

New Jersey Department of Transportation
Bureau of Research

Technical Brief



Research Process Improvement & Regulatory Compliance Updates

The New Jersey Department of Transportation (NJDOT) identified a critical issue related to compliance with changes to Federal regulations governing the distribution and expenditure of Federal funding used in transportation research activities. The Executive Office of Management and Budget (OMB) establishes uniform cost principles and audit requirements for all Federal awards to non-federal entities. Changes to the guidance provided under 2 CFR 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards) have impacts on existing policies and procedures for the NJDOT research enterprise. NJDOT contracted with Cambridge Systematics, Inc. (CS) to provide an assessment of existing business practices as they relate to compliance with 2 CFR 200 and offer recommendations for policy and documentation changes as needed.

Background

The OMB published 2 CFR Part 200 to streamline government-wide guidance on administrative requirements, cost principles, and audit requirements for Federal awards. In relation to transportation, the FHWA has identified critical post-award regulations, cost principles, and audit policies as requiring updates for state DOTs receiving funding.

The CS research team reviewed existing practices within the research unit. The intent of this high level review was to understand existing processes and compare them with best practices in place in a variety of state and local research agencies. The research team also reviewed the existing research project databases and provided automation for certain forms that previously required manual manipulation for data collection. These changes will allow the unit to increase efficiency in its research management.

Research Objectives and Approach

The primary goal of the research was to provide NJDOT with updated business process and supplemental information that reflected current regulatory and policy preferences. The research team accomplished this through the following:

- Thoroughly reviewed, documented, and updated NJDOT business process documents per the modifications to federal regulations related to uniform cost principles and audit requirements for federal awards to non-Federal entities;

- Developed an action plan and documented the impacts of the 2014 Research Subpart B Process Review Findings for research business practices; and
- Developed guidance to appropriately categorize projects as applied, advanced, basic research or other categories.
- Created a final report detailing the results of the research activities.

Findings

This project provided guidance to streamline NJDOT research practices and improve project risk assessment policy. The research identified the following findings for NJDOT:

- The agency should develop outreach materials and programs to introduce research partners and customers to updated procedures and policies.
- Opportunities exist for NJDOT to improve response to emerging priority items. If projects meet developed criteria for a fast-track schedule, then they can utilize streamlined procedures (simplified applications, proposals, reporting requirements, documentation) to deliver research products.
- Many mechanisms are in place within NJDOT to monitor the research process at university partner institutions. The research team recommended creating a University / DOT monitoring committee to allow issues to be addressed rapidly as they emerge.
- Opportunities exist for NJDOT research staff to improve their research management skills. The research unit should explore training programs (like TRB's "Ahead of the Curve: Mastering the Art of Research Management" initiative) to grow staff capacity.

For More Information Contact:

NJDOT Project Manager:	Priscilla Ukpah
	(609) 530-8039
	Priscilla.Ukpah@dot.nj.gov
Principal Investigator:	Jason Bittner
	(212) 209-6640
	josborne@camsys.com
	James Osborne
	646-364-5497
	josborne@camsys.com

A final report is available online at: <http://www.state.nj.us/transportation/refdata/research/>. If you would like a copy of the full report, send an e-mail to: Research.Bureau@dot.nj.gov.

Research Process Improvement & Regulatory Compliance Updates
NJDOT Research Report No: NJ-2016-001