



441 G St. N.W.
Washington, DC 20548

May 28, 2014

The Honorable Anthony Foxx
Secretary of Transportation

Management Report

Surface Transportation: Actions Needed to Improve Documentation of Key Decisions in the TIGER Discretionary Grant Program

Dear Secretary Foxx:

In September 2013, at the request of the Ranking Member of the Senate Committee on Environment and Public Works, we began our review of the Department of Transportation's (DOT) implementation of the TIGER Discretionary Grant program.¹ Since 2009, DOT has awarded about \$3.6 billion in TIGER grants to states, local governments, and other entities for highway, transit, rail, and port projects expected to have a significant impact on the nation, a metropolitan area, or a region. As part of our review, we have examined the extent to which DOT followed its grant application evaluation process and documented key decisions in the fiscal year 2013 funding round, referred to in this report as TIGER V. DOT is currently reviewing grant applications to award \$600 million through a sixth TIGER funding round; applications were due April 28, 2014, and award decisions are expected in the coming months.

In summary, we found that DOT did not document key decisions made during the TIGER V grant application evaluation and selection process and deviated from its established procedures and recognized internal control practices.² Specifically, DOT did not document key decisions to (a) accept and review applications received after the published deadline; (b) advance projects with lower technical ratings instead of more highly-rated projects, and its procedures were inconsistent with DOT's internal guidelines; and (c) change the technical ratings of lower-rated projects selected for funding to the highest technical rating category. An absence of documentation of such decisions can give rise to challenges to the integrity of the evaluation process and the rationale for the decisions made. We are recommending that DOT establish additional accountability measures for management of the TIGER program including clear procedures for addressing late-arriving applications and for documenting and approving major decisions in the application evaluation and project selection process.

¹Congress first authorized and appropriated funds for a national surface transportation infrastructure discretionary grant program in the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5, 123 Stat. 115, 203 (Feb. 17, 2009)). In subsequent legislation Congress appropriated funding to the program as National Infrastructure Investments. This program has become known as Transportation Investment Generating Economic Recovery (TIGER).

²GAO, *Standards for Internal Control in the Federal Government*, [GAO/AIMD-00-21.3.1](#) (Washington, D.C.: November 1999).

We are sending this report to provide timely information about these concerns. Meanwhile, we are continuing our review of DOT's implementation of the TIGER program, including reviewing steps taken to assess the performance of individual TIGER projects and the overall program. We will include the issues raised in this report and any actions that you take to resolve them, along with any other findings in our final report, scheduled to be issued in September 2014. Appendix I provides information on the objectives, scope, and methodology for the information presented in this report.

Background

The American Recovery and Reinvestment Act of 2009 (Recovery Act) authorized and appropriated funding for the TIGER program and directed DOT to (a) establish a competitive process for awarding \$1.5 billion in discretionary grants and (b) publish selection criteria on which to base the competition.³ The same legislation required that in making award decisions, DOT take measures to ensure an equitable geographic distribution of funds, an appropriate balance in addressing the needs of urban and rural communities, and meet other requirements.⁴ Additional statutory requirements have been enacted for subsequent funding rounds of the TIGER program.⁵

In response to this Congressional direction, DOT established selection criteria which it uses to evaluate project applications, while ensuring that the awards taken as a whole meet the statutory requirements. These criteria are published in a notice of funding availability (NOFA) in the *Federal Register* for each respective funding round. Since the initial funding round, DOT's primary selection criteria have included five desired long-term transportation outcomes: economic competitiveness, state-of-good repair, livability, environmental sustainability, and safety.⁶ The TIGER V NOFA states that DOT will award funds to projects that are well-aligned with one or more of the selection criteria.⁷ Discretionary grant programs represent a significant departure from the formula-based approach regularly used to fund the nation's surface transportation program, in which funds are delivered according to prescribed formulas and not

³Pub. L. No. 111-5, 123 Stat. at 203-04.

⁴The Recovery Act also required DOT to not award more than 20 percent of the \$1.5 billion in funding to projects in a single state; give priority to projects expected to be completed within 3 years and to projects for which federal funding would be required to complete an overall financing package; and make awards within a specified dollar range. Pub. L. No. 111-5, 123 Stat. at 204.

⁵For example, in TIGER round IV (fiscal year 2012), DOT's awards were subject to the following restrictions: (1) not more than 25 percent of TIGER funds were to be awarded to projects in a single state; (2) projects located in rural areas were eligible to receive 100 percent federal funding; (3) the federal share for projects in urbanized areas may be up to 80 percent of the total project costs; (4) DOT was to give priority to projects that require a contribution of federal funds in order to complete an overall financing package; and (5) a portion of TIGER funds were to be used to pay the subsidy and administrative costs of projects funded under DOT's Transportation Infrastructure Finance and Innovation Act (TIFIA) program, which provides federal credit assistance to finance surface transportation projects of national and regional significance. Pub. L. No. 112-55, 125 Stat. 552, 641 (Nov. 18, 2011).

⁶See 74 *Fed. Reg.* 28755 (June 17, 2009). Beginning with TIGER I (2009), DOT has also included secondary selection criteria to encourage technical innovation and partnerships (74 *Fed. Reg.* at 28758)). According to the TIGER V NOFA, DOT gives more weight to the primary selection criteria than to the two secondary selection criteria; and it does not consider any of the five long-term outcomes to be more important than the others (78 *Fed. Reg.* 24792 (Apr. 26, 2013)). In TIGER V, DOT included a sixth primary selection criterion, project readiness, to encourage projects sufficiently advanced to complete all environmental reviews, before the September 30, 2014 obligation deadline for that funding round (78 *Fed. Reg.* at 24786).

⁷78 *Fed. Reg.* 24792 (Apr. 26, 2013).

based on anticipated project outcomes. In prior work, we have recommended that a merit-based competitive approach—like TIGER—be used to direct a portion of federal funds to transportation projects of national and regional significance.⁸

In March 2011, we also reported that the TIGER program represented an important step toward investing in projects of regional and national significance on a merit-based, competitive basis.⁹ We found that for the first TIGER funding round, DOT developed comprehensive selection criteria and a competitive process for evaluating applications, but DOT did not document key decisions, including its rationale for selecting projects with lower technical ratings for half the awards over more highly-rated ones. We noted that the absence of such documentation can give rise to challenges to the integrity of DOT's selection decisions and subject it to criticism that it selected projects for reasons other than merit. We reported that it is critical that DOT gain the confidence of Congress and the public and show that it could fairly and expertly administer a multi-modal, multi-billion dollar discretionary program. We recommended that DOT document key decisions for all major steps in the review process and, in consultation with Congress, develop and implement a strategy to disclose information regarding award decisions. In September 2011, DOT reported that it agreed with the recommendation and planned to take steps to implement it in future TIGER rounds. We also recommended to Congress that should it continue funding the TIGER program, it consider balancing the goals of merit-based selection of projects with achieving an equitable geographic distribution of funds, and limit, as appropriate, the influence of geographic considerations.

DOT's Established TIGER Application Evaluation Process

To fulfill Congress' direction to award funds on a competitive basis, DOT has established a process in its NOFAs and internal guidance to evaluate and rate TIGER applications against the department's selection criteria and the statutory requirements. The process is led by DOT's Office of the Under Secretary of Transportation for Policy—referred to in this report as the Policy Office—and includes several steps:

- *Technical evaluation teams.* These teams rate projects against the NOFA selection criteria as highly recommended, recommended, acceptable, or not recommended.¹⁰ Teams review projects by type¹¹ and, according to DOT guidance, are to assign competitive ratings based on the selection criteria and not consider the statutory requirements. Projects that receive an overall rating of “highly recommended” are to be advanced for further review and funding consideration. Led by Policy Office officials, the

⁸GAO, *Surface Transportation: Clear Federal Role and Criteria-Based Selection Process Could Improve Three National and Regional Infrastructure Programs*, [GAO-09-219](#) (Washington, D.C.: Feb. 6, 2009).

⁹GAO, *Surface Transportation: Competitive Grant Programs Could Benefit from Increased Performance Focus and Better Documentation of Key Decisions*, [GAO-11-234](#) (Washington, D.C.: Mar. 30, 2011).

¹⁰According to DOT guidance, projects rated as “highly recommended” align extremely well with the selection criteria; “recommended” projects align well with the selection criteria; “acceptable” projects provide limited value with respect to the selection criterion, or the project's alignment with the criterion was not addressed in the application; and “not recommended” project would adversely impact DOT's efforts to promote the outcomes described for the criterion under consideration.

¹¹For TIGER V, the technical evaluation teams were organized according to the general category of project described in the grant application and included two teams for “rural mobility” projects, three “urban mobility” teams; one “intercity mobility” team; and two teams for “goods mobility” or freight projects.

teams are staffed with subject matter experts from DOT's Federal Highway Administration (FHWA), Federal Transit Administration (FTA), Federal Railroad Administration (FRA), and the Maritime Administration (MARAD).

- *Project-readiness and economic-analysis teams.* After the technical evaluation teams complete their reviews, highly recommended projects are to be advanced to a *project readiness* team which assesses a project's risk level (high, moderate, or low) in completing any federal environmental and other requirements before expiration of statutory deadlines to incur obligations.¹² At the same time, an *economic analysis team* reviews the required benefit-cost analysis (BCA) for each advanced application to assess (1) the usefulness of the BCA to estimated project benefits and costs, and (2) whether the total estimated benefits are reasonably likely to outweigh project costs.¹³
- *Senior review team.* According to DOT guidance, after the economic-analysis and project-readiness reviews, highly recommended projects are then advanced to a senior review team comprised of senior officials charged with making recommendations to the Secretary of Transportation on which projects to fund.¹⁴ As noted in our prior work, the senior review team may make award recommendations from the highly recommended projects advanced or request to see additional projects that were not advanced.¹⁵ The senior review team documents its recommendations in a memorandum provided to the Secretary of Transportation that explains how each recommended projects aligns with the long-term outcome selection criteria. The Secretary makes the final selections.
- *Control and calibration team.* A team of Policy Office officials is charged with ensuring the quality, integrity, and consistency of the evaluation process and, according to DOT TIGER guidelines, is to use statistical analysis and random selection to choose applications from each evaluation team for review. According to the guidelines, the control and calibration team or the senior review team may, if necessary, recommend possible adjustments to the list of projects advanced by the technical evaluation teams to help satisfy the statutory requirements while remaining as consistent as possible with the competitive ratings. According to DOT officials, the control and calibration team's review occurs throughout the application evaluation process and not as a discrete step in the process.

DOT Did Not Document Major Decisions and Deviated from Its Application Evaluation Process in the TIGER V Funding Round

DOT did not document key decisions made during the TIGER V grant application evaluation and selection process and deviated from its established procedures. Specifically, DOT did not document key decisions to (1) accept and review applications arriving after the published

¹²For example, the fiscal year 2013 appropriation legislation for TIGER required DOT to obligate funding within 18 months, that is, by September 30, 2014. Pub. L. No. 113-6 (Mar. 26, 2013).

¹³We plan to provide information on the results of these reviews in our forthcoming report.

¹⁴The senior review team consists of the Deputy Secretary of Transportation, the Administrators of FHWA, FTA, FRA, and MARAD, and the Research and Innovative Technology Administration, the Under Secretary of Transportation for Policy, the Assistant Secretary of Transportation for Policy, the Assistant Secretary for Governmental Affairs, the General Counsel, the Chief Financial Officer, and the Assistant Secretary for Aviation and International Affairs.

¹⁵[GAO-11-234E](#)

deadline in the NOFA; (2) advance projects with lower technical ratings instead of more highly rated projects, and its procedures were inconsistent with DOT's internal guidelines; and (3) change the technical ratings of recommended and acceptable funded projects to highly recommended. *Standards for Internal Control in the Federal Government* state that all transactions and other significant events need to be clearly documented and that the documentation should be readily available for examination.¹⁶ An absence of documentation can give rise to challenges to the integrity of the evaluation process and thus the decisions made. Our specific areas of concern in the TIGER V round are:

- *DOT did not document or publicly communicate its decision to accept 146 TIGER V applications received after the published deadline.* According to the TIGER V NOFA, all applications were to be received by June 3, 2013, to be considered eligible for funding.¹⁷ Applicants that were unable to meet the deadline due to unforeseen technical issues with the grants.gov website were to contact DOT and request approval for late submission.¹⁸ According to the TIGER V NOFA appendix, DOT was to reject applications as “untimely” if it could not validate technical issues that applicants reported. DOT officials told us that the grants.gov web site experienced technical issues on June 3, 2013, which caused many applications to be submitted late. However, DOT deviated from its procedures by not taking steps to validate that all late-arriving applications had experienced technical issues. DOT officials told us that they subsequently decided to accept applications for an additional 30 days without notifying the public of this decision, and ultimately received and accepted a total of 146 late-arriving TIGER applications. Most of the late-arriving applications arrived within 4 days; eight applications arrived more than a week later and seven others did not arrive until 2 or more weeks after the deadline.¹⁹

Ultimately, 7 late-arriving applications were awarded grant funding. The absence of documentation demonstrating DOT's efforts to verify technical difficulties of all late-arriving applications, as required by the NOFA, and its decision to leave its application period open for 30 days without public disclosure raises questions about whether applicants were treated equally and invites skepticism as to whether DOT gave preferential treatment to some applicants by granting them additional time to complete and submit applications.

- *DOT did not document its rationale for advancing projects with lower technical ratings instead of more highly-rated projects, and its procedures were inconsistent with DOT's internal guidelines.* The TIGER V NOFA, DOT's application evaluation guidelines, and the TIGER V award decision memo indicate that DOT's process is to advance to the senior review team those projects that technical evaluation teams rate as highly recommended. However, in TIGER V, DOT did not document the rationale for not advancing 22 highly recommended projects, while advancing 43 recommended or acceptable projects for funding consideration. Specifically, DOT deviated from its TIGER guidelines by (1) convening several meetings of senior DOT officials in the Policy Office to determine which applications to present to the senior review team and, in doing so, selected 26

¹⁶GAO/AIMD-00-21.3.1E

¹⁷78 Fed. Reg. 24786, 24792 (Apr. 26, 2013).

¹⁸Grants.gov web site is managed by the Department of Health and Human Services and was created to provide a single website for federal discretionary grant opportunities.

¹⁹The 146 late-arriving applications accounted for 25 percent of the 585 total applications received in TIGER V (2013).

recommended or acceptable projects to advance; and (2) sharing preliminary lists of applications to be advanced with DOT modal administrations, after which 17 other projects with lower technical ratings were advanced.²⁰ According to FHWA and FTA officials, these preliminary lists were shared with the agencies' division and regional offices and their views were also considered. However, this is inconsistent with DOT's TIGER application evaluation guidelines, which do not describe procedures through which the Policy Office and modal administrations are to be given an opportunity to identify projects to be advanced to the senior review team.

When we presented these findings to DOT, officials told us that the decisions to advance projects with lower technical ratings were made through its control and calibration process to meet statutory requirements for geographic distribution and balancing funding for projects in urban and rural areas. However, DOT was unable to provide documentation of any statistical analysis or evaluation of the results by the control and calibration team and DOT officials previously told us that no such evaluation was conducted in TIGER V. In addition, DOT officials involved in the selection process that we interviewed told us that projects with lower technical ratings were often advanced because senior officials had specific knowledge of the capabilities of individual applicants to deliver projects and the strengths and weakness of individual applications that technical evaluation teams may not have been aware of when assigning their ratings. For example, the Acting Under Secretary of Transportation for Policy told us that when he served as FTA Administrator during round V, he advocated for advancing a recommended project because of the unique ability of the project to leverage private investment in critical regional infrastructure. This project was ultimately selected for funding. Lack of documentation of its deliberations or the factors considered in its decisions is inconsistent with federal internal control standards and, as a result, DOT cannot definitively demonstrate the basis for advancing projects with lower technical ratings over highly recommended ones.

- *DOT changed the technical ratings of lower-rated projects selected for funding to highly recommended.* DOT ultimately awarded \$458 million in TIGER V grants to 52 projects, including \$317 million to 33 highly recommended projects and \$141 million to 17 recommended and 2 acceptable projects. After DOT finalized TIGER V award selections, DOT changed the technical ratings of the 19 lower-rated funded projects to highly recommended without adequate documentation. Specifically, in its application evaluation documents, DOT used identical language for each of the 19 projects stating that the ratings were “checked by the control and *calibration team*” *but this explanation* did not (1) state that the ratings had been changed, (2) provide the original technical rating, (3) indicate who requested or approved the rating change, or (4) provide a project-specific reason for the changes. *Standards for Internal Control in the Federal Government* stress that documentation of agency activities is a key part of accountability for decisions, and that control activities, such as approving or authorizing transactions or events, are an integral part of an entity's accountability for stewardship of government resources.²¹ In the absence of clear acknowledgement and documentation authorizing the decision to change technical ratings, DOT cannot provide adequate assurance that it has sufficient internal controls in place to provide accountability for its TIGER award funding decisions.

²⁰Of the 26 lower-rated applications advanced by the Policy Office, 25 were recommended and 1 was acceptable. Of the 17 lower-rated applications advanced at the request of modal administrators, 16 were recommended and 1 was acceptable.

²¹[GAO/AIMD-00-21.3.1E](#)

On March 28, 2014, we provided DOT with preliminary findings from this part of our review, and on May 1, 2014, we met with the Acting Under Secretary of Transportation for Policy, who is currently responsible for the TIGER program, and other senior officials to present our concerns and obtain the views of DOT on these concerns. DOT officials stated that they recognize that during the TIGER V funding round, DOT did not sufficiently document major decisions in the application evaluation and project selection process. The Under Secretary outlined several reforms that he envisions would address our concerns, including establishing and communicating a clearer process to deal with late applications, better defining the procedures by which projects can be advanced to the senior review team for review, ensuring the use of statistical analysis by the control and calibration team during the technical review process, as well as more rigorous documentation of the rationale for decisions to advance projects.

Conclusions

Since 2009, DOT has awarded almost \$3.6 billion in the first five funding rounds of the TIGER program, with an additional \$600 million expected to be awarded in a sixth round in fiscal year 2014. In 2011, we reported that it was critical that DOT gain the confidence of Congress and the public and demonstrate it can fairly and expertly administer a multi-modal, multi-billion dollar discretionary program. However, because DOT has not yet established measures to document key decisions for all major steps in the application evaluation and project selection process and has deviated from its own guidance and recognized internal control practices, public and congressional confidence in the TIGER program may be at risk. By not documenting key decisions, DOT cannot definitively demonstrate the basis for its decisions to award more than \$140 million in TIGER V funding to projects with lower technical ratings. The absence of documentation of key decisions can give rise to challenges to the integrity of the evaluation process, and leave DOT vulnerable to criticism concerning the rationale for the decisions made. With the TIGER VI award selections fast approaching, the Secretary of Transportation should take immediate actions to address our prior recommendation and document key decisions in the application evaluation and project selection process and take additional immediate steps outlined below to bolster confidence in the program for the imminent TIGER VI awards and for possible future rounds.

Recommendations for Executive Action

We recommend that the Secretary of Transportation establish additional accountability measures for management of the TIGER program to (1) establish clear procedures for addressing late-arriving applications and communicate its decisions to either accept or reject these applications to the public, and (2) document and approve major decisions in the application evaluation and project selection process through a decision memorandum or similar mechanism that provides a clear rationale for decisions to:

- advance for senior review applications other than those rated as highly recommended;
- not advance applications rated as highly recommended; and
- change the technical evaluation rating of an application.

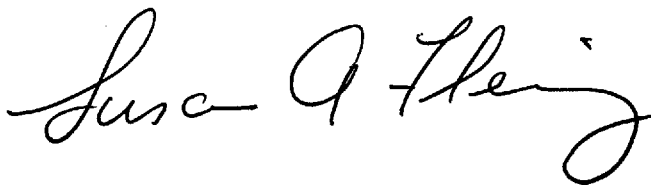
Agency Comments

We provided a draft of this report to DOT for comment. In its written comments, reproduced in Appendix II, DOT generally agreed with our findings and recommendations. DOT stated that it faced challenges in round V which were exacerbated by technical challenges with grants.gov, compressed time frames, the loss of key personnel, and other factors. DOT also stated that, as a result of our review, it is making changes to clarify procedures and better document key decisions in the TIGER application evaluation and project selection process and is currently applying those changes in the TIGER VI funding round. These changes include (1) not accepting applications that arrived after the April 28, 2014 deadline without specific documentation of technical problems;²² (2) not changing an application's technical evaluation rating after it has been established by a technical evaluation team; and (3) better documenting agency decisions, including reasons why lower-rated projects are advanced and subsequently funded. These measures, if consistently applied in TIGER VI and any subsequent funding rounds, could address the intent of our recommendations and should improve the TIGER application evaluation and project selection process.

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We are sending copies of this report to appropriate congressional committees. In addition, the report is available at no charge on the GAO website at <http://www.gao.gov>. If you or your staff have any questions about this report, please contact me at (202) 512-2834 or flemings@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report include Steve Cohen, Assistant Director; Matt Barranca; Colin Fallon; Dave Hooper; Amanda Miller; Carl Potenzieri; Crystal Wesco; and Chad Williams.

Sincerely yours,



Susan Fleming
Director, Physical Infrastructure Issues

Enclosure

cc: Peter Henry, Senate Environment and Public Works Committee

²²DOT stated it rejected 53 late-arriving TIGER VI applications while accepting one from an applicant that provided appropriate documentation of a valid technical problem.

Appendix: Objective, Scope, and Methodology

We are providing information on the extent to which the Department of Transportation (DOT) followed its grant application evaluation process and documented key decisions in the TIGER V (fiscal year 2013) funding round. To conduct this work, we reviewed statutory requirements for awarding TIGER V grants,²³ DOT's written procedures for evaluating TIGER applications and making award selections for that round, as published in the *Federal Register*,²⁴ DOT's *Policies and Procedures for the Administration and Oversight of the TIGER Discretionary Grant Program*, and DOT's *TIGER V Application Evaluation Guidelines*, which provides DOT's procedures for evaluating TIGER grant applications. We reviewed available DOT documentation of grant application evaluation results and selection decisions made by senior DOT officials and compared the documentation with information in *Standards for Internal Control in the Federal Government*, which provides guidance to agencies to achieve their missions and improve accountability.²⁵ We also interviewed officials involved in the application evaluation and project selection process within DOT's Office of the Secretary and the four surface transportation modal administrations that administer TIGER grants—Federal Highway Administration, Federal Transit Administration, Federal Railroad Administration, and the Maritime Administration.

We conducted this performance audit from September 2013 to May 2014 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

²³Pub. L. No. 113-6 (Mar. 26, 2013)

²⁴See 78 Fed. Reg. 24786, 24792 (Apr. 26, 2013)

²⁵GAO, *Standards for Internal Control in the Federal Government*, [GAO/AIMD-00-21.3.1](#) (Washington, D.C.: November 1999).

Appendix II: Comments from the Department of Transportation



U.S. Department of
Transportation

Office of the Secretary
of Transportation

Assistant Secretary for Administration

1200 New Jersey Ave., SE
Washington, DC 20590

Susan Fleming
Director, Physical Infrastructure Issues
U.S. Government Accountability Office
441 G Street NW
Washington, DC 20548

Dear Ms. Fleming:

Since the inception of the TIGER program, the Department of Transportation has implemented measures to ensure that project applicants are fairly and competitively evaluated and selected to provide the Nation with useful transportation benefits in accordance with statutory requirements.

Based on our experience with five rounds of TIGER, many factors contribute to making final project selections, including statutory criteria, selection criteria announced in the Notice of Funding Availability (NOFA), geographic diversity, the statutory rural project minimum, and the Department's expertise. In each TIGER round to date, the availability of meritorious projects has consistently far exceeded available funding. The Department stands by the merit of the projects we selected as sound investments of TIGER funding.

However, from the outset, the TIGER V review process had several challenges that were exacerbated, by a number of factors, including significant technical challenges with Grants.gov, the loss of key senior personnel responsible for administering the program, and a compressed calendar caused by a late appropriation combined with an obligation deadline of less than 18 months.

The Department has benefitted considerably from its interaction with GAO during the course of its review and has made specific key programmatic changes to the TIGER VI program as a result. These changes are already in progress and include the following:

- **Late Applications Were Not Accepted** - DOT worked with Grants.gov to delay scheduled downtime ahead of the TIGER application deadline. DOT also made clear in written guidance that it would not accept late applications unless there were specific documented technical problems with Grants.gov. Ultimately, DOT received a total of 895 applications for TIGER VI. DOT adhered to the deadline contained in the TIGER VI NOFA. Consequently, 53 applications were rejected because they missed the deadline. One application was accepted because the project sponsors provided documentation that met the conditions identified in the Late Application Notice, namely a technical issue with Grants.gov.
- **Technical Team Ratings Will Not Change** - Moving forward, once a technical team has identified a rating for a project, it will not change for the remainder of the TIGER VI review process. Although previous years' NOFAs and guidance established procedures

GAO Comment: We did not evaluate the transportation merits of the projects selected for TIGER funding. We examined the extent to which DOT followed its grant application evaluation process and documented key decisions in the fiscal year 2013 TIGER V funding round.

for the Senior Review and Control and Calibration teams to change project ratings, we agree with GAO that it is more transparent to keep the ratings unchanged and instead document the reasons why lower-rated projects are advanced or subsequently funded.

- **Documentation Will Be Timely and Complete** – The revised program guidance includes greater specificity for documenting project selection to provide transparency over project selections within the constraints of available resources.

To help achieve these goals, we have reformed the TIGER review guidance to provide more clarity. Namely,

- **Modal Input** – Measures have been implemented to obtain early input from the operating administrations to ensure management officials with direct hands-on knowledge of grantees and projects have an early opportunity to provide documented input into the evaluation process.
- **Specific Process for Advancing Projects** – The Control and Calibration and Senior Review teams have important roles to ensure the quality of ratings, achieve program goals, and meet congressionally mandated geographic distribution standards. These teams will benefit from newly issued guidelines that provide enhanced specificity to processes and documentation requirements for reasons to advance lower rated projects.
- **Modal Focus Throughout Entire Process** – The TIGER review process has been changed to focus reviewers on identifying the best projects within each mode, and not by region, to encourage a comparison among similar types of projects.

These actions demonstrate concrete measures, consistent with the GAO findings and recommendations, to clarify procedures and better document key decisions in the TIGER process.

TIGER Discretionary Program is an Invaluable Tool to Address Transportation Needs

The TIGER grant program offers an invaluable tool which enables the Department to apply its technical expertise to address transportation issues that might fall outside the parameters of traditional transportation funding mechanisms. Our focus has been to consistently fund meritorious projects, on a competitive basis, that will have a significant impact on the Nation, a metropolitan area, or a region.

We appreciate this opportunity to offer additional perspective on the GAO draft report. Please contact Martin Gertel of my staff at (202) 366-5145 with any questions or if the GAO would like to obtain additional detail about these comments.

Sincerely,



Brodi Fontenot

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