

Audit Follow-Up

As of March 31, 2013



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City Auditor

Red Light Camera Program

(Report #1208 issued March 20, 2012)

Report #1323

July 31, 2013

Summary

Public Works and the Tallahassee Police Department (TPD) completed or otherwise resolved 11 of the 16 action plan steps assigned to those departments and due for completion as of March 31, 2013, and the City Treasurer-Clerk's Office completed the one action plan step assigned to that office's Asset/Liability Division. Actions have been initiated and/or are planned to complete the other five steps due for completion as of March 31, 2013. Public Works has one additional action plan step due for completion by October 1, 2013. We will address the status of those remaining steps in our subsequent follow-up engagement.

In audit report #1220 we reported the red light camera program (program) had reduced the number of red light violations at intersections where cameras had been installed. However, because of the lack of adequate data we did not conclude whether the program had an impact on the number or severity of accidents at those intersections. We did, however, conclude that (1) adequate controls were in place to ensure notices of violations are not issued in error; (2) program revenues were sufficient to cover program costs; (3) overall the City and Affiliated Computer Services (ACS) are complying with contract terms; and (4) the program is operated in accordance with applicable state statutes.

Areas were identified for which improvements and enhancements were needed. Those areas and the status of related corrective action plan steps established by management are summarized in the following paragraphs.

Tracking of program personnel expenses. We found that certain personnel expenses within Public Works and TPD were not being identified and tracked as part of program expenses. The lack of that information precluded the City from making the most accurate determination of program costs.

Eight action plan steps were developed by City management to address this issue. Those steps involved developing methods to track time spent by applicable employees on the red light camera program, implementing the identified methods, periodically accumulating and summarizing program costs, and making that information available to applicable City management for reporting to the City Commission. We found that four of those action plan steps had been completed as:

- Public Works and TPD developed methods to identify and track their respective personnel costs (*two action plan steps*).
- Public Works and TPD implemented the developed methods and now track their respective personnel costs (*two action plan steps*).

Steps for which actions have been initiated but not completed included:

- Public Works and TPD accumulating and summarizing personnel costs associated with the program (*two action plan steps*).
- Public Works and TPD communicating the personnel cost information associated with the program to City staff responsible for reporting the status of the program to the City Commission (*two action plan steps*).

Enhancing program oversight. To ensure accurate and relevant program information is identified, accumulated, and made available to City management and the City Commission, TPD developed an action plan step to make available an analysis of the number of violations by intersection and camera as well as an assessment as to whether that data justified continued use of specific cameras. TPD indicated that information is available to be compiled but, as the planned report to the City Commission is not scheduled until October 2013, the information has not yet been compiled (*one action plan step*).

Improving the accuracy of the process for reviewing red light violations. In the initial audit, instances were identified where potential violations that should have been approved as actual violations by TPD were not so approved (i.e., they were incorrectly deemed not to be violations). To address that circumstance management established two action plan steps. We found those two steps were completed as:

- TPD evaluated its current process and found it presently to be the most appropriate and adequate method. TPD indicated it will continue to conduct periodic reviews to determine if any changes or process improvements are warranted (*one action plan step*).
- TPD emphasized to staff assigned responsibility for reviewing potential violations the need for accuracy in the review process (*one action plan step*).

Decreasing the number of “right turn on red” potential violations that must be reviewed by TPD. In the initial audit, we determined that the assigned TPD officers spend a large amount of their time reviewing potential violations regarding right turns on red. Because of vague statutory language regarding right turn on red violations, those officers generally do not approve those as actual violations. To make the process more efficient, we recommended efforts be made to better filter right turn on red potential violations thereby decreasing the number of potential violations TPD officers must review. Management established three action plan steps to address this issue. As shown below, those three steps have been completed or otherwise resolved:

- The intersections where most right turn on red potential violations occurred were identified (*one action plan step*).
- Public Works and TPD identified and considered options for reducing the number of right turn on red violations that must be reviewed by officers. While options were identified they were not considered appropriate and reasonable; accordingly, no changes were implemented (*two action plan steps*).

Timely notification to the City of malfunctioning equipment and cameras. In the initial audit, we determined improvements were needed to ensure the City is timely notified in instances where red light cameras and related equipment malfunction.

Such timely notification is necessary for the City to ensure the vendor (ACS), hired to implement and operate the red light camera program, repairs and/or replaces any malfunctioning equipment/cameras in a timely manner. The two action plan steps established to address this issue were completed, as:

- ACS now submits applicable Public Works staff a weekly spreadsheet indicating the operational status of each camera in the system (*one action plan step*).
- The submitted weekly spreadsheet now provides the City a mechanism to timely notify ACS of the need to repair cameras and related equipment in accordance with terms of the contract (*one action plan step*).

Making the payment process more efficient. In the initial audit we determined “check request forms” were unnecessarily used for wire transfers of funds to the contractor (ACS) as payment for the contractor’s services. Such forms were not necessary as the wire transfers were already being processed and approved through the City’s PeopleSoft Financials System. The applicable action plan step for this issue has been completed, as check request forms are no longer used for those transactions (*one action plan step*).

The one remaining action plan step not due for completion during the period covered by this follow-up engagement involves annual reporting of the red light camera program activity to the City Commission. That step and the remaining uncompleted steps identified above will be addressed in our subsequent follow-up engagements.

We appreciate the cooperation and assistance provided by Public Works, TPD and the Asset/Liability Division of the Treasurer-Clerk’s Office during this follow-up engagement.

Scope, Objectives, and Methodology

We conducted this audit follow-up in accordance with the International Standards for the Professional Practice of Internal Auditing and Generally Accepted Government Auditing Standards. Those standards require we plan and perform the audit follow-up to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our

findings and conclusions based on our audit follow-up objectives.

Original Report #1220

The scope of report #1220 included a review of the red light camera program as it relates to the enforcement of traffic signals at certain intersections within the City. The objectives of the audit were to answer the following questions:

- What is the red light camera program (program)?
- Has the safety of the public increased since the implementation of the program?
- What are the laws relative to the program, and has the City complied with those laws?
- What are the revenue and expenses of the program since the program’s inception?
- How are program revenues collected?
- Have the City and the red light camera system vendor complied with the terms of the contract for the program?

Specific audit procedures were designed and conducted to meet the stated audit objectives.

Report #1323

This is our first follow-up on action plan steps identified in audit report #1220. The purpose of this follow-up is to report on the progress and status of efforts to complete action plan steps due for completion as of March 31, 2013. To determine the status of the action plan steps, we interviewed staff and reviewed relevant documentation as applicable.

Background

The City’s red light camera program is operated pursuant to relevant laws and ordinances, including Chapter 316.0083, Florida Statutes (“Mark Wandall Traffic Safety Program”) and City Ordinance 09-O-22AA “Intersection Safety Using Red Light Cameras.” The City officially launched the program in August 2010 at two intersections. Over the following six months cameras were installed at an additional four intersections. In March 2012 a seventh intersection was added. A total of 19 red light cameras were installed at those seven intersections.

The City’s red light camera system works by anticipating or predicting when a vehicle will run a red light. In general, the system makes this prediction

by detecting the vehicle’s speed when approaching an intersection when the traffic signal is yellow or red. When the vehicle exceeds a pre-set speed, the system predicts the vehicle will not stop for the traffic signal and photographs the vehicle as well as records the vehicle’s actions on video. This system is not foolproof in that the vehicle may still stop prior to entering the intersection. Therefore, photographs and videos are reviewed by staff of the City’s contractor and TPD officers prior to issuance of a violation notice.

Through the competitive solicitation process, the City hired a vendor, Affiliated Computer Services (ACS), to implement and administer significant parts of the City’s red light camera program. ACS installed the cameras and related equipment at applicable intersections, receives and reviews the photographs and video of potential offenders, identifies key information pertaining to the applicable vehicles (make, model, registered owner, etc.), and forwards potential violations to TPD for their review. Designated TPD officers review the information and either confirm instances as violations or determine the items are not violations.

For confirmed violations, ACS generates and mails the violation notice to the registered vehicle owner. The standard violation fee is \$158. The fees are paid to ACS. On a daily basis, ACS remits the collected funds to the City with a listing of the associated paid violations. The City remits the State share (\$83) of each collected fee to the State Department of Revenue.

If the registered vehicle owner does not pay within the required 30-day period, the incident escalates from a violation to a uniform traffic citation (UTC). After a second review (photograph and video) to reconfirm the incident by TPD, the UTC is mailed by ACS through certified mail to the registered vehicle owner. The UTC fine is \$271. When paid, the registered vehicle owner pays that fee directly to the Clerk of Courts for Leon County. The Clerk of Court remits the City’s share of those funds (\$67.50) to the City. The remainder of that collected UTC fine is distributed by the Clerk of Courts in accordance with applicable State laws. If not paid and not successfully appealed, the UTC fine is forwarded by the Clerk of Courts to a collection agency and the Florida Department of Motor Vehicles suspends the driver’s license of the vehicle’s registered owner and places a notation in the State system to prevent the owner from renewing the vehicle’s license plate.

Each time a red light camera takes a photograph of a potential violation it is known as an actuation. At the time of the initial audit, there had been approximately 252,000 actuations. Those actuations included ones reviewed by ACS and forwarded to TPD for further review and confirmation as a violation (or determination not a violation) and those reviewed by ACS and not forwarded to TPD based on ACS review and determination that there was no verifiable violation. Out of the 252,000 actuations, approximately 51,000 were forwarded by ACS to TPD for review as potential violations. Of those 51,000 actuations, TPD determined 31,734 were violations. Of the 31,734 violations, the registered owners of the applicable vehicles paid the fine in 22,934 instances. Another 6,487 of those 31,734 violations were not paid by the registered vehicle owners and were changed to a UTC and referred to the Leon County Clerk of Courts for prosecution and collection as explained above. The remaining 2,313 violations were not paid or changed to a UTC for various reasons.

For the 21-month period addressed in the initial audit, net collections for the City totaled \$692,726 (i.e., gross collections less amounts remitted to and/or retained by the State, payments to ACS for their services, and City personnel expenses). As reported in the initial audit, the City's net collections represented 15% of all red light camera revenues of \$4,585,258 for that period. The majority of those revenues (53.2%) were ultimately received by the State of Florida and another 26.9% was paid to ACS for their services.

In audit report #1220 we concluded that the red light camera program had reduced the number of red light violations at intersections where cameras were installed, and that this decrease in those violations increased the safety of those intersections. We also concluded:

- Adequate controls were in place to ensure notices of violations are not issued in error.
- Program revenues cover the program costs.
- The City and ACS are complying with contract terms.
- The program is operated in accordance with applicable state statutes.

Our audit identified several issues for which corrective action plans were developed. Those issues centered on the following areas:

1. Personnel expenses were not consistently identified and tracked for all aspects of the program.
2. Oversight of the red light camera program would be improved with periodic reporting to the City Commission.
3. Several instances were noted where potential violations that should have been approved as actual violations were not so approved.
4. A large percentage of the potential violations that must be reviewed by officers relate to instances where the vehicle is making a right turn on red, which as a general rule, are not approved.
5. The program does not have a mechanism in place that provides for the City to become aware of instances where cameras are malfunctioning.
6. The efficiency of the payment process would be improved by not requiring departments to complete a check request when payments have already been approved through the PeopleSoft Financials System requisition/purchase order process.

We made recommendations to address those issues and management developed an action plan to implement those recommendations.

Previous Conditions and Current Status

In report #1220 we provided recommendations to City management related to areas that need to be addressed in Public Works, TPD and the Treasurer-Clerk's Asset/Liability Division. Those recommendations related to the operation of the red light camera program and the payment process for wire transfers. Management's Action Plan consisted of 18 action plan steps, with 17 of those steps being due by March 31, 2013. Of those 17 steps, 12 were completed or otherwise resolved and the remaining five were in process of being completed.

The status of the action plan steps due for completion this follow-up period and the specific actions taken are included in Table 1 below.

**Table 1
Action Plan Steps from Audit Report #1220
Due as of March 31, 2013, and Current Status**

Action Plan Steps Due as of March 31, 2013	Current Status
Track all costs associated with the red light camera program.	
<ul style="list-style-type: none"> Develop a method for non-reserve officers and administrative personnel to use to allow them to track their time devoted to the red light camera program. 	<ul style="list-style-type: none"> ✓ Complete - TPD created a new category in its Telestaff timekeeping system for officers to use when performing duties related to the red light camera program.
<ul style="list-style-type: none"> TPD will require personnel involved in the red light camera program to track their time devoted to the program. 	<ul style="list-style-type: none"> ✓ Complete - TPD officers and administrative staff are now using Telestaff to track their time that is devoted to the red light camera program.
<ul style="list-style-type: none"> TPD will periodically accumulate and summarize all the time and personnel costs devoted to the red light camera program by TPD employees. 	<ul style="list-style-type: none"> ➤ In Progress - The purpose of this action plan step was to ensure accurate information is available for reporting to the City Commission. As of March 31, 2013, there has not been a report to the City Commission. Accordingly, TPD has not yet accumulated and summarized the applicable information. TPD indicated the necessary information will be accumulated and summarized at the appropriate time. City management indicated it currently plans on reporting updated information on the program to the City Commission in October 2013.
<ul style="list-style-type: none"> The information relating to TPD personnel time and costs will be communicated to City staff responsible for the periodic reporting on the red light camera program to the City Commission. 	<ul style="list-style-type: none"> ➤ In Progress - As stated above, there has been no reporting on the red light camera program to the City Commission as of March 31, 2013. Upon accumulation and summarization, TPD indicated the applicable information will be available to City staff responsible for the report to the City Commission (currently planned for October 2013).
<ul style="list-style-type: none"> Public Works will develop a method for its employees to track their time devoted to the red light camera program. 	<ul style="list-style-type: none"> ✓ Complete - Public Works has added a time category for the red light camera program to the timesheets of employees that are involved in the program.
<ul style="list-style-type: none"> Public Works will require its employees to track the time they devote to the red light camera program using the method developed in the previous action plan step. 	<ul style="list-style-type: none"> ✓ Complete - Employees have been instructed to track the time they spend working on the program on their timesheets.
<ul style="list-style-type: none"> Public Works will periodically accumulate and summarize all the time and personnel costs devoted to the red light camera program by Public Works employees. 	<ul style="list-style-type: none"> ➤ In Progress - The purpose of this action plan step was to ensure accurate and complete information is available for reporting to the City Commission. As of March 31, 2013, there has not been a report to the City Commission. Public Works indicated the applicable information will be accumulated and summarized at the appropriate time. City management indicated it currently plans on reporting updated information on the program to the City Commission in October 2013.

<ul style="list-style-type: none"> The information relating to Public Works personnel time and costs will be communicated to City staff responsible for the periodic reporting on the red light camera program to the City Commission. 	<ul style="list-style-type: none"> ➤ In Progress - As stated above there has been no reporting on the red light camera program to the City Commission as of March 31, 2013. Public Works indicated the applicable information will be available to City staff responsible for the report to the City Commission (currently planned for October 2013).
<p>Improve oversight of the red light camera program.</p>	
<ul style="list-style-type: none"> TPD will prepare a portion of the periodic presentation to the City Commission relating to the success of the program in achieving its goal of increasing public safety. Included in this portion of the presentation will be an analysis of the number of violations by intersection and camera as well as TPD’s assessment as to whether the continued use of a red light camera at each location is justified. 	<ul style="list-style-type: none"> ➤ In Progress - This action plan step is intended to ensure accurate and relevant information is available for the City Commission. To date there has not been any reporting of the status of the red light camera program to the City Commission since the initial audit; therefore TPD has not yet compiled the necessary information. City management indicated a report will be made in October 2013 and the public safety information will be included in that report.
<p>Improve accuracy of the review process for red light violations.</p>	
<ul style="list-style-type: none"> TPD management will review and evaluate the process used by TPD officers when reviewing potential red light camera violations. 	<ul style="list-style-type: none"> ✓ Complete - TPD evaluated the process used by TPD officers when reviewing potential red light violations. At the end of the evaluation a conclusion was made that the process in place was appropriate and adequate. TPD indicated periodic reviews will continue to determine if any changes or process improvements are warranted.
<ul style="list-style-type: none"> Changes will (or will not) be made to the violation review process as deemed appropriate by TPD management. 	<ul style="list-style-type: none"> ✓ Complete - After the evaluation noted in the previous action plan step, TPD decided to make no changes to the review process for potential violations. TPD did, however, reemphasize the need for accuracy in the review process to the officers performing the reviews.
<p>Decrease the number of right turn on red potential violations that must be reviewed by TPD officers.</p>	
<ul style="list-style-type: none"> Public Works (as the City’s liaison with ACS) and TPD will work together to identify the intersections where right turn on red violations are most prevalent. 	<ul style="list-style-type: none"> ✓ Complete - Public Works and TPD worked together to identify intersections currently being monitored by red light cameras where the most right turn on red violations occur. They identified four intersections for which consideration would be given to system adjustments to reduce the number of right turn on red violations that must be reviewed by TPD.
<ul style="list-style-type: none"> Once the intersections are identified, Public Works (as the City’s liaison with ACS) and TPD will consider options for reducing the number of right turn on red violations that must be reviewed by officers. 	<ul style="list-style-type: none"> ✓ Complete - Public Works and TPD met to discuss options that would help reduce the number of right turn on red violations officers must review. One option considered was to provide the contractor (ACS) additional discretion as to potential right turn on red violations to be sent to TPD for review (e.g. only forward those instances where the infraction results in a near accident or endangerment to others). That option was rejected because management determined that providing

	<p>such additional discretion to the contractor would be inappropriate.</p> <p>Another option given significant consideration was an increase in the speed detection threshold from 15 mph to 20 mph; however that option was also rejected as it could preclude the identification of some violations involving speeds of less than 20 mph that result in near accidents or endangerment to others.</p> <p>Notwithstanding those decisions, management stated the intent to evaluate the program on an ongoing basis to determine if this issue should be readdressed in the future.</p>
<ul style="list-style-type: none"> Public Works will work with ACS to implement the option deemed best for reducing the number of right turn on red violations that must be reviewed by officers. 	<p>✓ Resolved – Actions are no longer applicable based on the status of the previous action plan step. Accordingly, this action plan step is considered resolved.</p>
<p align="center">Ensure the City is made aware of malfunctioning cameras so that notice to ACS can be made in accordance with the contract for the red light camera system and ACS can be held to the terms of the contract for system malfunction response times as specified in the contract.</p>	
<ul style="list-style-type: none"> Public Works will work with ACS to develop a method whereby ACS notifies the City (Public Works and TPD) of instances where the red light camera system is not functioning as intended. 	<p>✓ Complete - Public Works and ACS developed an Excel spreadsheet that is e-mailed by ACS to Public Works on a weekly basis. Those spreadsheets indicate the operational status for each camera in the system for every day of the previous week. Public Works also indicated that it relies on newly assigned ACS staff to timely notify applicable staff of any inoperative cameras.</p>
<ul style="list-style-type: none"> Public Works will notify ACS of the need to repair the red light camera system in accordance with the terms of the contract to help ensure system downtime is kept to a minimum. 	<p>✓ Complete - After the development of the Excel spreadsheet, Public Works has not needed to contact ACS to initiate repairs as inoperative cameras have consistently been repaired by ACS in a timely manner since the initiation of the e-mail notifications.</p>
<p align="center">Improve the efficiency of making payment to vendors by wire transfer of funds.</p>	
<ul style="list-style-type: none"> The Asset/Liability Division will no longer require City departments to complete a check request for wire transfers when the payment was approved and processed through the PeopleSoft requisition/purchase order process. 	<p>✓ Complete - Check requests are no longer required for wire transfers if all information necessary (i.e. routing number) to complete the wire transfer is available to the Asset/Liability Division of the Treasurer-Clerk’s Office.</p>

Table Legend:

- Issue to be addressed from the original audit.
- ✓ Issue addressed and completed or otherwise resolved.
- Action initiated but not completed or additional actions needed.

Subsequent Events

During the 2013 State of Florida Legislative session, House Bill 7125 was passed, and on June 12 the Governor signed the bill into law. The bill revised the law governing the operation of red light cameras in the

state of Florida. Some of the revisions to the law will have a significant impact on how the City must operate its red light camera program. Major provisions of the revised state law that impact the City’s program and the related appropriate City actions include:

- A notice of violation cannot be issued for a right turn on red if the driver comes to a complete stop, even if the stop is beyond the designated stop line.

The City, as a practice, does not generally issue notices of violation for right turns on red; therefore this will not have a significant impact on the City's program. (Note: Notices of violations for right turn on red generally will only be issued when the infraction results in an accident or endangerment to others.)

- A person who is issued a notice of violation may now request a hearing where the violation is reviewed by a local hearing officer prior to the notice of violation becoming a Uniform Traffic Citation (UTC). Based on the hearing, the officer can either uphold or dismiss the violation.

To comply with this provision, the City has developed a process whereby individuals will be provided an opportunity to have their notice of violation reviewed by a local hearing officer prior to the violation becoming a UTC. That process was approved by the City Commission on June 26, 2013.

- If a person who is issued a notice of violation elects to have their violation reviewed by a local hearing officer and the officer upholds the notice of violation, the petitioner may be required to pay an administrative fee up to \$250.

The City will need to develop a fee structure for hearings and develop a process to manage, process, and control collections of associated fees.

- A person who receives a notice of violation will now have 60 days (rather than the previous 30 days) to pay the fine or request a local hearing.

The City will have to work with its red light camera system vendor to implement the new time requirements.

The changes to the law become effective July 1, 2013.

Conclusion

Table 1 above shows 12 of the 17 action plan steps due for completion as of March 31, 2013, have been completed and/or resolved. Also shown in Table 1 is the status of the remaining five action plan steps that are in progress but not yet completed.

All five of the steps that were not completed related to compiling information necessary for providing the City Commission with periodic updates as to status and success of the red light camera program. The first of those updates to the Commission has been rescheduled to October 2013.

There is one additional action plan step due for completion subsequent to March 31, 2013. That action plan step pertains to annual reporting on the red light camera program to the City Commission. We will follow up and report on that action step, as well as the status of the six other action plan steps not yet completed, in our subsequent follow-up engagement.

We appreciate the cooperation and assistance provided by Public Works, TPD and the Asset/ Liability Division of the Treasurer-Clerk's Office during this follow-up engagement.

Appointed Official's Response

City Manager:

I am pleased that the results of this audit conclude that the City has complied with all State and local ordinances in administration of the Red Light Camera Program. The implementation of the action plan has and continues to strengthen this already well-managed program. I am especially pleased with the high level of professional cooperation between Public Works, Tallahassee Police Department and the Revenue Division. This demonstrates staff's commitment to both our organizational values and to the City's applicable financial regulations and established procedures. I would like to thank the City Auditor's Office as well as all the departments for their hard work on this audit.

Copies of this audit follow-up #1323 or audit report #1208 may be obtained from the City Auditor's website (<http://talgov.com/auditing/index.cfm>) or via request by telephone (850 / 891-8397), by FAX (850 / 891-0912), by mail or in person (Office of the City Auditor, 300 S. Adams Street, Mail Box A-22, Tallahassee, FL 32301-1731), or by e-mail (auditors@talgov.com).

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