FTA

Report ST2025039
August 13, 2025

FTA's Oversight of State Safety Oversight Agencies Could Be Enhanced Through Communication, Audit Process, and Data Management Improvements

U.S. Department of Transportation
Office of Inspector General

Highlights

Federal Transit Administration (FTA)
ST2025039 | August 13, 2025

FTA's Oversight of State Safety Oversight Agencies Could Be Enhanced Through Communication, Audit Process, and Data Management Improvements

Directed by House of Representatives Report 117-99

Our Objective(s)

To assess FTA's oversight of State Safety Oversight Agency (SSOA) compliance with Federal requirements. Specifically, we assessed FTA's
(1) communication of its SSO audit oversight methodology,
(2) SSO audit process, and
(3) reliability of SSO audit data in its recommendation tracking system.

Why This Audit?

FTA plays a significant role in promoting the safety of our Nation's public transit systems through its oversight of States' implementation of its SSO program. This program is required for eligible States with rail transit systems in their jurisdiction that receive Federal funding. FTA is responsible for oversight of SSOAs' compliance with Federal requirements and is required to triennially audit the operations of each SSOA as part of its oversight. In response to a directive in House of Representatives Report 117-99, which asked us to analyze SSOAs, we initiated this audit.

What We Found

FTA has not communicated its oversight methodology to SSOAs.

- FTA oversees SSO programs primarily through SSO audits.
- Although FTA communicates its oversight process to SSOAs, it has not shared the indicators the auditors will look at or the steps they will take to evaluate the SSO program. Therefore, FTA is not meeting its statutory requirement to convey a methodology to SSOAs that describes how it will monitor their effectiveness.

FTA met its requirement to perform SSO oversight, but gaps reduced audit utility.

- Since 2019, FTA has successfully completed 38 SSO audit reports that provided 221 findings.
- However, for 29 of the 54 findings within our scope of our review, FTA did not include sufficient evidence to support the finding or provide suitable criteria, as recommended under commonly used auditing standards.
- FTA's audit documentation did not demonstrate that audits were consistently conducted and that important program risk areas were addressed uniformly.
- These issues resulted from insufficient quality control in the audit process.

FTA's recommendation tracking system data for SSO audits is not reliable.

- FTA's system for tracking SSO audit recommendations, OTrak, is missing records from the first 2 years of the program because FTA did not populate OTrak with audit findings from prior to fiscal year 2021.
- FTA's supervision of OTrak entries is insufficient to provide reasonable assurance that data from 2021 onward are accurate.

5 **Recommendations** to improve FTA's oversight of SSOA compliance with Federal requirements. *(p. 16)*

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U.S. Department of Transportation
Office of Inspector General

Memorandum

Date: August 13, 2025

Subject: ACTION: FTA's Oversight of State Safety Oversight Agencies Could Be Enhanced Through Communication, Audit Process, and Data Management Improvements | Report No. ST2025039

From: Tiffany Mostert
Assistant Inspector General for Surface Transportation Audits

To: Federal Transit Administrator

The Federal Transit Administration (FTA) plays a significant role in promoting the safety of our Nation's public transit systems through its oversight of States' implementation of its State Safety Oversight (SSO) program. This program—supported by FTA's SSO Formula Grant Program, with over $50 million apportioned to States in fiscal year 2023—is required for eligible States with rail transit systems in their jurisdiction that receive Federal funding.[1] While States have the primary responsibility for overseeing the safety of rail transit, in July 2012, the Moving Ahead for Progress in the 21st Century Act (MAP-21)[2] directed FTA to certify eligible SSO programs. FTA completed certification of all 31 SSO programs in 2019.

As part of FTA's SSO program, States established State Safety Oversight Agencies (SSOAs). These agencies can differ in both organizational type and the technical complexity of the rail transit agencies they oversee. FTA is responsible for oversight of these agencies' compliance with Federal requirements and is required to triennially audit the operations of each SSOA as part of its oversight.[3]

[1] 49 U.S. Code (U.S.C.) § 5329(e). An eligible State means a State that has "a rail fixed guideway public transportation system within the jurisdiction of the State that is not subject to regulation by the Federal Railroad Administration; or a rail fixed guideway public transportation system in the engineering or construction phase of development within the jurisdiction of the State that will not be subject to regulation by the Federal Railroad Administration." 49 U.S.C. § 5302(20) defines a State as, "a State of the United States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, Guam, American Samoa, and the Virgin Islands."
[2] Public Law Number (Pub. L. No.) 112-141 § 20021 (2012).
[3] 49 U.S.C. § 5329(e)(10).

In response to a directive in House of Representatives Report 117-99,[4] which asked us to analyze SSOAs, we initiated this audit. Our objective was to assess FTA's oversight of SSOA compliance with Federal requirements. Specifically, we assessed FTA's (1) communication of its SSO audit oversight methodology, (2) SSO audit process, and (3) reliability of SSO audit data in its recommendation tracking system.

We conducted this audit in accordance with generally accepted Government auditing standards. Exhibit A details our scope and methodology, exhibit B lists the organizations we visited or contacted, and exhibit C lists the acronyms used in this report. Exhibit D lists the 31 SSOAs, their characteristics, and the FTA-regulated transit agencies they oversee.

We appreciate the courtesies and cooperation of Department of Transportation (DOT) representatives during this audit. If you have any questions concerning this report, please contact me or Luke Brennan, Program Director.

cc: The Secretary
DOT Audit Liaison, M-1
FTA Audit Liaison, TBP-1

[4] The Consolidated Appropriations Act's joint explanatory statement stated that H.R. Rep. No. 117-99 should be complied with unless specifically addressed to the contrary. 168 Cong. Rec. H3028 (daily ed. Mar. 9, 2022).

Background

The Intermodal Surface Transportation Efficiency Act of 1991[5] established the SSO program for transit systems.[6] In 2012, as part of MAP-21, Congress further emphasized that states are responsible for transit system safety and strengthened the role FTA played in the state safety oversight process. It required FTA to certify SSO programs. It also provided that the Secretary establish a formula for apportioning funding for the SSOAs,[7] which was later established in 2014.[8] In 2021, the Infrastructure Investment and Jobs Act (IIJA)[9] added a requirement for FTA to ensure SSO programs' inspections are based on program-specific risk factors (i.e., risk-based). SSOAs are currently working to comply with this requirement.

Since the passage of MAP-21, FTA has conducted outreach, audits, and inspections of SSO programs. While FTA also uses workshops, monitoring calls with program managers, and quarterly calls, it primarily conducts oversight of SSO operations through audits, which are required at least once triennially.[10] These audits are intended to monitor the effectiveness of the enforcement authorities and practices of the SSOAs. FTA is required to provide the SSOAs the process and methodology that it will use to conduct these audits.[11] The audit teams are made up of FTA representatives and FTA audit contractors, and they use a data collection instrument and site visits to collect and evaluate audit evidence. Based on what the team finds, the audit contractor is responsible for developing the audit report using an audit report template and entering findings and recommendations from the report into FTA's Oversight Tracking System (OTrak). The FTA representatives are responsible for reviewing the audit report for content, quality, and key information on findings; sending it to the SSOA; and saving the audit report in FTA's file. They are also responsible for reviewing the findings and recommendations entered in OTrak, as well as monitoring finding closure.

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[5] Pub. L. No. 102-240 § 3029 (1991).
[6] Throughout the report, we use the terms as defined at 49 Code of Federal Regulations (C.F.R.) § 674.7. "Transit system" to refer to rail fixed guideway public transportation systems. Rail fixed guideway system "means any fixed guideway system, or any such system in engineering or construction, that uses rail, is operated for public transportation, is within the jurisdiction of a State, and is not subject to the jurisdiction of the Federal Railroad Administration." Rail fixed guideway public transportation systems "include but are not limited to rapid rail, heavy rail, light rail, monorail, trolley, inclined plane, funicular, and automated guideway."
[7] Pub. L. No. 112-141 § 20021 (2012).
[8] Establishment of the State Safety Oversight (SSO) Formula Grant Program Formula; 79 Federal Register (Fed. Reg.) 13380 (March 10, 2014).
[9] Infrastructure Investment and Jobs Act (IIJA), Pub. L. No. 117-58 § 30012 (2021).
[10] 49 U.S.C. § 5329(e)(10)(B).
[11] 49 U.S.C. § 5329(e)(11).

The SSOAs vary in how they are structured. Specifically, while many SSOAs are part of a State Department of Transportation (State DOT), other SSOAs are part of other State or local agencies (such as the District of Columbia Department of Fire and Emergency Medical Services). One is an adjudicatory agency (the Massachusetts Department of Public Utilities)[12] and others are commissions with regulatory authority (such as the California and Colorado Public Utilities Commissions). While each of the SSOAs is a public agency—that is, none of the SSOAs are privately owned—some rely significantly on contractor support.

Similarly, they oversee different numbers and types of transit agencies. The majority of SSOAs oversee one or two FTA-regulated rail transit agencies, while others oversee as many as eight. In addition, the rail modes SSOAs oversee can range from heavy and light rail to streetcars and inclined planes.[13] One SSOA, the Michigan Department of Transportation, oversees a system that was owned by a nonprofit and took no Federal funding; that system recently became a rail transit agency that does take Federal funding. Another SSOA, the California Public Utilities Commission, in addition to eight federally funded rail transit agencies, oversees seven other systems not subject to FTA oversight. (See exhibit D for a list of the 31 SSOAs, their characteristics, and the FTA-regulated transit agencies they oversee.)

SSOAs also work according to different budget cycles (i.e., the process through which State budgets are developed, adopted, and executed). Many SSOAs in our sample reported having 1-year budget cycles, while one SSOA reported a 2-year budget cycle, and another reported revisiting their spending plan, which serves as a 5-year budget, quarterly. The beginning and end of the SSOA fiscal years (which are one-year periods used for budgeting and financial reporting purposes) vary as well.

Because the law does not prescribe a specific audit standard for FTA SSO audits, we identified commonly accepted auditing standards used by audit organizations that most closely reflect the SSO audits FTA is performing to assess SSOAs' compliance with regulation[14] and compared these standards to FTA's audit processes. The standards we reviewed reflect best practices for audits. These

[12] This agency, overseen by a three-member Commission, is authorized to hear disputes, interpret laws and regulations, and issue decisions within its jurisdiction.

[13] For example, according to FTA's *National Transit Database Glossary* (last updated Feb. 7, 2025), heavy rail is defined as "[a] transit mode that is an electric railway with the capacity for a heavy volume of traffic. It is characterized by: [h]igh speed and rapid acceleration passenger rail cars operating singly or in multi-car trains on fixed rails" and "[s]eparate rights-of-way from which all other vehicular and foot traffic are excluded." Light rail is defined as "[a] transit mode that typically is an electric railway with a light volume traffic capacity compared to heavy rail. It is characterized by: [p]assenger rail cars operating singly (or in short, usually two car, trains) on fixed rails in shared or exclusive right-of-way; [l]ow or high platform loading; and [v]ehicle power drawn from an overhead electric line via a trolley or a pantograph."

[14] 49 C.F.R. Part 674.

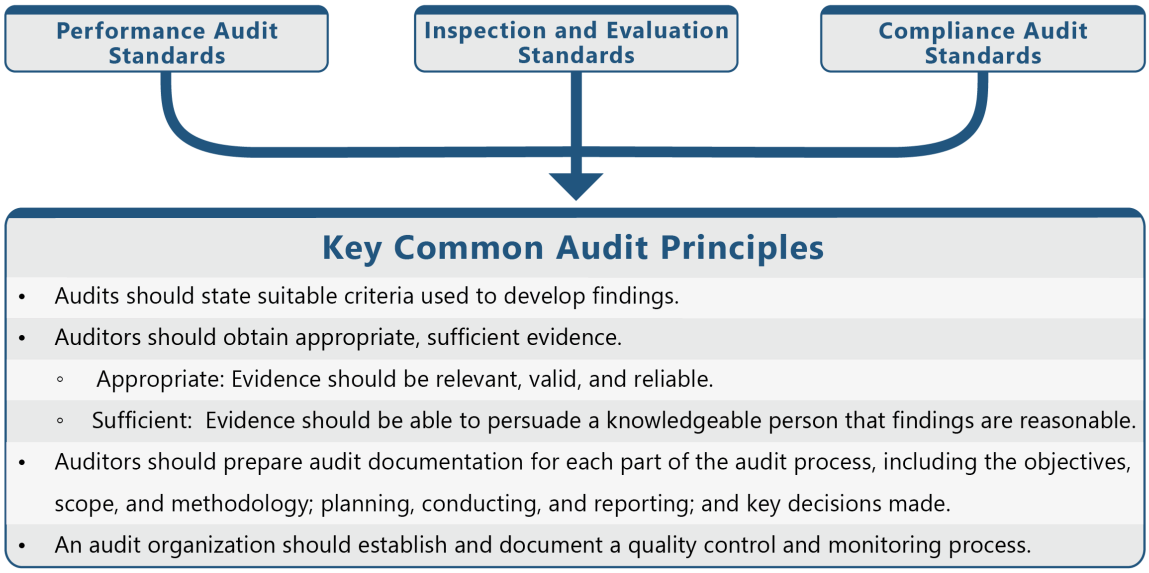
principles are designed to assure auditees and outside stakeholders that results are achieved with a high level of consistency and competence, increasing the efficacy of the audit as an oversight tool. Specifically, we compiled the following list of common audit standards pertinent to FTA's audits:

- U.S. Government Accountability Office's (GAO) Generally Accepted Government Auditing Standards,[15] which are the audit standards promulgated by the supreme audit institution of the United States;
- Council of the Inspectors General on Integrity and Efficiency's (CIGIE) Quality Standards for Inspection and Evaluation,[16] which focus on inspections and evaluations, which are designed to be a flexible mechanism for producing timely reports;
- International Organization of Supreme Audit Institutions' (ISSAI) Performance Audit Principles (ISSAI 300)[17] and Performance Audit Standard (ISSAI 3000),[18] which are the performance audit principles and standards to underly the professional approach of Supreme Audit Institutions, such as the GAO; and the Compliance Audit Principles (ISSAI 400)[19] and Compliance Audit Standard (ISSAI 4000),[20] which are ISSAI's principles and standards focused on compliance audits.

The figure below describes the common audit principles shared by these standards.

[15] GAO, *Generally Accepted Government Auditing Standards* (GAO-21-368G), 2021.
[16] CIGIE, *Quality Standards for Inspection and Evaluation*, 2020.
[17] ISSAI, *Performance Audit Principles* (ISSAI 300), 2019.
[18] ISSAI, *Performance Audit Standard* (ISSAI 3000), 2019.
[19] ISSAI, *Compliance Audit Principles* (ISSAI 400), 2019.
[20] ISSAI, *Compliance Audit Standard* (ISSAI 4000), 2019.

Key Common Audit Principles



Source: OIG analysis of GAO, CIGIE, and ISSAI material

FTA Has Not Communicated Its Oversight Methodology to SSOAs

FTA has not met its statutory requirement to convey a methodology to SSOAs that describes how it will monitor the effectiveness of SSOAs. According to Federal law, "[t]he Secretary shall develop and disseminate to State safety oversight agencies the process and methodology that the Secretary will use to monitor the effectiveness of the enforcement authorities and practices of State safety oversight agencies."[21] FTA has disseminated to SSOAs the process it will use to conduct the audits—when it will conduct the SSOA site visit and the meetings it will hold at that time. It also shares with the SSOAs the documents the FTA audit team will collect as part of the pre-audit activities. However, FTA has not shared with SSOAs the Auditor's Guide it developed that outlines the methodology—that is, the steps the FTA Audit Team will take and the indicators the audit team will look at to determine whether or not the SSOA is in compliance with the regulation.

[21] 49 U.S.C. § 5329(e)(11).

Although officials from multiple SSOAs stated that they have asked FTA to share its methodology, FTA officials maintain that the Auditor's Guide should not be shared with SSOAs because it is not intended to be used as a standalone document. Rather, they state it should be used in conjunction with 49 C.F.R. Part 674, the Audit Checklist, and Auditor's Notes.[22] FTA officials elaborated that auditing standards typically emphasize the need for the auditor to conduct their work in a manner that is not overly influenced by the auditee, and explained that they believe providing the Auditor's Guide to the SSOAs could conflict with these professional standards and the auditor's role in providing an objective assessment. We disagree that providing an established methodology to an auditee necessarily impacts the auditor's independence of mind or appearance, as the audited entity is not being invited to shape or approve the methodology.

Furthermore, FTA communicates significantly detailed methodologies for other reviews its staff or contractors perform, such as the *Comprehensive Review Contractor's Manual* (CORTAP) that guides FTA's "Comprehensive Reviews" of recipients of FTA's largest transit formula grant programs, including Urbanized Area Formula Grants and Formula Grants for Rural Areas.[23] The CORTAP, which is publicly available on FTA's website,[24] includes FTA's expectations of review teams assessing the compliance of FTA recipients with requirements. Each question in the CORTAP includes an explanation of the basic requirement the recipient must meet, to whom the requirement applies, an explanation of the requirement for the reviewer, the questions the FTA reviewers will answer to determine a recipient's compliance with the basic requirement (titled "indicators of compliance"), specific instructions to the reviewer about what and how to evaluate for compliance, and an explanation of the conditions under which a recipient could be deemed deficient, among other attributes.

By not making a methodology available for its SSO audits before the audit begins as statutorily required, FTA may be limiting SSOAs' opportunities to improve their compliance. Further, during our audit, several SSOAs expressed frustration regarding their ability to understand the audit requirements and FTA's expectations. As a result, it is more difficult for SSOAs to position their programs to comply with Federal requirements. SSOAs informed us that many of the regulations seem open to interpretation, and they believe FTA audit teams' interpretation of requirements is subjective and difficult to predict.

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[22] The Audit Checklist, which is required per the standard operating procedures, is an Excel form FTA Auditors use to record the results of initial document reviews. The Auditor's Notes, which is a document meant to record field notes collected during the audit work, is not required.

[23] The Comprehensive Review is one of FTA's management tools for examining how recipients of Urbanized Area Formula Program and other program funds meet statutory and administrative requirements. The Comprehensive Review occurs once every 3 years.

[24] FTA, *Contractor Manual Fiscal Year 2024*, 2024.

FTA Met Its Requirement To Perform SSO Oversight, but Gaps Reduced Audit Utility

While FTA successfully completed 38 audits of SSOAs from the inception of the program through December 2023, our review identified weaknesses in FTA's SSO audit process that diminish the effectiveness these audits can have for oversight of the SSO program. Specifically, FTA did not document evidence that was appropriate (i.e., relevant, valid, and reliable) and sufficient (i.e., the quantity of appropriate evidence to persuade a knowledgeable person that findings are reasonable) to support its audit findings and recommendations, or reference correct criteria to support findings and recommendations. In addition, FTA's audit documentation, when compared across audits it has completed, did not demonstrate that audits were consistently performed and that important program risk areas were addressed uniformly. These issues occurred because FTA lacks sufficient quality control over the SSO audit process. As a result, FTA cannot ensure that its SSO findings are complete and this audit oversight function works as intended, which could impact its ability to identify prevalent safety concerns.

FTA Audit Reports Often Did Not Provide Correct Criteria or Sufficient Audit Evidence To Support Findings Reviewed

Since FTA completed its certification of all 31 SSOAs' SSO programs in 2019, FTA has successfully completed 38 audit reports that provided 221 findings. However, our review identified limitations in FTA's audit documentation processes that reduce assurance that FTA's conclusions are correct and complete. Therefore, the SSO audit results may not reliably identify SSOA regulatory noncompliance or effectively persuade SSOAs to take action and, as a result, may miss opportunities to address SSOA weaknesses. Specifically, we looked at 54 findings pertaining to a representative sample of States, and all from audits conducted according to the most recent version of the Auditor's Guide. We found 29, just over half, of the findings did not consistently provide suitable criteria or include the evidence used to support the findings, as recommended under commonly used auditing standards.

- **Providing suitable criteria to support findings.** Audit standards require that findings must be based on suitable criteria.[25] However, while FTA's SSO audits included criteria for findings, in 13 out of 54 findings (nearly a quarter of the findings), we found issues with the criteria such as the criteria did not match the finding or the FTA audit team did not clearly link its findings to the criteria it used to develop them.

  For example, in 10 of the 38 audit reports we reviewed, the FTA audit team found that the SSOA did not disburse obligated Federal grants in accordance with FTA rules, guidance, and grant agreements. While the FTA audit teams' reports cited as their criteria specific Federal regulations and FTA guidance,[26] they did not state with which aspect of those criteria the SSOA did not comply. In 8 of the 10 findings, the explanation behind the finding suggests that the noncompliance may have related to the rate of spending, yet none of the criteria cited address spend rate. As a result, it is not clear with what criteria the SSOAs were not compliant, or what they needed to do to be in compliance.

- **Including evidence to support findings.** A consistent principle among commonly used auditing standards for audits similar to FTA's SSO audits is that auditors obtain sufficient, appropriate evidence to provide a reasonable basis for findings and recommendations. Evidence must be reliable to be considered appropriate, and reliability is based on evidence being collected transparently and consistently. Evidence must also persuade a knowledgeable person that findings are reasonable to be considered sufficient.[27]

  FTA's SSO audit reports contain a section called "Audit Evidence," which FTA has stated is the official repository of its audit documentation. However, of the audits in our sample with findings, we found that 23 of the 54 findings (about 43 percent)—while supported with evidence—were not supported with enough detailed evidence to persuade a knowledgeable person that the findings were reasonable. For example, in the 2023 Colorado Public Utilities Commission SSO program audit report,[28] the auditors found that the SSOA did not ensure the rail transit

[25] Criteria is defined in GAO's *Generally Accepted Government Auditing Standards* as laws, regulations, contracts, grant agreements, standards, measures, expected performance, defined business practices, and benchmarks against which performance is compared or evaluated. Criteria identify the required or desired state or expectation with respect to the program or operation.
[26] 49 C.F.R. §674.17(a), 2 C.F.R. §200.303(a), 2 C.F.R. §200.303(d), and FTA Circular 5010.1E, *Award Management Requirements*, Chapter VI § (2)(f)(3)(a)(2).
[27] Sufficiency and appropriateness are evaluated in the context of their related findings and are relative terms—what is considered sufficient and appropriate in one case may not be for another. While we are applying a general standard, we considered the factors of each case individually.
[28] Report year refers to publication date; work may have been conducted at an earlier point.

agency provided notification of all reportable accidents within 2 hours, as required. The audit evidence section stated that, during 2020 and 2021, the rail transit agency did not report 6 of 22 accidents within 2 hours. However, the audit report did not identify which of the six accidents did not meet the reporting threshold, nor how much time elapsed before those incidents were reported.

FTA's Documentation Did Not Establish That Audits Were Conducted Consistently

FTA's audit documentation, when compared across audits it has completed, did not demonstrate that the audits were consistently conducted and that important program risk areas were addressed uniformly. For 15 audit reports across 12 SSOAs,[29] we reviewed the report and supporting documentation and found that the FTA audit teams did not consistently elevate the same issues to finding status, had varying interpretations of SSO program requirements, and did not explain why certain audit steps were not taken. These issues limit FTA management's ability to verify that program risk areas were addressed and that its audit oversight function works as intended. Areas we found where the audit documentation reflects that the audit steps were performed inconsistently included:

- **Examining the amount of obligated funding expended (i.e., the spend rate).**[30] Of the 38 total SSO audit reports, 10 had findings in the "Obligation and Disbursing of Federal Funds" section. However, it is unclear how the audit team determined when to issue a finding in this section. None of these reports explicitly stated FTA's concern in this area, but the required actions for most of those findings suggested that the noncompliance related to unexpended Federal funds. Some reports included information on an SSOA's spend rate, i.e., how expediently they were using their Federal funding. However, some States with lower spend rates—States that had spent less of the Federal funding to date—did not have an audit finding, while States with higher spend rates did. Specifically, in the 2021 New York Public Transportation Safety Board SSO program audit, the spend rate as detailed by the FTA audit team was 66 percent of obligations, and the team issued a finding of noncompliance. However, in the 2023 Texas Department of Transportation SSO program audit, the FTA audit team stated that the

[29] The Scope and Methodology in exhibit A explains how this representative sample of SSOAs was derived. As SSOAs are audited every 3 years, some of the SSOAs in our sample had been audited more than once.
[30] The spend rate measures how quickly funds are expended by grantees; it is the percentage of an award's budget that has been expended at a given point in time.

spend rate was 42 percent of obligations, yet no finding on noncompliance was issued. Additionally, FTA did not document sufficient information to confirm the spend rate used in the audits. For the 10 reports we reviewed where spend rate was identified as a problem, only 3 audit reports included the calculated spend rate. The other 7 reports simply provided apportionment and expenditure information, and either the difference between the apportioned and expended funds or the difference between the obligated and expended funds[31]—sometimes in terms so general that the spend rate could not be reliably calculated.

- **Reviewing workload assessments.** Part of FTA's SSO audit process involves assessing whether the SSOA determines an appropriate staffing level for the SSO Program.[32] The Auditor's Guide instructs FTA auditors to review, among other things, the staffing and resource levels in the current SSOA workload assessment. The Auditor's Guide does not include additional details on how a "current" assessment is defined or how the reviewers should evaluate if the assessment is current. The SSO audit reports we reviewed differed in how the audit teams interpreted this requirement and how they documented their steps to complete it. For example, the 2022 Virginia Department of Rail and Public Transportation SSO program audit report noted the workload assessment had not been updated in 5 years and issued a finding of noncompliance for that reason, indicating that this FTA audit team interpreted this requirement to mean that they should assess when the SSOA last updated its workload assessment. Meanwhile, in the 2023 District of Columbia Fire and Emergency Medical Services Department SSO program audit report, the FTA auditors noted that they reviewed a workload assessment from 2017, yet there was no finding of noncompliance, indicating that they did not consider whether the workload assessment was updated recently in their analysis. Instead, they focused on whether the number of full-time equivalent (FTE) employees allocated to the SSOA program matched the number of FTE allocated at the time of certification. Furthermore, the 2023 California Public Utilities Commission SSO program audit report did not state that it reviewed a workload assessment at all, instead using

[31] "Apportionment" refers to an Office of Management and Budget-approved plan to spend appropriated resources. FTA apportions funds to the SSOAs on an annual basis; for the fiscal year 2023 SSOA apportionments, see exhibit D. Funds must be apportioned before they can be obligated. "Obligation" refers to a legally binding commitment in the form of an agreement between FTA and the SSOA that will result in disbursements. The SSOA is then free to spend the funding. "Disbursement" is FTA's payments to SSOAs to reimburse what they have spent of the obligated amount. "Remainder" refers to the remaining undisbursed funds.

[32] FTA, *Office of Safety Review Program Management Division SSO Program Auditor's Guide v2.0*, March 15, 2021. The SSO Program Audit Guide is written to reflect the requirements of the SSO Program under 49 C.F.R. Part 674.

organization charts and interviews and not citing any baseline to evaluate the adequacy of the staffing level.

- **Reviewing expenditure activities.** FTA SSO audit documentation is also insufficient to establish the extent of the Agency's oversight activity and why specific oversight activities may not be conducted, such as reviewing expenditures. For the 12 SSOAs in our sample, only 3 of the 15 SSO audits included a discussion of expense eligibility. Furthermore, FTA's Auditor's Guide instructs the FTA Audit Team to "review a sample of drawdown funds to ensure documentation supports the grant drawdown." Yet none of the 15 audits we reviewed cited this as a step or indicated that expenditure documentation had been reviewed. Moreover, none of those audits stated why this step was not captured in the FTA audit report.

These inconsistencies in the audits extend to the way FTA communicates with SSOAs on particular topics. Several SSOAs told us they had concerns about how to meet FTA's expectations, citing staffing and spend rate among their examples. While the program is structured for SSOAs to have considerable latitude in addressing requirements, FTA's lack of clarity in how its audit teams are assessing SSO programs in these areas reduces SSOAs' ability to comply with requirements, potentially reducing their effectiveness.

FTA's SSO Audit Process Lacks Sufficient Quality Control

The issues in FTA's audit documentation that we identified result from insufficient quality control over the SSO audit process. A consistent principle in the audit standards we reviewed is that audits must have a system of quality control prescribing how the audits are to be conducted and may include reviews of the completed work. While FTA has standard operating procedures specifying the roles, responsibilities, and steps for conducting SSO audits, these procedures are insufficiently detailed to meet the intent of a quality control system. For example, the procedures do not set minimum documentation requirements for the audit reports, including specifying what the FTA audit team needs to document to support the report findings and recommendations.

In addition, FTA has not specified for its audit teams what constitutes compliance under this program. While FTA's SSO Auditor's Guide provides questions for the auditors to explore during the audit, it does not include examples that the audit team can use to determine whether the auditee is compliant nor instruct the team to document its assumptions. For example, FTA's SSO Auditor's Guide asks the FTA audit team to determine whether the SSOA determines an appropriate staffing level for the SSO program, but it does not set minimum compliance

thresholds by stating what conditions should or should not be determined to be compliant or instruct its audit teams on what assumptions to document. In our review, we found that half of the explanations provided by the audit team were adequate.

In contrast, for FTA's Comprehensive Reviews, which are comparable to SSO audits in that they are broad reviews of recipient compliance and Federal law, the review teams are provided with a significantly more detailed manual to guide their work: the CORTAP.[33] The CORTAP provides examples of noncompliance the contractor can apply to determine whether the auditee is compliant. By applying this guidance, the contractor knows exactly which conditions are considered noncompliant by FTA. Alternatively, FTA guidance for another type of review, the *Financial Contractors' Guide for Conducting Financial Capacity Assessments for the Capital Investment Grants Program*,[34] used to evaluate the financial condition of program applicants, encourages the use of professional judgement when assessing capital projects for potential funding, but requires that the contractors hired to perform these assessments document rationales for all stress-testing decisions and parameters selected for testing.

Because FTA SSO audit guidance is not specific enough and the process lacks quality control to provide reasonable assurance that the audits have consistent and comprehensive documentation, FTA cannot be sure that its list of SSO findings is complete and this audit oversight function works as intended. This may limit FTA's understanding of program-wide issues, which could impact its ability to identify prevalent safety concerns. Furthermore, FTA's practices are inconsistent with the Department's Records Management Policy,[35] where DOT commits to ensuring adequate and proper documentation of business activities to support its mission.[36]

FTA's Recommendation Tracking System Data for SSO Audits Is Not Reliable

FTA's oversight of SSOAs is also limited by weaknesses in its tracking of audit recommendations. FTA's system for tracking SSO audit recommendations, OTrak, is missing records from the first 2 years of the program because FTA did not populate OTrak with audit findings from SSO audits prior to fiscal year 2021. In

[33] FTA, *Contractor Manual Fiscal Year 2024*, 2024.
[34] FTA, *Financial Contractors' Guide for Conducting Financial Capacity Assessments for the Capital Investment Grants Program*, January 2025.
[35] DOT Order 1351.28, Department Records Management Policy, August 11, 2016.
[36] We consider statutorily mandated audits of the SSO program to be a business activity of FTA.

addition, FTA's controls on the OTrak system are insufficient to ensure data from 2021 onward is accurate. These data issues are counter to the Department's Data Management Policy, which requires that DOT record, preserve, and make available sufficient data and information to ensure the management and accountability of agency programs.[37]

Although FTA began auditing SSO programs in 2019, the Agency did not track auditing data prior to fiscal year 2021 in its OTrak system. According to FTA officials, the database cannot track audit data prior to 2021 due to changes in the information collected since that time. Specifically, FTA regulations called for rail transit agencies to change from System Safety Program Plans (SSPP) to Public Transit Agency Safety Plans (PTASP) no later than July 2020 following the enactment of MAP-21.[38] With this change, which adopted a new system for safety management and different processes for safety programs, the criteria against which FTA checked SSO program compliance changed and the substance of the requirements the FTA audit team was tasked with checking changed. As a result, as of May 2, 2024, FTA's "Corrective Actions" module of the OTrak database, which held 166 records related to 165 SSO audit findings, was missing a quarter of the findings identified since the inception of the program.

Similar to the change from SSPP to PTASP, which posed a problem for data collection, FTA's SSO program will be transitioning to risk-based inspections, as required by IIJA.[39] This could, again, change the requirements the FTA audit team will be tasked with checking. However, without developing and implementing a plan for how OTrak will accommodate future changes to the SSO audit structure, such as those anticipated as a result of the implementation of risk-based inspections, FTA will have challenges meaningfully tracking trends over time in its current system. For example, FTA will have difficulty identifying and remedying repeat findings, which can indicate safety risks or inadequacies in the process. Repeat findings can indicate that initial corrective actions were ineffective or that FTA did not properly close the findings the first time.

Additionally, we identified several issues with the accuracy of OTrak data. First, OTrak has inconsistently coded and missing records. When assessing the reliability of FTA's OTrak data, we found 3 missing records from audits that occurred after 2021 out of the 166 records total we reviewed. The three missing records all referred to findings that were closed prior to audit issuance, but OTrak included another finding that had also been closed prior to audit issuance. This

[37] DOT Order 1351.34, *Data Management Policy*, 34.4.1.

[38] The PTASP rule requires transit agencies to establish the necessary authorities, accountabilities, and responsibilities for the management of safety, as opposed to the SSPP provisions focused on identifying and describing roles and responsibilities in managing specific safety activities. Because it is proactive rather than reactive, the PTASP rule requires new processes and activities.

[39] Infrastructure Investment and Jobs Act (IIJA), Pub. L. No. 117-58 § 30012(a)(5) (2021).

indicates that FTA is inconsistently recording its closed findings in OTrak. Furthermore, one finding had multiple Corrective Action Plans that were split into two separate records, although other findings with multiple Corrective Action Plans were captured in a single record.

While the number of issues we identified was small, we note that, when we reviewed the OTrak database, it held only 3 years of data for the 31 SSOAs. Given the size of the current data universe, small problems in the data may have a significant adverse impact, such as misrepresenting the prevalence of a particular finding, which could make it difficult for FTA to generate complete and accurate reports of the existing findings. These issues occurred because FTA lacks sufficient supervision of the data the contractors are entering. According to FTA staff, they are currently taking action to address this type of inconsistency through database improvements designed to standardize inputs. This is an important step; however, FTA could address this concern more directly and comprehensively by enhancing supervision of its contractor's data entries.

Second, OTrak's system limitations hinder its usefulness. Specifically, the system has a character count that limits how much data FTA can track. While it is currently used to track closure of Corrective Action Plans, OTrak contains data that could also be used to inform oversight strategies. When an OTrak system user conducts a safety query, the results appear in several fields, such as "Findings/Deficiency/Technical Assistance", "Justification", and "Corrective Action/Recommendation/ Further Technical Assistance." While this data reflects FTA's oversight findings, the three fields are limited to 103 characters each. However, in our review, we identified several findings with over 200 characters each. As a result, the queries produce incomplete information on FTA's findings and actions taken, limiting OTrak's usefulness as an oversight tool.

OTrak system's current data entry processes may be creating future problems as the reports may be insufficient to inform decision-making. If the system contains findings unintentionally split into multiple records, is missing records, or contains incomplete entries, FTA may over- or under-estimate the scope of a problem when it tracks trends over time. Such over- or under-estimation may lead FTA to not prioritize the most prevalent issues when providing safety oversight.

Conclusion

Safety is the top priority of the Department of Transportation, and effective SSO programs help improve rail transit safety. FTA has made considerable progress in establishing a more robust SSO oversight program since the passage of MAP-21 in 2012, including continuing to develop Federal requirements to meet program goals and strengthening its SSO program oversight processes. However, more

can be done to enhance oversight by addressing weaknesses in its communication, audit process, and data management practices. These weaknesses may be limiting its ability to assess, and if needed make recommendations to improve, SSO program effectiveness.

Recommendations

To improve the Federal Transit Administration's (FTA) oversight of State Safety Oversight Agency (SSOA) compliance with Federal requirements, we recommend that the Federal Transit Administrator:

1. Develop and provide to State Safety Oversight (SSO) program audit participants a methodology—the steps the FTA Audit Team will take and the indicators the audit team will look at to determine whether or not the SSOA is in compliance with the regulation.

2. Develop and implement quality control procedures to address identified oversight gaps. The procedures should include a process to ensure findings specify suitable criteria, minimum documentation requirements, examples of model evidentiary documentation, and a requirement that the rationale for compliance and audit methodology decisions be included in the audit documentation.

3. Develop and implement a plan for how OTrak will accommodate future changes to the SSO audit structure, such as those anticipated as a result of the implementation of risk-based inspections.

4. Establish and implement supervisory review of OTrak data entries to identify un- or mis-recorded entries and improve the reliability of OTrak data.

5. Update OTrak to enable the complete text of findings and recommendations to be captured in database fields.

Agency Comments and OIG Response

We provided FTA with our draft report on June 24, 2025. On July 23, 2025, we received FTA's response, which is included as an appendix to this report. FTA concurred with our five recommendations and provided appropriate actions and completion dates. Accordingly, we consider all recommendations resolved but open pending completion of the planned actions.

Actions Required

We consider recommendations 1 through 5 resolved but open pending completion of planned actions.

Exhibit A. Scope and Methodology

This performance audit was conducted between November 2023 and June 2025. We conducted this audit in accordance with generally accepted Government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The House of Representatives Report 117-99 directed our office to audit SSOAs and include the Washington Metropolitan Area Transit Authority in this analysis. Our announced objective was to assess FTA's oversight of SSOA compliance with Federal requirements.

To evaluate FTA's oversight of SSOA compliance with Federal requirements, we identified relevant laws and regulations, applicable Federal Register notices and DOT and FTA internal policies and guidance, including the *674 SSO Program Audit Standard Operating Procedure* and the *State Safety Oversight (SSO) Auditor's Guide*. In our initial audit work, we identified FTA's SSO audits to assess SSOA compliance with 49 C.F.R. Part 674 as the core of FTA's oversight processes. Because 49 C.F.R. Part 674 does not prescribe a specific audit standard for FTA SSO audits, we identified commonly accepted auditing standards that most closely reflect the SSO audits FTA is performing:

- GAO's Generally Accepted Government Auditing Standards, which are the audit standards promulgated by the supreme audit institution of the United States
- Council of the Inspectors General on Integrity and Efficiency's Quality Standards for Inspection and Evaluation, which focuses on inspections and evaluations and are designed to be a flexible mechanism for producing timely reports
- ISSAI's International Standards of Supreme Audit Institutions (both 300/3000, which are the principles and standards focused on performance audits, and 400/4000, which are the principles and standards focused on compliance audits)

From these, we collected audit best practices, using professional judgement to focus on those most relevant to the conduct and documentation of FTA's SSO audits and selecting only those practices that appeared in all three sets of standards.

With the help of the OIG Supervisory Mathematical Statistician, we developed a universe of the SSOAs based on (1) whether the SSOA was required,[40] (2) the size of their FY 2023 Section 5329(e) State Safety Oversight Program full year apportionments,[41] and (3) whether or not they existed within a State DOT. The final universe consisted of 31 SSOAs associated with 31 states. The universe of 31 SSOAs was stratified by dollar amount into three categories: less than $1 million, between $1 million and $3 million inclusive, and more than $3 million, and further stratified by whether the SSOA was a State DOT or not. There were 6 strata total in this design. WMATA was taken as a certainty SSOA, making 7 strata total. No more than 2 SSOAs were taken from each strata. The final sample size was 12. The sample was drawn using a stratified simple random sample. The final sample is shown in the table below.

Selected State Safety Oversight Agencies

State Safety Oversight Agency	State DOT or Other	Appropriation
Washington Metrorail Safety Commission (Required)	Other	Above $3 million
Illinois Department of Transportation	State DOT	Above $3 million
New York Public Transportation Safety Board	Other*	Above $3 million
California Public Utilities Commission	Other	Above $3 million
Texas Department of Transportation	State DOT	$1 million - $3 million
Missouri Department of Transportation	State DOT	$1 million - $3 million
Colorado Public Utilities Commission	Other	$1 million - $3 million
Massachusetts Department of Public Utilities	Other	$1 million - $3 million

[40] As the directive for this audit included the requirement that we include the Washington Metropolitan Area Transit Authority in our review, our sample included the Washington Metropolitan Area Transit Authority's SSOA, the Washington Metrorail Safety Commission.
[41] FY 2023 Section 5329 State Safety Oversight Apportionment Table.

State Safety Oversight Agency	State DOT or Other	Appropriation
Michigan Department of Transportation	State DOT	Below $1 million
Virginia Department of Rail and Public Transportation	State DOT*	Below $1 million
Minnesota Department of Public Safety	Other	Below $1 million
District of Columbia Fire and Emergency Medical Services	Other	Below $1 million

Source: OIG analysis based on publicly available data

* The category for this entry was later determined to be incorrect. See below for an explanation.

We later determined, through our audit work, that the Virginia Department of Rail and Public Transportation, which was categorized as a State DOT, is not located in a State DOT and that the New York Public Transportation Safety Board, which was categorized as Other, is located in a State DOT. As projections were not a requirement, the audit team, in consultation with our Supervisory Mathematical Statistician, determined that, despite these initial inaccurate categorizations, the sample was sufficient for audit purposes.

We collected SSO audit reports for audits conducted between the inception of the program in 2019 and December 2023 for our review and analysis. To assess the reliability of data in FTA's recommendation tracking system, we compiled a listing of SSO audit report findings from all 38 audit reports collected, which we then compared to the list of SSO audit findings generated from OTrak, FTA's Oversight Tracking System, in May 2024. We also reviewed the data in the system for data integrity issues such as blank fields, duplicate entries, and fields where the actual record length differed from the expected record lengths. We found that the data in the OTrak system was not reliable for the purposes of our audit, and as a result, we relied instead on our listing of findings generated from the reports themselves as the universe for our findings review.

Out of the 38 reports we collected, we reviewed the 15 audit reports related to the 12 states in our sample in depth—as SSOAs are audited every 3 years, some of the SSOAs in our sample had been audited more than once. We compared the findings in these reports to the best practices we had previously identified.

Finally, from the 12 SSOAs in our sample we collected additional documentation and conducted interviews with SSOA officials and the Transit Safety Oversight Association to better understand and identify how FTA performs its SSOA

oversight. Throughout the process we also conducted interviews with members of FTA's staff in Transit Safety Oversight.

Exhibit B. Organizations Visited or Contacted

Federal Transit Administration Facilities

Federal Transit Administration Headquarters

Other Organizations

California Public Utilities Commission

Colorado Public Utilities Commission

District of Columbia Fire and Emergency Medical Services Department

Illinois Department of Transportation

Massachusetts Department of Public Utilities

Michigan Department of Transportation

Minnesota Department of Public Safety

Missouri Department of Transportation

New York Public Transportation Safety Board

Texas Department of Transportation

Transit Safety Oversight Association

Virginia Department of Rail and Public Transportation

Washington Metrorail Safety Commission

Exhibit C. List of Acronyms

C.F.R.	Code of Federal Regulations
CIGIE	Council of the Inspectors General on Integrity and Efficiency
CORTAP	Comprehensive Review Contractor's Manual
DOT	U.S. Department of Transportation
FTA	Federal Transit Administration
FTE	Full-time equivalent
GAO	U.S. Government Accountability Office
IIJA	Infrastructure Investment and Jobs Act
ISSAI	International Standards of Supreme Audit Institutions
MAP-21	Moving Ahead for Progress in the 21st Century Act
OIG	Office of Inspector General
OTrak	Oversight Tracking System
PTASP	Public Transit Agency Safety Plans
Pub. L.	Public Law
SSO	State Safety Oversight
SSOA	State Safety Oversight Agency
SSPP	System Safety Program Plans
State DOT	State Department of Transportation
U.S.C.	U.S. Code

Exhibit D. The 31 SSOAs and the FTA-Regulated Rail Transit Agencies They Oversee

State	FY 23 Apportionment	SSOA Name	SSOA Placement	FTA-Regulated Rail Transit Operator Overseen by SSOA	Mode	CY23 VRM
Arizona	$1,171,338	Arizona Department of Transportation	State DOT	Valley Metro Rail, Inc.	Light Rail	3,017,451
					Streetcar	121,016
				Sun Link Transit System	Streetcar	189,755
Arkansas	$482,889	Arkansas State Highway and Transportation Department	State DOT	Rock Region Metropolitan Transit Authority	Streetcar	30,350
California	$6,660,512	California Public Utilities Commission*	Commission with Regulatory Authority	San Francisco Bay Area Rapid Transit District	Heavy Rail	79,080,687
					Monorail and Automated Guideway	258,684
					Hybrid Rail	1,130,909
				Los Angeles County Metropolitan Transportation Authority	Heavy Rail	5,573,805
					Light Rail	16,159,224

State	FY 23 Apportionment	SSOA Name	SSOA Placement	FTA-Regulated Rail Transit Operator Overseen by SSOA	Mode	CY23 VRM
				North County Transit District	Hybrid Rail	600,269
				Orange County Transportation Authority	Streetcar	In Engineering/ Construction Phase
				Sacramento Regional Transit District	Light Rail	3,588,366
				San Diego Metropolitan Transit System	Light Rail	12,489,688
				San Francisco Municipal Railway	Cable Car Light Rail Streetcar	198,873 4,896,172 248,511
				Santa Clara Valley Transportation Authority	Light Rail	2,985,624
Colorado	$1,428,760	Colorado Public Utilities Commission*	Commission with Regulatory Authority	Denver Regional Transportation District	Light Rail	8,367,657

State	FY 23 Apportionment	SSOA Name	SSOA Placement	FTA-Regulated Rail Transit Operator Overseen by SSOA	Mode	CY23 VRM
District of Columbia	$3,983,642	District of Columbia Fire and Emergency Medical Services*	State Agency Other Than DOT	District Department of Transportation	Streetcar	124,047
		Washington Metrorail Safety Commission*	Commission with Regulatory Authority	Washington Metropolitan Area Transit Authority	Heavy Rail	91,638,537
Florida	$1,463,579	Florida Department of Transportation	State DOT	Hillsborough Area Regional Transit Authority	Streetcar	128,777
				Jacksonville Transportation Authority	Monorail and Automated Guideway	84,333
				Miami-Dade Transit Authority	Heavy Rail	7,281,733
					Monorail and Automated Guideway	931,208
Georgia	$1,843,080	Georgia Department of Transportation	State DOT	Metropolitan Atlanta Rapid Transit Authority	Streetcar	42,498
					Heavy Rail	18,161,125
Hawaii	$463,748	Hawaii Department of Transportation	State DOT	The City and County of Honolulu Department of Transportation Services	Heavy Rail	1,189,274

Exhibit D. The 31 SSOAs and the FTA-Regulated Rail Transit Agencies They Oversee

State	FY 23 Apportionment	SSOA Name	SSOA Placement	FTA-Regulated Rail Transit Operator Overseen by SSOA	Mode	CY23 VRM
Illinois	$3,713,442	Illinois Department of Transportation*	State DOT	Chicago Transit Authority	Heavy Rail	62,562,093
				Bi-State Development Agency of the Missouri-Illinois Metropolitan District	Light Rail	*See Missouri for VRM*
Louisiana	$618,963	Louisiana Department of Transportation and Development	State DOT	New Orleans Regional Transit authority	Streetcar	764,481
Maryland	$1,321,143	Maryland Department of Transportation	State DOT	Maryland Transit Administration	Heavy Rail Light Rail	4,650,648 2,663,945 + one line in Engineering/ Construction Phase
Massachusetts	$2,312,222	Massachusetts Department of Public Utilities*	Adjudicatory Agency	Massachusetts Bay Transportation Authority	Heavy Rail Light Rail	16,798,871 5,695,608

State	FY 23 Apportionment	SSOA Name	SSOA Placement	FTA-Regulated Rail Transit Operator Overseen by SSOA	Mode	CY23 VRM
Michigan	$652,000	Michigan Department of Transportation*	State DOT	Detroit Transportation Corporation	Monorail and Automated Guideway	242,610
				M-1 Rail *(transferred to QLINE in 2024)*	Streetcar	112,828
Minnesota	$851,901	Minnesota Department of Public Safety*	State Agency Other Than DOT	Metro Transit	Light Rail	3,810,381
Missouri	$1,356,274	Missouri Department of Transportation*	State DOT	Kansas City, City of Missouri	Streetcar	136,050
				Loop Trolley Transportation Development District	Streetcar	2,918
				Bi-State Development Agency of the Missouri-Illinois Metropolitan District (Illinois and Missouri)	Light Rail	4,745,254

Exhibit D. The 31 SSOAs and the FTA-Regulated Rail Transit Agencies They Oversee

State	FY 23 Apportionment	SSOA Name	SSOA Placement	FTA-Regulated Rail Transit Operator Overseen by SSOA	Mode	CY23 VRM
New Jersey	$1,883,563	New Jersey Department of Transportation	State DOT	New Jersey Transit Corporation	Light Rail Hybrid Rail	2,662,523 949,875
				Port Authority Transit Corporation	Heavy Rail	4,428,814
New York	$5,256,508	New York Public Transportation Safety Board*	State DOT	Metropolitan Transportation Authority New York City Transit	Heavy Rail	348,813,756
				Niagara Frontier Transportation Authority	Light Rail	716,067
				Staten Island Rapid Transit Operating Authority	Heavy Rail	2,540,404
North Carolina	$859,993	North Carolina Department of Transportation	State DOT	Charlotte Area Transit System -- City of Charlotte North Carolina (CATS)	Light Rail Streetcar	1,590,946 112,932
Ohio	$1,156,449	Ohio Department of Transportation	State DOT	Greater Cleveland Regional Transit Authority	Heavy Rail Light Rail	2,302,596 476,284
				City of Cincinnati	Streetcar	89,141

Exhibit D. The 31 SSOAs and the FTA-Regulated Rail Transit Agencies They Oversee

State	FY 23 Apportionment	SSOA Name	SSOA Placement	FTA-Regulated Rail Transit Operator Overseen by SSOA	Mode	CY23 VRM
Oklahoma	$491,056	Oklahoma Department of Transportation	State DOT	Oklahoma City EMBARK	Streetcar	148,545
Oregon	$1,573,448	Oregon Department of Transportation	State DOT	Portland Streetcar	Streetcar	375,122
					Aerial Tramway	27,338
				Portland TriMet	Hybrid Rail	80,098
					Light Rail	7,779,017
Pennsylvania	$2,771,266	Pennsylvania Department of Transportation	State DOT	Cambria County Transit Authority	Incline Plane	-
				Pittsburgh Regional Transit	Light Rail	1,499,741
					Incline Plane	19,153
				Southeastern Pennsylvania Transportation Authority	Heavy Rail	14,650,827
					Streetcar	2,396,383
Puerto Rico	$615,673	Puerto Rico Emergency Management Bureau	State Agency Other Than DOT	Alternativa de Transporte Integrado	Heavy Rail	1,700,214

Exhibit D. The 31 SSOAs and the FTA-Regulated Rail Transit Agencies They Oversee

State	FY 23 Apportionment	SSOA Name	SSOA Placement	FTA-Regulated Rail Transit Operator Overseen by SSOA	Mode	CY23 VRM
Tennessee	$648,730	Tennessee Department of Transportation	State DOT	Chattanooga Area Regional Transportation Authority	Incline Plane	20,112
				Memphis Area Transit Authority	Streetcar	72,236
Texas	$2,723,928	Texas Department of Transportation*	State DOT	Dallas Area Rapid Transit	Light Rail Streetcar	10,045,268 81,792
				City of Galveston	Streetcar	5,815
				McKinney Avenue Transit Authority	Streetcar	68,368
				Metropolitan Transit Authority of Harris County	Light Rail	3,205,217
				City of El Paso	Streetcar	51,000
Utah	$1,093,544	Utah Department of Transportation	State DOT	Utah Transit Authority	Light Rail	6,262,545
Virginia	$544,491	Virginia Department of Rail and Public Transportation*	State Agency Other Than DOT	Hampton Roads Transit	Light Rail	341,449

Exhibit D. The 31 SSOAs and the FTA-Regulated Rail Transit Agencies They Oversee

State	FY 23 Apportionment	SSOA Name	SSOA Placement	FTA-Regulated Rail Transit Operator Overseen by SSOA	Mode	CY23 VRM
Washington State	$1,349,381	Washington State Department of Transportation	State DOT	Seattle Center Monorail	Monorail and Automated Guideway	227,127
				Central Puget Sound Regional Transit Authority	Light Rail	8,252,514
					Streetcar	114,159
				King County	Streetcar	177,754
West Virginia	$504,029	West Virginia Division of Public Transit	State DOT	West Virginia University, Morgantown Personal Rapid Transit	Monorail and Automated Guideway	519,612
Wisconsin	$620,987	Wisconsin Department of Transportation	State DOT	City of Milwaukee	Streetcar	93,352
				Kenosha Area Transit	Streetcar	16,578

Source: OIG analysis of FTA and SSOA data

* SSOA included in our sample

Exhibit E. Major Contributors to This Report

LUKE **BRENNAN**	PROGRAM DIRECTOR
DAWN **FRATRIN**	PROJECT MANAGER
BRIAN **CWERENZ**	SENIOR ANALYST
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AUDRE **AZUOLAS**	CHIEF COMMUNICATIONS OFFICER
GEORGE **ZIPF**	SUPERVISORY MATHEMATICAL STATISTICIAN
MAKESI **ORMOND**	STATISTICIAN

Appendix. Agency Comments

U.S. Department of Transportation
Federal Transit Administration

Memorandum

Subject: INFORMATION: Management Response – FTA Oversight of State Safety Oversight Agencies Could Be Enhanced Through Communication, Audit Process, and Data Management Improvements

Date: July 23, 2025

From: Tariq Bokhari, Acting Administrator
Federal Transit Administration

To: Tiffany Mostert, Assistant Inspector General for Surface Transportation Audits

The Federal Transit Administration (FTA) plays a key role in enhancing the safety of the Nation's public transportation systems by overseeing State Safety Oversight Agencies (SSOAs) and their associated programs. These programs are required in States that operate rail fixed guideway public transportation systems and receive Federal funding. Although States hold primary responsibility for rail transit safety, under 49 CFR Part 674, FTA has established a comprehensive safety program that includes certifying the designated SSOAs and conducting an audit of each SSOA at least once every three years to ensure compliance with Federal requirements.

To further ensure SSOA compliance and data quality, FTA:

- Began assessing and enhancing the Oversight Tracking System (OTrak) to improve the reliability of data;
- In April 2025, launched a new OTrak module (SafeStat) that aligns closely with State Safety Oversight processes and allows FTA to add new requirement capabilities; and
- For several years, has hosted an annual Joint State Safety Oversight and Rail Transit Agency Conference to provide training and technical assistance to SSOAs.

Based on our review of the OIG draft report, FTA concurs with all five recommendations as written. FTA plans to complete actions to implement Recommendation 1 by January 31, 2027, Recommendations 2-4 by August 31, 2026, and Recommendation 5 by January 31, 2026.

We appreciate the opportunity to review the OIG draft report. Please contact Joanne Waszczak, FTA's Acting Senior Audit Liaison/Program Manager, at (202) 430-8095 with any questions.

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