



May 27, 2020

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Janet Sutter, Executive Director
Internal Audit Department

Subject: Medical Exams, Internal Audit Report No. 20-508

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of controls in place related to the Federal Motor Carrier Safety Administration regulations, California Department of Motor Vehicle requirements, and policies and procedures for employees required to hold a commercial driver license and a current medical certificate. Based on the audit, controls are adequate to ensure employees obtain required medical exams and certificates, and procedures to ensure compliance with requirements to reimburse costs and time to employees that obtain medical recertification are adequate. Finally, invoice review controls for the contract with the provider, ProCare, are generally adequate.

Recommendation

Receive and file Medical Exams, Internal Audit Report No. 20-508, as an information item.

Background

Federal Motor Carrier Safety Administration (FMCSA) regulations, as well as the California Department of Motor Vehicle (DMV) requirements, set forth minimum physical and medical requirements for those holding a commercial driver license. These drivers are required to undergo a medical exam and obtain a written certification from a licensed medical professional that verifies the employee's fitness for duty as a commercial driver. Typically, medical certificates are valid for two years; however, depending on the results of the medical exam, certificates may be issued for a shorter period.

All coach operators and most maintenance employees are required by their job descriptions to hold a Class B commercial driver license with a valid medical certification. Orange County Transportation Authority (OCTA) policy and the respective collective bargaining agreements include guidelines for reimbursement of medical expenses related to the exam and provide for one hour of paid time to employees when they are required to renew their medical certificate on their own time. Employees have the option to utilize OCTA's medical provider, ProCare, or a DMV-certified provider of their choice.

OCTA maintains Agreement No. C-9-1165 with ProCare for medical recertification exams, as well as pre-employment physicals, drug and alcohol testing, etc. Invoices that include charges relating to medical recertification exams are reviewed and approved by the Benefits Manager in the Human Resources and Organizational Development Division and submitted to Accounts Payable for processing.

Discussion

The Internal Audit Department (Internal Audit) tested monitoring records maintained by base personnel to track employee medical certificates, and payments to employees for reimbursement of medical expenses, and one hour of paid time for obtaining medical recertifications outside of working hours. Observations and interviews were also conducted to determine whether window supervisors verify coach operators' possession of current medical certification cards when reporting to duty. Finally, invoice review controls were assessed and tested, and bus base inspection records were inspected to ensure testing and reporting related to employees' medical certification records.

Based on the audit, controls to ensure compliance with regulations, requirements, and OCTA policies and procedures, are adequate.

Summary

Internal Audit has completed an audit of medical exams.

Attachment


A. Medical Exams, Internal Audit Report No. 20-508

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