

GAO Highlights

Highlights of [GAO-24-106882](#), a report to congressional committees

Why GAO Did This Study

Over 70 percent of the nation's 4 million miles of public access roads are estimated to be in rural areas. Rural—a DOT discretionary grant program—funds eligible projects to improve and expand surface transportation infrastructure in rural areas (i.e., areas outside an urbanized area that has a population of over 200,000). DOT awarded \$274 million in fiscal year 2022 funding for 12 Rural applications.

The Infrastructure Investment and Jobs Act includes a provision for GAO to examine DOT's Rural awards selection process. This report (1) describes the characteristics of Rural applications that DOT advanced to the Senior Review Team; and (2) assesses the extent to which DOT's selection process aligned with guidance and federal regulations. GAO reviewed statutory requirements, DOT's notice of funding opportunity, evaluation plan, and other documentation on the Rural fiscal year 2022 selection process; analyzed application and award data; and interviewed DOT officials. GAO also compared DOT's selection process with federal regulations for discretionary grant programs, DOT guidance, and standards for internal control in the federal government.

What GAO Recommends

GAO is recommending that DOT ensure that Rural program officials fully document the rationale for key decisions when advancing and selecting applications for award. DOT disagreed with the recommendation, stating that its documentation is full and complete. GAO maintains the recommendation is valid, as discussed in the report.

View [GAO-24-106882](#). For more information, contact Elizabeth Repko at (202) 512-2834 or repkoe@gao.gov.

August 2024

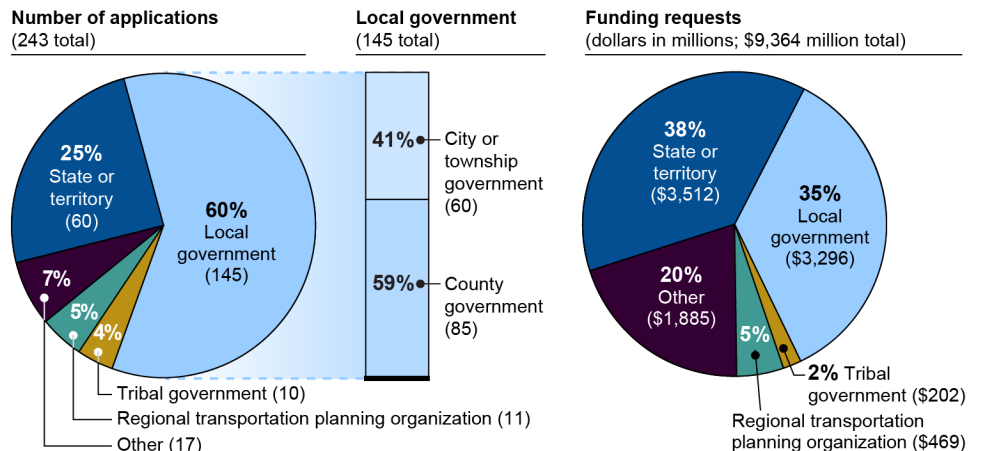
DISCRETIONARY TRANSPORTATION GRANTS

DOT Should Fully Document Key Selection Decisions for Its Rural Program

What GAO Found

In March 2022, the Department of Transportation (DOT) announced up to \$300 million available for award under the Rural Surface Transportation Grants Program (Rural). DOT advanced 243 of the 317 applications to its Senior Review Team—a team of senior DOT officials that is responsible for reviewing applications and advancing applications to the Secretary of Transportation for award consideration. Local governments submitted most of these applications, which generally requested funding for roadway projects in areas with a population of less than 50,000. Demand for funding was high as these applications requested a total of over \$9.3 billion in funding—about 30 times the maximum amount available—with most applications requesting less than \$25 million.

Selected Characteristics of Applications That Advanced to the Rural Surface Transportation Grant Program's Senior Review Team, Fiscal Year 2022



Source: GAO analysis of Department of Transportation information. | GAO-24-106882

DOT's selection process generally aligned with federal guidance and regulations for grants management, but DOT did not fully document its rationale for key decisions during that process, as required by DOT guidance. For example, in response to a DOT requirement, DOT developed an evaluation plan that specified the actions the Senior Review Team must take, as well as the criteria for taking those actions. GAO found that in advancing and selecting Rural applications for award, DOT documented the outcomes of key decisions but did not fully document their rationale, as required by DOT guidance. Specifically, DOT did not fully document its rationale for requesting additional information from some applicants that did not initially meet the Rural program statutory project requirements, but not from others. In addition, DOT did not document its rationale for rating certain applications more highly than others that were similarly situated. As a result, DOT's documentation provided limited insight into its rationale for decisions that could have affected the outcome for an application. By fully documenting its rationale for key decisions, DOT can better ensure that its process for selecting applications for award is consistent and transparent.