

Risk-based Project Stewardship & Oversight

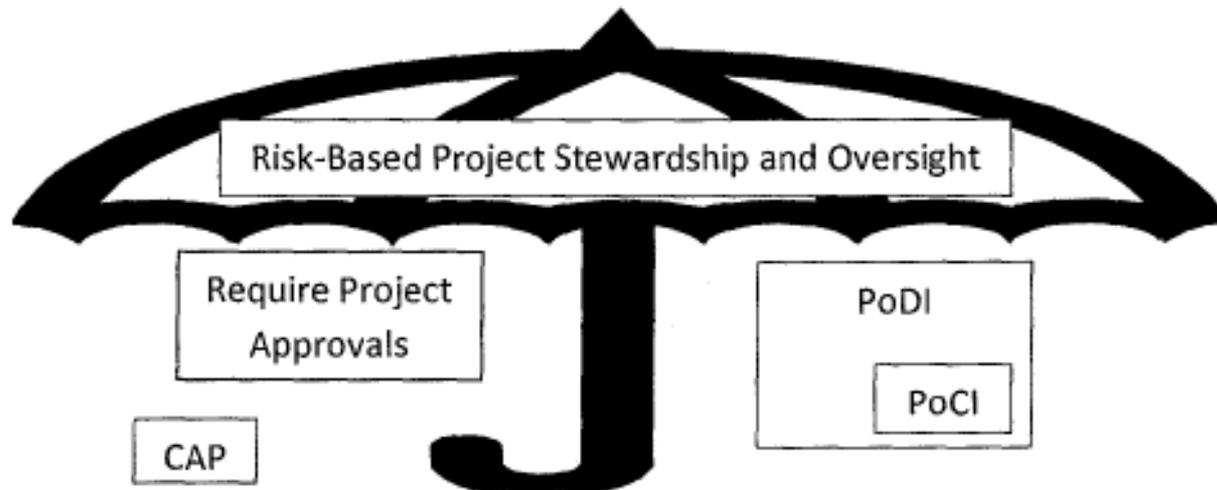
Virginia Division Office

Why R-BPS&O?

- To optimize the successful delivery of projects and assure compliance with federal requirements using the limited resources available

How?

- R-BPS&O has three main components:
- 1) Required project approval actions,
- 2) Compliance Assessment Program (CAP),
- 3) Risk-based stewardship and oversight of projects of Corporate and Division Interests (PoCI) & (PoDI).



CAP Reviews

- External Office selects projects for VA based on sound statistical sampling methodology.
- 60 projects selected for VA for PY 2014.
- These are Compliance Reviews.
- Either in or out of compliance

CAP Reviews...cont.

- Finance team – 20 projects (Core + 2nd level).
- Area Engrs. – 40 projects (Core + 2nd Level)
- Division Office post results on FHWA's share Point website.

CAP Reviews...cont.

- Requires the CAP Core Form (Core checklist)
- At least 1 additional CAP form (2nd level checklist—maybe only every 3 years).
- There are nine 2nd level checklists
 - Civil Rights, Contract Administration, Emergency Relief, Environment, Finance, Material Quality, Planning, Realty, and Work Zone Safety.
- Each checklist has standard questions and standard answers.

Compliance?

- If everything is “hunky-dory”, we all sing Kumbaya.



Non-Compliance?

- Reviewers brief Division Leadership.
- Leadership determines corrective action to address the non-compliant item(s).
- Coordination with VDOT.

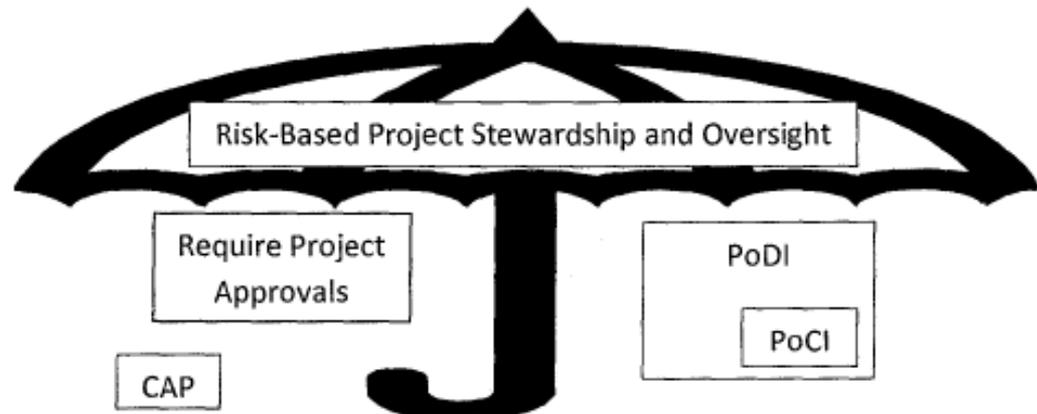


Projects of Division Interest (PoDI)

- Will focus on:
 - Projects that have an elevated level of risk to successful delivery of the federal highway program.
 - Projects that present an opportunity for FHWA to meet program or project objectives.
- Projects identified using a Division-specific process and risk-based criteria.

Projects of Corporate Interest (PoCI)

- PoCIs are a subset of PoDIs
- Projects deemed to be so significant that FHWA is willing to commit additional resources beyond those available at the Division level to ensure successful delivery of the project.



PoDI Categories

- Projects of Corporate Interest (PoCIs)
- Major Projects (i.e. projects over \$500 million)
- Appalachian Development Highway Projects
- TIGER discretionary grant projects
- NHS projects where FHWA has retained project approval consistent with the FHWA/VDOT S&O Agreement
- Non-NHS projects where FHWA has retained project approval consistent with the FHWA/VDOT S&O Agreement
- Other projects selected for R-BS&O

PoDI Process

- Identification of PoDIs (annually, using risk-based criteria)
- Develop project-specific S&O Plan for each PoDI.
- Plan identifies the specific areas or activities where FHWA will commit resources to address the risks that has been identified.
- All PoCIs are PoDIs.

PoDI Process...cont.

- PoDI designation will apply to the entire project (i.e. preliminary engineering/design, right-of-way, and construction)
- Once a project is identified as a PoDI, it will continue to be recognized as a PoDI until it is completed.
- PoDI designation will be made as early as possible in the project development process.

PoDI Process...cont.

- FHWA with VDOT's assistance will identify the annual list of projects or phases that will be funded with federal funds and are scheduled to begin during the first year of the SYIP.

1. Use SYIP, other project scheduling and funding documents to identify universe of projects.



2. Apply pre-screening criteria to NHS projects to narrow down potential list of PoDIs

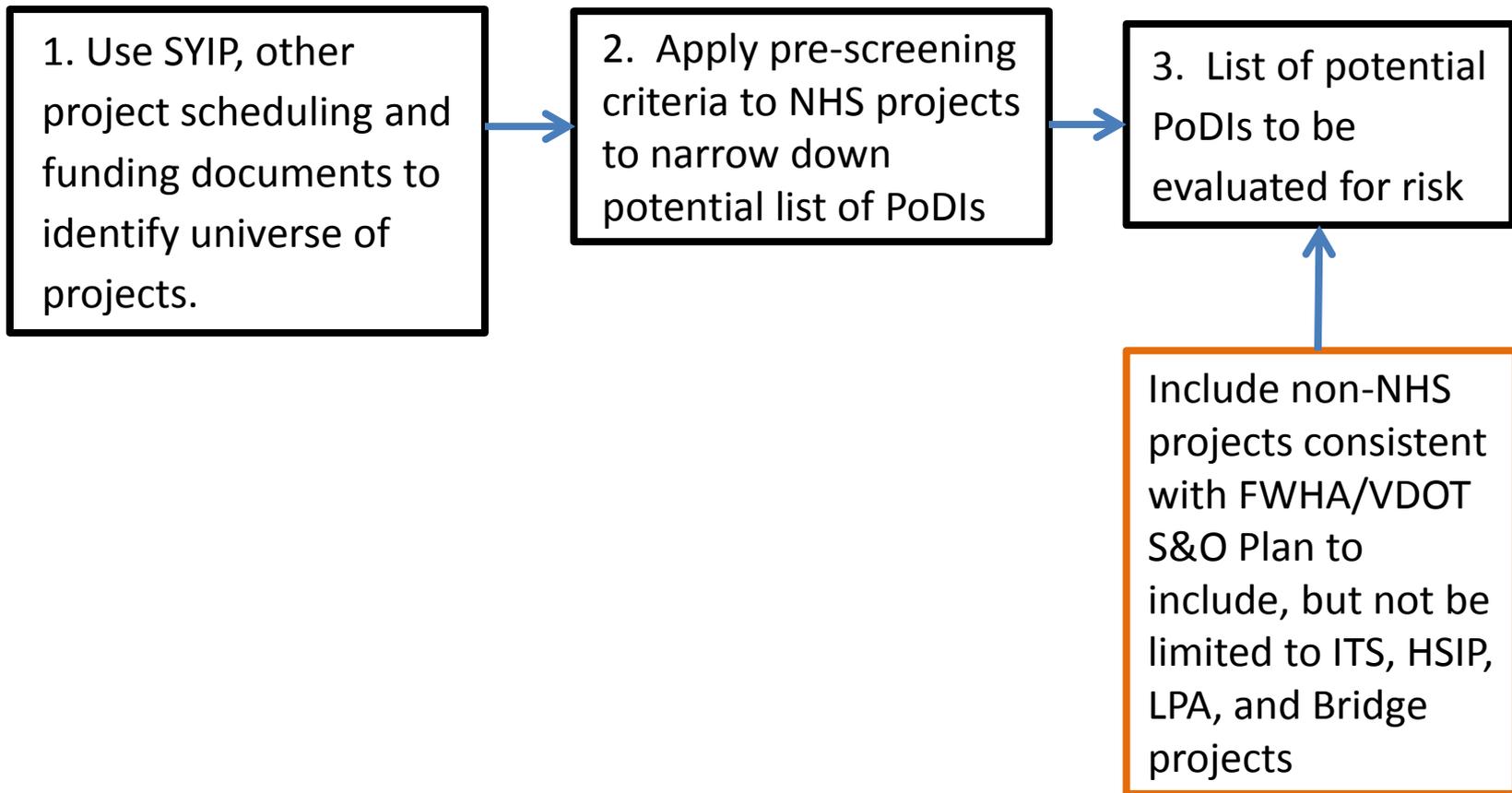
PoDI Process...cont.

- District Area Engineer, ITS or LPA specialist takes lead in completing the risk evaluation template.
- List is ranked.

3. List of potential PoDIs to be evaluated for risk

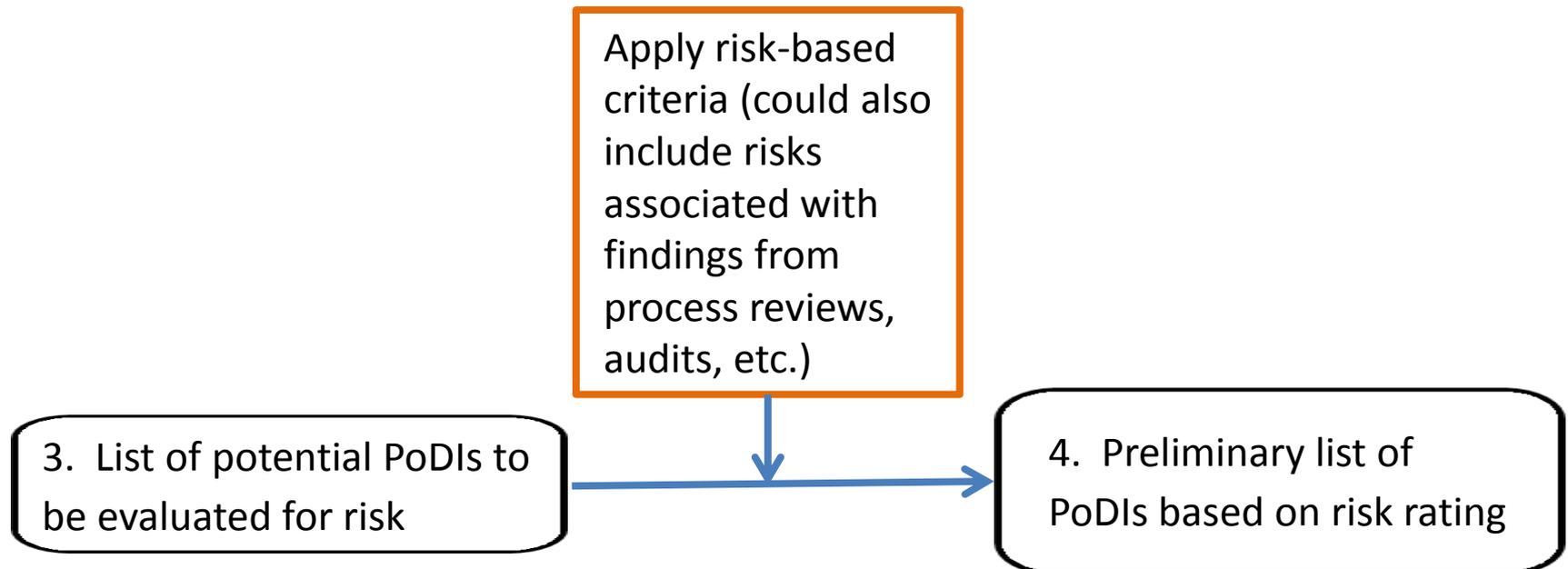
Include non-NHS projects consistent with FWHA/VDOT S&O Plan to include, but not be limited to ITS, HSIP, LPA, and Bridge projects

PoDI Process...cont.



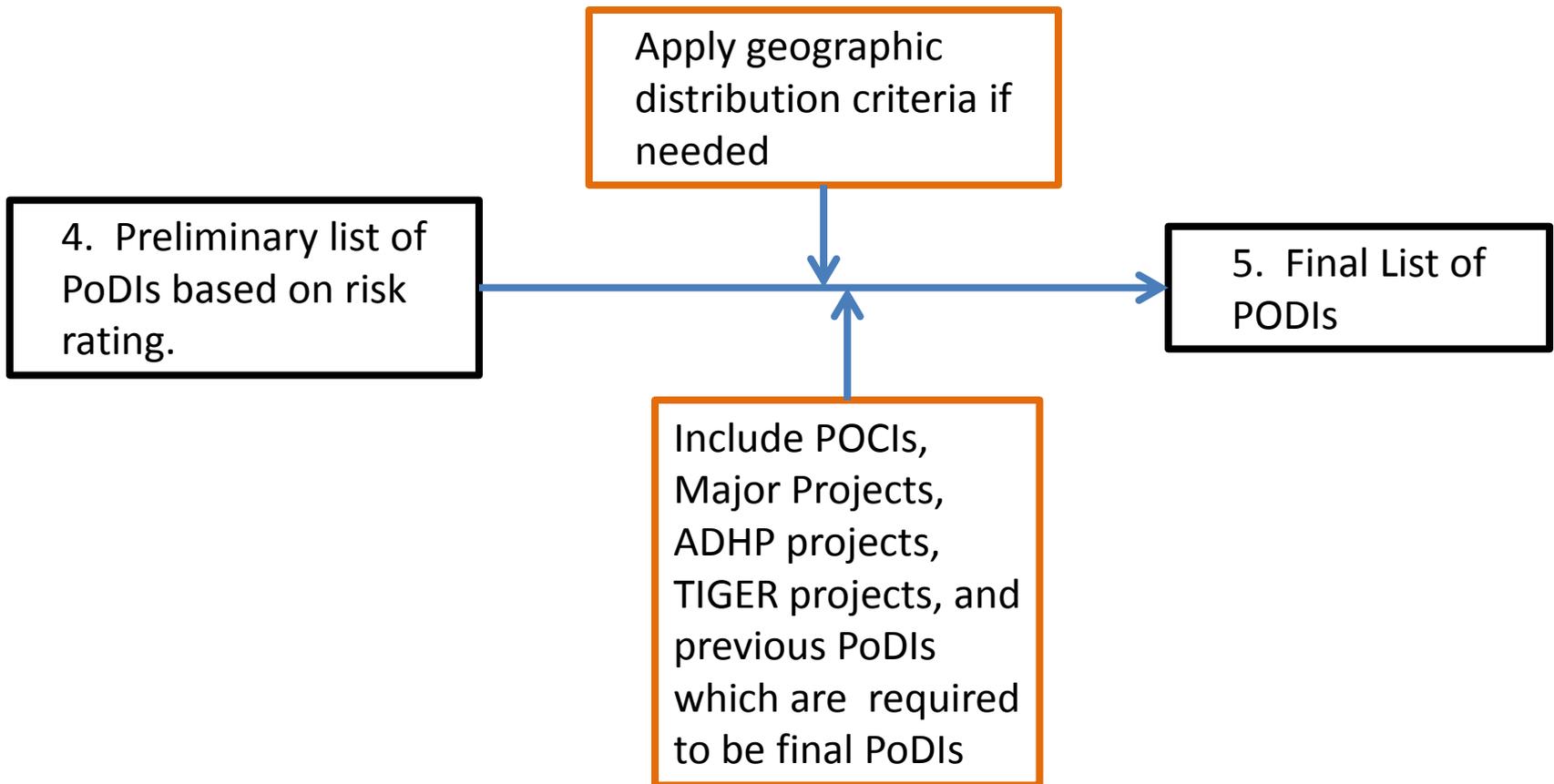
PoDI Process...cont.

- Projects with the highest risk will be selected.
- PoCIs, major projects, ADHP, TIGER, and previous PoDIs are automatically included on final list.



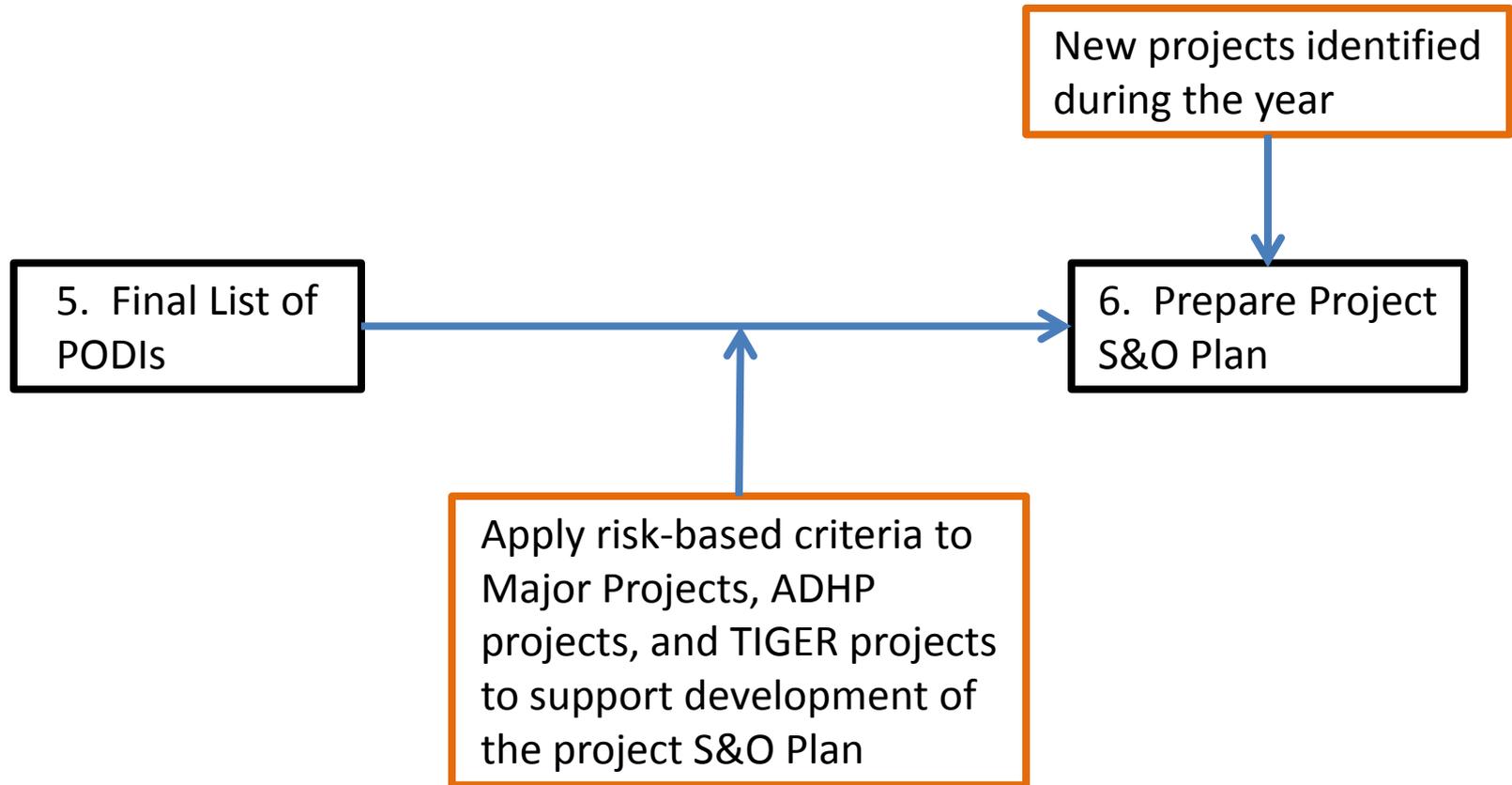
PoDI Process...cont.

- A final list of PoDIs is developed.

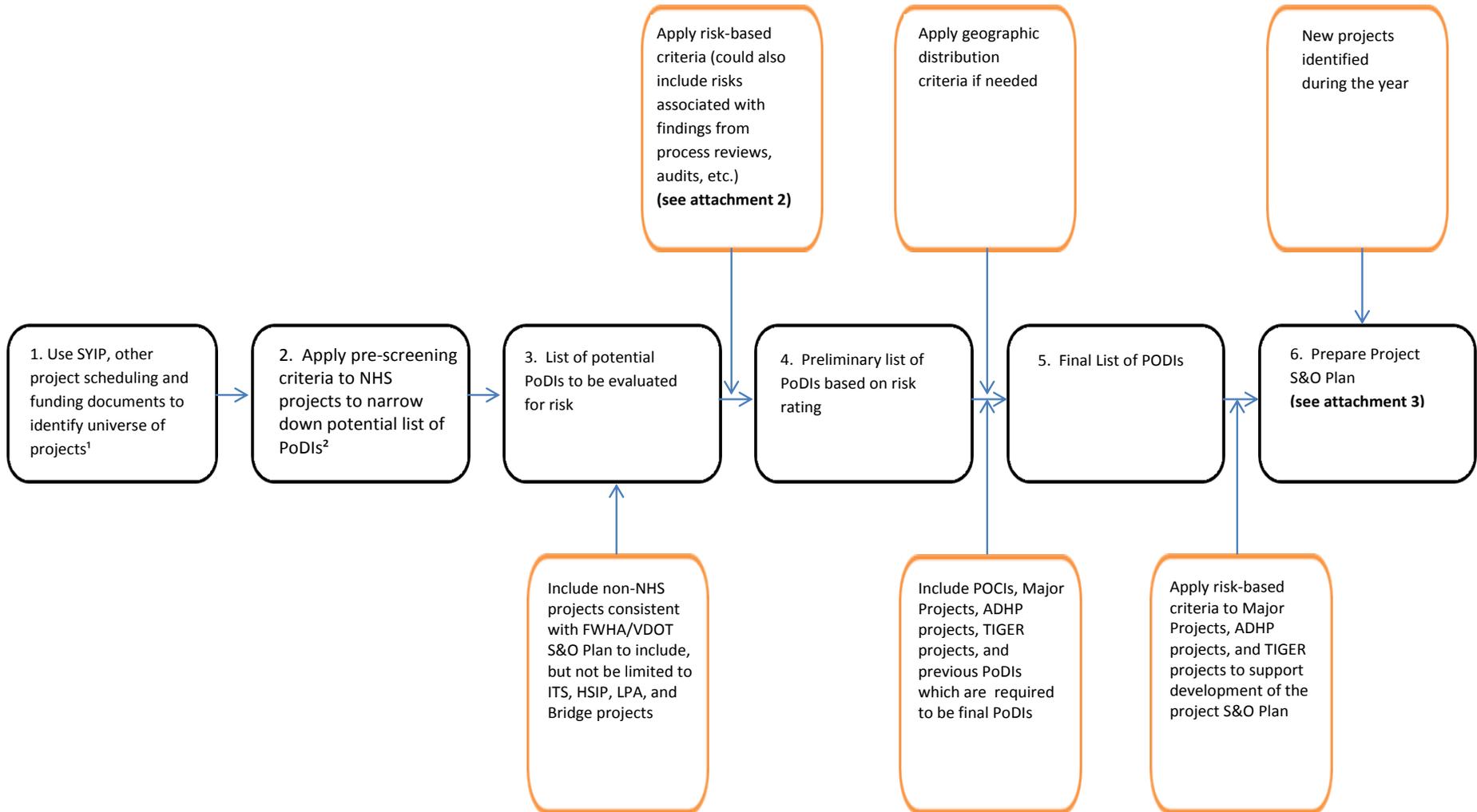


PoDI Process...cont.

- S&O plans will be developed for each project.



PODI Process Flowchart



¹ Universe of projects includes all projects where a phase is being initiated during the PY;

² Criteria include \$5 million for Interstate and \$50 million for NHS;

**FHWA Virginia Division Risk-Based Oversight
Projects of Division Interest Risk Rating**

Federal Project Number (if known): _____

State Number/UPC: _____

Project Phase: _____

Project Description	
Project Rating Criteria	Potential for Risk
<p>(Note: Mark the areas of potential risk with a H (high, 3 rating), M (medium, 2 rating) or L (low, 1 rating); do not mark areas if there is no potential risk)</p>	
<p><u>Risk Areas</u></p> <ul style="list-style-type: none"> • Complexity <ul style="list-style-type: none"> ○ L = Routine highway/bridge construction; rural area ○ M = Some complex highway/bridge construction; rural or suburban area ○ H = Highly complex highway/bridge construction; urban or constrained area ; innovative construction; multimodal component(s) 	

- Cost
 - L = < \$250 million
 - M = < \$500 million
 - H = > \$500 million
- Schedule
 - L = simple schedule with few interfaces; low risk of changes or delays
 - M = medium schedule complexity with 3 or more interfaces; medium risk of changes or delays
 - H = complex schedule with multiple interfaces; high risk of changes or delays; set completion date for toll collection or other reason
- Urgency
 - L = Project on schedule and proceeding as planned
 - M = Project a little behind schedule, limited political/stakeholder interest
 - H = Project behind schedule, high political/stakeholder interest
- Environmental and Stakeholders
 - L = CE or simple EA; little to no stakeholder interest; minor/simple environmental/mitigation commitments
 - M = complex EA, non-controversial EIS or Tier I EIS; some stakeholder interest; some environmental/mitigation commitments
 - H = complex or controversial EIS; lot of stakeholder interest; extensive environmental mitigation/commitments that will require tracking

- Funding
 - L = project funded with traditional sources of funding; full funding included in STIP; routine authorization;
 - M = project funded with some less traditional sources of local, state, or federal funds (i.e. GARVEE); some funding identified in STIP
 - H = project funded with innovative local, state, and/or federal funds (e.g. TIFIA, tolls, PABs, State bonds, etc.); Financial Manager review and approval required

- Project Administration
 - L = project sponsor is VDOT and they have committed adequate resources to deliver project; contract is design-bid-build or low bid design-build
 - M = project sponsor is an experienced LPA, VDOT District Office, or another State agency; project is a type VDOT has limited experience delivering
 - H = project sponsor is an inexperienced LPA or State agency that has had issues in the past administering or delivering projects

- National/Regional Significance
 - L = project benefits are primarily local; ADT < 50,000; non-NHS or NHS but not Interstate
 - M = addresses a regional highway or freight bottleneck; ADT < 150,000; Interstate system
 - H = addresses a nationally recognized highway or freight bottleneck; ADT > 150,000; affects an Interstate or multiple Interstates

- Corporate Actions
 - L = no significant project elements/features identified that will impact or influence a FHWA national goal
 - M = significant project elements/features identified that may impact or influence a FHWA national goal
 - H = significant project elements/features identified that will impact or influence a FHWA national goal

- Division Considerations
 - Other risk areas based on risk assessment, process reviews, audits, etc.

**Project of Division Interest (PoDI)
Stewardship & Oversight Plan**

Project Name	Description	Location	FMIS #	State UPC #	FHWA Contact
Click here to enter text.					
Click here to enter text.					
Click here to enter text.					

*Groups of projects may be covered in one plan where each has the same risk areas and response activities. Add additional rows if necessary.

1. Is this PoDI(s) also a PoCI? Yes No

2. What is the primary PoDI Type (select one)?
 - Major Project (>\$500M); 23 USC 106(h)
 - Appalachian Development Highway Project
 - TIGER Discretionary Grant Project
 - NHS Projects with Retained FHWA Project Approval; 23 USC 106(c) (1)
 - Non-NHS with Retained Actions; 23 USC 106(c) (2) *(as requested by State)*
 - Projects Selected for Risk-based Stewardship & Oversight; 23 USC 106(g)

3. What are the applicable risk areas associated with the PoDI (select all that apply):

- Complexity
- Cost
- Schedule
- Urgency
- Environment & Stakeholders
- Funding
- Project Administration
- National/Regional Significance
- Corporate Actions
- Local Considerations
- Other: Describe: [Click here to enter text.](#)

Please provide a general description of the risks:

[Click here to enter text.](#)

4. What are the general project elements that will be reviewed (select all that apply):

- Project Authorization and Project Agreement
- Project Planning and Programming
- Project Financing
- Environmental Clearances/NEPA
- Preliminary Design
- Final Design
- Plan, Specification, & Estimate Development
- Advertising and Award
- Innovative Contracting/Design Build
- Contract Administration
- Construction Inspection & Quality
- Other – Describe: [Click here to enter text.](#)

Please provide a specific description of the elements that will be reviewed:
[Click here to enter text.](#)

5. What are the general S&O activities that the Division will conduct in response to risk (select all that apply):

- Retained Project Approval Actions
- Project/Technical Meetings
- Document/Plan Review
- Field Review/Inspection & Report
- Program/Process Reviews & Report
- CAP Review
- Special Review
- Other – Describe: [Click here to enter text.](#)

Please provide a specific description of the activities that will be conducted:
[Click here to enter text.](#)

6. If the project is a PoCI, what specific corporate resources were committed to this project?
[Click here to enter text.](#)

7. What were the results of the Division's involvement in the project(s)?
[Click here to enter text.](#)

Proposed _____ FHWA Engineer/Specialist	Date _____
Proposed _____ FHWA Engineer/Specialist	Date _____
Proposed _____ Other	Date _____
Approved _____ FHWA Supervisor/Team Leader	Date _____
Approved _____ FHWA Supervisor/Team Leader	Date _____
REVISED	
Proposed _____ FHWA Engineer/Specialist	Date _____
Proposed _____ FHWA Engineer/Specialist	Date _____
Proposed _____ Other	Date _____
Approved _____ FHWA Supervisor/Team Leader	Date _____
Approved _____ FHWA Supervisor/Team Leader	Date _____

Questions?