



Michigan
Office of the Auditor General
REPORT SUMMARY

Performance Audit

Report Number:
 591-0180-07

Bureau of Passenger Transportation

Michigan Department of Transportation

Released:
 February 2009

The Bureau of Passenger Transportation (BPT) administers the Michigan Department of Transportation's (MDOT's) passenger transportation programs. BPT is responsible for the development and management of operating, capital, and technical assistance programs and projects for purposes of providing coordinated local public transit, marine, intercity bus, and passenger rail transportation services and facilities Statewide. One of BPT's goals is to provide for a comprehensive integrated passenger transportation system to meet the social, safety, and economic well-being of the State.

Audit Objective:

To assess the effectiveness of BPT's efforts in monitoring the activities of public transportation providers as permitted or required by State and federal laws and regulations.

Audit Conclusion:

We concluded that BPT's efforts in monitoring the activities of public transportation providers as permitted or required by State and federal laws and regulations were moderately effective. We noted three reportable conditions (Findings 1 through 3).

Reportable Conditions:

BPT needs to strengthen its budget review process and its monitoring of actual expenditures made by public transportation providers so that unspent funds can be returned and redistributed by BPT on a more timely basis (Finding 1).

BPT did not conduct timely maintenance and compliance reviews of public transportation providers (Finding 2).

BPT did not have a process to verify that public transportation providers allocated expenditures in accordance with an approved cost allocation plan (Finding 3).

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Audit Objective:

To assess the effectiveness of BPT's efforts in establishing and monitoring its goals and objectives.

Audit Conclusion:

We concluded that BPT's efforts in establishing and monitoring its goals and objectives were moderately effective. We noted one reportable condition (Finding 4).

Reportable Condition:

BPT needs to improve its continuous quality improvement (CQI) processes by establishing performance indicators to measure the outputs and outcomes related to its goals and objectives (Finding 4).

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Audit Objective:

To assess the effectiveness and efficiency of BPT's efforts in distributing grant funds to public transportation providers and in leasing buses to intercity service providers.

Audit Conclusion:

We concluded that BPT's efforts in distributing grant funds to public transportation providers and in leasing buses to intercity service providers were effective and efficient. Our report does not include any reportable conditions related to this audit objective.

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Agency Response:

Our report contains 4 findings and 4 corresponding recommendations. MDOT's preliminary response indicated that it generally agreed with all of the recommendations.

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A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: <http://audgen.michigan.gov>



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