contracts. The program will determine whether or not the bonding assistance provided, increased the number of Disadvantaged Business Enterprise business owners that are competing and receiving contracts from Recovery Act funds.

Estimated Start Date	Estimated Completion Date
September 2009	September 2009

Results of recent program assessment / evaluation:

DOT must seek changes to restrictions on funding in order to provide the most-beneficial bonding assistance to DBEs.

Estimated Start Date	Estimated Completion Date
October 2009	August 2010

Scheduling reviews:

The number of DBEs assisted was reviewed on a weekly basis and it was determined that the program restrictions were preventing the majority of eligible DBEs to participate. DOT is in the process of exploring changes to the funding restrictions.

Communicating with recipients:

Not Applicable-project-level data collected by the Department's Recovery Act program providing project funding.

Communicating with public and stakeholders:

All bond recipient data will be posted on Recovery.gov. The public and the stakeholders will be encouraged to call the Offie of Small and Disadvantaged Business Utilization hotline or send their inquiries and comments to the Recovery Act bonding assistance email address.

Collecting and validating project-level data:

Not Applicable-project-level data collected by the Department's Recovery Act program providing project funding.

Ensuring best use of federal funds:

For jobs creation and retention	Bonding assistance does not generate job retention or creation. The transportation-related project that the Disadvantaged Business Enterprise has been awarded, for which they then must be bonded, generates job retention and creation. The program relies on the operating administration's vetting of transportation-related projects to ensure the best use of federal funds in this area.
For program or project outputs	The only program output is the number and amount of bond subsidies awarded to Disadvantaged Business Enterprises (DBE) in support of providing supplies or services to transportation-related projects receiving Recovery Act funding. Program guidance will clearly state eligibility requirements and the procedure for the application for DBE Recovery Act bonding assistance. In addition, the guidance will clearly indicate that all DBEs providing supplies or services on DOT Recovery Act-funded projects already vetted by the Department's Recovery Act programs granting Recovery Act funding to transportation-related projects are equally eligible. DBEs must submit proof of DBE certification and a contract for a project with a

	federal project ID Number receiving DOT funding from the Recovery Act programs. The project numbers will be verified by DOT for eligibility.
For other public benefits	DOT was legislatively directed to use up to $20 million to provide Disadvantaged Business Enterprise (DBE) Bonding Assistance. It is in the public's social interest to assist disadvantaged businesses to participate in the economy. Program guidance will clearly state eligibility requirements and the procedure for the application for DBE Recovery Act bonding assistance. In addition, the guidance will clearly indicate that all DBEs providing supplies or services on DOT Recovery Act-funded projects already vetted by the OAs granting Recovery Act funding to transportation-related projects are equally eligible. DBEs must submit proof of DBE certification and a contract for a project with a federal project ID Number receiving DOT funding from Recovery Act programs. The project numbers will be verified by DOT for eligibility.

Holding program managers and recipients accountable:

There are no additional requirements for recipients of less than or equal to $25,000 in bonding assistance per bond. Recipients of in excess of $25,000 bonding assistance per bond are required to report zero jobs created and/or retained on www.federalreporting.gov. OSDBU will identify recipients that meet this criteria and communicate with the recipients until the recipient is in compliance.

OSDBU managers are accountable for proper determination of eligibility. The performance reviews of applicabhle OPSDBU Managers will be appropriately negitively impacted in the event a recipient of bonding assistance was found to be ineligible after review of the supporting documentation provided.

Reducing environmental impacts:

Not Applicable - bonding assistance will be available to all Disadvantaged Business Enterprises competing for or performing on any transportation-related project receiving DOT Recovery Act funding. The design and selection of the projects will be performed and monitored by the Department's Recovery Act programs providing project funding. The program relies on the Department's Recovery Act program granting project-related funding to ensure that the projects are fully vetted and exercise leadership on renewable energy, energy and water efficiency, and/or reduce environmental impacts.

Complying with National Environmental Policy:

Not Applicable - bonding assistance will be available to all Disadvantaged Business Enterprises competing for or performing on any transportation-related project receiving DOT Recovery Act funding. The design and selection of the projects will be performed and monitored by the DOT Recovery Act programs providing project funding. The bonding program relies on the other Department's Recovery Act programs granting project-related funding to ensure that the projects are fully vetted and in compliance with national environmental policy.

Complying with National Historic Preservation Standards:

Not Applicable - bonding assistance will be available to all Disadvantaged Business Enterprises competing for or performing on any transportation-related project receiving DOT Recovery Act funding. The design and selection of the projects will be performed and monitored by the DOT Recovery Act programs providing project funding. The bonding program relies on the other Department's Recovery Act programs granting project-related funding to ensure that the projects are fully vetted and in compliance with national environmental policy.

Holding recipients accountable for energy efficiency and/or green building standards:

Not Applicable - bonding assistance will be available to all Disadvantaged Business Enterprises competing for or performing on any transportation-related project receiving DOT Recovery Act funding. The design and selection of the projects will be performed and monitored by the DOT Recovery Act programs providing project funding. The bonding program relies on the other Department's Recovery Act programs granting project-related funding to ensure that the projects are fully vetted and in compliance with national environmental policy.

United States

Department of Transportation

American Recovery and Reinvestment Act

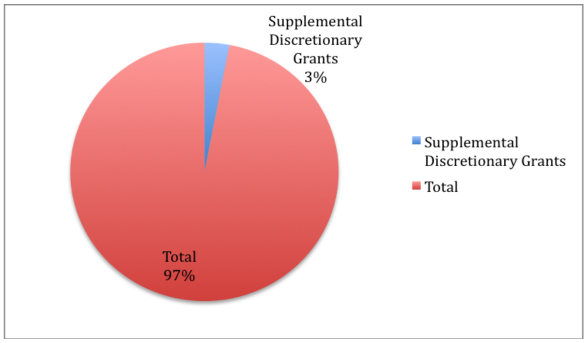
Office of the Secretary

Supplemental Discretionary Grants

Funding

Funding: $1,500,000,000

Percentage of DOT total Recovery Act funding:



Type: Grant program

Period of Availability: Three year funding (thru 2011)

Amount of Obligations and Outlays:

	September 2009	December 2009	March 2010
Obligations	$ 0	$ 0	$ 0
Outlays	$ 0	$ 0	$ 0

Time line for announcing:

February 17, 2009	The Recovery Act was signed by the President.
May 18, 2009	A solicitation for applications, including project selection criteria, will be published in the Federal Register.
June 1, 2009	Deadline for public comments on solicitation and selection criteria.
June 17, 2009	Department published a supplemental Federal Register notice.
September 15, 2009	Department received more than 1400 applications requesting close to $60 billion.
February 17, 2010	Department evaluated all applications and announced that 51 projects were selected to receive Grant Funds. Department is in the process of negotiating and executing grant agreements for each of the 51 projects.

Amount allotted for administrative cost: Up to $1.5 million

Amount allotted for distribution: Up to $1.5 billion

Program Description

Program objectives:

Under this new program, grants are awarded for transportation projects (including highway, transit, rail and ports) that will contribute to near-term economic recovery and job creation, maximization of long-term economic benefits and impacts on the Nation, a region, or a metropolitan area, and assistance for those most affected by the current economic downturn. DOT determined how to allocate funds among projects and across modes based on the selection criteria described in the solicitation.

Public benefits:

Public benefits are expected to include: (1) improved condition of existing transportation facilities and systems; (2) long-term growth in employment, production or other high-value economic activity; (3) improved livability of communities; (4) improved energy efficiency, reduced dependence on oil and reduced greenhouse gas emissions; (5) reduced adverse impacts of transportation on the natural environment; (6) reduced number, rate and consequences of surface transportation-related crashes, injuries and fatalities;

(7) greater use of innovative technology and innovative approaches; (8) greater collaboration among traditional and non-traditional stakeholders; or (9) greater integration of transportation decision making with decision making by other public agencies. Not every project will contribute to each of these potential benefits, but each project will contribute to multiple goals.

Project level activities:

This program is for capital investments in surface transportation infrastructure. Projects that are eligible for grants include, but are not limited to: (1) highway or bridge projects; (2) public transportation projects; (3) passenger and freight rail transportation projects; and (4) port infrastructure investments, including projects that connect ports to other modes of transportation and improve the efficiency of freight movement.

Funding determination:
There is no specific formula for this program. DOT published a solicitation for applications, which includes project selection criteria and describes the logic and process the Department will use for making grant award decisions. Also, the Recovery Act specifies requirements for the distribution of funds, which are related to maximum and minimum grant sizes ($300 million and $20 million, respectively), limits on total grant funds each state may receive (20% of total), ensuring equitable geographic distribution and balancing the needs of urban and rural areas. The Department was authorized to waive the minimum grant size for significant projects in smaller cities, regions, or States.

Project selection criteria:
Grants were awarded based on two categories of selection criteria, "Primary Selection Criteria" and "Secondary Selection Criteria." The Primary Selection Criteria include (1) long-term improvements to the condition of U.S. transportation assets, the Nation's economic competitiveness, the livability of communities, and the sustainability and safety of the surface transportation system, and (2) jobs creation and economic stimulus. The Secondary Selection Criteria include (1) innovation and (2) partnership (both in terms of collaboration with traditional and non-traditional partners and integration of transportation with other public service efforts). Additional guidance about the selection criteria is available in the solicitation for applications.

Funding decisions made by: US Department of Transportation

Contracting vehicle(s): Contracting requirements follow those of the Department and the operating administrations facilitating the grant.

Primary recipients: State or Local Governments

Beneficiaries: General Public

Significant program challenges and mitigation strategies:

No statutory or regulatory barriers identified

Challenge 1: Implementation and Oversight of New Grant Program: This program is a new program. Implementation and oversight requires the Office of the Secretary to acquire new expertise and resources and to cooperate with the relevant DOT administrations to ensure that each of the grants is properly administered, with all necessary oversight.

Challenge 2: Unused Funds. Funds under this program are available for award until September 30, 2011. While the Department expects the selected projects to use all of the funds available, the Department will need to ensure that unused funds are rapidly identified and reallocated for use by other eligible projects.

Challenge 3: Recovery Act Reporting Requirements. The Recovery Act requires the Department and grant recipients to comply with unprecedented tracking and reporting requirements that are designed to promote accountability and transparency. The Department will need to work closely with the relevant DOT modal administrations and grant recipients to ensure that these requirements are complied with.

Mitigation: In order to properly implement and oversee this new grant program, the Office of the Secretary has established a team charged with meeting all of the Recovery Act requirements and ensuring that the program is built upon merit-based and transparent criteria. The Office of the Secretary also currently plans to (i) partner with the relevant DOT modal administrations that have existing expertise or experience administering and overseeing similar grant programs, and (ii) acquire new personnel, or provide training to existing personnel, to ensure that the Department is properly administering this program and that funds are being spent quickly and wisely. Furthermore, the Office of the Secretary is participating in Department-wide Recovery Act-related risk assessment and management process to assess, evaluate, and address risks, including those related to the Recovery Act reporting requirements and the reallocation of unused funds.

Program Activities

Summary of implementation process:

Competitive project selection criteria was published in a solicitation for applications on May 18, 2009. Because this is a new program, DOT invited public comment on the solicitation by June 1, 2009 and published a supplemental Federal Register notice and request for applications on June 17, 2009. Applications were due to DOT by September 15, 2009 and the Department received more than 1400 applications requesting close to $60 billion.

The Department established intermodal evaluation teams to review each application received by the Department prior to the application deadline. The evaluation teams, composed of technical and professional staff, were organized and led by the Office of the Secretary and included members from each of the appropriate Modal Administrations. The Department evaluated all applications and announced 51 projects that had been selected to receive Grant Funds on February 17, 2010.

Each grant is being administered by the modal administration in the Department with the most experience and/or expertise in the relevant project area, pursuant to a grant agreement with the grant recipient. The Department is executing the grant agreements on a rolling basis, based on project readiness.

Applicable Federal laws, rules and regulations apply to projects that receive grants, including all of the requirements included in the Recovery Act.

Entities receiving grants will be required to report on grant activities on a routine basis. According to the Section 1201 (c) of the Recovery Act, grant recipients must submit the first of these reports not later than 90 days from February 17, 2009, and must submit updated reports not later than 180 days, 1 year, 2 years, and 3 years after that date. Due to the unique timeframe for this program, grant recipients will submit the first of such reports on the first due date following obligation of funds and on each subsequent due date thereafter.

Milestones

	Milestone	Date	Anticipated Accomplishment	Status
1	Request for Applications	May 2009	Determination of project selection criteria and publication of solicitation of applications	Completed
2	Deadline for receipt of grant applications	September 2009	DOT receives and begins evaluation of proposals (120 days from date of publication of solicitation)	Completed
3	Deadline for announcement of all projects to be funded under the program	February 2010	Completion of evaluation of all applications received by the DOT and selection of projects for funding	Completed – DOT announced 51 projects on February 17, 2010
4	Obligation of funds	September 2011	100% of funds will be obligated by September 2011	Ongoing
5	Project	February 2012	Completion of construction - DOT was	Ongoing

	completion		requierd by statute to give priority to projects that could complete construction by this date	

Anticipated Results

Expected Outcome 1

With Recovery Act Funding: Additional jobs are created or maintained through projects funded under this program.

Without Recovery Act Funding: No additional jobs are created and maintained though projects funded under this program

Related Outputs: Total job/hours created or retained

Expected Outcome 2

With Recovery Act Funding: State and local governments, and the private sector, will leverage Federal investments by increasing the amount of funds they invest alongside the Federal government.

Without Recovery Act Funding: State and local governments, and the private sector, would be less likely to leverage Federal investments by increasing the amount of funds they invest alongside the Federal government.

Related Outputs: The Department is engaged in ongoing efforts to track this information and will report on the amount of State, local and private funds contributed to the infrastructure investments made through this program.

Expected Outcome 3

With Recovery Act Funding: State and local governments, and the private sector, will develop innovative, multi-modal projects that are difficult to fund through existing transportation programs, in order to compete well for multi-modal discretionary grant funds.

Without Recovery Act Funding: State and local governments, and the private sector, would be less likely to develop innovative, multi-modal projects because they are difficult to fund through existing transportation programs.

Related Outputs: The Department will report on the innovative, multi-modal aspects of the projects funded through the program.

Expected Outcome 4

With Recovery Act Funding: The condition of existing transportation facilities funded under this program would improve.

Without Recovery Act Funding: The condition of existing transportation facilities that would have been funded under this program will worsen.

Related Outputs: Prior to construction the Department will report on the condition and performance of facilities replaced, repaired or otherwise improved with funding provided pursuant to this program. The Department will then track those same condition and performance statistics during and after project completion and compare those statistics against the pre-construction measures.

The following measures do not have prior performance history or performance targets because this is a new program.

Measure 1 Number of projects awarded 51

Explanation of Text: Number of projects selected under the competitive process on February 17, 2010.

Measure 2 Number of projects under construction 0

Explanation of Text: Number of projects which have started construction and are providing employment. DOT announced awards in February 2010 and expects several projects to begin construction in the Summer 2010 construction season. Ongoing efforts to determine when each project will begin construction.

Measure 3 Number of projects completed 0

Explanation of Measure: Number of projects which have finished construction and are providing promised benefits. DOT announced awards in February 2010 and expects several projects to begin construction in the Summer 2010 construction season. Ongoing efforts to determine when each project will complete construction.

Risk Management & Evaluation

Risk:

The Office of the Secretary is participating in Department-wide efforts to develop and execute risk management plans for ARRA-related programs. The efforts for this program include: (1) completing a risk assessment to identify risks, (2) completing a risk profile to assess risks, (3) developing a risk mitigation strategy to address risks, and (4) participating in a validation and testing process to ensure that risks are being addressed. The initial assessment will be completed in late May 2009.

Reporting Risk	The Office of the Secretary is utilizing tools created by a Department-wide team for Recovery Act data collection from grant recipients.
Human Resources Risk	The Office of the Secretary has partnered with relevant modal administrations that have technical experience and expertise to utilize their existing grant

	management structures. The Office of the Secretary has also identified human resources needs with respect to oversight and administration of the Program.
Grants Risk	The Office of the Secretary has created a grant management structure for this new program, which includes periodic oversight reviews to assess grantee compliance with Recovery Act-related and other Federal-requirements, among other things.
Procurement Risk	The Office of the Secretary does not anticipate awarding any contracts for this program.
Budget/Financial Risk	The Office of the Secretary has established a separate Treasury Account Fund Symbol (TAFS) to ensure that program funds are clearly distinguishable and there are controls in place to ensure that program funds are not commingled with other agency funds.
Systems Risk	The Office of the Secretary is aware of the data elements that must be aggregated and reported and ensures that financial and operational systems are configured to manage and control recovery funds.
Audit/Investigations Risk	The program is a new program and has not identified any internal control weaknesses. However, the organization will use the current FMFIA Program to address future internal control weaknesses.
Performance Risk	This is a new program and will be following new procedures.

Planned program assessment / evaluation:

Plans for conducting program assessments or evaluations are in development and will not likely be finalized until the most significant measures of performance have been identified.

Estimated Start Date	Estimated Completion Date
To be Determined	February 2012

Results of recent program assessment / evaluation:

This is a new program and has not previously completed any program assessments or evaluations.

Estimated Start Date	Estimated Completion Date
Not Applicable	Not Applicable

Accountability & Transparency

Scheduling reviews:

Timing and nature of reviews of project and program performance are determined on a project-by-project basis, based on multiple factors, including which modal adminsitration is administering the grant.

Communicating with recipients:

The Office of the Secretary expects technical representatives and project management oversight teams to be in frequent contact with grant recipients. Oversight and management teams include representatives from the Office of the Secretary and from the relevant DOT modal administrations.

Communicating with public and stakeholders:

The website for this program is available by link from the DOT Recovery Act website, at http://www.dot.gov/recovery/. DOT is considering additional opportunities to communicate with the public and stakeholders to ensure transparency in process and results and engage in two-way communication.

Collecting and validating project-level data: The program is working with representatives from throughout DOT to determine the best way to collect and validate project-level data for Recovery Act programs.

Ensuring best use of federal funds:

For jobs creation and retention	One of the selection criteria established for this program requires the Department to give priority to projects that will contribute to job creation and rapid economic recovery.
For program or project outputs	Applicants are generally required to identify, quantify, and compare expected benefits and costs, subject to certain qualifications. This requirement was waived for applicants seeking waivers of the $20 million minimum grant size requirement. Any applicant seeking a grant of more than $20 million but less than $100 million was required to include in its application estimates of the project's expected benefits in the five long-term outcomes identified as priorities. And any applicant seeking a grant in excess of $100 million

	was required to provide a well-developed analysis of expected benefits and costs, including an assessment of a project's benefit cost ratio. These requirements are explained in greater detail in the solicitation for applications.
For other public benefits	The selection criteria established for this program are merit-based to help ensure responsible spending.

Holding program managers and recipients accountable:

Program Managers	Department-wide performance management approaches incorporate Recovery Act objectives.
Primary and Secondary Recipients	Grant administration procedures incorporate Recovery Act requirements, including plans for identifying unused funds for reallocation to other eligible projects.

Compliance & Results

Reducing environmental impacts:

One of the key selection criteria identified for this program is improved energy efficiency, reduced dependence on foreign oil, reduced greenhouse gas emissions and reduced environmental impacts.

Complying with National Environmental Policy:

DOT will not obligate any capital grants under this program until the National Environmental Policy Act process is complete.

Complying with National Historic Preservation Standards:

All projects will comply with National Historic Preservation standards while complying with NEPA requirements. Any specific requirments will be determined by the nature of the project by the operating administrtaion facilitating the grant.

Holding recipients accountable for energy efficiency and/or green building standards:

To be determined.