

# GAO Highlights

Highlights of [GAO-18-38](#), a report to congressional committees.

## Why GAO Did This Study

In December 2015, the Fixing America's Surface Transportation Act (FAST Act) authorized DOT to award \$4.5 billion in discretionary grants for fiscal years 2016 through 2020; DOT awarded \$759.2 million in fiscal year 2016.

The FAST Act required GAO to assess FASTLANE's processes for selecting grants. This report addresses: (1) the processes used to evaluate and award FASTLANE grants, (2) the extent to which DOT followed its FASTLANE evaluation plan, and (3) the extent to which the process aligned with recommended practices and DOT's own guidance for awarding discretionary grants. GAO reviewed DOT and FASTLANE documentation, analyzed FASTLANE's fiscal year 2016 data, and interviewed DOT officials and 13 FASTLANE applicants selected to include projects of varying sizes, locations, and modes.

## What GAO Recommends

GAO is making three recommendations to DOT, including that DOT develop an evaluation plan that clearly defines how review teams apply criteria, assess applications, and assign ratings, among other things before soliciting applications; and that key decisions be documented throughout the application review and selection process. DOT concurred with our recommendations.

View [GAO-18-38](#). For more information, contact Susan Fleming at (202) 512-2834 or [flemings@gao.gov](mailto:flemings@gao.gov).

November 2017

## DISCRETIONARY TRANSPORTATION GRANTS

### DOT Should Take Actions to Improve the Selection of Freight and Highway Projects

## What GAO Found

In 2016, the Department of Transportation (DOT) developed a multi-phased review and selection process for a new grant program—the Fostering Advancement in Shipping and Transportation for the Long-term Achievement of National Efficiencies (FASTLANE). DOT awarded FASTLANE grants to 18 freight and highway projects. Multiple teams of reviewers evaluated 218 applications based on an evaluation plan that outlined the criteria and process for evaluating applications. GAO found that the awarded projects addressed key program requirements, such as ensuring that at least 10 percent of awarded funds went to small projects and 25 percent to projects located in rural areas.

DOT generally followed the process outlined in the FASTLANE evaluation plan; however the plan resulted in inconsistencies and allowed for broad discretion during certain team reviews. GAO found the Technical Review Teams—teams of modal administration representatives tasked with assessing potential projects against established criteria—used different definitions when assigning technical ratings, likely contributing to scoring variances. In addition, GAO found the evaluation plan gave the Senior Review Team—a team of senior officials responsible for assembling the list of projects for consideration by the Secretary—broad discretion when assembling the list. For example, the evaluation plan and other guidance did not specify the conditions under which the Senior Review Team may take certain actions to potentially advance large projects that did not initially meet certain statutory requirements—likely affecting which projects were forwarded to the Secretary of Transportation to be considered for awards. Without defined procedures in the evaluation plan to ensure all applications are reviewed similarly, DOT may be vulnerable to questions about the integrity of the selection process.

DOT's FASTLANE review process followed some and partially followed other recommended discretionary grant award practices that GAO has previously identified based on Office of Management and Budget and other guidance. For example, DOT followed the practice of assessing applicants' capability to account for funds. However, DOT only partially followed some grant practices, including the recommended practice to document the rationale for award selections. Based on a review of FASTLANE's decision-making documentation, GAO was unable to determine the rationale for selecting the 18 awarded projects. This documentation restated the anticipated benefits of the selected projects, but did not otherwise provide insight into why some projects were selected for awards over others. Without complete documentation of the decision-making, the transparency of the application review and selection process is limited. Further, DOT did not finalize the evaluation plan prior to announcing the solicitation of applications for fiscal year 2016 grants, as required by DOT guidance. In June 2017, DOT announced a new grant program that supersedes the FASTLANE program. According to DOT officials, the solicitation of applications for the new program was also made without an evaluation plan in place, raising concerns the new program may encounter consistency and transparency issues similar to those identified in the FASTLANE program.