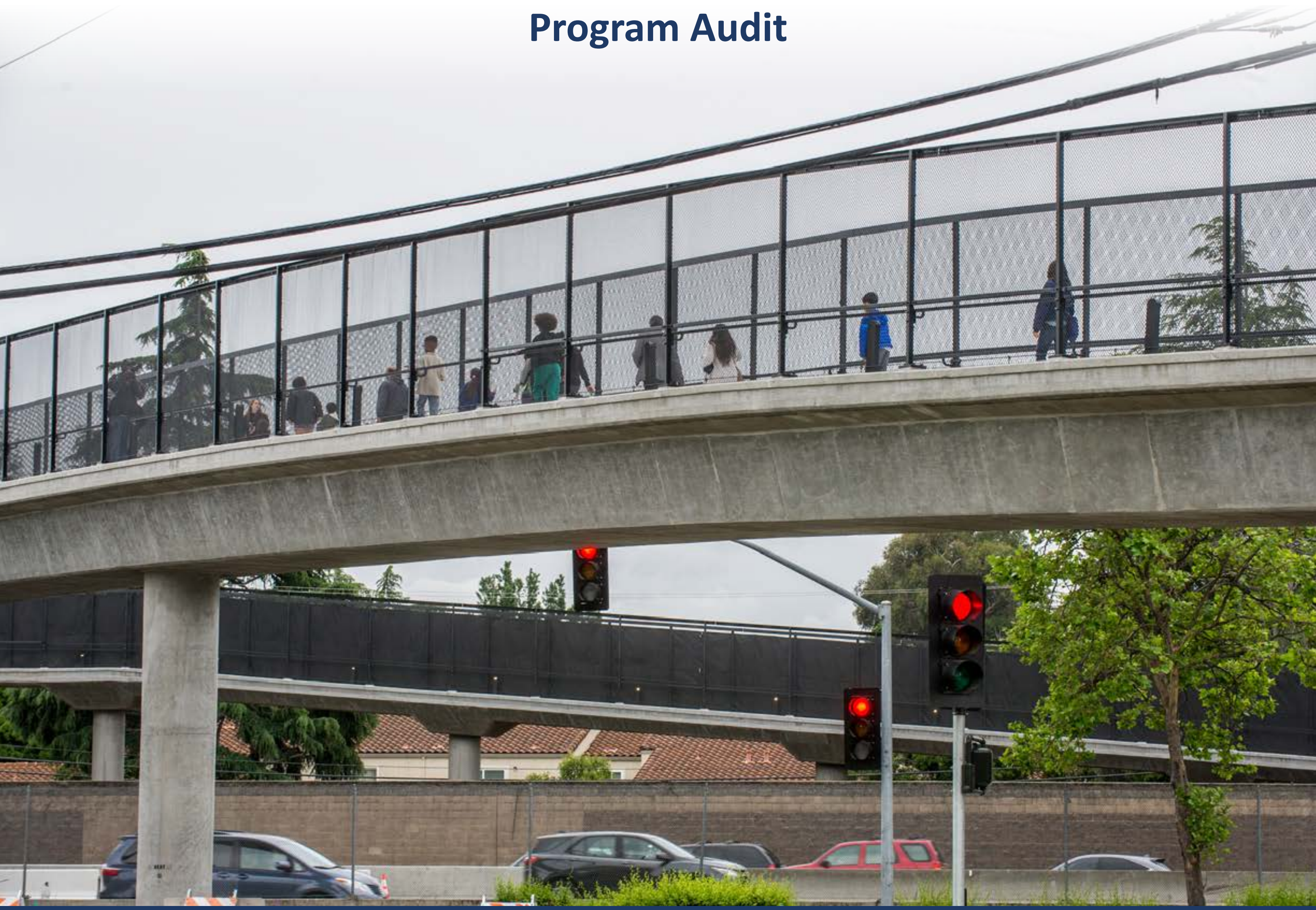
INSPECTOR GENERAL

California Department of Transportation

Active Transportation Program Benefits

Program Audit



Independent Office of Audits and Investigations

Bryan Beyer, Inspector General
Matt Espenshade, Chief Deputy

September 2026
24A.PROG05

For questions or assistance concerning the contents of this report, please contact (916) 323-7111 or email ioai.reports@dot.ca.gov. Alternative format reports available upon request.

September 11, 2026

Dina El-Tawansy
Director
California Department of Transportation
1120 N Street
Sacramento, CA 95814

Final Report – Active Transportation Program Benefits, Program Audit

Dear Ms. El-Tawansy:

The Independent Office of Audits and Investigations (IOAI) completed its audit of the California Department of Transportation's (Caltrans) Active Transportation Program (ATP). We audited Caltrans' process collecting, tracking, and reporting data specific to the benefits of active transportation projects and evaluated whether those project benefits align with the goals of the ATP. The final report is a matter of public record and will be posted on IOAI's website.

If you have any questions regarding this report, please contact our office at (916) 323-7111.

Sincerely,

Bryan Beyer, CIG
Inspector General

cc: Cory Binns, Chief Deputy Director, Caltrans
Tanisha Taylor, Executive Director, California Transportation Commission
Marlon Flournoy, Deputy Director, Planning and Modal Programs, Caltrans
Dee Lam, Division Chief, Division of Local Assistance, Caltrans
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Tables and Figures

Selected Terms and Acronyms

Terms/Acronyms	Explanation
ATP	Active Transportation Program
ATP Guidelines	Commission's *ATP Guidelines*
Benefits	Tangible outputs and measurable outcomes delivered by a project upon completion
Caltrans	California Department of Transportation
CalSMART	California State Multi-Modal Accountability Reporting Tool
Commission	California Transportation Commission
DLA	Division of Local Assistance
IOAI	Independent Office of Audits and Investigations
SB 1	Senate Bill 1, Road Repair and Accountability Act of 2017
SB 1 Guidelines	Commission's *SB 1 Accountability and Transparency Guidelines*

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Summary

The Active Transportation Program (ATP) encourages increased use of active modes of transportation, such as biking and walking. The California State Legislature established six core goals for the ATP: increased biking and walking trips, improved safety and mobility for nonmotorized users, support for regional efforts to meet greenhouse gas reduction targets, enhanced public health, disadvantaged communities' full sharing in program benefits, and the funding of a broad spectrum of active transportation projects. The California Transportation Commission (Commission), which has overseen the ATP since its inception in 2013, has required that implementing agencies report information measuring their projects' benefits. The purpose of our audit was to evaluate the California Department of Transportation's (Caltrans) process for collecting, tracking, and reporting the data specific to the benefits of ATP projects and to determine whether those project benefits align with the goals of the ATP.

The ATP has grown from its beginning in 2013 as a program funded with $123 million annually; its most recent completed cycle offered $568 million. Implementing agencies receive ATP funding through a competitive process that includes examining a proposed project's benefits, including its outputs and outcomes, and considering whether those anticipated benefits help achieve the program's goals. The Commission established guidelines for program administration, reporting, and follow-up accountability. These guidelines specify that implementing agencies must report comparisons of their completed projects' anticipated and actual benefits.

As part of our audit, we selected for review eight completed ATP projects that implementing agencies across the state initiated between 2018 and 2021. Our testing showed that implementing agencies did not fully document their projects' benefits, which comprise *outputs*, or tangible deliverables such as bike lanes, and *outcomes,* which occur because of the project, such as a reduction in cyclist deaths and injuries. Specifically, we found that none of the agencies documented their projects' outcomes in their Completion Reports and Final Delivery Reports. Caltrans had directed the implementing agencies during that period to report only user counts—the "before" and "after" tally of the number of people who used completed projects—rather than require the reporting of outcomes data.

Staff at the Commission confirmed to us that Caltrans' practices during that time were sufficient. The staff explained that if the projects are built as approved, the Commission assumes upon project completion that the project is on track to achieve the benefits described in the application. However, the Commission also recognized the need to assess actual long-term benefits. Staff explained that the Commission updated its guidance in March 2023 to assess the actual long-term benefits by adding

a provision that required implementing agencies to submit a project performance analysis within six months of the date that construction is completed and operable for five years. This provision means the Commission will get an analysis about five and a half years following project completion.

These requirements apply only to projects initiated after March 2023, so implementing agencies will not be reporting the relevant information until at least 2028. As a result, we cannot yet assess whether the updated guidance—and Caltrans' implementation of it—will ultimately provide legislators, the Commission, program managers, and the public with the detailed, outcome-based data needed to evaluate program effectiveness or inform future funding decisions.

Introduction

Background

Active Transportation Program Creation

On September 26, 2013, Governor Brown signed legislation creating the ATP within Caltrans. The legislation, comprising Senate Bill 99 (Chapter 359) and Assembly Bill 101 (Chapter 354), encouraged the increased use of active modes of transportation, such as biking and walking. The ATP consolidated existing federal and state transportation programs—including the Transportation Alternatives Program, the Bicycle Transportation Account, and the Safe Route to School—into a single program focused on making California a national leader in active transportation.

The California State Legislature established six primary goals for the ATP:

- Increase the proportion of trips accomplished by biking and walking.
- Increase safety and mobility for nonmotorized users.
- Advance the active transportation efforts of regional agencies to achieve greenhouse gas reduction goals as established pursuant to Senate Bill 375 (Chapter 728, Statutes of 2008) and Senate Bill 391 (Chapter 585, Statutes of 2009).
- Enhance public health, including the reduction of childhood obesity through the use of programs including, but not limited to, projects eligible for Safe Routes to School Program funding.
- Ensure that disadvantaged communities fully share in the benefits of the program.
- Provide a broad spectrum of projects to benefit many types of active transportation users.

The ATP receives funding through various state and federal funds from appropriations in the annual Budget Acts. The annual Budget Acts appropriate funds to Caltrans, and the Commission allocates those funds. The Commission also develops guidelines and criteria for project selection.

Senate Bill 1 Governance Framework

In 2017, the Legislature passed and the Governor signed Senate Bill 1 (SB 1), also known as the Road Repair and Accountability Act of 2017. This legislation marked the first significant, stable, and ongoing increase in state transportation funding in more than two decades. SB 1 enhanced funding for several existing programs, including the ATP, and established new programs. The new law placed SB 1-created programs under the Commission's oversight and established a single administrative framework for those programs. The enhanced existing programs are also under this administrative umbrella.

The Legislature tasked the Commission with developing guidelines for SB 1. The Commission's *SB 1 Accountability and Transparency Guidelines* (*SB 1 Guidelines*) established the Commission's requirements and reinforced accountability across all funded projects and programs. The Commission had been responsible for the ATP's guidelines since the program began, but in the event of conflict between the Commission's guidelines for individual programs and its guidelines for SB 1, the new law specified that the provisions of *SB 1 Guidelines* will govern.

SB 1 Guidelines standardized reporting requirements across all SB 1 programs and established "Program Reporting" and "Follow-up Accountability" sections that apply to all SB 1 projects. These sections' requirements for monitoring project benefits, scope, cost, and schedule ensured that an SB 1 project remains consistent with the program's objectives, project applications, and executed agreements.

Although the Legislature made the Commission responsible for programming and allocating SB 1 funding, Caltrans was charged with administrative oversight for all SB 1 programs. Caltrans' oversight includes ensuring programs' compliance with the terms and conditions set forth in the Commission's *SB 1 Guidelines* and ensuring that programs adhere to subsequent requirements for programming, allocation, and reporting.

These guidelines outline Caltrans' responsibilities, which include the following:

- Collecting, reviewing, and approving implementing agencies' Completion Reports and Final Delivery Reports. Agencies submit Completion Reports within six months of construction contract acceptance or the project's becoming operable (open to public), whichever comes sooner. They submit Final Delivery Reports within 180 days of the conclusion of all remaining project activities beyond the acceptance of the construction contract to reflect final project expenditures, any changes that occurred after submittal of the Completion Report, and an updated evaluation of the benefits.

Completion Reports include information on each project's completed scope, cost, schedule, and achieved benefits, compared to the planned scope, cost, schedule, and anticipated benefits described in the project's executed project agreements.

Final Delivery Reports include any changes that occurred after submittal of the Completion Report and an updated evaluation of the project's benefits.

Source: *SB 1 Guidelines*.

- Sending reminders or notifications to the implementing agencies 30 days before and again 30 days after their reports are due.
- Preparing and providing to the Commission regular progress reports for each SB 1 program; these reports include the number of completed projects, a summary of benefits achieved, whether implementing agencies have submitted their ATP projects' Completion Reports and Final Delivery Reports, and Caltrans' review and approval of those reports.

Program Funding and Scale

At its inception in 2013, the ATP was funded at about $123 million annually through a combination of state and federal funds. SB 1 increased ATP funding in 2017 with an additional $100 million allocation annually through the State's Road Maintenance and Rehabilitation Account. The program also received a one-time augmentation of $1 billion from the California State Budget Act of 2022-2023.

ATP funds are distributed in funding cycles of two to four years, during which Caltrans solicits project proposals, the Commission evaluates proposals with Caltrans' help, and then the Commission awards project funding. The ATP has completed seven funding cycles and is currently in its eighth cycle. The following table shows the program's evolution and scale:

Table 1. ATP Funding History, by Cycle

Funding Cycle	Funding Available	Applications Received	Projects Selected
1	$359 million	771	274
2	$368 million	617	207
3	$491 million	457	238
4	$468 million	554	122
5	$478 million	448	119
6	$1.71 billion	434	242
7	$568 million	unknown	50

Source: Caltrans' Active Transportation Program Spring 2024 Fact Sheet for Cycles 1 through 6. Caltrans' Active Transportation Program website for Cycle 7.

ATP Administration and Project Selection

The Commission's program guidelines include specific "Roles and Responsibilities" sections that clearly define the duties of all participating entities. The Commission adopts guidelines and policies for the ATP; evaluates, scores, and ranks projects; allocates funds; and evaluates the program for reporting to the Legislature. Caltrans prepares statewide program and procedural guidance, solicits project applications, assists with evaluation, creates reports required by the Commission, notifies successful applicants of next steps, tracks and reports on project implementation, and ensures that implementing agencies submit reports within required time frames.

Caltrans' Division of Local Assistance (DLA) program oversees federal and state funding of more than $1 billion dollars annually available to over 600 local government agencies for improving their transportation infrastructure or providing transportation services. The DLA authorizes over 1,200 new projects annually. The DLA is responsible for ATP projects, along with other SB 1 programs and numerous other DLA program projects.

Applicants with a prospective ATP project must undergo a competitive application process and demonstrate their project's alignment with one or more of the program's goals. There are five different application types available for applicants to choose from, depending on the project type and size. Applications undergo initial screening before the Commission makes its formal evaluation. Only applications that meet eligibility requirements proceed to formal evaluation.

Although the Commission has adjusted its criteria for scoring and selecting projects since it issued its initial *ATP Guidelines*, the descriptions of the projects' anticipated benefits have consistently weighted heavily in the Commission's decision-making process. The most recent guidelines, adopted in 2026, include three core categories for evaluation that collectively account for 50-87 points of the maximum 100 points allocated for each application. These three categories—Benefit to Disadvantaged Communities, Need, and Safety—closely align with program's six goals and are weighted as follows:

- **Benefit to Disadvantaged Communities (10-30 points):** The benefit provided to the disadvantaged community affected by the project. The score will be impacted by the project location in relation to the disadvantaged community, the severity, and the direct benefit the project will provide. Applicants must also explain whether displacement is an issue or not.
- **Need (20-52 points):** Potential for increased walking and bicycling, potential to promote equity of access to shared public infrastructure for people of all ages and varying abilities, and potential to increase and improve connectivity and mobility of non-motorized users.
- **Safety (10-25 points):** Potential for reducing the number and/or rate or the risk of pedestrian and bicyclist fatalities and injuries.

Project Benefits and Accountability Framework

During the competitive application process, the Commission considers projects for funding under the ATP program. A project application must articulate the project's specific and measurable outcomes and must explain how those outcomes align with one or more of the ATP's goals.

The Commission is more likely to select and fund project applications with well-defined, measurable outcomes since the projects described in such applications have a strong potential for delivering results that contribute to the overall success of the program.

Under *SB 1 Guidelines*, the approved project application becomes part of the executed agreement and contract between Caltrans and the implementing agency. As a result, the project details described in the application—such as project scope, cost, schedule, and anticipated benefits—are binding requirements for the implementing agency.

Outputs are tangible deliverables and actions, such as the feet of sidewalk constructed, feet and class of bike lanes constructed, the number of curb ramps or crosswalks constructed, and the number of bike rodeo events or demonstration projects.

Outcomes are measurable impacts and benefits that occurred through the completion of the project, such as a reduction in pedestrian and cyclist deaths or injuries, and an increase in walking and biking within a community.

Source: “Outputs vs. Outcomes in the Active Transportation Program,” Caltrans’ ATP website.

The text box above provides Caltrans’ explanation of outputs and outcomes. For our audit, we focused on the measurable outcomes portion of project benefits and did not review outputs.

Data Collection and Reporting Process

Caltrans launched the California State Multi-Modal Accountability Reporting Tool (CalSMART) in March 2019 as an online reporting tool to collect project reports (Progress Reports, Completion Reports, and Final Delivery Reports) for SB 1 programs. Implementing agencies must complete their project reports, which contain information such as “key project milestones” (estimated and actual) and “delivered outputs and outcomes” compared to the outputs and outcomes described in the applications and approved in the executed agreements. The Completion Reports and Final Delivery Reports became available in CalSMART in January 2021. Before this, Caltrans directed agencies to email PDF copies of those reports for ATP projects to a shared inbox at a Headquarters office.

From the ATP’s inception, ATP guidelines required Final Delivery Reports to provide performance outcomes derived from the project compared to those outcomes described in project applications, along with “before” and “after” user pedestrian and bicycle counts and explanations of methodologies used to conduct those counts. Beginning with the 2019 ATP guidelines, which aligned with SB 1 Guidelines, ATP Guidelines also require that Completion Reports provide project benefits compared to those benefits included in the executed project agreements, and that Final Delivery Reports include updated evaluations of those benefits.

Caltrans must also create reports that the Commission requires. *SB 1 Guidelines* specifically require Caltrans to prepare and present semi-annual program progress reports to the Commission, in March and October of each year. These reports include information on all SB 1 programs, the number of projects allocated and completed under each program, and a summary of benefits that the completed projects achieved.

Audit Results

Implementing Agencies Have Not Reported Data to Show Whether Completed ATP Projects Achieved Anticipated Benefits; Recent Changes to the Commission's Guidelines May Address Those Reporting Gaps, but Not Until 2028

When enacting SB 1, the Legislature declared its intent to hold Caltrans and local governments accountable through performance goals and measurement. The Legislature tasked the Commission with creating the *SB 1 Guidelines*, which serve in part to reinforce accountability across all SB 1-funded projects and programs (such as the ATP). In those guidelines, the Commission established "Program Reporting" and "Follow-up Accountability" sections that apply to all SB 1 projects, including ATP projects. These sections set expectations for, among other things, monitoring project benefits. The Commission has defined benefits to include "outputs" and "outcomes." According to ATP guidance on Caltrans' website, *outputs* are the tangible benefits and actions that contribute to achieving a project's outcomes. Examples of outputs include the length of bike lanes constructed. *Outcomes* are the post-project impacts/benefits that the projects achieved, such as a reduction in pedestrian or cyclist deaths or injuries. For ATP projects, the Commission added a third measurable element: *user counts*, which include a "before" and "after" project construction comparison of such things as bicycle and pedestrian traffic.

The Commission's criteria for evaluating and approving ATP projects reflects the importance of measuring a project's benefits. The Commission's scoring matrix for evaluating and selecting ATP projects has undergone several changes since its initial implementation, but one element has consistently played a significant role: the description of anticipated benefits associated with each project. In the latest set of guidelines that the Commission adopted in 2026 for ATP projects, the description of these benefits now constitutes between 50 and 87 percent of the total points awarded to each funding application.

The guidelines require Caltrans to collect, review, and approve implementing agencies' Completion Reports and Final Delivery Reports, which are the tools that document, among other things, each project's benefits; these reports currently include discrete sections for outputs, outcomes, and user counts. The guidelines specify that implementing agencies must include in their Completion Reports "project benefits and performance metric outcomes as compared to those included in the executed project agreements" and must include in their Final Delivery Reports "an updated evaluation of the benefits." The guidelines further require implementing agencies to "describe the methodologies and assumptions used to evaluate how the project benefits and performance metrics were calculated" and explain any difference between anticipated and actual outcomes.

We reviewed the Completion Reports and the Final Delivery Reports for eight completed ATP projects that implementing agencies initiated between 2018 and 2021, and we found that the implementing agencies did not fully document project benefits. Specifically, none of the agencies documented their projects' outcomes in their Completion Reports and Final Delivery Reports. Two of the agencies also failed to include the "before" and "after" user counts; and one agency failed to include the "after" user counts.

For example, in the application for one of the projects we reviewed, the implementing agency—the Kern County Road Department (Kern County)—sought funding to construct new storm drain lines, sidewalks, curb ramps, drive approaches and higher visibility crossings to ensure a safe ADA accessible environment. In its summary of expected benefits, Kern County stated the following:

> Safety is the number one reason why residents don't walk to the local school, park, bus stops, & markets. New infrastructure is the stimulus needed to transformation this disadvantaged community into an active, healthy neighborhood where residents can walk & bike **to improve their health footprint, reduce vehicle trips to improve air quality, spur transit ridership due to improved mobility, & reduce vehicle collisions due to traffic calming strategies & improved higher visibility crossings**. [Emphasis added.]

In this description of expected benefits, the county listed a number of potential outcomes: a reduction in vehicle trips, improved air quality, higher transit ridership, and a reduction in vehicular collisions. However, when we reviewed the county's Completion and Final Delivery Reports, the "outcomes" portion of each form was blank, as Figures 1 and 2 show. The county did report various outputs, such as the linear feet of new bike lanes and sidewalks; the county also reported various ATP user counts, such as the number of bicycles and pedestrians counted before and after construction. However, these outputs and user counts do not, by themselves, address the anticipated outcomes. They do not show that the project improved safety, mobility, or accessibility. In fact, the county's two reports made no mention of how it achieved these expected benefits. Therefore, we do not know whether the project met these expectations and, in turn, whether the project ultimately achieved the expected benefits.

Figure 1. Kern County's Completion Report Leaves Outcomes Section Blank

COMPLETION REPORT - FY 22/23 Q1

PRG-15-497-0004	Distric 06	EA	PPNO 6900	Project 0618000127	Date 10/13/2022

EXPENDITURES ($1,000s)

Phase	Total	SB1 Funding Expenditures						Other Funding Expenditures				Planned Expenditure at Completion
		SHOPP	LPP Comp	LPP Form	SCCP	TCEP	ATP	State	Federal	Local & Private	Additional Local	
PA&ED	65										65	65
PS&E	328										328	328
RW Support												
Con												
RW Capital	89										89	89
Con	5,515										5,515	10,253
Other	4,118						4,118					
Total	**10,115**						**4,118**				**5,997**	**10,735**

OUTPUTS

Output	Approved Quantity	Anticipated at	Unit	Output	Approved Quantity	Anticipated at	Unit
Enhance Existing Crosswalk	5	11	Each	Intersection Lighting 2	3	6	Each
New ADA Ramp	66	59	Each	New Class 2 Bike Lanes/Routes	14,316	14,496	Linear feet
New Class 3 Bike Lanes/Routes	13,836	12,974	Linear feet	New Crosswalk	14	14	Each

OUTCOMES

Outcome/Benefit	Approved Quantity	Anticipated at	Unit	Outcome/Benefit	Approved Quantity	Anticipated at	Unit

ATP USER COUNTS

Location Number	Location Description	Count Type	Category	Count Method	Quantity	Unit	Begin Date	End Date	Project Type
1	Malibar Avenue @ Sparks Street, Rexland Acres	Bicycle	Before	Manual In-Field Counts	0	Each	11/15/2017	11/15/2017	Infrastructure
1	Malibar Avenue @ Sparks Street, Rexland Acres	Bicycle	After	Manual In-Field Counts	44	Each	11/18/2022	11/19/2022	Infrastructure
1	Malibar Avenue @ Sparks Street, Rexland Acres	Pedestrian	Before	Manual In-Field Counts	0	Each	11/15/2017	11/15/2017	Infrastructure
1	Malibar Avenue @ Sparks Street, Rexland Acres	Pedestrian	After	Manual In-Field Counts	421	Each	11/18/2022	11/19/2022	Infrastructure

If Methodology is Other, then please explain the methodology.

Excerpt of Kern County's Completion Report, showing Outcomes and ATP User Counts sections. Source: CalSMART, Kern's County's Completion Report for its Rexland Acres Community Sidewalk Project, dated October 13, 2022.

Figure 2. Kern County's Final Delivery Report Leaves Outcomes Section Blank

FINAL DELIVERY REPORT - FY 22/23 Q4

PRG-18-497-0001	Distric 06	EA	PPNO 6900	Project 0618000127	Date 07/06/2023

EXPENDITURES ($1,000s)

Phase	Total	SB1 Funding Expenditures						Other Funding Expenditures				Planned Expenditure at Completion
		SHOPP	LPP Comp	LPP Form	SCCP	TCEP	ATP	State	Federal	Local & Private	Additional Local	
PA&ED	65										65	65
PS&E	328										328	328
RW Support												
Con												
RW Capital	9										9	89
Con	5,518										5,518	10,256
Other	5,092						5,092					
Total	**11,012**						**5,092**				**5,920**	**10,738**

OUTPUTS

Output	Approved Quantity	Anticipated at	Unit	Output	Approved Quantity	Anticipated at	Unit
Enhance Existing Crosswalk	5	11	Each	Intersection Lighting 2	3	6	Each
New ADA Ramp	66	59	Each	New Class 2 Bike Lanes/Routes	14,316	14,496	Linear feet
New Class 3 Bike Lanes/Routes	13,836	12,974	Linear feet	New Crosswalk	14	14	Each
New Sidewalks (4' to 8')	21,025	22,073.4	Linear feet	Reconstruct ADA Ramp to Standard	10	31	Each

OUTCOMES

Outcome/Benefit	Approved Quantity	Anticipated at	Unit	Outcome/Benefit	Approved Quantity	Anticipated at	Unit

ATP USER COUNTS

Location Number	Location Description	Count Type	Category	Count Method	Quantity	Unit	Begin Date	End Date	Project Type
1	Malibar Avenue @ Sparks Street, Rexland Acres	Bicycle	After	Manual In-Field Counts	44	Each	11/18/2022	11/19/2022	Infrastructure
2	Malibar Avenue @ Sparks Street, Rexland Acres	Pedestrian	Before	Manual In-Field Counts	0	Each	11/15/2017	11/15/2017	Infrastructure
3	Malibar Avenue @ Sparks Street, Rexland Acres	Pedestrian	After	Manual In-Field Counts	421	Each	11/18/2022	11/19/2022	Infrastructure
4	Malibar Avenue @ Sparks Street, Rexland Acres	Bicycle	Before	Manual In-Field Counts	0	Each	11/15/2017	11/15/2017	Infrastructure

Excerpt of Kern County's Final Delivery Report, showing Outcomes and ATP User Counts sections. Source: CalSMART, Kern County's Final Delivery Report for its Rexland Community Sidewalk Project, dated July 6, 2023.

Kern County was likely following Caltrans' instructions for ATP projects at that time. According to a Caltrans training video, available via YouTube, Caltrans informed implementing agencies that they did not need to report outcomes for ATP projects. Instead, Caltrans directed the implementing agencies to include only user counts—the before and after measurements of the number of people using completed projects. Caltrans confirmed to us that the department was not requiring the collection of ATP outcomes data. Caltrans staff also stated that the Commission directed them not to collect this data.

Staff at the Commission confirmed to us that Caltrans' practices during this period were sufficient. To explain the Commission's perspective, one official stated that in each project application, the applicant provides a description of the project's benefits through their responses to the application questions. These questions are constructed to assess how the project will contribute to meeting the program's goals. To answer many of the questions, the applicant must provide quantitative data to support the narrative's claims. The Commission official explained that "[i]f a project produces the same outputs identified in the application (as is the case for nearly all of projects) then the assumption upon project completion is that the project is on track to achieve the benefits described in the application."

Although the Commission considers Caltrans' current practices sufficient, the Commission also recognized the need to assess actual long-term benefits. The official specified the following:

> To assess the actual long-term benefits, the SB 1 Accountability and Transparency Guidelines were updated on March 23, 2023 to add a provision that implementers shall submit a Project Performance Analysis within six months of the date that construction is complete and operable for five years – meaning, once a project has been in public use, the Commission will get an analysis roughly five and a half years following the project completion. Additional Project Performance Analyses may be required in five-year increments on an ongoing basis, as well.

The full text of the provision discussed in the quotation above is included in the text box on the next page.

Because the Commission did not implement the *SB 1 Guidelines* with this provision until March 2023, the provision's requirements apply only to projects *initiated* after that date, so implementing agencies will not be reporting the relevant information until at least 2028. As a result, we cannot yet assess whether the updated guidance—and Caltrans' implementation of it—will ultimately provide legislators, the Commission, program managers, and the public with the detailed, outcome-based data needed to evaluate program effectiveness or inform future funding decisions. Until data on the actual benefits achieved becomes available, policymakers will remain unable to determine whether ATP investments are meeting the program's legislative goals.

Follow-up Accountability – Project Performance Analysis

The Applicant shall submit a Project Performance Analysis within six months of the date that construction is complete and operable for five years. Additional Project Performance Analyses may be required in five year increments on an ongoing basis, as needed.

The Project Performance Analysis will be a qualitative analysis that evaluates the project performance and the actions the applicant or implementing agency is taking to achieve the anticipated performance metric outcomes as approved in the executed project agreements and will include, at a minimum, the following:

• Discussion of whether the project is on track to deliver the forecasted performance metric outcomes. Each performance metric outcomes shall be addressed.

• Discussion and identification of future plans or actions that need to be addressed or implemented to meet and to sustain the benefits through the forecasted year.

• Discussion of the progress toward or achievement of the goals of the applicable program.

Once a project has been completed for a duration of five years, the Department will notify Agencies within 30 days to submit a Project Performance Analysis and again 30 days after the report is due (six months later). Agencies that fail to submit a timely Project Performance Analysis shall be considered noncompliant. Consequences for noncompliance are outlined in Section E of these guidelines.

For projects that have no performance-based outcomes forecasted after construction contract acceptance or the project becoming operable, the Completion Report and Final Delivery Report will address the achievement of the outcomes.

Source: *SB 1 Guidelines,* adopted March 23, 2023.

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Appendix A. Scope and Methodology

Audit Objectives

Our audit objective was to evaluate Caltrans' process of collecting, tracking, and reporting data specific to the benefits of active transportation projects and to determine whether those project benefits reported by implementing agencies align with the goals of the ATP.

Audit Period

Our audit period was from April 28, 2017, through July 23, 2025.

Criteria

We gained an understanding of the ATP and identified relevant criteria by reviewing state legislation, Commission guidelines, and Caltrans procedures, and by interviewing key personnel from Caltrans and the Commission.

Risk Assessment and Internal Control

We performed a risk assessment, including identifying and evaluating whether Caltrans properly designed and implemented internal controls significant to our audit objectives. Our evaluation of internal controls focused on Caltrans' process for collecting, tracking and reporting ATP benefits data. We also assessed Caltrans' process for reviewing Completion Reports and Final Delivery Reports that required comparisons of projects' anticipated outcomes, as described in the applications for funding, and the fully implemented projects' outcomes.

Assessment of Data Reliability

Generally accepted government auditing standards require that we assess the sufficiency and appropriateness of computer-processed information used to materially support our findings, conclusions, or recommendations. Because we obtained information from CalSMART—Caltrans' online reporting tool for collecting project reports—only for the purpose of background context, we did not perform a data reliability assessment of these data.

Compliance Statement

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Methodology

Based on our planning, we developed specific methods for gathering evidence to obtain reasonable assurance to address the audit objectives, as detailed in Table A below.

Table A. Objectives and Methods in the Audit Process

Audit Objective	Methods
Objective 1 To evaluate Caltrans' process for collecting, tracking, and reporting data specific to the benefits of the ATP.	Reviewed applicable guidelines and determined Caltrans' responsibilities related to project benefits. Interviewed key personnel from the Headquarters SB 1 office, the ATP office, from CalSMART, the districts, and the Commission. Selected eight ATP completed projects judgmentally to review according to project types, programmed costs, and geographical location within the state. In testing these eight selected projects, we took the following actions: Obtained and reviewed implementing agencies' project applications and executed agreements to determine their projects' anticipated outcomes. Compared projects' anticipated outcomes to the benefits that the implementing agencies reported in their Completion or Final Delivery Reports, to determine whether the implementing agencies reported data for all project outcomes that they anticipated in their executed agreements. Reviewed and verified whether Caltrans notified implementing agencies of their reports' due dates. Reviewed and verified whether Caltrans created and posted on its website a list of implementing agencies with late reports. Determined whether Caltrans approved Completion and Final Delivery Reports.
Objective 2 To determine whether ATP project benefits reported by implementing agencies align with ATP goals.	Reviewed legislation and identified goals and responsibilities related to the ATP. Interviewed staff from the SB 1 Headquarters office, staff from the ATP office and from CalSMART, district staff, and Commission staff. Assessed a selection of Completion and Final Delivery Reports and compared reported outcomes after project implementations to ATP goals, to determine whether those outcomes aligned with ATP goals.

Independent Office of Audits and Investigations

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