

Oregon Department of Transportation

Summary of Audits and Reviews July 1, 2020 – June 30, 2022

Title	Date	Summary	Status	Actions Taken
Internal audits completed by ODOT Audit Services				
ML 20-03 Follow-up on DMV Service Transformation Program Contract Payments	Nov 2020	<p>This was a follow-up to a 2018 audit on contract payments related to the Driver & Motor Vehicle (DMV) Division Service Transformation Program.</p> <p>The audit recommended that DMV should:</p> <ol style="list-style-type: none"> 1. Document the processes used to review project expenses and the Cost Methodology in written procedures. This would provide greater transparency regarding the process used to review project costs and the results of these reviews. 2. Clarify both the change order language in the original Quality Assurance (QA) consultant contract and intended payment amounts when cost ranges are used in the second QA consultant contract. 	Closed	Management reports that it has implemented the recommendations from the initial audit.
ML 21-01 ODOT's Liquidated Debt	Jan 2021	<p>The objective of this audit was to determine how the composition of liquidated debt changed during FYs 2018 and 2019.</p> <p>No recommendations were issued.</p>	Closed	No actions required.
21-01 A&E Procurement Timeliness	Feb 2021	<p>This audit reviewed the architectural and engineering (A&E) procurement process.</p> <p>The audit recommended that the ODOT Procurement Office (OPO) should:</p> <ol style="list-style-type: none"> 1. Require staff to provide the draft Statement of Work (SOW) and any other required documents when submitting the personal services contract (PSK) request to OPO. Incomplete PSK requests should be returned to staff with an explanation of the missing information. 2. Determine if the OPO timeliness goals for A&E contracts are reasonable considering the capacity and ability of staff to meet them, among other indicators. 3. Communicate goals to staff and ensure proper monitoring of procurements to hold staff accountable to timelines. 4. Determine the feasibility of compiling the level of effort agreed to for contract tasks by consultants and create a resource for project staff to reference the data when generating internal cost estimates. 5. Work with the Oregon Department of Justice to determine steps that can be taken to align wording expectations and address inconsistent feedback from attorneys on SOW language. 6. Using the results of the previous step, create an inventory of SOW task language and make available for staff to use in developing a new contract SOW. Task language should be agreed to between OPO and the regions to reduce the level of revision necessary. 7. Work with the American Council of Engineering Companies of Oregon to determine what actions can be taken to improve practices during the procurement process. 8. Ensure consultants provide completed DBE commitment forms before executing the contract. 	In progress	Management reports that it has implemented recommendations 4 & 8 and is in the process of implementing the others.
ML 21-02 Modular Housing for Region 5 Employees	Apr 2021	<p>The audit reviewed the recent procurement of modular homes to be used for employee housing at Basque Station and Juntura, two remote highway maintenance stations within Region 5.</p> <p>The audit recommended that Facilities Services should:</p> <ol style="list-style-type: none"> 1. For Capital Improvement (CI) projects competed in the last three years, compare actual costs with estimated costs at initial approval (inclusion on approved list of CI projects) to determine whether the differences noted in the modular home procurements were typical of CI projects or unusual. If typical, take steps to improve the cost estimating process for CI projects. Such steps might include obtaining cost estimate information from bidders on major building components as part of the solicitation submissions. 	In progress	Management reports that it has implemented recommendations 1, 2, 3 & 5 and is in the process of implementing 4.

Oregon Department of Transportation

Summary of Audits and Reviews July 1, 2020 – June 30, 2022

Title	Date	Summary	Status	Actions Taken
		<ol style="list-style-type: none"> 2. To encourage maximum competition when procuring employee housing, define the desired outcome in terms of size, building standards, and level of quality and allow either site-built or modular construction. 3. When employing a new procurement approach, do not start the procurement process late in a biennium and timely and effectively communicate the new approach to the potential contractor pool. 4. Explore methods that would allow carryover of CI funds into the following biennium and determine whether any are worth pursuing. 5. Ensure staff establish and document a clear understanding with contractors what the scope of work entails for a contract and hold contractors accountable to the scope of work during contract administration. 		
21-02 Pavement Condition Data Integrity	July 2021	<p>The audit evaluated whether the ODOT Pavement Management Program had a control structure to ensure pavement condition data are reliable, accurate and complete.</p> <p>The audit recommended that the Pavement Management Program should:</p> <ol style="list-style-type: none"> 1. Evaluate the need to either build, acquire, or modify current software to manage the pavement condition data in a way that links data together and strengthens controls that ensure data are reliable, accurate and complete. If automation is not achievable, the Program should develop compensating controls using forms, logs, reports and other appropriate tools. To support lookups between segments and sections, a reference table should be created that documents the relationship between these data. 2. Examine current practices of how and why the Vendor data are edited to bring the ratings in line with older rating methods. 3. Strengthen procedures to ensure that control deficiencies are addressed and add monitoring controls to those processes with the highest risk of negatively affecting the pavement condition data accuracy and reliability. 4. Ensure that the Project Manager, and any other staff assigned contract administration duties, complete the DAS Contract Administration training and certification. 5. Establish a process that ensures records supporting key controls and contract deliverables are retained. 	Closed	Management reports that it has implemented the recommendations.
21-03 Employee Leased Housing Program	Sep 2021	<p>The audit reviewed the Employee Leased Housing Program to evaluate the consistency of governing documents, assess alignment of practices with those documents, and review fiscal accountability and equity for the program.</p> <p>The audit recommended that Facilities Services should:</p> <ol style="list-style-type: none"> 1. Complete appraisals on homes to meet Oregon Administrative Rules requirements and track when appraisals are needed on an on-going basis to ensure timely completion. 2. Review current rental rates to ensure alignment with appraised fair market rental rates for each property. Make any adjustments to leases as needed. 3. Ensure that deposits are required and collected in accordance with program requirements. Deposit payments and reimbursements should be documented in ODOT's accounting records. 4. Work with Financial Services to take corrective action with current and previous tenants on funds ODOT is owed and owes. 5. Complete a reconciliation of payroll deductions with active leases to ensure payments are correct. Set a regular reconciliation schedule for on-going review of deductions with lease terms. 6. Ensure consistency with lease terms and actual practices for utility payments by tenants. 7. Work with the Facilities Council and Facilities Steering Team to set regular reporting to ensure sufficient accountability for the housing program. Items to consider including in reporting: non-compliance, appraisal completion, occupancy rates, program changes, and process issues. 	In progress	Management reports that it has implemented recommendations 2, 6 & 7 and is in the process of implementing the others.

Oregon Department of Transportation

Summary of Audits and Reviews July 1, 2020 – June 30, 2022

Title	Date	Summary	Status	Actions Taken
ML 21-03 Contract Addenda Process	Oct 2021	This was an audit of ODOT's contract addenda issuance process and a categorization of addenda changes. No recommendations were issued.	Closed	No actions required.
21-04 Green Light Program: Weigh-in-Motion Scales Need More Proactive Monitoring	Oct 2021	The objectives for this audit were to answer three questions related to weigh stations: <ul style="list-style-type: none"> • How different are weigh in motion (WIM) scale weight readings compared to static scale weight readings for trucks? • How did operations of the WIM scales align to the static scales? • How accurate are license plate reader (LPR) cameras used at weigh stations? The audit recommended that the Commerce and Compliance Division should: <ol style="list-style-type: none"> 1. Develop written procedures to calibrate WIM scales at installation and for on-going operations. 2. Complete regular calibration for WIM scales and maintain calibration records. 3. Determine if scale-crossing data can be used to monitor system performance. Items to consider include: <ol style="list-style-type: none"> a. Whether trucks pull into a static scale after receiving a red or green light b. When the static scales are open and closed c. When WIM scales are turned off and on 4. Track system uptime to know when troubleshooting occurs and technical fixes are required at WIM scales. 5. Determine what an acceptable accuracy level is for use of LPR cameras and consider if a tolerable accuracy can be achieved before expanding use at other scale locations. 	In progress	Management reports that it has implemented recommendation 4 and is in the process of implementing the others.
21-05 Mentor-Protégé Program Seen as Beneficial but Enhanced Oversight is Needed	Nov 2021	This was a review of ODOT's Office of Civil Rights' engagement in the Port of Portland's Mentor- Protégé Program. The audit recommended that the Office of Civil Rights should: <ol style="list-style-type: none"> 1. Work with the Port to address protégés' feedback about the mentorship and consultant component of the Program. For example, one option for consideration might be changing mentors during the three years of the Program. 2. Revise Agreement language to reduce ambiguity in roles and responsibilities between ODOT and the Port, and for eligibility to participate in the Program. Specifically, clarify whether ODOT will only sponsor protégés who have worked on ODOT projects or if this is optional. 3. Establish clear goals for the ODOT-sponsored protégés, and track performance metrics. 4. Conduct oversight of the partnership with the Port to ensure the Port fulfills the requirements in the Agreement. 5. Ensure the Port provides required reporting to ODOT and retains the documentation. 	In progress	Management reports that it has implemented recommendations 1, 4, & 5 and is in the process of implementing the others.
21-06 Capstone Report on Project Delivery Audits	Dec 2021	This capstone report was a summation of themes identified in the body of seven project delivery internal audits. When the project delivery audits were evaluated collectively, we found three common themes: <ol style="list-style-type: none"> 1. Expanding and clarifying guidance to promote oversight and accountability 2. Aligning practices with goals and improving documentation to promote transparency 3. Improving communication to enhance continuous improvement efforts Recommendations addressing these areas can be found in the individual audits; this report was a summation only.	Closed	No actions required.
ML 22-01 OCR DBE Contract Specific Goal Setting Process	Apr 2022	This reported on planning work addressing management's questions into how standardized and subjective the ODOT Office of Civil Rights' Disadvantaged Business Enterprise contract-specific goal setting process is, and whether it allows for ODOT Resident Engineers' input. No recommendations were issued.	Closed	No actions required.

Oregon Department of Transportation

Summary of Audits and Reviews July 1, 2020 – June 30, 2022

Title	Date	Summary	Status	Actions Taken
22-01 DMV MPG Ratings and Title and Registration Transactions	May 2022	<p>This audit sought to answer the question whether ODOT's Driver & Motor Vehicle Services Division (DMV) is using the correct combined miles per gallon (MPG) ratings as the basis for registration and title fees.</p> <p>The audit recommended the following: DMV should:</p> <ol style="list-style-type: none"> 1. Identify which vehicle owners have overpaid on fees and return the difference to the owner. A determination on how to address vehicle owners that underpaid on registration and title fees is also needed. 2. Ensure the vendor providing the VIN decoder is using current EPA combined MPG ratings as the basis for data provided to DMV and investigate whether issues can be remedied to improve accuracy. 3. Update the DMV Title and Registration Manual to include the distinction that vehicles older than 2000 default to Tier 1. Communicate this distinction to dealers. 4. Develop a quality control process to monitor and ensure the correct MPG rating and fuel type are used as the basis for fees. 5. Investigate ways that existing vehicle MPG ratings and fuel types can be corrected. <p>DMV in conjunction with the Office of Innovative Funding should:</p> <ol style="list-style-type: none"> 1. Reconcile DMV and OReGO program requirements related to how MPG and MPGe ratings are used. 2. Develop a mechanism to reconcile the vehicles that DMV records indicate are enrolled to ensure accurate records. <p>The Office of Innovative Funding should:</p> <ol style="list-style-type: none"> 1. Review MPG and MPGe ratings for the OReGO program and correct those that don't match the EPA ratings and program requirements. Determine if payment errors occurred and reconcile the difference with program participants. 2. Ensure OReGO account managers are providing the correct MPG rating and fuel types for vehicles by completing regular reviews of enrolled vehicles. Results of the review should be shared with account managers. 	In progress	Management is in the process of implementing the recommendations.
Audits and reviews completed by the Secretary of State Audits Division				
No. 2020-29 ODOT Oversees a Robust Project Delivery Process, yet Opportunities Exist to Further Improve Work Zone Safety	Sep 2020	<p>This was an audit of ODOT's project delivery process as it supports transportation safety and worker safety.</p> <p>The audit recommended the following:</p> <p>To enhance transportation safety measures during project design, ODOT should:</p> <ol style="list-style-type: none"> 1. Develop a template for the Transportation Management Plans to support greater consistency in design decisions between regions and clarify expectations for consultant designers. 2. Create more opportunities for traffic control designers to visit work sites during design and construction, which would bolster their working knowledge and better inform design decisions. For example, designers could regularly participate in ODOT's biennial work zone reviews in their regions. 3. Formalize a feedback loop between design and construction staff throughout the life of the project to enhance the viability of design decisions. <p>To strengthen its control framework around stakeholder participation in project delivery, ODOT should:</p> <ol style="list-style-type: none"> 4. Create a charter for the Mobility Advisory Committee (MAC) to clarify its role in project delivery, level of responsibility, and standard voting procedures. 5. Once the charter is created, review MAC and Stakeholder Forum membership and perform outreach to ensure that the needs of diverse stakeholder groups are sufficiently represented during project delivery review. 	In progress	Management reports that it has implemented all the recommendations except for 2, which it is in the process of implementing.

Oregon Department of Transportation

Summary of Audits and Reviews July 1, 2020 – June 30, 2022

Title	Date	Summary	Status	Actions Taken
		6. Review, update, and align ODOT policies and procedures to clarify ODOT staff and stakeholder roles and responsibilities in the design review process. 7. Observe the administrative rule requiring the agency to engage with a specific group of stakeholders during Stakeholder Forums during the project delivery review process. Specifically, ensure that outreach to bicycle and pedestrian advocacy groups is regularly performed at the state and local level. 8. Create comprehensive criteria for deciding which projects should be reviewed by the MAC. 9. Ensure that new and existing criteria for MAC project selection reviews are applied. 10. Create and track performance metrics for the Mobility Unit and mobility reviews during the design process.		
Management Letter 730-2020-12-01 Engineering Rate Review	Dec 2020	This was a review of ODOT's Federal Acquisition Regulations review procedures. The audit recommended that ODOT assess their cognizant review procedures to ensure all references are up to date and that program steps clearly detail the source requirement of the planned procedures.	Closed	Management reports that it has implemented the recommendation.
Management Letter 730-2021-02-01 Selected Financial Accounts for the Year Ended June 30, 2020	May 2021	This was an audit of selected financial accounts for the year ended June 30, 2020. The audit recommended that ODOT's reconciliation accountant receive email notification when new funds are established so they can be processed in the Transportation Environment Accounting and Management System (TEAMS) – Statewide Financial Management Application (SFMA) fund reconciliation accordingly. Additionally, an SFMA query should be developed to identify all SFMA D23 funds with activity to ensure all active funds are included in the reconciliation. During the course of the audit, the Audits Division became aware of matters that are considered opportunities for strengthening internal controls. The audit included the following additional recommendations: <ol style="list-style-type: none"> 1. Ensure that all relevant costs are included in the infrastructure database. 2. Ensure State Transportation Improvement Fund Formula Fund distributions are calculated accurately. 3. Ensure federal reimbursement rates are entered accurately in TEAMS. 	Closed	Management reports that it has implemented the recommendations.
Management Letter 730-2020-06-01 Risk Assessment Management Report	Jun 2021	This was in response to a request by ODOT for a limited review of the department's field office inventory controls. No recommendations were issued. The review identified the following opportunities to strengthen purchasing and inventory controls: <ul style="list-style-type: none"> • To ensure adequate segregation of duties, consider separating the purchase and tracking of inventory responsibilities. • To improve record keeping and better ensure equipment inventory is complete and accurate, reconcile the Region 1 inventory tracking sheet to the accounting records. • To ensure adequate and consistent reviews, develop written policies and procedures requiring that district managers review and document their review of invoices and burn rate reports. • To help identify purchasing trends or unusual activity, consider developing and performing analytical procedures. 	Closed	No actions required. Management reports that it has accepted the opportunities to strengthen purchasing and inventory controls.
Report 2021-30 ODOT Worked Quickly to Oversee the Largest Wildfire Debris Removal	Oct 2021	This was a limited review requested by ODOT of its hazardous tree removal operations after a fire that represented the biggest and most expensive emergency disaster event in Oregon history. No recommendations were issued. Opportunities for continuous improvement were cited in the following areas: <ul style="list-style-type: none"> • Future planning 	Closed	No actions required. Management reports that it conducted an after action review in early 2022 that evaluated all

Oregon Department of Transportation

Summary of Audits and Reviews July 1, 2020 – June 30, 2022

Title	Date	Summary	Status	Actions Taken
Operation in State History		<ul style="list-style-type: none"> • Training and documentation • Delivering Oregon values and an equitable workforce • Contractor capacity and pre-contracting • Organizational development and field operations staffing • Coordination and information flow amongst stakeholders and jurisdictions 		operational elements of the wildfire clean-up efforts. As part of this review, the team specifically looked at the opportunities for improvement identified in the Secretary of State's report. Improvements identified in the after action review are being incorporated into the agency's debris management plan, pre-disaster contracting and operational framework.
Selected Financial Accounts for the Year Ended June 30, 2021	Jan 2022	<p>This was an audit of selected financial accounts for the year ended June 30, 2020.</p> <p>The audit recommended that ODOT should:</p> <ol style="list-style-type: none"> 1. Ensure adequate controls are in place to appropriately record and report revenue 2. Ensure adequate controls are in place to appropriately record and report advanced federal funding and federally eligible expenditures. 	Closed	Management reports that it has implemented the recommendations.
TEAMS IT Application Controls Review	Mar 2022	<p>In preparation for the FY2022 statewide financial audit of the Oregon Department of Transportation (ODOT), this was an audit of procedures over controls related to the Transportation Environment Accounting and Management System (TEAMS).</p> <p>No recommendations were issued. Three opportunities for improvement were cited for improving processes for updating TEAMS reference tables, and one to ensure access is restricted only to those individuals with a demonstrated need for that access.</p>	Closed	No actions required.
Management Letter 730-2022-04-01 Statewide Single Audit of Formula Grants for Rural Areas For Year Ended June 30, 2021	Apr 2022	<p>This was an audit of formula grants for rural areas for the year ended June 30, 2021.</p> <p>No recommendations were issued.</p>	Closed	No actions required.

Oregon Department of Transportation

Summary of Audits and Reviews July 1, 2020 – June 30, 2022

Title	Date	Summary	Status	Actions Taken
Audits and reviews completed by the Federal Highway Administration (FHWA)				
2020 Prompt Payments Review	Sep 2020	The purpose of this review was to determine ODOT's compliance with 49 CFR § 26.29 – Prompt Payment Provisions on ODOT federally assisted construction projects. The review objective was to determine the statewide, regional, and prime contractor compliance with the 30-day prompt payment provision contained in this regulation. No recommendations were issued.	Closed	No actions required.
2020 Heavy Vehicle Use Tax	Sep 2020	This was a review of the State's Heavy Vehicle Use Tax (HVUT) collection and reporting process. The review issued the following recommendation: Provide Motor Carrier Transportation Division personnel with the planned training (referenced in the observation), or other internal or external HVUT fraud training, to provide personnel with a better understanding of standard fraud detection methods.	Closed	Management reports that it has implemented the recommendation.
The 2020 National Bridge Inspection Program Review in Oregon	Dec 2020	This report contained the results of the 2020 National Bridge Inspection Program (NBIP) review of ODOT. The review found that ODOT is compliance with 18 of 23 metrics. Corrective actions were issued for the following metrics: 1. Routine inspection frequency – lower risk bridges 2. Routine inspection frequency – higher risk bridges 3. Fracture critical inspection frequency 4. Load rating procedures 5. Bridge inspection organization	Closed	Management reports that it has implemented the recommendations.
The 2020 National Tunnel Inspection Program Review in Oregon	Dec 2020	This report contained the results of the 2020 National Tunnel Inspection Program (NTIP) review of ODOT. The review found that ODOT is in compliance with fifteen of the fifteen metrics. No corrective actions were issued.	Closed	No actions required.
Review of Oregon's All Roads Transportation Safety Program	Dec 2020	This review was designed to comprehensively evaluate the policies, procedures, and achievements of Oregon's All Roads Transportation Safety (ARTS) Program, funded by Highway Safety Improvement Program (HSIP). The report contained detailed recommendations grouped under six key action items directing ODOT to: 1. Improve processes for collecting and processing crash data so data can be available for analysis in a more timely manner. 2. Strengthen the analyses used for network screening, individual site analysis, and countermeasure selection. 3. Ensure the knowledge and skills evidenced in the ARTS program are fully engaged with transportation safety plans in the state, both those carried out by ODOT and those carried out by other agencies. 4. Streamline the safety project delivery processes to more rapidly deliver effective safety countermeasures. 5. Address funding gaps in the program (both addressing the size of projects and state and non-state projects) to ensure the full span of safety countermeasures with the best benefit-cost ratios can be delivered. 6. Develop comprehensive program and project metrics to monitor the effectiveness of the ARTS program and safety countermeasures.	In progress	Management is in the process of implementing the recommendations for each action item.

Oregon Department of Transportation

Summary of Audits and Reviews July 1, 2020 – June 30, 2022

Title	Date	Summary	Status	Actions Taken
CY 2019 Review of ODOT's Highway Performance Monitoring System	Dec 2020	<p>The purpose of the review was to assess the ODOT's Geographical Information System (GIS)/Linear Referencing System (LRS) procedures.</p> <p>The review recommended that ODOT: Complete the LRS for the local road network.</p>	In progress	Management is in the process of addressing the recommendation.
Emergency Relief Program Review	Feb 2021	<p>This review examined ODOT's existing procedures for managing an Emergency Relief (ER) event and how well these procedures were being followed.</p> <p>The review recommended that ODOT:</p> <ol style="list-style-type: none"> 1. Develop a single Standard Operating Procedure (SOP) for how ODOT will manage the delivery of the ER program in response to a declared ER event. 2. Develop procedures for how ODOT will initiate communications and notifications regarding a potential ER event both internal to ODOT and with external stakeholders such as FHWA and local agencies. 3. Develop procedures for ODOT District and Region Staff regarding coordination with FHWA staff for ER events. 4. Develop: <ol style="list-style-type: none"> a. procedures related to documentation retention to support ER event approval and final reimbursements. b. procedures for completing Detailed Damage Inspection Reports (DDIRs). 5. Develop procedures for the review and approval of changes to scope and/or budget for an approved DDIR. 6. Develop: <ol style="list-style-type: none"> a. an annual ER training program for ODOT and local agencies. b. new ER resources to assist ODOT and local agencies quickly and efficiently respond to an ER event. 	In progress	Management reports that it has implemented all of the recommendations except 4a, which it is in the process of implementing.
CY2020 Construction Summary Report	Mar 2021	<p>The purpose of the report was: 1) to provide an annual summary of the FHWA Oregon Division's risk-based activities related to ODOT's construction contract administration on Federal-aid highway projects; 2) to ascertain if there are negative trends or weaknesses in either the Division's or ODOT's construction oversight processes and provide recommendations to address these issues; and 3) to identify opportunities for improved project delivery outcomes in construction.</p> <p>No recommendations were issued.</p>	Closed	No actions required.
FY 2021 Payment Integrity Information Act Improper Payment Transaction Testing	Jul 2021	<p>The purpose of this assessment was to ensure that payments made by the Federal Highway Administration to the Oregon Department of Transportation are proper per the Payment Integrity Information Act of 2019 (PIIA). The assessment objectives was to determine if improper payments were made on the project sampled for PIIA transaction testing.</p> <p>No recommendations were issued.</p>	Closed	No actions required.
Review of ODOT's Prompt Payment Monitoring and Enforcement Program	Sep 2021	<p>This was an examination of ODOT's prompt payment monitoring and enforcement procedures found in its Disadvantaged Business Enterprise (DBE) Program Plan to determine compliance with 49 CFR 26 and the USDOT's DBE Guidance titled "Official Questions and Answers - Disadvantaged Business Enterprise Program Regulation."</p> <p>The examination recommended that ODOT:</p> <ol style="list-style-type: none"> 1. Update its DBE Program Plan prompt payment and return of retainage contract clauses to be consistent with its contract specifications. 	In progress	Management is in the process of implementing the recommendations.

Oregon Department of Transportation

Summary of Audits and Reviews July 1, 2020 – June 30, 2022

Title	Date	Summary	Status	Actions Taken
		<ol style="list-style-type: none"> 2. Update its DBE Program Plan retainage provisions to explicitly state the regulatory option chosen under 49 CFR 26.29(b) 3. Include procedures for monitoring of prompt payment and return of retainage in its DBE Program Plan. Procedures should provide for monitoring of A&E contracts, as well as construction contracts. 4. Include procedures for timely enforcement of prompt payment and return of retainage in its DBE Program Plan. The procedures should provide for enforcement of A&E contracts, as well as construction contracts. 5. After making updates to the DBE Program Plan to address Recommendations 1-4, develop an action plan to implement the new processes with staff, prime contractors, and subcontractors. 		
FY 2021 Federal-aid Current Bill Transactions Review	Oct 2021	<p>The purpose of this review was to gain a reasonable assurance that federal-aid project expenditures have been properly billed by the ODOT in accordance with federal laws and regulations. The review objective was to determine if the federal-aid project expenditures billed by ODOT are allowable and allocable per 2 CFR 200 - Subpart E and are properly billed.</p> <p>The review contained the following recommendation: FHWA recommends that ODOT establish a documented process to reconcile Fiscal Management Information System project agreement information with ODOT's Transportation Environment Accounting and Management System project agreement information to ensure there are no discrepancies on all federal-aid projects.</p>	Closed	Management reports that it has implemented the recommendation.
FY2021 Financial Systems Assessment – Project Closeout	Nov 2021	<p>This was a financial systems assessment of the ODOT project closeout systems and processes. The assessment evaluated, as per 23 U.S.C. 106(g)(2) and (3) requirements, ODOT's processes for the project closeout element of their financial management and project delivery systems. The system assessment evaluated three critical elements of the closeout process: Timely Closeout, Propriety of Payments, and Documentary Evidence.</p> <p>The assessment found that ODOT's Project Closeout Processes/Systems are complete, documented, and comply with Federal requirements. Two areas for improvement were identified and FHWA makes the following recommendations.</p> <ul style="list-style-type: none"> • For non-construction projects, ODOT should establish a documented process for verifying financial, performance, and other reports are completed by the responsible ODOT Program Manager within 120 days after project agreement end date (PAED) in FMIS. • As ODOT undergoes any replacements/improvements to their financial management system, FHWA recommends they address the identified system limitations related to allocating costs among multiple program codes and processing corrections. 	In progress.	Management is in the process of implementing the recommendations.
Review of ODOT's 2020 Commercial Vehicle Size and Weight Program	Dec 2021	<p>This was a review of Oregon's Commercial Vehicle Size and Weight program to ensure the State is following federal regulations regarding size and weight limits, and enforcement, for commercial vehicles as codified in 23 Code of Federal Regulations (CFR) Part 675.</p> <p>No recommendations were issued.</p>	Closed	No actions required.
CY 2021 Construction Summary Report	Mar 2022	<p>The purpose of the construction summary report was to document and disseminate construction program observations, risks, and opportunities to Oregon Division and ODOT staff.</p> <p>No recommendations were issued.</p>	Closed	No actions required.

Oregon Department of Transportation

Summary of Audits and Reviews July 1, 2020 – June 30, 2022

Title	Date	Summary	Status	Actions Taken
Audits and reviews completed by the Federal Transit Administration (FTA)				
FY2022 State Management Review	Jun 2022	<p>This was a report on the FTA's State Management Review of ODOT's compliance with Federal requirements. The review focused on ODOT's compliance in 23 areas. No deficiencies were found with the FTA requirements in 18 of these areas. Deficiencies were found in 5 areas: Financial Management and Capacity; Technical Capacity – Program Management and Subrecipient Oversight; Maintenance; Procurement; and Disadvantaged Business Enterprise. One of those was a repeat deficiency from the Fiscal Year 2018 State Management Review in the area of Technical Capacity – Program Management and Subrecipient Oversight.</p> <p>A total of seven deficiencies were found in those five areas, two of which were closed in the report:</p> <ol style="list-style-type: none"> 1. F2-3 Financial Management and Capacity – Electronic Clearing House Operations System draws not properly approved 2. TC-PgM6-1 Technical Capacity – Program Management and Subrecipient Oversight – Federal Funding Accountability and Transparency Act reporting deficiencies 3. M2-2 Maintenance – Late facility/equipment preventive maintenance (closed in report) 4. P7-2 Procurement – Improper use of geographic preferences (closed in report) 5. P10-1 Procurement – Lacking independent cost estimate 6. P10-2 Procurement – Lacking required cost or price analysis 7. DBE5-1 Disadvantaged Business Enterprise – Inaccuracies and/or missing information in DBE uniform reports 	Closed	Management reports that it has taken steps to address the deficiencies not already closed in the report.
Audits and reviews completed by the Federal Motor Carrier Safety Administration (FMCSA)				
FMCSA Annual Program Review	Oct 2020	<p>This FMCSA review focused on timeliness of convictions and withdrawal reporting, COVID waivers, and responses, data quality errors, and skills testing.</p> <p>The review contained findings in the following areas:</p> <ol style="list-style-type: none"> 1. Oregon does not notify a state of record within 10 days of conviction for traffic violations, as required. 2. Recordkeeping requirements – CDL Holder indicator. 3. State does not notify the Commercial Driver's License Information System (CDLIS) central site of each CDL issuance within 10 days of such issuance transfer, renewal or upgrade. The State has Data Quality Issues. 4. The State does not notify the CDLIS central site of each CDL issuance within 10 days of such issuance transfer, renewal or upgrade. The State has broken pointers. 5. The State does not notify the CDLIS central site of each CDL issuance within 10 days of such issuance transfer, renewal or upgrade. The State has missing pointers. 6. Oregon lacks the statutory authority to disqualify a CDL holder who is convicted of an administrative per se violation (implied consent) in a non-CMV as required. 7. Out-of-service order violation penalty – driver. 8. Out-of-service order violation penalty – employer. 	In progress	Management reports that it has addressed findings 2, 6 & 7 and is in the process of addressing the others.
FMCSA Annual Program Review	Dec 2021	<p>This FMCSA review focused on medical certification recordkeeping.</p> <p>The review contained two findings:</p> <ol style="list-style-type: none"> 1. The State Driver's Licensing Agency does not maintain medical variance information on the Commercial Driver's License Information System record for drivers who hold an exemption letter issued in accordance with 49 CFR §391.64. 	In progress	Management reports that it has addressed finding 2 and is in the process of addressing 1.

Oregon Department of Transportation

Summary of Audits and Reviews July 1, 2020 – June 30, 2022

Title	Date	Summary	Status	Actions Taken
		2. The Driver Self-Certification and Medical Certification Information is not maintained on the Commercial Driver's License Information System Driver Record.		
Audits and reviews completed by the National Highway Transportation Safety Administration (NHTSA)				
NHTSA Traffic Records Program Assessment	Jan 2021	<p>This was a National Highway Traffic Safety Administration evaluation of Oregon's Traffic Records System.</p> <p>The report contained the following recommendations:</p> <ol style="list-style-type: none"> 1. Improve the data quality control program for the Crash data system to reflect best practices identified in the Traffic Records Program Assessment Advisory. 2. Improve the interfaces with the Crash data system to reflect best practices identified in the Traffic Records Program Assessment Advisory. 3. Improve the applicable guidelines for the Vehicle data system to reflect best practices identified in the Traffic Records Program Assessment Advisory. 4. Improve the data dictionary for the Vehicle data system to reflect best practices identified in the Traffic Records Program Assessment Advisory. 5. Improve the data quality control program for the Vehicle data system to reflect best practices identified in the Traffic Records Program Assessment Advisory. 6. Improve the interfaces with the Vehicle data system to reflect best practices identified in the Traffic Records Program Assessment Advisory. 7. Improve the data dictionary for the Driver data system to reflect best practices identified in the Traffic Records Program Assessment Advisory. 8. Improve the data quality control program for the Driver data system to reflect best practices identified in the Traffic Records Program Assessment Advisory. 9. Improve the applicable guidelines for the Roadway data system to reflect best practices identified in the Traffic Records Program Assessment Advisory. 10. Improve the data quality control program for the Roadway data system to reflect best practices identified in the Traffic Records Program Assessment Advisory. 11. Improve the data dictionary for the Citation and Adjudication systems to reflect best practices identified in the Traffic Records Program Assessment Advisory. 12. Improve the data quality control program for the Citation and Adjudication systems to reflect best practices identified in the Traffic Records Program Assessment Advisory. 13. Improve the data quality control program for the Injury Surveillance systems to reflect best practices identified in the Traffic Records Program Assessment Advisory. 	In progress.	Management is in the process of implementing the recommendations.
NHTSA Triennial Management Review	Apr 2022	<p>This was a National Highway Traffic Safety Administration Management Review of ODOT's Transportation Safety Office (OTSO) for fiscal years 2019, 2020, and 2021.</p> <p>The Review contained the following required actions:</p> <ol style="list-style-type: none"> 1. Required Action C-1. The OTSO must review grants to determine program income is being properly identified, recorded, and allocated. Additionally, program income and its usage must be clearly documented and available upon request from NHTSA. 2. Required Action C-2. The OTSO must comply with 23 USC 402(b)(1)(C) and 23 CFR 1300 Appendix C by expending at least 40% of the Federal funds apportioned under this section to the State for the benefit of carrying out local highway safety programs. The State must maintain adequate documentation in the project files and 	In progress	Management is in the process of implementing the required actions.

Oregon Department of Transportation

Summary of Audits and Reviews July 1, 2020 – June 30, 2022

Title	Date	Summary	Status	Actions Taken
		<p>financial voucher records that clearly documents the local highway safety program benefit and demonstrates active voice in advance of project implementation. Beginning in FY 2022 for any activity that is a sub-recipient of Section 164 or Section 402 funding that is not a political subdivision of the State, to ascribe expenditures as local share, OTSO shall:</p> <ul style="list-style-type: none"> • establish and maintain evidence in State files of consent and acceptance of work, goods, or services on behalf of the local government until all funds authorized for a specific year are expended and audits completed; and • in cases where no political subdivision has had an active voice, include an option in grant applications to request the benefit of the program as part of the local government's highway safety program and obtain advance consent of local governments to receive the benefit of the State expenditures as part of the local government's highway safety program, or • in cases where some political subdivisions have had an active voice, and others have not obtained advance consent from those political subdivisions without active voices to receive the benefit of the State expenditures as part of the local government's highway safety program; or • only in cases where the political subdivision does not have the legal authority for the highway safety activity, apply for and receive a waiver from the NHTSA Administrator that documents an absence of legal authority for political subdivisions over the highway safety activity. <p>The Review contained the following recommended actions:</p> <ol style="list-style-type: none"> 1. Recommended Action B-2a. The OTSO should expand program area narratives in the Highway Safety Plan to reflect the most current data and analysis performed and to demonstrate a clear linkage between the current analysis and problem identification and countermeasures and project selection. 2. Recommended Action B-2b. The OTSO should implement an internal review and Quality Assurance/Quality Control (QA/QC) process that reflects the most recent data and analysis in each program area. 3. Recommended Action B-3. The State and Grantee should sign and execute all project agreements by the start of the fiscal year for costs to be claimed beginning on October 1st each year. 4. Recommended Action B-4a. OTSO staff should ensure that project proposals and agreements adhere to the 'measurable objectives' guidelines provided in ODOT's Policy and Procedures (P&P) Manual. OTSO staff should also review all current grant projects and assess whether the objectives listed are measurable and assist the sub-grantees with making changes to their application if this is not the case. 5. Recommended Action B-4b. OTSO staff should work with sub-grantees to strengthen their project objectives if they are found to be lacking. 6. Recommended Action B-5. The OTSO should transition from its current paper-based system and implement an electronic grants management platform to improve efficiency and accessibility of official grant records and to effectively manage its highway safety grants. 7. Recommended Action B-6a. The OTSO should evaluate the currently used risk assessment form and determine if changes are needed to accurately assign risk ratings for sub-recipients. OTSO should consider if a recipient has past issues including unallowable cost, federal payback, regulatory non-compliance, and fraud in the risk assessment. Doing so would allow the OTSO to better and more consistently rate the sub-recipients as high or low risk and identify specific monitoring requirements based on that designation. 8. Recommended Action B-6b. The OTSO should correct the statutory citations for risk assessments in its P&P Manual under Pre-Award Risk Assessments to reflect 2 CFR 200.332(b) Requirements for Pass-through Entities, rather than 2 CFR 200.331(b) Sub-recipient and Contractor Determinations; and reflect 2 CFR Part 200.208 Specific Conditions, rather than 2 CFR Part 200.207, which relates to Standard Application Requirements. 		