



Department of Transportation – Biennial Performance Audit FY22-23

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Objective

The Department of Audits (DOA) assessed the Department of Transportation’s (DOT) Minor Privileges process (MPS) and followed up on recommendations from a previous audit.

Background

Minor Privilege Application and Process

Minor Privilege permits are issued for a fee and are either permanent or temporary. In FYs 2023 and 2022, the City generated around \$1.11 million and \$1.10 million, respectively, in revenue from new and renewal applications. During these years, 97 permits were issued out of 120 applications.

The audit identified areas for improvement in:

1. Customer service efficiency
2. Separation of permit processing duties
3. Ensuring smooth operation of the program

Section I: Findings and Recommendations

Finding I: DOT does not effectively communicate Minor Privilege Permit requirements to applicants.

DOT's procedures and website documents are outdated, and some application requirements are unclear. Since COVID-19, DOT no longer forwards applications to other agencies for approval, but there is no explanation for this change. The website does not offer information in multiple languages, which will be required starting April 2024.

Recommendation I:

DOA recommends that DOT:

1. Annually update and clearly communicate changes to the application procedures on its website.
2. Explore offering this information in multiple languages.

Finding II: System limitations and unclear procedures hinder DOT's ability to track the efficiency of the permit review process.

DOT’s MPS database doesn’t track key dates and approvals. Without this data, DOT cannot effectively monitor or improve the permit process.

Recommendation II:

DOA recommends that DOT:

1. Track key dates such as submission, referral, follow-up, approvals, and BOE approval.
2. Identify bottlenecks and monitor process efficiency.

Finding III: DOT does not consistently follow the Minor Privilege review process.

Some permits require approval from other agencies, but DOT couldn't clarify which ones. Missing application packages and inconsistent notifications to adjacent property owners were also found. The Chief of Right of Way's secondary approval is not always documented.

Recommendation III:

DOA recommends that DOT:

1. Clearly document which permits need agency approval and retain compliance records.
2. Ensure the Chief of Right of Way signs and dates applications.

Finding IV: The duties involved in processing Minor Privilege Permits are not fully separated.

The same employee handles acceptance, review, approval, payment, issuance, and recording without oversight. This lack of segregation increases risks, especially after the supervisor position was left vacant in 2014 and has never been filled.

Recommendation IV:

DOA recommends that DOT:

1. Separate duties for custody, issuance, and recording.
2. Assign someone outside the Minor Privilege process to manage blank receipts and issue permits after confirming payments.

Finding V: DOT lacks a succession plan for the Minor Privilege Permit process.

There are no backup personnel for key roles, and current practices conflict with the documented procedures. This entire process is contingent on one employee.

Recommendation V:

DOA recommends that DOT:

1. Establish formal policies to define roles and responsibilities for Minor Privilege processing and create job aids.

Appendix I: DOT's Response

1. Recommendations 1, 2, and 3: DOT agrees, implementation by March 31, 2025.
2. Recommendation 4: DOT agrees, plans to move the office support specialist by March 31, 2025, and cross-train by December 31, 2025.
3. Recommendation 5: DOT agrees, will update SOP and job aids by December 31, 2025.