

Office of the Auditor General
Preliminary Survey Summary

Bureau of Transportation Planning
Michigan Department of Transportation

September 2015

State of Michigan Auditor General
Doug A. Ringler, CPA, CIA

The auditor general shall conduct post audits of financial transactions and accounts of the state and of all branches, departments, offices, boards, commissions, agencies, authorities and institutions of the state established by this constitution or by law, and performance post audits thereof.

Article IV, Section 53 of the Michigan Constitution



OAG

Office of the Auditor General

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Doug A. Ringler, CPA, CIA
Auditor General

September 4, 2015

Mr. Jerrold M. Jung, Chair
State Transportation Commission
and
Kirk T. Steudle, PE, Director
Michigan Department of Transportation
Murray Van Wagoner Transportation Building
Lansing, Michigan

Dear Mr. Jung and Mr. Steudle:

I am pleased to provide this preliminary survey summary of the Bureau of Transportation Planning, Michigan Department of Transportation. Because we did not identify significant concerns that would warrant the additional use of our audit resources, we have decided to terminate this performance audit.

We appreciate the courtesy and cooperation extended to us during our preliminary survey. If you have any questions, please call me or Laura J. Hirst, CPA, Deputy Auditor General.

Sincerely,

Doug Ringler
Auditor General

PRELIMINARY SURVEY SUMMARY

BUREAU OF TRANSPORTATION PLANNING

RESULTS

Our preliminary survey did not identify significant concerns that would warrant the additional use of our audit resources to complete a performance audit. Therefore, we have terminated this project and did not conduct sufficient testing to conclude upon the Bureau of Transportation Planning's (BTP's) overall effectiveness and efficiency.

FACTORS IMPACTING AUDIT TERMINATION

- We contacted various stakeholders involved in the State's transportation planning process and determined that the stakeholders were generally satisfied with BTP's communication and guidance.
- We traced 6 of 113 road and bridge Rehabilitation and Reconstruction (R&R) transportation projects from the Michigan Department of Transportation's (MDOT's) annual Call for Projects to the 2015 - 2019 Five-Year Transportation Program (5-YTP) planning document and the 2014 - 2017 State Transportation Improvement Program (STIP) planning document and noted that the projects were included in both the 5-YTP and the STIP, when applicable. During the Call for Projects, MDOT planners and region and transportation service center engineers communicate with rural task forces, county road commissions, metropolitan planning organizations, cities, and villages to evaluate a list of prospective State road and bridge projects.
- We tested 10 of 207 transportation projects planned for implementation in the STIP during fiscal year 2013 and noted that MDOT either implemented or provided appropriate justification for amending the projects.
- We tested the 2014 - 2017 STIP against specific federal requirements and determined that the STIP was in compliance with those requirements.
- We tested 8 of 39 road and bridge R&R projects from select call years that required documented justification for inclusion in the 2015 - 2019 5-YTP and noted that BTP documented appropriate justification for including the projects.
- We reviewed vehicle miles traveled, certain MiScorecard Performance Summary metrics, and annual mileage certification data that BTP collected and reported and noted that the data collected and reported was materially accurate.

BACKGROUND

Description: BTP's role is to develop and implement a comprehensive Statewide multimodal transportation planning process which results in transportation investments that are

consistent with the financial, social, economic, and environmental policies of the State Transportation Commission. BTP is composed of the Statewide Transportation Planning Division, the Asset Management Division, and the Intermodal Policy Division.

The Statewide Transportation Planning Division is involved in numerous processes that support transportation program development Statewide. Major products developed by the Statewide Transportation Planning Division include the State Long-Range Plan, the 5-YTP, the STIP, and travel and economic analysis (see supplemental information for MDOT's 5-YTP process).

The Asset Management Division collects data on traffic characteristics, as well as pavement condition and roadway features. This data is checked for quality and stored for use by various entities, including the Federal Highway Administration, MDOT, local agencies, and the public.

The Intermodal Policy Division analyzes changes affecting transportation, including changes in funding, technology, State and federal legislation, political climate, environmental concerns, freight, non-motorized intermodal issues, local government initiatives, and others; identifies emerging issues and analyzes their effects on the transportation system, revenue, and travelers; and recommends department responses.

Expenditures: BTP expended approximately \$26.7 million and \$26.1 million during fiscal years 2014 and 2013, respectively, to carry out its role.

Employees: As of May 10, 2015, BTP had 119 full-time employees, 11 student assistants, and 3 seasonal employees.

SCOPE

Our preliminary survey generally covered the period October 1, 2012 through April 30, 2015 and included a review of the following significant BTP activities:

- 5-YTP development process.
- STIP development process.
- Planning process by metropolitan planning organizations.
- Pavement Surface Evaluation and Rating process.
- Highway Pavement Management System data collection process.
- Act 51, P.A. 1951, annual mileage certification process.

PURPOSE

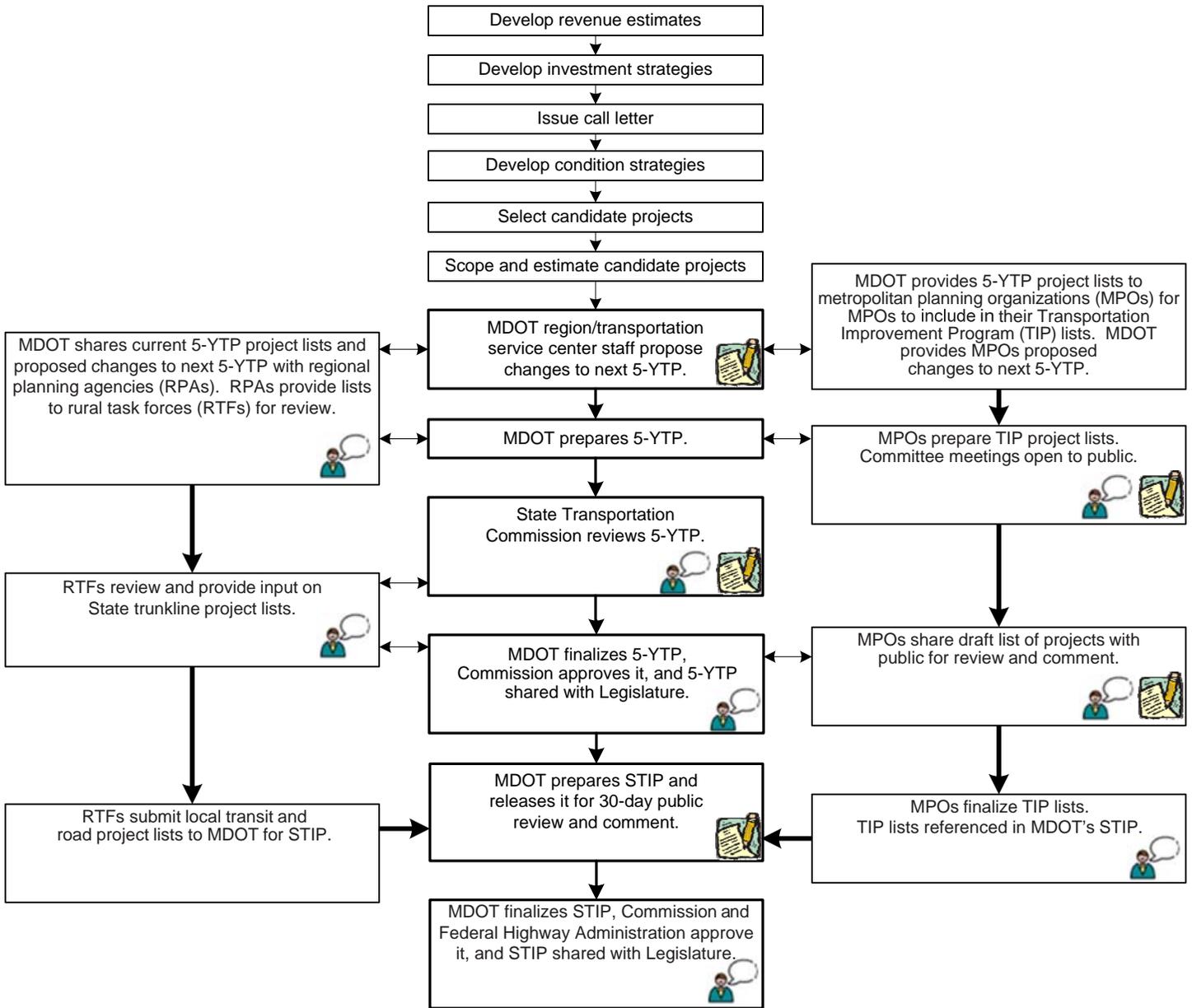
Within a performance audit, we design the preliminary survey to obtain an understanding of the core activities within an entity or a program and to identify potential program improvements and/or deficiencies that could impair management's ability to conduct its operations in an effective and efficient manner. If the results of a preliminary survey do not identify significant concerns, our practice is to terminate the planned performance audit.

Preliminary survey procedures are limited in nature and should not be considered a completed performance audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. In addition, our preliminary survey procedures would not necessarily disclose the presence or absence of any material conditions and/or reportable conditions. Given that the procedures we employed did not constitute a performance audit, we will not issue a performance audit report and we do not express conclusions regarding the effectiveness or efficiency of BTP.

SUPPLEMENTAL INFORMATION

UNAUDITED

MICHIGAN DEPARTMENT OF TRANSPORTATION (MDOT) Five-Year Transportation Program (5-YTP) and State Transportation Improvement Program (STIP) Development Processes



 Public written comments
  Public meeting

Source: The Office of the Auditor General prepared this exhibit based on MDOT's 2015 - 2019 5-YTP and 2014 - 2017 STIP Public Participation Plan.

