



June 9, 2021

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer
Janet Sutter, Executive Director
Internal Audit Department

Subject: Department of Motor Vehicles Employer Pull Notice Program

Overview

The Internal Audit Department of the Orange County Transportation Authority has completed an audit of the Department of Motor Vehicles Employer Pull Notice Program. Based on the audit, controls are in place to ensure compliance with regulatory requirements and policies and procedures; however, recommendations are being made to enhance review controls and documentation, to update policy and job descriptions to reflect current requirements, and to consistently and timely perform monitoring activities.

Recommendation

Direct staff to implement three recommendations provided in Department of Motor Vehicles Employer Pull Notice Program, Internal Audit Report No. 21-508.

Background

The State of California and Orange County Transportation Authority's (OCTA) Employee Qualifications to Drive Motor Vehicles Policy (policy) require the monitoring of employee driving records (pull notice) through the Department of Motor Vehicles Employer Pull Notice Program (Program). A pull notice is automatically generated and mailed to OCTA for newly enrolled drivers, upon an applicable action or activity such as driver's license suspensions or revocations, or annually for currently enrolled drivers. Regulated employees are those required by the California Vehicle Code (CVC) to enroll in the Program, whereas non-regulated employees are not subject to the CVC and include most administrative employees. OCTA monitors pull notices of approximately 1,400 employees using a software system called the Department of Motor Vehicles System (DMVS). The Health, Safety, and Environmental Compliance (HSEC)

Department staff obtains employee pull notices from the Program and administers the DMVS. Operations Division (Operations) staff digitally signs regulated employee pull notices after a review to determine if driver credentials are current and whether licenses have been suspended or revoked, and Human Resources (HR) Department staff performs the same process for non-regulated employees.

Annual base inspections include a review of commercial driver's licenses for a sample of both coach operators and maintenance employees. As an added monitoring control, the Maintenance Department conducts annual mock California Highway Patrol (CHP) inspections that include a review of driver credentials and pull notices for a sample of maintenance employees.

Discussion

HR staff does not monitor pull notices for six non-regulated staff and does not have a mechanism for documenting actions taken when investigating expired driver's licenses or license suspensions. There was also no evidence of follow-up by Operations staff for several regulated Bus Operations supervisors with expired medical certifications. Another 37 employee pull notices were not signed within 30 days of receiving the record, and three employees signed their own pull notices. Recommendations were made to improve review controls and documentation of activities. Management agreed and indicated that recommended actions will be implemented.

OCTA's policy identifies service workers and automotive mechanics as regulated employees; however, they are no longer required to hold commercial driver's licenses. In addition, a couple of job descriptions for positions no longer requiring a commercial driver's license need to be updated. Also, evidence of written notice provided to employees and their manager's confirming opt-out status is not retained. Finally, a few errors/omissions were identified on the No Drive listing maintained by HR. Internal Audit recommended the policy be updated, that evidence of required notices be retained, and that controls for updates to the No Drive listing be enhanced. Management agreed and indicated that recommendations will be implemented.

Thirteen employees were not timely removed from the DMVS upon termination or change in status and system access had not been removed for one terminated employee. In addition, a mock CHP inspection of the Santa Ana Base was not performed in 2020. Internal Audit recommended strengthening of DMVS controls and consistent performance of mock inspections, which serve as a monitoring control. Management responded that the DMVS issues will be addressed, and mock inspections, which were impacted by other priorities due to the pandemic, will be resumed on an annual basis.

Summary

Internal Audit made three recommendations to enhance review controls and documentation, update policy and job descriptions to reflect current requirements, and to consistently and timely perform monitoring activities.

Attachment

A. Department of Motor Vehicles Employer Pull Notice Program

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