



Final Audit Follow-Up



Period Ending March 31, 2020
Report #2004 | July 24, 2020

Audit of StarMetro Paratransit Services




Summary from Original Report #1717 (Issued August 31, 2017): The audit was conducted primarily for the purpose of identifying ways in which Dial-A-Ride program costs might be reduced and revenues increased. The audit also included an evaluation of the effectiveness of StarMetro’s monitoring of the contracted transportation service operators used for each of the two paratransit programs and tests of the accuracy and completeness of StarMetro’s paratransit cost center accounts.



The audit revealed StarMetro had implemented several strategies to reduce Dial-A-Ride program costs and improve services; however, opportunities for improvements were identified. The audit also found while StarMetro had contractor monitoring processes in place, improvements could be made. Additionally, opportunities for improving the accuracy and completeness of the cost center accounts established for each of the paratransit programs were identified.


Summary of Action Plan: In response to the audit recommendations described above, management established 15 action plan steps. Seven of the 15 action plan steps were previously completed or otherwise resolved in follow-up reports #1903 and #2001. The remaining 8 steps were due for completion by March 31, 2020, and are being addressed as part of this follow-up audit. This report is the 3rd and final follow-up on audit report #1717. The status of the 8 remaining action plan steps is discussed in the table below.¹

Action Plan Steps	Status as of March 31, 2020
Objective A: Reduce Dial-A-Ride program costs and increase Dial-A-Ride program revenues.	
A.1 StarMetro will continue to evaluate the implementation of in-person interviews and functional assessments. <i>(Management's initial estimated completion date: 3/31/2018)</i>	Complete - Management reported it had hired a Community Outreach Coordinator to provide in-person interviews to applicants whose eligibility is questionable and could potentially benefit from fixed route travel training for some or all of their travel needs. This action plan step is complete. 
A.3 The City will consider negotiating with clients with respect to trip times. <i>(Management's initial estimated completion date: 3/31/2018)</i>	Needs Attention - Management reported it will conduct a six-month pilot program and as part of the program will begin negotiating with customers regarding travel times. Management also stated those negotiations will be limited to 20-minutes before or after the requested time. The pilot program will be phased in as trip volumes increase later this year and revised the completion date of this action plan step to March 31, 2021. 

¹ The numbering sequence of the action plan steps is based on the steps provided by management in the original audit and only those steps which were outstanding at March 31, 2020 are included.

Action Plan Steps	Status as of March 31, 2020
A.3 <i>(Continued from previous page)</i>	Due to the length of time the action plan step has remained incomplete, 24 months since the original completion date set by management and 31 months since the issuance of the original audit, progress on the step will no longer be monitored.
A.4 The City will consider the multi-loading of vehicles. <i>(Management's initial estimated completion date: 3/31/2018)</i>	<p>Needs Attention - Management reported the current para-transit program segregates vehicles and ridership by funding sources which limits its ability to multi-load vehicles. To reduce those limitations, management reported it is restructuring the para-transit program which will allow vehicles to be funded through multiple sources. The restructuring will allow for greater opportunities to multi-load customers even when trips are funded by different sources. Management revised the completion date of this action plan step to March 31, 2021.</p> <p>Due to the length of time the action plan step has remained incomplete, 24 months since the initial completion date set by management and 31 months since the issuance of the original audit report, progress on the step will no longer be monitored.</p> 
A.6 Following consideration of recommended changes in policy, StarMetro will present for action by the City Commission an updated Dial-A-Ride Plan. <i>(Management's initial estimated completion date: 3/31/2018)</i>	<p>Complete - Management reported the StarMetro Americans with Disabilities Act (ADA) Service Plan was presented to and adopted by the Tallahassee City Commission on November 13, 2019. This action plan step is complete.</p> 
A.7 In future procurements of the services of transportation service operators, StarMetro will ensure: <ul style="list-style-type: none"> • Any intent to award multiple contracts will be made clear in the RFP and with sufficient public notice. • Consideration is given to providing no less than 60 days between the RFP issuance date and the response due date. • Consideration is given to allowing vendors to address only those services they wish to provide. 	<p>Needs Attention - Management reported the current provider contracts for transportation service operators expires 9/30/2020 and the new RFP would address the awarding of multiple contracts, sufficient public notice and no less than 60 days between the RFP issue date and the response due date. Management further reported allowing vendors to address only those services they wish to provide, potentially conflicts with the integration of funding sources onto common vehicles and the desire to increase multi-loading opportunities. Management</p> 

Action Plan Steps	Status as of March 31, 2020
<p>A.7 <i>(Continued from previous page)</i> <i>(Management's initial estimated completion date: 3/31/2018)</i></p>	<p>reported the integration will provide a more efficient system and cost-effective service. Management revised the completion date of this action plan step to September 30, 2020.</p> <p>Due to the length of time the action plan step has remained incomplete, 24 months since the initial completion date set by management and 31 months since the issuance of the original audit report, progress on the step will no longer be monitored.</p>
<p>A.8 With respect to the transportation operator contracts, StarMetro will ensure the completion of the vendor performance evaluations before entering any optional contract period and at the end of the contract period. <i>(Management's initial estimated completion date: 12/31/2017)</i></p>	<p><u>Needs Attention</u> - Management reported an RFP for contracted transportation providers will be released in the near future and current providers will be evaluated in the vendor performance evaluation process prior to the RFP response deadline date. As such, the vendor performance evaluations have not been completed as provided for in this action plan step. Management indicated it plans to revise the completion date of this action plan step to September 30, 2020, and the step remains in process. </p> <p>Due to the length of time the action plan step has remained incomplete, 27 months since the initial completion date set by management and 31 months since the issuance of the original audit report, progress on the step will no longer be monitored.</p>
<p>A.9 The City will consider renegotiating the Dial-A-Ride program overflow compensation rate. <i>(Management's initial estimated completion date: 1/31/2018)</i></p>	<p><u>Needs Attention</u> - Management reported an RFP for contracted transportation providers will be released in the near future and current providers will be evaluated in the vendor performance evaluation process prior to the RFP response deadline date. As such, the vendor performance evaluations have not been completed as provided for in this action plan step. Management indicated it plans to revise the completion date of this action plan step to September 30, 2020, and the step remains in process. </p>

Action Plan Steps	Status as of March 31, 2020
A.9 <i>(Continued from previous page)</i>	Due to the length of time the action plan step has remained incomplete, 27 months since the initial completion date set by management and 31 months since the issuance of the original audit report, progress on the step will no longer be monitored.
Objective B: Ensure the effective monitoring of transportation operator service contracts.	
<p>B.1 StarMetro’s contract monitoring procedures will be amended to include an appropriate level of guidance relative to the procedures to be performed, the documentation to be obtained, and the reporting processes to be followed.</p> <p><i>(Management's initial estimated completion date: 12/31/2017)</i></p>	<p><u>Needs Attention</u> - Management reported staff is in the process of documenting processes and procedures to facilitate conducting contractor monitoring, including contract, local, state, and federal regulations. As such, the contract monitoring procedures have not yet been amended as provided for in this action plan step. Management indicated it plans to complete this action plan step by September 30, 2020.</p>  <p>Due to the length of time the action plan step has remained incomplete, 27 months since the initial completion date set by management and 31 months since the issuance of the original audit report, progress on this step will no longer be monitored.</p>

CONCLUSION

As stated above, in the original audit report #1717, management established 15 action plan steps to address the audit recommendations. Seven of the 15 action plan steps were previously completed or otherwise resolved in follow-up reports #1903 and #2001. The remaining 8 steps were due for completion by March 31, 2020. Based on the follow-up procedures performed for this engagement, we found of the 8 steps remaining, three steps (A.1, A.6, and A.9) were completed during the period with no further action required and five steps (A.3, A.4, A.7, A.8, and B.1) need additional attention from management to ensure the completion of the step or otherwise address the underlying risks. Due to the time elapsed since this original audit was conducted, 31 months, we will no longer monitor management’s efforts to complete the action plan steps.

We appreciate the assistance and cooperation provided by StarMetro management and staff during the follow-up audit. All responses and documents requested were provided in a timely manner without limitations or interference.

APPOINTED OFFICIAL'S RESPONSE

We would like to thank the City Auditor for the thorough review and reporting on StarMetro's paratransit services. We are proud that the auditing staff immersed themselves in what, why, and how we provide paratransit services to the citizens of Tallahassee and Leon County who are low-income, senior, or disabled and learned, and shared ways that we could improve our services. StarMetro has already implemented many of the audit team's recommendations and will continue to move forward with implementing the remainder. The audit staff's recommendations have helped improve the paratransit services that StarMetro provides for this community.

STATEMENT OF ACCORDANCE

The Office of the City Auditor's mission is to provide the City Commission an independent, objective, and comprehensive auditing program of City operations; to advance accountability through the provision of assurance and advisory services; and to actively work with Appointed Officials in identifying risks, evaluating controls, and making recommendations that promote economical, efficient, and effective delivery of City services.

We conducted this audit follow-up in accordance with the International Standards for the Professional Practice of Internal Auditing and Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit follow-up to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objectives. We believe the evidence obtained provides a reasonable basis for our conclusions based on our audit objectives.

Please address inquiries regarding this report to the Office of the City Auditor at (850) 891-8397.

<http://www.talgov.com/transparency/auditor.aspx>

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