

## **NEPA #3 – FHWA Audit Support CBT**

### **Welcome**

Welcome to National Environmental Policy Act, also known as NEPA, Course on Federal Highway Administration Audit Support provided by the Florida Department of Transportation's Office of Environmental Management.

### **Welcome (Continued)**

This training will emphasize our readiness for the audit. We are all familiar with audits. The difference with the new set of FHWA audits is that we are being proactive with an audit support process that explains how we will support the audit process to make it more transparent, and gives us tips for handling an audit interview. With a little preparation, we anticipate the Districts and OEM will have a more productive audit experience.

### **Lesson objectives**

The 3 lessons in our learning objectives are Connecting the Self-Assessment and FHWA Audit, Audit Support, and preparing for the FHWA Audit.

### **Lesson 1: Authority and Connecting the Self-Assessment and FHWA Audit**

Lesson 1 covers the authority for an audit support process and the connection between Self-Assessments and the FHWA Audits. Additionally, FHWA will evaluate progress of the FDOT performance measures.

#### **Authority for FDOT Audit Support**

Section 23 U.S.C. 327(g) and the NEPA Assignment Memorandum of Understanding (MOU) requires FHWA to conduct four annual Program audits of FDOT to evaluate compliance with federal environmental laws, adherence to the MOU, and achievement of the NEPA performance measures.

#### **Authority for FDOT Audit Support (Continued)**

The MOU requires FDOT to provide FHWA information, including making documents, records and staff available to FHWA; cooperate with FHWA during audit process; and designate an FDOT audit coordinator who will work with FHWA audit coordinator on audit schedules and coordinating audit activities.

#### **MOU Performance Measures**

Performance measurement is not new to FDOT. Our NEPA measures are based upon data and systems we currently have in place. Data compilation will happen in the Statewide Environmental Project Tracker (SWEPT) and should not have an impact on the Districts.

#### **MOU Performance Measures (Continued)**

The four MOU performance measures start on this and include A) Compliance with NEPA, NEPA regulations and other federal environmental statutes and regulations; and B) Quality Assurance and Quality Control (QA/QC) for NEPA Decisions.

## **MOU Performance Measures (Continued)**

The remaining measures are C) Relationship with agencies and the general public; and D) Increased efficiency and timeliness in completion of the NEPA process.

## **Connecting Self-Assessment to FHWA Audit**

Seven FHWA Audit areas are Staffing, Technical Competency and Organizational Capacity, Adequacy of the financial resources committed by FDOT to administer the responsibilities assumed, Quality Assurance and Quality Control Process, Attainment of Performance Measures, Compliance with MOU requirements, and Compliance with applicable Federal laws and policies in administering the responsibilities assumed.

## **Connecting Self-Assessment to FHWA Audit (Continued)**

Since the initial audit, FHWA has organized its audit report into six program elements, several of which map back to core areas found in the MOU:

1. Program Management
2. Quality Assurance and Quality Control
3. Legal Sufficiency
4. Training Program
5. Performance Measures
6. Documentation and Records Management

## **Connecting Self-Assessment to FHWA Audit (Continued)**

At least 1 month prior to the date of a scheduled on-site FHWA audit, FDOT will send a summary of its self-assessment to the FHWA Florida Division Office. This must happen before the audit starts. The summary will include scope and areas reviewed, description of process, successful practices, areas needing improvement, corrective actions, and a statement from the Director of OEM.

## **Director Statement**

This Director Statement is a draft sample to be used in all self-assessment reports. This statement is consistent with provisions in the MOU.

## **Lesson 2: FHWA Audit Support**

Lesson 2 covers the OEM audit support process, which will help with the FHWA audit. With your involvement and awareness, OEM can make this process productive and positive.

## **Requirement for FHWA Audits**

Section 23 U.S.C. 327(g) requires FHWA to conduct four annual Program audits of FDOT evaluate compliance with federal environmental laws, adherence to the MOU, and achievement of the NEPA performance measures.

## **Requirement for FHWA Audits (Continued)**

Audits are also used for the United States Department of Transportation Secretary's annual report to Congress.

## **Limited Focus of FHWA Audit**

FHWA will not evaluate specific project-related decisions, as these are the sole responsibility of the State. The substance of how you reach your decisions from the Project Development and Environment chapters is not under review.

### **FHWA Audit Team Primary Information Sources**

The audit team gathers information that serves as the basis for this audit from the four primary sources of Pre-Audit Questions, Random Sample of NEPA project decisions and approvals from a list of completed projects within a defined timeframe, and interviews with FDOT staff, consultants, and agency partners.

### **FHWA Audit Team Review and Findings**

FDOT is required to provide FHWA a list of completed approvals and decisions every quarter. NEPA approvals and decisions include Type 1 CE or Categorical Exclusion, Type 2 CE Categorical Exclusion, EA Environmental Assessment, FONSI Finding of No Significant Impact, DEIS Draft Environmental Impact Statement, FEIS/ROD Final Environmental Impact Statement/Record of Decision, ROD Record of Decision, and Section 4(f) Determinations.

### **FHWA Audit Team Review and Findings (Continued)**

As part of the process, the audit team will provide Successful Practices, Observations and Non-Compliance Observations on actions that may be needed following the release of the audit report. Non-Compliance Observations require corrective actions.

### **Audit Support Process**

OEM's Audit Support Process helps FDOT to prepare for FHWA audits. The plan focuses on coordination and communication with FHWA, providing FHWA with needed information and access to records and staff, and keeping FDOT and OEM management aware of audit activities and reporting. The Audit Support Process is a part of the OEM QA/QC plan.

### **OEM Audit Coordinator Responsibilities (Continued)**

The general audit schedule contains general milestones, such as when to expect pre-audit questions and when FHWA will be on-site conducting interviews. The specific audit schedule provides times and dates of interview appointments and other logistical details.

### **OEM Audit Coordinator Responsibilities (Continued)**

Additionally, the OEM audit coordinator collaborates with Districts and FHWA during audit visits, and ensures timely response to the FHWA audit report, including any follow-up action plans and issue resolution.

### **District Audit Responsibilities**

The District will enter the official environmental document and all support materials in SWEPT, ensure staff and consultants are familiar with the MOU, ensure staff and consultants understand what NEPA assignment means, ensure staff and consultants take the NEPA Assignment training, make consultants available during the audit in person or remotely at FHWA's discretion, work cooperatively

with OEM and FHWA auditors, and designate a logistics contact person to assist with all on-site arrangements.

### **District Audit Responsibilities (Continued)**

The Districts will also designate a primary District management contact to work with FHWA audit team.

### **District Audit Responsibilities (Continued)**

The Districts provide a timely response to FHWA audit request for follow-up actions, develop appropriate, responsive and timely action plans, fully implement action plans through resolution of issues, and refer FHWA to OEM regarding contacts about project specific or requests for a program assessment review.

### **Lesson 3: Preparing for FHWA Audits**

Lesson 3 covers tips for what you as an employee or consultant can do to prepare for the audit, particularly for an audit interview.

#### **How do you prepare for the Audit?**

The auditors will identify who they need to talk to in advance. It should not be a surprise and you should already be aware and scheduled to see an auditor when they arrive at your location.

#### **How do you prepare for the Audit? (Continued)**

A notice will be sent out statewide at the beginning of each FHWA audit with the purpose and scope of the audit. If you work in the environmental office, you need to make sure you are aware of this purpose and scope.

#### **How do you prepare for the Audit? (Continued)**

You will also need to make sure your files are complete in SWEPT and your actions are documented. Documentation is an on-going part of the FDOT QC/QA process and should not be an issue at the time of an audit.

#### **How do you prepare for the Audit? (Continued)**

SWEPT will make this easier for you and much easier for the auditors. Remember, if you did not document your action, it did not happen.

#### **How do you assist with an Audit?**

Additionally, you will need to cooperate with the auditors; listen carefully to the auditor's questions and answer what is asked; keep your answers short, focused, and accurate; and provide answers based upon your expertise related to your specific job duties.

#### **How do you assist with an Audit? (Continued)**

If you cannot respond to a question, tell the auditor that you do not know the answer. If you worked on a project but do not clearly recall the details to answer an audit question, let the auditor know you need to review the project file. Do not assume there is more to a question than what is being asked; auditors are very deliberate in deciding what they need to know. If you do not know the answer to a question, let the auditor know and do not guess the answer.

## **How do you assist with an Audit? (Continued)**

Always be courteous and professional with auditors. If a conflict arises with an auditor, do not take action yourself. Complete your interview in a courteous and professional manner, then notify your supervisor of the conflict.

## **How do you assist with an Audit? (Continued)**

Your supervisor will need to notify the OEM Audit Coordinator so that the matter can be appropriately resolved with OEM management and the FHWA Audit Coordinator.

## **Summary**

FDOT can have a productive FHWA audit due to our commitment to quality and our rigorous SWEPT tools that help us stay on course.

## **Summary (Continued)**

The self-assessment and audit are connected through FDOT's performance measures, FHWA core audit issues, giving FHWA a summary of the self-assessment report no later than 1 month before the FHWA audit.

## **Summary (Continued)**

Audits focus on our processes and systems that ensure our environmental documents comply with law and policy, NOT our project decisions. A FHWA audit team will review project files, interview District employees and/or consultants. Lastly, to prepare for the audit, employees and consultants should be aware of the MOU and NEPA, cooperative, and focused during the audit visit.

## **Questions**

If you have questions, please contact the Quality Assurance and Quality Control Coordinator. This is available on the resources page

## **Conclusion**

This concludes the presentation on FDOT NEPA Assignment Audit Support. Please proceed to and complete the test to receive credit for this course.