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Description of document:	Federal Railroad Administration (FRA) Strategy Plan for FRA Investment in Amtrak, 2018
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U.S. Department
of Transportation

**Federal Railroad
Administration**

1200 New Jersey Ave, SE
Washington, DC 20590

June 21, 2023

Re: FFRA-23-00263

This letter is in response to your Freedom of Information Act (FOIA) request to the Federal Railroad Administration (FRA), dated May 22, 2023, seeking *"copy of the Strategy Plan developed in 2018 by subcontractor Kimley-Horn and Associates (under a contract with Booz Allen Hamilton) for FRA in developing the best program structure to oversee FRA investments in Amtrak. Relevant contract/subcontract numbers are 693JJ618F000016, contract vehicle GS00F008DA, prime award JCBMLGPE6Z71."*

In accordance with the FOIA, attached records are responsive to your request. No fee has been assessed in light of the minimal cost incurred in providing you with these documents.

You may appeal this decision to the Administrator; Federal Railroad Administration, 1200 New Jersey Avenue, S.E., Washington, DC 20590. According to the FOIA statute, 5 U.S.C. § 552 (a)(6)(A)(i)(III)(aa), your appeal must be submitted in writing within ninety days of your receipt of this letter. Per the Department's FOIA regulations, 49 C.F.R. Part 7 the appeal must indicate that it is an appeal under FOIA, it must include all arguments and information upon which you rely, and the envelope in which the appeal is sent must be prominently marked, "FOIA Appeal."

Additionally, you may contact the Office of Government Information Services (OGIS) at the National Archives and Records Administration to inquire about the FOIA mediation services they offer. The contact information for OGIS is below:

> Office of Government Information Services
> National Archives and Records Administration
> 8601 Adelphi Road-OGIS
> College Park, Maryland 20740-6001
>
> Email - ogis@nara.gov
> Telephone - 202-741-5770 or 1-877-684-6448
> Fax - 202-741-5769

If you have any questions regarding your FOIA request, you may contact FRA's FOIA Office at: FRAFOIA@dot.gov. You may also contact FRA's FOIA Public Liaison, Ms. Regina Taylor-

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Santiago, at FRAFOIALiaison@dot.gov for any further assistance and to discuss any aspect of your request.

Since FRA has no additional records in its possession that are responsive to your request, I am closing your file in this office.

Sincerely,

YOLANDA
BATULAN BROWN

Digitally signed by
YOLANDA BATULAN BROWN
Date: 2023.06.21 09:30:14
-04'00'

Yolanda Brown
Government Information Specialist

Attachment(s)

Program Support
for Amtrak Capital Grant Program Oversight /
Governance

SUMMARY OF FINDINGS AND FINAL REPORT

PEPARED EXCLUSIVELY FOR FRA RPD

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1 TASK AREA 1: DEFINE REQUIREMENTS

SUMMARY OF THE ASSIGNMENT

In Task 1, the project team reviewed available documentation and conducted interviews with a variety of RPD leadership and staff to gain an understanding of RPD's current Amtrak Capital Program oversight processes. Materials reviewed to assess the current state included documentation provided by FRA from earlier Amtrak Optimization Efforts. The research team also reviewed materials used by FRA to support current monitoring and oversight of Amtrak efforts (e.g., Standard Operating Procedures, Amtrak reports, and FRA reporting tracking tools and templates) and gathered reports published by the U.S. Government Accountability Office (GAO), the U.S. Department of Transportation's Office of Inspector General (DOT OIG), and Amtrak's Office of Inspector General (Amtrak OIG) that described current processes and challenges to program oversight.

Following the document review and interviews, the team prepared and delivered a summary document of key findings in each of the four major areas assessed: (1) Planning and Project Development; (2) Delivery and Oversight; (3) Financial Assistance; (4) Institutional. The following section includes the Task 1 results.

1.1 Summary of Interview Findings delivered May 2018

INTRODUCTION

The Federal Railroad Administration (FRA) is entrusted by Congress to administer federal grants and loans awarded to the National Railroad Passenger Corporation (Amtrak) through various programs. To ensure Amtrak meets requirements set forth by Congress and delivers the highest possible value to passengers and the American taxpayers, FRA's Office of Railroad Policy and Development (RPD) is leading an evaluation of FRA's approach to the oversight of Amtrak. This evaluation is intended to include a review of FRA's existing oversight and governance approach, identification of program risks, development of a five-year RPD strategy plan for enhancing the oversight of Amtrak, and an assessment of RPD's capacity to execute the strategy plan.

Following a kick-off meeting on April 2, 2018, interviews were conducted with leadership and staff that have roles aligned with the oversight of Amtrak. Interviewees represented the Build America Bureau (BAB) and various divisions within FRA including Office of Chief Counsel (RCC), Office of Railroad Safety (RRS), Office of Railroad Policy and Development (RPD 10 – Program Delivery and RPD 20 – Policy and Planning), and Office of the Chief Financial Officer (RCFO). The purpose of these interviews was to understand FRA's existing oversight approach, identify areas of concern and risks, and solicit feedback on potential improvements.

Interviews were conducted with the following leadership and staff:

- Leonard Evans (RPD-10)
- Trevor Gibson (RPD-10)
- Troy Johnson (RPD-10)
- Michael Longley (RPD-10)
- Courtney Opem (RPD-10)

- Laura Shick (RPD-10)
- Paul Nissenbaum (RPD-10 and 20)
- Kristin Ferriter and Bryan Rodda (RPD-20)
- Michael Lestingi (RPD-20)
- Rebecca Pennington (RCFO)

- Steve Peck (RPD-10)
- Jamie Rennert (RPD-10)
- Rebecca Reyes-Alicea (RPD-10)
- Todd Ryan (RPD-10)

- Whitney Phend (RCC)
- Jeff Gordon (RRS)
- Melvin Smith (RRS)
- Linda Woodfolk (BAB)

Interviews covered the following four topic areas:

1. Planning and Project Development
2. Delivery and Oversight
3. Financial Assistance
4. Institutional

Interviews were tailored to the specific area of knowledge of the interviewee. Because not all interviewees are involved in every aspect of Amtrak oversight, not all four topic areas were covered during each interview. The following section summarizes the interview findings.

FINDINGS

During the interview discussions, FRA leadership and staff expressed the following thoughts and opinions:

Planning and Project Development

General frustration that Amtrak operates in a very reactive state and conducts little planning

Numerous staff stated that Amtrak does not have a strategic plan nor long-term business strategy that informs asset management and project development and delivery. Instead, Amtrak operates in a reactive state and struggles to identify failing assets and projects under development or plan for repairs in advance of failures. Additionally, Amtrak has challenges proactively lining up resources for projects and often pulls resources from one project onto another at the expense of the schedule and budget of the first project. FRA staff suggested that Amtrak would benefit from a focus on asset management and long-term planning focused on service delivery goals and measures.

Agreement that Amtrak's strategic and long-term business strategy should guide the development of an implementable five-year capital plan

Many staff agreed that a strategic plan and long-term business strategy should guide the development of an implementable five-year capital plan. There seems to be isolated treatment of projects rather than alignment with strategic efforts. Additionally, FRA is not receiving scopes, schedules, and budgets for Amtrak annual capital grant projects, making it difficult for FRA to understand whether projects align with strategic efforts. For example, Amtrak is required to submit business cases, but FRA often receives business cases only after executing the grant, therefore limiting FRA's influence. Furthermore, in many cases, the work Amtrak commits to does not align with the work that occurs. FRA emphasized the need for Amtrak to develop project scopes and multi-year budgets that more closely align to long-term strategic plan priorities, thereby providing stakeholders more clarity on the selection of capital projects in the near-term. FRA also suggested that, as an input to the grant application, Amtrak be required to specify whether the project is part of the five-year capital plan and include a description of the project's planned accomplishments.

FRA's role in Amtrak's planning process differs in the short- and long-term

Due to the combination of (1) Amtrak's failure to produce a strategic vision and provide consistent project information to FRA, and (2) FRA's general lack of trust in the integrity of the data provided by Amtrak, FRA staff believe they should be more heavily involved in Amtrak's strategic planning processes until Amtrak establishes a reliable planning framework. There are two types of plans FRA staff believe would improve their oversight of Amtrak: (1) a strategic plan that sets the annual vision and identifies priorities to fulfill the vision, and (2) a capital improvement plan that includes a list of projects required to fulfil the vision and provides such key project management data as well-defined scopes, schedules, and budgets. The Engineering team in RPD-10 believe they must dedicate more resources to support RPD-20 in encouraging Amtrak to adequately plan. Furthermore, RPD-10 believes they must continue to provide this support until Amtrak establishes and adheres to sound planning processes.

Once these processes are in place, the FRA Engineering team's long-term goal is to lessen its support to RPD-20 and focus more on project management and delivery oversight activities (such as the review of scopes, schedules, and budgets) and holding Amtrak accountable to legislative and program requirements.

In general, FRA staff's opinion was that FRA should not be as involved in Amtrak's planning process and that FRA's role should only be to confirm Amtrak's compliance. Many believed that FRA should not dictate Amtrak's prioritization and selection of projects; however, Amtrak should be required to prioritize and select projects based on clearly defined criteria. FRA must be fully aware of and understand Amtrak's criteria for project prioritization and selection.

FRA leadership is focused on meeting congressional requirements and expectations

FRA leadership consistently stated that FRA's role in the oversight of Amtrak begins with adhering to the requirements Congress establishes. FRA leadership suggested that FRA start by reviewing legislative requirements, funding program charters, and the grant agreement as a baseline to determine if FRA is executing their defined responsibilities. This contrasts with staff's observations that congressional requirements do not identify how FRA should provide oversight or demonstrate FRA's value in protecting tax payers' investments in Amtrak's capital projects. Leadership also acknowledged that, beyond those requirements Congress expressly states, many congressional expectations are less clearly defined. Staff also expressed concern about how much Congress expects FRA to know about Amtrak programs and projects and that congressional requests sometimes caught them off guard. A recent example of congressional expectations is the May 10, 2018 letter from Senator Durbin requesting that FRA "take a more active role in working with the freight railroads to ensure Amtrak's on-time performance improves in Illinois and around the country."

Delivery and Oversight

Agreement that Amtrak should use information from monitoring and technical assistance efforts to inform Amtrak's strategic and long-term business strategy and five-year capital plan

FRA staff believed Amtrak should be able to answer questions on how specific projects advance the overall program and strategic efforts. There should be a connection between Amtrak's vision, budget, and grant agreement to clearly show what Amtrak accomplished through the investment each year. FRA currently does not compare the Amtrak grant request to previous funding or the five-year capital plan; however, FRA is considering this in FY 2019.

Need for additional focus on monitoring Amtrak performance metrics

Staff expressed a need to establish and hold Amtrak accountable for meeting performance metrics. Staff desires data to be presented in a consistent manner so that FRA can measure progress towards stated program and project goals and objectives and see clearer linkages to strategic priorities. Some metrics staff suggested included monitoring on-time performance and the annual reduction in backlog for State of Good Repair projects. Staff also raised concerns about the ability to follow up on environmental mitigation to verify Amtrak's commitments to environmental compliance. Finally, staff identified the need to establish a feedback loop for project closeout to compare Amtrak's project delivery commitments to actual accomplishments.

Inconsistent levels of information sharing between FRA and Amtrak and information sharing that is highly dependent on individual relationships

FRA staff stated that there are different levels of cooperation between FRA and Amtrak. In cases where FRA employees have established good working relationships and a mutual level of trust with their counterparts at Amtrak, they have experienced a greater chance of obtaining available information and getting Amtrak's cooperation in various processes and reporting methods. Where a relationship does not exist, or when relationships change due to staffing turnover, FRA staff expressed general frustration with Amtrak's lack of cooperation or willingness to provide available information.

The level of information sharing varies between the Amtrak annual capital grant, other discretionary grants, and BAB's RRIF loan. Staff reported that FRA does not face the same types of challenges and delays receiving information from Amtrak for discretionary grants and loans as FRA faces for the capital grant. Clear expectations, the ability to hold Amtrak accountable by leveraging grant funds or loan proceeds, and available, reliable, and quality information are some of the key factors contributing to these differences.

Agreement that at times FRA divisions operate as silos and that FRA could improve information sharing across offices within RPD and throughout FRA

RPD currently conducts an internal monthly meeting for staff involved in Amtrak projects. During this meeting, staff provide updates on significant activities within the RPD offices. Staff find this meeting helpful to give a broader context to the Amtrak work; however, some feel that there is need for additional information sharing between RPD groups, as well as other offices throughout the agency. One suggestion was to maintain a spreadsheet or SharePoint site of projects and deliverables; all groups within RPD would then have access to the spreadsheet or SharePoint to maintain awareness of these ongoing projects.

Staff also suggested the need for a formal procedure to share information and escalate issues to FRA leadership when Amtrak is unresponsive. Staff were frustrated that communications can sometimes flow one way with leadership, leaving staff unclear about decisions made and the reasoning behind them. Leadership acknowledged this as a challenge that arises occasionally.

Staff identified that two notable areas for improvement were the coordination between the Office of Safety and RPD and between RPD-10 and RPD-20. Most staff believed the existing organizational structure within FRA could be maintained if FRA implemented procedures that clearly defined processes for sharing information. Some staff suggested that it may make sense to have an Amtrak-specific division in RPD. This would allow for a more centralized way of tracking the interactions between Amtrak projects.

Need for additional resources to appropriately oversee Amtrak projects

Many FRA staff believed that FRA currently does not have a sufficient number of resources to appropriately oversee Amtrak. FRA has responsibilities that have been mandated by law in addition to the expectations from Congress, stakeholders, and the public that FRA is inspecting and delivering Amtrak projects. Staff felt that FRA has insufficient resources to meet these expectations. As an example, currently FRA has a single grants manager handling all Amtrak projects. Because of the number of Amtrak projects, this staff member is unable to review each project in detail. If FRA received scopes, schedules, and budgets for an estimated total of 400 Amtrak projects, FRA would not have the resources to thoroughly review each scope, schedule, and budget, and validate Amtrak's data on a routine basis.

Some of the resource issues originate from Amtrak's lack of advanced notice regarding program, project, strategic, and leadership changes. This issue most notably impacts FRA environmental staff. FRA environmental staff are organized by region, and Amtrak projects tend to be more heavily grouped in the Northeast Corridor. When FRA receives little notice from Amtrak on environmental needs, certain staff consequentially become overloaded. The environmental group would like to hire an additional staff member responsible for all Amtrak projects.

Due to the limited resources, staff expressed the need for leadership's guidance on how to prioritize projects for oversight. Staff also identified the need for leadership's input on how to prioritize Amtrak projects in relation to the oversight FRA provides other grantee projects. Suggestions from staff included formalizing the strategy for project prioritization and utilization of resources, development of a decision matrix, and development of standard operating procedures.

Financial Assistance

Concerns about Amtrak's financial management processes and audit risks

Staff expressed concerns that Amtrak uses multiple systems and books to track its finances and, as a result, Amtrak might not have full competency in the accounting of its money. Staff were most significantly concerned that Amtrak must replace its financial management system to properly track funds and obtain clean audits. FRA staff must strengthen their relationship with Amtrak's financial management staff to better understand Amtrak's financial management practices and work towards a more transparent financial management solution.

Staff discussed the levels of detail in expenditure reports Amtrak submits and reprogramming requests as examples of funds that are difficult to track. The root cause of many reprogramming requests appears to be Amtrak's poor capital planning, which results in a capital program that requires numerous changes throughout the course of the year. While FRA and Amtrak have established a reprogramming procedure, FRA staff believe that Amtrak could significantly reduce the number of reprogramming requests with better capital planning. As a result, this would reduce some of the audit risk.

Regarding financial monitoring, staff identified concerns in that FRA's monitoring program does not include proper resources to monitor for fraud, waste, and abuse. Changes in current law that FRA provide upfront grant funding to Amtrak has heightened this concern. Currently, FRA only becomes aware of issues after a problem has occurred. This may result in a negative view from Congress on the effectiveness of FRA's oversight program.

Institutional

Need to better define FRA staff's roles and responsibilities related to Amtrak oversight to mitigate inconsistencies and challenges

Staff acknowledged differences in the monitoring and oversight of Amtrak's annual capital grant program compared to the monitoring required for other grantees under different programs and Amtrak's other grants and loans. This led to FRA questioning their ability to hold Amtrak to the same level of accountability as other grantees. Staff consensus was that FRA should treat Amtrak the same as all grantees and those grantees that Amtrak partners with on other programs. However, FRA finds conflict within the various roles it plays in relation to the Amtrak Board as a majority shareholder and to Congress as a legislatively-required overseer of Amtrak's use of public funds for operating expenditures and capital projects. These two roles can generate conflicting priorities, and the legislative mandates require greater oversight than may otherwise occur.

Staff questioned their ability to meet FRA Leadership's expectations in Amtrak oversight. Staff noted within RPD, leadership provides inconsistent expectations on staff's roles and responsibilities, their degree of delegated authority, priorities, and confidence that Leadership will support their staff in the decisions they make to hold Amtrak accountable to legislative, grant, and project requirements. Staff believe they have clearer roles and responsibilities in the oversight of other grant programs and, in concert with leadership, they hold other grantees accountable to requirements.

Many staff have found ways to establish connections between the different groups within FRA working on Amtrak oversight but would find it helpful to have more clearly defined roles and responsibilities. One suggestion from staff was for documentation that identifies the criteria for oversight and the oversight roles and responsibilities of the various FRA offices. Staff also expressed a need for a tool to monitor workflow of deliverables for Amtrak. This tool would ideally capture the routing and editing of deliverables. Lastly, staff suggested categorizing Amtrak projects and defining different levels of oversight per category. Potential categories could include capital maintenance projects, capital improvement projects, and asset management projects. Other considerations suggested for prioritization of oversight included project size, project impact, risk, and those involving statutory deadlines.

FRA's role in the Amtrak Board is well resourced but could be more productive and substantive

Staff felt that FRA now has a much more direct focus and better information sharing in preparing for Amtrak Board of Directors meetings. However, the task of preparing for Amtrak Board meetings is still challenging because Amtrak provides Board books with 400+ pages of documents to FRA approximately 24 to 48 hours in advance of the meetings. FRA has a group of 30 staff members assisting with preparing for the meeting and reviewing Amtrak documents from various perspectives. Staff noted that it can be very difficult to make good recommendations to FRA leadership when information is incomplete and when there is little time available to follow up with Amtrak on questions.

Many staff agreed that FRA's role should be to educate the Board on challenges, opportunities, and performance and to ask pointed questions. Some believe that the Board should review the annual and five-year planning documents, financial planning documents, large procurements, contracts for operating commuter rail, and tracking larger projects (e.g., progress, budget, and schedule issues) instead of granular capital project details.

Lack of trust in Amtrak has resulted in many requirements that may not be necessary

Staff raised the issue of continuing to review the annual capital grant agreement to ensure it is consistent with FRA's oversight role for Amtrak. The agreement has many reporting requirements and procedures that have come from a lack of trust in Amtrak, which is a key institutional issue. These requirements may conflict with FRA's communication of its role and should be routinely reviewed. FRA's ability to ensure compliance with these requirements also represents an audit risk as staff are not always able to follow through and ensure Amtrak's compliance. Providing staff with the resources to properly manage the grant would also allow FRA to provide more focused reporting to the Amtrak Board on its compliance.

2 TASK AREA 2: PROGRAM ASSESSMENT

SUMMARY OF THE ASSIGNMENT

The team used many of the documents collected and assessed in Task 1 and the feedback discussed during the interviews with RPD staff to complete an assessment of program risks for Task 2. In support of Task 2, the project team hosted a day-long leadership strategy meeting for RPD leadership to review their vision for Amtrak oversight and discuss the current program's strengths and weaknesses.

With only minor modifications, the leadership team validated the three primary focus areas and vision statements produced by the Amtrak Optimization Effort, as well as RPD Office roles and responsibilities. Task 2 culminated in an Initial Program Assessment Report and Recommendations for enhancing the Annual Amtrak Capital Grant Agreement and is provided for reference in the following section.

2.1 Initial Program Assessment and Recommendations Delivered May 2018

Introduction

Through the Fixing America's Surface Transportation (FAST) Act and annual Appropriations Bills, Congress has provided the Federal Railroad Administration (FRA) with an oversight structure for federal funding provided to Amtrak. Overseeing such a complex organization as Amtrak requires FRA to have a clearly defined vision and supporting processes to satisfy Congressional requirements and fulfill its financial stewardship and safety oversight responsibilities. Effective monitoring and oversight is predicated on receiving detailed and accurate project and program information from Amtrak, as well as having a shared understanding of roles and responsibilities, and empowering FRA staff with delegated authority and decision-making rights to administer the Amtrak program. This document addresses the current oversight efforts of FRA's Office of Railroad Policy and Development (RPD) and provides initial recommendations on how to improve RPD's management of the program.

Background

FRA Amtrak Oversight Optimization Effort

Following the enactment of the FAST Act on December 4, 2015, FRA initiated a reassessment of its Amtrak oversight processes and practices with the goal of improving Amtrak safety, performance, and project execution. This initiative resulted in the FRA "Amtrak Optimization Effort" that identified strategies to enhance RPD's oversight of Amtrak, increase coordination and collaboration across FRA, and re-examine RPD's vision, focus areas, and internal roles. Major outcomes of this effort consisted of the following:

- Amtrak reform alignment to FRA's strategic goals
  - o Restoring, modernizing, and sustaining infrastructure
  - o Optimizing and innovating operations

- RPD Vision for Amtrak: The public's investment results in Amtrak being a safe, reliable, and efficient provider of transportation services with transparency and accountability

- Three primary focus areas with associated five-year vision statements (Figure 1)

The effort to revamp and optimize FRA's relationship with Amtrak is designed around **three primary focus areas and 5-year vision statements:**

Safety Accountability	• Amtrak's safety record has improved to the level of Class I railroads. Amtrak is compliant with the System Safety Program regulatory regime.
Business Restructuring & Performance	• Active agreements with Federal, State, and commuter partners are in place at all times. • Amtrak is trusted and seen as a highly desirable partner. • There is continuous improvement in performance in each service and asset line.
Project Planning & Execution	• All projects are identified in approved capital or business plans, support the FRA's vision and Amtrak corporate goals, and are coordinated with all applicable stakeholders. • Amtrak manages according to the five-year plans and one-year spend plans. • Projects meet or out-perform scope, schedule, and budget. • All project work meets applicable requirements, including ADA.

Figure 1. Amtrak Optimization Effort Focus Areas and Five-Year Vision Statements

- RPD Office level roles and responsibilities (Figure 2)
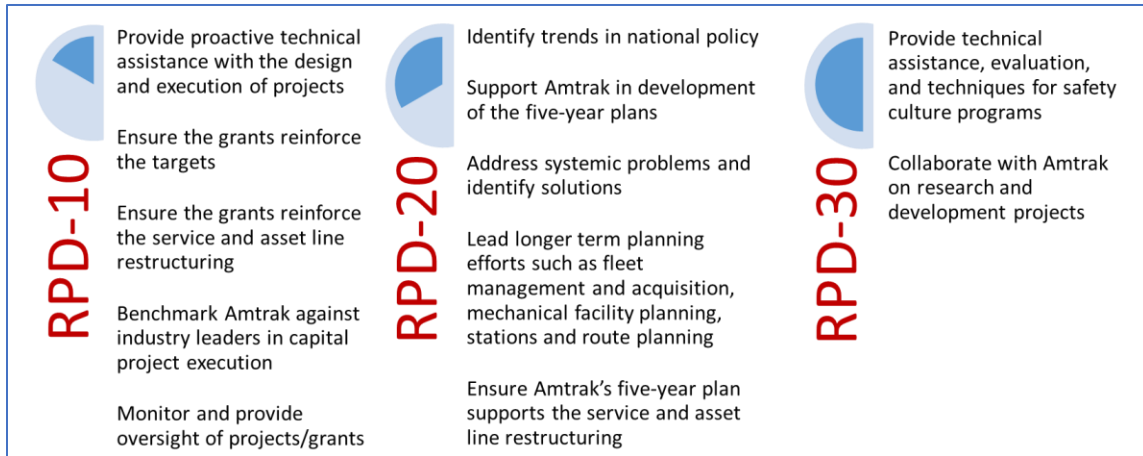
Figure 2. Amtrak Optimization Effort Sub-Office Roles and Responsibilities

- Activity matrix with activity descriptions and alignment of RPD Offices and RPD specific staff to service lines (e.g., NEC intercity trains), asset lines (e.g., stations), and sub-activities (e.g., capital projects, third party funding)

Strategic Planning

Recently, RPD developed new FY 2018-2020 focus areas, shown in Figure 3, aligned to the USDOT Strategic Plan for FY 2018-2022. The Amtrak Optimization Effort focus areas align mainly within the new "Amtrak Reform" FY 2018-2020 focus area but also have connections to the other new focus areas as well. RPD is aligning current and prior optimization activities to establish a clear vision for moving forward with Amtrak oversight.
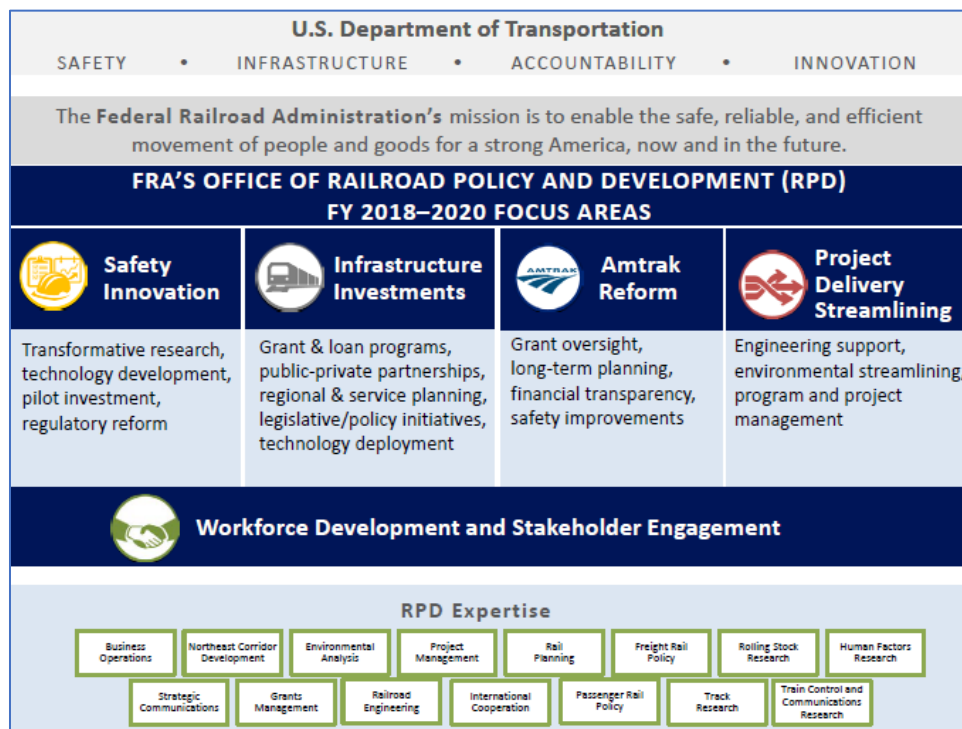
Figure 3. FRA's Office of Railroad Policy and Development FY 2018-2020 Focus Areas

Initial Program Assessment

After reviewing documents (e.g., prior studies, monitoring plans and procedures, grant agreements, audit reports) and conducting interviews with over 20 FRA staff representing offices across the agency involved in Amtrak activities, the next step was to assess RPD activities and responsibilities against Congress' requirements and FRA's own program management goals and objectives. Within this assessment, the team identified four primary questions that FRA should answer prior to moving forward with tactical strategy development:

- How is FRA's role overseeing Amtrak defined?
- What is the appropriate level of Amtrak oversight?
- What are ways to hold Amtrak accountable in addition to the grant agreement?
- How can FRA make best use of available resources to assist Amtrak in improving performance?

Analysis

The project team consolidated information gathered from the document reviews and interviews and conducted a leadership workshop with senior RPD leadership and staff to present the interview findings and discuss the primary questions identified above. The information gathered from these activities was then grouped into key findings aligned to the focus areas from the Amtrak Optimization Effort (Safety Accountability, Business Restructuring and Performance, Project Planning and Execution). An Institutional/Other category was also added to capture activities such as FRA's role on the Amtrak Board of Directors and FRA's involvement in Amtrak-related commissions and committees.

Key Findings

Across the Board

There is agreement across RPD on the Amtrak Optimization Effort three focus areas.

- Most RPD leaders and senior staff agree with the three primary focus areas and vision statements produced by the Amtrak Optimization Effort. Workshop participants suggested only minor updates, shown below in Figure 4 in red.

Figure 4. Updated Amtrak Optimization Effort Focus Areas and Five-Year Vision Statements

- RPD leadership described the vision statements as aspirational, recognizing that some improvements may be years away. However, for effective oversight, leadership and staff desire short-term operational and tactical direction on how FRA can influence achievement of these vision statements. RPD leadership will need to clearly differentiate and communicate aspirational statements versus expected outcomes that can be achieved with available resources and authority.

RPD should further define its statutory and administrative roles and responsibilities and then work with Amtrak to achieve buy-in and understanding of those roles and responsibilities.

- RPD has had some disagreement internally and with Amtrak regarding what FRA's role in oversight should be and at what level (e.g., program-level or project-level management).
- RPD leadership and Amtrak leadership are largely focused on the same priorities of safety, business performance, and improved project delivery; however, Amtrak leadership's message of transparency is not consistently recognized by staff, resulting in a disconnect when FRA requests additional information.
- Some RPD staff are unsure about the level of authority they possess to enforce compliance with requirements and requests for information. Staff reported varied levels of success in working to ensure compliance and stated much of the success they achieved was due to personal relationships with Amtrak staff.
- Currently, RPD staff are more involved in certain areas and at certain levels of project oversight than may be needed if Amtrak complied requirements and was transparent about their activities, methodologies, and progress.

Internal FRA coordination is improving; however, opportunities exist for further improvement.

- Communication within RPD has improved, although there are some instances where staff in different offices are mirroring each other on certain activities, while staff involvement in other areas is less than may be required.
- RPD's coordination with the Office of Civil Rights and the Office of Safety is strong overall; however, opportunities exist to improve communications on various issues and share data through enhanced tools and processes.

Focus Areas

Safety Accountability

RPD can influence Amtrak safety by proactively involving FRA's Office of Safety in specific phases of project delivery.

- RPD coordinates with the Office of Safety in the development of projects funded through other discretionary grant programs; however, communication between the Offices on projects funded by the Amtrak Annual Capital Grants is often based more on personal relationships than formally documented procedures.
- Specifically, RPD could involve the Office of Safety when reviewing Amtrak's capital projects to help ensure safety issues are addressed during Amtrak's project development in addition to inspections after a project is complete or after an accident has occurred.

Together, RPD and RSS can review Amtrak's annual capital program to identify investments that support resolving safety issues as quickly as possible.

- RPD could use Office of Safety data to identify safety issues that have resulted in reportable accidents or failed inspections that can or should be addressed through the annual capital grant program.
- RPD could also work with Amtrak to leverage the annual capital grant program to proactively invest in capital replacements and new technology that will prevent accidents (e.g., PTC, grade crossing warning detection systems) and improve safety performance.

Business Restructuring and Performance

Amtrak lacks strategic and long-term business strategies to guide the development of annual budgets and near-term planning documents.

- RPD has not obtained materials that describe Amtrak's overarching strategic direction and, therefore, struggles to validate that project procurement and management activities are aligned to a mission, goal, or objective. For example, Amtrak is in the process of purchasing fleet equipment but has not finalized a strategic plan for fleet management that identifies priorities and demonstrates the alignment of this effort to an overall strategy.
- Information from RPD's current monitoring and technical assistance efforts could help inform plan development and document progress in achieving identified strategic goals.

RPD needs to continue its focus on influencing Amtrak's performance.

- RPD collaborated closely with Amtrak on service line plans. A similar level of effort will be needed to finalize the asset line plans.
- Ultimately, the service and asset line plans must be coordinated with annual capital project investments to accurately account for and allocate Amtrak resources and support overall performance improvement.

Although Amtrak's audit results have improved over the past few years, concerns remain with Amtrak's financial management system and audit risks.

- The Amtrak accounting system could be more transparent and efficient. Currently, FRA experiences challenges understanding funding sources and tracing funding from specific grants to specific projects. This results in a disconnect between project delivery and the budgeting process.
- FRA relies largely on the Amtrak OIG to audit for fraud, waste, and abuse.

Project Planning and Execution

RPD oversight is hampered by inadequate scopes, schedules, and budgets on projects.

- RPD spends significant resources trying to obtain better definitions of project scopes, schedules, and budgets from Amtrak to determine how projects relate to the overall program mission and objectives. This would influence the oversight activities FRA provides.
- RPD staff are forced to use deliverables required by the grant agreement as a mechanism to gain insight, and sometimes RPD staff must create new requirements for deliverables

because other means of requesting project information from Amtrak have not produced the desired results.

RPD's role in Amtrak's planning process may change as detailed project data becomes available.

- RPD recognizes an opportunity to become less involved in reviewing Amtrak's project management activities and more involved in overall program performance once Amtrak adopts and implements industry standard project management standards and the Enterprise Project Management Office (EPMO) operates more effectively.

RPD needs to balance performance oversight with high-risk project specific oversight.

- RPD already deploys a risk-based methodology to identify and monitor higher risk projects; however, RPD could customize monitoring practices to better align to a project's overall risk and impact to operational performance.
- As improvement and maintenance projects (e.g., capitalized track maintenance) funded through the Amtrak annual grant program are categorized, RPD can adjust oversight resources and monitoring procedures to optimize staff time and expertise.

Institutional and Other Areas

FRA's role on the Amtrak Board is well resourced but could be more productive and substantive.

- Currently, representatives from RPD-10 and RPD-20 provide comprehensive support to RPD leadership on Amtrak Board matters.
- Staff providing support desire more time to review materials (e.g., Board packets), which would enable FRA staff to provide more informed legal and program requirements and communication materials to the Board.
- Staff involved in reviewing and preparing materials for Amtrak Board meetings would also like to receive consistent communications regarding the outcome of the meetings, especially as outcomes may relate to ongoing activities.

The level of information sharing between FRA and Amtrak is inconsistent and highly dependent on individual relationships.

- FRA staff have found that Amtrak staff with whom they have strong working relationships are more likely to provide requested information.
- FRA also noted that staff under the new Amtrak leadership are less likely to share information than under previous executives.

High-level Program Recommendations

FRA must determine how best to oversee federal investment of taxpayer funds directed to Amtrak. To maximize the benefits of the investment, FRA needs to define their role and effectively message their role to all levels of Amtrak while continuing to foster a more collaborative approach. Additionally, RPD should reassess where staff resources can make the greatest impact and truly improve Amtrak services from a performance perspective rather than solely a production perspective. Based on current resource availability and benchmarking against other similar organizations, FRA's oversight focus should be at the strategic, performance, and programmatic level of Amtrak to enable project planning and delivery.

Based on the key program findings generated from reviews of existing assessments and documentation, stakeholder interviews, and the leadership workshop, the project team developed five high-level recommendations to guide the next phase of Amtrak oversight optimization and strategy development. Each of these five recommendations has example activities and options for FRA to fulfill the recommendations. Based on RPD feedback and short-, medium-, and long-term priorities, the team will tailor, sequence, and estimate the resources to execute the necessary activities in the RPD Strategy Plan.

1) **FRA should define their Amtrak oversight roles and responsibilities and communicate them to Amtrak executives, as well as to Amtrak and FRA staff.**
   a. Develop a consistent strategy to determine how to use the Amtrak Board, grants, reauthorization, and commissions to influence and create enforcement opportunities.
   b. Take advantage of Amtrak's new CEO and leadership focus on new priorities to become the Amtrak change agent to assist in driving culture change.
   c. Prioritize FRA-Amtrak relationship development, specifically during quarterly meetings, to open lines of communication at all levels.

2) **FRA should focus on developing a performance, outcome-based approach to Amtrak oversight and monitoring.**
   a. FRA does not have the resources to monitor delivery for all Amtrak projects and instead should focus on developing programmatic technical assessment practices using the Federal Transit Administration's (FTA) biannual or triannual assessment as a benchmark to monitor Amtrak capabilities.
   b. Leverage data and project artifacts consolidated by the Amtrak EPMO.
   c. Develop a self-certification framework for the Amtrak Capital Grant activities, particularly for recurring activities and those with less defined scopes, schedules, and budgets.
   d. Develop a performance-based management strategy for service lines and asset lines.
      i. Require and assist Amtrak in aligning capital improvements to performance improvement, such as improving on-time performance within a service line.
      ii. Identify and define performance measures and targets for asset lines.
      iii. Leverage risk and complexity rating methods to prioritize in-depth project delivery oversight activities.
      iv. Identify and clarify where performance tradeoffs are appropriate or necessary to advance overall service or corporate performance, such as accepting a lower-level of train on-time performance to assist with track outage planning.

3) **FRA should align safety resources to proactively participate with Amtrak on project development and to address problem areas through focused safety-related investments.**
   a. Develop a safety strategy that crosswalks corporate safety goals and action plans. For example, develop a process to analyze reportables data and use for justification of safety improvement projects.
   b. Work with RRS to extend the RPD-RRS Coordination Plan, which covers American Recovery and Reinvestment Act (ARRA) projects.

4) **FRA should provide technical assistance to strengthen the Amtrak supporting functions and capabilities that enable effective project planning and execution.**
   a. Focus on improving Amtrak's overall data management and performance management practices.

    b. Assist Amtrak in assessing financial management system processes to ensure responsible cost accounting and audit readiness.

    c. Assist Amtrak in developing methods to increase contracting flexibility by leveraging labor agreements.

5) **FRA should build upon and institutionalize internal practices and continuous improvement efforts developed as part of the Amtrak Optimization Effort.**

    a. Continue to improve coordination efforts, tools, and data sharing across the agency.

    b. Document RPD staff roles and responsibilities within and across offices to promote consistency in interactions with Amtrak and reviews of materials.

    c. Reinforce FRA's role on the Amtrak Board and relationship with Amtrak leadership on a continuing basis.

Next Steps

The initial program assessment is an important step to understanding the current state of Amtrak oversight processes, practices, and constraints. This phase produced the data required to serve as the foundation for strategy development and resource planning. The team will validate the findings and high-level recommendations with RPD to prioritize which areas should be the focus of the strategy plan. The team will then begin to develop the five-year strategy plan to establish a cooperative, working relationship with Amtrak based on the Amtrak Optimization Effort focus areas, vision statements, and new oversight goals and objectives. The strategy will include key milestones and phasing for activities; key roles, responsibilities, and authority levels; necessary collaborative processes among RPD divisions and other FRA offices; monitoring approach recommendations; and a reporting template to brief RPD leadership on the status of the Amtrak Capital Grant oversight process, identifying key activities and governance issues.

3 TASK AREA 3: DEVELOP RPD STRATEGY PLAN

SUMMARY OF THE ASSIGNMENT

In Task 3, the project team provided a strategy for enhancing the oversight of the Amtrak capital program over the next five years. This strategy was established based on findings presented in earlier tasks and provided recommendations as to responsibilities and coordination across other RPD divisions and offices across FRA.

The strategy started with an overview of the major tasks leading up to the strategy and summarized the importance of establishing a strategy that aligns RPD's reform, oversight, and governance activities to more directly influence achievement of two high-level goals around improved safety and passenger service outcomes that maximizing public investment. The strategy then presented high-level roles and responsibilities needed across FRA offices to achieve the strategic goals. Finally, the strategy provided a five-year implementation plan that described and sequenced major activities required to enable risk-based monitoring. The team also provided more detailed implementation activities required in Year 1 of the strategy to set RPD up for success.

3.1 Redefining Programmatic and Technical Support for Amtrak Delivered August 2018

Overview

- **Background**
- **RPD Activities**
- **RPD Strategy Plan**
- **Supporting Materials**

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Background

To meet Congressional requirements and deliver the highest possible value to passengers and the American taxpayers, RPD is leading an evaluation of FRA's approach to oversight of Amtrak:

1 Initial Program Assessment » **2** RPD Strategy Plan » **3** Resource Capacity Assessment

Complete
- Document review
- Interviews with FRA staff involved in Amtrak activities
- Leadership workshop with senior RPD leadership and staff

Ongoing
- Define RPD requirements, roles, and responsibilities
- Identify critical coordination between RPD divisions and with other FRA offices
- Establish monitoring metrics and reporting templates
- Develop approach and milestones for implementation of Strategy Plan

Next Step
- Assess current RPD capacity to fulfill roles and responsibilities in the Strategy Plan
- Develop recommendations for conducting recurring assessment of resourcing needs as practices are refined

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Importance of a Strategy and Implementation Plan

To reform its Amtrak oversight and governance operations, RPD needs a clear strategy shared with and supported by RPD leadership and staff, and Amtrak management teams. RPD must also ensure there are clear strategy implementation owners to drive accountability and progress

Strategy Development & Communications

- Defines RPD's Amtrak oversight role, appropriate level of oversight, methods to hold Amtrak accountable, and maximize resources to assist Amtrak in improving performance
- Clarifies and aligns Amtrak Optimization focus areas and FY 18-20 focus areas
- Sets the foundation for a collaborative relationship with Amtrak and improved internal FRA coordination
- Socializes and generates buy-in, first within RPD and then broader FRA and Amtrak

Implementation Plan with Activity Owners

- Requires RPD leadership support and participation
- Provides a roadmap to operationalize the strategy with incremental work elements
- Defines activities, owners, and milestones to ensure accountability and progression
- Enables status reporting and the ability to focus on priority activities
- Sets clear expectations for requirements and timing of establishing agreed upon oversight roles, processes, and monitoring metrics

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Amtrak Reform – The Big Picture

RPD's Amtrak reform, oversight, and governance activities will support achievement of high-level goals by fully integrating project planning, programming, and performance management activities to enable risk-based monitoring based on trusted scope, schedule, and budget data

Two overarching goals:

Promote continuous **_safety_** improvement for the public and rail workers

Support the delivery of **_high-quality service_** by maximizing investments

Articulating these goals will clarify expected outcomes and better focus RPD staff on undertaking activities that directly relate to the achievement of these goals

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RPD Activities

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Goals Align to Focus Areas, Roles, and Responsibilities

To ensure a comprehensive understanding of RPD's Amtrak oversight and governance purpose and efforts, office-level (and eventually individual staff) roles and responsibilities must align to activities, focus areas, and goals. This strategic alignment sets the foundation for improved accountability, coordination, and risk mitigation among FRA offices

USDOT Goals			
• Safety	• Innovation	• Accountability	• Infrastructure

RPD's Amtrak Reform Goals	
• Safety	• High-Quality Service

RPD Focus Areas		
Safety Accountability	Business Restructuring & Performance	Project Planning & Execution

RPD Activities		
• Planning	• Programming	• Performance

Office Roles and Responsibilities			
• RPD-10	• RPD-20	• RPD-30	• Other FRA offices

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RPD Activities

PLANNING — Charts the path for achieving program goals and vision statements

PROGRAMMING — Allocates the resources necessary to accomplish the plan

PERFORMANCE — Executes oversight over the delivery, provides training and technical assistance, and brings innovation to ensure the plan is carried out and results are achieved

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RPD-10 Roles and Responsibilities

Grant Administration
- Grant Agreements:
  - Draft to comply with statutory & agency requirements
  - Monitor compliance with terms and conditions
- ★ Training and technical assistance to enhance compliance with grant terms and conditions

Environmental Compliance
- NEPA Compliance:
  - Responsible agency for environmental clearance
  - ★ Conduct mitigation monitoring
- ★ Training and technical assistance to enhance NEPA compliance

Project/Program Delivery
- Project Engineering & Design:
  - Verify compliance with industry & agency standards (e.g. safety)
  - Verify design will result in intended outcome
- Monitor project delivery:
  - Confirm compliance with approved designs
  - Monitor adherence to scope, schedule & budget
- ★ Coordinate with RPD-20 to validate project delivery aligns to plans

Stakeholder Engagement and Technical Assistance
- ★ Agency Point of Contact:
  - ★ Provide agency coordination support to Amtrak and project stakeholders
  - ★ Communicate progress and status to leadership and stakeholders
- ★ Training and technical assistance to enhance overall project delivery and intended outcomes

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★ Indicates new responsibility

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RPD-20 Roles and Responsibilities

Support Policy Efforts	Collaborate	Engage	Provide Technical Assistance

• Develop investment strategy to improve safety and provide high-quality service
 	
• Work to address systemic problems through policy and/or legislative changes
 	
• Lead coordination with congressional staff to implement legislation and secure required funding to achieve investment strategy goals
	• Collaborate with Amtrak on account structures and planning documents
	
	• Collaborate with RPD-10 on:
	  ★ Reviewing capital programming requests to validate they support planning documents and overall investment strategy
	  ★ Monitoring plan execution and documenting changes
	  ★ Identifying lessons learned/best practices and providing feedback to Amtrak to support updates to plans and programming strategy
		• Engage in committees where intercity passenger rail policies are discussed	★ Provide training, technical assistance, and evaluation to enhance compliance with policy and planning statutory requirements

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★ Indicates new responsibility

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RPD-30 Roles and Responsibilities

Support Research	Collaborate	Engage	Provide Technical Assistance
• Develop innovative solutions through research and development projects to improve safety and enhance the quality of passenger rail service	★ Collaborate with Amtrak on research and development projects to bring innovation ★ Support RPD-10 on project engineering and design ★ Support RPD-20 on plan reviews to verify research efforts align with FRA's investment strategy	★ Proactively engage Amtrak to identify opportunities to integrate new technologies and techniques to improving safety and service	★ Providing training, technical assistance, and evaluation to improve safety performance

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★ Indicates new responsibility

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Other FRA Office Roles and Responsibilities

RCFO	RRS	RCC	Civil Rights
• Lead monitoring responsibility for fraud, waste and abuse • Coordinate with Amtrak OIG (as needed) • Review financial audits and collaborate with RPD on findings and recommendations (as needed) ★ Provide training and technical assistance to enhance financial accounting	• Verify Amtrak's compliance with industry & agency standards (e.g. hazard analysis, system safety program) • Monitor project execution for compliance with approved designs (as requested by RPD-10) ★ Provide training and technical assistance to enhance safety compliance	• Negotiate and draft grant agreements to ensure compliance with statutory & agency requirements • Provide legal guidance to support monitoring and compliance with terms and conditions (as requested by RPD-10) ★ Provide training and technical assistance to enhance compliance with grant terms and conditions (as requested by RPD-10)	• Conduct compliance reviews and effort assessments for Title VI and ADA • Coordinate with Amtrak on Title VI and ADA requests/ complaints received from the public/stakeholders • Support RPD-20 on policies/ legislation impacting Amtrak's Title VI & ADA compliance • Support RPD-10 on project engineering & design to verify Title VI & ADA compliance ★ Provide training and technical assistance to enhance compliance with Title VI & ADA

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★ Indicates new responsibility

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RPD Strategy Plan: Oversight of Amtrak

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Keys To Successful Implementation of Strategy Plan

Clear understanding of FRA roles and responsibilities

>> Consensus and engagement from Amtrak

- Clearly defined roles and responsibilities for each office to avoid overlapping efforts
- Understanding of linkages between offices
- Established coordination and communication protocols
- Communicate roles and responsibilities to Amtrak to streamline communications

- Formal Partnership Agreement between FRA and Amtrak on monitoring metrics and reporting format
- FRA and Amtrak working off the same data and collaborating to improve data quality
- Well defined lines of communication between FRA and Amtrak offices

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5-Year Plan To Enable Risk-based Monitoring

Year 1	Year 2	Year 3	Year 4	Year 5
Define	**Collaborate**	**Expand**	**Recalibrate**	**Transform**
• **Accelerate** RPD Coordination of Planning and Programming • **Define Work Plans** and Prioritize Requirements • **Establish a Partnership Agreement** with Amtrak to Formalize Metrics and Monitoring • **Collaborate** with Amtrak (e.g., EPMO) on Project Oversight Structure and Data Requirements.	• **Collaborate** with Amtrak (e.g., EPMO) on Project Oversight Structure and Data Requirements. • **Identify** gaps of RPD Resources required to implement the agreed upon oversight structure • **Implement** Coordination Across Planning, Programming *and* Performance Monitoring • **Provide** Training and Technical Assistance in line with Work Plans	• **Expand** Planning, Programming and Performance Monitoring • **Provide** Training and Technical Assistance in line with Work Plans	• **Recalibrate** Planning, Programming and Performance Monitoring (based on lessons learned / best practices / staff feedback) • **Provide** Training and Technical Assistance in line with Work Plans	• **Mature** Planning, Programming and Performance Monitoring to Enable Risk Based Monitoring • **Provide** Training and Technical Assistance in line with Work Plans • **Revisit** Vision Statements

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Strategy Plan 5-Year Implementation Schedule

Year 1: FY '19

October November December January February March April May June July August September

September

Q1   Q2   Q3   Q4

★ **Kick-off**

Initiate efforts prior to the end of FY '18
- RPD leadership determines RPD Strategy owner and how implementation will be governed
- Communicate RPD Strategy, Governance Approach, and Office Activities & Roles to RPD staff and FRA Offices with linkages (RCC, RCFO, RRS, Civil Rights)
- Continue FRA's monthly internal Amtrak coordination meetings

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Strategy Plan 5-Year Implementation Schedule

Year 1: FY '19

Q1 (October – December)
- Division Chiefs establish Work Plans to align with annual Amtrak grant request with timelines for major milestones, technical assistance priorities, and identification of dependencies
  - Translate RPD's Focus Area Vision Statements to departmental activities
  - Evaluate availability of current resources against work plan requirements and develop a phased approach
  - Define training and technical assistance topics and needs (structured and ad-hoc)
  - Identify metrics to track progress
- Continue to monitor Amtrak discretionary program funded projects and NEC/NN high-risk projects under current procedures

Q2 (January – March)
- FRA/Amtrak leadership initiate discussions to formalize a Partnership Agreement
  - Level of project/portfolio detail provided at various stages in the planning and grant agreement lifecycle
  - Metrics and who will be accountable to FRA (e.g., EPMO)
  - Timing of planning (service/asset lines) & programming requests to allow validation of investment strategy
- Update FRA employee performance plans to reflect roles and responsibilities established in Work Plans

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Strategy Plan 5-Year Implementation Schedule

Year 1: FY '19

Q3 (April – June)

- FRA/Amtrak leadership finalize Partnership Agreement
- Communicate direction on metrics and accountability to FRA and Amtrak staff
- Begin working with Amtrak on data collection and reporting structure/procedures
- Initiate coordination of Amtrak plans with FY20 programming request

Q4 (July - September)

- Continue coordination of Amtrak plans with FY20 programming request
- Finalize approach to performance monitoring in accordance with Partnership Agreement
- Update RPD Amtrak Monitoring Plan to reflect activities and roles for RPD Offices

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Strategy Plan 5-Year Implementation Schedule

Year 2: FY '20

Q1 (October – December)

- Document resource gaps within RPD and identify activities that could be further expanded or improved if additional resources are available
- Initiate delivery of training and technical assistance program
- Begin to monitor Amtrak using procedures defined in the Partnership Agreement

Q2 (January – March)

- Finalize data collection and reporting structure/processes with Amtrak (e.g., EPMO)

Q3 (April – June)

- Initiate planning and programming coordination for FY21 request

Q4 (July - September)

- Continue planning and programming coordination for FY21 request

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Strategy Plan 5-Year Implementation Schedule
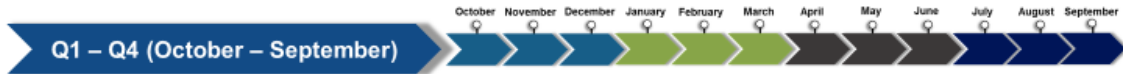
Year 5: FY '23

October | November | December | January | February | March | April | May | June | July | August | September

Q1 – Q4 (October – September)

- Conduct project specific and programmatic level monitoring using EPMO data
- Deliver training and technical assistance program

Q3 (April – June)

- Initiate planning and programming coordination for FY24 request

Q4 (July - September)

- Recalibrate Amtrak plans based on performance data
- Conduct planning and programming coordination for FY24 request
- Develop annual training and technical assistance program for following year
- Revisit Vision Statements from Amtrak Optimization Focus Areas and revise as necessary

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Supporting Materials

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RPD's Priorities and Amtrak Reform

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SAFETY • INFRASTRUCTURE • ACCOUNTABILITY • INNOVATION

The **Federal Railroad Administration's** mission is to enable the safe, reliable, and efficient movement of people and goods for a strong America, now and in the future.

FRA'S OFFICE OF RAILROAD POLICY AND DEVELOPMENT (RPD) FY 2018–2020 FOCUS AREAS

Safety Innovation	Infrastructure Investments	Amtrak Reform	Project Delivery Streamlining
Transformative research, technology development, pilot investment, regulatory reform	Grant & loan programs, public-private partnerships, regional & service planning, legislative/policy initiatives, technology deployment	Grant oversight, long-term planning, financial transparency, safety improvements	Engineering support, environmental streamlining, program and project management

Workforce Development and Stakeholder Engagement

RPD Expertise

- Recently, RPD developed five focus areas aligned to the USDOT Strategic Plan for FY 2018-2022

- These focus areas are intended to guide RPD's priorities over the next few years

- The Amtrak Reform focus area serves as a core element of the RPD Strategy for Oversight of Amtrak

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RPD's Amtrak Optimization Effort

The effort to revamp and optimize FRA's relationship with Amtrak is designed around **three primary focus areas and 5-year vision statements:**

	Safety Accountability	• Amtrak's safety record has improved to the level of Class I railroads. Amtrak is compliant with the System Safety Program regulatory regime.
	Business Restructuring & Performance	• Active agreements with Federal, State, and commuter partners are in place at all times. • Amtrak is transparent, trusted, and seen as a highly desirable partner. • There is continuous improvement in performance in each service and asset line.
	Project Planning & Execution	• All projects are identified in approved capital or business plans, support the FRA's vision and Amtrak corporate goals, and are coordinated with all applicable stakeholders. • Amtrak manages according to the five-year plans and one-year spend plans. • Projects meet or out-perform scope, schedule, and budget. • All project work meets applicable requirements, including ADA. • There is a comprehensive asset management strategy that aligns to the asset lines.

- Previously, RPD's "Amtrak Optimization Effort" identified three primary focus areas and corresponding five-year vision statements

- During the RPD leadership workshop, participants confirmed the focus areas fall under the Amtrak Reform initiative and suggested minor additions to the vision statements

- However, FRA is not able to accurately measure and truly impact these vision statements. One of the first activities in the 5-year plan will be to better define these vision statements and align performance measures and targets

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3.2 RPD Strategy Plan – Year 1 (FY '19) Implementation Details Delivered August 2018

Kickoff (prior to end of FY '18)

September 2018

Action	Deliverable	Lead Responsibility	Support Responsibility
Conduct RPD Strategy Plan kickoff meeting with RPD office chiefs	Meeting and documentation of RPD office roles and responsibilities	RPD-1	RPD-10 RPD-20 RPD-30
Designate "RPD Strategy Plan Lead"	Adjust employee performance plan to include strategy plan implementation responsibility	RPD-1	RPD-10 RPD-20 RPD-30

Conduct RPD Strategy Plan kickoff meeting with RPD office chiefs – The purpose of this meeting is to reach consensus of the office chiefs on the overall RPD Strategy Plan and RPD Vision, as well as the roles and responsibilities of RPD-10, RPD-20, and RPD-30. The office chiefs should confirm the high-level roles and responsibilities of each office are appropriate and adjust as needed. The result of the meeting should be documentation of the agreed upon roles and responsibilities of each RPD office. This meeting should also set the framework for the development of Work Plans that identify divisional activities and timeframes associated with the annual Amtrak oversight program. The office chiefs should review and discuss the structure and agenda for continuing FRA's monthly internal Amtrak coordination meetings, including using the monthly meetings to check on the progress of the Work Plans.

Designate "RPD Strategy Plan Lead" – An RPD Strategy Plan Lead should be designated to take ownership of the Strategy Plan. This individual will be responsible for implementing the plan, monitoring the progress of Work Plan activities, and following up on deliverables. The employee performance plan of the RPD Strategy Plan Lead should be adjusted to account for this effort. The employee should also work with RPD leadership to identify any additional resources necessary to successfully carry out this responsibility.

Q1 (October – December)

Action	Deliverable	Lead Responsibility	Support Responsibility
Conduct RPD Strategy Plan kickoff meeting with RPD division chiefs	Meeting and documentation of RPD division roles and responsibilities	RPD-10 RPD-20 RPD-30	RPD-11, 13, 14, 15 RPD-21, 22 RPD-31, 32, 33, 34
Develop draft Work Plans	Draft Work Plan guidance and template Draft Work Plans with specific actions, milestones, and dependencies	RPD-11, 13, 14, 15 RPD-21, 22 RPD-31, 32, 33, 34	RPD Strategy Plan Lead
Establish "Metrics Group"	Adjust employee performance plans to include responsibility for establishing metrics	RPD Strategy Plan Lead	RPD-11, 13, 14, 15 RPD-21, 22 RPD-31, 32, 33, 34

Conduct RPD Strategy Plan kickoff meeting with RPD division chiefs – The purpose of this meeting is for RPD office chiefs to communicate the agreed upon overall RPD Strategy Plan and RPD Vision to the division chiefs. This meeting should review the roles and responsibilities of each office and division as well as discuss the linkages between other offices and divisions. The meeting should gather input from divisional chiefs on adjustments to roles and responsibilities, as well as the overall RPD Strategy Plan and RPD Vision. This meeting should also set the framework for the development of divisional Work Plans. Work Plans should align specific action items and time frames with the divisional roles and responsibilities identified in the RPD Strategy Plan. Divisions should also begin to consider metrics needed to track progress.

Develop draft Work Plans – Each division should develop a draft Work Plan that aligns with the annual Amtrak oversight program and the division's roles and responsibilities. The Work Plans should support RPD's goals and Focus Area Vision Statements through targeted activities, trainings, technical assistance topics and needs (both structured and ad-hoc), and metrics tracking. Work Plans should include timelines for major milestones, technical assistance priorities, and identification of dependencies with other divisions. In addition, each division should evaluate the availability of current resources against the work plan requirements. The RPD Strategy Plan Lead will be responsible for reviewing the draft Work Plans, along with the other RPD office directors.

Establish "Metrics Group" – A Metrics Group should be established with representatives from each division. The role of this group will be to work with the divisions to establish relevant metrics to monitor Amtrak activities. The Metrics Group will ensure that each division's metrics have a clear purpose related to the division's roles and responsibilities and are in line with the program goals and vision

statements. The Metrics Group will also be responsible for participating in the coordination with Amtrak (e.g., EPMO) on the implementation of the reporting structure.

November 2018

Action	Deliverable	Lead Responsibility	Support Responsibility
Conduct follow-up meeting with RPD office directors	Meeting, documentation of finalized roles and responsibilities, comments on divisional action items	RPD Strategy Plan Lead	RPD-1 RPD-10 RPD-20 RPD-30
Develop final Work Plans	Final Work Plans with specific actions, milestones, and dependencies	RPD-11, 13, 14, 15 RPD-21, 22 RPD-31, 32, 33, 34	RPD Strategy Plan Lead RPD-10 RPD-20 RPD-30

Conduct follow-up meeting with office directors – The purpose of this meeting is to review feedback gathered from the divisional meetings and review the draft Work Plans. Work Plan activities should be reviewed for appropriateness, alignment with program goals and vision statements, and to ensure dependencies between divisions are clearly identified. In addition, office directors should review and evaluate the availability of current resources against work plan requirements and begin to develop a phased approach for aligning resources to the Work Plan.

Develop final Work Plans – Each division will finalize their Work Plan based on comments received from the RPD Strategy Plan Lead and RPD office directors.

December 2018

Action	Deliverable	Lead Responsibility	Support Responsibility
Coordination for meeting with Amtrak executives	Schedule meeting with Amtrak	RPD Strategy Plan Lead	RPD-1 RPD-10 RPD-20 RPD-30

Coordination for meeting with Amtrak executives – The RPD Strategy Plan Lead should begin coordination for meeting with Amtrak executives to set the framework for developing a formal Partnership Agreement between FRA and Amtrak. This includes scheduling the meeting with Amtrak executives proposed for March.

January 2019

Action	Deliverable	Lead Responsibility	Support Responsibility
Communicate RPD Strategy Plan to other FRA offices with linkages	Meeting and documentation of roles and responsibilities of other FRA offices (RCFO, RRS, RCC, Civil Rights)	RPD Strategy Plan Lead	RPD-1 RPD-10 RPD-20 RPD-30
Receive draft list of metrics from each division	Draft documentation of metrics from each division	Metrics Group	RPD-11, 13, 14, 15 RPD-21, 22 RPD-31, 32, 33, 34

Communicate RPD Strategy Plan to other FRA offices with linkages – The final RPD Strategy Plan should be presented by the RPD Strategy Lead to other FRA offices with linkages to Amtrak, including the Office of the Chief Financial Officer (RCFO), Office of Railroad Safety (RRS), Office of Chief Counsel (RCC), and Office of Civil Rights. Each of these other offices has roles and responsibilities related to Amtrak oversight, and it is important that these offices understand the RPD Strategy Plan and roles and responsibilities of each RPD office, as well as the roles and responsibilities of their respective office and how they fit into the overall strategy.

Receive draft list of metrics from each division – The Metrics Group should coordinate with each division to collect and compile a draft list of metrics. Each metric should clearly relate to the overarching goals of promoting continuous safety improvement for the public and rail workers and supporting the delivery of high-quality service by maximizing investments. RPD's Amtrak reform, oversight, and governance activities should support the achievement of these high-level goals by fully integrating project planning, programming, and performance management activities to enable risk-based monitoring based on trusted scope, schedule, and budget data.

February 2019

Action	Deliverable	Lead Responsibility	Support Responsibility
Review and finalize RPD metrics list	Final documentation of consolidated RPD metrics	Metrics Group	RPD Strategy Plan Lead
Prep for meeting with Amtrak executives	Draft meeting agenda and materials	RPD-1 RPD Strategy Plan Lead	RPD-10 RPD-20 RPD-30

Review and finalize RPD metrics list – The Metrics Group should review the draft list of metrics from each division and consolidate into an overall list of RPD metrics. The Metrics Group is responsible for removing duplicates and ensuring that there is a clear purpose to each metric that is in line with the overall program goals and vision statements. The Metrics Group should also identify which metrics Amtrak already provides and which metrics are new metrics.

Prep for meeting with Amtrak executives – An overall strategy should be developed for the meeting with Amtrak executives to set the framework for developing a formal Partnership Agreement between FRA and Amtrak. There should be a focus on simplifying the reporting approach and providing meaningful data. Discussions with Amtrak should include the level of project and portfolio details Amtrak should provide at various stages in the planning and grant agreement lifecycle, reporting metrics, a single accountable Amtrak office (e.g., EPMO), Amtrak's timing for planning the service and asset lines, and programming requests to allow validation of the investment strategy.

March 2019

Action	Deliverable	Lead Responsibility	Support Responsibility
Conduct meeting with Amtrak executives	Final meeting agenda and materials	RPD-1 RPD Strategy Plan Lead	RPD-10 RPD-20 RPD-30
Update employee performance plans	Revised employee performance plans	RPD-10 RPD-20 RPD-30	RPD-11, 13, 14, 15 RPD-21, 22 RPD-31, 32, 33, 34

Conduct meeting with Amtrak executives – This meeting should be used to communicate the framework for a formal Partnership Agreement between FRA and Amtrak. This meeting should explain the purpose and need for a formalized monitoring and reporting approach and review the congressional requirements. This meeting should also be used to gather feedback from Amtrak on proposed metrics, as well as potential areas where FRA could provide training and technical assistance to Amtrak. Following this meeting, discussions should continue between FRA and Amtrak on drafting the Partnership Agreement.

Update employee performance plans – RPD employee performance plans should be updated to reflect the roles and responsibilities established in the divisional Work Plans. Individual employees should be assigned responsibility for the strategy execution activities identified in the Work Plans.

Q3 (April – June)

April 2019

Action	Deliverable	Lead Responsibility	Support Responsibility
Review Amtrak FY 20 programming request for alignment with Amtrak plans	Comments for Amtrak on FY 20 programming request	RPD-10	RPD-20
Refine and finalize metrics based on feedback from Amtrak executives	Final documentation of metrics	Metrics Group	RPD-10 RPD-20 RPD-30
Initiate coordination with Amtrak office accountable for reporting metrics	Meeting with Amtrak office accountable for reporting metrics (e.g., EPMO)	RPD Strategy Plan Lead	Metrics Group

Review Amtrak FY 20 programming request for alignment with Amtrak plans – RPD-10 should coordinate with RPD-20 to review the Amtrak FY 20 programming request for alignment with the Amtrak five-year business line and asset plans. Comments and questions should be compiled and provided to Amtrak on areas where the programming request differs from the Amtrak plans.

Refine and finalize metrics based on feedback from Amtrak executives – The Metrics Group should review feedback received from Amtrak on the proposed monitoring metrics and make any necessary adjustments. The Metrics Group should develop final documentation of the metrics and provide documentation to Amtrak.

Initiate coordination with Amtrak office accountable for reporting metrics – Prior to the finalization of the Partnership Agreement, RPD should begin to build a relationship with the single accountable Amtrak office (e.g., EPMO), communicate the goals of simplifying and centralizing the reporting approach, and discuss the metrics.

May 2019

Action	Deliverable	Lead Responsibility	Support Responsibility
Develop draft Partnership Agreement with Amtrak	Draft FRA/Amtrak Partnership Agreement	RPD Strategy Plan Lead	RPD-1
Work with Amtrak (e.g., EPMO) to assess data needs and data gaps	List of data needs with gaps identified	Metrics Group	RPD-10 RPD-20 RPD-30

Develop draft Partnership Agreement with Amtrak – An FRA/Amtrak Partnership Agreement should be drafted in collaboration with Amtrak. The Partnership Agreement should clearly define the roles and responsibilities of both parties in the revised oversight and monitoring activities. The agreement should include the level of project/portfolio detail provided at various stages in the planning and grant

agreement lifecycle, metrics, who will be accountable to FRA (e.g., EPMO), Amtrak's timing for planning the service and asset lines, and programming requests to allow validation of investment strategy.

Work with Amtrak (e.g., EPMO) to assess data needs and data gaps – RPD should work with Amtrak (e.g., EPMO) to assess the data needs for each of the reporting metrics. Gaps in data should be identified and discussions should begin on potential methods of collecting this data.

June 2019

Action	Deliverable	Lead Responsibility	Support Responsibility
Finalize Partnership Agreement with Amtrak	Signed FRA/Amtrak Partnership Agreement	RPD Strategy Plan Lead	RPD-1
Develop guidance for Amtrak (e.g., EPMO) on reporting templates and procedures	Draft documentation of desired structure of reporting templates	Metrics Group	RPD-10 RPD-20 RPD-30
Develop framework for training and technical assistance	Draft documentation of training and technical assistance approach	RPD Strategy Plan Lead	RPD-10 RPD-20 RPD-30

Finalize Partnership Agreement with Amtrak – The FRA/Amtrak Partnership Agreement should be finalized and signed by both parties.

Develop guidance for Amtrak (e.g., EPMO) on reporting templates and procedures – The Metrics Group should lead the effort of developing a draft structure for reporting templates. Templates may include overall Amtrak program status reports as well as project specific status reports. The Metrics Group should engage with both Amtrak and the RPD divisions for feedback on the format of the reports. The Metrics Group should also consider procedures and the timing of reporting.

Develop framework for training and technical assistance – Based on the Partnership Agreement and the needs for training and technical assistance identified in the Work Plans, the RPD Strategy Plan Lead should work with the RPD divisions to develop the framework for implementing training and technical assistance that will drive improvements in Amtrak performance. Topics for training and technical assistance could include grant compliance, financial accounting, NEPA, engineering and design, project delivery, safety compliance, statutory requirements, and compliance with Title VI & ADA. The framework should consider both structured and ad-hoc assistance. In addition, the RPD Strategy Lead should consider the availability of resources for training and prioritization of topics for implementing training and technical assistance.

Q4 (July - September)

Action	Deliverable	Lead Responsibility	Support Responsibility
Communicate FRA/Amtrak Partnership Agreement with RPD divisions	Meetings with RPD divisions	RPD Strategy Plan Lead	RPD-10 RPD-20 RPD-30
Develop draft reporting templates	Draft mock-ups of reporting templates	Amtrak (e.g., EPMO)	Metrics Group

Communicate FRA/Amtrak Partnership Agreement with RPD divisions – The final FRA/Amtrak Partnership Agreement should be shared with all RPD staff. Each division must understand the roles and responsibilities of their division, other RPD divisions, and Amtrak.

Develop draft reporting templates – Amtrak (e.g., EPMO) should lead the effort of developing mock-up reporting templates based on direction from the Metrics Group. The draft reporting templates should be circulated to RPD divisions for feedback to insure the templates include the relevant metrics for each division to meet defined responsibilities in the Work Plans.

August 2019

Action	Deliverable	Lead Responsibility	Support Responsibility
Communicate FRA/Amtrak Partnership Agreement with other FRA offices	Meetings with other FRA offices (RCFO, RRS, RCC, Civil Rights)	RPD Strategy Plan Lead	RPD-1
Support Amtrak communication of FRA/Amtrak Partnership Agreement with Amtrak employees	Support for meetings with Amtrak employees	RPD Strategy Plan Lead	RPD-1
Review draft reporting templates	Comments on mock-ups of reporting templates	Metrics Group	RPD-10 RPD-20 RPD-30
Develop draft implementation plan for Year 2 (FY 20)	Draft documentation of implementation plan for FY 20	RPD Strategy Plan Lead	RPD-10 RPD-20 RPD-30

Communicate FRA/Amtrak Partnership Agreement with other FRA offices – The final FRA/Amtrak Partnership Agreement should be shared with FRA staff in other offices with linkages to Amtrak (RCFO, RRS, RCC, and Civil Rights). These offices must understand their roles and responsibilities to collaborate with RPD.

Support Amtrak communication of FRA/Amtrak Partnership Agreement with Amtrak employees – The final FRA/Amtrak Partnership Agreement should be shared with Amtrak employees. Amtrak employees must understand both FRA's and Amtrak's roles and responsibilities, metrics, who will be accountable to FRA, and the expectations for the timing of planning and programming requests to allow validation of investment strategy. FRA should support Amtrak in communicating the FRA/Amtrak Partnership Agreement to Amtrak employees and ensuring the information is communicated appropriately. This support may include participating in meetings with Amtrak employees and helping answer any questions.

Review draft reporting template – The Metrics Group should review the draft reporting templates developed by Amtrak (e.g., EPMO) and circulate templates to RPD divisions for feedback. Divisions should ensure that the templates include the relevant metrics for the divisions to adequately meet their defined responsibilities. The Metrics Group should compile feedback and provide comments to Amtrak.

Develop draft implementation plan for Year 2 (FY 20) – The RPD Strategy Plan Lead should assess the progress completed in Year 1 and develop a draft implementation plan for Year 2. The draft implementation plan should be shared with the RPD offices for comment.

September 2019

Action	Deliverable	Lead Responsibility	Support Responsibility
Develop final reporting templates	Final reporting templates	Amtrak (e.g., EPMO)	Metrics Group
Update RPD Amtrak Monitoring Plan	Revised RPD Amtrak Monitoring Plan	RPD Strategy Plan Lead	RPD-10 RPD-20 RPD-30
Finalize implementation plan for Year 2 (FY 20)	Final documentation of implementation plan for FY 20	RPD Strategy Plan Lead	RPD-10 RPD-20 RPD-30

Develop final reporting templates – Amtrak (e.g., EPMO) should address FRA comments and finalize the reporting templates. Amtrak, in collaboration with FRA, should continue to work on data collection to fill data gaps in reporting templates.

Update RPD Amtrak Monitoring Plan – The RPD Amtrak Monitoring Plan should be revised to reflect the updated roles and responsibilities of RPD offices, the updated oversight and monitoring activities, and the FRA/Amtrak Partnership Agreement. Personnel or external support that provide day-to-day monitoring and oversight may also support the RPD Strategy Plan Lead in updating the Monitoring Plan.

Finalize implementation plan for Year 2 (FY 20) – The implementation plan for Year 2 of the RPD Strategy Plan should be finalized. The plan should be communicated to RPD divisions as well as other offices with linkages to Amtrak.

4 TASK AREA 4: ASSESS RESOURCE CAPACITY

SUMMARY OF THE ASSIGNMENT

Under this Task Area, FRA requested a summary of risks identified from earlier phases of the project with related details about risks to the monitoring program and an assessment of RPD's capacity to execute the five-year strategy and recommendations for meeting resourcing needs. Supporting documentations included materials collected and reviewed under Task 1 – 3.

Introduction

Through the Fixing America's Surface Transportation (FAST) Act and annual Appropriations Bills, Congress has provided the Federal Railroad Administration (FRA) the oversight structure for federal funding administered to Amtrak. Overseeing such a complex organization as Amtrak requires FRA have both a clearly defined vision and the supporting processes to satisfy Congressional requirements and fulfill its financial stewardship and safety oversight responsibilities. Effective monitoring and oversight is predicated on receiving detailed and accurate project and program information from Amtrak, a shared understanding of roles and responsibilities, and empowering FRA staff with the delegated authority and decision-making rights to successfully administer the Amtrak program.

This document summarizes six significant risks that FRA's Office of Railroad Policy and Development (RPD) faces regarding Amtrak oversight and provides recommendations to implement as early as FY 2019 to mitigate these risks. While each of the six risks are discrete and must be addressed individually, many of the risks are interrelated and therefore exhibit strong dependencies amongst each other. The final section of this report identifies the resources required to successfully implement recommendations to mitigate these risks. This document assesses resources against RPD's current staffing level to identify gaps in skills or resource availability required to reduce FRA's risk in managing and overseeing Amtrak's federally funded program.

Summary of Amtrak Program Oversight Risk Areas for RPD

1) **FRA-Amtrak Relationship:** FRA lacks clearly defined, and legally reinforced, roles and responsibilities that articulate its authority and expectations for monitoring and overseeing federal investments in Amtrak's capital projects. This lack of definition for the FRA-Amtrak relationship limits the effectiveness and efficiency of FRA to administer, oversee, and enforce its grant agreement terms and conditions and ensure the realization of public benefits.

2) **Program Requirements:** FRA's lack of documented requirements and established processes for oversight of Amtrak capital projects results in inconsistent direction from FRA staff to Amtrak regarding their requirements. Consequentially, this results in inconsistent practices and deliverables FRA receives from Amtrak. Staff at both FRA and Amtrak are challenged by the ambiguity in statutory reporting requirements, reporting requirements included in grant language or funding obligations, and reporting requirements that support effective management oversight of federally funded projects.

3) **Accountability:** The statutory requirement to advance funding to Amtrak inhibits FRA's ability to hold Amtrak accountable and to fully enforce the grant terms and conditions and program requirements. Amtrak lacks the incentive to deliver capital projects within clearly defined scopes,

schedules, and budgets because of FRA's limited ability to withhold payment if Amtrak does not provide sufficient project management documentation.

4) **Fraud, Waste, and Abuse:** FRA lacks an established procedure to monitor or verify Amtrak's spending of federal funding. The FRA's ability to identify fraud, waste, and abuse is further hindered by Amtrak's historical challenges developing accurate cost estimates and monitoring and controlling project expenditures.

5) **Safety Accountability:** FRA's RPD and Office of Safety lack a coordinated approach to determine whether Amtrak is making appropriate investments that will address and improve Amtrak's overall safety.

6) **Scalability of Risk-Based Oversight Program:** RPD's management oversight of Amtrak's annual grant program is challenged by the size, complexity, and variety of projects within the Amtrak enterprise portfolio. It is vital that RPD establish an effective oversight program that can adjust to changes in the Amtrak portfolio and allocate monitoring and technical assistance resources across programs and projects in a manner that mitigates risks and supports improved outcomes.

4.1 Part 1: Risk Areas and Recommendations

A recent research effort identified six significant risk areas regarding FRA's oversight of federal investments in Amtrak's capital program. The following sections discuss each of the risk areas in more detail. These risk areas are not intended to provide an exhaustive list of all risks to which FRA is vulnerable. Rather, they identify the most significant risks upon which FRA should focus its mitigation efforts. This document then provides recommendations that will enable FRA to mitigate these identified risks.

Risk Area #1 – FRA-Amtrak Relationship

FRA lacks clearly defined, and legally reinforced, roles and responsibilities that articulate its authority and expectations for monitoring and overseeing federal investments in Amtrak's capital projects. FRA's relationship with Amtrak is complex; FRA serves as Amtrak's regulator, grantor, financier, owner, board member, mediator, reformer, and provider of permits.[1] This complex relationship often creates confusion for Amtrak on FRA's role and level of authority. This lack of defined authority can result in time intensive negotiations over various FRA requests for data or information. FRA and Amtrak must fully understand and agree upon FRA's defined roles and responsibilities to improve FRA staff's effectiveness and efficiency in administering, overseeing, and enforcing the grant agreement terms and conditions and, therefore, delivering results from federal investments.

Related risk areas and concerns regarding the FRA-Amtrak relationship include the following:

- Without clear lines of communication and authority between FRA and Amtrak, Amtrak staff communicate with multiple points of contact within FRA. This is problematic because the various FRA stakeholders may communicate different requirements and priorities to Amtrak, leading to further confusion and lack of direction. Additionally, when FRA requests data and information, Amtrak may engage with multiple FRA points of contact to secure a desired answer or outcome.
- Lack of a defined process for communication and coordination between FRA and Amtrak may cause delays achieving Amtrak's project milestones. Establishing clearly-defined communication channels will help identify potential causes of delay earlier in the project lifecycle and provide more opportunity for Amtrak and FRA to collaborate and address these delays.
- FRA may experience delays providing Amtrak project approvals due to the uncertainty of approval authority and the desire to include multiple FRA stakeholders in the approval process when authority is unclear.
- Uncertainty in roles and responsibilities and level of collaboration between FRA and Amtrak throughout the project planning lifecycle can result in ineffective project and program development and execution.

SUPPORTING DOCUMENTATION

Several audit reports highlight other federal agencies that face similar risks. Recommendations from these Government Accountability Office (GAO) and Offices of Inspector Generals' (OIG) reports may provide FRA further insights into these challenges and potential mitigation strategies.

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[1] Federal Railroad Administration. FRA's Relationships to Amtrak, internal FRA RPD presentation, 2017.

- **Homeland Security: Clearer Roles and Responsibilities for the Office of Strategy, Policy, and Plans and Workforce Planning Would Enhance Its Effectiveness (GAO, 2018).**[2] The Department of Homeland Security's Office of Strategy, Policy and Plans (PLCY) restructured its organization based on implementing crosscutting strategies department-wide. Like FRA, PLCY administers a statutory required program but also incorporates non-statutory required program activities. These non-statutory required program activities depend on the support of other divisions within DHS to successfully fulfill program and mission requirements. FRA can incorporate GAO's industry recommended best practices to document roles, responsibilities, and delegated authority to mitigate confusion and clarify expectations within relationships and for improved performance.

- **Emergency Transportation Relief: Agencies Could Improve Collaboration Begun During Hurricane Sandy Response (GAO, 2014).**[3] Following Hurricane Sandy, the Department of Transportation and Homeland Security's Federal Transit Administration (FTA) and Federal Emergency Management Agency (FEMA) administered federal assistance in emergency relief funds to transit agencies through the Public Transportation Emergency Relief Program and Public Assistance and Hazard Mitigation Program, respectively. While the mission objectives of each program are similar, the program requirements, congressional funding appropriations, and decision makers were not the same. Furthermore, criteria for what recipient transit agencies could utilize relief funds for also differed.

  In calendar year 2013, FTA and FEMA signed a memorandum of agreement (MOA) that outlined their coordination approach; however, GAO found that the MOA did not delineate, nor clearly define, roles and responsibilities during times of emergency. This lack of clarity is due to their limited authority establishing such policies, due to their statutory makeup. GAO recommended that FTA and FEMA put additional effort into establishing collaborative efforts, such as implementing a communications program and informal protocols during times of emergency. "We have found that by working together to define roles and responsibilities in collaborative efforts, federal agencies can clarify understanding about who will do what, organize their joint and individual efforts, and facilitate decision making" (pg. 28). This report supports the importance of establishing formal and informal agreements, protocols, and roles and responsibilities, despite challenges and limitations agencies, to strengthen program oversight. This may be especially significant to FRA and Amtrak when faced with future disasters.

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[2] Government Accountability Office, *Homeland Security: Clearer Roles and Responsibilities for the Office of Strategy, Policy, and Plans and Workforce Planning Would Enhance Its Effectiveness,* September 2018*, available from https://www.gao.gov/products/GAO-18-590.

[3] Government Accountability Office, Report to the Chairman, Subcommittee on Transportation, Housing and Urban Development, and Related Agencies, Committee on Appropriations, House of Representatives, *Emergency Transportation Relief: Agencies Could Improve Collaboration Begun during Hurricane Sandy Response,* May 2014, available from https://www.gao.gov/products/GAO-14-512.

- **Federal Highways Stewardship and Oversight Agreements with State Division Offices.**[4]
The Department of Transportation's (DOT) Federal Highways Administration (FHWA) maintains Stewardship and Oversight (S&O) Agreements with State agencies to document roles and responsibilities, expectations of processes to which to adhere, identification of high risk areas, and reporting requirements. These S&O Agreements may serve as a template for FRA to use with Amtrak to document and formalize roles and responsibilities.

RECOMMENDATIONS TO MITIGATE RISK

1) **Further define FRA's statutory and administrative roles and responsibilities** and communicate these roles to all levels within the Amtrak organization. Communications with the Amtrak Board through managers and project teams will help FRA achieve buy-in and understanding of roles and responsibilities. Documentation of roles and responsibilities should specify FRA's role in oversight and level of involvement both programmatically and at the project level.

2) **Establish an FRA-Amtrak Partnership Agreement** to formalize the roles and responsibilities described in the above recommendation. A partnership agreement provides a structure to formalize and streamline FRA and Amtrak interactions. At a minimum, the agreement should address the following:
   - Define the roles and responsibilities of both parties in RPD's oversight and monitoring program for the annual grant program and other program management responsibilities RPD wishes to address. The agreement should also provide guidance on standard operating procedures.
   - Define program- and project-level reporting requirements and procedures to measure progress and identify challenges at the various stages in the planning and grant agreement lifecycle. The reporting requirements and procedures should include identification of metrics, data needs and parties responsible for data collection. FRA should revise the Annual Capital Grant Agreement to reflect any changes.
   - Identify points of contact to be accountable to RPD for reporting, such as Amtrak's Enterprise Project Management Office (EPMO).
   - Define a schedule for the development and review of program plans (e.g., Service Line Plans, Asset Line Plans) and the Annual Capital Grant Request. This should include guidance from RPD on review times to ensure that Amtrak's request supports program goals and objectives.

3) **Develop strategies to ensure compliance with the Partnership Agreement,** including routine reporting to the Amtrak Board, obtaining Congressional authority, as needed, through Annual Appropriations and Reauthorization Bills, and partnering with such stakeholders as the Northeast Corridor Commission.

Risk Area #2 – Program Requirements

There is often ambiguity between Amtrak's reporting requirements specified by law, requirements that are part of the grant or funding obligation, and those that support effective project management and oversight. The lack of clearly defined and documented requirements results in inconsistent guidance

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[4] Federal Highways Administration, *Stewardship and Oversight Agreement on Project Assumption and Program Oversight by and between Federal Highway Administration, _____ Division and the State of _____ Department of Transportation,* February 2015, available from
https://www.fhwa.dot.gov/federalaid/stewardship/1502template.pdf

FRA provides Amtrak. This leads to confusion and results in an environment where Amtrak regularly challenges FRA's actions and guidance.

Related risk areas and concerns regarding the lack of clearly documented program requirements include the following:

- RPD spends significant resources trying to obtain project scopes, schedules, and budgets from Amtrak but does not provide specific requirements for the levels of detail Amtrak should provide. In turn, Amtrak does not provide FRA the levels of project detail RPD requires, leading to the inability for RPD to effectively monitor scope creep, cost overruns, and wasted resources. Receiving clearly defined scope, schedule and budget documents, and actionable progress reports would enable RPD to focus more time on reviewing reporting metrics, identifying risks, and providing technical assistance to Amtrak to mitigate identified risks.
- A lack of clearly defined roles and responsibilities between FRA offices and divisions leads to weakened inter-office coordination over monitoring activities. This may result in duplicative efforts or gaps by various FRA offices and mixed messages to Amtrak.
- As a program management office, RPD lacks a single point of contact to manage program or project-related information requests from Amtrak. As a result, multiple departments within RPD may ask Amtrak for the same information in different formats. This results in Amtrak providing information in different reports or at different times to satisfy multiple reporting requirements, which requires additional time and expense.
- Without monitoring metrics and trusted data that are clearly defined, RPD cannot effectively compare Amtrak project execution to industry best practices and productivity standards.

SUPPORTING DOCUMENTATION

- **Rail Grant Oversight: Greater Adherence to Leading Practices Needed to Improve Grants Management (GAO, 2016).**[5] Congress requested GAO analyze FRA's oversight of the equipment procurement projects that adhere to Section 305 of the Passenger Rail Improvement Act of 2008 (PRIIA). GAO also reviewed the extent to which FRA implemented best grants management practices into monitoring and oversight procedures. GAO found that, while FRA developed internal written guidance documents to maintain organizational knowledge and promote consistency and accountability, FRA lacked external, public-facing guidance documents for grantees and stakeholders. As an industry-wide best practice, stakeholders' guidance documents are intended to provide clarity of the grant management lifecycle, define expectations, processes, milestones, and roles and responsibilities. Currently, FRA provides more guidance for single-use grants than for Amtrak's annual grant program.

  GAO also recommended that FRA establish a process for identifying, tracking, and fulfilling project goals. Without an Amtrak compliance tracker at the project or program level, FRA cannot optimally analyze data to improve project, program, and policy decisions.

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[5] Government Accountability Office, Report to Congressional Requesters, *Rail Grant Oversight: Greater Adherence to Leading Practices Needed to Improve Grants Management,* May 2016, available from https://www.gao.gov/products/GAO-16-544.

- **Rail Transit: Federal Transit Administration Can Strengthen Safety Oversight by Improving Guidance to States (GAO, 2018).**[6] Recently, GAO reviewed the DOT's rail safety oversight practices by examining the oversight practices of FRA and FTA. One of GAO's findings was consistent with the DOT's Office of Inspector General: FTA accepted safety requirements States mandated of themselves. Many FTA safety standards were not federally determined or mandated. The OIG deemed such voluntary safety standards as "unenforceable" (25).

  The lack of guidance and defined expectations impairs the effectiveness of State agencies in their ability to develop effective inspection programs. This observation might suggest that FRA should consider as part of its oversight program what its requirements, processes, and expectations are and document them. This could avoid future risks as the OIG has determined that undocumented or unmandated requirements cannot be enforced. Clearly defined program requirements and expectations support Amtrak's ability to manage their programs more effectively.

RECOMMENDATIONS TO MITIGATE RISK

1) **Clearly identify RPD program reporting requirements and data criteria** for program and project oversight components.

2) **Align project development activities to FRA and Amtrak program goals.** To achieve this, FRA should develop a performance management structure that allows project and grant managers to collect and assess consistent verifiable data that can be used to determine project development performance against stated program goals and mission objectives.

3) **Develop guidance documents to encourage use of standardized reporting tools and templates** that provide the required information to satisfy project oversight reporting requirements. FRA should require Amtrak's reporting documentation include all requested data elements (e.g., actual costs) and that Amtrak provide FRA access to supporting documentation in real time, as needed. Amtrak's reporting systems and back-up documentation capabilities should be consistent with those utilized by other Class 1 railroads.

4) **Provide technical training to FRA staff and support contractors** to improve and maintain monitoring and oversight processes with current best management practices from institutions such as Project Management Institute (PMI), International Council of Systems Engineering (INCOSE), and Association of American Railroads.

5) **Provide technical assistance and training** to Amtrak on all aspects and disciplines of project development and execution. For example, FRA should provide technical assistance on grant management, development of conceptual and preliminary engineering project drawings, and compliance with safety regulations.

Risk Area #3 – Accountability

Advanced funding disrupts FRA's ability to hold Amtrak accountable and enforce grant terms and conditions and program requirements. Consequentially, Amtrak has limited incentive to deliver capital

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[6] Government Accountability Office, Report to Congressional Requesters, *Rail Transit: Federal Transit Administration Can Strengthen Safety Oversight by Improving Guidance to States,* March 2018, available from https://www.gao.gov/products/GAO-18-310.

projects within designated scope, schedule, and budget, nor does it have incentive to provide FRA required reporting documentation.

The FAST Act requires Amtrak provide routine financial and performance reports, such as the Monthly Consolidated Sources and Uses Statement or the Quarterly Federal Financial Report. The FAST Act also requires Amtrak develop Service and Asset Line Plans for the National Network and Northeast Corridor. Delivering the performance plans and reports alone is not sufficient. To fulfill its oversight function, it is imperative that FRA has a means to hold Amtrak accountable for carrying out an annual work program that aligns to strategic investment goals and performance metrics provided in the prior year's Service and Asset Line Plans.

Related risk areas and concerns regarding accountability include the following:

- Currently, RPD does not have the ability to apply consequences for Amtrak's failure to effectively plan and estimate projects or provide RPD with requested reporting and documentation.
- With the information FRA receives today, FRA is challenged providing a comprehensive understanding of Amtrak's capital planning process to Congress and demonstrating that Amtrak meets statutory requirements and programmatic goals and objectives.
- Due to limitations in Amtrak's data, RPD is unable to compare Amtrak performance and cost metrics in project development and execution to industry standards.

SUPPORTING DOCUMENTATION

- **Asset Management: Better Schedules, Cost Estimates and Project Management Could Help Mitigate Risks to Washington Union Station Projects (Amtrak OIG, 2018).**[7] The Amtrak OIG found general project management weaknesses, such as outdated and unsupported cost estimates, project schedules without planned work activities, the lack of risk mitigation strategies, and the lack of a "shared understanding with stakeholders in the purpose, objectives, deliverables, and expected benefits." The OIG recommends the utilization of the Amtrak EPMO to mitigate these risks by developing an integrated master schedule, well-supported cost estimates, and risk mitigation plans. RPD can leverage the EPMO to gather data on Amtrak's project performance.

RECOMMENDATIONS TO MITIGATE RISK

1) **Determine the tools FRA possesses to enforce compliance with statutory and program requirements**. The Fast Act, for example, charges FRA with funding predetermined amounts of money to Amtrak on a scheduled basis, regardless of Amtrak's spending patterns.[8] However, the FAST Act does not delineate mechanisms for which FRA can withhold or withdraw funding from Amtrak if Amtrak does not comply with grant or program terms and conditions.

2) **Collaborate with Amtrak to document how Amtrak utilizes data to develop a capital plan.** FRA must understand how Amtrak utilizes available data to generate a capital investment plan, as well as how Amtrak prioritizes projects to meet the funding levels available and program goals provided in

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[7] Amtrak Office of Inspector General, *Asset Management: Better Schedules, Cost Estimates and Project Management Could Help Mitigate Risks to Washington Union Station Projects* 2018, available from https://www.amtrakoig.gov/sites/default/files/reports/OIG-A-2018-008%20-%20Washington%20Union%20Station%20Projects%20%28REDACTED%29.pdf.
[8] Fixing America's Surface Transportation Act of 2015 (FAST Act), Section 11101. Authorization of Grants to Amtrak.

documents such as the Asset Line Plans. This is critical for FRA to ensure that Amtrak's program is adequately addressing the needs of its assets and can accomplish the planned projects within the time limits of the funding.

Currently, FRA lacks the resources to monitor whether Amtrak's data collection and asset performance processes generate the data needed to drive the program development and project prioritization process. Furthermore, Amtrak's performance in the High Speed Intercity Passenger Rail (HSIPR) program demonstrates that Amtrak often fails to include all scope items in the project estimates or provide cost information that reflects reasonable production rates and workforce assignments.

3) **Use existing data to assess Amtrak's productivity and conduct comparisons with other grantees or industry averages to help track improvements.** FRA requires a high degree of confidence that Amtrak is effectively executing its capital plan and all additional projects that receive federal funding. RPD currently lacks the data and resources to monitor whether Amtrak is executing the annual program according to plan and achieving expected results.

Productivity metrics available to FRA during the HSIPR process suggest that Amtrak production rates and costs are not aligned with industry standards. For example, production rates have shown to be significantly less, and unit costs have been significantly higher than industry norms. Gang consists also tend to have more personnel than necessary to execute project tasks. However, experiences also show that when Amtrak implements effective project and risk management processes, such as the Acela Express 2021 (AE2021) trainset procurement, Amtrak can achieve positive project outcomes. By collecting and presenting data about Amtrak's performance, FRA will be empowered to perform effective oversight and promote accountability.

4) **Collaborate with Amtrak on the utilization of industry-accepted financial management systems and project management methodology and systems.** FRA should continue to partner with the Amtrak EPMO to develop the project management tools for establishing and maintaining schedules and cost estimates. Additionally, FRA should also remain engaged in helping Amtrak implement a comprehensive financial management system that produces sound financial reports.

5) **Develop standard operating procedures.** It is critical for FRA to document RPD's and individuals' roles and responsibilities and processes for reviewing and approving Amtrak's required reports. Documentation helps minimize delays or changes in reporting requirements due to staff turnover. After documenting standard operating procedures for reviewing and approving Amtrak's required reports, FRA should next document the process by which staff monitor and report performance gaps and areas of non-compliance and institute and monitor corrective action reports.

Risk Area #4 – Fraud, Waste, and Abuse

FRA is responsible for the awareness, identification, and notification of any potential fraud, waste, and abuse of federal funds. However, without accurate and consistent financial and performance reports, FRA is challenged with verifying Amtrak's appropriate use of public funding. Improved methods to identify and report fraud, waste, and abuse can serve as a deterrent and improve FRA's credibility for overseeing the public investment in Amtrak.

- **FRA Improved Its Guidance on High Speed Rail Grant Agreements, but Policies and Procedures for Amending and Monitoring Grants Remain Incomplete (DOT OIG, 2015).**[9] The DOT's Office of Inspector General (OIG) found that FRA's Grants Management Manual did not require staff to report fraud, waste, and abuse to the OIG. Following this finding, FRA immediately added procedures in its grants management manual. FRA must maintain and build on this recommendation to safeguard its internal controls and mitigate risk of incorrect use of federal funds for all grants it administers.

RECOMMENDATIONS TO MITIGATE RISK

1) **Continue to conduct annual fraud, waste, and abuse training** for all employees involved in the oversight of Amtrak. FRA should provide guidance on ways to identify potential concerns and how best to verify and report these concerns.

2) **Create standardized reporting templates and require well-supported cost estimating and reporting methodologies** to improve Amtrak's production of consistent, traceable data.

Risk Area #5 – Safety Accountability

Under current practices, FRA is limited in its ability to verify that Amtrak is making the appropriate investment to address and improve safety. FRA would benefit from a deeper understanding of the alignment between Amtrak's project investments and its desired safety improvements.

SUPPORTING DOCUMENTATION

- **Best Practices for Improving Oversight of State Highway Safety Programs (DOT OIG, 2008).**[10] The DOT OIG reviewed National Highway Traffic Safety Administration's (NHTSA) oversight of state highway safety programs and identified areas of insufficiency in NHTSA's annual program review of States' performance against specified goals and objectives. Such weaknesses made it difficult for NHTSA to comprehensively assess whether States were on course to meet their safety goals. Specifically, NHTSA did not (1) ensure that the States consistently measured performance, (2) assess States' reporting of performance trends, and (3) analyze States' long-term progress in meeting safety goals. The recommendations to NHTSA in this report are applicable to FRA, specifically that the use of consistently reported metrics may help improve oversight and monitor performance against safety goals. With this additional data, FRA can adequately perform analyses and develop conclusions on the appropriateness of Amtrak's investments and the extent to which these investments are achieving safety improvements.

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[9] Department of Transportation Office of Inspector General, Audit Requested by the Chairman of the House Transportation and Infrastructure, Subcommittee on Railroads, Pipelines, and Hazardous Materials, *FRA Improved Its Guidance on High Speed Rail Grant Agreements, but Policies and Procedures for Amending and Monitoring Grants Remain Incomplete*, April 2015, available from https://www.oig.dot.gov/library-item/32447.
[10] Department of Transportation Office of Inspector General, *Best Practices for Improving Oversight of State Highway Safety Programs,* March 2008, available from https://www.oig.dot.gov/sites/default/files/508_NHTSA_Final_March_25_Ready_for_Issue_%282%29.pdf.

- **Improvements in FTA's Safety Oversight Policies and Procedures Could Strengthen Program Implementation and Address Persistent Challenges (DOT OIG, 2016).**[11] The DOT OIG recommended data collection on the categories of measures selected—fatalities, injuries, safety events, and system reliability— are intended to provide a "state of the industry" high-level measure and focus transit agencies on developing specific and measurable targets relevant to their operations. FRA can identify a set of data that is comparable across operators.

- **FRA Has Taken Steps to Improve Safety Data Reporting but Lacks Standard Procedures and Training for Compliance Audits (DOT OIG, 2017).**[12] The DOT OIG recommended that FRA update reporting guidance to foster shared understanding of definition of terms, as well as aid in agencies' and grantees' abilities to become more efficient and accurate in the data provided on various types of accidents and incidents. Collecting consistent data from multiple grantees, including Amtrak, will help inform FRA's future decisions on investments to improve rail safety.

- **Amtrak Makes Financial Gains but Safety Issues Persist (Washington Post, 2018).**[13] The Washington Post recently reported that, according to the National Transportation Safety Board (NTSB), Amtrak's "weak safety culture" played a role in several crashes and derailments. FRA plays an important role in helping assess whether Amtrak is investing appropriately in a range of projects, such as State of Good Repair (SOGR) work and Positive Train Control (PTC), to improve safety for passengers and Amtrak staff across the network.

RECOMMENDATIONS TO MITIGATE RISK

1) **Establish touchpoints between Amtrak and FRA's Office of Railroad Safety.** As discussed in the first risk area, FRA must clearly define the relationships and roles and responsibilities of across its departments. The program and project development financial and oversight responsibilities currently fall under RPD jurisdiction. Program and individual project development elements, however, often require specific interaction and approvals by FRA's Office of Safety. FRA's dual role as a safety regulator and overseer of project investments requires that interaction must be clearly defined and articulated and placed as milestones at the appropriate points in the project to avoid confusion.

2) **Define the evaluation criteria** FRA should assess Amtrak's approach to identifying and defining efforts that impact safety considerations, prioritizing investments in safety, and tracking safety performance. FRA should determine which data elements are most critical to collect and monitor for compliance within the program requirements (e.g., incident location, slow orders, injuries/fatalities).

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[11] Department of Transportation Office of Inspector General, *Improvements in FTA's Safety Oversight Policies and Procedures Could Strengthen Program Implementation and Address Persistent Challenges,* November 2016, available from https://www.oig.dot.gov/sites/default/files/FTA%20Safety%20Oversight%20Final%20Report%5E11-02-2016.pdf.

[12] Department of Transportation Office of Inspector General, *FRA Has Taken Steps To Improve Safety Data Reporting, but Lacks Standard Procedures and Training for Compliance Audits*, March 2017, available from https://www.oig.dot.gov/sites/default/files/FRA%20Safety%20Data%20Report%5EMay%203%202017.pdf.

[13] Washington Post article, *Amtrak Makes Financial Gains but Safety Issues Persist,* October 2018, available from https://www.washingtonpost.com/local/trafficandcommuting/amtrak-makes-financial-gains-but-safety-issues-persist/2018/10/01/888a0ade-c590-11e8-b1ed-1d2d65b86d0c_story.html?utm_term=.65cedae350b8.

3) **Improve Amtrak's accountability for safety during the development of Amtrak's annual capital request and throughout project lifecycle phases.** FRA should determine those points during the project development and selection process where it is most appropriate to review projects' anticipated safety improvements. FRA should also clarify whether it will accept Amtrak's safety assessment and project selection approach or whether it will develop and communicate a different approach to evaluating and assessing Amtrak's annual plan and intended safety improvements.

Risk Area #6 – Scalability of Risk-Based Program Oversight

FRA manages much of the Amtrak portfolio of projects with a "one-project-size fits all" approach, while a select few projects require a more concentrated FRA presence. However, currently FRA does not apply a consistent approach to determine which Amtrak investments require greater oversight and support. The current program oversight structure does not formally consider the differing monitoring and oversight risk mitigation needs that major projects require, compared to the needs of more routine projects. Major projects are those that yield greater risks due to greater complexity and consequence. Over the past three years, Amtrak has shifted many of its internal priorities, due to changes in leadership and project management philosophies. It is imperative that FRA can quickly adjust its monitoring practices as Amtrak's priorities and portfolio changes, while maintaining the level of oversight required to support successful project delivery.

SUPPORTING DOCUMENTATION

- **Megaprojects – They are a Different Breed (FHWA, 2004).**[14] The FHWA offers guidance and lessons-learned for project managers of mega-transportation projects. Project managers must be able to adapt to the unknown problem that arises, manage the project and its risks including stakeholders in such a way as to know that the project cannot be abandoned, and manage public expectations, as some members of the public look to assess the competence of the manager and make consequential decisions based on perceived competency. Other unique risks to mega-transportation projects include complex procurement contracting, controversy, time, scope creep, urban setting, human and environmental impacts, risk, and uncertainty.

  Amtrak's portfolio includes several major projects with budgets of at least $500 million, projects of great public and political interest, and projects whose risks carry great consequences if not mitigated correctly. Managing these projects through a "public journey" requires keen awareness of the risk impacts, more senior project level-staff, and oversight staff with the experience and skill sets to understand the nuances of the project at hand and understand what is required for standard and routine capital maintenance projects.

- **Large Project Management and Oversight (FHWA, 2003).**[15] At the time of this report, FHWA was in the process of reorganizing its project management and oversight team of larger capital projects from a traditional engineering focus to a multi-disciplinary team construct. The USDOT IG found that the traditional engineering approach was not as effective and inhibited the evaluation of States'

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[14] Department of Transportation Federal Highway Administration, *Megaprojects – They are a Different Breed,* July 2004, available from https://www.fhwa.dot.gov/publications/publicroads/04jul/01.cfm.
[15] Department of Transportation Federal Highway Administration, Report to the Senate Subcommittee on Transportation, Treasury and General Government, the House Subcommittee on Transportation, Treasury and Independent Agencies, *Large Project Management and Oversight,* May 2003, available from https://www.fhwa.dot.gov/majorprojects/pmp/largeproject.pdf.

project development performance, such as cost controls and scheduling. The report includes recommendations that FHWA refocus shaping its workforce to improve monitoring and oversight of larger projects. Included in its recommendation, the conferees suggest collaborating with States' in the development of project management plans, the recruitment of staff with "private sector management skills, such as financing and cost estimation; streamlining and delegation of project-level approvals to facilitate greater emphasis upon oversight of higher-level management and financial issues; and implementation of a planned data collection system for trend analysis." This report is relatable to FRA, as FRA should determine the skill sets and levels of expertise necessary to provide effective monitoring and oversight for the varying levels of complexity of projects within Amtrak's portfolio.

RECOMMENDATIONS TO MITIGATE RISK

1) **Tailor oversight to areas that pose the greatest risk, as major projects are exposed to potentially greater risk.** FRA should address these areas of highest risk or address as many risk areas they would like to provide monitoring and oversight, and then FRA should prioritize these areas and tailor the levels of oversight. In addition to project size, scope, schedule, and budget, other risks that accompany major projects include complexity, aggressiveness of schedule, number of stakeholders, number of permits, political climate, and consequences of the project development lifecycle, complex procurement contracting, controversy, scope creep, urban setting, human and environmental impacts, risk, and uncertainty.

2) **Assess the risk of Amtrak's capital maintenance programs and mega-projects.** FRA should gain a better understanding in Amtrak's capital planning process and methodology for prioritizing which mega-projects or maintenance program projects Amtrak plans to undertake in the upcoming fiscal year. To accomplish this, FRA should evaluate the time and cost per metric, compare Amtrak's estimates to industry standards, categorize projects based on complexity or level of effort required to manage them, and determine threshold cost and schedule estimates above which programs may pose a high risk.

3) **Determine and adjust staffing levels based on quantity and complexity of projects within portfolio.** FRA should structure teams to reflect the subject matter expertise and special functional knowledge needed to perform oversight and mitigate risk based on the type of project or program FRA is monitoring, such as construction or rehabilitation, vehicle procurement, etc. (Please refer to Part 2. Resource Requirements for more information).

4.2 Part 2: Resource Requirements

FRA RPD's resource needs can be categorized into three different categories of monitoring and oversight that require different levels of effort and specialized skillsets. They are: (1) continuation with routine oversight of capital maintenance program; (2) specialized monitoring and oversight of complex mega-projects; and (3) execution of the RPD Amtrak Oversight Strategy. In the near term, FRA should continue the current scope of its monitoring and oversight program of Amtrak's capital program. However, FRA will not achieve significant improvements until it obtains more robust real-time data from Amtrak and is able to hold Amtrak accountable for cost effective project development and delivery. FRA needs to perform higher levels of oversight on the FRA funded projects and programs in Amtrak's portfolio until it

gains a high level of confidence in Amtrak's ability to cost effectively plan and execute its plan in line with accepted industry norms and provide FRA with required reporting in a timely fashion.

1. Continued Monitoring and Oversight of Routine and/or Capital Maintenance Projects

Over the past few years, FRA has successfully established routine monitoring and oversight practices for Amtrak's capital improvement and maintenance programs and projects. FRA has organized these practices into three primary areas: coordination and collaboration, grants management support, and monitoring activities. The objectives include verifying that all projects identified in the capital or business plans support the FRA's vision and Amtrak's corporate goals, efforts are coordinated with all applicable stakeholders, public funds are spent effectively, and regulatory requirements are met.

Table 1. FRA's Three Primary Areas of Oversight for Amtrak Capital Projects

Coordination & Collaboration	Grants Management Support	Monitoring Activities
✓ **Quarterly Meetings** review financial and programmatic standing of Amtrak's portfolio of programs and projects. Meetings are intended to improve project delivery and promote dialogue between FRA and Amtrak. ✓ **PMO Discussions** occur regularly between FRA and Amtrak's Department PMOs and the Enterprise PMO to increase awareness of Amtrak's project management initiatives. ✓ **Working Groups** promote coordination and collaboration on specific topics of importance to FRA and Amtrak. ✓ **Project Management and Environmental Assistance** to support FRA's monitoring and oversight of specific Amtrak projects and initiatives.	✓ **Amtrak Grants Administration Improvement** activities aim to integrate grants management practices with existing regulatory requirements and best practices. Current initiatives include developing a Passenger Liaison Mailbox SOP and documenting the review process for recurring Amtrak deliverables to streamline FRA review timelines. ✓ **Reprogramming** activities include the reprogramming review process, standardization of reprogramming processes, maintenance of a database of requests, and analysis of request trends.	✓ **Scheduled Monitoring** is a review of Amtrak's projects funded by the Capital Grant Program to enhance project delivery. Scheduled Monitoring includes a desktop review and site visit. ✓ **Corporate Monitoring** is a review of Amtrak's corporate-level activities in support of grant compliance. ✓ **Targeted Reviews** are detailed reviews of specific projects or general research on organizational issues impacting Amtrak's project delivery and are performed on an as-needed basis.

FRA has generally utilized a combination of internal staff and contractors for monitoring and oversight efforts. However, many of these individuals also have oversight responsibility for projects funded by programs such as HSIPR and TIGER, as well as involvement in on-going mega-projects and are not fully dedicated to monitoring Amtrak's annual capital program. As FRA looks to reduce risks, there may be a need for additional resources to provide an expansion of required monitoring and oversight for a wider sample of Amtrak's projects and programs.

2. Specialized Monitoring and Oversight of Complex, Mega Projects

Monitoring and oversight for mega-projects and programs (e.g., Hudson Tunnel, Washington Union Station) differ from the oversight of Amtrak's maintenance or more routine projects and programs. Mega-projects often cover the entire project lifecycle and require oversight in specific areas (e.g., environmental, design, construction). This oversight is most effective when performed by individuals with expertise in that specific area. Currently, FRA's internal staff is limited by the lack of direct expertise in many of the specific areas required by the scope of active mega-projects.

Monitoring requirements for projects funded by single use grants such as TIGER or HSIPR are driven by the specific terms of the individual grant programs through which funding is generated, which often specify oversight, monitoring and reporting requirements and timelines. Monitoring Amtrak's capital projects is different since projects and programs are often segmented across departments or disciplines. Project descriptions provided by Amtrak to the FRA may not clearly identify whether a project is part of a broader mega-project or program. This results in monitoring and oversight that may not be as effective or efficient. As discussed later in this report, organizing staff by functional area allows the team to effectively provide oversight and monitoring over all types of projects and programs during the entire project lifecycle, engaging support from grants, legal and management staff as necessary to ensure compliance with program and regulatory requirements.

EXAMINATION OF CURRENT MANAGEMENT STRUCTURE

FRA's monitoring and oversight governance practices for mega-projects and program-specific projects are primarily driven by the grant agreement, rather than by the technical needs of projects. FRA's current oversight efforts focus on monitoring frequent changes to projects within the annual grant program. FRA's current process is driven by the requirements contained within the annual grant agreement. The initial grant agreement or funding obligation is built on under-developed scope, cost, and schedule information, as funding is obligated early in the project lifecycle.

- **Many of the mega-projects and program-specific projects suffer from under-developed scopes, schedules, and budgets, as these programs often see funding obligated at the start of the project as opposed to after extensive engineering and project development.** Amtrak has similar issues for projects funded by the annual grant agreement. Amtrak routinely submits reprogramming requests and updates to the annual Work Plan to reflect the changes that occur to projects and programs throughout the year. Common causes of changes include delays during the project development and procurement phases, changes to scope during the National Environmental Policy Act (NEPA) and engineering phases, and workforce shortages during the construction phases of the project lifecycle. Effective oversight is also hampered by constant amendments and adjustments to the grant agreements and focus on grant-related reporting requirements.

- **FRA's grant-focused monitoring and oversight often creates confusion for Amtrak (and other grantees),** as Amtrak must often work concurrently with FRA grants management and project staff to develop and execute projects. Amtrak may be uncertain about which FRA staff are driving the process.

- **Likewise, FRA project staff are often burdened with reviewing a large volume of changes** to project descriptions, progress reports, and budgets to gain a full understanding of these project

changes and their potential impacts on Amtrak's overall ability to execute the annual capital program. These reviews of project reporting documentation are time-consuming and deter FRA from providing technical assistance to support proactive and performance-based project management practices that would benefit both FRA and Amtrak.

FTA follows a different approach than FRA to project monitoring and oversight. NEPA, for example, is completed during the project development phase, prior to starting the engineering phase. During the engineering phase, all engineering is completed, and detailed cost estimates and schedules are completed. All projects undergo thorough scope, cost, and schedule reviews during this time, and a formal risk assessment is completed that verifies that the project has adequate contingency and a formal plan for applying contingency. Only after completion of engineering and a risk assessment is a project recommended for funding and a formal grant agreement. Because projects are more thoroughly assessed during their development, fewer amendments are necessary in the grants FTA administers to grantees. Project oversight staff and contractors can therefore focus on project execution and monitoring.

Table 2. Comparison of FTA to FRA

Comparison of FTA to FRA in Project Monitoring and Oversight		
	FTA	**FRA**
Completion of NEPA	• During project development phase	• Finalized during Preliminary Engineering and Final Design
Project and Risk Assessments	• Engineering Phase	• No formal risk assessment process
Obligation of Funding	• After Engineering Phase and completion of comprehensive risk assessment	• Prior to project development phase
Grant Adjustments	• Do not occur	• Occur throughout project development phases
Point of Contacts	• Singular	• Multiple
Technical assistance support staff	• PMOC staff	• MTAC staff

In the FTA example, FTA staff are supported directly by project management oversight contractor staff, who provide technical assistance and program support directly to FTA staff and to grantees. FRA has similar resources available in its Monitoring and Technical Assistance Contractor (MTAC) support through the Volpe National Transportation Systems Center (Volpe). However, the project execution lifecycle is less defined for Amtrak projects in the annual grant program than for FTA's grant-administered projects, and the roles for staff and contractors are also not clearly defined. Changing the project lifecycle process would enable FRA to more effectively leverage internal and contract staff throughout the project lifecycle.

Under the current Amtrak annual grant program, NEPA efforts tend to overlap other project phases, specifically the Preliminary Engineering and Final Design phases. This often confuses Amtrak and grantee staff because of the numerous points of contact and increased coordination required during overlapping

phases. Completing NEPA in advance of the engineering phases would streamline the communication channels and more clearly define the appropriate points of contact.

While it might not be feasible for every project within the Amtrak portfolio to complete NEPA before beginning engineering and design work, FRA could work with Amtrak to more clearly identify the expected project phase and NEPA status for each project in the Work Plan submitted at the beginning of each fiscal year.

RECOMMENDATION: TAILOR OVERSIGHT BY FUNCTIONAL CATEGORY

Structuring Amtrak engagement and overnight using a functional matrix approach would enable FRA to clarify roles and responsibilities of internal and contractor staff and more effectively utilize staff across multiple portfolios as discussed earlier. For example, under FRA's current model, an Environmental Protection Specialist may serve as the project manager for an FRA monitoring and oversight effort. With environmental and engineering work often occurring concurrently, an EPS may be in a position to make engineering or project delivery decisions outside of their areas of expertise.

Engage FTE's with special functions as needed. Amtrak projects could be categorized by Asset Line or by discipline, such as Equipment (including locomotives and rolling stock), Facilities and Operations, Signal and Communication, Electric Traction, Technology (including fare collection, Intelligent Transportation Systems, and safety and security), and Infrastructure (including track, roadbed, and bridges and tunnels). Both investment and capital maintenance programs (such as vehicle rehabilitation, rail renewal, and track surfacing) would be covered in the appropriate functional areas.
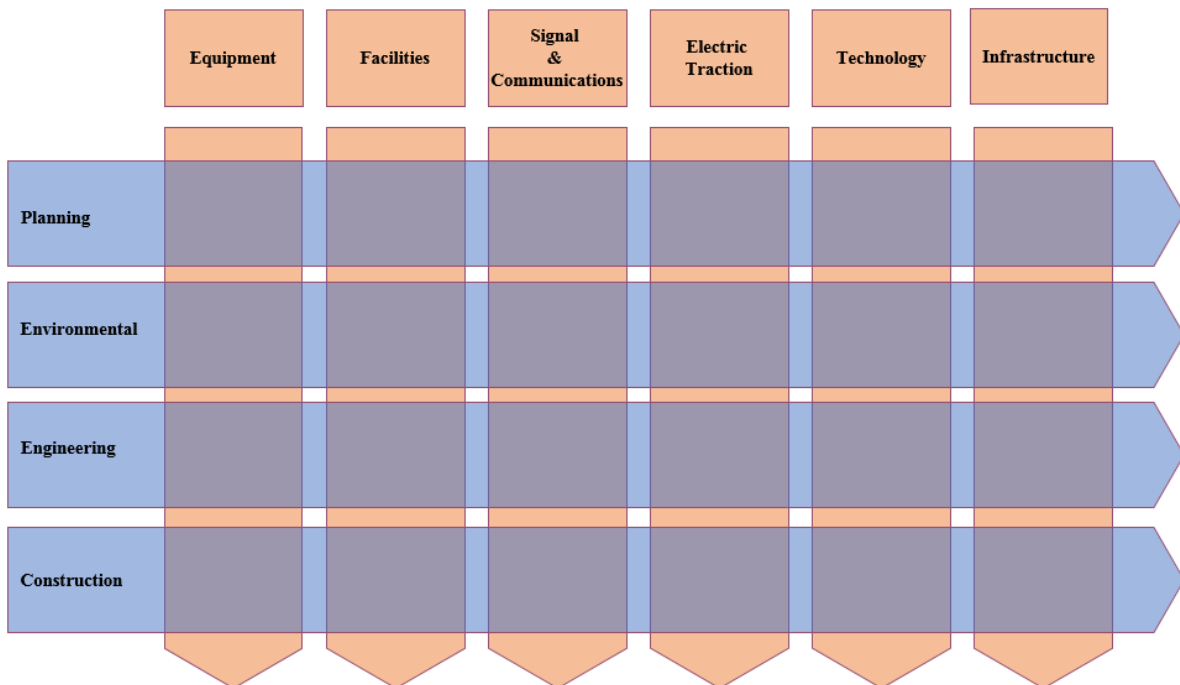
Figure 5. Sample Functional Oversight Matrix for FRA

This structure enables FRA to organize oversight capabilities by discipline, with oversight teams comprised of subject matter experts for the specific discipline. A vehicle team may include, for example, subject matter experts on procurement, design specifications, rehabilitation, Buy America, manufacturing and testing and commissioning. This would encompass all the types of vehicle-related projects that may exist within the Amtrak portfolio. Similarly, an infrastructure team would include subject matter experts on track maintenance, track and roadbed construction, bridge design, construction and maintenance, tunnels and geotechnical issues. Project assignments would be aligned to team members' individual specialties and areas of expertise. Functional team specialties could also change with each phase of the project lifecycle. Establishing cross-functional teams and individual responsibilities at the start of the project would help FRA avoid confusion at a later stage.

Functional teams can provide oversight for Amtrak capital projects and as well as those covered by other funding sources (i.e., mega-projects funded by single use grants). This manner of oversight is more effective than FRA's current oversight plan organized by geographical area. As the number of projects grow in each functional category, FRA could scale the level of oversight by adding to the number of subject matter experts. FRA's current emphasis on geographical region for other grantees is more difficult to scale to cover the large number of Amtrak projects on the Northeast Corridor.

Projects that include scope elements covering multiple functional areas could be categorized separately or placed in the functional category where that project is likely to experience the most risk. Some projects may be too complex for the functional teams to monitor without supplemental support and would therefore leverage stand-alone specialized teams created specifically to provide increased levels of oversight to these projects. Examples of such projects include Hudson Tunnels and California High Speed Rail.

Finally, FRA should require Amtrak to provide standardized reporting whenever possible, regardless of the funding source, to eliminate oversight complexities that may arise from managing projects and programs that receive funding from multiple sources. Reporting requirements can be customized to fit different categories of overall project risk where more information would be required for higher risk projects and programs, while less information might be sufficient for lower risk and highly repetitive projects and programs. Reporting should always include real-time access to all back-up and supporting data and documents; and reporting should be in industry-standard formats and terms (i.e., actual budget figures as opposed to Amtrak-preferred earned value reporting).

RECOMMENDATION: FUNCTIONAL TEAM COMPOSITION
Functional project oversight teams could be easily organized to be effective in providing oversight to their project portfolio.
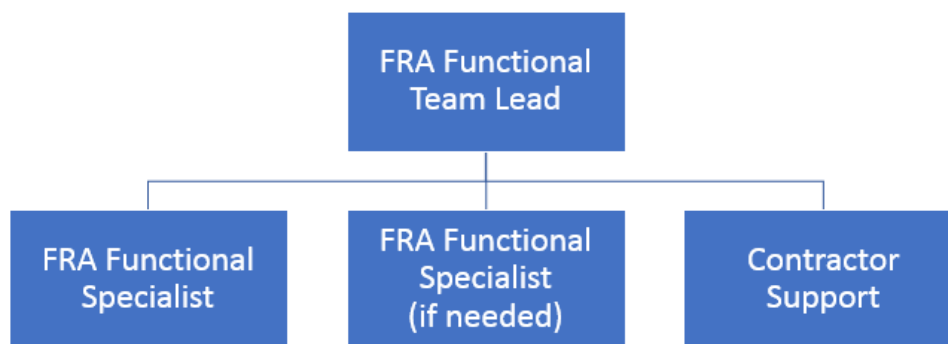
Figure 6. Example of Oversight Team Composition

An FRA staff member with expertise in the team's function would lead the team. The team would be comprised of FRA and contractor staff, if necessary, and each team would be solely responsible for the projects to which the team is assigned. All team members would report equally to the team leader, and contractors would report only to the team leader. The number and complexity of projects would dictate how many members are on each team and how many projects would be assigned to each team member.

Use work allocation models to determine and adjust staffing needs to mitigate risk. FRA can utilize work unit allocation models to rate projects based on complexity, assign projects to staff, determine the number of staff required for each team, and manage the work load. This process is fully scalable and eliminates program risk resulting from FRA staff leading projects outside their areas of expertise and from ineffectively utilizing both FRA and contractor staff.

Initially, FRA may choose to provide oversight on all projects within Amtrak's portfolio to assure consistent project development, prioritization, and delivery. As FRA gains confidence that projects are being developed with a data-driven process, properly designed, estimated and planned, and executed in a cost-effective manner consistent with industry standards, FRA may only choose to provide oversight on select projects from Amtrak's capital plan in addition to those projects from other federal funding sources. Simple rating and sampling models can be developed to assist FRA in prioritizing projects by overall risk and complexity and generating a sampling and oversight plan.

One example of a current project under FRA's monitoring and oversight jurisdiction that would leverage this organizational model is the Portal Bridge Capacity Enhancement Project. This project would require structural, track, and environmental specialized expertise. Functional groups may consist of equipment and technology capabilities. FRA would first identify the greatest risks associated with this project and then determine the specialized knowledge capabilities necessary to mitigate these identified risks. After completing this assessment, FRA would then determine the appropriate teaming structure.

Table 2. Functional Team Requirements and Levels of Effort

Functional Team Requirements and Levels of Effort		
	Current Team Composition	**Proposed Team Composition**
Obligation of Funding	Upfront	Post-engineering, pre-construction
Project Development / NEPA / PE	Five (5) people: • NEPA Specialist – 1 • Structure Specialist – 1 • Regional Engineer - 1 • Regional Manager – 1 • Grants Manager – 1	Three (3) people • NEPA Specialist – 1 • Structures Functional Leader – 1 • Structures Specialist - 1
Engineering / Final Development	Five (5) people: • NEPA Specialist – 1 • Structure Specialist – 1 • Regional Engineer - 1 • Regional Manager – 1 • Grants Manager – 1	Two (2) people: • Structures Functional Leader – 1 • Structures Specialist - 1
Construction	Five (5) people: • NEPA Specialist – 1 • Structure Specialist – 1 • Regional Engineer - 1 • Regional Manager – 1 • Grants Manager – 1	Three (3) people: • Structures Functional Leader – 1 • Structures Specialist – 1 • Grants manager - 1

The estimates in the above table are not based on workload (e.g., FTE count) but on the subject matter expert to provide expertise to during the project phase. This, therefore, may represent half of an FTE. FRA would need to conduct a modelling exercise to fully estimate the number of FTEs and distinct specialists required per project phase. This model would be based on FRA's expectations of what a reasonable workload, number of projects in the Amtrak portfolio, number of specialties needed for each project, deliverables and hours required, etc.

Prioritizing projects for FRA oversight. With limited resources, FRA may want to perform oversight on selected capital improvement projects that contain specific risk-based oversight triggers. Such triggers will include project complexity (based on scope, number of key stakeholders, geography, etc.), overall budget, political sensitivity, new technology, operations or environmental impacts and schedule duration. At that time, FRA may choose to employ one of the existing prioritization models available to rank projects for oversight based on pre-established triggers or develop a similar type of ranking model. Two examples of ranking models are included in Appendices to this report. They are (1) the project complexity rating model utilized by the Amtrak EPMO and (2) Volpe's risk model for prioritizing project oversight. Both models rank projects based on triggers in line with those mentioned here and can be used to help FRA assess relative risk.

Before FRA can move to a program where only selected projects undergo oversight and monitoring, all projects should be considered as potential candidates for monitoring and oversight. This stems from a

lack of confidence in how Amtrak develops and prioritizes its capital program, how individual projects and programs are developed (from a scope, cost and schedule perspective) and how projects and programs are executed. In the near term, FRA should dedicate resources to developing a better understanding of how Amtrak utilizes all available data to generate a capital investment plan, as well as how Amtrak prioritizes projects in order for the program to meet the funding levels available and program goals. This is critical, as FRA must ensure that Amtrak's program is adequately addressing the needs of its assets and can reasonably be accomplished within the time limits of the funding.

At present, FRA lacks the resources to monitor whether Amtrak's data collection and asset performance processes generate the data needed to drive the program development and project prioritization process. A deep-dive analysis of the development, prioritization and execution of Amtrak's capital program is required prior to being able to tailor oversight and monitoring to only those projects exhibiting the risk-based oversight triggers and those prioritized by the model of choice.

3. Implementation of RPD Oversight Strategy:

FRA has undertaken an "optimization" effort to improve its monitoring and oversight capabilities to be able to confirm that the public funds are being spent properly and the investments will make way for a safe and efficient passenger rail system. As such, FRA is strategically aligned to three primary focus areas: safety accountability, business restructuring and performance, and project planning and execution. To achieve the benefits of mitigating the risks identified in Part 1 and to transform itself into a performance-based organization, FRA must commit to building its program requirements, workforce plans, and partnership agreement with Amtrak over the next five years. Working toward the activities defined in the strategy will require time and resources beyond what is and will be required for ongoing monitoring and oversight of routine capital projects and complex megaprojects.

5-Year Plan To Enable Risk-based Monitoring

Year 1	Year 2	Year 3	Year 4	Year 5
Define	**Collaborate**	**Expand**	**Recalibrate**	**Transform**
• **Accelerate** RPD Coordination of Planning and Programming • **Define Work Plans** and Prioritize Requirements • **Establish a Partnership Agreement** with Amtrak to Formalize Metrics and Monitoring • **Collaborate** with Amtrak (e.g., EPMO) on Project Oversight Structure and Data Requirements.	• **Collaborate** with Amtrak (e.g., EPMO) on Project Oversight Structure and Data Requirements. • **Identify** gaps of RPD Resources required to implement the agreed upon oversight structure • **Implement** Coordination Across Planning, Programming _and_ Performance Monitoring • **Provide** Training and Technical Assistance in line with Work Plans	• **Expand** Planning, Programming and Performance Monitoring • **Provide** Training and Technical Assistance in line with Work Plans	• **Recalibrate** Planning, Programming and Performance Monitoring (based on lessons learned / best practices / staff feedback) • **Provide** Training and Technical Assistance in line with Work Plans	• **Mature** Planning, Programming and Performance Monitoring to Enable Risk Based Monitoring • **Provide** Training and Technical Assistance in line with Work Plans • **Revisit** Vision Statements

Figure 7. Five-Year Implementation RPD Oversight Strategy

Employ specialists. In assessing FRA's ability to execute the RPD Amtrak Oversight Strategy and mitigate the risks identified in this document, FRA has staff that can cover the functional project monitoring requirements at each stage of the project lifecycle. The primary challenge is in appropriately defining responsibilities and decision rights to drive the strategy forward through execution. As such, FRA may want to consider employing staff or contractors who specialize in requirements (such as a business or systems analyst), information technology, ISO quality assurance, continuous process improvement, change management, and organizational design. These specialists will help FRA determine requirements and critical activities, document and implement processes, develop performance metrics, and build work plans.

Manage cultural changes. Changes to how FRA conducts business with Amtrak - including processes, technology, interactions with counterparts and stakeholders - will occur and affect people at varying levels. FRA should utilize a systematic, planned approach for supporting change and transformation with plans developed to support process and communications activities. FRA should assign a project manager with the ability to assign resources and make decisions necessary to progress against the strategy's year one work plan. Empowering all employees and holding them accountable to their assigned roles within the implementation and execution of the new oversight strategy is necessary for organizational success.

Leadership support is vital. Active leadership support and engagement are also critical to establishing this new partnership with Amtrak which enables both organizations to maximize public investment and improve passenger rail service. Leadership is responsible for developing and selling the vision and explaining why the change is necessary in order for FRA to move towards a performance-based organization that maximizes public investment for a safe and efficient passenger rail system.

Conclusion

FRA's Amtrak monitoring and oversight program is vulnerable to six risk areas that could impair FRA's ability to provide stewardship and protect investments of public funds. With careful planning and committed execution, FRA can mitigate the risks and remain on a path of being a performance-based organization.

Table 3. Identified Risk Areas and Risk Mitigation Recommendations

Risk Area	Recommendations to Mitigate Risks
FRA-Amtrak Relationship	1) Further define FRA's statutory and administrative roles and responsibilities. 2) Establish an FRA-Amtrak Partnership Agreement to formalize the roles and responsibilities. 3) Develop strategies to ensure compliance with the Partnership Agreement.
Program Requirements	1) Clearly identify RPD program reporting requirements and data criteria for program and project oversight components. 2) Align project development activities to FRA and Amtrak program goals. 3) Develop guidance documents to encourage use of standardized reporting tools and templates. 4) Provide technical training to FRA staff and support contractors. 5) Provide technical assistance and training.
Accountability	1) Determine the tools FRA possesses to enforce compliance with statutory and program requirements. 2) Collaborate with Amtrak to document how Amtrak utilizes data to develop a capital plan.

Risk Area	Recommendations to Mitigate Risks
	3) Use existing data to assess Amtrak's productivity and conduct comparisons with other grantees or industry averages to help track improvements. 4) Collaborate with Amtrak on the utilization of industry-accepted financial management systems and project management methodology and systems. 5) Develop standard operating procedures.
Fraud, Waste, and Abuse	1) Continue to conduct annual fraud, waste, and abuse training for all employees involved in the oversight of Amtrak. 2) Create standardized reporting templates and require well-supported cost estimating and reporting methodologies to improve Amtrak's production of consistent, traceable data.
Safety Accountability	1) Establish touchpoints between Amtrak and FRA's Office of Railroad Safety. 2) Define the evaluation criteria FRA should assess Amtrak's approach to identifying and defining efforts that impact safety considerations, prioritizing investments in safety, and tracking safety performance. 3) Improve Amtrak's accountability for safety during the development of Amtrak's annual capital request and throughout project lifecycle phases.
Scalability of Risk-Based Program Oversight	1) Tailor oversight to areas that pose the greatest risk, as major projects are exposed to potentially greater risk. 2) Assess the risk of Amtrak's capital maintenance programs and mega-projects. 3) Determine and adjust staffing levels based on quantity and complexity of projects within portfolio.

FRA may need to restructure teams to reflect the three categories of monitoring and oversight that occur simultaneously in its portfolio. Monitoring activities require different levels of effort and specialized skillsets to achieve. FRA may find that it is right-sized in some areas but may need to augment its resources in order to successfully perform the necessary duties.

Routine Capital Maintenance	Complex, Mega-Projects	Implementation of Oversight Strategy
• Continue coordinating and collaborating with Amtrak • Continue making strides with Grants Management Support • Continue scheduled monitoring activities	• Tailor oversight by functional category • Create teams by function, led by FRA specialists or functional leaders • Use work allocation models to determine and adjust staffing needs to mitigate risks	• Employ specialists • Manage cultural change • Provide active leadership support throughout the implementation

Figure 8. Three Categories of Monitoring and Oversight Duties

Appendix: Images of Volpe and Amtrak EPMO Risk Models

IMAGE OF VOLPE RISK MODEL FOR CAPITALIZED INVESTMENT TASKS

2014 Monitoring Scoring Overview

This document describes the nine risk indicators, scoring guide, and suggested weight to be applied to each risk indicator in the Risk Assessment Model for Amtrak Capitalized Investment tasks.

	Characteristic	Criteria Description	Weight	Score		Guidance	Original Weight
1	Projected Task Cost	This risk indicator scores each task between 1 and 3 based on the projected cost for the Fiscal Year.	15.0%	x < $200,000	1	* can be limited to two options; can be split up based on the distribution of cost for a given FY (sliding scale)	20%
				$200,000 <= x < =$500,000	2		
				x > $500,000	3		
				x>$5,000,000	auto	$5M+ projects selected for monitoring	
2	Task Type	Complex tasks are generally more capital intensive and face higher levels of risk. In contrast, planning tasks typically require less Federal investment, follow a standardized approach to project implementation, and considered less susceptible to project risk.	15.0%	Low	0	PE/NEPA and Planning Tasks	7.50%
				Medium	2	FD/Construction Projects and Equipment Purchases *less than/equal to $300,000,* IT Projects	
				High	4	FD/Construction Projects and Equipment Purchases *over $300,000*	
3	Distinct Conditions	This risk indicator captures special conditions or other significant flags or conditions that are placed upon the task, either from the beginning of the task activity or those added later during the life of the task. This could include coordination challenges with other transportation or legislative entities or specific scheduling demands/task deadlines. This also includes special Congressional interest, interest from outside parties (community) or internal/external audits (DOT OIG or DOJ).	7.5%	Low	0	There are no conditions/special concerns with this task	10%
				Medium	1	This task has special conditions or outside interest, but none that would affect task progress	
				High	2	Special conditions, deadlines or other interest raise a risk to task completion. Alternately, task has a condition/deadline that FRA has identified as needing special attention.	
4	Last Review Date	This risk indicator captures both the amount of time that has passed since the last monitoring review and the results of that review. Projects that were reviewed in FY13 and did not yield significant findings are the lowest risk, projects that have never been reviewed or were reviewed and found to have significant findings are the highest risk.	10.0%	Low	0	**Last reviewed:** FY13, with no significant findings	15%
				Medium	1	**Last Reviewed:** FY12, FY13 with significant findings	
				High	2	**Last Reviewed:** N/A **Last Reviewed:** FY13, with significant findings and corrective action plans.	

Figure 9. Image of Volpe's Capitalized Investment Model Characteristics, 1-4

#	Characteristic	Description	Weight	Level	Score	Criteria	%
5	Prior Concerns	This risk indicator is provided by input from the FRA Team after reviewing the task's history, including compliance and task timeliness. The FRA Team is encouraged to consider the timeliness and accuracy of recently submitted reports (progress reports, PSRs) when evaluating these tasks. In general, projects that have not addressed FRA concerns and do not show measured progress are considered to be riskier.	10.0%	Low	0	Tasks without any documented concerns or compliance issues	17.50%
				Medium	1	Tasks with delinquent progress reports or Project Status Reports or other instance of non-compliance, which have been resolved	
				High	2	Tasks with delinquent progress reports or Project Status Reports or other instance of non-compliance, which are on-going issues	
6	Scope, Schedule, Budget	This risk indicator examines if the task is within scope, on schedule and within budget. Information is gathered from recently submitted reports, Quarterly Meetings and other means for progress reporting. In general, if any of the three are at risk, the whole task could be at risk.	10.0%	No problem - 0 Problem exists - 1		If a problem with one, there is a problem with the whole: 0 – Project is completely on track 1 – Project is off track in scope, schedule and budget	17.50%
7	Safety Concerns	This risk indicator examines prior Office of Safety concerns, such as violations or slow orders. [Although the Office of Safety information will not be tied to a specific program/project, information from the Office of Safety will allow us to correlate safety issues with programs/projects on the Amtrak annual list]	10.0%	None	0	No prior safety concerns	3.80%
				Medium	1	One incidence of a Safety notification (violation, slow order, etc…) noted	
				High	2	Multiple incidences of Safety notifications (violations, slow orders, etc…) noted	
8	Financial Management: Expenditures	This risk indicator examines the expenditure information reported by Amtrak on their monthly Project Status Reports (PSRs).	0.0%	Low	0	Project period of performance began within the last six months OR Task expenditures are proportionate to task progress as shown by PSR or other project reporting	3.80%
				Medium	1	PSR submitted but Amtrak's reported expenditures are not proportionate with period of performance or do not align with reported task progress	
				High	2	Project period of performance began more than six months ago and no PSR has been submitted OR There is substantial discrepancy between reported expenditures, period of performance, and/or other reported task progress	

Figure 10. Image of Volpe's Capital Investment Model Characteristics, continued 5 - 8

#	Characteristic	Description	Weight	Level	Score	Criteria	%
9	Outside Agency Audit	This risk indicator captures audits being performed from groups outside of DOT. This could include audits being performed by Amtrak OIG, GAO, or an outside-Agency OIG.	10.0%	Low	0	The task has no outside Agency audits being performed	5%
				Medium	1	The task has had audits in the past but is not currently being evaluated by an outside Agency.	
				High	2	The task is currently being audited by an outside Agency or is in the process of responding to or making corrections based on a past audit from an outside Agency.	
10	Duration	This risk indicator captures risk associated with task duration (i.e. being a single year or multiyear project).It also factors into account whether the task addresses infrastructure that if not worked on will result in service delays, unsafe conditions, or cause equipment to come out of compliance with Federal regulations (i.e. critical infrastructure).	12.5%	Extremely Low	0	Single year task on non-critical infrastructure	5%
				Low	1	Multi-year task on non-critical infrastructure	
				Medium	2	Single year task on critical infrastructure	
				High	3	Multi-year task on critical infrastructure	
	Total Weighting:		**100.0%**				

Figure 11. Image of Volpe Capital Investment Model's Characteristics, Continued 9-10

		2014 Monitoring Scoring Overview					

This document describes the nine risk indicators, scoring guide, and suggested weight to be applied to each risk indicator in the Risk Assessment Model for Amtrak Capitalized Maintenance tasks.

	Characteristic	Criteria Description	Weight	Score		Guidance	Original Weight
1	Projected Task Cost	This risk indicator scores each task between 1 and 3 based on the projected cost for the Fiscal Year.	10.0%	x < $200,000	1	* can be limited to two options; can be split up based on the distribution of cost for a given FY (sliding scale)	20%
				$200,000 <= x <= $500,000	2		
				x > $500,000	3		
				x > $5,000,000	auto	$5M+ projects selected for monitoring	
2	Task Type/Discipline	This risk indicator captures the varying types of Capitalized Maintenance tasks that can exist in Amtrak's annual plans. Captialized Maintenance tasks the directly affect transportation capabilities are higher risk than tasks that are part of State of Good Repair activities.	15.0%	Low	0	State of Good Repair tasks, Fleet Overhaul	7.50%
				Medium	2	Security/Safety upgrades, Facility upgrades and station upgrades, IT projects	
				High	4	Electrical Traction work, track improvement work, bridge and tunnel work, Fleet improvements and Natural Disaster relief work (emergency response)	
3	Distinct Conditions	This risk indicator captures special conditions or other significant flags or conditions that are placed upon the task, either from the beginning of the task activity or those added later during the life of the task. This could include coordination challenges with other transportation or legislative entities or specific scheduling demands/task deadlines. This also includes special Congressional interest, interest from outside parties (community) or internal/external audits (DOT OIG or DOJ).	10.0%	Low	0	There are no conditions/special concerns with this grant	10%
				Medium	1	This task has special conditions or outside interest, but none that would affect task progress	
				High	2	Special conditions, deadlines or other interest raise a risk to task completion. Alternately, task has a condition/deadline that FRA has identified as needing special attention.	

Figure 12. Image of Volpe Capitalized Maintenance Model Characteristics 1-3

	Characteristic	Criteria Description	Weight	Score		Guidance	Original Weight
4	Last Review Date	This risk indicator captures both the amount of time that has passed since the last monitoring review and the results of that review. Projects that were reviewed in FY13 and did not yield significant findings are the lowest risk, projects that have never been reviewed or were reviewed and found to have significant findings are the highest risk.	5.0%	Low	0	**Last reviewed:** FY13, with no significant findings	15%
				Medium	1	**Last Reviewed:** FY12, FY13 with significant findings	
				High	2	**Last Reviewed:** N/A **Last Reviewed:** FY13, with significant findings and corrective action plans.	
5	Prior Concerns	This risk indicator is provided by input from the FRA Team after reviewing the task's history, including compliance and task timeliness. The FRA Team is encouraged to consider the timeliness and accuracy of recently submitted reports (progress reports, PSRs) when evaluating these tasks. In general, projects that have not addressed FRA concerns and do not show measured progress are considered to be riskier.	10.0%	Low	0	Tasks without any documented concerns or compliance issues	17.50%
				Medium	1	Tasks with delinquent progress reports or Project Status Reports or other instance of non-compliance, which have been resolved	
				High	2	Tasks with delinquent progress reports or Project Status Reports or other instance of non-compliance, which are on-going issues	
	High Profile	This risk indicator is provided by input from the FRA Team in determining which projects the FRA determines are high profile. These projects could include projects with national exposure, or other factors.		High Profile	auto	Designated High profile projects are selected for monitoring	
6	Scope, Schedule, Budget	This risk indicator examines if the task is within scope, on schedule and within budget. Information is gathered from recently submitted reports, Quarterly Meetings and other means for progress reporting. In general, if any of the three are at risk, the whole task could be at risk.	10.0%	No problem - 0 Problem exists - 1		If a problem with one, there is a problem with the whole: 0 – Project is completely on track 1 – Project is off track in scope, schedule and budget	17.50%

Figure 13. Image of Volpe Capitalized Maintenance Model Characteristics 4 – 6

#	Characteristic	Description	Weight	Level	Score	Criteria	Result
7	Safety Concerns	This risk indicator examines prior Office of Safety concerns, such as violations or slow orders. [Although the Office of Safety information will not be tied to a specific program/project, information from the Office of Safety will allow us to correlate safety issues with programs/projects on the Amtrak annual list]	15.0%	None	0	No prior safety concerns	3.80%
				Medium	1	One incidence of a Safety notification (violation, slow order, etc…) noted	
				High	2	Multiple incidences of Safety notifications (violations, slow orders, etc…) noted	
8	Financial Management: Expenditures	This risk indicator examines the expenditure information reported by Amtrak on their monthly Project Status Reports (PSRs).	5.0%	Low	0	Funding level committed meets 100% of annual capital maintenance needs	3.80%
				Medium	1	Funding level committed does not meet all, but more than 50% of annual capital maintenance needs.	
				High	2	Funding level committed meets less than 50% of the annual capital maintenance needs.	
9	Outside Agency Audit	This risk indicator captures audits being performed from groups outside of DOT. This could include audits being performed by Amtrak OIG, GAO, or an outside-Agency OIG.	10.0%	Low	0	The task has no outside Agency audits being performed	5%
				Medium	1	The task has had audits in the past but is not currently being evaluated by an outside Agency.	
				High	2	The task is currently being audited by an outside Agency or is in the process of responding to or making corrections based on a past audit from an outside Agency.	
10	Duration	This risk indicator captures risk associated with task duration (i.e. being a single year or multiyear project).It also factors into account whether the task addresses infrastructure that if not worked on will result in service delays, unsafe conditions, or cause equipment to come out of compliance with Federal regulations (i.e. critical infrastructure).	10.0%	Extremely Low	0	Single year task on non-critical infrastructure	5%
				Low	1	Multi-year task on non-critical infrastructure	
				Medium	2	Single year task on critical infrastructure	
				High	3	Multi-year task on critical infrastructure	
		Total Weighting:	100.0%				

Figure 14. Image of Volpe Capitalized Maintenance Model Characteristics 7 - 10

IMAGE OF AMTRAK EPMO'S PROJECT COMPLEXITY MODEL

Form Completed By:	Name
Data Date:	
Project Complexity Rating Tool Rev:	Version 1.0

Project Complexity Scale	
Mega (Orange)	17 - 20
High (Purple)	13 - 16
Moderate (Blue)	8 - 12
Low (Gray)	< 8

ID	Project Name	Total Project Cost	Cost Score	Scope & Schedule Complexity	Factor Score	Scope & Schedule Score	Organizational & Resource Complexity	Factor Score	Org & Resource Score	Overall Project Risk	Risk Score	Stakeholder Engagement	Factor Score	Stakeholder Engagement Score	Total Score	Project Complexity
1	Project #1	Total Project Cost Low (<$5M)	1.0	Degree of Schedule Complexity Low	1	1.1	Number of Departments involved in Project Low (<4)	1	1.0	Overall Project Risk Low	1.0	Executive Stakeholders (None)	1	1.0	5.1	Low (Gray)
				Technology Complexity Low	1		Number of Interfaces Low (<3)	1				External Stakeholder Engagement Low	1			
				Scope Complexity Low	1		Number of Similar Projects Executed (Many)	1				Number of Departments Impacted Low (<4)	1			
				Location Complexity Low	1		Involvement with Procurement Department Low	1				Percent of Amtrak Passengers Impacted Low (<20%)	1			
				Information Security Low	1							Stakeholder Cohesion High	1			

Figure 15. Complete Image of EPMO Model

Form Completed By:	Name					
Data Date:						
Project Complexity Rating Tool Rev:	Version 1.0					

ID	Project Name	Total Project Cost	Cost Score	Scope & Schedule Complexity	Factor Score	Scope & Schedule Score
1	Project #1	Total Project Cost Low (<$5M)	1.0	Degree of Schedule Complexity Low	1	1.1
				Technology Complexity Low	1	
				Scope Complexity Low	1	
				Location Complexity Low	1	
				Information Security Low	1	

Figure 16. Enlarged Image of First Half of EPMO Model

Project Complexity Scale	
Mega (Orange)	17 - 20
High (Purple)	13 - 16
Moderate (Blue)	8 - 12
Low (Gray)	< 8

Organizational & Resource Complexity	Factor Score	Org & Resource Score	Overall Project Risk	Risk Score	Stakeholder Engagement	Factor Score	Stakeholder Engagement Score	Total Score	Project Complexity
Number of Departments involved in Project Low (<4)	1	1.0	Overall Project Risk Low	1.0	Executive Stakeholders (None)	1	1.0	5.1	Low (Gray)
Number of Interfaces Low (<3)	1				External Stakeholder Engagement Low	1			
Number of Similar Projects Executed (Many)	1				Number of Departments Impacted Low (<4)	1			
Involvement with Procurement Department Low	1				Percent of Amtrak Passengers Impacted Low (<20%)	1			
					Stakeholder Cohesion High	1			

Figure 17. Enlarged Image of Second Half of EPMO Model

5 SAMPLE REPORTING TEMPLATE

U.S. Department of Transportation
Federal Railroad Administration

Redefining Programmatic and Technical Support for Amtrak
Sample Reporting Template

1. RPD Strategy Plan – Quarterly Status Report

Report Date:	
Reporting Quarter:	

Key Activities Undertaken/Completed in Reporting Quarter

Key Activity	Responsible Party	Support Provided by Other FRA Offices	On Schedule?	Status Update/Notes/Explanation of Issues	Critical Issue for Leadership Attention?
Work Plan *(activities supporting development and implementation of divisional Work Plans)*					
Amtrak Partnership *(activities supporting formal Partnership Agreement with Amtrak and alignment of programming request with five-year plans)*					

Monitoring Metrics *(activities supporting the development and implementation of planning, programming, and performance monitoring metrics and reporting templates)*					
Training and Technical Assistance *(activities supporting the implementation of training and technical assistance to drive improvements in Amtrak performance)*					

Key Activities Planned for Next Reporting Quarter

| Key Activity	Responsible Party	Support Needed from Other FRA Offices	Anticipated Schedule	Notes/Anticipated Issues	Critical Issue for Leadership Attention?
Work Plan *(activities supporting development and implementation of divisional Work Plans)*					
Amtrak Partnership *(activities supporting formal Partnership Agreement with Amtrak and alignment of programming request with five-year plans)*					

Monitoring Metrics *(activities supporting the development and implementation of planning, programming, and performance monitoring metrics and reporting templates)*					
Training and Technical Assistance *(activities supporting the implementation of training and technical assistance to drive improvements in Amtrak performance)*					

2. Dashboard of Amtrak's Portfolio of Projects

Purpose: FRA can use information that Amtrak's EPMO is generating to help track the size and complexity of the portfolio, the split between investment and maintenance projects, project management trends, etc. This presents information to RPD leadership and staff in a format similar to what is presented to Amtrak's executive leadership.
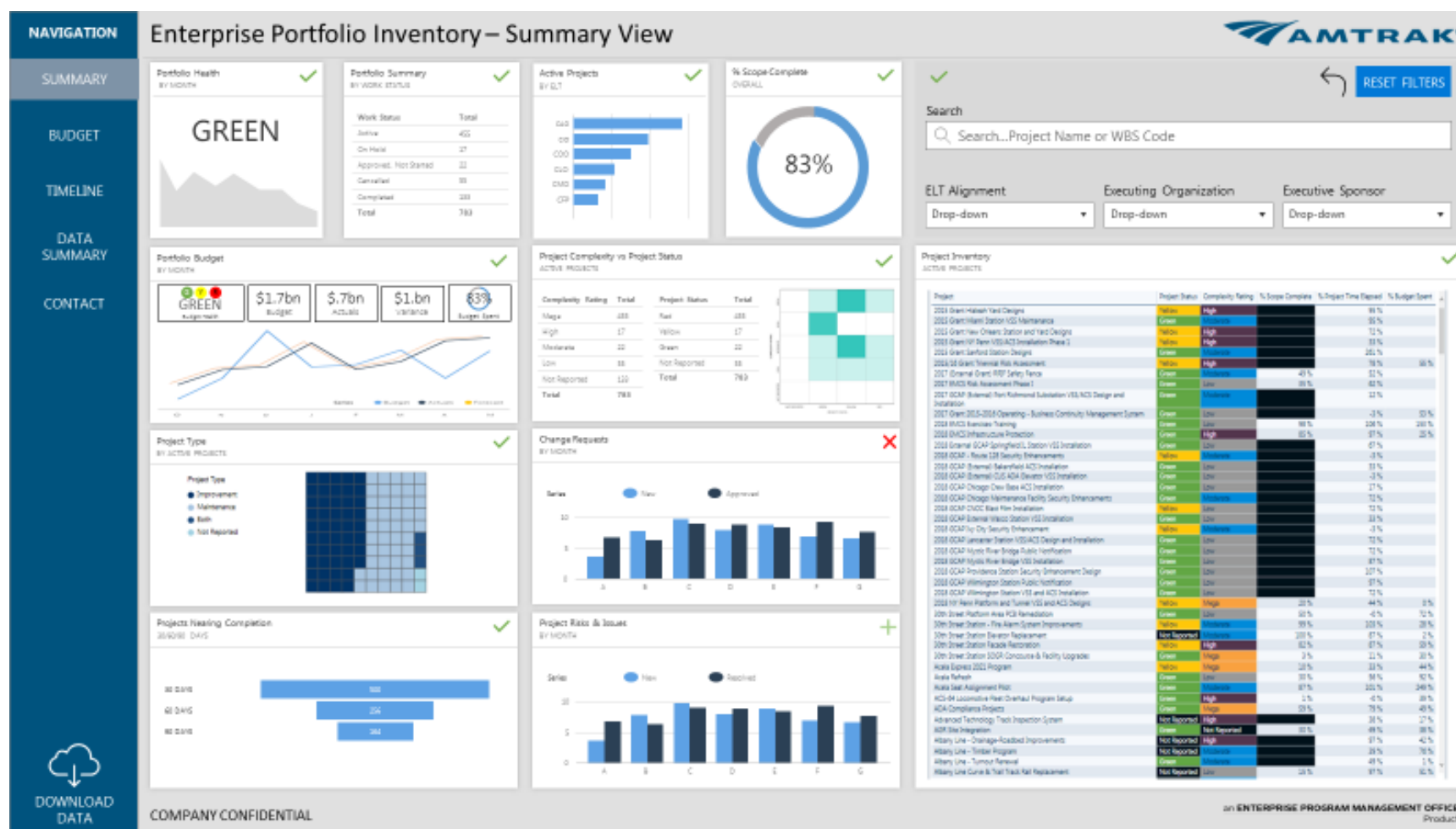
3. Project Highlights for RPD Leadership

Purpose: This is an area to capture significant project risks or findings that should be brought to RPD Leadership's attention.

Title of Project	Source of Data	Notes on Trends or Items of Concern

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