

# Office of the Auditor General

## Preliminary Survey Summary

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# **Selected Programs of the Design Division**

## Michigan Department of Transportation

July 2017

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**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*

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# OAG

Office of the Auditor General

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**Doug A. Ringler, CPA, CIA**  
Auditor General

July 10, 2017

Mr. Todd Wyett, Chair  
State Transportation Commission  
and  
Kirk T. Steudle, PE, Director  
Michigan Department of Transportation  
Murray D. Van Wagoner Building  
Lansing, Michigan

Dear Mr. Wyett and Mr. Steudle:

I am pleased to provide this preliminary survey summary of Selected Programs of the Design Division, 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,

A handwritten signature in black ink that reads "Doug Ringler". The signature is written in a cursive, flowing style.

Doug Ringler  
Auditor General



# PRELIMINARY SURVEY SUMMARY

## SELECTED PROGRAMS OF THE DESIGN DIVISION

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### 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 on the overall effectiveness and efficiency of Selected Programs of the Design Division, Michigan Department of Transportation (MDOT).

### FACTORS IMPACTING AUDIT TERMINATION

- The Roadside Development Unit properly completed or reviewed design plans and included special provisions, as necessary, for 26 sampled MDOT projects.
- The Municipal Utilities Design Unit properly completed or reviewed design plans and included special provisions, as necessary, for 17 sampled MDOT projects.

### BACKGROUND

**Description:** The Design Division provides and supports the development of quality transportation project documents and services in support of MDOT's strategic goals. Roadside Development and Municipal Utilities Design are two of the units within the Design Division.

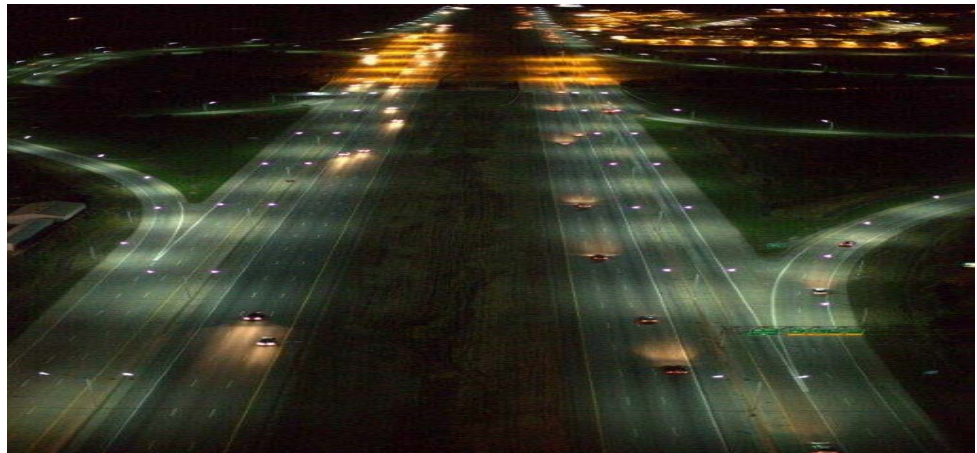
The Roadside Development Unit is responsible for integrating cultural, environmental, and aesthetic design with planning and engineering. The Unit's goal is to work closely with colleagues and communities to effectively link the complex elements of Michigan's transportation system in support of vibrant, attractive, and interesting places. From October 1, 2014 through April 30, 2017, the Roadside Development Unit provided designs or technical assistance to 219 MDOT projects.



The Portland River Trail tunnel, located under I-96 in Ionia County, was a collaboration among the Bridge Design Unit, the Grand Region, and the Roadside Development Unit. The tunnel, which connects to Portland Riverfront Park, was one of many projects intended to upgrade the State's multi-use trail system.

(All photographs provided by MDOT.)

The Municipal Utilities Design Unit is responsible for designing water main and sanitary sewer relocations and freeway lighting installations for road and bridge projects. The Unit also reviews consultant designs for water main and sanitary sewer relocations. In addition, the Unit manages the Freeway Lighting Program and designs complete rest area buildings, including their water supply and waste treatment systems. From October 1, 2014 through April 30, 2017, the Municipal Utilities Design Unit provided designs or technical assistance to 163 MDOT projects.



As part of the Freeway Lighting Program, the Municipal Utilities Design Unit is converting freeway lighting to energy efficient LED luminaires. This aerial photograph was taken on I-94 near Detroit Metropolitan Airport and shows both the old and new lighting technologies.

Both Units consult with other MDOT divisions and bureaus to provide expertise on water main, sanitary sewer, waste treatment and disposal, rest area, freeway lighting systems, landscape architecture, and aesthetic design.



The Swartz Creek Rest Area project was managed and designed by the Roadside Development Unit. This rest area, which was reconstructed in 2008, accommodates 650,000 visitors annually and is also used by the Michigan State Police as a mobile commercial vehicle enforcement facility.

**Expenditures:** The Roadside Development and Municipal Utilities Design Units expended approximately \$4.3 million related to portions of 318 road and bridge projects for roadside design, sanitary sewer and water main relocation, and freeway lighting from October 1, 2014 through April 30, 2017. Of these expenditures, 99% were for payroll-related costs.

**Employees:** As of April 30, 2017, the Roadside Development and Municipal Utilities Design Units had 5 and 8 full-time employees, respectively.

## SCOPE

Our preliminary survey generally covered October 1, 2014 through April 30, 2017 and included a limited review of the Roadside Development Unit and Municipal Utilities Design Unit's processes related to:

- Development of in-house design plans.
- Review and approval of design plans created by contractors or consultants.
- Review of proposed material and inspection of planted material for landscape design projects.
- Inclusion of special provisions such as turf establishment, aesthetic design elements, and landscape plants in project proposals.

## 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 Selected Programs of the Design Division.













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