



**DEPARTMENT OF TRANSPORTATION**

**BIENNIAL PERFORMANCE AUDIT REPORT**

**Fiscal Years Ended June 30, 2019 and 2018**

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# CITY OF BALTIMORE

JOAN M. PRATT, CPA  
Comptroller



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Honorable Joan M. Pratt, Comptroller  
and Other Members  
of the Board of Estimates  
City of Baltimore

### Executive Summary

We conducted a Biennial Performance Audit of selected performance measures (see Table I on page 4) of the Department of Transportation (DOT) for the fiscal years (FYs) ended June 30, 2019 and June 30, 2018. The objectives of our performance audit were to: (1) determine whether DOT met its performance measure targets; (2) evaluate whether DOT has adequately designed internal controls related to the selected performance measures; and (3) follow up on prior findings and recommendations included in the previous Biennial Performance Audit Report, dated October 24, 2018.

According to the FYs 2018, 2019, 2020, and 2021 DOT Detail Board of Estimates Recommendations (Budget Books),

- **FY 2019:** The DOT did not meet the FY 2019 targets for any of three selected performance measures. As a result, we did not validate the FY 2019 actual results.
- **FY 2018:** The DOT met one of the three selected performance measure targets. However, we did not validate the actual results of that performance measure that met the target because the DOT could not provide adequate supporting documentation. (see Table I on page 4)

However, we evaluated the processes and the design of internal controls for the selected performance measures. Our evaluation indicates that the DOT needs to improve the efficiency, effectiveness, and accuracy of the performance measures, processes and internal controls discussed on next page.

#### Background Information

**311 Salesforce System:** Pothole complaints are received by the 311 Call Center and logged in their 311 Salesforce System. The 311 Salesforce System initiates a Service Request (SR) with an automated time and date and then sends this SR to Cityworks in DOT. Cityworks interfaces with 311 Salesforce System and will receive the automated closing time and date from Cityworks when pothole repair SRs are completed.

**Cityworks:** It is the workflow management system used by DOT for routine daily tasks and is maintained by KCI, a third-party vendor.

**311 Complaint Tally Sheet:** It is a manual form and has a departure time field which the maintenance crews are to record the time when the pothole repair SR is completed. The departure times are entered into Cityworks Actual Finish field by the clerical staff at the maintenance sectors.

**311 Salesforce Service Request Summary:** It is a system generated report with the completion time to determine whether the 48 hour time period has been met for the performance measure.

**Source:** DOT

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- **Service 683, Percent of Potholes Repaired within 48 Hours of Reporting:** The DOT Street Management does not have formal (written, approved, dated) policies and procedures for tracking, reviewing, monitoring, and reporting the performance measure. As a result, the DOT clerical staff responsible for tracking and reporting the performance measure are not consistently documenting the completion dates for pothole repairs. Also, supervisors do not review the accuracy of the completion times for pothole repairs recorded on the documents discussed in textbox on page 1.
- **Service 683, Percent of Potholes Repaired within 48 Hours of Reporting:** The performance measure as stated in the Budget Book differs from the performance measure results tracked by DOT. The performance measure in the Budget Book is *the percent of potholes repaired* within 48 hours of reporting; however, DOT is reporting in the Budget Book *the percent of pothole service requests repaired* within 48 hours of reporting. According to DOT, one SR may include multiple potholes to be repaired. As a result, DOT's current way of tracking understates the actual results reported in the Budget Book.
- **Service 683, Cost per Lane Mile Resurfaced by Internal Crews:** The DOT has not established guidelines to: (1) calculate the cost per lane mile; (2) validate the accuracy of the calculation of cost per lane mile reported in the Budget Book; and (3) periodically update the formula to accurately reflect the up-to-date Other Personnel Costs (OPC), causing inaccurate actual results reported in the Budget Book. The current formula to calculate the cost per lane mile does not include all OPC contributed by the City of Baltimore (City).

Additionally, the recorded Milling and Paving Cost (MPC) data does not agree to the actual results recorded in the Budget Book. This is because the actual results for the performance measure for FY 2019 and 2018 reported by DOT is on a Calendar Year (CY) basis, while the Budget Book publishes performance results on a FY basis.

- **Service 693, Number of Citations Issued:** Although the performance measure for number of citations issued represents an output measure for DOT, a valid target for this measure cannot be reasonably established because such target and its achievements are beyond DOT's control. Specifically, the amount of citations processed by Parking Enforcement is solely based on individuals' violation of parking laws and is uncontrollable by Parking Enforcement. As a result, performance measures beyond DOT's control do not accurately measure the performance of DOT and could result in negative perception of DOT's efforts.

Of the 11 prior action plans that were followed up during this Biennial Performance Audit, none of the action plans were fully implemented, four action plans, or 36 percent, were partially implemented, and seven action plans, or 64 percent, were not implemented (See tables in Section II, pages 12 - 21).

To improve the accountability of the performance measures, we recommend the Director of DOT implement recommendations made in this report.

Management responses are included in Appendices I and II (see pages 22 to 25).

We wish to acknowledge DOT's cooperation extended to us during our audit.

Respectfully,



Josh Pasch, CPA, City Auditor  
Baltimore, Maryland  
August 3, 2020

## **Background Information**

### **I. Baltimore City Department of Transportation**

The DOT is responsible for building and repairing public streets, bridges and highways, as well as maintaining street lights, alleys, footways and the conduit system. Other duties include: managing traffic movement; inspecting City construction projects; and developing sustainable transportation solutions. Capital and Federal funds are allocated for engineering, design, construction and inspection of streets and bridges in the City.

The DOT maintains nearly 4,800 lane miles of roadways, including 288 bridges and culverts. The City's road network comprises 540 miles of collector streets and 1,460 miles of local streets. About 8.1 percent of statewide vehicle miles traveled occur on City roadways. This amounts to 3.5 billion vehicle miles per year. The DOT maintains 3,600 miles of sidewalks, 1,100 miles of alleys and 80,000 roadway and pedestrian lights throughout the City.

The DOT ensures the orderly and safe flow of traffic by conducting studies on pedestrian and vehicular safety, and providing traffic signals, signs and pavement markings. The DOT maintains about 1,300 signalized intersections, over 250,000 traffic and informational signs and over 4.5 million linear feet of lane markings. The DOT also operates public transportation options, including the Charm City Circulator and water taxi "Harbor Connector" commuter service, and is providing oversight for a dockless scooter and bicycle program.

The City has several traffic safety initiatives. The traffic camera program is designed to reduce the number of motorists who run red lights and violate speed limits. The City will continue expanding the number of speed and red light cameras in FY 2020. Also, the DOT conducts safety education programs such as Safety City and related bicycle programs and deploys almost 300 crossing guards at elementary and middle schools.

Finally, the DOT maintains and repairs all open air malls across the City, operates a vehicle storage facility, conducts the sale of abandoned and / or unclaimed vehicles at public auctions, and is responsible for the removal and impounding of parked, abandoned, or disabled vehicles. The DOT leads snow removal efforts and facilitates special events.

The DOT works closely with the Parking Authority, which is responsible for: on-street and off-street parking including the management of the metered parking system and maintenance of 3,800 single-space parking meters; administration of special parking programs such as residential permit parking and car sharing; enforcement of parking regulations; and management and development of off-street parking facilities.

**II. Services**

The DOT has multiple services; the following services are responsible for the performance measures included in the current Biennial Performance Audit.

- **Street Management – Service 683.** This service provides the preventive maintenance, resurfacing, and street-scaping of more than 4,745 lane miles of City roadways, 3,600 miles of sidewalks, and more than 1,100 lane miles of alleys throughout the City. The service utilizes in-house staff to resurface neighborhood streets. This service also provides on-demand infrastructure alterations due to police activity, emergencies, and special events.
- **Parking Enforcement – Service 693.** This service provides for the enforcement of all parking laws in the City of Baltimore in order to ensure public safety, promote commercial activity, and ensure smooth traffic flow. It also manages cross-training and deployment of all Transportation Enforcement Officers.

**III. Selected Performance Measures**

We judgmentally selected three performance measures of DOT for review which are summarized as follows:

Table I

**Summary of Selected Performance Measures’ Targets and Actuals as Reported in the Budget Books for Fiscal Years 2019 and 2018**

Service	Performance Measure	Type	2019		2018	
			Target	Actual	Target	Actual
683	% of potholes repaired within 48 hours of reporting	Efficiency	100	97	100	99
683	Cost per lane mile resurfaced by internal crews	Efficiency	127,614	130,989	127,614	119,325
693	# of Citations issued	Output	365,000	326,361	365,058	310,362

**Source:** FY 2018, 2019, 2020, 2021 Budget Books

## **Objectives, Scope, and Methodology**

We conducted our performance audit in accordance with *Generally Accepted Government Auditing Standards*, except for peer review requirements. 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.

The objectives of our audit were to:

- Determine whether the DOT (1) met its performance measure targets; (2) has adequately designed internal controls related to the selected performance measures.
- Follow-up on prior findings and recommendations included in the previous Biennial Performance Audit Report, dated October 24, 2018.

The scope of our audit are three performance measures (see Table I on page 4) reported for the periods of FY 2019 and FY 2018.

To accomplish our objectives, we interviewed key individuals and evaluated the design of certain: (1) internal controls such as recording, monitoring, reporting, and documenting; (2) processes; and (3) procedures of the selected performance measures. Additionally, we reviewed applicable records to evaluate the DOT's implementation status of the prior findings and recommendations.

## SECTION I

### Current Findings and Recommendations

**Finding #1: Service 683 – Street Management – Lack of policies and procedures caused the inaccurate documentation of completion dates for the performance measure percent of potholes repaired within 48 hours of reporting.**

The DOT Street Management does not have formal (written, approved, dated) policies and procedures for tracking, reviewing, monitoring, and reporting the performance measure. As a result, the DOT clerical staff responsible for tracking and reporting the performance measure are not consistently documenting the completion dates for pothole repairs<sup>1</sup>. Specifically, the completion times for pothole repairs recorded on the SR in Cityworks, the 311 Complaint Tally Sheets, and the Salesforce 311 Service Request Summary Reports (see textbox on page 1) do not agree. This is because of the following reasons:

- Although there are fields in the 311 Complaint Tally Sheet that track SR to report the arrival and departure time for a pothole SR, the fields were not always used. Also, there is no supervisory review to verify whether fields are accurately completed.
- The clerical staff records the completed time in the Cityworks Actual Finish field when the crews return to the maintenance sector at the end of the day instead of the departure time entered on the 311 Complaint Tally Sheet. Also, there is no supervisory review of the clerical staff to be sure they are accurately reporting in Cityworks.
- The clerical staff closes SR in Cityworks. The times Cityworks recorded as the closing time for the SR are the times recorded on the Salesforce 311 Service Request Summary Sheet, which is used to measure the 48 hour criteria. According to DOT, the clerical staff closes SRs-daily. Therefore, there may not be a significant difference between the actual work completion time and the work order and SR closing time recorded in Cityworks and 311 Salesforce. However, this practice is not formally written in the policies and procedures, which may result in significant differences. Additionally, it is important to accurately record the actual completion time in the 311 Complaint Tally Sheet and in the Actual Finished field in Cityworks because the information recorded in these sources are: (1) audit trails to validate the reliability of closing time recorded in the 311 Salesforce Service Request Summary; and (2) important to measure the operation efficiency<sup>2</sup>.

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<sup>1</sup> If a service request has multiple potholes, a completion date for the SR will not be issued until all potholes on the SR are completed.

<sup>2</sup> The current DOT's way of tracking the performance measure focuses on the customer service efficiency, i.e. measuring whether SR are closed timely.



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According to the *Standards for Internal Control in the Federal Government* issued by the Comptroller General of the United States (Green Book), management:

- Implements control activities through policies;
- Documents in policies the internal control responsibilities of the organization;
- Communicates to personnel the policies and procedures so that personnel can implement the control activities for their assigned responsibilities; and
- Periodically reviews policies, procedures, and related control activities for continued relevance and effectiveness in achieving the entity's objectives or addressing related risks.

According to the *Guide to Performance Measure Management*, "the agency should clearly document all steps performed in the collection, calculation, review, and reporting of the performance measure data in its written policies and procedures."

**Recommendation #1:** We recommend the Director of DOT develop and implement formal (written, approved, dated) policies and procedures for tracking, monitoring, reviewing, and reporting of the performance measure. The policies and procedures should include, at a minimum, the following:

- The crew supervisor, who signs the 311 Complaint Tally Sheet, verifies that the pothole maintenance repair crew accurately inputs the departure (completion) time when each pothole repair is finished;
- The clerical staff documents the Actual Finish field in Cityworks at the same time that is shown on the 311 Complaint Tally Sheet;
- The clerical staff closes SR in Cityworks on the same day as the pothole repairs are actually completed or within 24 hours after the pothole repairs are completed; and
- Assigned personnel periodically (weekly and monthly) reviews a random selection of SR in Cityworks to validate the accuracy of the clerical staff's documentation and monitors the actual percentage for the performance measure.

**Finding #2: Service 683 – Street Management – Percent of potholes repaired within 48 hours of reporting – The name of the performance measure in the Budget Book does not reflect the actual performance measure results tracked by DOT.**

The performance measure as stated in the Budget Book differs from the performance measure results tracked by DOT. The performance measure in the Budget Book is *the percent of potholes repaired* within 48 hours of reporting; however, DOT is reporting in the Budget Book *the percent of pothole service requests repaired* within 48 hours of reporting. However, according to DOT, one SR may include multiple potholes to be repaired. As a result, DOT's current way of tracking understates the actual results reported in the Budget Book.

The objective of the actual results tracked by the DOT is to measure whether SRs are closed timely. Without having the correct name of performance measure, this objective can be misunderstood by Budget Book users.

According to DOT, it annually communicates to the Bureau of the Budget and Management Research (BBMR) to change the wording of the performance measure from percent of potholes repaired within 48 hours of reporting to percent of pothole service requests repaired within 48 hours of reporting. The BBMR continued to use the same wording for this performance measure in the Budget Book through FY 2021.

According to the *Guide to Performance Measure Management*, 2012 Edition, March, 2012, Report No. 12-333, "A performance measure's definition establishes both an explanation of the measure and the methodology for its calculation. It is important that the definition contain enough pertinent information to be clearly understood and the description of its calculation be detailed enough to allow replication."

**Recommendation #2:** We recommend the Director of BBMR:

- Revise the name of the performance measure to accurately reflect the objective of the performance measure; and
- Include a note in the Budget Book when this change is made.

**Finding #3: Service 683 – Street Management needs a review process to accurately report the cost per lane mile.**

The DOT has not established guidelines to: (1) calculate the cost per lane mile; (2) validate the accuracy of the calculation of cost per lane mile reported in the Budget Book; and (3) periodically update the formula to accurately reflect the up-to-date OPC (see textbox), causing inaccurate actual results reported in the Budget Book. The current formula to calculate the cost per lane mile does not include all OPC. Specifically, the allocation rate of OPC for regular wages does not include all the costs contributed by the City. The DOT’s current OPC is 30 percent<sup>3</sup> of regular wages. Based on the data included in the FY 2020 Budget Book for Service 683, DOT should have used 43.81 percent and 46.64 percent<sup>4</sup> of salaries for FY 2019 and 2018, respectively. Therefore, the actual results obtained will be different (see Table II below).

<b>Cost Per Lane Miles Formula</b>
Cost per lane mile is calculated by total costs divided by total lane miles. The total costs include regular and overtime wages, OPC, 7.65 percent for the City’s share of Federal Insurance Contributions Act (FICA) tax for overtime wages, meal cost, material costs for paving, and milling costs.
OPC are benefits provided by the City to the employee in addition to regular wages earned. It includes the fixed rate such as 7.65 percent for FICA tax and flat rates calculated by BBMR. Examples of flat rates are for medical insurance, prescription drugs, dental, and vision. The flat rates can be changed annually during the open enrollment period.
<b>Source:</b> DOT

**Table II**

<b>Recalculated Cost per Lane Mile By Using the Most Up-to-date Allocation Rate for Other Personnel Cost</b>				
<b>Fiscal Year</b>	<b>2019</b>		<b>2018</b>	
<b>OPC Allocation Rate</b>	<b>30 percent</b>	<b>43.81 percent</b>	<b>30 percent</b>	<b>46.64 percent</b>
Cost per Lane Mile	\$ 130,989	\$ 133,360	\$ 119,325	\$ 137,063

**Source:** Budget Book and the Department of Audits

Additionally, the recorded MPC data does not agree to the actual results recorded in the Budget Book (see Table III on next page). This is because the actual results for the performance measure for FY 2019 and 2018 reported by DOT is on a CY basis, while the Budget Book specifies the performance results should be recorded on a FY basis. According to the DOT Street Management, due to the nature of the road resurfacing work

<sup>3</sup> The 30 percent of regular wages includes all OPC except 4.88 percent for the City’s share of positional retiree benefits and the 7.65 percent for the City’s share of FICA tax for regular salaries. **Source:** DOT

<sup>4</sup> The rates were calculated by dividing the OPC by Salaries cost object included in the FY 2020 Budget Book for Service 683 – Street Management.

requiring sufficient weather conditions<sup>5</sup>, the MPC data is maintained on a CY basis for planning and recording purposes.

**Table III**

**Validated Actual Cost per Lane Mile  
By Using the 30 Percent Allocation Rate for Other Personnel Cost**

<b>Source</b>	<b>FY 2019</b>	<b>FY 2018</b>
Budget Book Target	\$127,614	\$127,614
Budget Book Actual (CY basis)	\$130,989	\$119,325
Scorecard FY 2021 (CY basis)	\$130,989	\$119,325
Auditor Recalculation (CY basis)	\$127,431	\$133,262
Auditor Recalculation (FY basis)	\$131,338	\$134,370

**Source:** Budget Book and MPCs

According to the Green Book,

- Designs a variety of transaction control activities for operational processes, which may include verifications, reconciliations, authorizations and approvals, physical control activities, and supervisory control activities;
- Implements control activities through policies;
- Documents in policies the internal control responsibilities of the organization;
- Communicates to personnel the policies and procedures so that personnel can implement the control activities for their assigned responsibilities; and
- Periodically reviews policies, procedures, and related control activities for continued relevance and effectiveness in achieving the entity's objectives or addressing related risks.

**Recommendation #3:** We recommend that the Director of DOT establish formal (written, approved, signed) policies and procedures to:

- Calculate the cost per lane mile;
- Validate the accuracy of the calculation of cost per lane mile reported in the Budget

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<sup>5</sup> Planning for resurfacing projects is done from late December until March to avoid winter weather and cold conditions outside.

Book; and

- Periodically update the formula to accurately reflect the up-to-date OPC.

**Finding #4: Service 693 – Parking Enforcement, Number of citations issued performance measure does not measure the productivity.**

Although the performance measure for number of citations issued represents an output measure for DOT, a valid target for this measure cannot be reasonably established because such target and its achievements are beyond DOT's control. Specifically, the amount of citations processed by Parking Enforcement is solely based on individuals' violation of parking laws and is uncontrollable by Parking Enforcement. As a result, performance measures beyond DOT's control do not accurately measure the performance of DOT and could result in negative perception of DOT's efforts.

Performance measure targets that report meaningful information to the City should reflect activity by the agency.

**Recommendation #4:** We recommend that DOT, with an assistance from BBMR, select performance measures that are meaningful and within the Parking Enforcement's control.

## Section II Implementation Status of Prior Audit Findings and Recommendations

Table IV

**Summary of Implementation Status of Audit Findings and Recommendations from the Performance Audit Report for Fiscal Years Ending 2017 and 2016 for Service 500 – Street Lighting**

No.	Findings	Prior Recommendations	Management’s Self-reported Implementation Status	Auditor’s Assessment
1.	<p><b>Average Annual Electricity Cost Per Street Light</b></p> <p>1). For FY2017 and FY2016 performance targets were not met. City street lights are older inefficient High Pressure Sodium (HPS) street lights and HPS street lights result in higher energy costs.</p> <p>2) Based on the support provided, Audits was unable to determine the integrity of the average annual electricity cost per street light.</p>	<p>1) Replace the inefficient lighting with more efficient Light Emitting Diode (LED) street lights.</p> <p>2) Review internal controls over how monthly BGE electricity costs are monitored and entered into the City's accounting system to accurately report actual electricity costs per street lights.</p>	<p>1) DOT's BMORE Bright program was instrumental in converting and installing new LED street lights.</p> <p>2) The DPW Energy Office is responsible for monitoring and evaluating all cost associated with BGE electricity cost.</p>	<p><b>Partially Implemented.</b> DOT has a contract with BGE (BMORE Bright Program) to replace HPS street lights with the more efficient LED street lights, approved by the Board of Estimates on August 22, 2018. This contract terminates on March 31, 2021. DOT claims to have converted 75 percent of the total street lights to LED, but work was stopped due to a lack of funding. According to DOT, DPW Energy Office is in charge of tracking documentation related to the energy costs for street lights. Since this performance measure is included in the Budget Book for DOT, it is DOT's responsibility to coordinate with DPW in order to monitor and evaluate the annual average electricity cost per street light.</p>

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No.	Findings	Prior Recommendations	Management's Self-reported Implementation Status	Auditor's Assessment
2.	<p><b>Percentage of Inspected Streets Meeting City Roadway Lighting Standards</b></p> <p>For FY2017 and FY2016 performance targets were not met. Slightly less than half of the City's street lights are older inefficient (HPS) street lights. HPS street lights are less reliable than LED street lights and require more frequent maintenance.</p>	<p>Replace the inefficient HPS lighting with more efficient LED street lights.</p>	<p>The BMORE Bright Program which was completed in 2019, added approximately 10,000 new LED street lights and resulted in 75 percent of street lights being converted to LED.</p>	<p><b>Partially Implemented.</b> DOT has a contract with BGE (BMORE Bright Program) to replace HPS street lights with the more efficient LED street lights. DOT claims to have converted 75 percent of the total street lights to LED, but work was stopped due to a lack of funding.</p>
3.	<p><b>Percentage of Street Light Outages Repaired Within 4 Days</b></p> <p>DOT did not provide documentation to support the FY 2017 actual amount reported in the Budget Books. Administrative error resulted in the over reporting of actual results. Failure to report accurate results hinders the ability of those charged with evaluating City programs to make fully informed decisions.</p>	<p>Report actual results for performance based on the supporting agency records.</p>	<p>DOT is working with BGE on implementing additional service request criteria that would allow a more definitive location of needed services thereby eliminating duplication and the ability to provide accurate information.</p>	<p><b>Not Implemented.</b> Actual amounts cannot be supported from the Salesforce (311) complaint tracking system. BG&amp;E Outdoor Lighting Group (ODL) has been working with both the 311 Call Center and DOT on a path to integrate the proposed BG&amp;E street light outage map (MAP) into the City 311 system, which is based on address / location. This MAP is anticipated to be launched in May, 2020. Discussions regarding the requirements for the automation of activities between the outage map and 311 are ongoing among the stakeholders (BG&amp;E, 311 Call Center, and DOT). According to DOT, due to COVID-19, the MAP initiative did not launch in May, 2020. The DOT does not know when 311 will convene future conversations regarding MAP.</p>

Table V

**Summary of Implementation Status of Audit Findings and Recommendations from the Performance Audit Report for Fiscal Years Ending 2017 and 2016 for Service 690 – Sustainable Transportation**

No.	Findings	Prior Recommendation	Management’s Self-reported Implementation Status	Auditor’s Assessment
1.	<p><b>Number of Circulator Riders Annually</b></p> <p>1) DOT could not provide documentation to support the FY2016 and FY2017 actual amounts reported in the Budget Books.</p> <p>2) The efficiency performance measures were not met. The full fleet of Circulator buses was not available for the public's use because many of the original fleet was rendered inoperable due to mechanical failures and lack of availability of replacement parts. Inaccurate reporting of actual results hinders the ability of those charged with evaluating City programs to make fully informed decisions.</p>	<p>Procure a contract for a Circulator Service in order to restore the Circulator fleet to optimal operating efficiency.</p>	<p>DOT entered into a new contract with Errands Plus RMA World Wide in March 2019. The COVID-19 pandemic has put the City's operational budget into massive debt. Because of this, DOT was asked to cut a huge portion of the Charm City Circulator (CCC) budget. Any potential cuts will impact operations and all goals must be reevaluated and readjusted accordingly.</p>	<p><b>Partially Implemented.</b> DOT has found a new vendor to provide Circular bus service, and entered into a Lease Agreement by and between the Mayor and City Council of Baltimore and Errands Plus INC. T/A RMA Worldwide Chauffeured Transportation. According to DOT, many buses were no longer operable, and therefore were in the process of being replaced, but was still unable to meet its targets. However, according to DOT, due to the coronavirus pandemic, DOT was asked to cut a huge portion of their Circulator bus budget. Any potential cuts will impact operations and all goals must be reevaluated and readjusted accordingly.</p>



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No.	Findings	Prior Recommendation	Management's Self-reported Implementation Status	Auditor's Assessment
2.	<p><b>Average Circulator Headway During Rush Hour</b></p> <p>1) For FY2017 and FY2016, DOT did not meet the performance measures targets.</p> <p>2) Audits could not conclude on the validity of the supporting documentation provided for "Average Circulator Headway During Rush Hour". Measures were not met because the original fleet was rendered inoperable due to mechanical failures and lack of availability of replacement parts. The inaccurate reporting of actual results hinders the ability of those charged with evaluating City programs to make fully informed decisions.</p>	See # 1.	<p>Similar to above, having a reliable fleet is critical to meeting the headway target. Not having operational busses will prevent us from meeting our target. To that end, DOT entered into a new contract with Errands Plus in March 2019. However, the COVID-19 pandemic has put the City's operational budget into massive debt. Because of this DOT was asked to cut a huge portion of the CCC budget. Any potential cuts will impact operations and all goals must be reevaluated and readjusted accordingly.</p>	See # 1.

Table VI

Summary of Implementation Status of Audit Findings and Recommendations from the Performance Audit Report for Fiscal Years Ending 2017 and 2016 for Service 695 – Dock Master

No.	Findings	Prior Recommendation	Management’s Self-reported Implementation Status	Auditor’s Assessment
1.	<p><b>Number of Marina Dockings</b></p> <p>1) For FY2017 and FY2016, DOT did not meet the performance measure targets. Competition from other marinas that offer boaters more amenities resulted in decreased dockings.</p> <p>2) Based on Audits review, the actual number of dockings reported in FY 2019 was overstated by 475 for FY 2017 and 230 for FY 2016. Administrative errors caused the over-reporting of actual results. The inaccurate reporting of actual results hinders the ability of those charged with evaluating City programs to make fully informed decisions.</p>	<p>Report actual results for performance based on the supporting agency records.</p>	<p>DOT will continue to enter information included on the docking log into a spreadsheet to use for tracking and budget estimating. This will continue as long as the program is at DOT.</p>	<p><b>Not Implemented.</b> DOT has implemented a tracking log for marina docking; however, when the recalculation was done from the docking logs provided, the logs for marine dockings did not support the actual numbers recorded in the Budget Book. According to DOT, it did not perform a reconciliation because of its limited staff.</p>

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No.	Findings	Prior Recommendation	Management’s Self-reported Implementation Status	Auditor’s Assessment
2.	<p><b>Percentage of Docking Capacity Booked During Peak Season</b></p> <p>DOT was unable to provide supporting documentation. The Dockmaster charges fees based on the linear feet of each vessel. As a result, this performance measure is difficult to track. Since the sizes of the vessels vary drastically, the daily and annual docking capacity fluctuate accordingly. The inaccurate reporting of actual results hinders the ability of those charged with evaluating City programs to make fully informed decisions.</p>	<p>Reconsider whether or not this performance measure should be tracked in the future.</p>	<p>Based on prior recommendations our decision for FY 2021 is to not keep this measure. We do, however, know that it will be kept for FY2020; but we will do the best we can to manage and track it.</p>	<p><b>Not Implemented.</b> DOT was unable to provide support for the FY 2019 actual numbers in the Budget Book. According to DOT, this performance measure will no longer be used effective FY 2021.</p>

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No.	Findings	Prior Recommendation	Management's Self-reported Implementation Status	Auditor's Assessment
3.	<p><b>Percentage of Dockmaster Operations Supported with Docking Fee Revenue</b></p> <p>The performance targets for docking fee revenues were not met. The performance targets and actual revenue generated, respectively, were as follows: FY 2017 - 37 percent and 18 percent; FY 2016 and 45 percent and 20 percent. The generated revenues and operating costs, respectively were as follows: FY 2017 - \$36,555 and \$199,593; FY 2016 - \$62,572 and \$317,778. In both FYs, DOT failed to include the revenues received in the month of June and the amount of expenditures provided by DOT in the calculation did not tie to the General Ledger Detail. The inaccurate reporting of actual results hinders the ability of those charged with evaluating City programs to make fully informed decisions.</p>	<p>Determine revenues and expenditures for reporting purposes by using the General Ledger Detail to ensure all transactions are captured. Also, evaluate options to either improve the amenities offered to compete with other Harbor docking options or subcontract out the dock operations to an organization who may be able to operate the dock more effectively and efficiently.</p>	<p>DOT has begun conversations with other agencies and stakeholders about the future of the program and how to move forward.</p>	<p><b>Not Implemented.</b> According to DOT, it cannot control the individuals that utilize the docking services provided. For FY 2018, DOT tracked the performance measure, and for FY 2019, DOT did not track the measure. There is a percentage in the Budget Book for FY 2018 which DOT is unable to support. For FY 2019, there is no percent recorded in the Budget Book, therefore, whether DOT met the target in FY 2019 is indeterminable. DOT is considering whether to continue its responsibility for the Dock Master program, or subcontract out the dock operations to an organization who may be able to operate the dock more effectively and efficiently.</p>

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No.	Findings	Prior Recommendation	Management's Self-reported Implementation Status	Auditor's Assessment
4.	<p><b>Number of "Rascal" Dockings Per Year</b></p> <p>1) For FY2017 and FY2016, DOT failed to adequately track and maintain supporting documentation for the performance measure targets.</p> <p>2) Docking invoices were missing pertinent information such as the boat license number, name and / or size. The docking fee charged is based on the size of the boat.</p>	<p>Complete docking invoices and ensure all invoices for Rascal dockings are recorded on the Rascal docking log.</p>	<p>DOT will continue to transfer information from the Rascal receipts into a spreadsheet to use for budgeting purposes. This will continue as long as the program is at DOT.</p>	<p><b>Not Implemented.</b> DOT has implemented a tracking log for rascal docking; however, when the recalculation was done from the rascal logs provided, the logs for rascal dockings did not support the actual numbers recorded in the Budget Book. According to DOT, it did not perform a reconciliation because of its limited staff.</p>

Table VII

**Summary of Implementation Status of Audit Findings and Recommendations from the Performance Audit Report for Fiscal Years Ending 2017 and 2016 for Service 696 – Street Cut Management**

No.	Findings	Prior Recommendation	Management’s Self-reported Implementation Status	Auditor’s Assessment
1.	<p><b>Average Number of Hours Between Street Cut Service Requests Received and Inspection Completed</b></p> <p>1) For FY2017 and FY2016 performance measure targets were not met.</p> <p>2) DOT was also unable to provide documentation that supported the actual number of hours from request receipt to inspection completion for both FYs. Proper control processes should be designed to provide reasonable assurance regarding the effectiveness and efficiency of operations and reliability of reported amounts. The inaccurate reporting of actual results hinders the ability of those charged with evaluating City programs to make fully informed decisions.</p>	<p>Report actual results for performance based on the supporting agency records.</p>	<p>Street Cuts implemented a new database using Cityworks to capture data for reporting. Once a request is entered into the system within 12 hours an Inspector investigates the concern to determine what Agency or Utility Company is responsible. The responsible party is notified, the location is re-inspected within 24-48 hours to confirm repairs were made. If repairs were not made, the responsible party is notified again and fines are issued until the issue is resolved. The number of street cuts determined improper is then obtained from the street cuts database in City works by querying "Number of temporary and permanent patch failures".</p>	<p><b>Not Implemented.</b> According to the DOT, the formula to calculate this performance measure is the total time from the SR starting time to the inspection closing time, divided by the total number of SR. The DOT’s goal is to complete all street cut inspections within 24 hours from the SR starting time. For FY 2018, DOT kept a record of the street cut inspections in a database. DOT began to use Cityworks in early FY 2019 to capture data for recording Street Cut work and inspections. Both the database and Cityworks did not have the completion time of the inspections. Also, Cityworks lacked a field to record the time the inspection was completed. Without having the times the inspections are completed, DOT cannot demonstrate it is monitoring this performance measure.</p> <p>We recommend the Director of the DOT add a field to Cityworks to include the inspection date and time completed, or continue tracking in a database but include the inspection time completed.</p>

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No.	Findings	Prior Recommendation	Management's Self-reported Implementation Status	Auditor's Assessment
2.	<p><b>Percentage of Street Cuts Determined to be Improper During Inspection</b></p> <p>For FY2017 and FY2016, DOT did not provide accurate documentation to support the actual amounts reported in the FY 2019 Budget Book. Audits performed a recalculation of the support of percentages for both fiscal years was less than one percent. The inaccurate reporting of actual results hinders the ability of those charged with evaluating City programs to make fully informed decisions.</p>	<p>Report actual results for performance based on the supporting agency records.</p>	<p>Street Cuts has implemented a new database using Citi Works to capture data reporting in real time when determining if street cuts are improper. Once permits are obtained and entered into the street cuts database, inspectors inspect the integrity of the street cuts to make sure proper procedures were met when restoring city streets. If determined the street failed inspection, the information is captured in the database and corrective action is enforced. A report is generated using the street cuts database to determine the number of streets improper during inspection.</p>	<p><b>Not Implemented.</b> The DOT was not able to provide data to support the FY 2019 and FY 2018 actual results of the performance measure. According to DOT, in FY 2018, it recorded the performance measure data in a database, and during FY 2019, DOT began using Cityworks. However, the system conversion business requirements did not include the transfer of the number of street cut SR determined to be improper during inspection.</p> <p>We recommend the Director of the DOT confirm that any modifications / replacements to key DOT information technology systems include retention of historical documentation, especially for key controls.</p>

**APPENDIX I**

**Management’s Response to the Current Findings and Recommendations**

**Date:** July 23, 2020

**To:** Josh Pasch, City Auditor

**Subject:** Management Response to Audit Report:  
Biennial Performance Audit Report on the Department of Transportation

Our responses to the audit report findings and recommendations are as follows:

**Recommendation # 1:**

We recommend that the Director of DOT develop and implement formal (written, approved, dated) policies and procedures for tracking, monitoring, reviewing, and reporting of the performance measure. The policies and procedures should include, at a minimum, the following:

- The crew supervisor, who signs the 311 Complaint Tally Sheet, verifies that the pothole maintenance repair crew accurately inputs the departure (completion) time when each pothole repair is finished;
- The clerical staff documents the Actual Finish field in Cityworks at the same time that is shown on the 311 Complaint Tally Sheet;
- The clerical staff closes SR in Cutworks on the same day as the pothole repairs are actually completed or within 24 hours after the pothole repairs are completed; and
- Assigned independent personnel periodically (weekly and monthly) reviews a random selection of SR in Cityworks to validate the accuracy of the clerical staff’s documentation and monitors the actual percentage for the performance measure.

**Management Response/Corrective Action Plan**

Agree   Disagree

DOT will develop and implement Standard Operating Procedures that will include recording the actual completion time of pothole repairs in Cityworks within 24 hours. The completion time will also be recorded on the daily tally sheets. Additionally, a supervisor will review the work of the clerical staff to ensure the exact times are entered in the appropriate fields in the 311 system.



**Implementation Date:** January 31, 2021

**Responsible Personnel:** Kenith Ching, Bureau Operations Chief

**Recommendation #2:**

We recommend the Director of BBMR:

- Revise the name of the performance measure to accurately reflect the objective of the performance measure; and
- Include a note in the Budget Book when this change is made.

**Management Response/Corrective Action Plan**

**Agree**   **Disagree**

This has been addressed. On July 31, 2020 BBMR changed the wording of the performance measure in the Scorecard online system used to capture performance data. The measure now reads “% of pothole service requests repaired within 48 hours.” The words “of reporting” are not included in the measure because BBMR believes they are not necessary to make the measure clear. A service request does not exist until it is reported into the 311 system, therefore it is clear that the 48 hours starts from reporting without using those words.

A note also was put into Scorecard that reads: “July 31, 2020: Service measure updated from “% of potholes repaired within 48 hours of reporting” to “% of pothole service requests repaired within 48 hours” to clarify data that is being reported. Individual service requests may report multiple potholes that require repair. Include note on wording change in FY22 Budget Book.”

BBMR does not disagree with the conclusion, but is unable to find a record of a written request from DOT to change the wording of the measure for FY19 or FY20 budgets, and does not recall a verbal request. BBMR advised DOT earlier this week on the formal process for requesting measure changes through a performance measure request form to facilitate future measure updates.

**Implementation Date:** July 31, 2020

**Responsible Personnel:** Rachel Zinn, Assistant Budget Director-Expenditure

**Recommendation #3:**

We recommend that the Director of DOT establish formal (written, approved, signed) policies and procedures to:

- Calculate the cost per lane mile;
- Validate the accuracy of the calculation of cost per lane mile reported in the Budget Book; and
- Periodically update the formula to accurately reflect the up-to-date OPC.

**Management Response/Corrective Action Plan**

Agree   Disagree

The Department will identify an OPC rate by August 30, 2020 and implement by September 2, 2020. Further, the Department anticipates the development of the SOP to be completed by September 2, 2020 and implemented by September 30, 2020. Lastly, calculations submitted to BBMR will be on a FY instead of a CY.

**Implementation Date:** The Department will identify an OPC rate by August 30, 2020 and implement by September 2, 2020. Further, Department anticipates the development of the SOP to be completed by September 2, 2020 and implemented by September 30, 2020.

**Responsible Personnel:** Kenith Ching, Bureau Operations Chief

**Recommendation #4:**

We recommend that DOT, with an assistance from BBMR, select performance measures that are meaningful and within the Parking Enforcement's control.

**Management Response/Corrective Action Plan**

Agree   Disagree

The Safety Division will work collaboratively with BBMR to assess and change the performance measure.

**Implementation Date:** The Department will work in collaboration with BBMR to implement a new performance measure. Implementation date will be provided once the Department meets with BBMR.

**Responsible Personnel:** Marshall Toby Goodwin, Chief of Safety

## APPENDIX II

### Management's Response to the Prior Findings and Recommendations

#### **Management Response to Table IV, Findings 1 to 3 (see pages 12 to 13)**

The DOT agrees with the Auditor's Comments - Analysis.

#### **Management Response to Table V, Findings 1 to 2 (see pages 14 to 15)**

The DOT agrees with the Auditor's Comments - Analysis.

#### **Management Response to Table VI, Findings 1 to 4 (see pages 16 to 19)**

The DOT agrees with the Auditor's Comments - Analysis.

#### **Management Response to Table VII, Findings 1 to 2 (see pages 20 to 21)**

The DOT agrees with the Auditor's Comments - Analysis.

In response to Auditor's Comments – Analysis, DOT will take steps to:

1. If missing, DOT will add a field in City works to include the inspection date and time completed. In addition, to ensure data integrity, DOT will implement Quality Control (QC) reports for supervisors/administrators to run on a periodic basis to address any data integrity issues that may hinder the proper monitoring and evaluation of the performance measures being tracked in City works.

**Implementation Date:** To be determined

2. Data migration during new technology systems implementation can be cost prohibitive. Especially for key performance measures, moving forward, based on funding availability, DOT will consider keeping historical documentation when transitioning to new applications/platforms.

**Implementation Date:** To be determined