



Board Report

File #: 2019-0481, **File Type:** Informational Report

Agenda Number: 26.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
EXECUTIVE MANAGEMENT COMMITTEE
JULY 18, 2019**

**SUBJECT: OFFICE OF THE INSPECTOR GENERAL REPORT ON METRO SECURITY
PERFORMANCE REVIEW FISCAL YEAR 2018**

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE OIG report on Metro Security Performance Review Fiscal Year 2018.

ISSUE

On February 23, 2017, the Metro Board passed a motion directing that the Inspector General conduct an annual audit of each law enforcement services contract to determine how key performance indicators are measuring up against actual performance metrics. The audit is to ensure that Metro is receiving the services it is paying for.

BACKGROUND

In 2017, LACMTA (Metro) awarded three separate 5-year firm fixed unit rate contracts to the Los Angeles Police Department (LAPD), the Los Angeles County Sheriff’s Department (LASD), and the Long Beach Police Department (LBPD) for transit law enforcement services to support day-to-day operations across Metro’s entire service area. Metro also directly employs transit security officers who perform fare checks and bus/rail patrolling.

DISCUSSION

A. Trends in Crime, Perceptions of Safety, and Safety and Security Complaints

There are three key outcome measures that can be used to evaluate the effectiveness and trends of Metro’s safety and security approach and program. These are the level of reported crime on the system, the perceptions of safety by users of the system, and the number of safety and security complaints made by users of the system.

Reported Crime

Total reported Violent Crime on the Metro System decreased by 18% between FY 2015 and FY 2018,

with most of this decrease (14%), occurring between FY 2017 and FY 2018. Total reported Property Crime on the Metro System decreased 15% between FY 2015 and FY 2018, with a decrease of 16% occurring between FY 2015 and FY 2017, and an increase of 1% occurring between FY 2017 and FY 2018.

Obtaining complete and accurate reporting of crime that occurs on the Metro System continues to be challenging. This is partially due to the fact that the Metro System operates within multiple jurisdictions with their own law enforcement agencies who respond to, handle, and report crime that may not be reported to Metro.

In addition, in the LAPD service area of the Metro System, LAPD neighborhood patrol units respond to and handle many crimes that occur within the Metro System. An unknown number of these crimes are not reported to the LAPD Transit Policing Division and so are not tracked and reported to Metro.

We recommend the Metro System Security and Law Enforcement (SSLE) Department continue to work with contract law enforcement agencies to improve the complete and accurate reporting of crime that occurs on the Metro System.

Rider Perceptions of Safety

Perception of crime and disorder on the Metro System creates a risk to the confidence in safety held by passengers and Metro employees and poses a risk to the reputation of Metro as a safe and secure system. Passengers who perceive the system to be unsafe will not use the service, and therefore reduce the number of people using transit and Metro's ridership.

Based on Metro rider surveys conducted annually, rider perceptions of safety on the Metro Train system declined slightly and rider perceptions of safety on the Metro Bus system improved slightly between FY 2015 and FY 2018. These changes in perceptions of safety are small and within the margin of error for the survey. However, it is important to continue to monitor rider perceptions of safety on the Metro System and to develop strategies to address concerns and improve that perception.

Complaints Regarding Safety and Security

Another important indicator of the public or riders' perception of the safety of the Metro System is the number of complaints received regarding safety and security. During the period from FYs 2015 to 2018, rider complaints for the bus system regarding passenger safety or conduct issues were not among the top ten complaints. However, for the rail system, rider complaints regarding passenger safety or conduct issues were the second most common complaint of the top ten complaints for FYs 2015 to 2017. For FY 2018, complaints regarding passenger safety or conduct issues dropped to five of the top ten.

We recommend the SSLE Department continue to monitor rider survey results regarding perceptions of safety of riders on the Metro System and complaints regarding safety and passenger conduct issues and develop strategies to improve those perceptions and reduce complaints.

B. Resource Monitoring and Oversight

The SSLE Department is charged with ongoing oversight of the contracted law enforcement services as well as the operations of Metro Security.

Audits of Contracted Law Enforcement Personnel Presence

Metro has and will continue to have a substantial investment in resources devoted to system safety and security. Ensuring that these resources are effectively and efficiently used is very important.

Oversight and monitoring of contracted law enforcement resources has been problematic. Metro has had some difficulty in ensuring that law enforcement personnel assigned to Metro are actually present and performing as assigned. Historically, Metro has not had an effective means of verifying the accuracy of staffing information provided by contract law enforcement, or of verifying that personnel charging time on the Metro contract are actually present and providing the contracted services.

Beginning with FY 2018, the SSLE Department implemented regular “audits” of law enforcement personnel to monitor consistency between personnel time reported and the invoiced costs. Beginning in September 2017, Metro also began conducting “field audits” of law enforcement personnel in addition to the comparison audits of information provided by contracted law enforcement agencies. These field audits involve taking the roster of law enforcement personnel assigned to work and verifying that those personnel are actually in the field and providing the contracted service. These field audits strengthen Metro’s contract oversight and monitoring.

GPS Based Contracted Law Enforcement Oversight and Monitoring

The SSLE Department has been working to develop and implement an effective method of tracking and monitoring the activities of safety and security resources deployed on the Metro System using the GPS function on smartphones used by Metro safety and security personnel.

The Mobile Phone Validators (MPV) provided to contracted law enforcement officers are now GPS enabled and are able to provide information on the location and movement of the MPV and law enforcement resources. Metro has not yet begun using the GPS function and information generated to track or monitor the activities of contracted law enforcement resources.

We recommend the SSLE Department should work to develop a more macro approach to oversight and monitoring of contracted law enforcement resources using the GPS function of the MPV assigned to contracted law enforcement personnel and the data generated from them.

Oversight of Other Law Enforcement Contract Requirements

In our review of compliance with the contract terms, we found some instances of non-compliance by all three law enforcement agencies with qualifications and training of personnel assigned, reports and information being provided to Metro, equipment provided under the contract, and appropriate support for invoices submitted. Increased monitoring and oversight of these requirements seems warranted given the size of the contracts and the importance of the services being provided.

We recommend the SSLE Department should consider expanding monitoring and oversight of other contract requirements including qualifications and training of personnel, required reporting, equipment provided, and invoice support and compliance with the contract. We also recommend

Metro seek reimbursement for overbillings and overpayments resulting from noncompliance with contract terms during FY 2018.

C. Key Performance Indicators (KPI)

It is essential that Metro clearly define performance expectations for each of the contract law enforcement agencies and use meaningful performance indicators to evaluate how well these expectations are being met.

Reporting of Crime and Incident Response Time Indicators

Two of the KPI included in each of the law enforcement contracts were intended to provide information on the outcomes of the law enforcement service provided including changes in the number of crimes reported and increases in crime incident response times.

In crime reporting the emphasis should be on violent crime, which is obviously the most impactful to the Metro System and has the greatest impact on Metro's riders. Reporting all crime in the aggregate is less meaningful because violent crimes such as homicide, robbery and rape are given the same weight as lesser crimes such as larceny, petty theft, and vandalism.

A primary workload for law enforcement is responding to and handling incidents that occur on the Metro System or calls for service. Metro's SSLE Department currently only collects and reports response time information for emergency calls for service. While emergency calls for service are obviously the most important calls, tracking and reporting response time on less urgent incidents and calls for service is also important.

Often these lower priority calls for service involve quality of life issues and concerns as well as victims of property crimes. A slow response to these incidents can have a negative impact on the perception of the riding public transit that the system is safe and well protected. In addition, not requiring contract law enforcement agencies to track and report these response times communicates to them and their officers that these calls are not important.

We recommend that Metro's SSLE Department begin to collect and report on response times for all calls for service that require a law enforcement response.

Visibility of Law Enforcement Security Personnel Indicators

Providing a visible security presence within the Metro System is an important strategy for providing both a sense and reality of safety. Three of the KPI included in each of the law enforcement contracts were intended to provide information on the visibility of law enforcement security personnel on the Metro System. These are 1) the ratio of proactive versus dispatched activity, 2) the number of foot and vehicle patrols of bus stops, transit centers, train platforms, plazas, and stations, and 3) the number of bus and train boardings.

Contract law enforcement agencies were only able to report on the ratio of proactive versus dispatched activity. Contract law enforcement agencies were not able to report on the other two KPI. While these are important indicators and would provide useful information on the level of activity and visibility of contracted law enforcement personnel, it was not practical for the law enforcement

agencies to reliably collect meaningful information for these indicators. As discussed in Section B of this report, using the GPS function and the data generated could provide more reliable and meaningful information on the amount of time contracted law enforcement officers spend on each of these activities related to KPI 2 and 3 above.

Law Enforcement Personnel Presence Indicator

One of the KPI included in each of the law enforcement contracts was intended to provide information on the presence of the contracted law enforcement personnel. This is the ratio of staffing levels and vacant assignments. This indicator is important in both communicating to the contract law enforcement agencies the need to actually staff contracted assignments and to report how effectively these positions are actually being staffed. Reported staffing levels collectively were at 98.5% or above during FY 2018.

Baseline Expectations and Other Potential Performance Indicators

It is important to establish baseline expectations or targets for each performance indicator. This not only clearly communicates performance expectations, but it also can help drive improvements in performance through the development and implementation of new strategies. Baseline performance levels for each KPI have not been developed.

We recommend Metro's SSLE Department work with contract law enforcement agencies to establish baseline or target performance levels for each of the KPI currently in use. They should also work together to determine if additional KPI would be appropriate and meaningful.

D. Community Policing

Community policing within a transit system should place an emphasis on quality of life issues. The customers of the Metro System must feel safe and secure. The presence of security, in whatever form, must have a "felt presence;" that is, they must be visible and engaged without becoming oppressive and threatening.

Metro Community Policing Plan

The Metro SSLE Department is in the process of developing a community policing plan for the Metro System. The Metro Community Policing Plan will be a unified plan instead of having each of the three law enforcement agencies develop individual community policing plans. The Metro Community Policing Plan is part of Metro's new Equity Platform, which aims to assure equity across all programs impacting transit service, planning, and policing. The SSLE Department expects to have a draft Metro Community Policing Plan completed by the Fall of 2019.

We recommend the Metro SSLE Department continue to develop the Metro Community Policing Plan and ensure it includes specific training in Problem Oriented Policing for law enforcement personnel, attendance by law enforcement personnel at community meetings, and protocols to obtain feedback from bus and rail managers.

Law Enforcement Service Request (LESR) System

Metro employees, including bus and train operators, maintenance personnel, customer service

representatives, and others are the front-line representatives of Metro and have ongoing and direct interaction with the riding public. The LESR system implemented in FY 2018 should provide good information on Metro employee safety and security issues and concerns on the system going forward.

During FY 2018, a total of 935 law enforcement service requests were generated by Metro employees. Our review of the requests and responses indicate that law enforcement agencies are using the LESR to identify and resolve issues and concerns.

E. Compliance with Specific Contract Requirements

The contracts with the three law enforcement agencies each contain specific requirements related to personnel and training, billing, required reports, and other contractual requirements.

Overview of Law Enforcement Contract Requirements

Each of the contracts with the three law enforcement agencies includes specific contract requirements. This includes requirements for the experience and training of law enforcement personnel assigned to Metro, billing information and supporting documentation, required information and reports on activities, and other information on equipment provided.

Los Angeles Police Department (LAPD) Contract Compliance

The following are the results of our review of LAPD's contract compliance:

- LAPD was not in compliance with two of the contract requirements related to personnel and training.
- The total amount billed and paid to LAPD for FY 2018 did not exceed the estimated cost specified in the contract for Year 1.
- Invoices submitted to Metro were based on actual services provided and supported by daily summary of assignments and hours worked using the cost data from the payroll system. However, actual payroll records were not submitted with the invoices as required.
- For overtime charges, we were unable to determine whether the billing rates exceeded the approved maximum fully burdened hourly rates because the list of maximum fully burdened hourly rates that LAPD submitted to Metro was not in compliance with the contract.
- Eight labor classifications totaling \$281,400.77 were not found in the required list of maximum fully burdened hourly rates.
- For straight time charges, we identified a total amount of \$3,874.99 as overbilled by LAPD and overpaid by Metro.
- LAPD invoiced an overhead rate of 12.76% for overtime hours that was unsupported by

adequate documentation.

- LAPD met 8 out of 9 contract requirements for submitting required reports to Metro. The reports were submitted with adequate information and in a format that allows Metro to determine the calculation of the reported figures. However, no information was provided as to when these reports were submitted to Metro so we were unable to determine if the reports were submitted on time in accordance with the contract.
- Exhibit E of the contract provides a list of equipment that the LAPD was supposed to provide under the contract. We found that LAPD did not provide the equipment in the quantities listed in Exhibit E.

Los Angeles County Sheriff's Department (LASD) Contract Compliance

- LASD was not in compliance with two of the contract requirements related to personnel and training.
- The total amount billed and paid for FY 2018 to LASD did not exceed the estimated cost specified in the contract for Year 1.
- Except for a credit amount understatement of \$1,699.68, the billing rates were consistent with Metro's approved rates. Invoices were based on actual services provided and supported by Payment Certification, the Service Level and Billing Status Report, and the Patrol Compliance Report.
- LASD met 7 out of 8 contract requirements for required reports. The reports were submitted in a timely manner, with adequate information and in a format that allows Metro to determine the calculation of the reported figures.

Long Beach Police Department (LBPD) Contract Compliance

- LBPD was not in compliance with the contract requirement for Transit Policing training.
- The total amount billed and paid for FY2018 exceeded the estimated cost specified in the contract for Year 1 by \$885,578.
- Daily summary of assignments for all hours worked and payroll records were not submitted with the invoices.
- The billing rates exceeded Metro's approved maximum fully burdened hourly rates for three labor categories. Only one of the three labor categories was listed in the approved maximum fully burdened hourly rates. We identified a total amount of \$14,643.89 as overbilled by LBPD

and overpaid by Metro.

- The billing methodology for equipment cost was not consistent with the contract agreement.
- LBPD met 8 out of 9 contract requirements for required reports. The reports were submitted with adequate information and in a format that allows Metro to determine the calculation of the reported figures. No information was provided as to when these reports were submitted to Metro so we were unable to determine if the reports were submitted to Metro on time.

F. Fare and Code of Conduct Compliance Enforcement

Enforcing fare compliance on the Metro System as well as the Metro Customer Code of Conduct is a key element of Metro's safety and security mission.

Code of Conduct and Parking Enforcement and Citations

The vast majority (98%) of the citations for Metro Code of Conduct violations are issued by Metro Security. This demonstrates the substantial change in the transfer in responsibility for fare and code of conduct enforcement from contracted law enforcement to Metro Security. The number of Code of Conduct citations issued increased substantially (162%) between FY 2017 and FY 2018. Total citations are 35% below the level for FY 2013.

Performance Indicators for Metro Security

The role and responsibilities of Metro Security have expanded substantially over the past few years and now includes primary responsibility for enforcing Metro's Code of Conduct on the system, including fare enforcement. Given this, it is important that Metro Security have an effective accountability system, including meaningful performance indicators.

The SSLE Department reports they will be developing KPIs for Metro Security during 2019. These KPIs will cover two key areas: Fare Enforcement and Critical Infrastructure Protection. The fare enforcement KPI will focus on effective strategies to increase fare compliance. The critical infrastructure KPI will focus on assessing and mitigating security threats to the transit system and its critical structures.

FINANCIAL IMPACT

Adoption of the recommendations in this report does not increase the financial impact on the agency.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendations in this report support Strategic Plan Goal 2.1 (Improving security), Goal 5.6 (fostering and maintaining a strong safety culture), and Goal 2 (delivering outstanding trip experiences).

NEXT STEPS

Metro management should:

- Complete the Schedule for Tracking Metro's Proposed Actions in response to the recommendations provided in Appendix B of the report as determinations are made on implementing the recommendations; and
- Periodically report to the Metro Board on the status of actions taken to implement the recommendations.


ATTACHMENTS

Attachment A - Metro Security Performance Review Fiscal Year 2018

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