

Prospective Reports

How to Write Convincingly When the *Landscape is Changing* and the *Evidence is Theoretical*

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Jessica Bryant-Bertail , Sr. Analyst, Seattle Field Office
BryantBertailJ@gao.gov; 206-287-4837

What are prospective audit reports?

prospective adjective

pro·spec·tive | \ prə-ˈspek-tiv also ˈprä-,spek- , prō-ˈspek-, prä-ˈspek-\

Definition of prospective

- 1** : relating to or effective in the future
- 2 a** : likely to come about : EXPECTED
// the prospective benefits of this law
- b** : likely to be or become
// a prospective mother

- Often involve the audited agency confronting a relatively new or dynamic issue, such as vehicle automation, industry change, responding to new regulations, etc.
- Criteria are not immediately apparent because there are many ways the agency could respond to the changes. Maybe no “right” answer.

Examples of Prospective GAO Reports on the Evolving Transportation Sector

- *Automated Trucking: Federal Agencies Should Take Additional Steps to Prepare for Potential Workforce Effects, GAO-19-161*
- *Public Transit Partnerships: Additional Information Needed to Clarify Data Reporting and Share Best Practices , GAO-18-539*
- *Automated Vehicles: Comprehensive Plan Could Help DOT Address Challenges; GAO-18-132*
- *Ongoing body of work on drones / Unmanned Aircraft Systems (UAS), including how FAA:*
 - *Facilitates R&D efforts needed to inform the planned full integration of UAS into the national airspace*
 - *Ensures safety is maintained as more drones start using the national airspace.*

What are some benefits of prospective reports?

- **Such reports help our congressional clients by:**
 - Informing them on emerging issues confronting those federal agencies whose budgets they oversee.
 - *Preparing them to make sound funding decisions, especially in multi-year budget cycles.*
- **And can help GAO and other auditing entities to:**
 - Keep analyst staff informed on emerging issues.
 - *Identify new related issue areas* to audit.
 - GAO begins quite a few new audits as “spin offs” of previous audits on a similar topic to build a body of work. For example, our report on Vehicle Cybersecurity resulted in another report about Vehicle Data Privacy.

Key Practices for Prospective Reports

- 1) Set up the context on the evolving nature of the issue in the report.
- 2) Use graphics to show the intended future. Focus on how the public would benefit and what the audited agency might miss out on helping to deliver if it doesn't take some action now.
- 3) Include a reportable question that is overtly prospective.
- 4) If other criteria prove illusive, use the *Standards for Internal Control (IC) in the Federal Government*.
- 5) Combine the chosen IC standards with the audited agency's own goals and/ or external requirements, if possible, to strengthen the criteria.
- 6) Aim to make prospective recommendations succinct and targeted without being prescriptive.

Key Practices for Prospective Reports

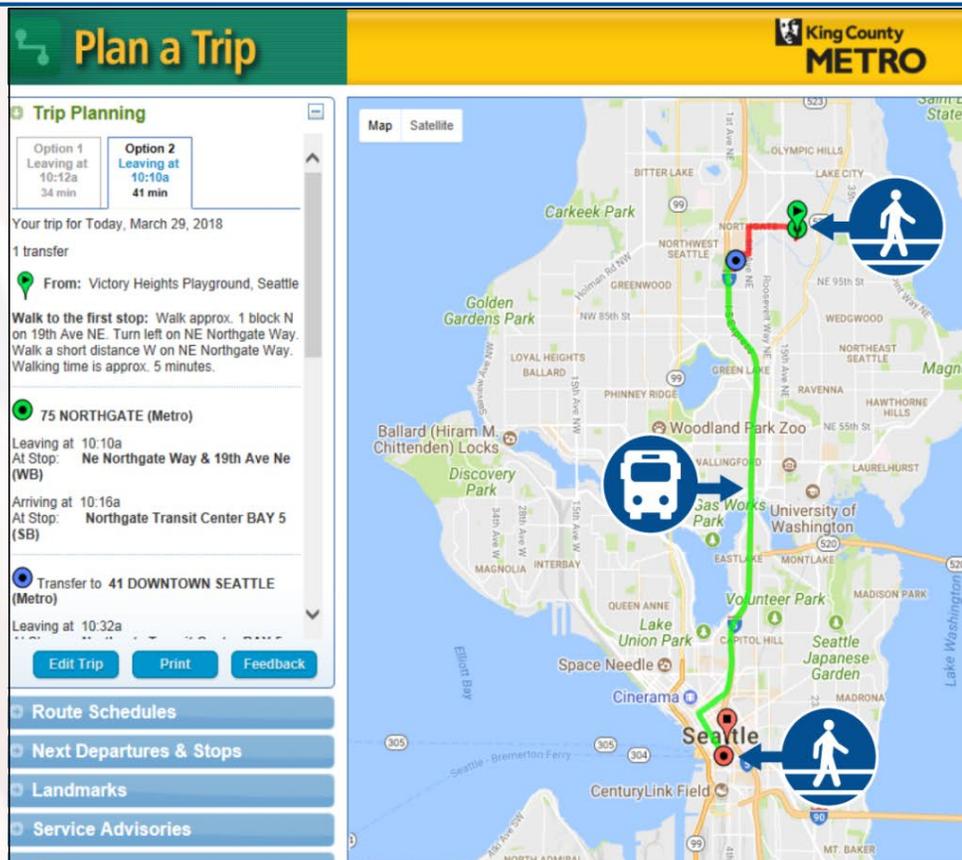
Practice #1: Set up the context on the evolving nature of the issue in the report, especially the background.

Example from Transit Partnerships report:

Background

The growth of the “sharing economy” has begun to impact public transportation. DOT describes the sharing economy as a developing phenomenon based on sharing, renting, and borrowing goods and services, rather than owning them. One facet of the sharing economy is shared mobility, meaning the shared use of a motor vehicle, bicycle, or other transportation mode that is often facilitated by requests from users, largely through mobile applications. See figure 1 for examples of shared mobility services available “on demand” through mobile applications.

Practice # 2: Use graphics to show the intended future. *Example from Transit Partnerships report:*



In this example, a current trip planning app for King County Metro gives directions for walking to a bus stop, using the bus system, and then walking from the destination bus stop to the final destination.

Sources: King County Metro and GAO. | GAO-18-539



The Mobility as a Service concept allows a user to book multiple trips on different modes of transportation from different providers using one smart phone app.

Key Practices for Prospective Reports

Practice 3: Include a reportable question that is overtly prospective:

Example : What other considerations may impact the future prevalence of such partnerships?

Practice 4: Use the *Standards for Internal Control in the Federal Government* as criteria. Specific helpful standards include:

- *Principle 7: Identify, Analyze and Respond to Risks*
- *Principle 9: Identify, Analyze and Respond to Change*
- *Principle 13: Use Quality Information*
- *Principle 15: (Effectively) Communicate externally*

Practice 5: If possible, combine the chosen *Internal Controls* with the audited agency's own goals and/ or external requirements.

Practices 4 & 5: Combine internal controls and the audited agency's goals for criteria. Example:

- Agencies should use quality information (Internal Control 13).
 - *Obtain relevant data from internal and external sources in a timely manner.*
 - *Use an iterative and ongoing process to identify what information is needed.*
 - *Change information requirements as needed to reflect changes to the agencies' objectives—or as external events occur that impact such objectives.*
 - Agencies should communicate with external parties (IC #15).
 - FTA uses the National Transit Database (NTD) to make decisions, including about how to allocate transit funding and to target its resources to promote efficient transit delivery.
 - *Thus, it is important for NTD data to be accurate.*
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Practice #6. Make prospective recommendations succinct and targeted, but not prescriptive

Transit Partnerships report recommendations to FTA:

- Rec 1. Determine which on-demand services qualify as “public transportation” based on the statutory definition and disseminate information to clarify whether and how to report data from such services into NTD.
 - Recs 2 & 3: Gather and publicly share information on:
 - transit partnerships, to include: examples on how various local transit agencies complied with federal requirements while offering new on-demand services in partnerships.
 - how local transit agencies and their private mobility partners are facilitating data sharing, and minimum data needed from a private partner to facilitate NTD reporting.
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Recommendations Matrix: *Partnerships Report*

	<u>Recommendation #1: Determine which services qualify for National Transit Database (NTD) entry</u>	<u>Recommendation #2: Gather & share information on how partnerships have met federal requirements</u>	<u>Recommendation #3: Gather & share information on practices for handling data-sharing issues</u>
Condition	<p>FTA issues NTD manuals that transit agencies use as guidance.</p> <p>However, most selected local transit agencies reported confusion about whether and how on-demand rides should be entered into NTD.</p>	<p>FTA has issued some guidance on how federal requirements apply to partnerships, and gathered information from Mobility on Demand (MOD) grantees about which requirements are challenging.</p> <p>Most transit agencies told us additional information from FTA would be helpful.</p>	<p>Transit agencies reported difficulties obtaining some data from ridesharing partners.</p> <p>Some suggested that FTA could play a greater role in encouraging ridesourcing companies to share some minimum set of data.</p>
Criteria	<ol style="list-style-type: none"> 1) Federal agencies should use quality information (IC #13). 2) Federal agencies should effectively communicate with external parties, (IC # 15) 3) NTD data should be accurate, since FTA uses it to: <ul style="list-style-type: none"> • track progress toward achieving its goals, such as improving the efficiency of transit systems and • apportion certain grant funds to transit agencies. 		
Cause	<p>FTA has not clarified whether & how some on-demand services should be entered into NTD.</p>	<p>FTA has not shared examples of how partnerships outside the MOD program are addressing federal requirements.</p>	<p>FTA has not shared examples of how partnerships—within and outside the MOD program—have handled data sharing issues.</p>
Effect	<p>Without clarified information, transit agencies will likely remain confused, potentially leading to inaccurate data in NTD.</p> <p>Without accurate NTD data FTA will not be able to, among other things, effectively track its progress toward improving transit systems' efficiency.</p>	<p>Gathering information from partnerships outside of the MOD would provide FTA with more and better information about how partnerships nationwide are meeting federal requirements.</p> <p>If shared, such information could also help transit agencies to structure their own partnerships.</p>	<p>If FTA communicated more information about data sharing practices, this could help transit agencies make sound decisions regarding the data needed from their private mobility partners.</p> <p>This would also help FTA ensure that NTD data are as accurate and complete as possible.</p>



Recommendations & FTA Planned Actions

Rec Text	<u>Recommendation #1:</u> FTA should determine which on-demand services qualify as "public transportation" based on the definition and disseminate information to clarify whether and how to report data on such services into the National Transit Database.	<u>Recommendation #2:</u> FTA should gather and publicly share information on transit partnerships, including those that did not receive Mobility on Demand (MOD) program funding, to include examples regarding how local transit agencies complied with federal requirements—such as procurement and Title VI requirements--while offering new on-demand services in partnerships.	<u>Recommendation #3:</u> FTA should gather and publically share information on transit partnerships, including those that were not part of the MOD program, to include information on how the local transit agencies and their private mobility company partners are facilitating data sharing, and minimum data needed from a private partner to facilitate NTD reporting.
FTA's Planned Action(s) to Address Rec [as of Sept 2018]	FTA plans to update its NTD manual to include a new data field for on-demand services provided by ridesourcing companies to track these separately from other on-demand services. FTA will post a proposed update to clarify whether and how to report such services into NTD. FTA plans to post some proposed revisions to the NTD policy, including details on which on-demand services qualify as "Public transportation," in the Federal Register and request comments. FTA anticipates completing these actions by June 30, 2020.	FTA plans to continue its efforts to share information through various communities of practice, newsletters, conference presentations and other communication methods. Further, FTA plans to hold an external webinar by December 2019 to gather information from the MOD grantees and other local transit agencies that did not receive funding through the program. This webinar will include discussions of issues including: new models in innovative partnerships; key considerations in implementing these partnerships; and how transit agencies have complied with relevant federal requirements in such partnerships.	By December 2019, FTA plans to hold the aforementioned public webinar to share best practices related to transit partnerships, including templates for data-sharing between local transit agencies and their private mobility company partners.



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Congressional Relations

Orice Williams Brown, Managing Director, WilliamsO@gao.gov
(202) 512-4400, U.S. Government Accountability Office
441 G Street, NW, Room 7125, Washington, DC 20548

Public Affairs

Chuck Young, Managing Director, youngc1@gao.gov
(202) 512-4800, U.S. Government Accountability Office
441 G Street, NW, Room 7149, Washington, DC 20548

Strategic Planning and External Liaison

James-Christian Blockwood, Managing Director, spel@gao.gov
(202) 512-4707, U.S. Government Accountability Office,
441 G Street NW, Room 7814, Washington, DC 20548

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