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United States Government Accountability Office  
Washington, DC 20548

August 20, 2004

The Honorable Richard C. Shelby  
Chairman  
The Honorable Paul S. Sarbanes  
Ranking Member  
Committee on Banking,  
Housing, and Urban Affairs  
United States Senate

The Honorable Don Young  
Chairman  
The Honorable James L. Oberstar  
Ranking Democratic Member  
Committee on Transportation  
and Infrastructure  
House of Representatives

Subject: *Job Access and Reverse Commute: Program Status and Potential Effects of Proposed Legislative Changes*

The Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) authorized the Job Access and Reverse Commute (JARC) program to increase the transportation options of low-income workers. The act created JARC, in part because, as the act states, two-thirds of all new jobs were located in the suburbs, while three-fourths of welfare recipients lived in rural areas or central cities, and even in metropolitan areas with excellent public transportation systems, less than half of the jobs were accessible by transit. Under JARC, the Federal Transit Administration (FTA) provides grants to transit agencies, local human service agencies, and others to fill gaps in transportation services for welfare recipients and other low-income individuals. Both houses of Congress have approved separate legislation to reauthorize surface transportation programs including JARC.

TEA-21 also required us to provide regular updates on the status of JARC. As agreed with your offices, this letter addresses (1) changes in program funding since fiscal year 1999 and the possible effects of further changes proposed in bills to reauthorize JARC, (2) the possible effects of proposed legislative changes to program coordination requirements, and (3) FTA's 2003 evaluation of the program and plans for future evaluations.

To respond to your request, we obtained and summarized financial data from FTA. We also compared current legislation and program requirements with proposed requirements in reauthorization bills in both the House (H.R. 3550) and Senate (S. 1072). We then analyzed the potential effects of changes in legislation by interviewing interest groups and JARC grantees. Finally, we reviewed FTA's evaluation of JARC and interviewed FTA officials about plans for future evaluations. We determined that all data used in this report were sufficiently reliable for our purposes. We performed our work from April through July 2004 in accordance with generally accepted government auditing standards. Our scope and methodology are discussed in more detail near the end of this report.

## **Results in Brief**

Since fiscal year 1999, the process for awarding JARC program funds has changed, and proposed legislative changes would require further modifications. Initially, FTA competitively selected all grant recipients, but over time Congress has increasingly designated grantees through appropriations legislation. Whereas FTA selected all grantees in fiscal year 1999, Congress designated all grantees in fiscal years 2003 and 2004 through appropriations legislation. Two proposed legislative changes would affect JARC funding. First, the House bill proposes that JARC funds would be distributed to states and urban areas through formula grants rather than through project-specific appropriations. Second, the House bill also proposes to decrease the matching fund requirement for capital expenditures from 50 percent to 20 percent. These proposed changes are not in the Senate bill. Both of these changes would make JARC similar to other FTA grant programs. Grantees and interest groups with whom we spoke had mixed opinions about these changes.

Proposed legislative changes to JARC coordination requirements would provide funding and change the requirements for coordination. Specifically, the House's proposed bill would allow up to 10 percent of JARC funds to be used for administrative, planning, and technical assistance activities. Currently, no funds can be used for these activities. This proposed change is not in the Senate bill. This change will likely facilitate program coordination with transportation and human service providers, according to most industry groups and grantees with whom we spoke. Another proposed change in both bills would require agencies that receive JARC funds to certify that their program is the result of a coordinated plan that includes local stakeholders, such as transit providers, human service agencies, and the public. Currently, certification is not required. The effect of this change would depend on the specific guidance that FTA provides for implementing a certification requirement, according to industry groups and grantees with whom we spoke.

Although FTA's 2003 evaluation of JARC provides some useful information about some JARC projects, it does not provide national, generalizable evidence of the program's performance. FTA's evaluation is based on several sources of data, most of which cannot be generalized to the entire JARC population. The program is difficult to evaluate because individual programs have different goals and serve different populations, such as those in rural and urban areas. FTA has taken steps to improve its evaluation process and plans further improvements. For example, FTA

introduced a Web-based reporting system to facilitate grantees' reporting of program data.

## **Background**

TEA-21 authorized JARC to provide grants to help low-income individuals and welfare recipients access employment opportunities. The program's two major goals are to (1) provide transportation and related services such as childcare and (2) to increase collaboration among transportation providers, human service agencies, employers, and others. Local JARC projects can include increasing the frequency of existing transit along current routes, providing vanpool services, or providing information to the public about existing transportation services.

TEA-21 also required FTA to conduct an evaluation of JARC by June 2000. TEA-21 did not discuss specific elements to be included in the evaluation. Finally, TEA-21 required that we report on the implementation of the program, and we have issued multiple reports on the program from 1998 through June 2003.<sup>1</sup> These reports found, among other things, that JARC has increased coordination among transit and human service agencies, but that FTA was slow in evaluating the program. We also recommended that FTA's evaluation address the key goals of the program.

## **Process for Awarding Program Funds Has Changed Over Time, and Proposed Legislation Would Institute Further Changes**

The process for awarding JARC grants has changed from a competition administered by FTA to an annual designation of grant recipients in federal appropriations legislation. Two proposed legislative changes would result in further modifications. First, in the House bill JARC funds would be distributed to states and urban areas through a formula grant instead of through project-specific appropriations. Second, the House bill would also reduce the matching fund requirement for capital expenditures from 50 percent to 20 percent. These changes are not in the Senate bill. These changes would make JARC similar to other FTA grant programs. While these changes could provide a reliable source of funds for some projects, the changes could adversely affect some JARC projects in states with low population, according to grantees and interest groups with whom we spoke.

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<sup>1</sup>GAO, *Welfare Reform: Implementing DOT's Access to Jobs Program*, GAO/RCED-99-36 (Washington, D.C.: Dec. 8, 1998).

GAO, *Welfare Reform: Implementing DOT's Access to Jobs Program in Its First Year*, GAO/RCED-00-14 (Washington, D.C.: Nov. 26, 1999).

GAO, *Welfare Reform: DOT is Making Progress in Implementing the Job Access Program*, GAO-01-133 (Washington, D.C.: Dec. 4, 2000).

GAO, *Welfare Reform: GAO's Recent and Ongoing Work on DOT's Access to Jobs Program*, GAO-01-996R (Washington, D.C.: Aug. 17, 2001).

GAO, *Welfare Reform: Competitive Grant Selection Requirement for DOT's Job Access Program Was Not Followed*, GAO-02-213 (Washington, D.C.: Aug. 17, 2001).

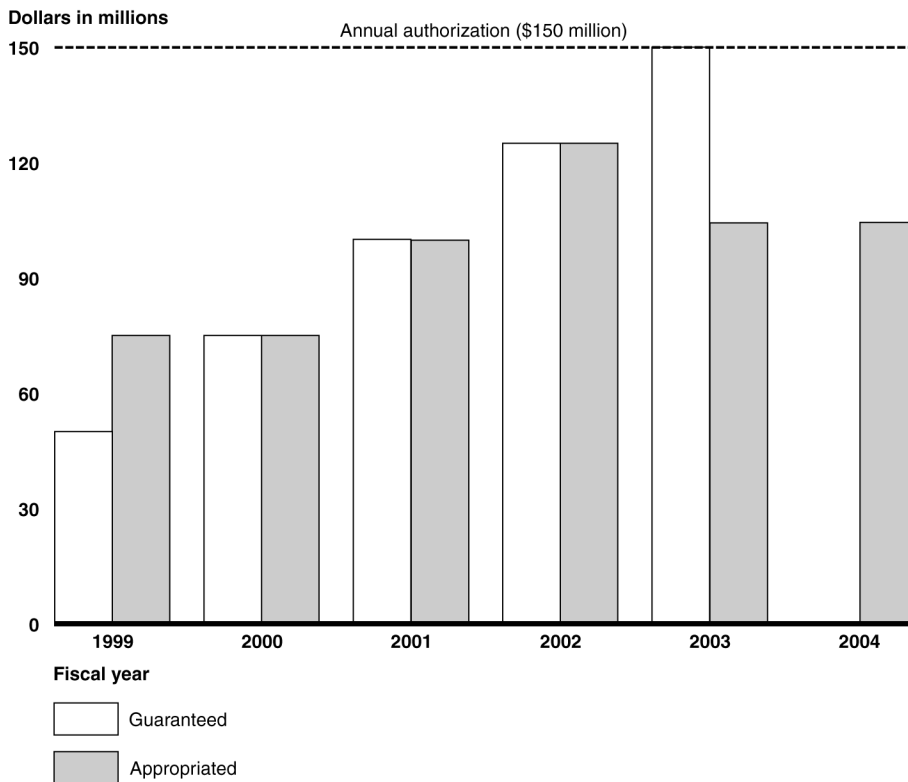
GAO, *Welfare Reform: Job Access Program Improves Local Service Coordination, but Evaluations Should Be Completed*, GAO-03-204 (Washington, D.C.: Dec. 6, 2002).

GAO, *DOT's Job Access and Reverse Commute Program: Briefing to Congressional Staff*. (Washington, D.C.: June 2003).

## Congress Has Appropriated Almost \$600 Million for JARC and Has Designated All JARC Grants Since Fiscal Year 2003

In total, JARC has been appropriated approximately \$583 million for fiscal years 1999 through 2004. TEA-21 authorized JARC to receive a maximum of \$150 million annually since its inception in fiscal year 1999. In addition, some JARC funds are “guaranteed,” or subject to a procedural mechanism designed to ensure that minimum amounts of funds are made available each year. The guaranteed amount of funding for the program has risen from \$50 million in fiscal year 1999 to \$150 million in fiscal year 2003.<sup>2</sup> However, in fiscal year 2003, Congress transferred \$45 million from JARC to the New Starts program.<sup>3</sup> As a result, Congress appropriated about \$45 million less than the guaranteed amount in fiscal year 2003 (see fig. 1). The annual appropriations for JARC have ranged from a low of \$75 million in fiscal years 1999 and 2000 to a high of \$125 million in fiscal year 2002.

**Figure 1: JARC Funding, Fiscal Years 1999 through 2004**



Source: FTA.

Notes: Dollar amounts are not adjusted for inflation.

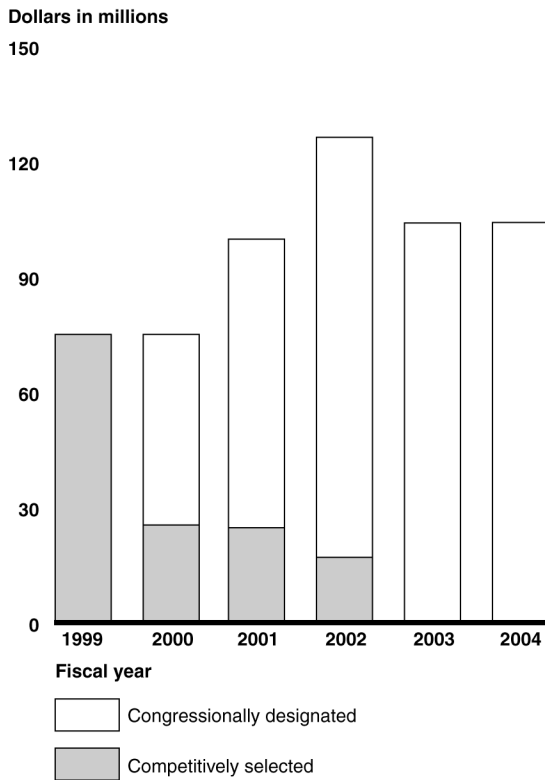
There is no guaranteed funding amount for fiscal year 2004 because JARC was authorized through fiscal year 2003 and is currently operating under the latest in a series of short term extension acts.

<sup>2</sup>There is no guaranteed funding amount for fiscal year 2004 because the program was authorized through fiscal year 2003 and is currently operating under the latest in a series of short term extension acts.

<sup>3</sup>FTA’s New Starts program awards full funding grant agreements for fixed-guideway rail, certain bus, trolley, and ferry projects.

While JARC began as a competitive grant program, the program has become congressionally designated through appropriations legislation. The amounts of JARC funds available for competitively selected grants have decreased since fiscal year 1999. In fiscal year 1999, \$75 million (representing all of the appropriated JARC funds) was awarded through the competitive selection process. This number decreased each year until 2003 and 2004, when no JARC grants were awarded through the competitive selection process. In contrast, the amount of congressionally designated grant money has generally increased over the life of the program. In fiscal year 1999, no grantees were congressionally designated; however, Congress designated approximately \$50 million in fiscal year 2000 and then increased the amounts for designated grants until fiscal years 2003 and 2004, when almost all of the money appropriated to the program was congressionally designated (see fig. 2).<sup>4</sup>

**Figure 2: Funds Appropriated for Competitively Selected and Congressionally Designated Grants, Fiscal Years 1999 through 2004**



Source: FTA.

Congress has also transferred money from JARC to FTA’s New Starts program through appropriations legislation. Congress transferred \$45 million from JARC to the New Starts program in fiscal year 2003 and \$20 million in fiscal year 2004. In addition, Congress has transferred unobligated balances—funds that have not been spent by grantees—when the funds have remained unobligated for a period of time.

<sup>4</sup>In fiscal years 2003 and 2004, all funds were congressionally designated except for approximately \$300,000 each fiscal year that was designated for FTA’s evaluation.

Specifically, Congress transferred through appropriations legislation approximately \$1 million of fiscal year 1999 unobligated balances to the New Starts program in fiscal year 2003, and approximately \$4.5 million of fiscal years 2000 and 2001 unobligated balances to the New Starts program in fiscal year 2004 (see table 1).

**Table 1: Unobligated Amounts as of April 30, 2004, Fiscal Years 1999 through 2004**

Amount	1999	2000	2001	2002	2003	2004
<b>Congressional allocations</b>	\$0	\$2,331,545	\$2,682,937	\$15,257,631	\$60,817,204	\$103,818,791
<b>Percentage of total allocation</b>	0.0%	4.7%	3.6%	14.0%	58.5%	99.7%
<b>Competitive allocations</b>	\$1,015,648	\$342,217	\$825,047	\$ 3,396,493	\$0	\$0
<b>Percentage of total allocation</b>	1.4%	1.3%	3.3%	20.0%	0%	0%
<b>Transfer to New Starts program</b>	\$ 1,015,648	\$2,331,545	\$2,182,937 <sup>a</sup>	\$0	\$0	\$0
<b>Balance available for obligation</b>	\$0	\$342,217	\$825,047	\$18,654,124	\$60,817,204	\$104,117,021 <sup>b</sup>

Source: FTA.

Note: Data are from fiscal year 2004, so a large unobligated balance for fiscal year 2004 is expected.

<sup>a</sup>According to FTA officials, \$500,000 of the unobligated funds was not transferred to New Starts because that money was about to be obligated when Congress transferred funds.

<sup>b</sup>Includes funds for FTA's evaluation.

### Stakeholders Identified Advantages and Disadvantages of Formula Funding

Proposed legislation in the House would change JARC to a formula grant program, under which JARC funds would be distributed through a formula based on the number of low-income individuals and the number of welfare recipients in each area. The proposed legislation would also continue the allocation established in TEA-21, in which 60 percent of the funds would be distributed to urbanized areas with populations equal to or greater than 200,000; 20 percent of the funds would be distributed to states for urbanized areas with populations less than 200,000; and 20 percent of the funds would be distributed to the states for nonurban areas.

FTA officials generally support the change to a formula program, but expressed concern about one aspect of the formula. According to FTA officials, changing JARC to a formula program has several benefits. First, the formula provides a known annual funding allocation that will result in a steady stream of funds to states and localities. Currently, JARC funding is determined each year, and it is therefore difficult for states and localities to predict their future funding level. Second, according to FTA officials, project sponsors would know how much money they

would get in future years under a formula grant program and would be able to plan their programs accordingly. Third, FTA officials told us that states would have the flexibility to commingle funds for smaller urban and rural areas.<sup>5</sup> In the past, the amount of money available for smaller urban areas has exceeded the demand for funds; therefore, it would be useful for states to be able to redirect funds to areas with more need, according to FTA officials. Fourth, FTA officials told us that changing JARC to a formula grant program may help prevent JARC funding from being transferred to other programs as it was in fiscal years 2002 through 2004 because formula program funds have traditionally not been transferred to other programs. FTA officials told us that they are concerned about one aspect of the current legislative proposal—including the number of welfare recipients as a factor in determining the formula. FTA officials told us that JARC is designed to serve all low-income individuals and not just welfare recipients. According to FTA officials, many welfare recipients begin working as a means of transitioning off of welfare and, therefore, the number of welfare recipients should not affect the current demand for JARC services. In addition, these officials told us that it would be difficult to obtain data needed to include welfare recipients in the formula. Specifically, FTA officials told us that data on the number of welfare recipients who live in urban and nonurban areas is not readily available. As a result, it would be difficult to include the number of welfare recipients as a factor in distributing JARC funds.

Interest groups that represent state and community transportation employees had some concerns about formula funding if the program continues to be authorized at the current level. Specifically, interest groups we spoke with expressed concern that, under a formula, states that are largely rural or have low populations may not get the level of support necessary to continue all of the JARC services currently funded within their states. This is because some rural projects have benefited from congressional designation, and their state could receive less money under a formula grant. One interest group characterized the formula funding mechanism as spreading around the available JARC funds across the country, rather than concentrating the limited funds on individual projects. Interest groups also told us that formula funding could be more beneficial to JARC if the program received more funds and could, therefore, continue to fund projects throughout the country. However, within a constrained transit budget, increases in JARC funding could come at the expense of other federal transit programs.

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<sup>5</sup>See H.R. 3550, § 5316 (c) (3), 108<sup>th</sup> Cong. (2004).

Grantees we spoke with expressed mixed opinions about formula funding as follows:<sup>6</sup>

- Seven of 18 grantees told us that they do not support formula funding. Some grantees said they are concerned that they may receive less funding under a formula grant mechanism. For example, one grantee we interviewed said that if formula funding was used, it would receive less funding, and another grantee told us that formula funding could cause JARC projects within its rural state to shut down.
- In contrast, 4 of 18 grantees told us that they support formula grant funding because they believe that they will be able to plan their projects if they have a reliable source of funds for several years. One grantee that supports formula funding for this reason added that the worst thing a transportation provider can do is to start, stop, and restart service because the provider loses credibility with riders. Another grantee that supports this change had counted on funding for fiscal year 2005 but did not receive funds through the appropriations process.
- In addition, 3 of 18 grantees told us that they would prefer to receive JARC money directly from FTA and not have to work through their state governments. Under a formula grant, nonurban areas would receive funds through the state. Grantees told us that JARC might not receive the attention it deserves from their states.
- In contrast, one grantee told us that state involvement would be beneficial, particularly in fostering coordination, because human service agencies already have established relationships with the state and know how to work with the state, so they may be more likely to participate in JARC.

#### Decrease in Matching Fund Requirement Would Make JARC Similar to Other FTA Programs

Another proposed legislative change in the House bill would make the matching fund requirement for JARC consistent with the matching requirements for other FTA programs. Specifically, grantees could receive a grant for up to 80 percent of the project's capital expenses, which are used to purchase capital equipment such as buses. Currently, projects can receive a grant for up to 50 percent of the project's capital expenses. Projects would continue to be eligible for grants of up to 50 percent of their operating expenses—that is, the costs of their day-to-day operations. FTA officials told us that this change would lessen any confusion about matching requirements among grant recipients who participate in multiple FTA programs.

Some interest groups echoed what FTA told us—that this change would make the requirements for JARC consistent with those for other FTA programs. We spoke to some members of one interest group who are employees in state departments of

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<sup>6</sup>The number of grantee opinions does not add up to 18 (100 percent of those we spoke to) because some grantees had more than one opinion on a subject matter while others had no opinion. In addition, these numbers are not generalizable to all JARC grantees.



transportation. One of those members expressed concern that the decrease in the matching fund requirement could lead to greater capital investment at the expense of program operations. This member is concerned that JARC may become like other FTA programs, which, according to this member, stress capital investment over service delivery.

Grantees with whom we spoke told us that this change would either be positive or not affect their programs. Six of 18 grantees told us that changing the matching fund requirement for capital costs would allow them to increase the services they provide and the numbers of vehicles they use to provide services. Four of 18 grantees told us that this change would be positive because it would make the requirements for matching funds in JARC similar to the matching requirements for other FTA programs. In contrast, 4 of 18 grantees told us that this change would not affect them because they do not use any capital funds in their project. FTA officials told us that approximately 15 percent of JARC funds are currently spent on capital costs. Therefore, this change may increase the proportion of JARC funds used for this purpose.

### **Allowing Program Funds to Be Used for Administration Could Enhance Coordination, but Some Stakeholders Expressed Concern about Certification Requirements**

Two proposed legislative changes would affect program coordination. The first change is only in the House bill and would allow 10 percent of JARC funds to be used for technical assistance activities, including planning projects and coordinating with local stakeholders. Currently, no JARC funds may be used for these activities. This change would likely facilitate program coordination, according to the interest groups and grantees that we interviewed. The second change is in the House and Senate bills and would require agencies to certify that their JARC project is the result of a coordinated plan. The effect of this change on program coordination would depend on the guidance that FTA provides.

#### Groups Generally Support Use of Grant Funds for Administrative Activities

A change proposed in the House bill would allow up to 10 percent of JARC grants to be used for administrative, planning, and technical assistance activities. These activities include planning new JARC projects and coordinating with stakeholders. According to FTA officials, interagency and stakeholder coordination may be strengthened because JARC funds could be applied to collaborative activities.

Interest groups told us that allowing funds to be used for administrative, planning, and technical assistance activities is a good idea, because it would provide funds for coordination. However, one interest group questioned why funds for these activities are capped at 10 percent; this group believes that there should be no restriction on how funds are spent.

Twelve of 18 grantees we spoke with said that this change would increase coordination because they could bring these funds to the planning table and show

potential partners that there is money to cover collaborative activities. Four of 18 grantees said that there would be no discernable effect because agencies will perform administrative, planning, and technical assistance activities regardless of whether funds are authorized for this purpose. According to these grantees, they would perform collaborative and administrative activities even if they were not reimbursed for them. Nevertheless, 3 of 18 grantees said that this change would be helpful because, in the past, they had to use other sources to fund their collaborative activities.

### Some Stakeholders Are Concerned about Proposed Certification Requirements

Both the Senate and the House bills propose that JARC grantees certify that their projects were developed from a locally coordinated plan that resulted from a process that included key stakeholders. Under this proposal, states would review locally coordinated plans and FTA would periodically evaluate the review process in each state and urban area. FTA supports this certification requirement as a means of ensuring that coordination continues if the program transitions to a formula grant. FTA officials told us that the success of the certification requirement would depend largely on the implementation guidance that they would develop after reauthorization legislation passes.

Interest groups we interviewed expressed the following variety of opinions about the proposed certification requirement:

- Some interest groups that we spoke with stressed the importance of FTA's role as well as that of Congress in setting clear guidelines in developing and instituting coordination certification. Some members from one interest group stressed that they already participate in complex, organized planning processes, and they are concerned about how the new requirement would fit into their current activities. They suggested that FTA delay enforcing this requirement until states have had an opportunity to fully incorporate the guidelines into their planning process.
- One interest group is concerned that a formal certification process may detract from the importance of developing a genuinely coordinated plan. This group also believes that certification may be overly prescriptive and administratively burdensome and could discourage potential grantees from participating in JARC.
- However, one interest group told us that it supports the certification requirement and does not believe that the requirement will be difficult or burdensome.

Eleven of 18 grantees that we interviewed said certification would have no impact on their programs because agencies already coordinate and will continue to do so. Two of 18 grantees said they understand the need for this requirement to ensure that collaboration is occurring, and grantees are hopeful that future certification requirements will clarify the requirements for coordination. Six of 18 grantees are

concerned that the process of certifying coordination may be administratively burdensome.

### **FTA's Evaluation Provides Useful Information, but It Does Not Constitute a National Assessment of JARC**

Although FTA's evaluative report to Congress provides some useful information about some JARC projects, it does not provide national, generalizable evidence of the program's performance. The program is difficult to evaluate, and FTA plans to continue to improve its evaluation process.

#### TEA-21 Required FTA to Evaluate JARC

As previously stated, TEA-21 required FTA to report once to Congress by June 2000 on the results of its evaluation of JARC. Although TEA-21 did not describe specific elements that should be included in the evaluation, we recommended in December 2002 that the report should address JARC's effectiveness in meeting its goals of providing transportation-related services and enhancing collaboration among stakeholders.<sup>7</sup> FTA issued its report in May 2003 that addressed JARC's key goals.<sup>8</sup> According to FTA's evaluation, JARC has made thousands of entry-level jobs and employers accessible for the program's target populations; increased access to employment support sites; created significant low-income ridership; and established collaborative partnerships among transportation and human service agencies and local, state, and national government.

#### FTA's Evaluation Is Limited

FTA told us that it faced several obstacles in evaluating JARC, primarily because grantees had difficulty collecting and submitting information. For example, in 2001 FTA required grantees to report quarterly data using a database that many grantees found to be burdensome. Some grantees even had to acquire the database software and learn the program, according to FTA officials. In addition, grantees were required to submit data on a quarterly basis and were required to submit some data that were difficult to obtain, such as the number of potential employers reached by JARC services and the number of jobs accessible within a quarter mile of a new fixed-route stop.<sup>9</sup> Finally, some transportation providers were not accustomed to reporting the socioeconomic data FTA wanted, while some human service organizations were not used to maintaining the transportation statistics that FTA requested.

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<sup>7</sup>[GAO-03-204](#).

<sup>8</sup>Federal Transit Administration, *Job Access and Reverse Commute Program Report to Congress*. (Washington, D.C.: May 2003).

<sup>9</sup>At a fixed-route stop, vehicles stop to pick up and deliver passengers along a specific route.

FTA used data from five sources in its 2003 JARC evaluation: (1) annual grantee reports as of January 1, 2000; (2) fourth quarter 2001 grantee reports; (3) a University of Illinois at Chicago (UIC) report based on a survey of riders at 23 sites; (4) 16 case studies that FTA conducted; and (5) GAO's 2000 survey of JARC grantees. The evaluation uses these data sources to present a descriptive analysis of some JARC projects; however, the mix of data sources does not provide a consistent evaluation of the program over time and among grantees. In addition, specific information in FTA's evaluation may not be consistent because some grantees did not always follow a standardized reporting system. Specifically, grantees that completed an annual grantee report in 2000 did not follow a standardized reporting system—in these reports, grantees only described the effectiveness of individual projects—and so information taken from these reports may not be consistent.

The data FTA used in its 2003 evaluation are limited because four of the five sources FTA used provided data and descriptions of benefits for specific project locations, but these results could not be generalized to all JARC grantees. Specifically, the results of the 2000 annual grantee reports, 2001 quarterly grantee reports, UIC report, and FTA's case studies are not generalizable to all JARC grantees for at least three reasons. First, the response rates of the annual and quarterly grantee reports were low, 24 percent and 42 percent, respectively. Second, there is no assurance that the grant recipients who submitted these reports were similar to those recipients who did not submit reports. For example, we do not know if the grantees that submitted reports had more effective programs than those who did not submit reports. Though FTA recognizes that generalizing the findings of the quarterly grantee reports to the entire grantee population could be misleading, FTA relies on these data sets to provide much of the key information used to assess the program. For example, FTA reported on the number of new employment sites accessed with JARC funds—a level of precision not justified by the number of responses obtained. Third and finally, the UIC study data are not generalizable because they are based on a small number of sites (23) that were not randomly selected.

The fifth source, GAO's 2000 survey of JARC grantees, had an 89 percent response rate, so the information from the survey reliably reflected the views of the grantees surveyed, and the results could be generalized to the entire grantee population.<sup>10</sup> The survey addressed JARC grantees' opinions about FTA's implementation of JARC, the program's effect on coordination among the variety of organizations involved in getting people to work, and the usefulness of JARC.

Finally, the 2000 and 2001 grantee reports do not indicate the completeness or the accuracy of the data that were reported by grant recipients. The grantee reports contain self-reported information, which FTA does not verify. In addition, JARC grantees generally had difficulty submitting complete information on a timely basis. FTA acknowledges that it could be misleading to use the data from these reports to determine JARC's performance nationwide. However, FTA uses these data to provide key information, such as the number of new employment sites made accessible by JARC services.

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<sup>10</sup>[GAO-01-133](#).

Because FTA's evaluation of JARC lacks consistent, generalizable, and complete information, the data cannot be used to draw any definitive conclusions about the program as a whole. The evaluation only provides information about some JARC projects and does not represent an overall evaluation of the program.

### FTA Plans to Improve the Evaluation Process

FTA has plans in place for improving its next program evaluation and the grantee reporting process. However, it has been and continues to be a struggle for FTA to develop comprehensive performance measures that assess a national program when individual grantee programs, operations, and features vary. For example, it would be difficult to use one set of measures to assess a program that provides fixed-route transportation services and then use the same set of measures to assess a program that provides information and coordination services. FTA is working with a consultant and UIC to improve program evaluation and reporting and plans to fully implement a new reporting system by fiscal year 2005.

To make reporting less burdensome for grantees, FTA has replaced its initial reporting system with a Web-based system and now requires reports on an annual rather than a quarterly basis. FTA officials report that they have seen improvement in the number of grantees who submit reports. Specifically, according to FTA officials, almost 80 percent of grantees submitted reports for fiscal year 2003. Once the reported data is verified, it should allow FTA to make national performance projections for JARC, according to FTA officials. In addition, FTA is considering revising performance measures for the program. For example, FTA officials said that they are considering the feasibility of measuring the actual number of employers reached rather than the number of new employment site stops created by JARC services.

FTA is just beginning to acquire new data and update their performance measures for evaluating JARC. Therefore, it is too early for us to determine if these changes to the evaluation process will improve the quality of information FTA obtains. As a result, we do not know if FTA will be able to issue a better evaluation of JARC if Congress requires FTA to evaluate the program when it reauthorizes JARC.

### **Scope and Methodology**

To summarize financial information for JARC for fiscal years 1999 through 2004, we gathered and analyzed data from FTA's Web site and agency officials on dollar amounts authorized, guaranteed, appropriated, congressionally designated, competitively allocated, obligated, and unobligated. To assess the reliability of the data, we interviewed agency officials knowledgeable about the data and checked for obvious errors in completeness and accuracy. We determined the information was sufficiently reliable for our purposes. We also researched TEA-21 and appropriations acts to determine the amount of funds authorized, guaranteed, appropriated, rescinded, and transferred under JARC.

To analyze the potential effects of proposed legislative changes on JARC, we reviewed current legislative and program requirements and compared them with proposed legislative requirements. We designed and conducted semistructured telephone interviews with 18 of the 185 JARC grantees that were active last fiscal year—2003—to gain their perspectives on proposed legislative changes. We classified the grantees into six categories (state departments of transportation, cities, metropolitan planning organizations, transportation agencies, nonprofit organizations, and others) and randomly selected three grantees from each category to obtain the views of a variety of grantees. However, these surveys cannot be generalized to the entire JARC grantee population because of the small survey population. We also interviewed FTA officials and officials from interest groups, including the American Association of State Highway and Transportation Officials, the American Public Transportation Association, the Community Transportation Association of America, and the National Association of Regional Councils, to obtain their views on the possible effects of proposed changes.

To assess the extent to which FTA has evaluated JARC, we reviewed FTA's program evaluation, *Job Access and Reverse Commute Program: Report to Congress* (May 2003) and focused on the performance measures and indicators used; the existence of relevant, reliable, and timely information; the methodology used; the extent of effective monitoring of the program; and reported results. We also interviewed agency officials about FTA's plans for future evaluations.

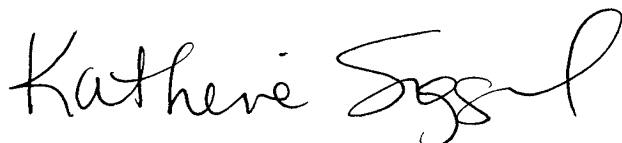
### **Agency Comments**

We provided DOT a draft of this report for their review and obtained comments from agency officials in FTA and the Office of the Secretary. These officials provided some clarifying comments, which we have incorporated where appropriate.

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We are sending copies of this report to the cognizant congressional committees, the Secretary of Transportation, and the FTA Administrator. The report will also be available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at [siggerudk@gao.gov](mailto:siggerudk@gao.gov) or Catherine Colwell at [colwellc@gao.gov](mailto:colwellc@gao.gov). Alternatively, I can be reached at (202) 512-2834. Major contributors to this report were Elizabeth Eisenstadt, Denise C. McCabe, Susan Michal-Smith, Sara Ann Moessbauer, and John W. Shumann.



Katherine A. Siggerud  
Director, Physical Infrastructure Issues

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