RLS & Associates, Inc.

Moving Public Transportation
Into the Future

Preparing for a Successful Triennial Review

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APRIL 15, 2026

2026 CALACT SPRING CONFERENCE

Disclaimer

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Objectives

- Explain the Review Process and Changes From Previous Review Cycles
- Provide Guidance and Tips
- Answer Your Questions

Question

- How Many People Have Participated in a Triennial or State Management Review?

FTA Oversight Program

- Responsible for Oversight of Recipients
  - Ensure grant funds are used consistent with intended purpose
  - In compliance with regulatory and statutory requirements
- Triennial and State Management Reviews
  - Every 3 years
  - Forward looking rather than reactive

FTA Oversight Program

- Strengthens Recipients
- Meets Legislative Requirements
  - Statutory Requirement for Section 5307
- Fulfills FTA's Fiduciary Responsibility to Prevent/Identify Improper Payments
- Confirms/Promotes Compliance with Requirements
- Addresses Congressional and Public Questions About Use of Federal Funds

Comprehensive Reviews

- Triennial Review
- State Management Review
- Combined Triennial/State Management Review

Enhanced Review Focus

- Address High Risk Areas
- Involve Additional Questions and Document Requests
- Involve Participation of "Subject Matter Expert"
  - Financial Management and Capacity
  - Technical Capacity
  - Maintenance
  - Procurement
  - ADA – General
  - ADA – Complementary Paratransit
  - Title VI
  - EEO
  - DBE

Program Specific Reviews

- Procurement
- Buy America
- Financial Management
- Real Estate
- Safety and Security
  - Drug and Alcohol Program
  - State Safety Oversight
  - Security Readiness Assessment
- Americans with Disabilities Act (ADA)
  - Complementary paratransit
  - Fixed-route operations
- Title VI

Project Level Reviews

- Project Management Oversight
- Financial Capacity Assessment
- ECHO Drawdown Reviews (Began with Public Health Emergency Funding)

Embrace As Opportunity To Improve

- Compliance Is Ongoing (24/7/365)
  - Not a response to a TR/SMR
- Understand Purpose/Intent of Regulation
  - Why was the regulation necessary?
  - What is its intent?

How Can a Compliance Review Benefit You?

- Free Technical Assistance
  - One-on-one interaction with reviewers
  - Suggestions for corrective actions
- Validation of Current Policies/Procedures
- Obtain Clarification About Confusing Requirements
  - Opportunity to ask questions
- Direct Interaction with FTA Regional Office and Civil Rights Staff

Keys to Success

- Work With Reviewer To Identify Meaningful Corrective Actions
  - Reasonable
  - Implementable
  - Sustainable
- Speak to Intent of Regulation – Not Just Checking a Box

Keys to Success (Cont'd)

- Stay Informed – List Serves
  - Regulatory changes
  - New regulations
- Due Diligence To Understand Regulation and What It Means to Your Agency
- Ongoing Communication With Regions, Civil Rights Officers, Subject Matter Experts

Keys to Success (Cont'd)

- Institutionalize Corrective Actions
  - Further agency compliance
  - Follow through on corrective action
  - Demonstrate compliance
  - Avoid repeat findings
- Communicate, Cross-Train, Create SOP

Keys to Success (Cont'd)

- Invest in Staff Knowledge
- Take Advantage of Resources
  - Workshops
  - Webinar
  - Contractor's Manual
  - Conferences
  - Newsletters, tool kits, best practices
  - Circulars/guidance
  - Regulatory summaries
  - Regulations

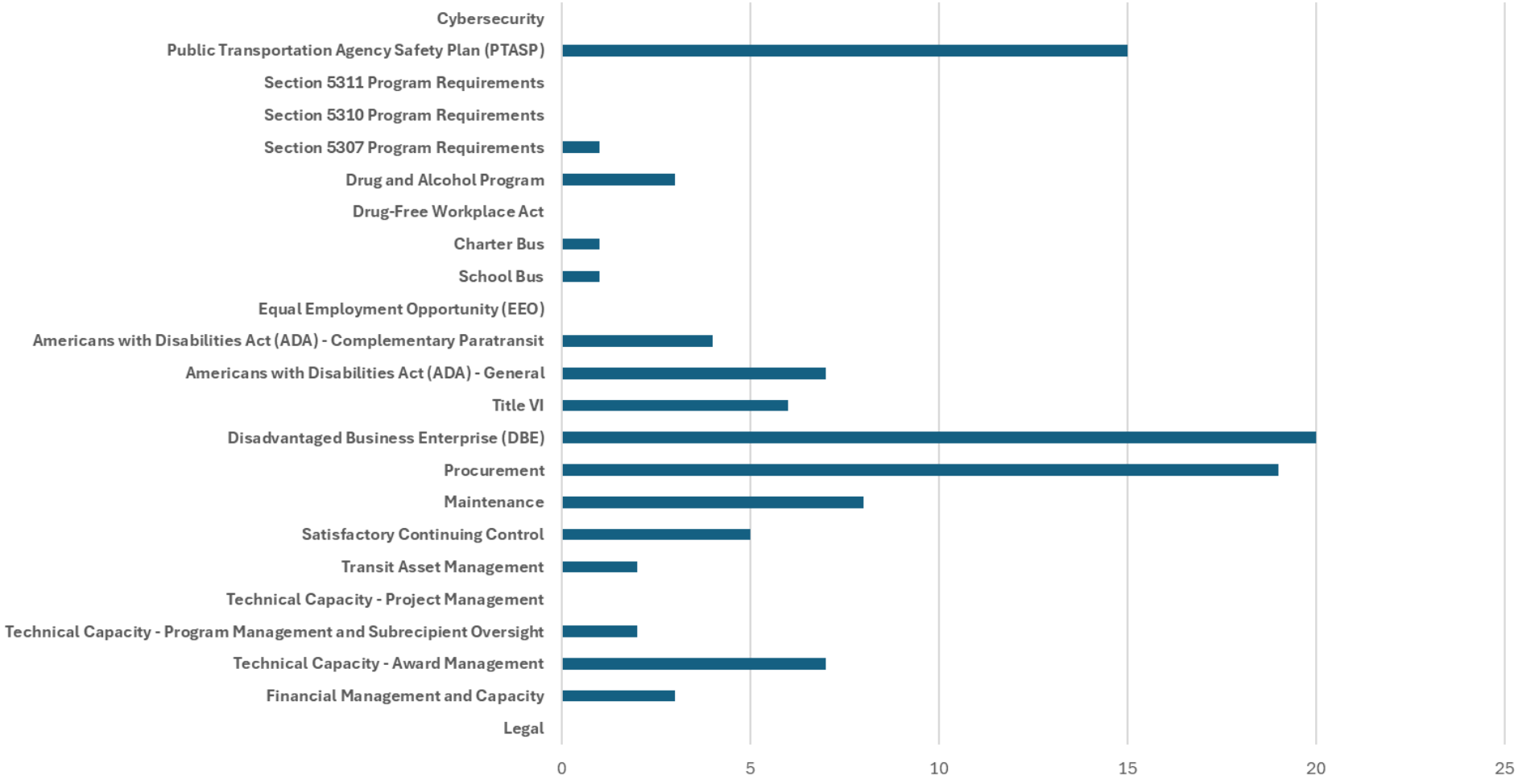
Keys to Success (Cont'd)

- Commitment to Compliance
- Focus on How To Comply, Not How To Avoid
- Self-Evaluate Periodically
- Prioritize Within Agency
- Avoid Shortcuts (i.e., Boilerplate)

Keys to Success (Cont'd)

- Don't Be Intimidated
- Get Help if Needed
  - Peers
  - Industry SMEs
  - National, regional, statewide associations
  - State DOTs
  - FTA

FY 2025 Region 9 Deficiencies



Region 9 Top Ten Deficiencies

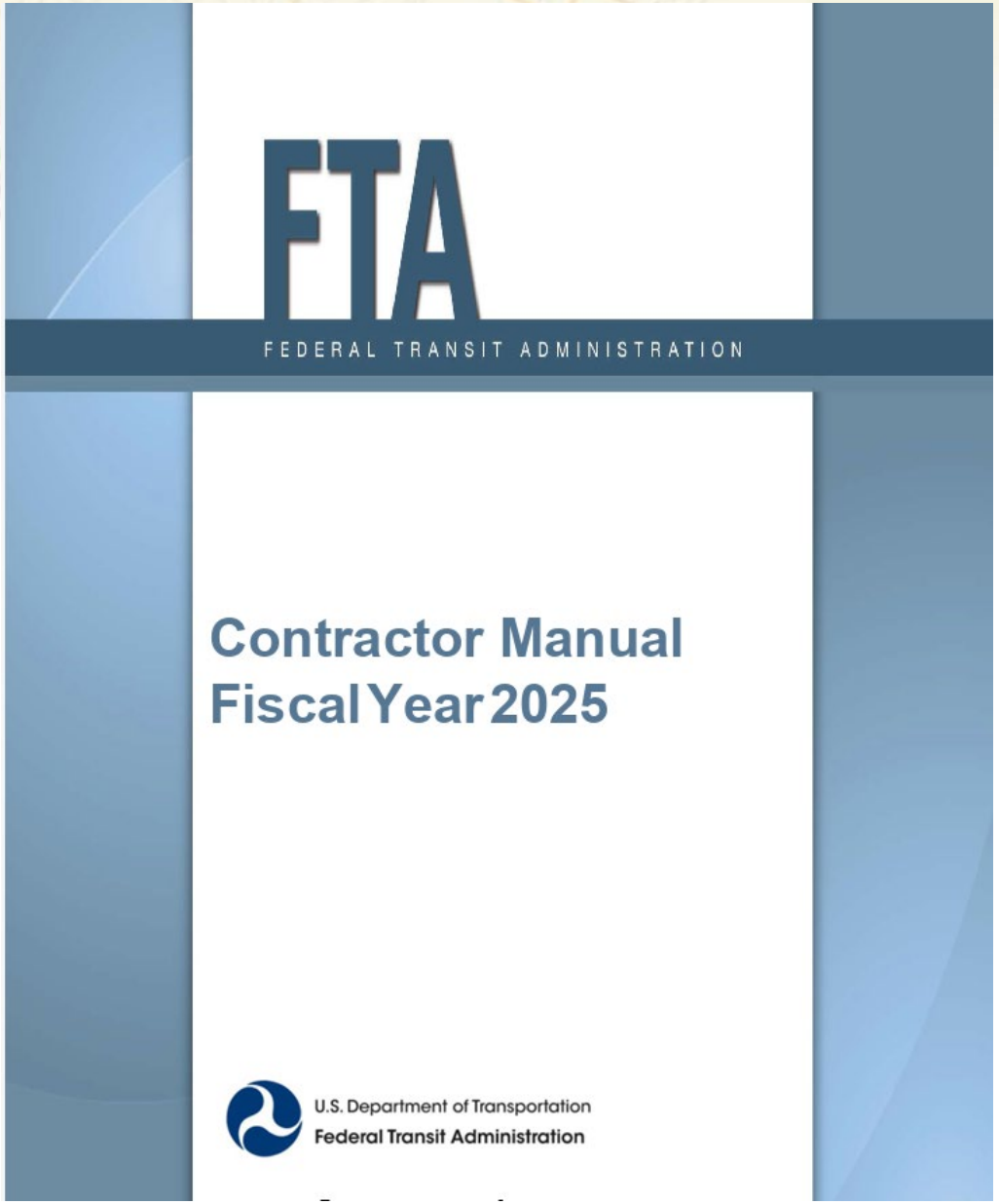
PTASP	DBE	TC-AM	SCC	Maintenance	Procurement
ASP missing required element(s) (5)	DBE uniform reports contain inaccuracies and/or are missing required information (4)	Late or unsubmitted MPRs/FFRs (3)	Inadequate equipment records (3)	Late vehicle/vessel preventive maintenance (3)	Lacking independent cost estimate (3)
	DBE goal achievement analysis and corrective action plan not completed (4)	MPRs lack required information (3)			Missing FTA clauses (3)
	Semi-annual DBE reports not submitted or not submitted timely (3)				

Fully Prepare for the Review with the

FTA'S CONTRACTOR MANUAL

Preparation

- Open book test
- All questions included in the Manual
- Potential deficiency reasons and circumstances outlined



2026 Manual Changes

- Statutory and Regulatory Requirements
  - Chapter 53 of Title 49 USC, as amended by the IIJA
  - 49 CFR, Chapter VI
  - 2 CFRs 200 and 1201
    - Uniform Administrative Requirements, Cost Principles and Audit Requirements
  - FTA Circular 5010.1F Award Management
  - FTA Circular 9050.1A Urbanized Areas Formular Grants
  - FTA Circular 4220.1G Third Party Contracting Guidance
  - FTA Master Agreement

2026 Manual Changes

- Reflects Priorities as Defined in Presidential Executive Orders
  - EO 14168, Defending Women From Gender Ideology Extremism and Restoring Biological Truth to the Federal Government
  - EO 14173, Ending Illegal Discrimination and Restoring Merit-Based Opportunity
  - EO 14224, Designated English as the Official Language of the United States.

Contractor Manual Format

- Introductory Page That Lists:
  - Purpose of the Review Area
  - Questions to be Examined
  - Information Needed From the Recipient
- Questions
- Indicators of Compliance
- Governing Directives
- Issues/Areas of concern for FTA awareness
- Useful Weblinks

Question Format

- Review Area Question
- Basic Requirement
- Applicability
- Detailed Explanation for Reviewer
- Flexibilities and Administrative Relief
- Indicators of Compliance
- Instructions for Reviewer
- Potential Deficiency Determinations
- Governing Directive(s)

Hierarchy of Governing Directives

- Understanding Federal requirements
  - 49 U.S.C. Chapter 53
  - Executive Orders
  - OMB Circular 2 CFR parts 200 and 1201 (Uniform Guidance)
  - US DOT regulations
- Guidance, Policies and procedures
  - FTA circulars
- Oversight of subrecipients, contractors, and lessees

Deficiency Determinations and Corrective Actions

- Deficiency Determinations Tied Specifically to Regulation, Not Guidance or Circulars
- Deficiencies will be Clearly Defined is Sufficient Detail for Recipient to Understand
- Corrective Actions Will Be Issue and Situation Specific (Not Standardized)
  - Itemized; not bundled
  - Detailed
  - Timeline more immediate

2026 Manual Changes

- 23 Topic Areas Reduced to 21
  - DBE and EEO Omitted
- Summary of Changes Table
- Identifies Minimum Compliance Requirements
  - Directly related to specific, citable, written requirements
  - Clearly articulate what is expected of recipients

Comprehensive Review Areas

Current Review Areas	Number of Questions
1. Legal	3
2. Financial Management and Capacity	9
3. Technical Capacity – Award Management	5
4. Technical Capacity – Program Management and Subrecipient Oversight	7
5. Technical Capacity – Project Management	4
6. Transit Asset Management (TAM)	8
7. Satisfactory Continuing Control	10
8. Maintenance	5
9. Procurement	19
10. Reserved	
11. Title VI	10

Comprehensive Review Areas

Current Review Areas	Number of Questions
12. ADA – General	14
13. ADA – Complementary Paratransit	8
14. Reserved	
15. School Bus	4
16. Charter Bus	3
17. Drug-Free Workplace Act	3
18. Drug and Alcohol Program	5
19. Section 5307 Program Requirements	5
20. Section 5310 Program Requirements	5
21. Section 5311 Program Requirements	4
22.Public Transportation Agency Safety Plan (PTASP)	6
23.Cybersecurity	1

2026 Manual Changes

- All Governing Directives Were Updated to Reflect Current Guidance
- Removed Out of Date Flexibilities and Administrative Relief Citations

2026 Manual Changes

- Topic Areas Modified
  - Financial Management and Capacity
    - DeMinimus Rate and Single Audit Thresholds
    - Echo Draw Sampling Process
  - Technical Capacity—Program Management and Subrecipient Oversight
    - Revised Subaward Amounts
  - Satisfactory and Continuing Control
    - Real Property Inventory

2026 Manual Changes

- Topic Areas Modified
  - Procurement
    - Micro Purchase and Simplified Acquisition Thresholds
    - 2 CFR 200 Consistency
  - Americans with Disabilities Act—General
    - Added Public Rights of Way Accessibility Guidelines
  - Public Transportation Safety Plan
    - Safety Performance Targets
    - ASP Approval

2026 Manual Changes

- Topic Areas Modified
  - Title VI
    - Remove Language Access Plan
    - Removed Limited English Proficiency as a protected characteristic

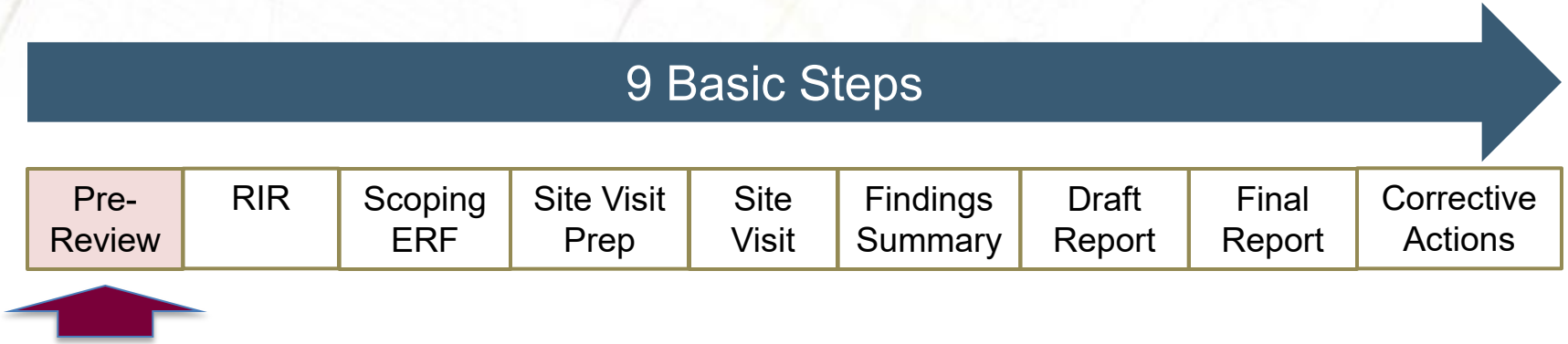
How to

PREPARE FOR YOUR REVIEW

An Overview of the

TRIENNIAL & STATE MANAGEMENT REVIEW PROCESS

Review Process



- Between FTA and Contractor
  - Review past performance
  - Review current status
  - Contact Recipient regarding possible site visit dates
  - Prepare and send RIR to Recipient

Planning

- Designated Lead
  - Begin your process as soon as you receive your notification letter from the Region about the Review
  - Assign responsibility for organization of the Review to **one person** to lead the Agency's response
- Don't Be Afraid to Ask Questions
  - Reviewers are available to assist in interpretation of all questions and documents

Planning

- Designated Lead
  - The lead individual should have knowledge about:
    - FTA rules and regulations
    - Transit Agency organizational knowledge
  - The Lead Must Given Departmental Authority to Oversee All Elements of the Review
    - Elements outside the compliance, legal, and/or public transit unit
    - Addressing personnel of higher rank

Planning

- The Designated Lead Should Assign Responsibility Based on Sections in the Contractors Manual
  - These section leads will be responsible for:
    - Collecting, organizing, and quality assurance over Recipient Information Request (RIR) documents
    - Identification of the personnel who need to participate in each of the Triennial Review sessions
    - Ensuring personnel are available during Review period

Planning

- Training
  - FTA will provide workshop training in each cycle of Reviews
  - Training is often held in the major city(ies) of the Region, facilitating participation of all key Agency personnel
  - Agendas are provided, enabling other Agency staff to participate only in their subject area
  - Ensure all key personnel are informed and participate in the training opportunity

Planning

- Training
  - Opportunity to forge relationship with the Contractor Review team
  - The Triennial Review is not designed to be an adversarial process
  - If the workshop training is virtual, there are diminished opportunities, but endeavor to establish a good business relationship

How to Properly Submit Your

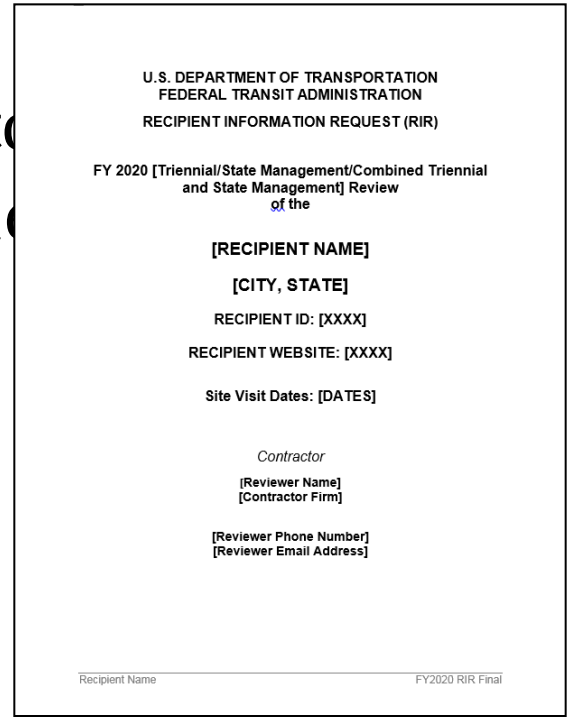
RECIPIENT INFORMATION REQUEST (RIR)

Review Process

9 Basic Steps

Pre-Review	RIR	Scoping ERF	Site Visit Prep	Site Visit	Findings Summary	Draft Report	Final Report	Corrective Actions

- Recipient Completes and Returns t
  the Reviewer by an Established Du
  Date
  - Recipient Profile
  - Documents requested
  - Ancillary questions
  - Preliminary site visit schedule



U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION

RECIPIENT INFORMATION REQUEST (RIR)

FY 2020 [Triennial/State Management/Combined Triennial and State Management] Review of the

[RECIPIENT NAME]

[CITY, STATE]

RECIPIENT ID: [XXXX]

RECIPIENT WEBSITE: [XXXX]

Site Visit Dates: [DATES]

Contractor

[Reviewer Name]
[Contractor Firm]

[Reviewer Phone Number]
[Reviewer Email Address]

Recipient Name FY2020 RIR Final

RIR Upload Content

- RIR Document
  - Identification of key Agency officials
  - Description of projects/activities
    - Past three years
    - Current period
    - Future three-year period
  - Recipient Profile

RIR Upload Content

- RIR Document
  - If no document exists for a certain requested document type or the Agency does not have a document that meets the request, say so in the Comments column of the table, noting that the Agency will be prepared to discuss at the Review
  - If possible, prepare the requested document and send to the Review team before the site visit

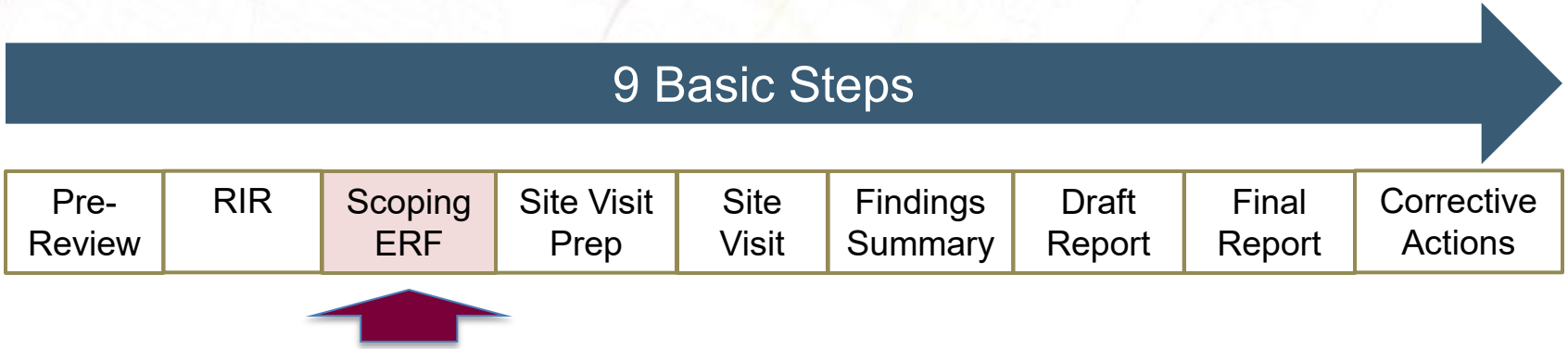
RIR Upload Content

- RIR Table
  - Section-by-section requested documents
  - Allow sufficient time for document identification, review, and upload
  - Formats
    - Word, Excel, PDF preferred
    - Ensure documents are not locked or otherwise protected that will prevent the user from commenting/searching

RIR Upload Content

- RIR Table
  - Have the designated lead review all documents selected for upload to ensure it addresses the RIR request
  - Use the document naming conventions
    - Name prefix should be a section # and letter corresponding to the RIR subsection
      - 2a_1 FY 2020 Audit Report.pdf
      - 2a_2 FY 2021 Audit Report.pdf

Review Process

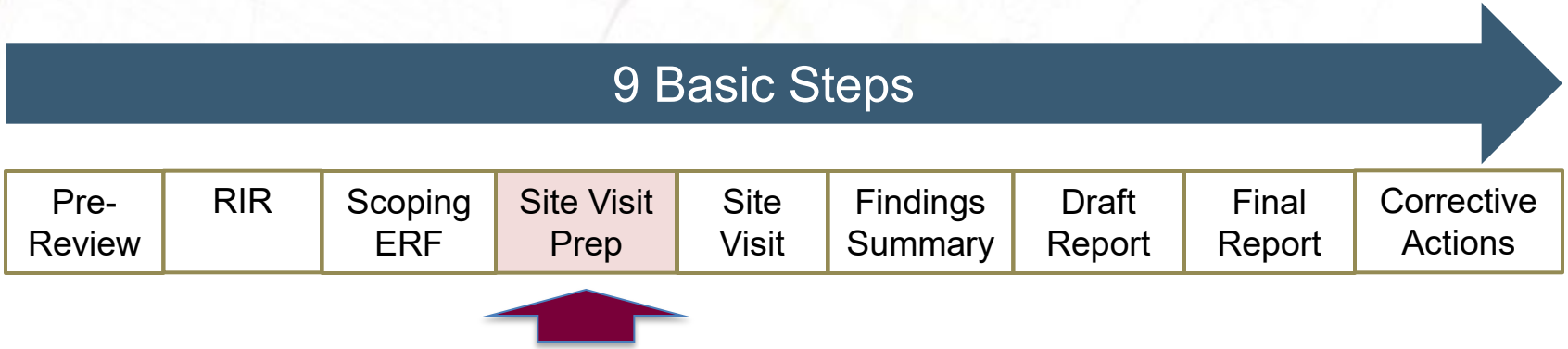


- FTA and the Contractor Discuss Background Research and RIR Responses and Evaluate Need For/Scope of ERFs
  - Repeat/open findings
  - Other review/audit findings
  - Problems in closing past findings
  - Inadequate reporting to FTA
  - Complaints
  - Significant number of contractors or subrecipients
  - Events that are unusual or generate news
  - Multiple issues in an area

What to Do With Your

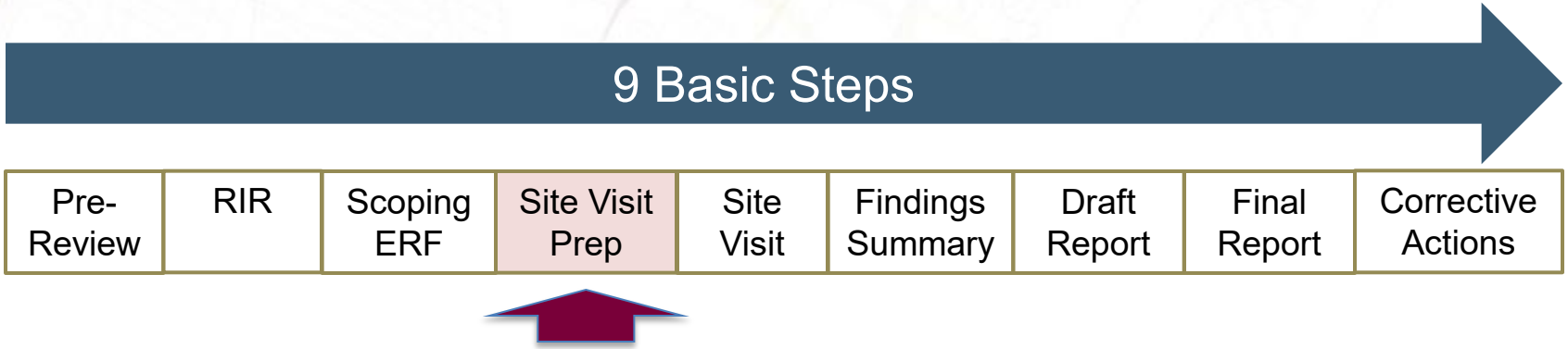
AGENDA PACKAGE

Review Process



- Contractor Prepares for the Site Visit
- Contractor May Request Additional Information from Recipient
  - ECHO Drawdown Files
  - Procurement Files
  - Maintenance Records
  - Additional Selected Record for Further Review

Review Process



- Site Visit Agenda Sent to Recipient at Least 10 Business Days Before Site Visit
  - Final proposed schedule
  - Follow-up questions and document requests
  - Selected records and documents for further review
  - ERF questions and document requests (if applicable)

Contents

- Detailed Agenda/Schedule for the Site Visit/Remote Sessions
- Follow-Up Questions
  - Based on desk review of RIR documents
- Identification of Documents to be Examined On-Site or Through Remote Means
  - List of ECHO transactions
  - Selected procurements and maintenance records
  - Identification of subrecipients and contractors to be visited or remotely interviewed

Contents

- **TIP**: If possible, upload electronic files of the requested ECHO, procurement, and maintenance records ahead of the site visit.
  - This greatly helps the Reviewers examine documents prior to the site visit and discuss any necessary follow up items with your team.
  - Reduces time needed for certain questions and makes for a more effective Review for everyone

Staff Availability

- Now that Final Schedule Has Been Developed, the Agency Lead Should Ensure that All Key Personnel Will be Available at the Days/Hours of the On-Site Review Session

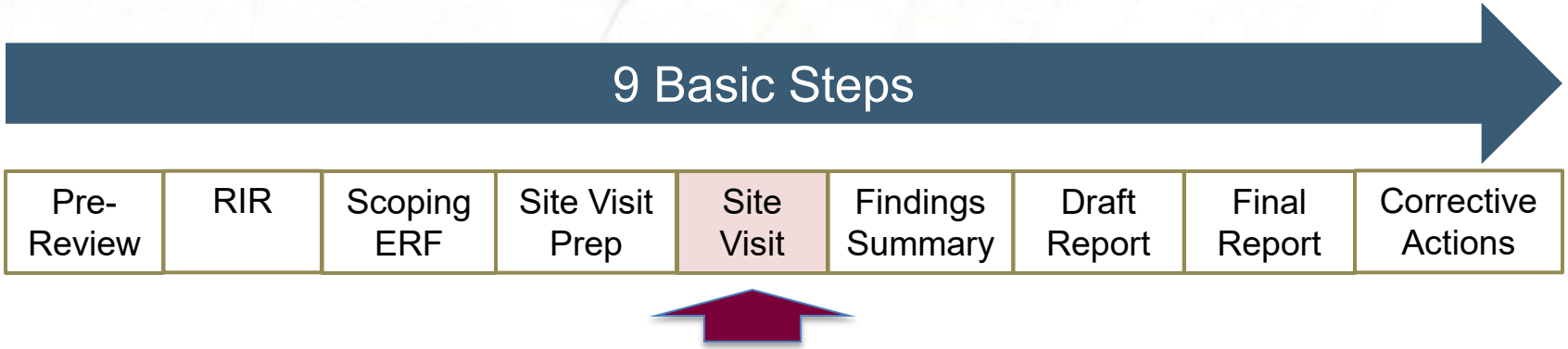
Subrecipient & Contractors

- The Agency Should be in Good Communications With Subrecipients and Contractors Who Will be Part of the Review
- Note that in Each Section of the Contractors Manual, There is Typically a Question Regarding Subrecipient Oversight
  - Use those indicators of compliance to ensure the subrecipient is prepared
  - Rehearse with subrecipients is a best practice

Now It's Time for the

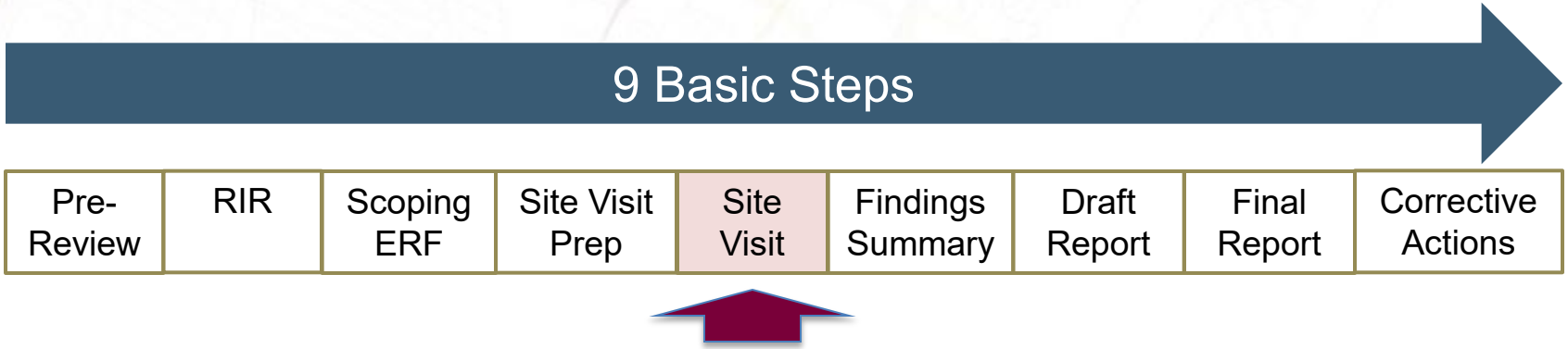
REVIEW SITE VISIT

Review Process



- Most Triennial Reviews Last Two Days
  - Entrance conference
  - Interviews
  - Facility tours and record sampling
  - Subrecipients/contractors/lessees visits (in-person or virtual)
  - Exit conference

Review Process



- Subrecipient/Contractor/Lessee Site Visits
  - Tour facility and inspect vehicles
  - Informally discuss compliance with FTA requirements
  - Confirm Recipient oversight
  - Review back-up documents—maintenance records, procurement files, invoice documentation, Title Vi notices, drug and alcohol program vendors qualifications

Before the Review Team Arrives

- Conduct Rehearsal Runs with all Key Agency Staff, Particularly Those that May be Working Remotely
- Ensure the MS Teams Platform – the Platform Preferred by FTA – is Accessible and Functional for All Participants
  - Run through technology capabilities with IT staff to reduce likelihood of issues during the site visit

Review Schedule

- At Least Two Days at the Agency
  - Face-to-face Q&A
  - Inspection of documents
  - Inspection of facilities and equipment
- One Day at Subrecipients/Contractor, if applicable
- Final Day – Exit Conference

Review Schedule

- Follow the Schedule
- Be Prompt, On-Time
- Little Latitude for Schedule Adjustments at this Stage of the Process

Other Incidental Items

- If Possible
  - Provide Work Space With Internet Connectivity
    - Different Than The Conference Space Used for the Review
  - Provide List of Nearby Coffee Shops/Restaurants

Review Process

- Depending Upon Region's Approach, Issued at Exit Conference or With Draft Report
- Discuss Corrective Action Deadlines
  - Obtain Recipient input on timeframe
  - Ensure adequate time for implementation and continued compliance

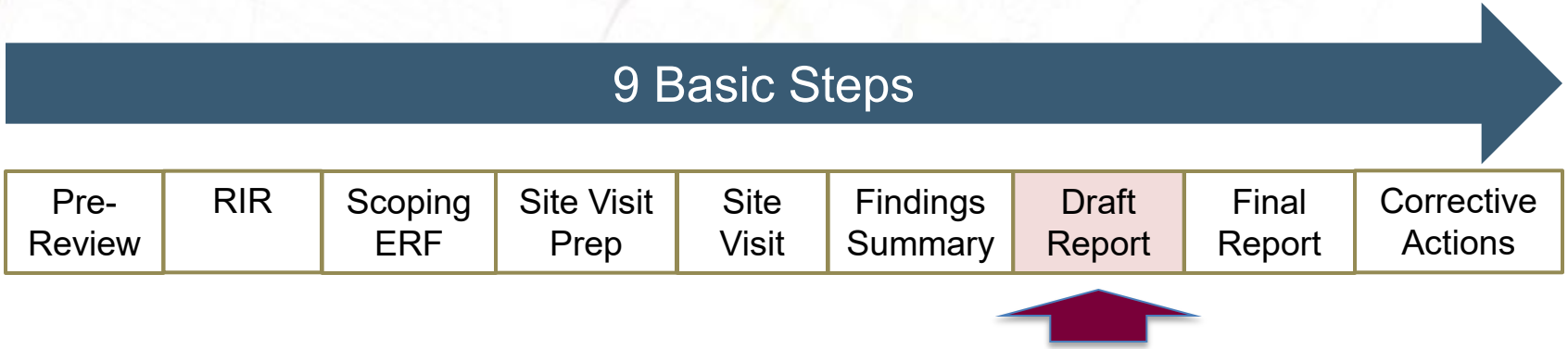
Exit Conference

- FTA and Reviewer Representatives Will be Participants, May Be Virtual After Site Visit
- Convey to All Key Agency Personnel the Potential Deficiencies Identified in the Review
- Opportunity is Provided for the Agency to Ask Additional Questions Concerning
  - Basis of the deficiency
  - Required corrective action
  - Timeframe for remedy

Exit Conference

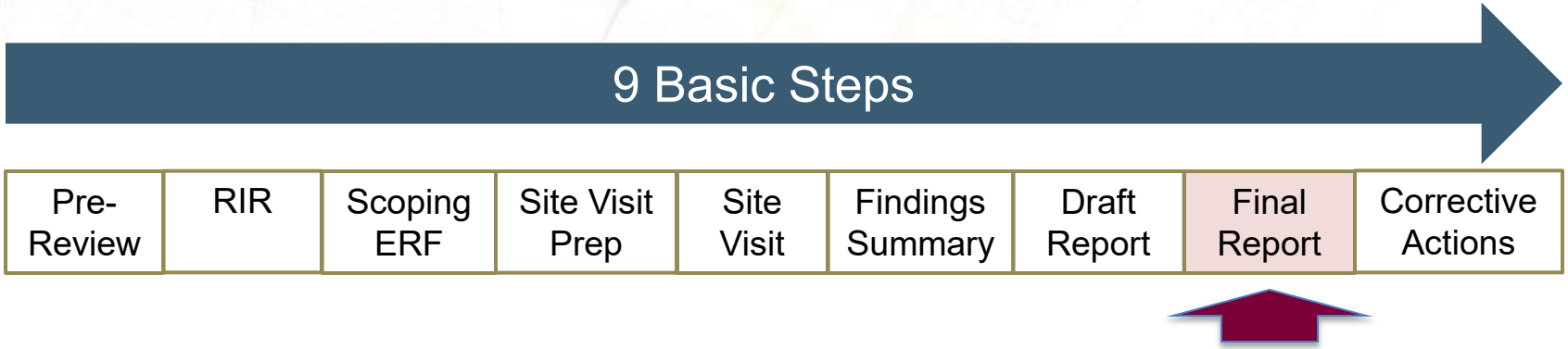
- **TIP**: Ask Questions About the Corrective Action/Timeframe for the Potential Deficiencies Noted
  - The Region may have flexibility on what corrective action and/or documentation will be sufficient to address the issue at hand
  - Technical assistance is available from the Reviewer on corrective actions after the Review

Review Process



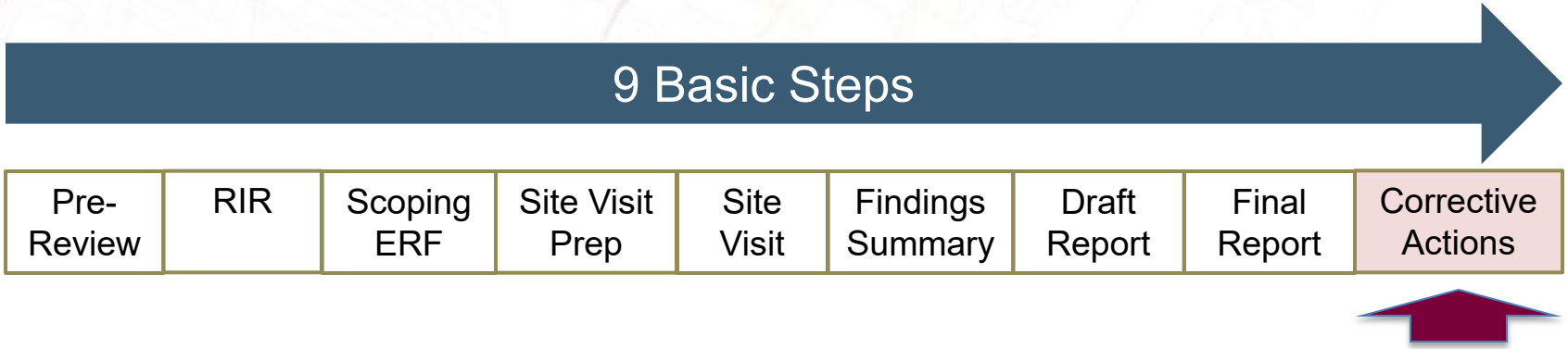
- Issued Within 21 Business Days of Exit Conference
- Review for Accuracy and Comments Within 10 Business Days
- Includes ERF Findings

Review Process



- Issued By FTA Within 45 Business Days After the Exit Conference
- Includes Final Determination Of Findings and Corrective Actions
- Documented Through OTrak Online System

Review Process



- Submit By Due Date or Earlier
- Submitted Using OTrak Online FTA Oversight System
- Open Findings or Late Corrective Actions Can Lead to Program-Specific Review(s) and/or ERFs in Next Review

Corrective Actions in OTrak

- Recipients Submit Corrective Actions in OTrak After Receipt of Final Report Has Been Issued
- Prior to the final report's issuance, recipients will work with the FTA region and oversight contractor to resolve any findings / corrective actions.
- **Corrective Action* Related Tasks**
  - Submit **due date extension requests** for FTA's review, as needed.
  - Submit **closure justifications and supporting documentation** for FTA's review.
- **Access to Information**
  - View / download FY26 final reports.
  - View basic details of previous oversight activity history (ex: FY, activity type).
- Training—Summer of 2026

QUESTIONS?

Thank You!

Your Instructor for this Session

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