

EXECUTIVE DIGEST

MAINTENANCE DIVISION

INTRODUCTION

This report, issued in July 2002, contains the results of our performance audit* of the Maintenance Division, Bureau of Highway Technical Services, Michigan Department of Transportation (MDOT).

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

MDOT was organized under Sections 16.450 - 16.458 of the *Michigan Compiled Laws* (sections of the Executive Organization Act of 1965). MDOT was established to provide the people of Michigan with a safe, efficient, and environmentally sound total transportation system in the most cost-effective manner.

The Maintenance Division is 1 of 5 divisions within the Bureau of Highway Technical Services. It provides specialized maintenance services and support to MDOT staff in Lansing and at the 7 regional offices and 26 transportation service centers. The Division's mission* is to provide technical expertise and assistance for Statewide maintenance and preservation activities in a responsive

* See glossary at end of report for definition.

and timely manner, which addresses the need to improve services provided to MDOT's customers. The Division is organized into four sections: Office Administration, Pavement and Roadside, Structural Maintenance, and Operational Services.

The Pavement and Roadside Section is responsible for coordinating maintenance of rest areas, roadside parks, and scenic turnouts. This Section coordinates the Statewide vegetation management program, summer youth program, Adopt-A-Highway Program, and chemical program, which provides assistance to contract maintenance counties and municipalities for construction of road salt storage facilities.

The Structural Maintenance Section is responsible for performing emergency repairs to bridges needed because of damage caused by overweight and over height vehicles. This Section is also responsible for routine maintenance and emergency repairs to the State's movable bridges, including structural, electrical, and mechanical systems.

The Operational Services Section repairs, fabricates, and installs large overhead signs throughout the State. This Section is also responsible for traffic signal installation and monitoring and inspecting installations done under contract for MDOT. In addition, this Section performs routine and preventive maintenance on MDOT-owned facilities throughout the State and administers the development of maintenance service contracts for central and regional offices.

The Division operating budget totaled approximately \$15.2 million for the fiscal year ended September 30, 2001. As of September 30, 2001, the Division had 116 full-time equated employees.

AUDIT OBJECTIVES
AND CONCLUSIONS

Audit Objective: To assess the effectiveness of MDOT's oversight of State trunkline maintenance services.

Conclusion: We concluded that MDOT's oversight of State trunkline maintenance services was generally effective. However, we noted a reportable condition* related to maintenance oversight procedures (Finding 1).

Audit Objective: To assess the effectiveness and efficiency of MDOT's specialized maintenance services.

Conclusion: We concluded that MDOT's specialized maintenance services were generally effective and efficient. However, we noted reportable conditions related to pump house unit operation, activity reporting, and unrecovered damage costs to highway property (Findings 2 through 4).

AUDIT SCOPE AND
METHODOLOGY

Our audit scope was to examine the program and other records of the Maintenance 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 audit procedures included examination of the Division's records and activities primarily for the period October 1, 1998 through October 31, 2001. We conducted a preliminary survey of the Division to develop an understanding of its responsibilities and the methods that it used to monitor the accomplishment of these responsibilities. We reviewed prior audit reports and working papers of audits conducted by MDOT's Office of

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Commission Audits. We also reviewed other states' audit reports on functions similar to those performed by the Division.

We reviewed the Division's maintenance manuals that have been developed to guide field maintenance activities. We met with MDOT staff at selected regional offices and transportation service centers to review and evaluate the methods used to monitor trunkline maintenance.

We obtained reports on work activities of the Division's specialized work units. We used this information to evaluate the effectiveness and efficiency of these units.

**AGENCY RESPONSES
AND PRIOR AUDIT
FOLLOW-UP**

Our audit report contains 4 findings and 4 corresponding recommendations. The agency preliminary responses indicated that MDOT concurs with all 4 recommendations. In addition, MDOT informed us that it has initiated or will initiate corrective action for all of the recommendations.

MDOT complied with 5 of the 8 prior audit recommendations included within the scope of our current audit. Of the other 3 recommendations, 1 was repeated in this audit report and 2 were rewritten to address current conditions.