
Department of Transportation (DOT)

Agency: 405

Audit Report: 6627

Finding Number: 001

Finding: The Department of Transportation's Washington State Ferries Division does not have adequate controls over ticket sales and revenue collection.

Resolution: The Department has replaced the Ferries Division's point-of-sale system with a state-of-the-art electronic fare system, which provides improved controls over ticket sales and revenue collection. The improved controls include turnstiles and magnetic vehicle detectors, which are linked to the point-of-sale system, and digital video recorders to enable after-the-fact transaction review.

The Ferries Division Loss Prevention Department is currently authorized only one position, which was filled in December 2006. Until additional staffing is obtained, the Ferries Division will continue transaction monitoring and revenue and trend analysis, focusing on the highest risk areas. Ferries Division will continue to work with the Internal Audit Department to further develop the monitoring and control capabilities of the new system.

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Department of Transportation (DOT)

Agency: 405

Audit Report: 6627

Finding Number: 002

Finding: The Department of Transportation does not have adequate internal controls to ensure compliance with federal and state laws for leased properties on a timely basis.

Resolution: The Department has revalued and adjusted the rental rates on eight of the properties purchased with federal funds identified in the finding. The Olympic Region is still working on the remaining lease.

Additionally, headquarters Property Management staff continue to work with region Property Management staff to ensure revenue generating leases are reviewed and rents updated, as necessary. All of the regions are working on adjustments to properties in their respective region with assistance from headquarters when requested. Headquarters Property Management staff will continue to monitor the progress.

The Department is in the process of finalizing a new system to replace the current Real Estate Information System. The replacement system contains complete and accurate information, including lease effective dates and re-evaluation due dates, and provides the reports necessary to track and appropriately update rents when necessary. Users are currently being trained, and the new system will be put into production in January 2008.

The Department has relocated the individual mentioned in the finding to another residence on the property. The relocation was completed on August 31, 2007.

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Audit Report: 6627

Finding Number: 003

Finding: The Department of Transportation does not have adequate internal controls in place to ensure gasoline purchased is for authorized purposes.

Resolution: The Department's headquarters, regions, and divisions staff have enhanced existing controls to monitor the use of fuel and vehicles, as outlined below.

- Department staff create and retain vehicle use logs for all vehicles in classes 1-5. The region transportation officers are monitoring the vehicle use logs. Per Department policy, the vehicle use logs are to be retained for three years.
- Headquarters staff continue to work with region and division staff to ensure accurate odometer readings are entered at the time of fueling and ensure the fuel card used at the time of fueling is the card assigned to the vehicle.
- Department staff review and investigate vehicles with questionable fuel consumption identified in the quarterly exception reports. These reports are generated from Transportation Equipment Fund (TEF) headquarters office and sent to the maintenance engineer and TEF superintendent in each region. TEF superintendents review the data and verify that exceptions have been explained. Variances that cannot be explained are sent to region organization managers who are required to research and respond to each variance on the comment box of the variance report and return the report to the TEF headquarters office.
- The regions have developed additional security measures over Voyager and Department fuel cards to ensure the security of the cards. For example, in some regions the fuel card has been attached to the vehicle keys.

The headquarters office continues to monitor fuel card transactions and usage.

In April 2007, the headquarters office improved the security over creating internal Department fuel cards by limiting password access to make a fuel card to the primary and backup fuel desk personnel. The assistant equipment manager responsible for fuel management systems is monitoring reports on the fuel cards created to ensure these transactions are appropriate.

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