

Federal – Aid Highways

Stewardship and Oversight Agreement

between



and



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TITLE 23, UNITED STATES CODE

TABLE OF CONTENTS

| | |
|---|----|
| SECTION I. BACKGROUND AND INTRODUCTION | 1 |
| SECTION II. INTENT AND PURPOSE | 2 |
| SECTION III. ASSUMPTION OF RESPONSIBILITIES FOR FEDERAL-AID PROJECTS ON THE NATIONAL HIGHWAY SYSTEM | 3 |
| SECTION IV. ASSUMPTION OF RESPONSIBILITIES FOR FEDERAL-AID PROJECTS OFF THE NATIONAL HIGHWAY SYSTEM | 4 |
| SECTION V. ASSUMPTION OF RESPONSIBILITIES FOR LOCALLY ADMINISTERED PROJECTS | 5 |
| SECTION VI. PERMISSIBLE AREAS OF ASSUMPTION UNDER 23 U.S.C. 106(c) | 5 |
| SECTION VII. FEDERAL APPROVALS AND RELATED RESPONSIBILITIES THAT MAY NOT BE ASSUMED BY PENNDOT | 5 |
| SECTION VIII. PROJECT ACTION RESPONSIBILITY MATRIX | 7 |
| SECTION IX. HIGH RISK CATEGORIES | 7 |
| SECTION X. FHWA OVERSIGHT PROGRAM UNDER 23 U.S.C. 106(g) | 7 |
| SECTION XI. PENNDOT OVERSIGHT AND REPORTING REQUIREMENTS | 10 |
| A. PENNDOT OVERSIGHT AND REPORTING REQUIREMENTS | 10 |
| SECTION XII. IMPLEMENTATION AND AMENDMENTS | 13 |
| Appendix A – Project Action Responsibility Matrix | 16 |
| Appendix B – Program Responsibility Matrix | 27 |
| Appendix C – Manuals and Operating Agreements | 72 |
| Appendix D – Business Service Standards | 81 |
| Glossary | 82 |

**STEWARDSHIP AND OVERSIGHT AGREEMENT
ON PROJECT ASSUMPTION AND PROGRAM OVERSIGHT
BY AND BETWEEN
FEDERAL HIGHWAY ADMINISTRATION, PENNSYLVANIA DIVISION
AND THE
COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF TRANSPORTATION**

SECTION I. BACKGROUND AND INTRODUCTION

The Federal Highway Administration (FHWA) and the Pennsylvania Department of Transportation (PennDOT) hereby enter into this Stewardship & Oversight Agreement (S&O Agreement) for the purpose of administering the Federal-aid Highway Program (FAHP) in Pennsylvania. This Agreement clarifies the stewardship and oversight roles and responsibilities of both the FHWA and PennDOT in implementing the FAHP. The Agreement is intended to result in the efficient and effective management of public funds and to ensure that the FAHP is delivered consistent with laws, regulations, policies, and good business practice in Pennsylvania.

The FAHP is a federally-assisted program of State-selected projects. FHWA and the State Departments of Transportation have long worked as partners to deliver the FAHP in accordance with Federal requirements. In enacting 23 U.S.C. 106(c), as amended, Congress recognized the need to give the States more authority to carry out project responsibilities traditionally handled by FHWA. Congress also recognized the importance of a risk-based approach to FHWA oversight of the FAHP, establishing requirements in 23 U.S.C. 106(g). This Agreement defines select stewardship and approval roles for Federal-aid design and construction projects in Pennsylvania, and sets forth the roles and responsibilities of FHWA and PennDOT with respect to Title 23 project approvals and related responsibilities, and FAHP oversight activities.

The scope of FHWA responsibilities, and the legal authority for PennDOT assumption of FHWA responsibilities, developed over time. The U.S. Secretary of Transportation delegated responsibility to the Administrator of FHWA for the FAHP under Title 23 of the United States Code, and associated laws. (49 CFR 1.84 and 1.85) The following legislation further outlines FHWA's responsibilities:

- Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991;
- Transportation Equity Act for the 21st Century (TEA-21) of 1998;
- Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) of 2005; and
- Moving Ahead for Progress in the 21st Century Act (MAP-21) of 2012 (P.L. 112-141).

FHWA may not assign or delegate its decision-making authority to a State Department of Transportation unless authorized by law. Section 106 of Title 23, United States Code (Section

106), authorizes the State to assume specific project approvals. For projects that receive funding under Title 23, U.S.C., and are on the National Highway System (NHS) including projects on the Interstate System, the State may assume the responsibilities of the Secretary of the U.S. Department of Transportation under Title 23 for design, plans, specifications, estimates, contract awards, and inspections with respect to the projects unless the Secretary determines that the assumption is not appropriate. (23 U.S.C. 106(c)(1)) For projects under Title 23, U.S.C. that are not on the NHS, the State shall assume the responsibilities for design, plans, specifications, estimates, contract awards, and inspections unless the State determines that such assumption is not appropriate. (23 U.S.C. 106(c)(2))

For all other project activities which do not fall within the specific project approvals listed in Section 106 or are not otherwise authorized by law, the FHWA may authorize PennDOT to perform work needed to reach the FHWA decision point, or to implement FHWA's decision. However such decisions themselves are reserved to FHWA.

The authority given to PennDOT under Section 106(c)(1) and (2) is limited to specific project approvals listed herein. Nothing listed herein is intended to include assumption of FHWA's decision-making authority regarding Title 23, U.S.C. eligibility or Federal-aid participation determinations. The FHWA always must make the final eligibility and participation decisions for the Federal-aid Highway Program.

Section 106(c)(3) requires FHWA and PennDOT to enter into an agreement relating to the extent to which PennDOT assumes project responsibilities. This S&O Agreement includes information on specific project approvals and related responsibilities, and provides the requirements for FHWA oversight of the FAHP (Oversight Program), as required by 23 U.S.C. 106(g).

SECTION II. INTENT AND PURPOSE

The intent and purpose of this S&O Agreement is to document the roles and responsibilities of the FHWA's Pennsylvania Division Office and PennDOT with respect to project approvals and related responsibilities, and to document the methods of oversight which will be used to efficiently and effectively deliver the FAHP.

The purpose is to ensure adequate oversight for validating the obligation and expenditure of Federal funds. On the broader program level, this S&O Agreement acknowledges that FHWA and PennDOT are responsible for the effective and efficient use of Federal funds.

The Project Action Responsibility Matrix, Attachment A to this S&O Agreement and as further described in Section VIII of this S&O Agreement, identifies FHWA FAHP project approvals and related responsibilities State DOT assumes from FHWA on a program-wide basis pursuant to 23 U.S.C. 106(c) and other legal authorities. Upon execution of this agreement, Attachment A shall be controlling and except as specifically noted in Attachment A, no other agreements, attachments, or other documents shall have the effect of delegating or assigning FHWA approvals to State DOT on a program-wide basis under 23 U.S.C 106 or have the effect of altering Attachment A.

REFER TO DOCUMENT TITLED “PROCEDURES FOR PROJECTS OF DIVISION INTEREST (PoDI) AND PENNDOT PROJECT OVERSIGHT IDENTIFICATION” FOR IDENTIFICATION OF PROJECTS OF FHWA DIVISION INTEREST AND PENNDOT OVERSIGHT PROJECTS. On an annual basis, projects of division interest (PoDI) will be determined jointly by the FHWA and PennDOT, for stewardship and oversight activities.

SECTION III. ASSUMPTION OF RESPONSIBILITIES FOR FEDERAL-AID PROJECTS ON THE NATIONAL HIGHWAY SYSTEM

A. PennDOT *may assume* the FHWA’s Title 23 responsibilities for design; plans, specifications, and estimates (PS&E); contract awards; and inspections, with respect to *Federal-aid projects on the National Highway System (NHS)* if both PennDOT and FHWA determine that assumption of responsibilities is appropriate. PennDOT may not assume responsibilities for high risk category interstate projects (23 U.S.C. 106(c)4). High risk categories are discussed in section IX of this guidance.

Refer to Section IV of this agreement for Assumptions of Responsibility for Federal-aid Projects Off of the National Highway System (non-NHS).

Refer to Section VI of this agreement for Areas of Assumption under 23 USC 106(c).

B. Approvals and related activities for which PennDOT has assumed responsibilities as shown in **Appendix A** will apply program wide unless project specific actions for which FHWA will carry out the approval or related responsibilities are documented in accordance with the FHWA Project of Division Interest/Project of Corporate Interest Guide (FHWA PoDI/PoCI Guide) located at: <http://www.fhwa.dot.gov/federalaid/stewardship/>

Refer to document titled “Procedures for Projects of Division Interest (PoDI) and PennDOT Project Oversight Identification” for additional information.

See Section VII for Federal approvals and related responsibilities that may not be assumed by PennDOT.

C. The State DOT may not assume responsibilities for Interstate projects that are in high risk categories. (23 U.S.C. 106(c)(1))

D. PennDOT is to exercise any and all assumptions of the Secretary responsibilities for Federal-aid projects on the NHS in accordance with Federal laws, regulations and policies.

It is agreed that PennDOT’s assumption of certain responsibilities does not preclude FHWA access to and review of Federal-aid projects at any time, and that it does not replace the provisions of Title 23, U.S.C. with respect to the basic structure of the FAHP. FHWA continues to retain overall responsibility for all aspects of Federal-aid programs and, as such, shall be

granted full access to review any aspect or record of a Federal-aid project at any time. In matters concerning questionable eligibility for Federal participation in the programming, development, and construction of Federal-aid projects, PennDOT will consult with FHWA or FHWA may choose to become involved in determining eligibility.

SECTION IV. ASSUMPTION OF RESPONSIBILITIES FOR FEDERAL-AID PROJECTS OFF THE NATIONAL HIGHWAY SYSTEM

Project selection off the NHS will be risk-based and stewardship and oversight activities will be directed toward addressing the identified risks. This may include retaining certain project approvals or directing stewardship or oversight activities to a specific phase or element of the project. For PoDIs, the scope of a Division’s stewardship and oversight activities, beyond any project approval actions retained by FHWA, will be tailored to the level of risk ascertained by the Division. For Projects of Corporate Interest (PoCIs), the scope of involvement will include the dedication of corporate resources to ensure the successful delivery of the project. Refer to document titled “Procedures for Projects of Division Interest (PoDI) and PennDOT Project Oversight Identification” for additional information.

- A. PennDOT *shall assume* the FHWA’s Title 23 responsibilities for design, PS&Es, contract awards, and inspections, with respect to *Federal-aid projects off the NHS (non-NHS)* unless *PennDOT* determines that assumption of responsibilities is not appropriate. (23 U.S.C. 106(c)(2))
- B. Except as provided in 23 U.S.C.109(o), PennDOT is to exercise the Secretary’s approvals and related responsibilities on these projects in accordance with Federal laws.
- C. PennDOT, in its discretion, may request FHWA carry out one or more non-NHS approvals or related responsibilities listed as “PennDOT” in **Appendix A** on a program-wide basis. For a project specific request, PennDOT may request FHWA carry out any approval or related responsibility listed in **Appendix A** off the NHS. Such project-specific requests shall be documented in accordance with the FHWA PoDI/PoCI Guide.
- D. Pursuant to 23 U.S.C. 109(o), non-NHS projects shall be designed and constructed in accordance with State laws, regulations, directives, safety standards, design standards, and construction standards.

It is agreed that PennDOT’s assumption of certain responsibilities does not preclude FHWA access to and review of Federal-aid projects at any time, and that it does not replace the provisions of Title 23, U.S.C. with respect to the basic structure of the FAHP. FHWA continues to retain overall responsibility for all aspects of Federal-aid programs and, as such, shall be granted full access to review any aspect or record of a Federal-aid project at any time. In matters concerning questionable eligibility for Federal participation in the programming, development, and construction of Federal-aid projects, PennDOT will consult with FHWA or FHWA may choose to become involved in determining eligibility.

SECTION V. ASSUMPTION OF RESPONSIBILITIES FOR LOCALLY ADMINISTERED PROJECTS

PennDOT may permit local public agencies (LPAs) to carry out PennDOT’s assumed responsibilities on locally administered projects. PennDOT is responsible and accountable for LPA compliance with all applicable Federal laws and requirements, and will provide the necessary reviews and approvals of projects that are developed and administered by local agencies to assure compliance with Federal requirements. PennDOT is responsible and accountable for ensuring compliance with Federal-aid requirements on Locally Administered Projects.

SECTION VI. PERMISSIBLE AREAS OF ASSUMPTION UNDER 23 U.S.C. 106(c)

FHWA and PennDOT must enter into this Agreement relating to the extent to which PennDOT assumes project responsibilities, as required by 23 U.S.C. 106(c)(3). An assumption of responsibilities under 23 U.S.C. 106(c) may cover only activities in the following areas:

- A. Design, which includes preliminary engineering, engineering, and design-related services directly relating to the construction of a FAHP-funded project, including engineering, design, project development and management, construction project management and inspection, surveying, mapping (including the establishment of temporary and permanent geodetic control in accordance with specifications of the National Oceanic and Atmospheric Administration), and architectural-related services.
- B. PS&E, which represents the actions and approvals required before authorization of construction. The PS&E package includes geometric standards, drawings, specifications, project estimates, certifications relating to completion of right-of-way acquisition and relocation, utility work, and railroad work.
- C. Contract awards, which include procurement of professional and other consultant services and construction-related services to include advertising, evaluating, and awarding contracts.
- D. Inspections, which include general contract administration, material testing and quality assurance, review, and inspections of Federal-aid contracts as well as final inspection/acceptance.
- E. Approvals and related responsibilities affecting real property as provided in 23 CFR 710.201(i) and any successor regulation in 23 CFR Part 710.

SECTION VII. FEDERAL APPROVALS AND RELATED RESPONSIBILITIES THAT MAY NOT BE ASSUMED BY PENNDOT

- A. Any approval or related responsibility not listed in Appendix A cannot be assumed by PennDOT without prior concurrence by FHWA Headquarters. The following is a list of

the most frequently-occurring approvals and related responsibilities that may not be assumed by PennDOT:

1. Civil Rights Program approvals;
 2. Provide pre-approval for preventive maintenance activities outside the scope of the preventive maintenance agreements;
 3. Environmental approvals, except those specifically assumed under other agreements. (23 U.S.C. 326 and 327; programmatic categorical exclusion agreements);
 4. Federal air quality conformity determinations required by the Clean Air Act;
 5. Approval of current bill and final vouchers;
 6. Approval of federally-funded hardship acquisition, protective buying, and 23 U.S.C. 108(d) early acquisition;
 7. Project agreements and modifications to project agreements and obligation of funds (including advance construction);
 8. Planning and programming pursuant to 23 U.S.C. 134 and 135;
 9. Special Experimental Projects (SEP-14 and SEP-15);
 10. Use of Interstate airspace for non-highway-related purposes;
 11. Any Federal agency approval or determination under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act), as amended, and implementing regulations in 49 CFR Part 24;
 12. Waivers to Buy America requirements;
 13. Approval of Federal participation under 23 CFR 1.9(b);
 14. Requests for credits toward the non-Federal share of construction costs for early acquisitions, donations, or other contributions applied to a project;
 15. Functional replacement of property;
 16. Approval of a time extension for preliminary engineering projects beyond the 10-year limit, in the event that actual construction or acquisition of right-of-way for a highway project has not commenced;
 17. Approval of a time extension beyond the 20-year limit for right of way projects, in the event that actual construction of a road on the right-of-way is not undertaken;
 18. Determine need for Coast Guard Permit;
 19. Training Special Provision – Approval of New Project Training Programs; and
 20. Any other approval or activity not specifically identified in Appendix A unless otherwise approved by the FHWA, including the Office of Chief Counsel.
- B. For all projects and programs, PennDOT will comply with Title 23 and all applicable non-Title 23, U.S.C. Federal-aid program requirements, such as metropolitan and statewide planning; environment; procurement of engineering and design related service contracts (except as provided in 23 U.S.C. 109(o)); Civil Rights including Title VI of the *Civil Rights Act*, and participation by Disadvantaged Business Enterprises; prevailing wage rates; and acquisition of right-of-way, etc.
- C. This S&O Agreement does not modify FHWA’s non-Title 23 program approval and related responsibilities, such as approvals required under the Clean Air Act; National

Environmental Policy Act, Executive Order on Environmental Justice (E.O. 12898), and other related environmental laws and statutes; the Uniform Act; and the Civil Rights Act of 1964 and related statutes.

SECTION VIII. PROJECT ACTION RESPONSIBILITY MATRIX

Appendix A, Project Action Responsibility Matrix, to this S&O Agreement identifies FAHP project approvals and related responsibilities. The Matrix specifies which approvals and related responsibilities are assumed by PennDOT under 23 U.S.C. 106(c) or other statutory or regulatory authority, as well as approvals and related responsibilities reserved to FHWA.

SECTION IX. HIGH RISK CATEGORIES

- A. In 23 U.S.C. 106(c), Congress directs that the Secretary shall not assign any approvals or related responsibilities for projects on the Interstate System if the Secretary determines the project to be in a high risk category. Under 23 U.S.C. 106(c)(4)(B), the Secretary may define high risk categories on a national basis, State-by-State basis, or national and State-by-State basis.

- B. The Division has determined there are no high risk categories.

SECTION X. FHWA OVERSIGHT PROGRAM UNDER 23 U.S.C. 106(g)

- A. In 23 U.S.C. 106(g), Congress directs that the Secretary shall establish an oversight program to monitor the effective and efficient use of funds authorized to carry out the FAHP. This program includes FHWA oversight of the State's processes and management practices, including those involved in carrying out the approvals and related responsibilities assumed by the State under 23 U.S.C. 106(c). Congress defines that, at a minimum, the oversight program shall be responsive to all areas relating to financial integrity and project delivery.

- B. FHWA shall perform annual reviews that address elements of PennDOT's financial management system in accordance with 23 U.S.C. 106(g)(2)(A). FHWA will periodically review PennDOT's monitoring of subrecipients pursuant to 23 U.S.C. 106(g)(4)(B).

- C. The FHWA shall perform annual reviews that address elements of the project delivery systems of PennDOT, which elements include one or more activities that are involved in the life cycle of project from conception to completion of the project. The FHWA will also evaluate the practices of PennDOT for estimating project costs, awarding contracts, and reducing costs. 23 U.S.C. 106(g)(2) and (3).

- D. To carry out the requirements of 23 U.S.C. 106(g), the FHWA will employ a risk management framework to evaluate financial integrity and project delivery, and balance risk with staffing resources, available funding, and the State's transportation needs. The FHWA may work collaboratively with PennDOT to assess the risks inherent with the

FAHP and funds management, and how that assessment will be used to align resources to develop appropriate risk response strategies.

Techniques the Division and PennDOT may use to identify and analyze risks and develop response strategies include the following:

- Program Assessments;
- FIRE Reviews;
- Program Reviews;
- Certification Reviews;
- Recurring or periodic reviews such as the Compliance Assessment Program (CAP); and
- Inspections of project elements or phases.
- Independent Oversight Program (IOP) reviews

These techniques will be carried out in a manner consistent with applicable Division Standard Operating Procedures or other control documents relating to program assessments, FIRE, program reviews, CAP, etc.

The following techniques and processes will be used to carry out the requirements of 23 U.S.C. 106(g):

1. Risk Assessment- FHWA and PennDOT will tri-annually perform joint risk assessments of various program areas for the purpose of prioritizing its program level oversight activities. This assessment will be jointly reviewed in the other years to determine if the risks identified have been addressed and no additional action is needed. The risk assessment will include identification of risk responses that FHWA and PennDOT will undertake either individually or jointly. The risk response strategies will include identification of program reviews of Federal-aid projects and PennDOT processes. These program reviews will be captured in the Independent Oversight Program.

2. Financial Integrity Review and Evaluation (FIRE) FHWA Order 4560.1C- The FIRE Program is an oversight program to ensure that Federal-aid funds are properly managed and effectively used in accordance with Federal policies, and that safeguards are in place to minimize fraud, waste, and abuse. The FIRE program includes Funds Management, Federal-aid billing, Major projects, Project authorization, Modification and Voucher, and Locally Administered Projects. The FIRE program is a consistent process for identification and prioritization of risk events, and identification of strategies for risk mitigation.

3. The Independent Oversight Program (IOP) - The IOP includes program reviews that are triggered by the joint risk assessment and/or by the performance indicators/measures that suggest a need for improvement, or as identified by general recurring reviews of programs and projects. In general, FHWA will use the IOP process to assess the capability and capacity of PennDOT in those areas where PennDOT has assumed FHWA's responsibilities. The IOP includes formal

procedures for conducting reviews, developing reports, and tracking resolution of findings and recommendations. The reviews are conducted to:

- Assess compliance with Federal requirements.
- Identify opportunities for greater efficiencies and improvements to the program.
- Identify exemplary best practices.
- Identify areas that need attention and make recommendations for improvement.

The number of reviews and the review topics are jointly established annually by FHWA and PennDOT and are based on the results and recommendations of the program assessment which includes a risk assessment analysis. Reviews may be initiated by both FHWA and PennDOT and are designed to include a multidisciplinary team from both agencies. Based on the outcome of the IOP, an action plan may be required to address the recommendations or corrective actions identified in the reviews. The action plan will be jointly monitored until the recommendations and corrective actions have been satisfactorily addressed. At the beginning of each FHWA performance year, FHWA will develop its schedule of reviews for the forthcoming year in coordination with PennDOT.

4. Compliance Assessment Program (CAP) – The CAP is to help provide reasonable assurance that Federal-aid highway projects comply with key federal requirements. The CAP helps provide this assurance by assessing a statistically valid sample of projects such that the results inform the FHWA, with an acceptable level of certainty, of the degree of compliance. The approach is objective, defensible, and will inform the development of Corporate and Unit risk assessments with statistically valid information and data. The CAP is one element of project stewardship and oversight and will supplement and strengthen the agency’s movement toward being more data-driven and risk-based.

E. Program Responsibility Matrix

Appendix B to this S&O Agreement is the Program Responsibility Matrix that identifies all relevant FHWA program actions, and Division and PennDOT program contact offices.

F. Manual and Operating Agreements

PennDOT manuals, agreements and other control documents that have been approved for use on Federal-aid projects are listed in **Appendix C** to this S&O Agreement.

G. Non-Title 23 requirements such as the NEPA, and Section 4(f) apply to both NHS and Non-NHS Federal-aid projects, and FHWA will review and approve the applicable actions for all FHWA oversight and PennDOT oversight projects, except for those programmatically delegated to PennDOT, as defined in Appendix A. FHWA will also approve Right-of-Way (ROW) actions related to hardship and protective buying requests under the provisions of 23 CFR. Other Title 23 requirements (e.g., Metropolitan and

Statewide Planning) apply to both NHS and Non-NHS projects. In addition, applicable Title 23 requirements pertaining to contracts (for example, bid proposal content, including Davis Bacon, and DBE) and procurement procedures (competitive bidding, Brooks Act) apply regardless of whether the project is on or off the NHS.

SECTION XI. PENNDOT OVERSIGHT AND REPORTING REQUIREMENTS

The Project Action Responsibility Matrix included in **Appendix A** documents the roles and responsibilities of PennDOT on NHS projects for which PennDOT has assumed Section 106(c) responsibilities for design, PS&E, contract awards, and project inspections. Project actions for which PennDOT assumes defined approval authority in **Appendix A** are not subject to further approvals by FHWA on those specific items, unless PennDOT requests FHWA be involved or FHWA requests involvement for a particular project.

For non-NHS projects, this agreement provides that PennDOT assumes FHWA's specific Section 106(c) responsibilities unless PennDOT determines that such assumption is not appropriate. Additionally, this agreement provides that PennDOT is to exercise the Secretary's responsibilities on non-NHS projects with the expectation that PennDOT's actions will be based on Federal laws. This agreement provides that pursuant to 23 U.S.C. 109(o), non-NHS projects shall be designed and constructed in accordance with State laws, regulations, directives, safety standards, design standards, and construction standards. Documentation will be provided in the project files if PennDOT requests FHWA maintain 106(c) responsibilities on a non-NHS project.

It is agreed that PennDOT's assumption of certain responsibilities does not preclude FHWA access to and review of Federal-aid projects at any time, and that it does not replace the provisions of Title 23, U.S.C. with respect to the basic structure of the FAHP.

Nothing in this Agreement shall affect or discharge any responsibility or obligation of the FHWA under any Federal law other than Title 23, U.S.C. Such other Federal requirements include, but are not limited to, the National Environmental Policy Act (NEPA), Section 4(f) of the Department of Transportation Act of 1966, the Clean Air Act, the Clean Water Act, the Civil Rights Act of 1964, NHPA Section 106, Davis Bacon Act (40 U.S.C.), Brooks Act, Disadvantaged Business Enterprise (DBE) (49 CFR 26), and the Uniform Relocation Assistance and Acquisition Policies Act of 1970 as Amended (i.e., Uniform Act) (49 CFR 24).

A. PENNDOT OVERSIGHT AND REPORTING REQUIREMENTS

As provided for in Federal legislation, certain categories of Federal-aid projects are delegated to PennDOT for oversight responsibility. On PennDOT-oversight projects, PennDOT will act on behalf of the U.S. Secretary of Transportation and FHWA in the development and approval of projects in accordance with the provisions in this Agreement and applicable Federal regulations, with the expectation that it exercises similar judgment based on Federal laws, regulations, and FHWA policies.

The State DOT is responsible for demonstrating to the FHWA how it is carrying out its responsibilities in accordance with this S&O Agreement. In order to fulfill this responsibility, the State DOT will perform its oversight responsibilities in accordance with all the Manuals, Agreements and Operating Procedures contained in **Appendix C** of this Agreement.

B. PENNDOT OVERSIGHT OF LOCALLY ADMINISTERED PROJECTS

PennDOT's oversight of LPA's is documented in Publication 740 – *Local Project Delivery Manual (LPDM)*. This manual describes PennDOT's role for communicating, educating, and validating Federal requirements with local public agencies. The processes in Publication 740 detail how PennDOT will provide management for the following:

- Sub-recipient processes for project management, (including staffing), adequate project delivery systems, and sufficient accounting controls.
- Sub-recipient awareness of Federal grant requirements, management of grants and sub-grants, and pass through entity responsibilities.
- Sub-recipient satisfactorily staffed and equipped to cost effectively perform work.
- Sub-recipient inspection to ensure their project is completed in conformance with approved plans and specifications.
- LPAs use of consultants for engineering services.
- Project actions administered in accordance with all applicable Federal laws and regulations.

Additionally, PennDOT understands the following responsibilities:

B.1. PennDOT is required to provide adequate oversight of sub-recipients including oversight of any assumed responsibilities PennDOT delegates to a LPA.

B.2. Pursuant to 23 U.S.C. 106(g)(4), PennDOT shall be responsible for determining that sub-recipients of Federal funds have adequate project delivery systems for locally administered projects and sufficient accounting controls to properly manage such Federal-aid funds. PennDOT is also responsible for ensuring compliance with reporting and other requirements applicable to grantees making sub-awards, such as monthly reporting requirements under the Federal Funding Accountability and Transparency Act of 2006, PL 109-282 (as amended by PL 110-252).

B.3. PennDOT acknowledges that it is responsible for sub-recipient awareness of Federal grant requirements, management of grant awards and sub-awards, and is familiar with and comprehends pass through entity responsibilities (2 C.F.R. 200.331 Requirements for Pass-thru Entities). PennDOT shall carry out these responsibilities using the following actions, programs, and processes:

PennDOT will ensure that sub-recipients are aware of federal requirements through routine project management and delivery. PennDOT Project managers at the District level maintain familiarity and utilize and comply with the new Publication 740 (*Local Project Delivery Manual*). PennDOT also meets routinely with larger sub-recipients to ensure projects are advancing in compliance with procedures. Publication 740 addresses all phases (planning thru construction) including roles and responsibilities, procedures for invoicing, payments to

contractors, records and documentation control, reimbursement agreements, audits, finalization and close-out.

B.4. PennDOT shall assess whether a sub-recipient has adequate project delivery systems and sufficient accounting controls to properly manage projects, using the following actions, programs, and processes:

PennDOT ensures delivery systems and accounting controls are adequate by virtue of complying with Publication 740, which requires PennDOT's review and approval of most elements of each phase of delivery. Publication 740 also includes flowcharts, tables, checklists and sample documents to ensure quality, consistency and compliance is achieved.

The use of PennDOT's Engineering and Construction Management System (ECMS) system and other electronic systems for the delivery of local projects will help ensure compliance with federal regulations. These programs and systems have built in processes that are identical to PennDOT's normal project delivery process. (LPDM Section 3.3)

B.5. PennDOT shall assess whether a sub-recipient is staffed and equipped to perform work satisfactorily and cost effectively, and that adequate staffing and supervision exists to manage the Federal project(s), by using the following actions, programs, and processes:

Publication 740 *Local Project Delivery Manual* clearly states the roles and responsibilities of both LPAs and PennDOT with regard to staffing skills and experience required to manage Federal Aid projects. (LPDM Section 3.0)

B.6. PennDOT shall assess whether sub-recipient projects receive adequate inspection to ensure they are completed in conformance with approved plans and specifications, by using the following actions, programs, and processes:

The manner in which the LPA plans to keep records and documentation of construction work must be approved by PennDOT. The LPA must adhere to PennDOT Publications and inspection requirements as detailed in Publication 740 *Local Project Delivery Manual*. (LPDM Section 3.6 and 7.2)

B.7. PennDOT shall ensure that when LPAs elect to use consultants for engineering services, the LPA, as provided under 23 CFR 635.105(b), shall provide a full-time employee of the agency to be in responsible charge of the project. PennDOT's process to ensure compliance with this requirement is documented by the following actions, programs, and processes:

Publication 740 *Local Project Delivery Manual* states that the LPA must provide a full-time employee of the agency to be in responsible charge of the project. (LPDM Section 3.0)

B.8. PennDOT shall ensure that project actions will be administered in accordance with all applicable Federal laws and regulations. PennDOT's processes on required approvals on sub-recipient projects are documented in Publication 740 *Local Project Delivery Manual*, Chapter 3. The oversight areas include:

- a. Consultant selection and management;
- b. Environment;

- c. Design;
- d. Civil Rights;
- e. Financial management including audits and indirect cost allocation plans;
- f. Right-of-way;
- g. Construction monitoring, including Quality Control/Quality Assurance (QC/QA);
and
- h. Contract administration including PennDOT’s responsibility to approve a sub-recipient to pursue a contract procurement method other than competitive bidding.

B.9. PennDOT’s process for documentation for its oversight activities for LPA-administered projects and findings, and methods to share this information with the FHWA are provided in Publication 740 *Local Project Delivery Manual*.

Eligible public agencies (city, county, township) or other State agencies (Pennsylvania Turnpike Commission (PTC) and other toll facility owners/operators) may be permitted by PennDOT to take project approval actions and administer Federal-aid design and construction projects if they have jurisdiction over the roadway in accordance with 23 CFR 635 – *Construction and Maintenance*. The requesting public agency may develop procedures which modify and/or supplement the procedures contained in this Agreement or otherwise published by PennDOT, as long as the public agency procedures are approved by PennDOT and FHWA, and the agency certifies that it will operate in compliance with them. PennDOT is responsible for providing FHWA with documentation of the results of their quality assurance program relative to oversight activities of other public agencies.

SECTION XII. IMPLEMENTATION AND AMENDMENTS

This Agreement supersedes all previously executed Stewardship and Oversight Agreements between the FHWA and PennDOT. Upon execution, this S&O Agreement will apply immediately to all new Federal-aid projects and all existing Federal-aid projects under design. Federal-aid projects under construction will retain their current oversight designation through completion, unless FHWA and PennDOT mutually agree to change that designation.

- A. This S&O Agreement will take effect as of the effective date of the signature of the FHWA Pennsylvania Division Administrator, who shall sign this S&O Agreement last.
- B. FHWA and PennDOT agree that updates to this Agreement will be considered periodically on a case-by-case basis or when:
 - Significant new legislation, Executive orders, or other initiatives affecting the relationship or responsibilities of one or both parties to the S&O Agreement occurs;
 - Leadership, or leadership direction, changes at PennDOT or FHWA; or

- Priorities shift as a result of audits, public perception, or changes in staffing at either PennDOT or the Division Office.
- C. FHWA and PennDOT agree that changes may occur to the contents of the Appendices to this S&O Agreement and documents incorporated by reference into the S&O Agreement. Except as provided in paragraph XII.D and E, changes to the Appendices and documents incorporated by reference will not require FHWA and PennDOT to amend this S&O Agreement. The effective date of any revisions to one of these documents shall be clearly visible in the header of the revised document. This Agreement and any revised document shall be posted on the FHWA Pennsylvania Division’s S&O Agreement internet site within five (5) business days of the effective date.
- D. Any changes to the high risk categories must be documented by an amendment to this S&O Agreement.
- E. Any changes to the Project Action Responsibility Matrix must be approved by the FHWA Office of Infrastructure in writing and documented by an amendment to this S&O Agreement.

EXECUTION BY THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION

Executed this 11th day of May, 2015.

/s/ Leslie Richards

Signature

Leslie Richards

Secretary of Transportation

EXECUTION BY THE FHWA PENNSYLVANIA DIVISION OFFICE

Executed this 26th day of May, 2015.

/s/ B. Renee Sigel

Signature

B. Renee Sigel

Division Administrator

-THIS PAGE IS FOR COMMONWEALTH OF PENNSYLVANIA USE ONLY-

APPROVED AS TO LEGALITY
AND FORM

PRELIMINARILY APPROVED

BY /s/ 5/12/2015
for Chief Counsel DATE

BY /s/ 5/7/2015
Assistant Counsel DATE

BY /s/ 5/12/2015
Deputy General DATE
Counsel

BY /s/ 5/19/2015
Deputy Attorney DATE

FUNDS COMMITMENT DOCUMENT # _____
CERTIFIED FUNDS AVAILABLE UNDER
SAP NO. _____
SAP COST CENTER _____
GL ACCOUNT _____
AMOUNT _____
BUDGET PERIOD 2014

BY N/A
for Comptroller Operations DATE

APPENDIX A – PROJECT ACTION RESPONSIBILITY MATRIX

The following matrix identifies Federal-aid highway program (FAHP) project approvals and related responsibilities on a program-wide basis. The matrix specifies which actions are assumed by the State under the provisions of 23 U.S.C. 106(c) or other statutory or regulatory authority, as well as those which are reserved to FHWA. Projects classified as PoDI¹ projects are not covered by the matrix, as those projects will be governed by a separate PoDI plan that specifies FHWA and State responsibilities for the project.

Actions marked with an asterisk (“FHWA*or PennDOT*”) are those that FHWA has retained or require FHWA concurrence but that could have been assumed by the State through FHWA discretion (on the NHS) or by right (off the NHS). Projects requiring those actions are PoDI projects because of FHWA’s retained authority or concurrence. Those projects will be governed by a separate PoDI Plan.

The State DOT is responsible for ensuring all individual elements of the project are eligible for FAHP funding, but all final eligibility and participation determinations are retained by FHWA.

¹ *The following are considered PoDI projects: Major Projects (>\$500M); Appalachian Development Highway Projects; TIGER Discretionary Grant Projects; NHS Projects with Retained FHWA Project Approval; Non-NHS Projects with Retained FHWA Project Approval; and Projects Selected by FHWA for Risk-based Stewardship & Oversight. Regardless of retained project approval actions, any Federal-aid Highway Project either on or off the NHS that the Division identifies as having an elevated level of risk can be selected for risk-based stewardship and oversight and would then be identified as a PoDI. Please see “Projects of Division Interest (PoDI)/Projects of Corporate Interest (PoCI) Guidance (available at <http://www.fhwa.dot.gov/federalaid/stewardship/>)*

| PROJECT ACTION RESPONSIBILITY MATRIX (as of June 1, 2015) (Excluding PoDIs, which are subject to separate PoDI Plans) | | |
|---|----------------------------|-----------------------------|
| ACTION | AGENCY RESPONSIBLE | |
| | PROJECTS ON THE NHS | PROJECTS OFF THE NHS |
| Ensure project in Statewide Transportation Improvement Program (STIP)/Transportation Improvement Program (TIP) | PennDOT | PennDOT |
| Identify proposed funding category | PennDOT(1) | PennDOT(1) |
| Obligate funds/approve Federal-aid project agreement, modifications, and project closures (project authorizations) (Note: this action cannot be assumed by PennDOT) | FHWA | FHWA |
| Authorize current bill (Note: this action cannot be assumed by PennDOT) | FHWA | FHWA |
| Review and Accept Financial Plan and Annual Updates for Federal Major Projects over \$500 million [23 U.S.C. 106(h)] (Note: this action cannot be assumed by PennDOT) | FHWA | FHWA |
| Review Cost Estimates for Federal Major Projects over \$500 million [23 U.S.C. 106(h)] (Note: this action cannot be assumed by PennDOT) | FHWA | FHWA |
| Develop Financial Plan for Federal Projects between \$100 million and \$500 million.[23 U.S.C. 106(i)] | PennDOT | PennDOT |
| All EA/FONSI, EIS/ROD, 4(f), 106, 6(f) and other approval actions required by Federal environmental laws and regulations. (Note: this action cannot be assumed by PennDOT except under 23 U.S.C. 327) | FHWA(2) | FHWA(2) |
| Categorical Exclusion approval actions (Note this action cannot be assumed by PennDOT except | FHWA(2) | FHWA(2) |

| PROJECT ACTION RESPONSIBILITY MATRIX (as of June 1, 2015) (Excluding PoDIs, which are subject to separate PoDI Plans) | | |
|--|----------------------------|-----------------------------|
| ACTION | AGENCY RESPONSIBLE | |
| | PROJECTS ON THE NHS | PROJECTS OFF THE NHS |
| through an assignment under 23 U.S.C. 326 or 327, or through a programmatic agreement pursuant to Section 1318(d) of MAP-21 and 23 CFR 771.117(g)) | | |
| Consultant Contract Selection | PennDOT(3) | PennDOT(3) |
| Sole source Consultant Contract Selection | PennDOT(3) | PennDOT(3) |
| Approve hiring of consultant to serve in a “management” role (Note: this action cannot be assumed by PennDOT) [23 CFR 172.9] | FHWA(4) | FHWA(4) |
| Approve consultant agreements and agreement revisions (Federal non-Major Projects) [23 CFR 172.9] | PennDOT | PennDOT |
| Approve consultant agreements and agreement revisions on Federal Major Projects [23 CFR 172.9] (Note: this action cannot be assumed by PennDOT) | FHWA | FHWA |
| Approve exceptions to design standards [23 CFR 625.3(f)] | PennDOT(5,6) | PennDOT |
| Interstate System Access Change [23 USC 111] (Note: this action cannot be assumed by PennDOT) | FHWA | N/A |
| Interstate System Access Justification Report [23 USC 111] (Note: action may be assumed by PennDOT pursuant to 23 USC 111(e)) | FHWA* | N/A |
| Airport highway clearance coordination and respective public interest finding (if required) [23 CFR 620.104] | PennDOT | PennDOT |

| PROJECT ACTION RESPONSIBILITY MATRIX (as of June 1, 2015) (Excluding PoDIs, which are subject to separate PoDI Plans) | | |
|--|----------------------------|-----------------------------|
| ACTION | AGENCY RESPONSIBLE | |
| | PROJECTS ON THE NHS | PROJECTS OFF THE NHS |
| Approve Project Management Plan for Federal Major Projects over \$500 million [23 USC 106(h)] (Note: this action cannot be assumed by PennDOT) | FHWA | FHWA |
| Approve innovative and Public-Private Partnership projects in accordance with SEP-14 and SEP-15 (Note: this action cannot be assumed by PennDOT) | FHWA | FHWA |
| Provide pre-approval for preventive maintenance activities outside the scope of the preventive maintenance agreement (until FHWA concurs with PennDOT procedures) (Note: this action cannot be assumed by PennDOT) | FHWA | FHWA |
| Provide approval of preliminary plans for unusual/complex and other unusual bridges or structures on the Interstate. [23 USC 109(a) and FHWA Policy] | FHWA(7) | N/A |
| Provide approval of preliminary plans for unusual/complex and other unusual bridges or structures (non-Interstate) [23 USC 109(a) and FHWA Policy] | PennDOT(7) | PennDOT |
| Approve retaining right-of-way encroachments [23 CFR 1.23 (b) & (c)] | PennDOT | PennDOT |
| Approve use of local force account agreements [23 CFR 635.104 & 204] | PennDOT | PennDOT |
| Approve use of publicly owned equipment [23 CFR 635.106] | PennDOT | PennDOT |
| Approve the use of proprietary products, processes | PennDOT | PennDOT |

| PROJECT ACTION RESPONSIBILITY MATRIX (as of June 1, 2015) (Excluding PoDIs, which are subject to separate PoDI Plans) | | |
|---|---|-----------------------------|
| ACTION | AGENCY RESPONSIBLE | |
| | PROJECTS ON THE NHS | PROJECTS OFF THE NHS |
| [23 CFR 635.411] | | |
| Approve use of warranty specifications (23 CFR 635.413) | PennDOT | PennDOT |
| Approve pavement design (23 CFR 626) | PennDOT | PennDOT |
| Concur in use of publicly furnished materials [23 CFR 635.407] | PennDOT | PennDOT |
| Make feasibility/practicability determination for allowing authorization of construction prior to completion of ROW clearance, utility and railroad work [23 CFR 635.309(b)] | PennDOT*(8) | PennDOT*(8) |
| Make public interest finding on whether PennDOT may proceed with bid advertisement even though ROW acquisition/relocation activities are not complete for some parcels [23 CFR 635.309(c)(3)] | PennDOT*(8) | PennDOT*(8) |
| Ensure compliant ROW certificate is in place [23 CFR 635.309(c)] | PennDOT | PennDOT |
| Approve Hardship and Protective Buying [23 CFR 710.503] (If a Federal-aid project) (Note: this action cannot be assumed by PennDOT) | FHWA | FHWA |
| Approve Interstate Real Property Interest Use Agreements [23 CFR 710.405] (Note: this action cannot be assumed by PennDOT) | FHWA | N/A |
| Approve non-highway use and occupancy [23 CFR 1.23(c)] | FHWA for Interstate PennDOT for Non-Interstate (9) | PennDOT(3) |

| PROJECT ACTION RESPONSIBILITY MATRIX (as of June 1, 2015) (Excluding PoDIs, which are subject to separate PoDI Plans) | | |
|---|--|-----------------------------|
| ACTION | AGENCY RESPONSIBLE | |
| | PROJECTS ON THE NHS | PROJECTS OFF THE NHS |
| Approve disposal at less than fair market value of federally funded right-of-way, including disposals of access control [23 U.S.C. 156] (Note: this action cannot be assumed by State) | FHWA | FHWA |
| Approve disposal at fair market value of federally funded right-of-way, including disposals of access control [23 CFR 710.409] (Note: 23 CFR 710.201 authorizes FHWA and PennDOT to agree to scope of property-related oversight and approvals for all actions except those on the Interstate System) | FHWA for Interstate PennDOT for Non-Interstate(3) | PennDOT(3) |
| Requests for credits toward the non-Federal share of construction costs for early acquisitions, donations or other contributions applied to a project (note: this action cannot be assumed by PennDOT) | FHWA | FHWA |
| Federal land transfers [23 CFR 710, Subpart F] (Note: this action cannot be assumed by PennDOT) | FHWA | FHWA |
| Functional replacement of property [23 CFR 710.509] (Note: this action cannot be assumed by PennDOT) | FHWA | FHWA |
| Accept Transportation Management Plans (23 CFR 630.1012(b)) | PennDOT | PennDOT |
| Approval of System Engineering Analysis (for ITS) [23 CFR 940.11] | PennDOT | PennDOT |
| Approve PS&E [23 CFR 630.201] | PennDOT | PennDOT |
| Authorize advance construction and conversions [23 CFR 630.703] | FHWA | FHWA |

| PROJECT ACTION RESPONSIBILITY MATRIX (as of June 1, 2015) (Excluding PoDIs, which are subject to separate PoDI Plans) | | |
|---|----------------------------|-----------------------------|
| ACTION | AGENCY RESPONSIBLE | |
| | PROJECTS ON THE NHS | PROJECTS OFF THE NHS |
| & 709] (Note: this action cannot be assumed by PennDOT) | | |
| Approve utility or railroad force account work [23 CFR 645.113 & 646.216] | PennDOT | PennDOT |
| Approve utility and railroad agreements [23 CFR 645.113 & 646.216] | PennDOT | PennDOT |
| Approve use of consultants by utility companies [23 CFR 645.109(b)] | PennDOT | PennDOT |
| Approve exceptions to maximum railroad protective insurance limits [23 CFR 646.111] | PennDOT | PennDOT |
| Authorize (approve) advertising for bids [23 CFR 635.112, 309] | PennDOT(10) | PennDOT(10) |
| Approve cost-effectiveness determinations for construction work performed by force account or by contract awarded by other than competitive bidding [23 CFR 635.104 &.204] | PennDOT | PennDOT |
| Approve emergency determinations for contracts awarded by other than competitive bidding [23 CFR 635.104 &.204] | PennDOT | PennDOT |
| Approve construction engineering by local agency [23 CFR 635.105] | PennDOT | PennDOT |
| Approve advertising period less than 3 weeks [23 CFR 635.112] | PennDOT | PennDOT |
| Approve addenda during advertising period [23 CFR 635.112] | PennDOT | PennDOT |
| Concur in award of contract [23 CFR 635.114] | PennDOT | PennDOT |
| Concur in rejection of all bids [23 CFR 635.114] | PennDOT | PennDOT |

| PROJECT ACTION RESPONSIBILITY MATRIX (as of June 1, 2015) (Excluding PoDIs, which are subject to separate PoDI Plans) | | |
|---|----------------------------|-----------------------------|
| ACTION | AGENCY RESPONSIBLE | |
| | PROJECTS ON THE NHS | PROJECTS OFF THE NHS |
| Approval of Design-Build Requests-for-Proposals and Addenda [23 CFR 635.112] | PennDOT | PennDOT |
| Approve changes and extra work [23 CFR 635.120] | PennDOT | PennDOT |
| Approve contract time extensions [23 CFR 635.120] | PennDOT | PennDOT |
| Concur in use of mandatory borrow/disposal sites [23 CFR 635.407] | PennDOT | PennDOT |
| Accept materials certification [23 CFR 637.207] | PennDOT | PennDOT |
| Concur in settlement of contract claims [23 CFR 635.124] | FHWA* | PennDOT |
| Concur in termination of construction contracts [23 CFR 635.125] | PennDOT | PennDOT |
| Waive Buy America provisions [23 CFR 635.410] (Note: this action cannot be assumed by State) | FHWA | FHWA |
| Final inspection/acceptance of completed work [23 USC 114(a)] | PennDOT | PennDOT |
| Approval of Disadvantaged Business Enterprise (DBE) Project Contract Goal set by the State DOT under 49 CFR 26.51(d). [49 CFR 26.51(e)(3)] | PennDOT | PennDOT |
| Acceptance of Bidder’s Good Faith Efforts to Meet Contract Goal [49 CFR 26.53] or of Prime Contractor’s Good Faith Efforts to Find Another DBE Subcontractor When a DBE Subcontractor is Terminated or Fails to Complete Its Work [49 CFR 26.53(g)] (Note: this action cannot be performed by the FHWA) | PennDOT | PennDOT |

| PROJECT ACTION RESPONSIBILITY MATRIX (as of June 1, 2015) (Excluding PoDIs, which are subject to separate PoDI Plans) | | |
|--|----------------------------|-----------------------------|
| ACTION | AGENCY RESPONSIBLE | |
| | PROJECTS ON THE NHS | PROJECTS OFF THE NHS |
| Equal Employment Opportunity (EEO) Contract Compliance Review [23 CFR Part 230, Subpart D]). | PennDOT | PennDOT |
| Training Special Provision – Approval of Project Goal for training slots or hours [23 CFR Part 230, Subpart A] | PennDOT | PennDOT |
| Training Special Provision – Approval of New Project Training Programs (Note: this action cannot be assumed by State) [23 CFR 230.111(d), (e)] | FHWA | FHWA |

FOOTNOTES:

* Actions marked with an asterisk (“FHWA*or PennDOT*”) are those that FHWA has retained or require FHWA concurrence but that could have been assumed by the State through FHWA discretion (on the NHS) or by right (off the NHS).

- (1) PennDOT is responsible for ensuring that all individual elements of the project are eligible. FHWA will check that the scope of the project as described in submitted project agreement is eligible for the category of funding sought. All final eligibility and participation determinations are retained by FHWA.
- (2) If there is a 23 U.S.C. 326 or 325 assignment or Programmatic Categorical Exclusion agreement, decisions are handled in accordance with those assignments or agreements.
- (3) PennDOT’s process and modifications to, or variation in process, require FHWA approval.
- (4) FHWA approval is not required for 100% State-funded projects.
- (5) Design criteria in Design Manual, Part 2 (DM-2) meets and in some cases exceeds the criteria in the AASHTO Green Book. For any designs on NHS projects that do not meet the criteria in DM-2, but conform to the minimum criteria in the AASHTO Green Book, a design exception is not required to be approved by FHWA, but will require PennDOT approval. PennDOT approves for State-funded projects
- (6) For all Interstate projects, regardless of funding, PennDOT will submit a copy of approved design exceptions to FHWA.
- (7) Unusual/Complex bridges and structures are those that the Division determines to have unique foundation problems, new or complex designs, exceptionally long spans, exceptionally large foundations, complex hydraulic elements, or that are designed with procedures that depart from currently recognized acceptable practices (i.e., cable-stay, suspension, arch,

segmental concrete, moveable, truss, tunnels, or complex geotechnical walls or ground improvement systems)

(8) FHWA concurrence is required for all conditional ROW certifications.

(9) PennDOT will consult with FHWA for highly unusual circumstances (i.e. extended closures).

(10) PennDOT is still required to submit a fiscal project authorization (4232) for FHWA approval prior to advertisement.

APPENDIX B – PROGRAM RESPONSIBILITY MATRIX

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|--|-----------|----------------|-----------------------------------|--|---|--|
| Appropriations, Allotments, Obligations | 31 USC 1341(a)(1)(A)& (B); 31 USC 1517(a); 23 USC 118(b), 23 USC 121 | As needed | Not Applicable | Office of Chief Financial Officer | Finance | CPDM (Center for Program Management and Development) (Program Center) | State will monitor appropriations, allotments and obligations to ensure that all funding is used efficiently within each quarter and use all Obligation Authority (OA) by the end of the year. |
| Approval of Indirect Cost Allocation Plans (ICAPs) | CFR 200 Subpart E ; ASMBC-10 | As needed | Not Applicable | Office of Chief Financial Officer | Finance | BFM (Bureau of Fiscal Management) | The State will certify that the ICAP was prepared in accordance with 2 CFR 200 Subpart E. |

¹ All actions taken on or after December 26, 2014, shall be governed by the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200. Part 200 of 2 CFR supersedes 49 CFR Parts 18 and 19, and requirements from OMB Circulars A-21, A-87, A-110, and A-122 (which have been placed in OMB guidances); Circulars A-89, A-102, and A-133; and the guidance in Circular A-50 on Single Audit Act follow-up.

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|--|-----------|----------------|-----------------------------------|--|--------------------------------------|--|
| FIRE Program Activities | FHWA Order 4560.1C (or as superseded) | Ongoing | | Office of Chief Financial Officer | Finance | CPDM/BFM | State will continue to provide oversight and conduct reviews to ensure Federal-aid compliance. FHWA will review and monitor. State responsibilities include multiple tasks in support of risk assessments, conducting reviews and implementation of recommendations. |
| Audit Coordination/FHWA Financial Statement Audit/State External Audit Reviews/State Internal Audit Reviews | FMFIA, 2 C.F.R. Part 200, Subpart F ; GAAP, CFO Act of 1990; DOT Order 8000.1C | As needed | Not Applicable | Office of Chief Financial Officer | Finance | BFM | State assures corrective action is taken to resolve audit findings and FHWA will monitor activities to ensure implementation. |
| Improper Payments Review | Improper Payments Information Act of 2002, PL 107-300, Improper Payments Elimination and Recovery Act of | Annually | | Office of Chief Financial Officer | Finance | BFM | State will provide all information necessary to document sampled payments and FHWA offices will review and complete appropriate data submittal forms. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|--|-----------|----------------|-----------------------------------|--|--------------------------------------|---|
| | 2010, PL 111-204, Improper Payments Elimination and Recovery Improvement Act of 2012, PL 112-248 | | | | | | |
| Transfer of Funds between programs or to other FHWA offices or agencies as requested by State | 23 USC 126, 23 USC 132, and FHWA Order 4551.1 | As needed | Not Applicable | Office of Chief Financial Officer | Finance | CPDM | State will submit requests for transfer and FHWA approves and processes the funding transfers between programs, to other States, to other agencies, and to FHWA HQ, Federal Lands, or Research offices. |
| Reviews of State Transportation Departments Financial Management Systems - Financial Integrity | 23 USC 106(g)(2)(A) | Annually | Not Applicable | Office of Chief Financial Officer | Finance | BFM | 23 USC 106(g)(2)(A) states that the Secretary shall perform annual reviews that address elements of the State transportation departments' financial management systems |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|------------------------|--|----------------|-----------------------------------|--|--------------------------------------|---|
| | | | | | | | that affect projects approved under subsection (a). |
| Review Adequacy of Sub-recipient Project Delivery Systems and Sufficient Accounting Controls to Manage Federal Funds | 23 USC 106(g)(4)(A)(i) | As needed | Not Applicable | Office of Chief Financial Officer | Finance | BFM | |
| Periodic Reviews of States Monitoring of sub-recipients | 23 USC 106(g)(4)(B) | As needed | Not Applicable | Office of Infrastructure | Finance | BFM | |
| Approval of Increased Federal Share Agreement (Sliding Scale) | 23 USC 120(b)(2) | As determined by the Federal Share Agreement | Not Applicable | Office of Chief Financial Officer | Finance | BFM | A State must enter into an agreement with FHWA for use of the increased Federal share allowable under this section, which must be reviewed and updated periodically as agreed to in the agreement. States must demonstrate that they are in |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|--|-----------|----------------|------------------------|--|--------------------------------------|--|
| | | | | | | | compliance with the statute and the agreement. |
| Prepare / Review Title VI Plan Accomplishments and Next Year's Goals | 23 CFR 200.9(b)(10) | Annually | 1-Oct | Office of Civil Rights | Civil Rights | BEO (Bureau of Equal Opportunity) | Division office reviews and comments. |
| Prepare / EEO Contractor Compliance Plan accomplishments and next year's goals | 23 CFR 230, Subpart C, Appendix A, Part I, III | Annually | 1-Oct | Office of Civil Rights | Civil Rights | BEO | Division office reviews and comments. |
| Prepare / Review State Internal EEO Affirmative Action Plan (Title VII) Accomplishments and Goals | 23 CFR 230.311 | Annually | 1-Oct | Office of Civil Rights | Civil Rights | BEO | Courtesy copy to HQ. |
| Review DBE Program Revisions | 49 CFR 26.21(b)(2) | As needed | Not Applicable | Office of Civil Rights | Civil Rights | BEO | Division sends to HCR for review and approval as |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|--|-----------------------|--------------------------|------------------------|--|--------------------------------------|---|
| Prepare / DBE Uniform Awards and Commitment Report | 49 CFR 26, Appendix B | Semi-Annual | June 1st December 1st | Office of Civil Rights | Civil Rights | BEO | Division Office reviews and sends to HCR |
| Prepare / Annual Analysis and Corrective Action Plan (if necessary) | 49 CFR 26.47(c) | Annual (as necessary) | December 31st | Office of Civil Rights | Civil Rights | BEO | Division Office approves sends copy to HCR |
| Prepare / State DBE Program Goals | 49 CFR 26.45(f)(1) | Triennial | August 1st | Office of Civil Rights | Civil Rights | BEO | Division reviews and approves; HCC provides legal sufficiency review and approval sends copy to HCR |
| Prepare / Review On-the-Job-Training (OJT) goals & accomplishments | 23 CFR 230.111(b) | Annually | TBA | Office of Civil Rights | Civil Rights | BEO | Division office reviews and comments. |
| Approval of OJT and DBE Supportive Services fund requests | 23 CFR 230.113 & 23 CFR 230.204 | Annual | TBA | Office of Civil Rights | Civil Rights | BEO | Division recommends approval submits to HCR for final approval |
| Return of any unused discretionary grant program funding | 23 CFR 230.117(2) | Annual | TBA | Office of Civil Rights | Civil Rights | BEO | Division works with HCR and CFO |
| Prepare / Review of Report on Supportive Services (OJT & DBE) | 23 CFR 230.113(g), 230.121(e), 230.204(g)(6) | Quarterly | | Office of Civil Rights | Civil Rights | BEO | Division office reviews and comments. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|--|-----------|----------------|------------------------|--|--------------------------------------|---|
| Prepare / Review Annual Contractor Employment Report (Construction Summary of Employment Data (Form PR-1392) | 23 CFR 230.121(a); Appendix D to Subpart A, Part 230, General Information and Instructions | Annually | 1-Dec | Office of Civil Rights | Civil Rights | BEO | Recommendation sent to HQ for approval. |
| Prepare / Review State DOT Employment Statistical Data (EEO-4) | 23 CFR, Subpart C, Appendix A | Biannual | 1-Dec | Office of Civil Rights | Civil Rights | BEO | Report sent to HQ quarterly for informational purposes and recommendation sent to HQ annually for approval. |
| Prepare / Review Annual Federal Projected Awards Reports - Historically Black Colleges & Universities/Tribal Colleges & Universities/Hispanic Serving Institutes, American Indian Alaskan Native, Asian Pacific & American Islander. | Presidential Executive Orders: 13230, 13256,13270, 13361, 13515 | Annual | TBA | Office of Civil Rights | Civil Rights | BEO | Divisions submit data to HCR who prepares report for DOCR |
| Prepare / Review ADA Complaint | 28 CFR 35.190 | As needed | Not Applicable | Office of Civil Rights | Civil Rights | BEO | Division office reviews, FHWA HQ |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|---------------------------|-----------|--|---------------------------------|--|--------------------------------------|--|
| Reports of Investigation | | | | | | | approves and issues finding. |
| Review Americans with Disabilities Act (ADA) /Sec. 504 Program Plan accomplishments and next year's goals | 49 CFR 27.11(c), EO 12250 | Annually | 1-Oct | Office of Civil Rights | Civil Rights | BEO | Division office reviews and comments. |
| Return of unexpended funds used for Summer Transportation Institutes | 23 CFR 230.117(2) | Annual | August 30; however, State procurement rules may govern | Office of Civil Rights | Civil Rights | BEO | Divisions work with HCR and CFO |
| Prepare / Review Request for National Summer Transportation Institute (NSTI) Proposals (SOWs) | 23 USC 140(b) | Annual | TBA | Office of Civil Rights | Civil Rights | BEO | Divisions recommend approval. HCR gives final approval |
| Prepare / Review NSTI Report (questionnaire) | 23 USC 140(b) | Annual | October 15th | Office of Civil Rights | Civil Rights | BEO | Divisions provide to HCR |
| Receipt of State Consultation Process with Tribal Governments | 23 CFR 450.210(c) | As needed | Not Applicable | Office of Federal Lands Highway | | BOPD (Bureau of Project Delivery) | Informational Purposes. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|--|-----------|----------------|--------------------------|--|--------------------------------------|--|
| Approval of Contracting Procedures for Consultant Selection | 23 CFR 172.5 & 172.9 | As needed | Not Applicable | Office of Infrastructure | Operations Team | BOPD | FHWA Division Office Approval. |
| Determination of High Risk Categories - Limitation on Interstate Projects | 23 USC 106(c)(4)(B) | As needed | Not Applicable | Office of Infrastructure | Operations Team | BOPD | Office of Program Administration determines national categories and must concur on any State designations. |
| Approval of State 3R Program | 23 CFR 625.4(a)(3), 23 USC 109(n) | As needed | Not Applicable | Office of Infrastructure | Operations Team | BOPD | FHWA Division Office Approval. |
| Verify adoption of Design Standards (National Highway System, including Interstate) | 23 CFR 625, 23 USC 109(b), 23 USC 109(c)(2), 23 USC 109(o) | As needed | Not Applicable | Office of Infrastructure | Operations Team | BOPD | FHWA HQ regulatory action to adopt NHS standards. |
| Approval of preliminary plans of Major and Unusual Bridges on the Interstate Highway System | (M1100.A) | As needed | Not Applicable | Office of Infrastructure | Technical Services Team | BOPD | Director of HIBT has approval of preliminary plans of Major and Unusual Bridges on the Interstate Highway System (M1100.A) |
| Approval of State Standard Specifications | 23 CFR 625.3 | As needed | Not Applicable | Office of Infrastructure | Operations Team | BOPD | FHWA Division Office Approval. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|---|---------------|----------------|--------------------------|--|--------------------------------------|---|
| Verify State Design Exception Policy complies with FHWA Policy | 23 CFR 625.3 | As needed | Not Applicable | Office of Infrastructure | Operations Team | BOPD | FHWA Division Office Approval. |
| Approval of State Standard Detail Plans | 23 CFR 625.3 | As needed | Not Applicable | Office of Infrastructure | Operations Team | BOPD | FHWA Division Office Approval. |
| Approval of Pavement Design Policy | 23 CFR 626.3 | As needed | Not Applicable | Office of Infrastructure | Technical Services Team | BOPD | FHWA Division Office Approval. |
| Review of Value Engineering Policy and Procedures | 23 CFR 627.1(b)&(c), 23 CFR 627.7 FHWA Order 1311.1B | As needed | Not Applicable | Office of Infrastructure | Operations Team | BOPD | FHWA Division Office Review. |
| Review of Value Engineering Annual Report | 23 CFR 627.7, FHWA Order 1311.1B | Annual | Not Applicable | Office of Infrastructure | Operations Team | BOPD | FHWA Division Office collects, reviews, and submits to HQ for review and reporting. |
| Review and Approval of Interstate Access Requests | 23 USC 111, 23 CFR 710, 74 FR 43743-43746 (Aug. 27, 2009) | As needed | Not Applicable | Office of Infrastructure | Operations Team | BOPD | FHWA Division Office approval with concurrence from HQ on more complex access requests. |
| Approval of Liquidated Damages Rate for CELDs | 23 CFR 635.127 | Every 2 years | Not Applicable | Office of Infrastructure | Operations Team | BOPD | FHWA Division Office Approval. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|----------------|-----------|----------------|--------------------------|--|--------------------------------------|--|
| Approval of Quality Assurance Program | 23 CFR 637.205 | As needed | Not Applicable | Office of Infrastructure | Technical Services Team | BOPD | State administers, with programmatic agreement by the Division Office, as part of their materials testing and construction quality assurance/acceptance program. |
| Assure Central Laboratory accredited by AASHTO Accreditation Program or FHWA approved comparable program | 23 CFR 637.209 | As needed | Not Applicable | Office of Infrastructure | Technical Services Team | BOPD | State administers, with programmatic agreement by the Division Office, as part of their materials testing and construction quality assurance/acceptance program. |
| Assure Non-STD designated lab performing Independent Assurance sampling and testing accredited by AASHTO Accreditation Program or FHWA approved | 23 CFR 637.209 | As needed | Not Applicable | Office of Infrastructure | Technical Services Team | BOPD | State administers, with programmatic agreement by the Division Office, as part of their materials testing and construction quality assurance/acceptance program. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|----------------|-----------|----------------|--------------------------|--|--------------------------------------|--|
| comparable program | | | | | | | |
| Assure Non-STD designated lab used in dispute resolution accredited by AASHTO Accreditation Program or FHWA approved comparable program | 23 CFR 637.209 | As needed | Not Applicable | Office of Infrastructure | Technical Services Team | BOPD | State administers, with programmatic agreement by the Division Office, as part of their materials testing and construction quality assurance/acceptance program. |
| Review Independent Assurance Annual Report | 23 CFR 637.207 | Annually | 1-Mar | Office of Infrastructure | Technical Services Team | BOPD | State administers, with programmatic agreement by the Division Office, as part of their materials testing and construction quality assurance/acceptance program. |
| Assure Labor Compliance - Prevailing Wage Rate | 23 USC 113 | As needed | Not Applicable | Office of Infrastructure | Operations Team | BOPD | FHWA Division Office Review and Approval |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|---|-----------|----------------|--------------------------|--|--------------------------------------|--|
| Determination of Eligible Preventive Maintenance Activity - Cost-Effective Means of Extending Useful Life Determination | 23 USC 116(e) | As needed | Not Applicable | Office of Infrastructure | Operations Team | BOPD | FHWA Division Office Approval |
| Approval of Utility Agreement / Alternate Procedure | 23 CFR 645.119 | As needed | Not Applicable | Office of Infrastructure | Operations Team | BOPD | FHWA Division Office Approval |
| Approval of Utility Accommodation Policy | 23 CFR 645.215, 23 USC 109(I), 23 USC 123 | As needed | Not Applicable | Office of Infrastructure | Operations Team | BOPD | FHWA Division Office Approval |
| Review Bridge Construction, Geotechnical, and Hydraulics | 23 CFR 650 | As needed | Not Applicable | Office of Infrastructure | Technical Services Team | BOPD | |
| Review Plans of Corrective Action established to address NBIS compliance issues | 23 CFR 650, 23 USC 144 | Annually | | Office of Infrastructure | Technical Services Team | BOPD | Division office performs annual compliance review and reports results to HQ. |
| Review NBI Data Submittal | 23 CFR 650 Subpart C, Annual Memo from HQ, 23 USC 144 | Annually | 1-Apr | Office of Infrastructure | Technical Services Team | BOPD | Division resolve errors with States; States submit to HQ. |
| Review structurally deficient bridge construction Unit | 23 USC 144 | Annually | 1-Apr | Office of Infrastructure | Technical Services Team | BOPD | Submit to HQ. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|--|--|----------------|--------------------------|--|--------------------------------------|--|
| Cost submittal | | | | | | | |
| Review Section 9 of the Rivers and Harbors Act Submittals (Bridge Permits) | 23 CFR 650 Subpart H; 33 CFR 114 & 115 | As needed | Not Applicable | Office of Infrastructure | Technical Services Team | BOPD | |
| Approval for reduction of expenditures for off-system bridges | 23 USC 133(g)(2)(B) | As needed | Not Applicable | Office of Infrastructure | Technical Services Team | BOPD | The FHWA Administrator may reduce the requirement for expenditures for off-system bridges if the FHWA Administrator determines that the State has inadequate needs to justify the expenditure. |
| Determination on Adequacy of State's Asset Management Plan | 23 USC 119(5) | Annually beginning second fiscal year after establishment of the process | | Office of Infrastructure | Technical Services Team | BOMO | |
| Certification and Recertification of States Process for Development of State Asset | 23 USC 119(6) | Recertification every four years after establishment of the process | | Office of Infrastructure | Technical Services Team | BOMO | |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|-------------------------------|--|----------------|--------------------------|--|--------------------------------------|---------------------|
| Management Plan | | | | | | | |
| Review Reporting on Performance Targets | 23 USC 150(e) | Beginning four years after enactment of MAP-21 and biennially thereafter | | Office of Infrastructure | Technical Services Team | CPDM | |
| Review National Highway System Performance Achievement Plan for Actions to achieve the targets (when State does not achieve or make significant progress toward achieving) | 23 USC 119(7) | Required if State does not achieve targets (or significant progress) for 2 consecutive reports | | Office of Infrastructure | Technical Services Team | CPDM | |
| States and sub-recipient failure to maintain projects - Notice and withholding Federal-aid Funds | 23 USC 116(d) | As needed | Not Applicable | Office of Infrastructure | Division Administrator | CPDM | |
| Emergency Relief (ER) Damage | 23 CFR 668 23 USC 120 and 125 | As needed | Not Applicable | Office of Infrastructure | Operations Team | BOMO | Perform with State. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|-------------------------------------|-----------|----------------|--------------------------|--|--|--|
| Assessments and Reports | | | | | | | |
| Toll Credit and Maintenance of Effort (MOE) Calculation and Agreement | 23 USC 120(i) | Annually | | Office of Infrastructure | Finance Team | CPDM (Center for Program Development and Management) | State will calculate the amount of eligible toll credit and submit for approval. FHWA will review and approve the request. |
| Local Public Agency (LPA) Oversight | 2 CFR 200.331 ; 23 USC 106(g)(4) | As needed | Not Applicable | Office of Infrastructure | Operations Team | BOPD | States are responsible to ensure that LPAs are aware of all the applicable Federal-aid Program requirements; States are responsible to ensure monitoring and oversight to assure compliance with Federal requirements. 23 USC further reinforces stressing accountability on “project delivery systems” and “accounting controls.” |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|--|--|----------------|---------------------------------------|--|--------------------------------------|---|
| Approval to Sell, Lease or Otherwise Dispose of a Ferry Purchased with Federal-aid Funds | 23 USC 129 (c)(6) | As needed | Not Applicable | Office of Infrastructure | Operations Team | CPDM | Division Office reviews and submits for Office of Program Administration for Administrator Approval |
| Territorial Highway Program - Approval of Territory Agreement | 23 USC 165(c)(5) | Reviewed and Revised as needed every two years | | Office of Infrastructure | N/A | N/A | |
| TIFIA Credit Program | 23 USC 601-609 | As needed | Not Applicable | Office of Innovative Program Delivery | Finance Team | CPDM | Project sponsors submit requests for credit assistance to the TIFIA JPO for review; approval by the Secretary |
| GARVEEs | 23 USC 122; GARVEE Guidance 3/14 | As needed | Not Applicable | Office of Innovative Program Delivery | Finance Team | CPDM | MOUs strongly suggested for each GARVEE issue. FM contacts OIPD for review/concurrence before final approval |
| State Infrastructure Banks | NHS Act Section 308; 23 USC 610; SIB Guidance 3/14 | Annual Report | Not Applicable | Office of Innovative Program Delivery | Finance Team | CPDM | Division sends copy of report to OIPD. SIB submits annual report to Division Office. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|---|-----------|----------------|---------------------------------------|--|--------------------------------------|--|
| Section 129 Tolling Authority Requests | 23 USC 129(a) | As needed | Not Applicable | Office of Innovative Program Delivery | Finance Team | TBD | At the option of the project sponsor, may execute a Tolling Eligibility MOU with the Division Office; HIN coordinates FHWA HQ review |
| Section 166 HOV/HOT Lanes Tolling Authority Requests | 23 USC 166(d) | As needed | Not Applicable | Office of Innovative Program Delivery | Finance Team | TBD | At the option of the project sponsor, may execute a Tolling Eligibility MOU with the Division Office; HIN coordinates FHWA HQ review |
| Value Pricing Pilot Program Tolling Authority Requests | ISTEA Section 1012(b) | As needed | Not Applicable | Office of Innovative Program Delivery | Technical Services Team | TBD | Requests submitted to HIN to coordinate review; approval by the Administrator |
| Interstate System Reconstruction and Rehabilitation Pilot Program Tolling Authority Requests | TEA-21 Section 1216(b) | As needed | Not Applicable | Office of Innovative Program Delivery | Technical Services Team | TBD | Applications submitted to HIN to coordinate review; approval by the Administrator |
| Annual Audit of Toll Facility Records and Certification of Adequate Maintenance - Report Submittal | 23 USC 129(a)(3)(B); TEA-21 Section 1216(b)(5)(B); SAFETEA-LU Section | Annually | | Office of Innovative Program Delivery | Finance Team | TBD | Division Office to receive the reports. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|---|---|--|---------------------------------------|--|---|--|
| | 1604(b)(3)(A); ISTEA Section 1012(b)(3) | | | | | | |
| Project Management Plan (Major Projects) | 23 U.S.C. 106(h)(2) | Prior to first federal authorization of construction funds for a Major Project | Not Applicable | Office of Innovative Program Delivery | Operations Team. Division Office will conduct concurrent review with HQ Office of Innovative Program Delivery. | PennDOT or Project Sponsor will prepare and submit Project Management Plan. | Division Office will provide approval after receiving concurrence from HQ Office of Innovative Program Delivery. |
| Financial Plan (Major Projects) | 23 U.S.C. 106(h)(3) | Prior to first federal authorization of construction funds for a Major Project and then annually. | Annually as noted in the approved Initial Financial Plan | Office of Innovative Program Delivery | Operations Team. Division Office will conduct concurrent review with HQ Office of Innovative Program Delivery. | PennDOT or Project Sponsor will prepare and submit annual Financial Plans. | Division Office will provide approval after receiving concurrence from HQ Office of Innovative Program Delivery. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|------------------|--|--|---------------------------------------|---|--|---|
| Financial Plan (Other Projects) | 23 U.S.C. 106(i) | Prior to first federal authorization of construction funds for an Other Project and then annually. | Annually as noted in the approved Initial Financial Plan | Office of Innovative Program Delivery | Operations Team. Division Office will review and approve Financial Plans for Other Projects in accordance with its stewardship and oversight agreement with the State DOT or Project Sponsor. | PennDOT or Project Sponsor will prepare and submit annual Financial Plans to the Division Office, only upon request. | Other Projects are defined as projects with an estimated total cost of \$100 million or more that have not been designated as Major Projects. |
| Review Designation and Re-designation of Primary Freight Network | 23 USC 167(d) | One year after enactment of MAP-21 and every ten years thereafter | | Office of Operations | Program Development Team | CPDM | Under development, initial PFN designation scheduled for Spring 2014 completion. |
| Review Development and Update of National Freight Strategic Plan | 23 USC 167(f) | Three years after enactment of MAP-21 and every five years | | Office of Operations | Program Development Team | CPDM | OST lead |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|---------------------|--|----------|------------------------|--|--------------------------------------|---|
| | | thereafter | | | | | |
| Review Freight Transportation Conditions and Performance Report | 23 USC 167(g) | Two years after enactment of MAP-21 and every two years thereafter | | Office of Operations | Program Development Team | CPDM | OST lead |
| Review HOV Operations Report for Tolled Use and Low-Emission and Energy-Efficient Vehicle Use | 23 USC 166(d) | Annually | | Office of Operations | Technical Services Team | TBD | |
| Congestion Partnerships Assessment | Annual Memo from HQ | Annually | 1-Jul | Office of Operations | Technical Services Team | BOMO | Complete with partners and forward to HQ. |
| Traffic Incident Management Self-Assessment | Annual Memo from HQ | Annually | 1-Jul | Office of Operations | Technical Services Team | BOMO | Complete with partners and forward to HQ. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|-------------------------------|-----------|--|------------------------|--|--------------------------------------|---|
| Work Zone Self-Assessment | Annual Memo from HQ | Annually | 7/1/2013, This project is currently on hiatus and has not been determined whether it will be reestablished or not. | Office of Operations | Technical Services Team | BOMO | Complete with partners and forward to HQ. |
| Approval of State-Prepared Manual on Uniform Traffic Control Devices - State Traffic Control Manuals | 23 CFR 655.603, 23 USC 109(d) | As needed | Not Applicable | Office of Operations | Technical Services Team | BOMO | |
| Review Vehicle Size & Weight Enforcement Plan | 23 CFR 657.11, 23 USC 127 | Annually | 1-Oct | Office of Operations | Program Development Team | BOMO | |
| Review Vehicle Size & Weight Enforcement Certification | 23 CFR 657.13, 23 USC 141 | Annually | 1-Jan | Office of Operations | Program Development Team | BOMO | |
| Approval of National Network Modifications | 23 CFR 658.11 | As needed | Not Applicable | Office of Operations | Program Development Team | BOMO | |
| Intelligent Transportation | 23 CFR Part 940 | As needed | Not Applicable | Office of Operations | Technical Services | BOMO | |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|--|--------------------------|-------------------------|--|--|---------------------------------------|--------------------------------|
| System Architecture & Standards | | | | | Team | | |
| Approval of Work Zone Significant Project Determination | 23 CFR 630.1010 | As needed | | Office of Operations | Technical Services Team | BOMO | |
| Approval of Exceptions to Work Zone Procedures for Interstate Projects | 23 CFR 630.1010 | As needed | | Office of Operations | Technical Services Team | BOMO | |
| Approval of Work Zone Policy and Procedures Conformance Review | 23 CFR 630.1014 | At appropriate intervals | | Office of Operations | Technical Services Team | BOMO | |
| Process Review of Work Zone Safety and Mobility Procedures | 23 CFR 630.1008, 23 USC 109(e)(2), 23 USC 112(g) | Every 2 years | | Office of Operations | Technical Services Team | BOMO | |
| Approval of State Planning Work Program and Revisions (Part 1) | 23 CFR 420.111, 23 CFR 420.115, and 23 CFR 420.209 | Annually | Prior to Program Period | Office of Planning, Environment & Realty | Program Development Team | BPR (Bureau of Planning and Research) | FHWA Division Office Approval. |
| Approval of State Research and Development Work Program (Part 2) | 23 CFR 420.111, 23 CFR 420.115, and 23 CFR 420.209 | Annually | Prior to Program Period | Office of Planning, Environment & Realty | Program Development Team | BPR | FHWA Division Office Approval. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|---|------------------------|----------------|--|--|--------------------------------------|---|
| Approval of State's Distribution of Planning Funds Formula - Allocation Formulas for PL Funds | 23 CFR 420.109, 23 USC 104(d)(2)(A)(i) | When Revised | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BPR | FHWA Division Office Approval. |
| Review of State Public Involvement Procedures | 23 CFR 450.210(a) | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | FHWA Division Office Review to Assure Compliance. |
| Receipt of State Consultation Process for Non-metropolitan Local Officials | 23 CFR 450.210(b) | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | Informational Purposes. |
| Review of Long-range Statewide Transportation Plan | 23 CFR 450.214 | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | FHWA Division Office Review to Assure Compliance. |
| Approval of Statewide Transportation Improvement Program (STIP) | 23 CFR 450.216, 23 CFR 450.218(a) & (c), 23 USC 135(g)(7) | At least every 4 years | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | Joint FHWA and FTA approval. |
| Approval of STIP Amendments | 23 CFR 450.218(a) & (c) | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | Joint FHWA and FTA approval. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|---|---|----------------|--|--|--------------------------------------|---|
| Finding of Consistency of Planning Process with Section 134 and 135 | 23 USC 135(g)(8), 23 CFR 450.218(b) | Concurrent with STIP approval | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | FHWA and FTA issue a joint finding concurrent with STIP approval. |
| Review of State Self-certification that Planning Process is in Accordance with Applicable Requirements | 23 CFR 450.218(a) | Submitted with proposed STIP or STIP amendments | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | Received with STIP. |
| Approval of Transportation Management Area (TMA) MPO Unified Planning Work Programs (UPWP) | 23 CFR 450.308(b) and 23 CFR 420 (Subpart A) | Prior to Program End | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | |
| Approval of Non-TMA UPWA | 23 CFR 450.308(b) and 23 CFR 420 (Subpart A) | Prior to Program End | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | May use simplified work statement. |
| Approval of UPWP Revisions and Amendments (All MPO's) | 23 CFR 420.115 | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | |
| Review of UPWP Performance and Expenditure Reports (All MPO's) | 23 CFR 420.117(b) | Not more frequently than quarterly | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|-------------------------|----------------|----------------|--|--|--------------------------------------|--|
| Approval of Report Before Publication (All MPO's) | 23 CFR 420.117(e) | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | Waiver may be granted. |
| Approval to use Planning Funds outside Urbanized Areas for States Receiving Minimum Apportionment | 23 USC 104(d)(1)(A)(ii) | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | |
| Review of Metropolitan Planning Area Boundary (Establishment and Changes) | 23 CFR 450.312 | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | Approval by MPO and the Governor, shape files forwarded to HQ. (Comment: No action is required by FHWA/FTA). |
| Review of Metropolitan Transportation Planning Organizations (MPO) Designation and Re-designation | 23 CFR 450.310 | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | Require agreement between Governor and local governments. |
| Review of Metropolitan Planning Agreements (MPA) for Attainment or Entire | 23 CFR 450.314(a) | When Completed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | Between MPO/State DOT/Transit Operator. Included in UPWP or Prospectus (23 CFR 450.314(d)). |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|----------------------------------|----------------|----------------|--|--|--------------------------------------|--|
| Nonattainment Area | | | | | | | |
| Review of MPA - for MPA that do not include the entire nonattainment or maintenance area | 23 CFR 450.314(b), 23 USC 109(j) | When Completed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | Between MPO/State DOT/State AQ Agency. |
| Review of MPO Public Participation Procedures | 23 CFR 450.316(a) | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | Must be developed and published. |
| Review of Metropolitan Transportation Plan (MTP) in Attainment Areas (and Updates) | 23 CFR 450.322 | Every 4 years | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | |
| Review of MTP in Non-Attainment and Maintenance Areas (and Updates) | 23 CFR 450.322 | Every 5 years | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | |
| Review of MTP Amendments | 23 CFR 450.322(c) | As Needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|--|---|----------------|--|--|--------------------------------------|---|
| Air Quality Conformity Determination on LRTP in Non-attainment and Maintenance Areas | 23 CFR 450.322(d) | Concurrent with LRTP updates at least every 4 years and as needed on amendments | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | After receipt of MPO determination; Joint FHWA and FTA determination; In consultation with the Environmental Protection Agency (EPA). |
| Review of Transportation Improvement Program (TIP) | 23 CFR 450.300(a); 23 CFR 450.324(b); 23 CFR 450.328(a), 23 USC 134(j)(1)(D) | Prior to Program Period | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | No succinct Federal approval action is required for the TIP. FHWA/FTA approval of the TIP is through the STIP approval process. |
| Review of TIP Amendments | 23 CFR 450.324(a); 23 CFR 450.328(b) | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | No succinct Federal approval action is required for the TIP. FHWA/FTA approval of the TIP is through the STIP approval process. |
| Approval of Air Quality Conformity Determination on TIP | 23 CFR 450.326; 23 CFR 450.328 | At least every 4 years, or when the TIP has been modified (unless exempt) | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | Applies to non-attainment and maintenance areas only. After receipt of MPO determination, joint determination with FTA (in |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|---------------------------------------|--|----------------|--|--|--------------------------------------|--|
| | | projects) | | | | | cooperation with EPA). |
| Federal Finding of Consistency of Planning Process with Section 134 and 135 | 23 CFR 450.218(b); 23 CFR 450.334(a) | Concurrent with (S)TIP submittal | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | At least every four years, joint finding with FTA when TIP is submitted. |
| In Metropolitan Planning Areas, Review of State and MPO Self-certification that Planning Process is in Accordance with Applicable Requirements | 23 CFR 450.334 (a), 23 CFR 218(a) | Annually or concurrent with the STIP/TIP cycle | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | CPDM | Required for all MPO's. May be included in the STIP, TIP, or UPWP, at least every 4 years. |
| In TMA's, Certification that Planning Process is in Accordance with Applicable Requirements | 23 CFR 450.334(b), 23 USC 134(k)(5) | Every 4 years | | Office of Planning, Environment & Realty | Program Development Team | CPDM | Joint FHWA and FTA Certification. |
| Approval of Federal-Aid Urban Area Boundaries | 23 CFR 470.105 (a), 23 USC 101(a)(33) | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOMO | |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|--|-----------|----------------|--|--|--------------------------------------|--|
| Approval of Revision of Functional Classification | 23 CFR 470.105 (b) | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOMO | |
| Approval by Administrator of Interstate Additions & Revisions | 23 USC 103(c)(1)(D), 23 CFR 470.111, 23CFR 470.115 (a) | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOMO | Approval by HQ – Administrator. |
| Approval by Office Director of National Highway System (NHS) Additions and Revisions | 23 USC 103(b)(3), 23 CFR 470.113 and 470.115(a) | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOMO | Approved by HQ - Office Director. |
| Review of CMAQ Annual Report | CMAQ Guidance Memo October 31, 2006 | Annually | 1-Mar | Office of Planning, Environment & Realty | Program Development Team | CPDM | Division provides information on CMAQ projects including: amount of obligation, project description and location, and air quality benefits. The report must be submitted via the web-based CMAQ Tracking System. |
| Transportation Planning Excellence Awards | | Annually | 1-Feb | Office of Planning, Environment & Realty | Program Development Team | BPR | Call for entries for the FHWA FTA Transportation Planning and |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|---|-----------|------------------------------------|--|---|--------------------------------------|---|
| | | | | | | | Excellence Awards. |
| Approval of Local Technical Assistance Program (LTAP) Centers Work Plan and Budget | FHWA LTAP Field Manual | Annually | 31-Mar | Office of Planning, Environment & Realty | Operations Team or Program Development Team | BPR | FHWA HQ approval. |
| Approval of Public Involvement Program Procedures | 23 CFR 771.111(h), 23 USC 128 | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOPD | |
| Approval of NEPA Procedures, including Section 4(f) | 23 CFR 771; 23 CFR 774; SAFETEA-LU 6007 & 6009, 23 USC 109(h) | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOPD | |
| Approval of Noise Policies | 23 CFR 772.7, 772.9, and 772.13, 23 USC 109(i) | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOPD | FHWA approves State' noise abatement policy. |
| EIS Status Updates | FHWA Strategic Goal - EIS Timeliness | Quarterly | (Fiscal Year - Oct, Jan, Apr, Jul) | Office of Planning, Environment & Realty | Program Development Team | BOPD | Monitor time required to complete EIS's. Determine projects which have exceeded recommended timeline (3 years). Identify projects |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|--------------------------------|-----------|----------------|--|--|--------------------------------------|--|
| | | | | | | | which should be listed as dormant. Submit to HEPE. |
| Endangered Species Act Cost Report | | Annually | 1-Mar | Office of Planning, Environment & Realty | Program Development Team | BOPD | |
| Exemplary Ecosystem Initiatives Applications | | Annually | 1-Apr | Office of Planning, Environment & Realty | Program Development Team | BOPD | |
| Approval of Acquisitions, Appraisals, and Relocations Program and Procedures | 49 CFR Part 24, The UA | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOPD | |
| Early Acquisitions | 23 CFR 710.501 | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOPD | |
| Local Public Agency Oversight | 49 CFR 24.4(b); 23 CFR 710.201 | As needed | Not Applicable | Office of Planning, Environment & Realty | Operations Team | BOPD | |
| Approval of Highway Facility | 23 CFR 620.203 | As needed | Not Applicable | Office of Planning, | Program Development | BOPD | |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|-----------------------------------|--|----------------|--|--|--------------------------------------|---------|
| Relinquishment | | | | Environment & Realty | Team | | |
| Approval of ROW Disposal Authorization Request | 23 CFR 710.409 | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team and Operations Team | BOPD | |
| Approval of ROW Operations Manual (Organization, Policies and Procedures), Updates, and Certification | 23 CFR 710.201 | January 1, 2001 and every 3 years thereafter or as required by changes in State law or Federal regulation or law | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOPD | |
| Approval of Exception to Charging Fair Market Value | 23 CFR 710.403 and 23 CFR 710.409 | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOPD | |
| Approval of Interstate Real Property Use Agreements | 23 CFR 710.405 | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOPD | |
| Approval of Request for Federal Land | 23 CFR 710.601 | As needed | Not Applicable | Office of Planning, | Program Development | BOPD | |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|--|-----------|----------------|--|--|--------------------------------------|---|
| Transfer | | | | Environment & Realty | Team | | |
| Approval of Request for Direct Federal Acquisition | 23 CFR 710.603 | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOPD | |
| Approval of Outdoor Advertising Policies and Procedures, and Regulation and Procedure Approval | 23 CFR 750.304, 23 CFR 750.705, 23 USC 131 | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOPD | |
| Approval of Requests to Exempt Certain Nonconforming Signs, Displays, and Devices | 23 CFR 750.503 | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOPD | |
| Approval of Railroad Agreement Alternate Procedure | 23 CFR 646.220 | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOPD | |
| Approval of Uniform Act Waivers and Waivers from Availability of Comparable Replacement Dwelling before Displacement | 49 CFR 24.7, 49 CFR 24.204(b) | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BOPD | Requests reviewed and approved by HEPR Office Director. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|---|-----------|----------------|--|--|--------------------------------------|---------------------------------------|
| Review of Uniform Relocation Assistance & Real Property Acquisition Report -(OMB Form 2125-0030) | 49 CFR 24.9c & Appendix B 49 CFR 24.603 | Annually | 15-Nov | Office of Planning, Environment & Realty | Program Development Team | BOPD | Submitted to FHWA Headquarters (HQ). |
| Review of Real Property Acquisition Statistical Report | FHWA Order 6540.1 | Annually | 15-Nov | Office of Planning, Environment & Realty | Program Development Team | BOPD | |
| Approval of Management Process and Project Selection Procedures and Certification for Research, Development & Technology Transfer Program and Revisions to Process | 23 CFR 420.115 and 23 CFR 420.209 | As needed | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BPR | FHWA Division Office Approval. |
| Periodic Review of States Management Process of the Research, Development & Technology Transfer Program | 23 CFR 420.209 | Periodic | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BPR | FHWA Division Office Periodic Review. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|--|--|-----------------------------|--|--|--------------------------------------|--|
| Approval of Performance and Expenditure Reports for SPR Research Work Programs | 23 CFR 420.117 | No less frequently than annual and no more frequently than quarterly | 90 Days After End Of Period | Office of Planning, Environment & Realty | Program Development Team | BPR | FHWA Division Office Approval. |
| Approval of SPR research reports | 23 CFR 420.117 | Prior to publication unless prior approval is waved | Not Applicable | Office of Planning, Environment & Realty | Program Development Team | BPR | FHWA Division Office Approval unless waived. |
| Annual Traffic Reports | Traffic Monitoring Analysis System and Traffic Monitoring Guide reporting | When Published | As needed | Office of Highway Policy information | Program Development Team | BPR | When Published |
| Approval of Annual Field Review Report | HPMS Field Review Guidelines (June 2001) Continuous Process Improvement Model for HPMS(February 2003) | Annually | 1-Nov | Office of Highway Policy information | Program Development Team | BOMO | Review memo to HQ. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|--|---|----------|--------------------------------------|--|--------------------------------------|--|
| Approval of Certified Public Road Mileage | 23 CFR 460.3(b) | Annually | 1-Jun | Office of Highway Policy information | Program Development Team | BOMO | Each year, the Governor of each State and territory or a designee must certify Public Road Mileage. FHWA division reviews the Mileage and sends to HQ with division review/concurrence. This is reported to NHTSA for Apportionment of Safety Funds. |
| Approval of HPMS Data Submittal | 23 CFR 420.105(b), HPMS Field Manual | Annually | 15-Jun | Office of Highway Policy information | Program Development Team | BOMO | State DOT sends directly to Division Office and HQ. |
| Highway Statistics Reports | Guide to Reporting Highway Statistics | | | Office of Highway Policy information | Finance Team | BPR | State DOT of Division Office sends directly to HQ. |
| Motor Fuels Report | A Guide to Reporting Highway Statistics, Chapter 2 | Due 60 days after end of each reporting month | | Office of Highway Policy information | Finance Team | TBD | |
| Vehicles and Drivers (561, 562, 566, and | A Guide to Reporting | 1-Apr | 1-Apr | Office of Highway | Finance Team | TBD | |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|---|----------------|----------------|--------------------------------------|--|--------------------------------------|--|
| 571) | Highway Statistics, Chapters 3, 4, 5, and 6 | | | Policy information | | | |
| Finance (531, 532, 541, 542, and 543 (optional)) | A Guide to Reporting Highway Statistics, Chapters 8 and 9 | 1-Apr | 1-Apr | Office of Highway Policy information | Finance Team | TBD | |
| Transportation Bond Referendums | A Guide to Reporting Highway Statistics, Chapter 9 | When Published | When Published | Office of Highway Policy information | Finance Team | TBD | |
| State DOT / Toll Authority Audits and Published Annual Reports and Form 539 (optional) | A Guide to Reporting Highway Statistics, Chapter 10 | When Published | When Published | Office of Highway Policy information | Finance Team | TBD | Annually, Due as soon as available. |
| Finance (536) | A Guide to Reporting Highway Statistics, Chapter 11 | 30-Sep | 30-Sep | Office of Highway Policy information | Finance Team | BFM | Biennially for odd-numbered years. Due nine months after end of reporting year |
| Finance (534) | A Guide to Reporting Highway Statistics, Chapter 12 | 15-May | 15-May | Office of Highway Policy information | Finance Team | BFM | Annually for State, Biennially for local |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|---|--|---------------------|--------------------------------------|--|--------------------------------------|--|
| Highway Finance and Tax Legislation | A Guide to Reporting Highway Statistics, Chapter 13 | When Published | When Published | Office of Highway Policy information | Finance Team | BFM | |
| State DOT Budgets and Published Annual Reports | A Guide to Reporting Highway Statistics, Chapter 13 | When Published | When Published | Office of Highway Policy information | Finance Team | TBD | |
| Motor Fuel Oversight Review | July 24, 2001 HQ Memo | Initial baseline reports no later than December 31, 2003 | | Office of Highway Policy information | Finance Team | TBD | Annual progress reports and statement of verification by June 30. Submitted via UPACS. |
| Review of Biennial - Toll Facilities in the United States | 23 CFR 450.105(b) HPMS Field Manual | Biennially - Odd Years | June 15 (Odd Years) | Office of Highway Policy information | Finance Team | TBD | Division Office sends to HQ. |
| State Highway Maps (Tourist) | | When Published | When Published | Office of Highway Policy information | Admin Team | BPR | Two copies to each Division Office and 100 copies to HQ. |
| Traffic Flow Maps | | When Published | | Office of Highway Policy information | Program Development Team | BPR | When Published. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|---|-----------|----------------|--------------------------------------|--|--------------------------------------|--|
| Vehicle Classification Data | MAP-21, HPMS Field Manual, Traffic Monitoring Guide | 15-Jun | 15-Jun | Office of Highway Policy information | Program Development Team | TBD | Part of Annual HPMS submittal. |
| Highway Use Tax Evasion Grant Awards | 23 USC 143 | Annual | Not Applicable | Office of Highway Policy information | Finance Team | TBD | FHWA along with the Internal Revenue Service will review applications and select awardees for projects designed to reduce or eliminate fuel tax evasion. FHWA will also review annual progress reports on projects. |
| Heavy Vehicle Use Tax (HVUT) – Certification of verifying proof-of-payment of HVUT | 23 CFR 669 | Annual | 1-Jan | Office of Highway Policy information | Finance Team | TBD | Each year, the Governor of each State, or a designee must certify that the State is verifying that the HVUT has been paid before they issue or renew registrations on vehicles over 55,000 lbs. The HVUT program is administered by the Internal Revenue |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|--|-----------|----------------|--------------------------------------|--|--------------------------------------|--|
| | | | | | | | Service. |
| Heavy Vehicle Use Tax (HVUT) – Triennial review of State program | 23 CFR 669.21 | Triennial | Not Applicable | Office of Highway Policy information | Finance Team | TBD | Every 3 years, the local Division Office will perform a review of the State process for verifying that the HVUT has been paid before a registration can be issued or renewed for vehicles over 55,000 lbs. The HVUT program is administered by the Internal Revenue Service. |
| Permanent ATR Data | Heavy Vehicle Travel Information System Field Manual | Monthly | Monthly | Office of Highway Policy information | Program Development Team | BPR | Submit monthly, within 20 days after the close of the month for which the data were collected. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|---|--|---------------|---|--------------------------------------|--|--------------------------------------|---|
| Continuous Automatic Vehicle Classifier Data | Heavy Vehicle Travel Information System Field Manual | Monthly | Monthly | Office of Highway Policy information | Program Development Team | BPR | Send up to one week of data per quarter |
| Weight and Vehicle Classification Data Collected at Weigh-in-motion sites | Heavy Vehicle Travel Information System Field Manual | 15-Jun | As needed | Office of Highway Policy information | Program Development Team | BPR | WIM data collected at non-continuous sites during a year should be submitted by June 15 of the following year. If continuous WIM data are available, then up to one week of data per quarter. |
| Approval of MAP-21 compliant SHSP update within the legislatively required timeframe. | 23 U.S.C. 148 (d)(2)(B) | Non Recurring | By Aug. 1 of the fiscal year after the HSIP final rule is established | Office of Safety | Technical Services Team | TBD | FHWA Division Offices provide copy of SHSP process approval letter to HQ. |
| Highway Safety Improvement Program (HSIP) and Railway-Highway Crossing Program (RHCP) Reports | 23 USC 148(h), 23 CFR 924.15 | Annually | 31-Aug | Office of Safety | Technical Services Team | TBD | As per MAP-21 guidance, reports are due to FHWA Division Office by August 31st and to the Office of Safety by September 30. |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|---|-----------|----------|------------------------|--|--------------------------------------|---|
| Transportation Performance Management (TPM) for Safety | 23 USC 150, 23 USC 134, 23 USC 135, 23 USC 148(i) | Annually | 31-Aug | Office of Safety | Technical Services Team | TBD | Per MAP-21, States and MPOs must set targets for established measures. Targets must be assessed for achievement |
| Review Drug Offender Driver's License Suspension Law & Enforcement Certification (Section 159) | 23 USC 159 23, CFR 192.5 | Annually | 1-Jan | Office of Safety | Technical Services Team | TBD | Certifications due to the Division Office by January 1. |
| Section 154/164 Compliance Status - Funds Reservation | 23 USC 154 and 23 USC 164 | Annually | 30-Oct | Office of Safety | Technical Services Team | TBD | States must submit a Shift letter to the Division Office by Oct. 30 indicating how to apply the penalty. New penalty states have additional time. The Office of Safety processes the compilation of information in a memo to the CFO. |
| Review Safety Belt Compliance Status | 23 USC 153, 23 CFR 1215.6 | Annually | Annually | Office of Safety | Technical Services Team | TBD | NHTSA |

| Activity | Authority | Frequency | Due Date | FHWA HQ Program Office | FHWA Division Responsible Program Office | State DOT Responsible Program Office | Remarks |
|--|--|-----------|----------------|------------------------|--|--------------------------------------|---|
| High Risk Rural Roads (HRRR) Special Rule | 23 USC 148(g)(1) | Annually | Annually | Office of Safety | Technical Services Team | TBD | After the final FARS and HPMS data are available, FHWA HQ will inform the States if the HRRR Special Rule applies for the following FY. |
| Older Drivers and Pedestrians Special Rule | 23 USC 148 (g)(2) | Annually | 31-Aug | Office of Safety | Technical Services Team | TBD | States should include in their annual HSIP reports (due August 31st) the calculations performed, verifying whether the Older Driver Special Rule applies in the State. If the Special Rule applies to a State in a given year, the State must include in its subsequent SHSP strategies to address the increases in the fatality and serious injury rates for drivers and pedestrians over the age of 65. |
| FHWA Emergency Preparedness Program | Executive Order 12656 and FHWA Order 1910.2C | As needed | Not Applicable | Office of Operations | Operations Team | BOMO | National Programs. |

APPENDIX C – MANUALS AND OPERATING AGREEMENTS

The FHWA/PennDOT Stewardship and Oversight Agreement (Agreement) presents the current procedures for the administration of the Federal-aid Highway program in Pennsylvania. The general intent of the Agreement is to delegate much of FHWA’s approval authority to PennDOT for certain preliminary engineering, construction contract administration, and right-of-way activities on or related to Federal-aid projects.

1. **Project Development Process (Including Public Involvement in the Development of Projects and Title VI Requirements as Related to Minority Group Participation)**

Procedures for project development and public involvement are established in PennDOT Design Manuals and Environmental Handbooks. These guidelines are provided in the following:

- a. *Design Manual, Part 1, Transportation Program Development and Project Delivery Process* (Pub. 10) (includes DM-1, 1A, 1B, 1C, and 1X).
- b. *Highway Occupancy Permits (Pub 282)*.
- c. *Project Level Public Involvement Handbook* (Pub. 295).
- d. Recreational Trails Program Programmatic Agreement between PennDOT, DCNR, and FHWA dated March 2005.
- e. Scenic Byways Guidance (<http://www.bywaysonline.org/>).
- f. Pennsylvania Act 120 of 1970 (This Act requires the Department of Transportation to prepare and submit a fiscally constrained multi-modal program of transportation improvements which it recommends be undertaken during the next 12 years to the State Transportation Commission every two years.)
- g. *Publication 740 Local Project Delivery Manual*
- h. *Right-of-Way Manual (Pub. 378) Relocation Program from the Conceptual Stage Until Initiation of Negotiations for the Project, Chapter 4.02.*

2. **Application of Appropriate Design and Construction Standards**

Appropriate design and construction standards are provided by the application of the following:

- a. *Manual on Uniform Traffic Control Devices (MUTCD)*.
- b. *Design Manual, Part 2, Highway Design* (Pub. 13M).
 - Design criteria in Design Manual, Part 2 (DM-2) meets and in some cases exceeds the criteria in the AASHTO Green Book. For any designs on NHS projects that do not meet the criteria in DM-2, but conform to the minimum criteria in the AASHTO Green Book, a design exception is not required to be approved by FHWA, but will require Bureau of Project Delivery (BOPD) approval.
- c. *Design Manual, Part 3, Plans Presentation* (Publication 14M).
- d. *Design Manual, Part 4, Structures (2 Volumes)*, (Pub. 15M), includes preventative maintenance eligible activities.
- e. *Design Manual, Part 5, Utility Relocation* (Publication 16M).

- f. *Standards for Roadway Construction, Series RC-1M – RC-100M* (Pub. 72M).
- g. *Standards for Bridge Design, BD-600M Series* (Pub. 218M).
- h. *Standards for Bridge Construction, BC-700M Series* (Pub. 219M).
- i. Pavement Policy Manual (Pub. 242), includes preventative maintenance eligible activities
- j. *Traffic Control – Pavement Markings and Signing Standards, TC-8600 and TC-8700 Series* (Pub. 111M).
- k. *Traffic Standards - Signal, TC-8800 Series* (Pub. 148).
- l. *Traffic Signal Design Handbook* (Pub. 149).
- m. *Handbook of Approved Signs* (Pub. 236M).
- n. *Guidelines for the Design of Local Roads and Streets* (Pub. 70M).
- o. *Title 67 – Transportation, PA Code - Pennsylvania Department of Transportation - Rules and Regulations.*
- p. *Specifications* (Pub. 408) with applicable Bulletins.
- q. *Plans, Specifications and Estimate Package Delivery Process Policies and Preparation Manual* (Pub. 51).
- r. *Geotechnical Engineering Manual* (Pub. 293).
- s. *Right-of-Way Manual* (Pub 378).
- t. *Grade Crossing Manual* (Pub 371).

PennDOT will apply design and construction standards for new construction, reconstruction, resurfacing (except maintenance resurfacing), restoration, or rehabilitation of highways on the NHS in accordance with 23 CFR Part 625 – *Design Standards for Highways*.

3. PennDOT’s Highway and Railroad Safety Programs

PennDOT will administer a Highway Safety Improvement Program on a continuing basis according to 23 CFR Part 924 – *Highway Safety Improvement Program*.

PennDOT will apply design and construction standards for new construction, reconstruction, resurfacing (except maintenance resurfacing), restoration, or rehabilitation of highways on the NHS in accordance with the standards listed in Item 2 above, the *Grade Crossing Manual* (Pub. 371), and in accordance with 23 CFR Part 625 – *Design Standards for Highways*.

PennDOT will administer a federal-highway railroad grade crossing safety program, and other associated railroad crossing projects, on a continuing basis and in compliance with 23 CFR Part 646 – Railroads, 23 CFR Part 140 - Reimbursement, subpart I – Reimbursement for Railroad Work, 23 CFR Part 172 - Administration of Engineering and Design Related Service Contracts and 23 CFR Part 924 - Highway Safety Improvement Program.

4. Quality Control/Quality Assurance of Construction and Materials

The quality of construction is assured through the application of the following:

- a. *Specifications* (Pub. 408) with applicable Bulletins.
- b. *Field and Laboratory Testing Manual* (Pub. 19).
- c. *Project Office Manual* (Pub. 2).
- d. *Quality Assurance Manual* (Pub. 25).
- e. *Finals Unit Manual* (Pub. 11).
- f. *Approved Construction Materials, Bulletin 15* (Pub. 35).
- g. *Construction Manual* (Pub. 8).

PennDOT Engineering Districts are responsible for managing construction projects and operations according to policies and procedures detailed in Pub. 408 - *Specifications*, and Pub. 8 - *Construction Manual*. The Districts are held accountable for a level of performance through a Quality Assurance program administered by the Bureau of Project Delivery, Innovation and Support Services Division. The Quality Assurance program provisions, including review frequencies and compliance levels, are specified in Pub. 25 - *Quality Assurance Manual*. Compliance is determined and information obtained to determine performance levels. Specific training is developed to achieve compliance. Deficiencies are addressed according to severity as specified in Pubs. 8 - *Construction Manual* and 25 - *Quality Assurance Manual*.

The economy of construction is assured through PennDOT's competitive bidding procedures and through value engineering policies.

5. Signing, Pavement Marking and Traffic Control Devices

Provisions for adequate signing, pavement marking, and traffic control devices are provided through application of the following PennDOT's publications and according to the Manual on Uniform Traffic Control Devices:

- a. *Temporary Traffic Control Guidelines* (Pub. 213).
- b. *Official Traffic Control Devices* (Pub. 212).
- c. *Traffic Signal Design Handbook* (Pub. 149).
- d. *Pennsylvania's Traffic Calming Handbook* (Pub. 383).
- e. *Guide to Roundabouts* (NCHRP 672).
- f. *Traffic Engineering Manual* (Pub. 46).
- g. *Traffic Control – Pavement Markings and Signing Standards* (Pub.111M).
- h. *Traffic Standards – Signals* (Pub. 148).
- i. *Handbook of Approved Signs* (Pub. 236M).
- j. *Intelligent Transportation Systems Design Guide* (Pub. 646).

6. Economic, Social and Environmental Impacts

Minimization of adverse economic, social, and environmental impacts is accomplished through adherence to the procedures in the following PennDOT's guidance:

- a. *Project Level Public Involvement Handbook* (Pub. 295).
- b. *Design Manual, Part 1B, Post TIP NEPA Procedures* (Pub. 10).

- c. *Agricultural Resources Evaluation Handbook* (Pub. 324).
- d. *Project Level Air Quality Handbook* (Pub. 321).
- e. *Needs Study Handbook* (Pub. 319).
- f. *Geotechnical Waste Management* (Pub. 292).
- g. *Waste Site Evaluation Procedures Handbook*(Pub. 281).
- h. *Wetland Resources Handbook* (Pub. 325).
- i. *Project Level Highway Traffic Noise Handbook* (Pub. 24).
- j. *Section 4(f) Handbook* (Pub. 349).
- k. *Community Impact Assessment Handbook* (Pub 217).
- l. *Tribal Consultation Handbook* (Pub. 591).
- m. *Threatened and Endangered Species Desk Reference* (Pub. 546).
- n. *Indirect and Cumulative Effects Desk Reference* (Pub. 640).
- o. *Right-of-Way Manual* (Pub. 378), Relocation Program from the Conceptual Stage until Negotiations for the Project, Chapter 4.02.
- p. Every Voice Counts, PennDOT’s Environmental Justice Guidance.

7. Equal Employment Opportunity

PennDOT’s policy with respect to equal employment opportunity and non-discrimination is as provided in the following:

- a. Executive Order 1988.1, Affirmative Action and Contract Compliance.
- b. Executive Order 11246 (as amended), Notice of Requirements for Affirmative Action to ensure Equal Employment Opportunity.
- c. Title 23 U.S.C., Subchapter C - *Civil Rights*, Part 230 *External Programs*.
- d. *Right-of-Way Manual* (Pub 378).
- e. CC-4297, Nondiscrimination and Equal Employment Clauses for all contracts.
- f. CC-4297A, Nondiscrimination Clause.
- g. *Conducting Business with the Pennsylvania Department of Transportation* (Pub. 4).

The number of highway construction trainees and their training program is controlled by PennDOT Strike-Off Letters and conforms to Federal requirements.

PennDOT is firmly committed to fulfilling its goals for participation of DBE’s in all contracts and projects involving Federal-aid funds. The DBE Program will be administered in accordance with 49 CFR Part 26 – *Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs*.

8. Competitive Bidding and Payment of Prevailing Wage Rates on Construction Contracts

Competitive bidding procedures are provided in PennDOT policy letters and will conform to Federal requirements. Procedures governing the payment of prevailing wage rates on construction contracts are included in PennDOT Publication 408 - *Specifications* and in PennDOT Publication 2 - *Project Office Manual*.

9. Design and Construction Claim Settlements

Design claim settlements will be processed in accordance with procedures identified in Publication 93 - *Policy and Procedures for the Administration of Consultant Agreements*.

Construction claim settlements will be processed in accordance with Publication 2 - *Project Office Manual*.

10. Federal-Aid Procurement and Contract Provisions

- a. Consultant Agreements – PennDOT provides the required Federal-aid procurement and administration of Consultant Agreements as prescribed in 23 CFR, Part 172 – *Administration of Engineering and Design Related Service Contracts* through PennDOT Publication 93- *Policy and Procedures for the Administration of Consultant Agreements*, Publication 442 – *Specification for Consultant Agreements*, and ECMS *Standard Agreement Provisions and Attachments*.
- b. Engineering Contracts - PennDOT provides the required Federal-aid contract provisions as prescribed in 23 CFR, Part 172 - *Administration of Engineering and Design Related Contracts* as prescribed in Publication 93 - *Policy and Procedures for the Administration of Consultant Agreements*, Publication 442 – *Specification for Consultant Agreements* , and ECMS *Standard Agreement Provisions and Attachments*.
- c. Construction Contracts - PennDOT provides the required Federal-aid contract provisions as prescribed in 23 CFR, Part 633, Subparts A and B - *Required Contract Provisions* and 23 CFR 635 – *Construction and Maintenance*, Subpart A – *Contract Procedures*, through ECMS and in Publication 51 – *Plans, Specifications and Estimate Package Delivery Process Policies and Preparation Manual*.
- d. Non-competitive Procurement - PennDOT provides the required Federal-aid procurement requirements as prescribed in 23 CFR 635 – *Construction and Maintenance*, Subpart B – *Force Account Construction* in Publication 408 – *Specifications*.

11. Retention of Records

PennDOT retains records on Federal-aid projects in accordance with 2 CFR 200.333 Retention requirements for records. Involved local governments and other third party contractors are also required to retain records as specified above.

12. State Transportation Improvement Program

In conformance with the requirement of 23 CFR 450 – *Planning Assistance and Standards*, PennDOT will submit to the FHWA and the Federal Transit Administration (FTA) the Statewide Transportation Improvement Program (STIP) of projects which it

intends to implement over the succeeding four year period. The STIP will be updated every two years, and will include all approved Metropolitan Planning Organization (MPO) and Rural Planning Organization (RPO) Transportation Improvement Programs (TIP's). Amendments and administrative actions to the STIP and to the metropolitan and rural TIPs can occur at any time during the life of these documents. Only after the STIP or its amendments are approved by the FHWA and/or the FTA can federal funds be obligated for individual transportation projects that are shown in the current Federal fiscal year in the STIP and included in the document.

13. Local Agency Procedures

Administration of Federal-aid projects shall be in accordance with PennDOT's current version of Publication 740 *Local Project delivery Manual*, and any revision thereto.

PennDOT has the oversight responsibility for the design and construction of all Federal-aid projects, and is not relieved of such responsibility by authorizing performance of the work by or under the supervision of a county, city, or other Local Public Agency (i.e. Local Project Sponsor). When work is to be performed under a contract awarded by a Local Public Agency, PennDOT has the responsibility of ensuring that all Federal requirements, including those prescribed in 23 CFR Part 635 – *Final Rule General Material Requirements*, have been met.

Right-of-Way Activities - PennDOT must monitor local public agency right-of-way activities as required by 23 CFR 710.201. - *State Responsibilities* as defined in Publication 740 *Local Project Delivery Manual*.

Consultant Agreements - PennDOT provides the required Federal-aid procurement and administration of Consultant Agreements as prescribed in 23 CFR, Part 172 through PennDOT Publication 93, Publication 442 and *ECMS Standard Agreement Provisions and Attachments*.

Quality Assurance - As part of the IOP process, Central Office in conjunction with FHWA will include a sampling of LPA projects for quality assurance audits.

14. Federal-Aid Financial Procedures

- a. Electronic Data Transfer - Current electronic data transfer techniques will be utilized wherever appropriate. When PennDOT desires to initiate formal authorization of a project, the critical fiscal and other necessary data required for authorization will be uploaded directly from PennDOT to the FHWA Fiscal Management Information System (FMIS) Warehouse.

Project Oversight Designation Requirement in the FMIS

PoDI/State Administered – Projects of Division Interest that are administered by the State DOT. If specific 106(c) responsibilities are assumed by the State DOT, the responsibilities assumed should be noted in the project description and/or remarks fields. (Projects where all six 106(c) responsibilities are retained by FHWA would

need no such notation.) These are projects where FHWA will review and approve actions pertaining to one or more of the following (design; plans, specifications, and estimates; contract awards; and project inspections) and may also include additional areas of focus by the division.

PoDI/Locally Administered – Projects of Division Interest that are locally administered. If specific 106(c) responsibilities are assumed by the State DOT, the responsibilities assumed should be noted in the project description and/or remarks fields. (Projects where all six 106(c) responsibilities are retained by FHWA would need no such notation.) These are projects where FHWA will review and approve actions pertaining to one or more of the following (design; plans, specifications, and estimates; contract awards; and project inspections) and may also include additional areas of focus by the division.

Assumed/State Administered – Projects where *responsibility for all six Section 106(c) items* is assumed by the State DOT and the project is administered by the State DOT. These are projects where the State DOT has assumed responsibility for review and approval actions pertaining to all of the following: design; plans, specifications, and estimates; contract awards; and project inspections.

Assumed/Locally Administered - Projects where *responsibility for all Section 106(c) items* is assumed by the State DOT and the project is administered by a local agency. These are projects where the State DOT has assumed responsibility for review and approval actions pertaining to all of the following: design; plans, specifications, and estimates; contract awards; and project inspections.

Other – There may be situations that do not fit the previous categories. In cases where the project is identified as “Other,” additional details should be provided in the project description and/or remarks fields. Examples could include non-State DOT direct recipients.

- b. Project Authorization and Project Agreement – A signed PennDOT Request for Authorization will be submitted to FHWA for all Federal-aid projects.

PennDOT will electronically verify that the fiscal authorization has occurred by reviewing the FMIS transaction and EDS status logs.

PennDOT will assure that necessary environmental studies and approvals have occurred prior to submitting any request for authorization.

PennDOT agrees and is bound by all the provisions contained in 23 CFR 630.112 - *Agreement Provisions*. The project specific data contained in the Request for Authorization is sufficient for FHWA to place all projects under Project Agreement at the time of authorization; no further FHWA Project Agreement or PennDOT Agreement Estimate is required unless there is a modification to the Agreement. PennDOT’s Request for Authorization will serve as a concurrent request to place the project under Project Agreement in FHWA’s FMIS system.

When project funding adjustments are required due to bid adjustments or cost overruns/underruns, PennDOT will submit a signed Request for an Amended Project Authorization with supporting information necessary for FHWA to adjust the Project Agreement amount. All funding adjustments must be supported by an estimate maintained in PennDOT's files for all phases being requested.

Inactive Federal-aid Project Review: The FHWA Division Office shall work with PennDOT to conduct and document the results of quarterly reviews of inactive projects in accordance with 23 CFR 630 - *Agreement Provisions, Subpart A, Project Authorizations and Agreements*. Projects that are not properly documented may be subject to de-obligation upon coordination with PennDOT.

- c. Financial Management –. The FIRE program includes Funds Management, Federal-aid billing, Major projects, Project authorization, Modification and Voucher, Locally Administered Projects. The FIRE program is a consistent process for identification and prioritization of risk events, and identification of strategies for risk mitigation. At least one Financial Management process review is conducted through the Independent Oversight Program. Findings are tracked. Any corrective action are communicated to PennDOT, and monitored by FHWA until completed.

- d. Innovative Finance –

State Infrastructure Bank (SIB): The State Infrastructure Bank (SIB) was authorized through the National Highway System Act of 1995 and was established in Pennsylvania in 1997. SIBs are codified in United States legal code Title 23 Highways, Chapter 6 Infrastructure Finance, Section 610.1 Loans generated through the SIB Program Loans from the original principal are subject to federal procedures and periodic review per the Cooperative Agreement signed June 5, 1998. The use of state funds for the SIB is not subject to federal procedures and periodic review.

Toll Credits: FHWA will approve the use of toll credits. To receive this approval, PennDOT must provide (1) a certification by the Secretary of Transportation or a designated deputy that the toll authority project outlays meet FHWA soft match requirements as specified in FHWA guidance and 23 CFR, and (2) a certification that the required Maintenance of Effort (MOE) has been met the period of expenditure. FHWA may periodically review a sample of toll authority expenditures (either on-site or through a records review) to assure the projects meet 23 CFR eligibility requirements.

15. **Planning Activities**

Title 23 USC - *Highways* specifies that the planning functions cannot be delegated to the State Department of Transportation. FHWA retains authority for all Federal responsibilities for planning and programming specified in 23 USC 134 - *Metropolitan Transportation Planning* and 135 – *Statewide Transportation Planning*. In addition, this also applies to the Federal air quality conformity determinations required by the Clean Air Act. However, for all delegated programs or projects, PennDOT shall oversee and ensure compliance with the metropolitan and statewide planning requirements,

including but not limited to: project eligibility for the proposed funding source, fiscal constraint, air quality conformity, public involvement, STIP, and long range transportation plans requirements.

APPENDIX D – BUSINESS SERVICE STANDARDS

RESERVED

GLOSSARY

Assumption of Responsibilities – The act of State DOT to accept responsibility for carrying out and approving certain actions in the place of the FHWA. Such actions are to be taken by the State DOT in conformance with Federal laws, regulations, and policies.

Assumed Projects – Federal projects that the State DOT reviews in the place of the FHWA and has the authority to approve certain specified actions pertaining to design; plans, specifications, and estimates; contract awards; and inspections.

Certification Reviews – A review that formalizes the continuing oversight and day-to-day evaluation of the planning process.

Control Document – Applicable laws, regulations, standards, policies, and standard specifications approved by FHWA for use on Federal-aid highway projects.

Core Functions – Activities that make up the primary elements of the division office’s Federal-aid oversight responsibilities based on regulations and national policies. Core functions in the division office are Planning, Environment, Right-of-Way, Design, Construction, Finance, Operations, System Preservation, Safety, and Civil Rights.

Locally Administered Projects – For the purpose of the S&O Agreement, a Federal-aid project in which an entity other than a traditional State DOT is a sub-recipient and this entity is administering the particular phase being authorized, i.e., Preliminary Engineering, ROW, or Construction. These would include projects where the non-traditional entity will either perform the work itself or enter into a contract for services or construction. State DOT remains responsible for the local public agency’s compliance on locally administered projects.

Local Public Agency (LPA) – Any organization, other than a traditional State DOT, with administrative or functional responsibilities that are directly or indirectly affiliated with a governmental body of any Tribal Nation, State, or local jurisdiction. LPAs would most often include cities or counties. However, an LPA, as defined here, could also include a State entity as well, perhaps even a part of a State DOT. An example could include a Port Authority or Toll Authority that had not traditionally worked with the Federal-aid highway program (FAHP).

Oversight – The act of ensuring that the FAHP is delivered consistent with laws, regulations, and policies.

Program Assessments – This evaluation technique may take many forms, including joint risk assessments and self-assessments. These tools are based on the common concepts of identifying strengths, weaknesses, and opportunities and the identification and sharing of “best” practices to continually improve the program.

Program Reviews – A thorough analysis of key program components and the processes employed by the State DOT in managing the program. The reviews are conducted to: 1) ensure compliance with Federal requirements; 2) identify areas in need of improvement; 3) identify opportunities for greater efficiencies and cost improvement to the program; and/or 4) identify exemplary practices.

Projects of Division Interest (PoDIs) – PoDIs are those projects that have an elevated risk, contain elements of higher risk, or present a meaningful opportunity for FHWA involvement to enhance meeting project objectives. For PoDIs, FHWA has made a risk-based decision to retain project approval actions or conduct stewardship and oversight activities for the project as provided for in 23 USC 106.

Recipient - a non-Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal program. The term recipient does not include subrecipients. (2 CFR 200.86)

Recurring Reviews – Reviews that the division office conducts annually or on a regular periodic basis. Examples include NBIS, HPMS, HVUT, etc.

Risk Assessment – The process of identifying a risk event, determining the likelihood of the event happening, determining the impact (positive or negative) of the event on the delivery of the FAHP, and identifying an appropriate risk response strategy.

Risk-Based Approach – Incorporating risk assessment and risk management into investment and strategic decision making (the means by which limited resources are focused).

Risk Management – The systematic identification, assessment, planning, and management of threats and opportunities faced by FHWA projects and programs.

Stewardship – The efficient and effective management of the public funds that have been entrusted to the FHWA.

Sub-recipient/sub-grantee – a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency (2 CFR 200.93)

Unit Performance Plan – The annual performance plan prepared by an individual FHWA unit that address unit responsibilities and priorities taking into account the National Performance Objectives and National Initiatives identified in the FHWA's Strategic Implementation Plan (SIP) as well as specific initiatives identified at the unit level based on risk.