



**STEWARDSHIP AND
OVERSIGHT PLAN**

**THE SOUTH CAROLINA DEPARTMENT OF
TRANSPORTATION**

AND

**THE FEDERAL HIGHWAY ADMINISTRATION
SOUTH CAROLINA DIVISION**

NOVEMBER 2007

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ACRONYMS

3R	Resurfacing, Restoration, and Rehabilitation
AASHTO	American Association of State Highway and Transportation Officials
CEI	Construction Engineering and Inspection
CEQ	Council on Environmental Quality
CFR	Code of Federal Regulations
CMAQ	Congestion Mitigation and Air Quality
CPI	Continuous Process Improvement
DBE	Disadvantaged Business Enterprise
EA	Environmental Assessment
EEO	Equal Employment Opportunity
EIS	Environmental Impact Statement
FHWA	Federal Highway Administration
FIRE	Financial Integrity Review and Evaluation
FMCSA	Federal Motor Carrier Safety Administration
FONSI	Finding of No Significant Impact
FTA	Federal Transit Administration
HPMS	Highway Performance Monitoring System
HSIP	Highway Safety Improvement Program
HSP	Highway Safety Program
ISTEA	Intermodal Surface Transportation Efficiency Act
ITS	Intelligent Transportation Systems
MBE	Minority Business Enterprise
MPO	Metropolitan Planning Organization
NBIS	National Bridge Inspection Standards
NEPA	National Environmental Policy Act
NHS	National Highway System
NHSD	National Highway System Designation Act of 1995
NHTSA	National Highway Traffic Safety Administration
PE	Preliminary Engineering
PL	Planning Funds
PR/PE	Process Review/Program Evaluation
PS&E	Plans, Specifications, and Estimate
ROD	Record of Decision
ROW	Right-of-Way
SAFETEA-LU	Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users
SCDOT	South Carolina Department of Transportation
SOP	Standard Operating Procedure
SPR	State Planning and Research
STIP	Statewide Transportation Improvement Program
STP	Surface Transportation Program
TEA-21	Transportation Equity Act for the 21st Century
TIP	Transportation Improvement Program
USC	United States Code

Section 1 – EXECUTION OF PLAN

Pursuant to 23 U.S.C. 106 (c), South Carolina Department of Transportation (SCDOT) and Federal Highway Administration (FHWA) agree to follow the procedures set forth in the Stewardship and Oversight Plan, dated November 2007, which is attached to and made part of this agreement, to carry out their respective oversight responsibilities in the delivery of Federal-aid projects. This Stewardship and Oversight Plan supersedes all past plans, including our Operational Agreement dated February 1, 1999 and shall become effective on the date listed below and remain in effect until superseded.

The Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991, the Transportation Equity Act for the 21st Century (TEA-21) of 1998, and the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) of 2005 provided flexibility to the States in how to ensure project actions are carried out in accordance with applicable laws, regulations, and policies. TEA-21, Section 1305 (a) requires that FHWA and the State enter into an agreement showing the extent of the State's assumption of the Transportation Secretary's responsibilities. ISTEA and TEA-21 altered the FHWA role from full project oversight and approval of every project or activity funded with FHWA funds to program oversight and some targeted project level approval. The program and project assumptions made possible under Section 1016 of ISTEA and Section 1305 of TEA-21 require that SCDOT accept these assumed responsibilities and provide greater program accountability due to less federal involvement. With the passage of SAFETEA-LU, the overall program has evolved requiring a more comprehensive Agreement that covers all aspects of the Federal-aid Highway Program and provides a road map to effectively and efficiently execute the Federal-aid program relating to programs/project delivery including financial integrity.

By signing this agreement, SCDOT and FHWA agree to adhere to the provisions and responsibilities included herein. SCDOT and FHWA further agree to carry out their responsibilities in a true spirit of cooperation and partnership. SCDOT agrees that where it assumes FHWA's Title 23 oversight role and approval responsibilities, it is responsible for ensuring that projects are developed and constructed in full compliance with Federal requirements, and that necessary corrective action is taken when actions and approvals are found to be in non-compliance with applicable Federal requirements. FHWA is available for consultation in such matters or may unilaterally become involved in determining corrective action.

SCDOT further understands that nothing contained herein shall relieve it from ultimate accountability for compliance with Federal laws and regulations with respect to the expenditure of Federal-aid highway funds in the State of South Carolina, including those funds passed through to local governments. This agreement does not preclude the FHWA access to and review of Federal-aid projects at any time, and does not replace the provisions of Title 23 United States Code (U.S.C.).

The Stewardship and Oversight Plan is intended to be a living document that can be modified when needed to incorporate additional legislation, additional processes, or other changes to improve program and project delivery. The FHWA South Carolina Division Administrator or the SCDOT State Highway Engineer may initiate amendments to this Stewardship and Oversight Plan should essential modifications become apparent to either party.

Robert Lee
FHWA SC Division Administrator

Tony Chapman
SCDOT State Highway Engineer

Effective Date: November 26, 2007

Section 2 - INTRODUCTION

This Stewardship and Oversight Plan outlines the roles and responsibilities of both FHWA and SCDOT in the accomplishment of oversight and administration of Federal-aid Highway Projects and Programs. The purpose of the Plan is to provide guidance in clarifying actions, preventing misinterpretations, and avoiding delays. The Plan is intended to be a living document that can be modified when needed to incorporate additional legislation, additional processes, or other changes to improve program and project delivery in the State of South Carolina. It serves as a continuing plan of project and program oversight responsibilities for each agency covering the following functional areas:

Project Oversight

- Programming Process and Project Authorization/Agreement Process
- Environmental Process
- Design Monitoring Process
- Right-of-Way (ROW) Process
- Construction Monitoring Process

In cases where project level activity is still an integral part of FHWA's stewardship and oversight efforts, early involvement in project decisions combined with an assessment of the quality of the products produced during the project development process will be the primary focus. SCDOT will follow its Project Development Process to ensure proper communication and coordination occurs between SCDOT and FHWA.

In general, FHWA will use Process Review/Product Evaluation (PR/PE) techniques to assess the capability and capacity of SCDOT for those projects where SCDOT has assumed FHWA's responsibilities. FHWA will also use these techniques to monitor and evaluate SCDOT's fulfillment of the responsibilities outlined in this Plan.

Program Oversight

- Bridge Program
- Civil Rights Program
- Financial Management Program
- Intelligent Transportation System Program
- Maintenance Monitoring Program
- Materials Quality and Acceptance Program
- Pavement Management and Design Program
- Planning Program
- Research, Development, and Technology Transfer Program
- Safety Program

This Plan includes stewardship responsibilities for various programs with identified actions by each agency. It incorporates the concept of mutual service standards that include agreed upon formats and procedures. This Plan also takes into account the FHWA and SCDOT resources and capabilities, and the federal requirements where FHWA has a mandated role in the oversight process. This plan forms

the principal basis for monitoring and evaluating the quality of SCDOT's Federal-aid program, and the continued disbursement of federal funds based upon SCDOT policies, practices, and staffing resources.

FHWA will annually perform risk assessments of various program areas in cooperation with SCDOT for the purpose of prioritizing its program level oversight activities for the coming year. The objective of these risk assessments is to focus the limited resources of the FHWA Division Office on those activities that represent the greatest risk to FHWA in fulfilling its stewardship responsibilities. A portion of the risk assessments will involve an evaluation of SCDOT's internal controls, operating procedures, and staffing. By this process, it is expected that the greatest possible confidence level will be achieved for the resources committed. FHWA reserves the right to make final determinations of Federal program areas for review.

Section 3 – STEWARDSHIP AND OVERSIGHT OF FEDERAL-AID PROJECTS

This section of the Stewardship and Oversight Plan sets forth the respective roles and responsibilities of FHWA and SCDOT in the administration and oversight of Federal-aid Highway projects in the State of South Carolina. As a condition to accepting Federal-aid highway funds, SCDOT agrees to follow all applicable project and program requirements.

3.1 FHWA Responsibilities

The FHWA is ultimately accountable for all Federal-aid highway projects. The FHWA South Carolina Division will fulfill its stewardship role at a project level as follows:

1. Full Oversight Projects – While the following describes those projects which will retain FHWA full oversight, the FHWA South Carolina Division has the authority to retain full oversight on any Federal-aid project. On full oversight projects, the FHWA South Carolina Division Office personnel will, at a minimum, review and approve project designs, approve any design exceptions, approve PS&Es, authorize advertisement, concur in contract award, approve changes in contract (change orders, supplemental agreements, time extensions, claims, etc.), conduct project inspections including a final inspection, and prepare a Final Acceptance Report.
 - a. **Interstate System:** The FHWA SC Division will retain full oversight for the following types of Federal-aid projects on the Interstate system:
 - New and Reconstruction projects
 - 3R projects that provide bridge deck repairs, seismic retrofits, or restoration of the pavement (restoration of pavement includes profiling, milling, overlaying, and full-depth patching).

(Note: For new or reconstruction bridge projects, regardless of funding source, that carry traffic over the Interstate Highway, preliminary bridge plans will be submitted to FHWA for approval.)

- b. **NHS System:** The FHWA SC Division will retain full oversight for all Federal-aid projects on the NHS system with an estimated construction cost of \$50 million or greater.
 - c. **ITS Projects:** The FHWA SC Division will retain full oversight for Federal-aid ITS projects that involve Regional ITS architecture, Traffic Management Centers, ITS software development, and Systems Engineering Analysis. Oversight responsibility of routine infrastructure related ITS projects is delegated to SCDOT as stipulated in Section 3.2 of this document.
 - d. **Appalachian Corridor:** The FHWA SC Division will retain full oversight for all projects that are funded through the Appalachian Development Highway Program.
 - e. **Other Projects:** Other projects that may be determined to be full oversight on a case by case basis. For example, those projects using innovative contract procedures such as design/build, construction of unique bridges or structures, earmark-funded projects, or projects of national significance. The decision to classify one of these projects as FHWA full oversight will be made early in the project development process by the Division Office.
2. Transportation Enhancement Program - The FHWA SC Division will concur in eligibility determinations prior to project selection.
 3. CMAQ Program – In non-attainment and maintenance areas where mandatory CMAQ funds are used, FHWA SC Division will concur in eligibility determinations prior to project selection.
 4. Involvement on Other Projects – The FHWA may become involved with any Federal-aid project, including those for which SCDOT has assumed oversight responsibility. FHWA oversight of State delegated projects will be through program level activities, such as Process Review/Program Evaluation (PR/PE). Additionally, SCDOT may request FHWA involvement. The extent of FHWA involvement will be defined by SCDOT’s request.
 5. Title 23 Responsibilities – For projects delegated to SCDOT, as outlined in Section 3.2, SCDOT will assume the responsibility for FHWA in many Title 23 U.S.C. actions. However, the following Title 23 U.S.C. requirements/actions will remain under the authority of FHWA for projects delegated to SCDOT:
 - All Federal responsibilities for planning and programming oversight specified in 23 USC 134 and 135
 - Federal air quality conformity determinations required by the Clean Air Act
 - Obligation of funds
 - Modifications to project authorizations
 - Waivers to Buy America requirements
 - SEP-14 / SEP-15 methods
 - Civil Rights program approvals
 - Changes to or additional access points on the Interstate System (regardless of funding source)
 - Approval to degrade existing controlling design elements on the Interstate system (regardless of funding source)

- Use of Interstate airspace for non-highway related purposes (regardless of funding source)
 - Hardship acquisition and protective purchases
 - Final vouchers
 - Approval of SCDOT standards, specifications, and policies applied to Federal-aid projects
6. Non-Title 23 Responsibility – FHWA will continue to be responsible for the oversight of applicable non-Title 23 requirements. Such oversight will be conducted through a combination of both project and program level activities. Applicable non-Title 23 requirements include, but are not limited to:
- National Environmental Policy Act (NEPA) of 1969
 - Section 4 (f) of the DOT Act of 1966
 - Civil Rights Act of 1964
 - Uniform Relocation Assistance and Real Properties
 - Acquisition Policies Act of 1970
 - Disadvantaged Business Enterprise Program (DBE)
 - Clean Air Act Amendments of 1990
7. Technical Assistance – The FHWA Division Office is prepared to provide technical assistance to SCDOT or local transportation agencies on any aspect of an eligible Title 23 project including intermodal transportation projects. Technical assistance activities will be decided on a case-by-case basis in consultation with SCDOT, other partners and the Division Office. The FHWA Division Office will continue to focus their time and effort on improving processes and procedures, in cooperation with the SCDOT.

The FHWA will manage and provide oversight of South Carolina’s Federal-aid programs in various ways. The methods used will include the following:

- Routine day-to-day program actions and other interaction.
- SCDOT from time to time will ask for FHWA Division participation on SCDOT task forces, teams, implementation committees, reviews, attendance at SCDOT meetings, consultant selection committees, etc.
- PR/PE reviews on program areas as needed and determined in accordance with the Division’s risk assessment process and/or other high importance program areas. PR/PE reviews will be utilized as the primary methods of program oversight. PR/PE reviews comprise the process of comprehensively reviewing and evaluating State and or local agency policies, procedures, practices and controls for the development and implementation of Federal-aid projects and programs.
- The Division Office Financial Integrity Review and Evaluation (FIRE) Program to assess the financial aspects of programs and projects.

3.2 SCDOT Responsibilities:

SCDOT will assume oversight responsibilities for FHWA in Title 23 U.S.C. actions for the following projects:

1. Interstate Projects – (1) all 3R projects excluding bridge deck repairs, seismic retrofits, and restoration of the pavement (restoration of pavement includes profiling, milling, overlaying,

and full-depth patching).. All Interstate projects must comply with all Title 23 U.S.C. and non-Title 23 U.S.C. requirements.

2. Other NHS Projects (not on the Interstate System) – For NHS projects not on the Interstate System, which have an estimated construction cost less than \$50 million, SCDOT assumes oversight responsibility for the right-of-way approval, utility approval, railroad approval and related activities, design approval, design exceptions, plans, specifications, estimates, contract award, and inspection of projects on the NHS. All NHS projects must comply with all Title 23 U.S.C. and non-Title 23 U.S.C. requirements.
3. ITS Projects – SCDOT assumes oversight responsibility for all routine infrastructure related ITS projects (i.e., fiber optic cable, VMS, and camera installations).
4. Non-NHS Projects – SCDOT assumes oversight responsibility for the right-of-way approval, utility approval, railroad approval and related activities, design approval, design exceptions, plans, specifications, estimates, contract award, and inspection of projects not on the NHS. Non-NHS projects are required to be designed, constructed, operated, and maintained in accordance with State law, regulations, directives, safety standards, design standards, and construction standards, in lieu of many Title 23 U.S.C. requirements. Title 23 U.S.C. requirements that are applicable to all Federal-aid projects include, but are not limited to, transportation planning, procurement of professional services, Davis-Bacon wage rates, advertising for bids, award of contracts, use of convict produced materials, Buy America Act provisions and other requirements. All non-NHS projects must also comply with all non-Title 23 U.S.C. requirements.
5. Local Agency Projects – The SCDOT may, pursuant to 23CFR 1.11 and 635.105, delegate certain Federal-aid project authorities to a well-qualified and suitably equipped local public agency. The SCDOT is responsible for ensuring that appropriate procedures and guidelines are in place to facilitate the compliance of local public agency administered Federal-aid projects. FHWA will review and approve these practices and procedures for Federal-aid projects. SCDOT is responsible for ensuring that all Federal-aid projects administered by local agencies comply with all applicable Federal and State requirements. SCDOT is not relieved of this responsibility even though the project may be delegated to the local agency.

Prior to delegating projects to local agencies, the SCDOT will determine and document that the local agency is well qualified and adequately staffed to administer the projects. The SCDOT will review the local agency's ability to administer Federal-aid projects or specific activities on a case-by-case basis, and the extent of delegation will be dependent on their current staffing level and experience, and past performance. A Participation Agreement will be executed between SCDOT and the local agency to outline the responsibilities of both SCDOT and the local agency.

SCDOT will not delegate, to local agencies, approval authority in the following program elements:

- NEPA
- Sole Source
- Use of Force Account
- Design Exceptions

- Changes to Interstate access
- Right of Way certification
- Engineering Plans
- DBE Goals
- Labor compliance
- Final Inspection
- Project Acceptance

For those projects that SCDOT has agreed to assume oversight responsibility, SCDOT will follow all applicable FHWA policies, regulations, Title 23, and non-Title 23 requirements.

Section 4 – STEWARDSHIP ROLES AND RESPONSIBILITIES FOR SPECIFIC FUNCTIONAL PROGRAM AREAS

Attachment A provides a number of tables summarizing SCDOT's and FHWA's responsibilities in carrying out the following program areas:

Environment - For all projects that require an action be taken by FHWA, the South Carolina Division and SCDOT will work together to ensure compliance with NEPA and other applicable laws before an alternative is selected (location/design approval). The level of involvement is commensurate with the level of the environmental impacts or project complexity and will depend on the project environmental documentation class.

Right of Way - All Federal, State, and local public agencies (and others receiving Federal financial assistance for public programs and projects requiring the acquisition of real property) must comply with the policies and provisions set forth in the Uniform Act and its amendments.

Design and Project Authorization - All Federal-aid projects will be designed in accordance with SCDOT's Highway Design Manual (May 2003 including revisions). Federal-aid projects where SCDOT has the delegated authority to act for FHWA in design monitoring will not receive detail design reviews by FHWA but are subject to process reviews and inspections. However, depending on the needed level of environmental documentation, FHWA may participate in the initial project design review. In any case, the design monitoring/review of delegated projects will be conducted by SCDOT as if FHWA were involved.

Ultimately, FHWA is accountable for ensuring that the Federal highway program is delivered consistent with the established requirements. Authorization to proceed with a construction project is accomplished by FHWA after a specific request is received from SCDOT. FHWA Authorization to advertise the physical construction for bids or to proceed with force account construction thereof shall not be given until all of the following conditions have been met in accordance with 23 CFR 635.

- PS&E is complete and ready for advertisement
- ROW available
- Utilities coordinated
- Railroad Agreements obtained
- Permits obtained

- Environmental documents approved and appropriate environmental commitments have been included in the PS&E.

Occasional exceptions may be made to the ROW, utility, railroad, and permit requirements above when meeting one or more of these conditions are not “feasible or practical.” In these cases, the PS&E must adequately account for these exceptions.

For full oversight projects, SCDOT will provide all required documentation to FHWA at least 7 business days prior to the date authorization is requested. All documentation will be provided to FHWA in a single submittal. If it is not feasible or practical to submit any required documentation with the submittal, a status of this documentation will be provided with the submittal. FHWA will review the project documentation to ensure that all project requirements are met. For State delegated projects, SCDOT will ensure that all applicable requirements have been met and that the project was developed in compliance with this agreement and all applicable laws and standards.

The SCDOT and FHWA will utilize electronic signature procedures for requesting and approving Project Authorizations and Project Agreements for each Federal-aid highway and highway planning and research project eligible for Federal-aid funding.

On State delegated projects, submittal of the project authorization to FHWA for electronic signature will serve as SCDOT’s implicit certification that all applicable requirements outlined in this Stewardship and Oversight Plan are satisfied including environmental and STIP approvals.

Construction - In general SCDOT has responsibility for the construction of all Federal-aid projects and for ensuring that such projects receive adequate supervision and inspection to ensure that projects are completed in conformance with approved plans & specifications. FHWA will use various types of inspections to monitor SCDOT’s performance.

Bridge Inspection Program - SCDOT is responsible to manage its bridge inspector certification program and to monitor Local Agency compliance with NBIS requirements. SCDOT also maintains a statewide bridge management system (for state-maintained bridges only), and the statewide bridge inventory. The Division Bridge Engineer will annually review SCDOT’s quality assurance processes and NBIS compliance reviews of SCDOT and selected Counties, Cities or other Local Agencies each year.

Civil Rights Program - The FHWA Division Office is committed to effectively implement and enforce civil rights programs within SCDOT in its design, planning, construction, and management of the multimodal transportation system. SCDOT is obligated to ensure nondiscrimination in all programs and activities, and in the provisions of all services and benefits, as a basis for continued receipt of FHWA funds according to Titles VI and VII of the Civil Rights Act and the codified Federal regulations that outline these acts.

Financial Management - The correctness and propriety of all Federal-aid claims are the primary responsibility of SCDOT whether the primary cost documentation originates within SCDOT or with

some third party. This responsibility is fulfilled by SCDOT maintaining adequate operating policies and procedures and a sound accounting system with proper internal controls together with suitable audit activities. It is FHWA's responsibility to ensure such processes are in place and providing desired results as well as to provide technical assistance and advice in funding and financial areas. FHWA provides assistance and maintenance to SCDOT for the electronic data sharing and electronic signature environment.

The Financial Integrity Review and Evaluation (FIRE) Program (FHWA Order 45601a) requires each FHWA Division office to establish an effective oversight program to ensure that Federal funds are properly managed and effectively used in accordance with Federal policies. Under this program, each Division Office is required to perform financial management process review in response to an annual risk assessment. The purpose of the financial management process review is to assess one key State process to determine that (1) the process complies with Federal requirements, (2) the process complies with generally accepted accounting principles and standards and internal controls, and (3) areas of opportunity are identified for process improvement. The FIRE program includes a review of randomly selected billing transactions provided by Washington Headquarters that verifies the eligibility and accuracy of costs billed to FHWA, verify costs were incurred after FHWA approval, verify costs were charged to the correct project, verify costs were approved by the appropriate State/local official, and verify that SCDOT has sufficient supporting documentation to substantiate the billing.

SCDOT maintains the official records for Federal projects. Supporting documentation will be retained by SCDOT for three years after the final voucher and will include but not be limited to: the final contractor pay estimate, material certification, projects' agreement/modification, statement of overruns and underruns, and final Right of Way certificate in accordance with current requirements. Supporting documentation retained by SCDOT will be available upon request to FHWA.

Maintenance Program - SCDOT is required to maintain, or cause to be maintained any project constructed as part of a Federal-aid system. FHWA is responsible for maintenance monitoring of all Federal-aid projects. FHWA staff will observe highway conditions during their routine travel activities. They may also perform in-depth maintenance reviews, as appropriate. Any significant findings will be discussed with appropriate SCDOT officials. The oversight activities of the State's routine maintenance program will apply to NHS and non-NHS routes. FHWA maintenance monitoring activities will be a continuous process. Maintenance deficiencies observed during official travel will be reported to the appropriate SCDOT personnel. Follow-up activities, if necessary, will be performed by FHWA representatives.

Materials Acceptance Program - The Materials Acceptance Program (MAP) is structured around 23 CFR 637. The overall purpose of the MAP is to ensure the quality of materials and construction in all Federal-aid highway projects on the National Highway System. The MAP is comprised of a quality control program for the contractor/supplier and a quality assurance program for the agency. FHWA will monitor SCDOT's MAP for construction of full federal oversight projects. For state administered projects, SCDOT will monitor the MAP for construction as if FHWA were fully involved except SCDOT does not need to send materials certification to FHWA.

Pavement Management and Design Program - FHWA provides ongoing support in development and implementation of the Pavement Management System (PMS). FHWA participates in November 2007

various meetings to ensure that pavement related activities, including new and rehabilitated pavement design and construction, pavement management, research, technology transfer, HPMS, vehicle weight enforcement program, etc., are well coordinated among the functional administrative areas of the division office.

FHWA will review SCDOT's pavement design/rehabilitation procedures, policy and guidelines on an ongoing basis. Additionally, by being a member of the individual task forces, teams, and committees, FHWA will have an ongoing involvement in the development, update and implementation of pavement design procedures.

Planning Program - Transportation planning activities are legislated under SAFETEA – LU Section 6001 for both Metropolitan Planning and Statewide Planning. The most current implementing regulations that apply are found in 23 CFR 450. FHWA South Carolina Division Office and FTA Region Office are jointly responsible for required approval actions such as: Certification of the metropolitan planning process in each Transportation Management Area not less often than once every four years, review and approval of the Unified Planning Work Program (UPWP) and its amendments, review and approval of the State Transportation Improvement Program (STIP) and its amendments and transportation conformity.

FHWA will provide technical expertise and assistance through participation in committees and meetings set up by the MPOs and SCDOT that address data collection and analysis issues.

FHWA will participate in statewide and MPO planning activities as necessary to develop a planning finding as part of the STIP approval. FHWA and SCDOT will work together in the project planning phase to ensure compliance with NEPA and other applicable laws before location approval. Project coordination is facilitated by frequent consultation and meetings.

Research, Development and Technology Transfer Program - The purpose of the program is to implement the provisions of 23 U.S.C. 502 for research, development, technology transfer, and studies undertaken with FHWA planning and research funds. The main requirements under 23 CFR 420 are to create a SPR Work Program, monitor planning and research activities, submit performance and expenditure reports, conduct peer reviews, develop and maintain an FHWA approved research and development manual, and maintain program certification.

The FHWA Division exercises its oversight responsibilities through review of the annual program prior to approval actions, review of individual proposals, and review of annual reports. Division participates in ongoing program activities such as routine technical and policy meetings, participation in peer exchanges, and participation in technology transfer events, etc. Division Office personnel will participate in scheduled workshops to identify research topics that are crucial to South Carolina's transportation program. The FHWA Division will continue to be represented on SCDOT's Research and Development Executive Committee. This committee makes final recommendation of research projects for approval by the State Highway Engineer and provides overall program guidance.

Safety Program - SCDOT will manage, enhance, and evaluate an overall Highway Safety Improvement Program (HSIP) in accordance with 23 CFR, Section 924, with quality improvement reviews by the Division on a three year cycle, or as otherwise needed.

SCDOT will annually submit required reports on the effectiveness of the HSIP program, including the HSIP report and the highway-railway crossing report, and the 5% report, on or before August 31st of each year.

SCDOT and SCDPS, along with FHWA and NHTSA, will participate in a traffic records coordinating committee (TRCC). The State of South Carolina will work toward a comprehensive, statewide data system that includes all public roads by 2009, in accordance with FHWA's phase-in schedule. FHWA will work in partnership with NHTSA to ensure Federal requirements are met, and will adopt a review cycle through the TRCC and actively participate in the reviews.

SCDOT will coordinate with SCDPS to ensure timely submission of "split letters" when safety transfer funds are involved, designating the percent of funds applied to NHTSA and FHWA safety programs. In addition, the State will provide appropriate certifications to FHWA. FHWA will be responsible for administering these funds, for reviewing and submitting the certifications, and for periodic program reviews of the funds (possibly in conjunction with the HSIP reviews).

FHWA will review the use of the safety planning factor as part of its HSIP reviews and MPO certification process.

SCDOT and FHWA will jointly perform process improvement reviews of other safety program elements, as needed, such as Safe Routes to School, High Risk Rural Roads, design standards, MUTCD compliance, work zones, etc.

Within the South Carolina's SHSP, safety emphasis areas will be established based on safety data. The State will develop action plans and strategies for each emphasis area to identify and implement projects that will significantly reduce the number of fatal and serious injury highway crashes. The FHWA may provide technical assistance to the State, as requested.

ATTACHMENT A
Project and Program Action Responsibilities

Table A-1: Environmental Process Actions for All Federal-aid Projects

WORK ACTIVITY	SCDOT ACTION	FHWA ACTION
Programmatic Categorical Exclusion ¹ (CE- Type A and B)	Prepare and approve	Periodic PR/PE
Non-Programmatic Categorical Exclusion (CE- Type C)	Prepare and submit for FHWA review and approval	Review and Approve
Environmental Assessment	Prepare and submit to FHWA for approval	Approve EA
Finding of No Significant Impact (FONSI)	Prepare FONSI recommendation and submit to FHWA	Issue FONSI
Notice of Intent	Prepare draft Notice of Intent and forward to FHWA	Review and revise Notice of Intent and forward for publication in the Federal Register
Draft Environmental Impact Statement	Prepare and submit to FHWA for approval	Approve DEIS
Legal Sufficiency Review of FEIS	Prepare and submit to FHWA	Send to FHWA Legal for Review and Concurrence
Final Environmental Impact Statement	Prepare and submit to FHWA for approval	Approve FEIS
Supplemental Environmental Impact Statement	Prepare and submit to FHWA for approval	Approve SEIS
Record of Decision (ROD)	Prepare Draft ROD and Forward to FHWA	Review, Revise, and Issue ROD
Programmatic Section 4 (f) Evaluation	Prepare and submit to FHWA for approval	Approve Programmatic Section 4 (f) Evaluation
Draft Section 4 (f) Evaluation	Prepare and submit to FHWA for review and circulation	Review Draft Sec 4 (f) Evaluation. Distribute to Dept. of Interior for comment and submit for a Legal Sufficiency review

Final Section 4 (f) Evaluation	Prepare and submit to FHWA for approval	Approve Final Section 4 (f) Evaluation, including the de minimis determination; send to DOI
Section 106 Adverse Effect Determination	Prepare and submit to FHWA	Make determination and forward to the Advisory Council on Historic Preservation
Section 106 Memorandum of Agreement	Acquire other approvals, Approve, and Submit to FHWA for approval	Sign MOA
Formal Written Re-evaluation of EIS, EA, or FONSI	Prepare and Submit to FHWA for approval	Approve Re-evaluation
Re-evaluation of Categorical Exclusions	Prepare and Submit to FHWA for concurrence	Concur in Re-evaluation
Environmental Consultant Contracts and Supplements on Full Oversight Projects	Prepare and submit scope of work to FHWA for full oversight projects. Prepare and approve for delegated projects	Review and Approve None
Public Hearing Certification	Prepare and submit to FHWA	Review and Accept Certification

¹ Refer to Programmatic Categorical Exclusion Approval Agreement between FHWA and SCDOT.

Table A-2: Right-of-Way Process Actions

WORK ACTIVITY	SCDOT ACTION	FHWA ACTION
ROW Authorizations and Agreements	Prepare and Submit	Authorize for all Federal-aid projects
ROW Certification	Prepare for all projects. Submit to FHWA on full oversight projects	Review and accept for full oversight projects
Air Rights	Prepare and approve for non-Interstate state delegated projects. Prepare and submit for all Interstate and full oversight projects.	Review and Approve for all Interstate highways and full oversight projects.
Leases/joint use agreements	Same as Air Rights.	Same as Air Rights.
Disposal of Excess ROW	Prepare and Submit for all Interstate, full oversight and less than fair market value All others; prepare and approve.	Review and Approve Interstate, full oversight, and less than fair market value
Access Control – Disposal and Changes Transfer	Same as Air Rights.	Same as Air Rights.
Federal Land Transfer	Prepare Request	Review and Approve.
Early Acquisition, Hardship, Protective Purchase	Prepare and Submit for all Federal-aid projects.	Review, Approve, and Authorize.

Table A-3: Design Monitoring Process Actions

WORK ACTIVITY	FULL OVERSIGHT PROJECTS		STATE DELEGATED PROJECTS	
	SCDOT ACTION	FHWA ACTION	SCDOT ACTION	FHWA ACTION
Preliminary and intermediate design plans	Prepare	Review and Comment	Prepare and Comment	None
Design Exceptions ¹	Prepare	Approve	Approve	None
Engineering & Operations Analysis for Interstate ²	Prepare	Approve	N/A	N/A
Value Engineering Annual Summary	Complete	Approve and forward to HQ	Complete	Approve & forward to HQ
Public Interest Finding (Special Products, Sole Source Specs, Proprietary Items, warranties etc.)	Prepare	Approve	Prepare and Approve in consultation with FHWA	None
Bridge Preliminary Plan Review (TS&L, structure type, & foundation review)	Prepare	Approve	Prepare	Provide Technical Assistance
Design Consultant services contracts per DD-41	Prepare	Review & approve SOW	Prepare and Approve	None
Utility Relocation	Prepare	Review & Approve	Prepare and Approve	None
PS&E and addendums	Prepare	Approve	Prepare and Approve	None

¹ Projects which degrade existing design controlling elements on the Interstate system must receive FHWA approval regardless of how the project is funded

² FHWA must approve all new Interstate access requests and all modifications to existing Interstate Interchanges regardless of funding source

Table A-4: Programming Process for Federal-aid Program

ACTIVITY	SCDOT ACTION	FHWA ACTION
Metropolitan 0	Review and Approve per 23 CFR 450.312 reference to 23 CFR 450.324 through 330. Send to FHWA no later than the STIP submittal.	As a part of STIP submittal, review TIPs for inclusion into STIP; See STIP approval.
STIP Approval	Prepare and Submit per 23 CFR 450.216 and 450.220 including certification.	Review and make joint planning finding with FTA. Review and Approve STIP jointly with FTA.
STIP Amendments	Prepare and submit per 23 CFR 450.216 and 450.220.	Review and Approve.

Table A-5: Intelligent Transportation System Process

ACTIVITY	SCDOT ACTION	FHWA ACTION
Systems Engineering Analysis Report	Prepare and Approve	None
Regional ITS Architectures (All)	Prepare and Submit	Approve
Update of Regional Architecture	Prepare and Submit	Approve

Table A-6: Construction Process

ACTIVITY	FULL OVERSIGHT PROJECTS		STATE DELEGATED PROJECTS	
	SCDOT ACTION	FHWA ACTION	SCDOT ACTION	FHWA ACTION
Concurrence in Contract Award	Prepare and Recommend	Review & Concur	Approve	None
Rejection of bids	Recommend	Review & Concur	Approve	None
Execute Contract	Approve	Receive Copy	Approve	None
Change Orders & Supplemental Agreements	Prepare and Approve	Review & Approve	Approve	None
Time Extensions & Suspension of work	Approve	Approve	Approve	None
Claims Settlements	Prepare and recommend	Review & Approve	Prepare and Approve	None
Construction Inspection (initial, intermediate, and in-depth)	Info and/or action	Conduct and Prepare Report	Conduct and Prepare Report	None
Final Construction Inspection	Conduct jointly with FHWA	Conduct and Prepare Report	Conduct and Prepare Report	None
State Certificate of Final Acceptance	Prepare and Submit to FHWA	Accept and Prepare FHWA Final Acceptance Report	Prepare and Approve	None
Materials Certification	Prepare	Accept	Prepare and Approve	None
Use of consultant services for CE&I per DD-41	Prepare and submit	Approve SOW	Prepare and Approve	None
Termination of Contract	Prepare and submit	Approve	Approve	None
Labor Compliance	Check payrolls monthly	Review as needed	Check payrolls monthly	None
Buy America Waiver	Prepare	Approve	Prepare	Approve

Table A-7: Bridge Program

WORK ACTIVITY	SCDOT ACTION	FHWA ACTION
Bridge Inspection Program (State, County and Cities)	Conduct inspections. Update inventory and send data to FHWA annually by April 1. Prioritize and make repairs.	Process data and furnish error listing. Review error listing and resolve differences. Conduct review annually.
Bridge Replacement & Rehabilitation Program (HBRRP)	Select, design and construct projects. Furnish unit cost data annually to FHWA by April 1. Request eligibility approval for candidates not on FHWA Selection list	Provide list of eligible projects, review full federal oversight projects, and resolve questions concerning eligibility. Review unit cost data. Technology Transfer

Table A-8: Civil Rights Program

WORK ACTIVITY	SCDOT ACTION	FHWA ACTION
DBE Semi-annual Report Awards/Commitment	Prepare and Submit by the following dates: December 1 (for the period of April 1 – Sep 30) and June 1 (for the period of Oct 1 – May 31)	Review and Submit to FHWA HQ
Annual Contractor Employment Report – PR 1392	Prepare and Submit (no later than September 30)	Review and File. Submit to FHWA HQ
Contract Compliance External Program Reports	Prepare and Submit (no later than December. External reports based on calendar year	Review and Approve.
State Internal EEO Report	Prepare and Submit (no later than March)	Review and File. Submit to FHWA HQ
Title VI Program Update	Prepare and Submit Annually (February)	Review and Approve.
DBE Program Plan Update	Prepare and Submit (No later than August 1)	Review and Approve. Submit to FHWA HQ
DBE Program Goals and Methodology	Prepare and Submit (No later than August 1)	Review and Approve. Submit to FHWA HQ
Historically Black College/Minority Institution of Higher Education Plan/Report	Prepare and Submit (No later than November)	Review and Submit to FHWA HQ
Contractor Compliance Review Schedule and Reports	Prepare and Submit (upon completion)	Review, Respond as necessary, and File
DBE and OJT Supportive Service Work Requests/Reports	Prepare and Submit (in response to request from FHWA)	Review and Approve. Submit to FHWA HQ for funding approval. Advise SCDOT of funding decision.
On-the Job Training Goals	Prepare and Submit (no later than December for upcoming construction season)	Review and Approve

Table A-9: Financial Management Program

WORK ACTIVITY	SCDOT ACTION	FHWA ACTION
Current Billing	Submits electronically to FHWA as often as desired.	Financial Manager approves electronically
Project Authorization; Modified Authorizations; Final Vouchers	Submits approved request using electronic signature.	Review and Approve
Transfer of Funds between categories and between agencies.	Review and recommend approval of transfer request to FHWA/FTA.	FHWA review/approves funds transfers, prepares worksheet and sends to HQ Finance to adjust funding records
SIB Annual Report	Prepare annual report within 90 days from the end of the Federal FY	Review and forward to Finance Office in Washington D.C.
Project Funds Management/Monitoring of Inactive Obligations	Compliance with Final Rule, 23 CFR Part 630. Review inactive projects for potential release of funds	Review balance of unexpended obligations and inactive projects.
Audit Findings	Assure that audit findings relating to Transportation are resolved.	Monitor activities to ensure that corrective actions are taken.
Major Projects	For \$100M to \$500 M projects; prepare Financial Plan prior to construction authorization For projects \$500 M or greater; prepare and submit Financial Plans to FHWA prior to construction authorization. Prepare and submit annual updates.	Receive copy and accept Review and Approve
Improper Payments	Assure that adequate controls are in place to detect improper payments	Conduct review of randomly selected billing transactions.

Table A-10: Materials Acceptance Program

WORK ACTIVITY	ALL FEDERAL-AID PROJECTS	
	SCDOT ACTION	FHWA ACTION
Schedule of Materials Control	Prepare and revise	Approve
Qualified Technician Program	Prepare and revise	Approve
Qualified Laboratory Program	Prepare and revise	Approve
AASHTO accreditation inspection reports, use of outside testing facility	Maintain accreditation, Submit inspection report, Approve outside testing facility	Review for acceptable results and file comments as necessary
Independent Assurance Program	Prepare and revise	Approve

Table A-11: Pavement Management and Design Program

WORK ACTIVITY	SCDOT ACTION	FHWA ACTION
Pavement Management System (PMS)	Develop and Implement	Review, Comment, and Make recommendations for consideration
Develop Budget Allocation Plan for System Preservation	Develop Plan	Review, Comment, and Make recommendations for consideration
Project Selection for Annual System (all federal-aid) Preservation Program	Select Projects	Participate, Make recommendations for consideration
Selection of Preferred Rehabilitation Alternatives	Prepare Alternatives and Make Selection	Review, Assist, and Make recommendations for consideration
Annual Audits of District Paving Projects. Conduct joint review of design and recommendations	Prepare Report	Review, Comment, and Make recommendations for consideration. Conduct process reviews.
Pavement Design Guide, Policy and Procedures	Develop	Review, Comment, Make recommendations for consideration, and Approve. Conduct process reviews.

Table A-12: Planning Program

WORK ACTIVITY	SCDOT ACTION	FHWA ACTION
Statewide 20 Year Long Range Transportation Plan	Prepare as outlined in 23 CFR 450.214 and Forward as updated	Use as basis for STIP approval per 23 CFR 450.216
Metropolitan 20 Year Long Range Transportation Plans	Review the MPO approved plan (per 23 CFR 450.322) and Forward to FHWA and FTA	Use as basis for STIP approval per 23 CFR 450.324
Planning Finding for STIP	Review and certify planning process in accordance with Federal requirements at time of STIP submittal	Review and make joint planning finding with FTA as part of STIP approval per 23 U.S.C. 135 and 23 CFR 450 Subparts A,B,&C
State Planning & Research (SPR) Work Program	Prepare and Submit Annual Program (no later than 9/1)	Approve
SPR Work Program Amendments	Submit to FHWA as needed	Review, comment, and approve
HPMS Data Submittal/Process Review	Prepare and Submit per HPMS field manual by June 15 th annually	Conduct Annual Review and 3-year review
500 Series Finance Reports/Process Review	Prepare and Submit per “A Guide to Reporting Highway Statistics”	Conduct Annual Review and 3-year review
FHWA Grant and Specialty Programs <ul style="list-style-type: none"> • IMD • TCSP • Transportation Enhancements • Scenic Byways • Value Pricing • Federal Lands • NCPDD/CBI • Other Special Programs 	Apply for and Administer funds	Review and Approve grant applications. Submit to SCDOT identified lists of funded projects. Administer and authorize projects and obligate funds.
Public Road Mileage Certification	Prepare and Submit certification as outlined in 23 CFR 460.3	Review and Recommend acceptance then forward to HQ

Table A-12: Planning Program (continued)

WORK ACTIVITY	SCDOT ACTION	FHWA ACTION
Metropolitan Unified Planning Work Program	Cooperate with MPO in plan preparation, review adopted plan and forward to FHWA	Review and approve
Self-Certification of non-Transportation Management Areas (TMAs) (50,000 to 200,000) at least every 4 years	Review and Recommend approval	Concur in SCDOT's recommendation for approval of self-certification
Annual Listing of Obligated Projects	Prepare financial listing and provide to MPOs for publication to take place no later than January 1 st annually	Review for compliance during certification review
Metropolitan Planning Agreements	Cooperatively develop agreement which defines mutual responsibilities in carrying out the metropolitan planning process with each MPO (and transit operator)	Review for compliance during certification review
Certification of TMAs (200,000+ population)	Participate and Provide information for joint FHWA/FTA review every years	Jointly conduct with FTA a review every four years. Develop recommendations and report that details finding of certification status.
Transportation Air Quality (AQ) Conformity Determinations	Participate in interagency consultations. Review TIP and plan conformity analysis and provide comments as needed.	Coordinate review of AQ conformity analysis with FTA and EPA. Make joint conformity determination with FTA
Congestion Management Process (CMP) in TMA	Participate with TMA in the development and implementation of CMP	Review for compliance during certification review and LRTP review
CMAQ Improvement Program Annual Report (Non-attainment/Maintenance Areas)	Submit to FHWA	Approve Report. Forward to FHWA HQ
CMAQ Improvement Program Project Funds Eligibility Determination (Non-attainment/Maintenance Areas)	Review and recommend eligibility to FHWA and FTA	Determine eligibility in consultation with FTA
Metropolitan Planning Area Boundary Changes	Prepare and Submit	Review, and Coordinate with FTA
National Truck Network Modifications	Prepare and Submit	Review and Approve

Table A-12: Planning Program (continued)

WORK ACTIVITY	SCDOT ACTION	FHWA ACTION
Highway Systems (NHS) Functional Classification, and Urban Area Boundary Changes	Prepare and Submit	Review and approve
Traffic Monitoring System	Verify and Update System Components	Review and Recommend Improvements
PL Distribution Formula and Update	Prepare and Submit	Approve

Table A-13: Research, Development and Technology Program

WORK ACTIVITY	SCDOT ACTION	FHWA ACTION
SPR Part II Work Program	Prepare and Submit Annual Program	Approve
SPR Part II Work Program Amendments	Submit to FHWA as needed	Review, comment, and approve
SCDOT Research Manual	Prepares in coordination with FHWA as noted in 23 CFR 420.209	Review, Comment (if appropriate), and Approve
Certification of SPR Research Program	Prepare certification statement with SPR Work Plan submittal (by 8/31)	Review, Comment, and Approve with SPR Work Plan
LTAP Work Plan	Submits to FHWA by December 15	Review, Comment (if appropriate), and Approve
Projects Using Experimental Features	Collects and disseminates information about projects	Disseminate information and encourage implementation of successful features. Approve for use on oversight projects.

Table A-14: Safety Programs

WORK ACTIVITY	SCDOT ACTION	FHWA ACTION
HSIP Report (including HRRP) Rail-Highway Crossing Report 5 Percent Report	Prepare annual program and report, and Submit to FHWA by 8/31 annually	Review and comment on the program and annual report. Submit to HQ by Sept. 30
Strategic Highway Safety Plan (SHSP)	Evaluate and update every two years. Submit report to FHWA no later than Dec. 31 beginning in 2007.	Review and comment by Jan. 15.
159 Certification (Drug Offender's License Suspension Certification)	Prepare annual certification and Send to FHWA by 1/1 annually	Review certification, and Forward to FHWA HQ. Take appropriate action
Work Zone Safety and Mobility Process Review	Conduct Process Review every two years	Conduct review for conformance of 23 CFR 630 Subpart J Final Rule
NCHRP 350 (NCHRP 350 Testing Criteria)	Comply with NCHRP 350 and AASHTO/FHWA agreement	Actions and Process reviews ongoing
MUTCD (Traffic Control Devices on all public roads)	SCDOT practices comply with MUTCD	Actions and Review of MUTCD issues ongoing

Attachment B
Policies, Guidelines, Procedures, and Manuals
(Approved or Accepted by FHWA for use on Federal-aid
projects as of the effective date of this Stewardship and
Oversight Plan)

Program Area	Description	SCDOT Action	FHWA Action
General	Project Development Process	Prepare and Submit	Review and Accept
General	Consultant Selection Process (Departmental Directive 41, dated May 1, 2007)	Prepare and submit to FHWA for use on Federal-aid projects	Review and Approve
General	Local Agency Procedures	Prepare and submit to FHWA for use on Federal-aid projects	Review and Approve
Environment	Environmental Guidance Manual	Prepare and submit to FHWA for use on Federal-aid projects	Review and Approve
Environment	Public Involvement Policy	Prepare and submit to FHWA for use on Federal-aid projects	Review and Approve
Environment	Programmatic CE Agreement (SCDOT/FHWA agreement dated February 10, 1995)	Prepare and submit to FHWA for use on Federal-aid projects	Review and Approve
Right of Way	Right of Way Manual (January 2006)	Prepare and submit to FHWA for use on Federal-aid projects	Review and Approve every five years
Design	A Policy for Accommodating Utilities on Highway Rights of Way (August 2005)	Prepare and submit to FHWA for use on Federal-aid projects	Review and Approve
Design	Highway Design Manual (May 2003 edition and all current annual updates)	Submit major changes to FHWA	Review and Approve Major changes

Program Area	Description	SCDOT Action	FHWA Action
Design	Bridge Design Manual (April 2006 edition)	Submit major changes to FHWA	Review and Approve Major changes
Design	Standard Drawings	Prepare and Submit	Review and Approve for use on Federal-aid projects
Construction	Standard Specifications (2007 edition)	Prepare and Submit	Review and Approve for use on Federal-aid projects
Construction	Supplemental Specifications	Prepare and Submit	Review and Approve for use on Federal-aid projects
Construction	Construction Manual (May 2004 edition)	Submit major changes to FHWA	Review and Approve Major Changes
Construction	Pre-qualification Procedures	Prepare and Submit	Review and Approve for use on Federal-aid projects

Original signed by Deputy Secretary for Engineering Tony L. Chapman, P.E. and FHWA SC Division Administrator Robert Lee November 26, 2007. All original engineering directives maintained by the Office of the Deputy Secretary for Engineering.