



# OAG

Office of the Auditor General

## Report Summary

### *Performance Audit*

### *Maintenance Services Section*

### *Michigan Department of Transportation (MDOT)*

**Report Number:**  
591-0160-18

**Released:**  
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MDOT is responsible for the maintenance of Michigan's 9,669-mile State trunkline, which is composed of all Michigan, interstate, and U.S. routes. MDOT's Maintenance Services Section provides highly specialized skills, technical support, and training assistance to MDOT regional offices, transportation service centers, and maintenance garages in an effort to provide a safe roadway for the traveling public and to maintain the serviceability of the highway system and support facilities while preserving the State's investment in its transportation infrastructure. For fiscal years 2016 and 2017, MDOT incurred annual maintenance expenditures of \$298.8 million and \$298.5 million, respectively.

Audit Objective			Conclusion
Objective #1: To assess the effectiveness of MDOT's efforts in processing accident damage claims.			Moderately effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
Eleven (55%) of 20 sampled damage claims were canceled without explanation. These claims allow MDOT to recoup monies from individuals or insurance companies when damage occurs to State property as a result of car crashes ( <a href="#">Finding #1</a> ).		X	Agrees
MDOT did not maintain documentation that any of the required damage claim reminder letters were sent for 37% of the invoices, it closed 63% of the claims reviewed before the statute of limitations expiration, and it did not maintain documentation that unpaid invoices were sent to the Department of Attorney General for collection ( <a href="#">Finding #2</a> ).		X	Agrees
Within the Property Damage Reclamation Process system, 162 (65%) of 248 users were unnecessarily assigned update capability and access for 29% of users should have been disabled ( <a href="#">Finding #3</a> ).		X	Agrees

Audit Objective		Conclusion	
Objective #2: To assess the sufficiency of MDOT's efforts to maintain the State's transportation infrastructure.		Sufficient	
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.	Not applicable.		
Observations Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
Of the State's 165 pump stations, 85 (52%) are generally in poor condition and will remain so for the foreseeable future ( <u>Observation #1</u> ).	Not applicable for observations.		
Of 189 salt storage facilities owned by counties, 90 (48%) are generally in poor condition ( <u>Observation #2</u> ).			

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