

EXECUTIVE DIGEST

COMMUNICATIONS DIVISION

INTRODUCTION

This report, issued in September 2001, contains the results of our performance audit* of the Communications Division, Michigan Department of State Police (MSP).

AUDIT PURPOSE

This performance audit was conducted as part of the constitutional responsibility of the Office of the Auditor General. Performance audits are conducted on a priority basis related to the potential for improving effectiveness* and efficiency*.

BACKGROUND

The Communications Division is responsible for all of MSP's radio and telecommunication services. The Division provides communication services to both enlisted and civilian employees through the administration and servicing of its Statewide line telephone communication system, voicemail, pagers, cellular phones, and wireless communications (mobile and portable radios). The Division's responsibilities also include the implementation and administration of Michigan's Public Safety Communications System (MPSCS).

MPSCS is an 800 megahertz (MHz) microwave connected digital communications system (see Figure 1) being built by a contractor, Motorola Communications and

Electronics, Inc. It will feature 181 remote communication sites consisting of 176 towers and 5 antennas supported by existing buildings strategically placed in the State. The construction of the system is being completed in four phases (see Figure 2). As of March 2001, MSP declared phases I through III complete and operational. Construction is in progress for phase IV.

The Division is made up of six sections: Executive, Field Maintenance, Planning and Engineering, Support Services, 800 MHz Training/9-1-1, and Network and Micro Systems Service. The Network and Micro Systems Service Section was transferred into the Division during our fieldwork and was not included within the scope of our review. Division staff are headquartered in Lansing, with field offices located in Lansing, Northville, Bridgeport, Paw Paw, Rockford, Cadillac, Gaylord, Negaunee, and Newberry.

AUDIT OBJECTIVES,
CONCLUSIONS, AND
NOTEWORTHY
ACCOMPLISHMENTS

Audit Objective: To assess the effectiveness of the Division in developing, awarding, and administering the MPSCS contract.

Conclusion: We concluded that the Division was moderately effective in developing, awarding, and administering the MPSCS contract. Our assessment disclosed reportable conditions* related to MPSCS project and contract financial administration, MPSCS revenue, and contractor compliance documentation (Findings 1 through 3).

Noteworthy Accomplishments: The Division has installed an enterprise asset management software application (MP2) that controls maintenance operations.

This system is used to develop a preventative maintenance schedule, create and prioritize work orders, create inventory records, track parts usage, and identify all maintenance costs associated with the MPSCS infrastructure. The advantages of tracking associated costs as well as monitoring equipment and inventory levels will help the Division mold its budgetary needs for the future. The software also enables the maintenance supervisor to analyze employee efficiency, project staffing time lines, and identify potential training needs.

The Division has used emerging web technology to create and maintain both intranet and Internet web sites to inform both internal and external customers about pertinent MPSCS information. This easily accessible technology allows the Division to disseminate new information regarding the MPSCS implementation to a broad group of users in a timely manner.

In addition, the Division piloted the use of the MPSCS Telecommunications Backbone Network (TBN) to supply a high-speed communication connection at five separate MSP offices and installations in the greater Gaylord area. The pilot program tested the cost effectiveness of the communication connection (investment payback, including the elimination of recurring third-party provider fees), its ability to provide increased bandwidth (speed) over the TBN, the potential scalability of future TBN communication connections for other State offices and MSP installations (particularly those in remote areas), and the general reliability of TBN to handle communication (data) transmissions besides those of MPSCS.

The Division determined that the implementation of the link (T1 line) at Gaylord resulted in an 18-month payback on its investment of \$21,000. The recurring annual savings to MSP is \$15,400, plus modem line costs for the Motor

Carrier Division's Gaylord office of approximately \$100 to \$500 per month. The T1 line significantly increased line speed and provided a fully redundant, reliable, and secure communication connection for the Gaylord MSP offices. The results of the pilot are being used as the basis for providing additional critical communication links for other MSP installations and other State departments.

Audit Objective: To assess the effectiveness of the Division in providing MPSCS training to personnel from MSP, State agencies, and local law enforcement and emergency services agencies.

Conclusion: We concluded that the Division was effective in providing MPSCS training to personnel from MSP, State agencies, and local law enforcement and emergency services agencies.

Audit Objective: To assess the effectiveness of the Division in marketing MPSCS to local law enforcement and emergency services agencies.

Conclusion: We concluded that the Division was generally effective in marketing MPSCS to local law enforcement and emergency services agencies. However, we noted a reportable condition related to the lack of a comprehensive marketing strategy (Finding 4).

**AUDIT SCOPE AND
METHODOLOGY**

Our audit scope was to examine the program and other records of the Communications Division. Our audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included such tests of the records and such other auditing procedures as we considered necessary in the circumstances.

Our methodology included the testing of records primarily covering the period October 1, 1997 through May 31, 2001. We conducted a preliminary review of the Division's operations to gain an understanding of the activities and to form a basis for selecting certain operations for audit. This included discussions with staff regarding their functions and responsibilities and review of program and financial records.

AGENCY RESPONSES

Our audit report contains 4 findings and 4 corresponding recommendations. The agency preliminary response indicates that MSP agrees with 3 recommendations and partially agrees with 1 recommendation.