



# **INTERNAL AUDIT**

## **Audit of Light Rail Operations**

**R-22-02**

**October 24, 2023**

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## Rating Matrix

Descriptor	Guide
<b>High</b>	Matters considered being fundamental to the maintenance of internal control or good corporate governance. These matters should be subject to agreed remedial action within three months.
<b>Medium</b>	Matters considered being important to the maintenance of internal control or good corporate governance. These matters should be subject to agreed remedial action within six months.
<b>Low</b>	Matters considered being of minor importance to the maintenance of internal control or good corporate governance or that represents an opportunity for improving the efficiency of existing processes. These matters should be subject to agreed remedial action and further evaluation within twelve months.

## Distribution List

Title	For Action <sup>1</sup>	For Information	Reviewed prior to release
Executive Director		*	*
Chief Operating Officer			*
Acting Light Rail General Manager		*	*
Emergency Management Program Manager		*	

<sup>1</sup>For Action indicates that a person is responsible, either directly or indirectly depending on their role in the process, for addressing an audit finding.

## Executive Summary

### Introduction

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The Audit Committee directed Internal Audit (“IA”) to perform an audit to determine if controls over Light Rail Operations are designed adequately and operating effectively to ensure compliance with federal regulations, state laws, and internal policies and procedures as well as to support the achievement of management objectives. The Audit Plan was approved by the Audit Committee on December 12, 2022.

The preliminary assessment phase was concluded on August 23, 2022. The audit phase was concluded on September 28, 2023, and was conducted in accordance with the International Standards for the Professional Practice of Internal Audit, published by the Institute of Internal Auditors.

### Background and Functional Overview

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UTA maintains a fleet of light rail vehicles to provide transportation services across the Wasatch Front. As of October 2023, the management and direction of UTA light rail services is led by Jaron Robertson – Acting Light Rail General Manager and then divided into management groups under the following: Jay Anderson-Light Rail-MOW Training Administrator, Marco Gamonal, Managers of Light Rail Vehicle Maintenance, and Tony Berger, Manager Light Rail Operations.

### Objectives and Scope

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The primary areas of focus for the Light Rail assessment were:

- Governance
- Operator training and oversight
- Americans with Disability Act (“ADA”) compliance
- Public Safety

IA verified the status of action plans from the preliminary assessment and testing key controls.

### Summary

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Although we note opportunities and recommendations for improvement emphasized in this report, we observed numerous strengths, best practices, and accomplishments within Light Rail operations. Particularly praiseworthy is management’s approach to training operators, its commitment to providing equitable service to all customers, and the focus on continuous improvement.

Key control testing summary:

- Testing was planned for hours-of-service requirements but was cancelled because State Safety Oversight had a scheduled audit for October 2023 that would test the requirements.
- A sample of experienced operators were selected to verify recertification training was completed. No issues were noted.
- Field supervisors complete field tests at a rate that exceed the minimum requirements.
- Security management confirmed that cameras in Light Rail vehicles are functioning and online.
- Customer complaint data shows a low incidence of ADA complaints relative to ridership. To date in 2023, 0.0012 rides result in an ADA complaint.

- A sample of newly hired operators was selected for verification that pre-employment checks, such as health inspections, drug tests, and background checks, were performed. No issues were noted.
- Management has been proactive in completing emergency drills.
- A current emergency response plan exists for the Jordan River Rail Service facility but not for the Midvale facility. Management was given an informal recommendation to update the plan, but a full issue in this report was not considered necessary.

Management has made progress addressing each action plan from the preliminary assessment. Three of the four issues are pending remediation. Emergency response plan training has been developed, though completion rates need to improve. An employee has been assigned to handle emergency response activities for Light Rail and the issue has been closed. Work is being done to update the catalogue of standard operating procedures (“SOP”). Testing to close finding R-21-04 could not be completed - biannual efficiency check completion is measured on an annual basis. Year 2023 is incomplete and year 2022 was found out of compliance in 2022. IA will complete follow up work in 2024 to verify the completion of these action plans.

IA appreciates the assistance offered by Light Rail management and staff in completing this audit.

## Attachment A: Status of Recommendations from the Preliminary Assessment

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Preliminary Assessment Finding R-22-01 ERP Training

Risk Level: Medium

### **Preliminary Assessment Status**

#### **Details:**

The Emergency Response Plan (“ERP”) training module instructs Light Rail employees on the ERP in place, how to respond when the ERP is activated, and UTA’s objective to plan, prepare, mitigate, prevent, respond, and recover from any and all hazards or emergencies. Light Rail Management discovered that the ERP training module is in an unsupported format and does not work with UTA’s current Learning Management System (LMS). Management was unable to find any record of completed training dates for Light Rail staff since May 2021.

#### **Criteria:**

Emergency training requirements are set by the Safety and Security department. The Jordan River Rail Service Center Campus Emergency Response Policy Statement included in the ERP indicates:

*“UTA personnel are urged to become familiar with the provisions of the Emergency Response Plan. Training on the terms and requirements of the Plan is provided to all new employees at the time of hire, and annually to all personnel working on the Rail Service Center Campus.”*

#### **Underlying Cause:**

The ERP training module utilized by Light Rail management has not been reviewed or updated by training administrators since 2017. Since then, UTA has changed training platforms. Additionally, no evidence is available to indicate that ERP training has been completed by staff since May 2021.

#### **Potential Risks:**

- Incorrect or indecisive actions in an emergency can lead to individual harm and potentially loss of life.
- In the absence of known and practiced emergency response plans, employees must rely on their own judgement to respond to emergencies.
- Unaccomplished ERP standards can subject UTA to state and federal corrective action plans, fines, or withdrawal of funding.

#### **Recommendations:**

1. Light Rail Training staff should review and update Light Rail’s ERP training module to be compatible with UTA’s Learning Management System.
2. Require Light Rail’s ERP training to be included in all Light Rail employees’ annual refresher training schedules.
3. Management should ensure that all employees are provided the ERP and required to review it if formal training cannot be completed.

#### **Management Response and Action Plan:**

We agree with this finding. The Light Rail/Maintenance of Way Training Department is currently in the process of updating the 2017 module to coincide with the most current Jordan River Rail Service Center ERP bearing an approval signature and date of Sept 2, 2020. Upon completion the new training module will be compatible with the current LMS and will be subsequently assigned to the appropriate personnel with a suspense date for completion of training.

**Target Completion Date:**

Training module update completion: September 30, 2022.

Employees compliant with new training module: December 31, 2022.

**Current Status:** Pending Remediation

Management created an emergency response plan training and rolled it out for employees to complete. At the time of the audit, 76 of approximately 325 employees had not completed the training. IA will perform follow up work in 2024 and re-test the training completion rate.

**Preliminary Assessment Finding R-22-02 Emergency Response Team Leader**

**Risk Level: Low**

**Preliminary Assessment Status****Details:**

During the audit, IA found that Light Rail has not completed or planned required emergency drills for 2022. Light Rail was not out of compliance as the year was incomplete, however, in these discussions we found that responsibility for emergency management at Light Rail is underdeveloped and under resourced. Responsibility for emergency response at Light Rail has been given to several individuals over the past year and most recently to an employee in a non-leadership position. While Light Rail is not out of compliance with requirements, benefit could be achieved by assigning responsibility for emergency response activities for Light Rail to an individual in a leadership position and empowered to complete the objectives of the Emergency Response Plan.

**Criteria:**

UTA Corporate Policy No. 4.2.1, Emergency and Disaster Preparedness, section IV.A and IV.A.5 states,

*“To meet its objectives with respect to disaster and emergency UTA will...Identify an Emergency Response Team leader(s) for each business unit and create and train a cadre of members from each business unit to work cooperatively within the UTA structure.”*

Emergency drill requirements are set by the Safety and Security department. The ERP template, Appendix C states:

*"Drills are to be conducted at a minimum on a biannual basis."*

**Underlying Cause:**

Recent changes to management and numerous vital projects have superseded management’s focus. Additionally, ERP direction and criteria to have drills planned is unclear and some expectations are informal.

**Potential Risks:**

A strong and empowered Emergency Response Team leader is vital to the success of the Emergency Response Plan. The following risks are increased with inadequate emergency planning:

- The absence of understood and practiced drills relies on employees’ individualized judgements to respond to emergencies.
- Incorrect or indecisive actions in an emergency can lead to individual harm and potentially loss of life.
- Underdeveloped governance of Light Rail’s ERP could subject UTA to state and federal Corrective Action Plans, fines, or withdrawal of funding.

**Recommendations:**

1. Assign ERP responsibility to someone with clear authority and available time resources to plan and coordinate biannual emergency drills.
2. Light Rail management should seek the Emergency Management Program Manager's (EMPM) and Safety Committee members' input on recommendations, feedback, and education on what type of emergency events should be used for response simulations.
3. Light Rail management should coordinate efforts with the EMPM and Safety Committee members to plan periodic ERP instruction to employees.

**Management Response and Action Plan:**

We agree with this finding. We will assign a leader and create an Emergency Response Committee. This team will work closely with the EMPM to meet all the necessary requirements, including 2 biannual emergency drills.

**Target Completion Date:**

September 30, 2022.

**Current Status:** Closed

An employee has been assigned Emergency Response Team Leader responsibilities. The employee has exercised diligence and attention but is not an expert in emergency management. Management lacks the resources to hire someone with that expertise. Ultimately, given that restraint, subject matter expertise will have to be provided by UTA's Emergency Management Program Manager. Informally, the auditor recommended that the employee complete emergency management training offered by the United States Department of Transportation, to improve the employee's skills. The issue will be closed.

Preliminary Assessment Finding R-22-03 Standard Operating Procedure Updates Risk Level: Low

**Preliminary Assessment Status****Details:**

There are a significant number of references to Standard Operating Procedures ("SOP") in the TRAX 2022 Rule Book with no supporting SOP available in the department library. Additionally, there is an absence of SOPs to formally support safety guidelines provided to Light Rail employees. Light Rail management is aware of these unavailable SOPs and there is a current process of review, amendment, reformatting, and eventual re-issuing.

**Criteria:**

UTA Corporate Policy No. 1.1.2, "Creation, Revision, Retention, and Distribution of Policies and Procedures" Section III.D states,

*"All Corporate Policies, Business Unit Policies, and SOPs will be:*

- a. Consistent with federal and state laws and regulations;*
- b. Consistent with UTA Board Ordinances, Policies and Resolutions; and*
- c. Consistent with other Corporate Policies."*

**Underlying Cause:**

Light Rail Management started the process of reviewing, amending, reformatting, and re-issuing all SOPs in February of 2022. The process is still ongoing.

**Potential Risks:**

- Operators and Supervisors may be unaware of procedures and best practices for a variety of Rules pertaining to Normal and Unusual operations.
- Operators and Supervisors may be faced with limited guidance that is unsupported by documented best practices and standards.
- UTA may fail to provide safe and efficient services according to legal requirements.

**Recommendations:**

1. Light Rail management should finalize the review and re-issuing of all SOPs.
2. Light Rail management should remove references of SOPs from the TRAX Rule Book if they are to be unavailable, outdated, or irrelevant.
3. Light Rail management should consider creating SOPs to formally support safety guidelines (as provided during training) for requesting supervisor or police officer field response.

**Management Response and Action Plan:**

We agree with this finding. We will continue our efforts to review and re-issue all SOP's. we will ensure that all SOP's referenced in the TRAX Rule Book are available and up to date during our annual Rule Book review process.

**Target Completion Date:**

December 31, 2023

**Current Status:** Pending Remediation

Management has a stated goal of reviewing 1/3 of their SOPs every three years. A sample of 35 SOPs with indications of recent edits were tested. 15/35 had update dates within the last year. 16/35 did not, while four were not available, with the stated reason that they were in a review queue.

These testing results show that management is actively updating SOPs, but further audit test work will be needed to show a trend. This issue will be marked as pending remediation and further testing will be completed in 2024.

**Preliminary Assessment Finding R-21-04 Rules Observation Compliance Reports Risk Level: Medium**

**Preliminary Assessment Status****Details:**

Standards exist for Rules Observation Compliance for operators and supervisors. Weekly observation tests ("WOT"), bi-annual operator efficiency checks ("ride along"), and periodic controller and system evaluations ("CSE") allow for supervisors and management to effectively gauge and track skill proficiencies while encouraging ongoing mentoring and coaching at the operator and supervisory levels of Light Rail. All rule observation compliance checks are tracked via spreadsheet. Documented ride alongs are lagging in comparison to other observation compliance checks. Provided documentation shows that out of the 234 required ride alongs (2 for each of the current 117 Operators) for 2022, 21 have been completed and documented. Consequentially, over 200 of the remaining ride alongs must be done and documented in 2022 to fulfill UTA's 2022 Transit Agency Safety Plan.

**Criteria:**

UTA Transit Agency Safety Plan section 3.7.1.2.1 states:

*“Operations training supervisors conduct biannual efficiency checks of all train operators to determine an employee’s ability to comply with rules, regulations, and procedures.”*

**Underlying Cause:**

While other Light Rail Operations Supervisors are asked to occasionally help with these ride alongs, most of them are completed by a single supervisor, who along with these ride alongs acts as the supervisor for all probationary Light Rail Operators. This structure highlights the inadequacy of time resources available for a single supervisor to accomplish ride along objectives. Additionally, management’s Laserfiche tracking system is not fully integrated and formally used for planning and requesting ride along processes.

**Potential Risks:**

- Opportunities for high-quality in-person instruction and coaching for Light Rail Operators are lost if bi-annual efficiency checks are undone.
- By not fulfilling requirements of UTA’s 2022 Transit Agency Safety Plan UTA could be subject to state and federal Corrective Action Plans, fines, or withdrawal of funding.

**Recommendations:**

1. Management should formalize the planning, requesting, and tracking of ride alongs through available programs like Laserfiche.
2. Management should review the resources available to expand responsibilities of conducting ride along to other supervisors.

**Management Response and Action Plan:**

We agree with this finding. We will formalize our ride-along process and begin sharing this workload with all Operations Supervisors.

**Target Completion Date:**

October 31, 2022.

**Current Status:** Pending Remediation

The sufficiency of management addressing this action plan was to be determined by testing the completion rate of ride alongs, also known as biannual efficiency checks.

Testing could not be completed because a full calendar year for compliance had not passed. This issue will remain open and follow up testing will be conducted in in 2024.