

**U.S. DOT Federal Railroad Administration
Office of Passenger and Freight Programs**

Monitoring Procedure 31 – Annual Monitoring Review and Closeout of Grant

1.0 PURPOSE

This Monitoring Procedure (MP) describes FRA requirements for the Monitoring and Technical Assistance Contractor (MTAC) when performing an Annual Monitoring Review of Grantee's projects and the review prior to closing out the grant agreement between FRA and the Grantee.

2.0 KEY PRINCIPLES

Based on a cursory comparison of risk among all projects in FRA's program, some projects will be selected by FRA for the Annual Monitoring Review. This review ensures that Grantees comply with FRA grant agreement provisions. It focuses on the Grantee's program management, financial reporting, and document management, so as to minimize fraud, waste, and abuse.

The review prior to close out ensures the Grantee is fully prepared for grant closeout.

3.0 REQUIRED DOCUMENTS

3.1 Annual Monitoring Review

The MTAC will obtain the necessary Grantee materials to review the elements in the checklists and other materials contained in FRA's Monitoring Manual. The MTAC will obtain the Manual from the FRA Regional Manager/Project Manager (manual is stored on FRA RPD internal webpage). The Manual is organized into the following sections:

1. General Monitoring Materials: monitoring manual, monitoring plan, routine monitoring template
2. Desk Review Materials: templates and checklists for use in desk reviews
3. Site Visit Materials: templates and checklists for use in site reviews
4. Completed Monitoring Reports (sorted by state): approved and finalized monitoring reports

3.2 Review Prior to Grant Close Out

The MTAC will obtain the latest progress reports and most recent deliverables from the Grantee:

1. Grant and financial documents:
 - a. Latest approved grant agreement, attachments, and amendments
 - b. Financial Status Report, Final Request for Payment, Outlay Report, and Request for Reimbursement for Construction Programs (SF-270):
 - i. Report of Federally-Owned Property
 - c. Submitted by the Grantee within 90 days of project completion:

- i. Federal Financial Report (SF-425)
 - ii. Certification of project costs
 - iii. Third-party audit if required
- 5. Grantee project final reports:
 - a. Final inspection report
 - b. Testing reports and readiness for operations
 - c. Operating and maintenance manuals and training
 - d. Warrantees and guarantees
 - e. Buy America documentation
 - f. Safety and security certifications
 - g. ADA-compliance documentation
 - h. Before and After studies
- 6. Grantee project as-built documents:
 - a. Plans and specifications
 - b. Cost breakdown; evidence of resolution of change orders and claims
 - c. Schedule

4.0 SCOPE OF WORK

4.1 Annual Monitoring Review

The MTAC should provide information on the Grantee's projects using the FRA checklist format, coordinate with the Federal team and FRA staff, including Regional / Project Managers, grants managers, financial managers, and others as required.

1. Schedule the review with the Grantee and the Federal team in advance.
2. The review may require a special site visit, or more likely, it can take place during a regularly scheduled monthly or quarterly site visit. The report must include the MTAC's findings, conclusions, and recommendations for improvement, as required.
3. Provide a draft report. (See MP 01)

4.2 Review Prior to Grant Close Out

For the review prior to close out of the grant agreement, the MTAC will:

1. Obtain the documents listed above from the Grantee.
2. Coordinate the documents for delivery to the Federal team.
3. Check the documents for correctness.
4. Produce a final oversight report that summarizes the project and close out documents.
5. Produce a Lessons Learned / Best Practice report for one or more lessons that may be useful to others.
6. Provide a draft report. (See MP 01)

5.0 REFERENCES – SEE MP 01