

Management Review Guidelines

PURPOSE

The National Highway Traffic Safety Administration (NHTSA) has developed these guidelines for conducting Management Reviews in response to findings in the April 2003 GAO report entitled, *Better Guidance Could Improve Oversight of State Highway Safety Programs*. NHTSA has developed the guidelines needed to respond to a critical finding that recommended, "NHTSA provide more specific guidance to its regional offices on when it is appropriate to use management reviews and improvement plans to assist States with their highway safety programs." Following are guidelines that outline process for conducting a Management Review.

A Management Review is a review of a State Highway Safety Office's (SHSO's) systems and programs and operational processes for the purpose of improving and strengthening highway safety practices to ensure efficient administration and effective programs that have potential for saving lives.

A management review shall be scheduled and conducted at least every three years.

AUTHORITY

23 USC Chapter 4 §402 - Highway Safety Programs

49 CFR § 18.42 - Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

23 CFR § 1200 - Uniform Procedures for State Highway Safety Programs

DEFINITIONS

Management Review (MR) - A review of a State Highway Safety Office's (SHSO's) systems and programs and operational practices for the purpose of improving and strengthening highway safety practices to ensure efficient administration and effective programs that have potential for saving lives.

Corrective Action Plan (CAP) - A summary document developed jointly between NHTSA and the SHSO that identifies recommendations to address findings set forth in the Management Review Final Report, actions to implement the recommendations, target dates for completion of each recommendation, and a status element for indicating progress of each recommendation based upon periodic reporting by the State.

Finding - A determination of one or more areas in need of additional progress or improvement; or one or more factors that are contributing to the State's failure to progress toward established goals or objectives. The areas and contributing factors may include, but are not limited to, non-compliance with Federal and/or State regulations or guidelines; lack of implementation of traffic safety countermeasures of proven effectiveness; inadequate or inappropriate staffing; or poor management practices.

Recommendation - A specific corrective action to resolve a finding. A recommendation is based upon regulatory requirements, or best practices, and/or proven successes. The implementation of all recommendations will be tracked by the Regional Office.

Commendation – A recognition of strong effort(s), best practices or exemplary performance.

High Risk Grantee- A grantee or sub-grantee determined by the awarding agency to 1) have a history of unsatisfactory performance, or 2) be financially unstable, or 3) have a management system which does not meet the management standards set forth in 49CFR §18:12, or 4) not conform to terms and conditions of previous awards, or 5) be otherwise not responsible.

Process

Regional Office Actions

1. The Regional Office (RO) will establish a long-range schedule for Management Reviews.
2. Notify States of the schedule in writing.
3. Select review team and team leader. The team leader shall be from the Region responsible for providing management oversight to the state under review.
4. States will be given at least 60 - 90 days advance notice prior to initiation of on-site Management Review.
5. Negotiate with the State the dates for the on-site visit portion of the review. For the initial site visit, a maximum of five days should be scheduled including travel time. If additional on-site time is needed, another visit will be scheduled.
6. Gather all preliminary data available in the RO.
7. Formally notify the State in writing regarding specifics of the upcoming Management Review, and provide a copy of the Management Review Elements. The confirmation letter provides details on the RO team, a general schedule of work and the Review Elements, and also lists materials and documents the
8. SHSO will need to provide the RO prior to the onsite review.

SHSO Entrance Conference

1. Conduct an on-site entrance conference with appropriate SHSO personnel which may include the Governor's Representative (GR), and/or Coordinator (administrator).
2. A representative of the Federal Highway Administration (FHWA) may also be invited.

3. Define the process to be followed.
4. Provide comments on purpose, authority, review elements and answer questions.
5. Request a key state contact person for the review.
6. Schedule a time on the last day of the on-site review for an Exit Conference with appropriate SHSO staff.

Implementation

1. Conduct Management Review following the Management Review Elements.
2. Secure copies of all required documents.
3. Conduct interviews with relevant SHSO staff and subgrantee personnel.
4. Accurately document all interviews and data collection.
5. Develop an informal summary/overview to use during the Exit Conference.
6. Determine if additional on-site visit(s) may be necessary.

Exit Conference

1. Conduct an exit conference with appropriate SHSO personnel which may include the Governor's Representative (GR), and/or Coordinator (administrator).
2. Present positive areas of review that compliment state efforts.
3. Present areas of concern, preliminary findings and comments.
4. Inform the State that the recommendations, which need to be addressed through a Corrective Action Plan, will be included in the draft report.
5. Request any additional information or documentation needed to complete the Review.
6. Get initial feedback from SHSO Management.
7. Discuss the estimated length of time to complete the Review, indicating that the goal of completion is 60 days. However, the time period from the on-site visit until the transmitting of the report will be dependent upon the areas of concern and any findings.

Draft Report

1. At least one week prior to the issuance of the Final Report, a draft report will be transmitted to appropriate SHSO personnel. The SHSO will be asked to review the report for any technical inaccuracies and report any to NHTSA.
2. The submission of the draft report is to provide an advance notification to key SHSO personnel and is not intended to solicit an official response to the Report.
3. Negotiations will begin at this point as to the length of time (30-60 days depending on the extent of the recommendations) needed by the State to respond.

Final Report

1. Prepare a final report based on the notes taken, documents gathered during the review process and the State's response letter to the Draft Report. All review notes are maintained in file.
2. Report should address all elements reviewed; include findings, weaknesses, violations of federal regulations, recommendations and comments, as well as any opportunities to commend the State, noting strengths of the program and examples of best practices.
3. Report should be transmitted from the Regional Administrator to the GR, with a copy to the NHTSA Associate Administrator, Injury Control Operations & Resources (ICOR). In the transmittal letter to the GR, the State will be offered a briefing to further discuss the report.
4. In the transmittal letter the State will be asked to respond to the report by a specific date (30-60 days) from the date of the letter.
5. This letter will also inform the State if development of a Corrective Action Plan will be necessary. This plan will include recommendations, corrective actions, timeframe, and action status.
6. If there are serious findings such as fraud, waste, abuse, history of unsatisfactory performance, failure to conform to terms and conditions of grant agreements, lack of monitoring, etc., NHTSA must consider the possibility of placing the State on "High Risk", as provided in 49 CFR §18.12. The transmittal letter will be the appropriate means to inform the GR if the State is being placed on High Risk, or if NHTSA is considering placing the State on High Risk pending the implementation of the recommendations and development of the Corrective Action Plan.
7. As provided in 49 CFR §18.12, if a designation of "High Risk" is proposed, the State will be notified in writing of all conditions and the corrective action that

needs to be taken, and the time allowed to complete the actions, in order to have the condition removed.

Corrective Action Plan (CAP)

1. Regional Office and state will jointly negotiate and develop a CAP.
2. CAP will include recommendations, corrective actions required, completion timeframes and action status.
3. SHSO and RO will sign a Letter of Understanding (LOU)

Follow-up and CAP Closeout

1. Regional Office monitors SHSO to ensure CAP and other recommendations are being accomplished within established timeframes.
2. SHSO provides periodic updates of CAP progress. Reporting frequency negotiable depending on nature of corrective action required.
3. Upon satisfactory implementation of recommended corrective action(s), NHTSA Regional Administrator will send CAP Closeout Letter to SHSO

Appeals

1. As provided in 23 CFR § 1200.27, a review of any written decision by a Regional Administrator may be obtained by submitting a written appeal of such decision, signed by the Governor's Representative for Highway Safety, to the RA.
2. The appeal will be forwarded promptly to the NHTSA Associate Administrator for Injury Control Operations and Resources.
3. The decision of the NHTSA Associate Administrator will be transmitted to the Governor's Representative for Highway Safety through the RA.