

**Post-Audit Review 17-05:
Street Paving**

February 2020

City Auditor

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OFFICE OF INTERNAL AUDIT

Stan Sewell, City Auditor

February 4, 2020

To: Mayor Andy Berke
City Council Members

Subject: Post-Audit Review of Street Paving (Report 17-05)

Dear Mayor Berke and City Council Members:

Attached is a summary report on the status of audit recommendations in our 2019 Street Paving report. The purpose of this report is to confirm whether, and to what degree, management has implemented the recommendations made in the original audit.

Our general practice is to conduct post-audit reviews approximately six months after issuance of an audit report. To allow CDOT sufficient time to address recommendations, we extended the timing of this review to approximately one year.

The original audit concluded:

1. There was an insufficient paving budget to prevent long-term deterioration of the streets;
2. There were opportunities to improve procedures to address operations;
3. A Transportation Asset Management Plan should be developed; and,
4. The paving software should be updated and repair and street cut data input into the system.

The audit had seven recommendations to improve the efficiency and effectiveness of the paving process. At the time of this Post-Audit Review, five recommendations were not implemented and two were partially implemented. Recommendations partially implemented and not implemented are herein reported to the Audit Committee for follow-up, as appropriate.

This Post-Audit Review consisted principally of inquiries of City personnel and examinations of various supporting documentation. It was substantially less in scope than an audit in accordance with generally accepted government auditing standards. The evidence obtained provided a reasonable basis for our conclusions; however, had an audit been performed, other matters might have come to our attention that would have been reported to you and our conclusions may have been modified.

Sincerely,

Stan Sewell, CPA, CGFM, CFE
City Auditor

Attachment

cc: Audit Committee Members
Kerry Hayes, Chief of Staff
Maura Sullivan, Chief Operating Officer
Blythe Bailey, Administrator, Transportation
Justin Holland, Administrator, Public Works
Jim Arnette, TN Local Government Audit

RECOMMENDATIONS NOT IMPLEMENTED (5)

Recommendation	Actions Taken
<p>1 We recommended CDOT develop and implement a Transportation Asset Management Plan (TAMP), including a five-year paving and major repair plan that is updated annually.</p>	<p>A Request For Proposal (RFP) for creation of a TAMP has been transmitted to Purchasing, with responses due February 28, 2020.</p>
<p>2 We recommended CDOT's Complete Streets Division request an increase in the paving budget to be more in line with comparative cities, and as necessary, to prevent further deterioration of the streets.</p>	<p>CDOT submitted a BFO request for FY2020 of \$6 million and received \$4.1 million for the FY2020 budget. The initial BFO submission for FY2021 was \$5 million. While the paving budget is an increase over previous years, it continues to be much less than comparable per lane mile paving budgets for both Knoxville and Nashville.</p>
<p>3 We recommended CDOT's Complete Streets Division develop a detailed plan of action to support a request for one-time funding to address roadways currently in need of rebuilding and paving (generally those with a PCI less than 40).</p>	<p>CDOT indicated they will develop an action plan in conjunction with the TAMP development. An RFP for creation of a TAMP has been transmitted to Purchasing, with responses due February 28, 2020.</p>
<p>4 We recommended CDOT ensure a complete Pavement Condition Index (PCI) study is conducted on all the City's roadways at a maximum of a three-year period.</p>	<p>A PCI study is included in the RFP for creation of a TAMP. The RFP has been transmitted to Purchasing, with responses due February 28, 2020.</p>
<p>6 We recommended CDOT upgrade the Micropaver software to the current version.</p>	<p>Per Complete Streets Division staff, the latest version of Micropaver software has been purchased and is on hand. CDOT is scheduled to meet with IT personnel to discuss implementation of the software.</p>

RECOMMENDATIONS PARTIALLY IMPLEMENTED (2)

Recommendation	Actions Taken
5 We recommended CDOT develop, and implement, processes to allow current information to be input into Micropaver to produce high-quality information. This would require a minimum of installing the available interface between Micropaver and CityWorks, and developing an interface between Accela and Micropaver for street cuts to be interfaced. Finally, all associated information should be geocoded to allow uploading to the proper section in Micropaver.	CDOT, LDO, Public Works, GIS and the Office of Performance Management & Open Data, is developing a GIS linked database to capture pavement repairs completed by all departments. Incorporating GIS data will allow specific locations to be uploaded into Micropaver, greatly improving the accuracy of PCI calculations. Management expects this data will be interfaced to Micropaver when the latest version is installed in the upcoming months.
7 We recommended CDOT devote sufficient human capital to ensure all aspects of pavement management are addressed on a continuous basis. One possibility for consideration may be devoting a full-time staff member to pavement management.	CDOT staff indicated three additional project managers were added in FY2020. An individual has not been assigned to paving management full-time. Per the Engineering Paving Manager, a greater portion of his time is devoted to paving-related issues than in the past.

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