



John Watson
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of the Department of Transportation

Recusal	To avoid any appearance of a conflict of interest, the State Auditor recused himself from participation in this audit and directed the Deputy State Auditor to oversee procedures performed by the State Auditor's professional audit staff.
Restricted Funds	Article IV, Section 30(b) of the Missouri Constitution limits the use of State Road Fund monies to activities related to construction and maintenance of the highway system, but the Missouri Department of Transportation (MoDOT) disbursed over \$7 million of these funds for other uses, including safety grants to local coalitions, legal settlements with former employees, administrative leave, and an employee's personal loss.
Personnel Payments	The MoDOT placed 122 employees on administrative leave for 2 months prior to termination without requiring the employees to do any work during this time, costing MoDOT almost \$1.5 million in salary and benefits. The MoDOT has a more generous relocation assistance policy than the Office of Administration's (OA) relocation policy, and it made some payments which did not comply with its own policy. In the 2 years ended June 30, 2014, MoDOT paid \$872,991 in relocation assistance, \$622,147 more than would have been allowed under the OA policy. In addition, the MoDOT paid \$91,168 on behalf of one employee to relocate to Kansas City, when the employee was not eligible to receive relocation assistance, according to the MoDOT policy. A portion of these costs covered a \$30,000 loss on the sale of residential property for this employee (a second residence which had nothing to do with the relocation) and gave this employee dual housing reimbursements totaling \$21,816 for 18 months prior to the sale of this house, instead of the 6 months allowed by MoDOT policy.
Sunshine Law	The Commission approved a \$625,000 settlement to a former employee in a closed meeting but did not publicly disclose the final resolution as required by the state Sunshine Law.
Property Damage	The MoDOT's efforts to locate parties responsible for damaging MoDOT property are inadequate, and it appears the MoDOT may be writing off accounts prematurely. During the 2 years ended June 30, 2014, the MoDOT closed 6,903 property damage accounts (totaling \$6,477,930) because the responsible party was not identified and wrote off 1,348 accounts (totaling \$2,168,518) as uncollectible. District personnel stated they do not document efforts to locate responsible parties. In addition, for 2 of 25 write offs tested, the MoDOT received payments totaling \$476 after the accounts had been written off.

Vehicle Usage	The MoDOT does not have a formal policy regarding the utilization of vehicles, and some MoDOT vehicles may be underutilized. The MoDOT's informal policy considers light duty trucks, cars, and pickup trucks driven less than 10,125, 11,250, and 11,718 miles per year, respectively, to be underutilized. By this standard, 513 vehicles (33 percent) were underutilized in fiscal year 2014 and 532 (34 percent) were underutilized in fiscal year 2013.
State Flight Operations	The State Auditor issued the State Flight Operations report (2015-003) in January 2015, which included findings related to the MoDOT. The state paid for charter flights for MoDOT commission members when the state-owned planes were available. The MoDOT spent approximately \$259,000 flying commission members to commission meetings, when commission members of state boards other than the MoDOT and the Missouri Department of Conservation typically receive motor vehicle mileage reimbursement for travel costs. The MoDOT allowed non-authorized passengers on state passenger flights.

In the areas audited, the overall performance of this entity was **Fair**.*

*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

All reports are available on our Web site: auditor.mo.gov