

**Los Angeles County
Metropolitan Transportation Authority
Office of the Inspector General**

Audit of Rail Operator Service Hours

Improvements are needed to prevent time restriction violations and excessive consecutive workdays. Guidelines and procedures for secondary employment need to be updated.

Report No. 17-AUD-03

March 3, 2017





Metro

**Los Angeles County
Metropolitan Transportation Authority**

Office of the Inspector General
818 West 7th Street, Suite 500
Los Angeles, CA 90017

213.244.7300 Tel

DATE: March 3, 2017

TO: Metro Chief Executive Officer
Metro Board of Directors

FROM: George Maycott, Acting Senior Director, Inspector General - Audits

SUBJECT: Audit of Rail Operator Service Hours (Report No. 17-AUD-03)

The Office of Inspector General performed an audit of rail operator service hours. We found most service hours were either within the requirements or hours over the limit were justified and unavoidable. However, we found 22 violations of the 8-hour rest break limit and 4 violations of the 12-hours on duty limit. We also found that some rail staff worked an excessive number of consecutive days. Further, we noted some improvements Rail Operations should consider making to their Rail Handbook and Secondary Employment Notification procedures.

Metro management agreed with the findings in the report and initiated actions to implement the recommendations. A copy of management's response is attached to this report.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
OBJECTIVES, SCOPE, AND METHODOLOGY OF AUDIT	1
BACKGROUND	2
RESULTS OF AUDIT	3
I. Issue 1: Time Restrictions Violations	3
A. Eight-Hour Rest Break Violations	3
B. Twelve-Hour Daily Limit Violations	6
C. Excessive Consecutive Days.....	9
II. Issue 2: Secondary Employment Procedures	10
A. The Rail Handbook and Secondary Notification Forms Should Be Revised.....	10
B. Secondary Employment Notification Forms Were Not Obtained.....	11
CONCLUSION	12
RECOMMENDATIONS	13
METRO MANAGEMENT COMMENTS	14
EVALUATION OF METRO MANAGEMENT COMMENTS	14
APPENDICES	
A. Secondary Employment Notification Form	15
B. Management Comments to Draft Report	16
C. Final Report Distribution	22

INTRODUCTION

The Office of the Inspector General (OIG) performed an audit of Metro rail operator service hours. This audit was conducted as part of our ongoing program to assist Metro in improving the efficiency of operations and implementing an effective internal control system that ensures the safety of employees and patrons. Fatigue is a safety risk that can compromise operator alertness, attention, reaction time, judgment, and decision-making, which may lead to a greater chance of accidents. The National Highway Traffic Safety Administration estimates that drowsy driving was responsible for 72,000 crashes, 44,000 injuries, and 800 deaths in 2013. California state regulations restrict on duty hours, including driving, for rail operators.

OBJECTIVES, SCOPE, AND METHODOLOGY OF AUDIT

The purpose of the audit was to determine if Metro's controls and oversight of rail operator service hours were adequate. Specifically, the objectives were to determine if Metro had an effective system for:

1. preventing violations of time restrictions for service hours, and
2. monitoring of secondary employment service hours.

To accomplish these audit objectives, we:

- interviewed Metro staff from Rail, Corporate Safety, and Employee & Labor Relations;
- interviewed a California Public Utilities Commission (CPUC) manager;
- reviewed the applicable union contract;
- reviewed CPUC and Metro policies applicable to rail operator service hours;
- reviewed rail operator service hours from January 1 to March 31, 2016; and
- reviewed HASTUS¹ data.

This audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on the audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives.

¹ HASTUS is a software system that tracks daily transit operator activities.

Audit of Rail Operator Service Hours

Office of the Inspector General

Report No. 17-AUD-03

BACKGROUND

Metro's Rail Operations operates the following heavy rail subway and light rail lines:

- Red² (Division 20)
- Blue (Division 11)
- Green (Division 22)
- Gold (Divisions 21 and 24)
- Expo (Division 14)

In addition, Rail Operations has a P-3010 Test Group devoted to testing new light rail cars before these cars are put into service. Rail Operations also creates temporary groups devoted to starting new lines (for example, the Gold Line Foothill Extension Start-Up Group or the EXPO Phase II Extension Start-Up Group).

Rail Operations has over 1,100 employees including rail operators, mechanics, track engineers, clerks, safety inspectors and others serving Metro customers every day. There are five departments in Rail Operations:

1. Rail Fleet Services
2. Rail Transportation
3. Transit Systems Engineering
4. Wayside Systems
5. Rail Operations Control/Bus Operations Control

Our audit focused on Rail Transportation which handles rail operators' service time. Rail operator procedures are primarily governed by the:

- **Metro Rail System Operating Rules Handbook** (Rail Handbook): This manual covers the performance and conduct of rail personnel.
- **Sheet, Metal, Air, Rail, Transportation (SMART) contract**: The current agreement between Metro and the union outlines the rules and working conditions for operation employees.
- **California Public Utilities Commission (CPUC)**³: This state agency has safety and security regulatory authority over all rail transit agencies in California. The CPUC's

² Red Line also includes the Purple Line.

³ The Federal Transit Administration requires state oversight agencies (such as the CPUC) to be responsible for establishing standards for rail safety and security practices and procedures to be used by rail transit agencies that are not regulated by Federal Rail Administration (FRA). FRA requirements do not apply to Metro and other rapid transit operations in urban areas that are not connected with the general railroad system of transportation.

Audit of Rail Operator Service Hours

Office of the Inspector General

Report No. 17-AUD-03

General Order 143-B: Safety Rules and Regulations Governing Light-Rail Transit (CPUC GO 143-B) establishes rules for light rail, including hours of service.

RESULTS OF AUDIT

I. Issue 1: Time Restrictions Violations

Based on our review of rail operator service hours for January, February, and March 2016, we found that most service hours were either within the requirements or hours over the limit were justified and unavoidable. However, we found 22 violations of the 8-hour rest break limit and 4 violations of the 12-hours on duty limit. We also found that some rail staff worked an excessive number of consecutive days.

A. Eight-Hour Rest Break Violations

Fatigue is a serious issue in the transportation industry that can cause operators to make mistakes and lead to accidents while on duty. CPUC GO 143-B, Section 12.01 requires operators to have at least eight hours of rest between shifts. In addition, the Rail Handbook's Section 2011 - "Hours of Service" requires operators to have eight consecutive hours off between shifts. In practice, rail staff stated Metro requires an eight hour and one minute rest break. The HASTUS system flags a day in advance when an operator is going to violate the eight-hour and one-minute rest break requirement. If the Rail Transit Operations Supervisor (RTOS) is willing to accept this violation, he or she must click "confirm" to acknowledge this. HASTUS also has a daily report called "Employee Violations Summary" that reports when an operator is anticipated to violate the rest break requirement and operators who have violated the rest break period. For the purposes of our review, we only looked at violations of the eight-hour rest break period, not the eight-hour and one-minute violations.

We reviewed the daily Employee Violations Summary reports for the rail divisions/groups from January 1 to March 31, 2016 to determine if there were any eight-hour rest break violations. We found 22 violations, which are summarized below:

Division	# of Violations	Range of Violations
Gold Foothill Extension Startup Testing Group	8	1 to 4 hours
P-3010 Test Group	8	1 to 6 hours
Blue Line	4	5 mins to 1 hour
Red Line	2	1 hour to 2 hours & 45 minutes
Expo Line	0	n/a
Green Line	0	n/a
Gold Line	0	n/a

Audit of Rail Operator Service Hours

Office of the Inspector General

Report No. 17-AUD-03

These violations ranged from five minutes to six hours (meaning the operator only had two hours of rest). The following are examples of rest break violations we found:

- A P-3010 test operator worked 10 hours from 8:00 p.m. on February 26, 2016 to 6:00 a.m. on February 27, 2016. He only had a 2-hour rest break before he worked another 10-hour shift on February 27, 2016 from 8:00 a.m. to 6:00 p.m. We discussed this issue with the Director who oversees the P-3010 Test Group. He explained that the manufacturer of the test cars tells him their workforce needs. Based on this information, the Director creates a weekly schedule for the rail operators that is entered into HASTUS. According to the Director's personal copy of the February schedule, the operator was scheduled for these hours. The Director could not explain why he scheduled the operator with only a 2-hour rest break period and stated that another operator was available on February 27th and could have been used instead, which would have prevented the rest break violation. The Director stated that he was not aware of the Employee Violations Summary report.
- On January 23, 2016, a Gold Line Foothill Extension Startup Group operator worked 10 hours from 4:00 p.m. to 2:00 a.m. and then another 10 hours on January 24, 2016 from 6:00 a.m. to 4:00 p.m., which gave the operator only a 4-hour rest break. For both days, HASTUS showed the operator had been on "Ordered Call Back" (OCB) which means he was ordered to work. On January 23rd at 2:01 p.m., the RTOS received and confirmed the HASTUS flag warning him of the four-hour rest break violation. This shows the RTOS could have adjusted this operator's schedule and avoided the violation.

As discussed earlier, HASTUS flags a day in advance when a rail operator is going to be in violation. An Information Management manager stated that they train supervisors to adjust operators' schedules when a potential rest-break violation is flagged in the HASTUS system. Although HASTUS records showed that RTOSs had received warnings, they did not adjust the rail operators' time. When asked why the supervisors did not adjust the rail operators' schedules to avoid the rest break violations, some of the reasons given included:

- They needed the rail operator.
- They could not explain or could not remember.
- A rail operator said she needed the hours.
- A RTOS stated that they had used the wrong time codes for operators which resulted in the appearance that the operators violated the rest break limit when they in fact had not. Although the HASTUS system flagged a potential violation indicating there was an issue, the RTOS did not explain why they did not make the necessary corrections to the erroneous time codes at the time.
- The RTOS did not believe the rail operators actually violated the rest break requirement and suspected the rail operators' schedules were changed, meeting

Audit of Rail Operator Service Hours

Office of the Inspector General

Report No. 17-AUD-03

requirements, but the responsible RTOS did not update HASTUS with the actual hours worked. Even if this were the case, she could not explain why the RTOS did not make the necessary corrections after the HASTUS system flagged a potential violation, indicating there was an issue.

Sixteen of the 22 violations (73 percent) were related to rail operators involved in the testing of new cars or startup. When we discussed this issue with Rail management, they agreed that although P-3010 testing and startup groups might have a demanding schedule, the supervisors should have created and adjusted rail operator schedules to spread work amongst the rail operators to avoid any rest break violations.

The Green Line had no rest break violations during our review period. A Green Line RTOS stated when she sees the HASTUS flag warning of a potential violation, she immediately makes the necessary adjustments to the rail operators' schedules. She explained that if she bypassed the warning and accepted the violation, it would show up in the daily exception report which was viewed by the former Director of the Green Line⁴ every morning and inquiries would have been made. In fact, every morning this RTOS printed out a package of various exception HASTUS reports, such as "Payroll Exceptions By Type," that the former Division Director reviewed. These actions show that reviewing exception HASTUS reports and making adjustments in a timely manner can be an effective tool to prevent rest break violations.

According to the Interim Director of Transit System Safety, transit agencies that habitually violate the rest break limit could be issued a monetary citation or be withheld Federal funding. Because HASTUS has the daily "Employee Violations Summary" that reports anticipated violations and a HASTUS flag that warns of potential violations, rest-break violations can be prevented. Some of the Rail managers were unaware of exception reports that HASTUS provides and said they had not received training on using these HASTUS reports. We believe that Rail Operations should require Rail Transportation supervisors to receive training on HASTUS reports.

The CPUC GO 143-B was last revised in 2000 and, as stated previously, only requires an eight-hour rest break. We interviewed a manager of the CPUC's Safety and Enforcement Division. He stated that they were in the process of revising CPUC GO 143-B to require a 10-hour rest break between shifts.⁵ The San Francisco Bay Area Rapid Transit, which is considered a comparable transportation agency to Metro, requires their rail operators to have a minimum 11-hour rest break. Metro should consider increasing the rest break time from 8 hours to at least 10 hours in order to be proactive in meeting the planned revisions to CPUC GO 143-B. We discussed this issue with Metro's Employee & Labor Relations which is

⁴ In September 2016, the Division Directors for the Blue, Expo, Green, Red, and Gold lines were switched to other lines. (For example, the Green Line Division Director is now the Blue Line Division Director.)

⁵ Their revisions to CPUC GO 143-B are currently in draft phase and have not been approved.

Audit of Rail Operator Service Hours

Office of the Inspector General

Report No. 17-AUD-03

responsible for negotiating the SMART contract with the Union. They agreed and are considering negotiating this requirement into the new SMART contract.

B. Twelve-Hour Daily Limit Violations

CPUC GO 143-B requires rail operators to “not remain on duty in excess of twelve (12) consecutive hours or more than an aggregate of twelve (12) hours spread over a period of sixteen (16) hours.” Metro policy is more restrictive because it only allows rail operators to work “a total daily ‘work time’ not to exceed eleven (11) hours and forty (40) minutes within a sixteen (16) hour period.” For the purposes of this audit, we only looked for violations of the CPUC GO 143-B’s 12-hour limit.

We reviewed rail operator service hours from January 1, 2016 to March 31, 2016 using a database created by the Service Planning and Scheduling Department. The database consisted of HASTUS scheduling information and Payroll service hours. It showed 133 instances where rail operator service hours were over 12 hours and 1 minute. Since the service hours in this database were hours based on pay, they may not reflect the actual hours an employee worked. Because of this, we reviewed a sample of 30 service hours greater than 12 hours to determine if the 12-hour limit had actually been violated. Of the 30, we found that 4 (13 percent) of our sample violated the 12-hour limit. In addition, we found 10 instances where Metro overpaid rail operators for hours not worked.

1. Violations Were Not Prevented

Our audit found four violations of the 12-hour limit. The reasons for the violations included: a rail operator was allowed to attend training during the day plus work a night shift, RTOS did not adjust the schedules of rail operators who worked through their unpaid splits, and a rail operator did not tell his RTOS that he had been delayed and had worked through an unpaid split. More details of the four violations are below:

- **Operator Attended Training and Worked Night Shift.** A P-3010 Test Group operator worked 18 hours within a 24-hour period at Metro. This rail operator had enrolled in a Metro leadership training program in January 2016 that required her to attend one to two classes a month that varied from three to eight hours. She worked from 9:00 a.m. on February 10, 2016 to 6:00 a.m. on February 11, 2016 (8 hours in training class, a 3-hour unpaid split, then worked another 10 hours on the night shift). In addition to the 12-hour work day limit violation, this rail operator had four rest break violations in January, February, and March where her rest time was only three hours to seven hours between shifts. According to her supervisor, the Talent Development staff told him it would be acceptable for the rail operator to attend classes during the day and work her night shift for Rail since she would not be driving during her class time. However, in March 2016, Employee & Labor Relations

Audit of Rail Operator Service Hours

Office of the Inspector General

Report No. 17-AUD-03

informed him the rail operator was violating the 12-hour work day limit. According to the CPUC GO 143-B, Section 12.01b - "On Duty": "An employee is on duty from the time the employee begins to work or is required to be in readiness to work until the time the employee is relieved from work and all responsibility for performing work." Therefore, on duty time includes time at work even if it does not include driving duties. After receiving the Employee & Labor Relations' conclusion, the supervisor stated he immediately ceased allowing the operator to work long hours.

- **Two Unpaid Splits Were Worked.** A rail operator for the Expo Line worked on March 22, 2016 for 13 hours (5:00 a.m. to 6:00 p.m.). From 10:00 a.m. to 1:00 p.m., the rail operator worked through an unpaid split due to a traffic delay. On March 23, 2016 a different Expo Line rail operator also worked for 13 hours (5:00 a.m. to 6:00 p.m.) and also worked through his unpaid split (10:00 a.m. to 1:00 p.m.). Since both operators worked through their unpaid splits in the middle of the day, we asked an Expo RTOS why these rail operators' schedules were not adjusted for the rest of the workday to prevent the violations. The RTOS stated that because she gets off from work at 2:00 p.m., in both instances she told the incoming supervisor to make the adjustment. That supervisor did not do it.
- **Operator Did Not Inform Supervisor of Delay.** On January 31, 2016, a Blue Line rail operator was scheduled to work 11 hours and 12 minutes but instead worked 13 hours. Within those 13 hours, he worked 3 hours and 44 minutes from 12:22 p.m. to 4:06 p.m., had a 2 hour and 7 minute delay due to traffic from 4:06 p.m. to 6:13 p.m., then worked another 7 hours and 28 minutes from 6:13 p.m. to 1:41 a.m. When asked why this rail operator's schedule wasn't adjusted after the traffic delay to ensure he did not violate the limit, the former Blue Line Director explained that the rail operator did not inform the Rail Operations Control Center (ROC) or his supervisor that he was delayed in traffic and would not be able to take his unpaid split. If the ROC or supervisor had known that the rail operator had been delayed, they would have adjusted his evening hours so that he would not have gone over the limit. The Director believed this rail operator purposely did not inform anyone he was delayed because he received more pay (time and a half) than he normally would get if he took his unpaid split. The Director said he reprimanded the rail operator and told him he must inform his supervisor when he is going to violate his time.

Of the 30 service hour records we reviewed, we determined that 26 did not violate the 12-hour limit because the rail operators either did not work over 12 hours or the hours were unavoidable and justified. These paid hours exceeded 12 hours due to paid splits (paid breaks when rail operators were not on duty); contractual pay/guaranteed duty assignment (where rail operators are paid a guaranteed amount regardless of the number of hours they work); delays (such as traffic or power outage); random drug testing after an incident that

Audit of Rail Operator Service Hours

Office of the Inspector General

Report No. 17-AUD-03

required the rail operator to be picked up, taken to a testing facility, then taken back to the division; and a typo on the schedules.

2. Overpayments Were Made

During our review of rail operator service hours between January to March 2016, 10 instances came to our attention where operators received overtime they were not entitled to.

- **Typo Resulted in Overpayments.** During the week of January 24, 2016, there were nine instances where three P-3010 Test Group operators received 13 hours of pay. The Director was adamant that his rail operators only worked 10 hours and admitted that Metro had overpaid these operators for the hours not worked. He stated that he mistakenly typed in “0630 to 1930” instead of “0630 to 1630” on their schedules for that week. The erroneous times were entered into HASTUS. The RTOS had received a flag in HASTUS warning her that their schedules were in violation of the daily limit. The RTOS said she warned the Director that the hours were over the limit, but the rail operators’ schedules were not changed. The Director stated he did not recall being warned. Based on the three rail operators’ pay rates, we estimate Metro overpaid these employees \$961 for 27 overtime hours that were not worked.
- **Error Resulted in an Overpayment.** A Blue Line rail operator was also overpaid. When rail operators are taken off a regular assignment to perform an alternate assignment, pursuant to the contract, they are paid the “guaranteed pay” of their regular assignment. HASTUS showed the rail operator was in 10 hours of training on March 16, 2016. Her regular assignment’s guaranteed pay allowed for 10 hours and 23 minutes in pay. However, she was paid \$361 for 14 hours and 44 minutes. An Information Management manager, whose office conducts random audits of HASTUS hours, believes the error occurred when the RTOS replaced the operator’s duties with training in HASTUS which caused an undue “piece guarantee” to be generated in the system. The RTOS did not check the payroll exceptions report for undue guarantees which resulted in the erroneous guarantee being paid. The previous Director for the Blue Line believed the overpayment occurred as a result of a system glitch or human error that resulted in Metro paying for an unpaid split for the rail operator’s regular assignment. We estimate the rail operator should have been paid \$274 for the 10 hours and 23 minutes of guaranteed pay. Therefore, Metro overpaid this employee by \$87.

Although Metro overpaid these four rail operators by \$1,048 (\$961 + \$87), it is not necessary that Metro seek reimbursement from the rail operators for the overpayments since it was due to mistakes on the part of Metro Management and the amounts to each individual are not significant. We recommend RTOSs/Directors ensure that the schedules input into HASTUS are accurate and make proper adjustments when required in the future.

C. Excessive Consecutive Days

The CPUC GO 143-B, the Rail Handbook, and the SMART contract do not limit the number of consecutive days Metro rail operators can work, however, the Division Directors agreed that having operators work excessive consecutive days is a safety concern that should be avoided. During our audit, we found several examples of rail operators working an excessive number of consecutive days. For example:

- A rail operator working on the Gold Line Foothill Extension Testing Group worked 22 days in a row from January 2 to January 23, 2016.
- A Gold Line rail operator worked 18 days in a row from February 21 to March 9, 2016.
- A P-3010 rail operator worked 15 days in a row from January 31 to February 14, 2016.

Division management could not explain or remember why these rail operators worked these days. They felt the maximum number of consecutive days should be limited to 6 to 14 days. One Director mentioned even though rail operators get an eight-hour rest break between shifts, some have long commutes (up to a two-hour drive). A long commute in addition to working excessive consecutive days could cause a rail operator to suffer major fatigue and become a safety concern.

Rail operators working while fatigued can lead to accidents and expose Metro to liability risks. For example, on July 7, 2010 a Blue Line train operator who had worked 23 days in a row ran a stop signal and collided with a Long Beach Police squad car in Long Beach. Ten train passengers were treated for minor injuries and taken to local hospitals. As a result of this incident, Metro's Corporate Safety Department recommended that Metro limit the number of consecutive days for rail operators. Rail Operations issued a memo, limiting consecutive days to no more than six. However, according to a Director, this was implemented only for a short while because the SMART union objected since the limitation was not in the contract.

We interviewed a manager at the CPUC Safety and Enforcement Division who stated that they were in the process of revising the CPUC GO 143-B. They plan to require agencies to develop fatigue strategies and have mandatory complete days off to break continuous days for rail operators.

The SMART contract expires June 30, 2017. Employee & Labor Relations officials agreed that limiting consecutive days for rail operators is a significant safety measure that should be addressed in the next SMART contract and that Metro should be proactive in addressing planned changes to the CPUC regulations.

II. Issue 2: Secondary Employment Procedures

Metro's Rail Handbook Section 2093 requires rail operators to keep the division management informed of changes to their secondary employment status. In practice, Rail Operations requires all operators to fill out the "Secondary Employment Notification" form every shakeup (which is June and December) regardless if they have outside employment or not. (See Appendix A.) It is important that rail operators notify their supervisors when they obtain outside employment because the hours spent on the second job must be tracked in order to ensure the rail operator does not violate the 12 hour daily limit rule as required by CPUC GO 143-B. Having rail operators sign the forms every six months during the shakeups is an effective reminder to the rail operators to notify Metro of outside employment because failure to track and enforce restrictions of on duty times could result in state citations and withheld Federal funds. Based on our audit, we found that Metro's secondary employment procedures needed to be improved.

A. The Rail Handbook and Secondary Notification Forms Should Be Revised

1. Policy Does Not Comply With Metro's Employee Code of Conduct

The Rail Handbook's Section 2093 – "Personal Records" states:

"Employees shall keep the Division Manager informed, in writing, of their current address, telephone number, outside employment and family status within 2 weeks of any change."

This could be interpreted to mean that the rail operator could seek his supervisor's approval after he or she has started working at an outside job. However, Metro's Employee Code of Conduct section 5-15-190 – "Outside Employment" states:

"An MTA employee shall not engage in any other employment without the written permission of his or her MTA supervisor. Such permission must be obtained prior to the MTA employee commencing any outside employment."

To ensure the two policies do not conflict with each other and to avoid any possible confusion, we recommend that Rail Operations revise the wording in the Rail Handbook to clearly state that rail operators should seek their supervisors' permission before beginning any outside employment.

2. No Procedures for Tracking Hours Worked If Outside Employment Is Approved

Although the Rail Handbook Section 2093 requires rail operators to keep division management informed of changes to their outside employment status, it does not discuss the

procedures if a rail operator is approved for outside employment, such as tracking duty hours of their outside employment. Unlike the Rail Handbook, the Metro Bus Handbook discusses how the bus operators with employment outside of Metro are required to fill out daily logs to record the number of hours worked. Division Directors informed us that no rail staff hold outside employment, and one stated that she had never heard of a rail operator with outside employment. Although it is rare, it could happen. In fact, the former Gold Line Director told us that a rail employee had verbally told him about a secondary job he had obtained. The Director told the rail employee that it would put him over his daily 12-hour limit so the employee quit the secondary job.

3. Notification Form Is Not Discussed and Needs to Be Updated

The Rail Handbook also does not discuss that all Rail staff must fill out the secondary employment notification forms at every shakeup although the form states that it is mandatory. Three Directors were unaware of this practice. Also, the form contained language that is specific to Bus Operations, such as “A driver shall not remain on-duty more than 80 hours in 8 consecutive days.” We recommend that Rail Operations considers modifying the form to be specific to rail operators or make the form generic enough to apply to both rail and bus.

B. Secondary Employment Notification Forms Were Not Obtained

At each Division, we picked a random sample of rail operators who worked January 1, 2016 to March 31, 2016 to ask for their most recently signed Secondary Employment Notification Form. Four of the seven divisions did not have current forms on file.

- Gold Line: The most recent forms on file for rail operators were signed in 2014. The Division Director was not aware of the requirement to have the forms signed at every shakeup. When we brought this issue to his attention, he had the operators sign the secondary employment notification forms immediately.
- P-3010 Test Group and the Gold Line Foothill Extension Startup Group: The Division Directors of these two groups were not aware of the need to have forms signed by their assigned rail operators and, as a result, had not requested their staff to sign them. Because rail operators in test groups have flexible schedules that can vary day to day, it would be difficult for them to hold outside employment but not impossible. It is still important for these rail operators to sign the forms as a reminder to notify their supervisors if they engage in outside employment. The Foothill Startup Group ended in March 2016. However, the P-3010 Test Group is still in operation. When we brought the matter to the attention of the Service Operations Superintendent, he said he would make sure the P-3010 operators signed the forms.

Audit of Rail Operator Service Hours

Office of the Inspector General

Report No. 17-AUD-03

- Red Line: Although the Red Line had appropriately asked operators to fill out forms in 2016, of the three forms we requested, they could only provide two signed ones. The third had not been signed by the rail operator. A RTOS explained that they require rail operators to submit the form when they submit their bids for assignments at the shakeup. In this case, he said the rail operator was not present and had submitted his bid by proxy (by another employee). No one followed up with the operator to get the Secondary Employment Notification form filled out.
- Green Line: Forms on file were current.
- Blue Line: Forms on file were current.
- Expo: Forms on file were current.

If divisions/groups do not obtain the secondary employment notification form from all rail operators, Rail Operations may not be aware of all outside employment the rail operators have, and, therefore, they cannot be certain that the CPUC GO 143-B 12-hour daily limit has not been exceeded. Rail Operations should ensure all Division Directors are aware of the need to have all rail operators fill out the secondary employment notification forms at every shakeup. Rail Operations should also require management to follow up if staff do not submit a form.

CONCLUSION

Our audit found that overall most service hours were within the requirements or hours over the limit were justified and unavoidable. However, the audit identified opportunities for improvement:

- Eight-hour rest break violations should be prevented.
- The 12-hour daily limit should not be exceeded when avoidable.
- Excessive consecutive workdays should be avoided.
- The Rail Handbook should conform to Metro's Employee Code of Conduct and should provide guidelines on outside employment tracking procedures.
- The Secondary Employment Notification form should be updated.
- Supervisors should ensure all rail operators fill out the secondary employment notification forms.

In addition, Rail Operations and Employee & Labor Relations should be proactive in meeting planned changes to the CPUC GO 143-B by negotiating a 10-hour rest break period and a limit on the number of consecutive days rail operators can work in the upcoming SMART contract.

RECOMMENDATIONS

We recommend that:

1. The Senior Executive Officer of Rail Operations:
 - a. Require Rail Transportation supervisors (Division Directors/RTOSs) to receive training on HASTUS reports.
 - b. Instruct RTOSs to avoid bypassing HASTUS warnings of potential rest break violations and make all necessary adjustments to rail operators' schedules.
 - c. Require Division Directors to review the HASTUS Employee Violations Summary report on a daily basis and make inquiries about all listed potential rest break violations.
 - d. Remind RTOSs that when necessary, they should adjust the rail operators' remaining hours to ensure they do not exceed 12 hours when rail operators unexpectedly work through unpaid splits in the middle of their workdays.
 - e. Remind supervisors (Division Directors/RTOSs) to be careful when updating HASTUS with operators' schedules to avoid typos or other errors that could result in erroneous payments.
 - f. Update the Rail Handbook to:
 - i. comply with Metro's Employee Code of Conduct in regards to employees obtaining approval from their supervisors before starting outside employment,
 - ii. discuss procedures when an employee is approved to have outside employment, and
 - iii. discuss the Secondary Employment Notification form procedures.
 - g. Modify the Secondary Employment Notification form to be specific to rail operations or make it generic enough to apply to both rail and bus.
 - h. Require supervisors to follow up if rail operators do not submit the Secondary Employment Notification form.
 - i. Ensure all Divisions are aware of the need to have operators fill out the Secondary Employment Notification forms.
 - j. Request the Ethics Department to speak at a Transportation Management meeting about outside employment factors that management should consider before approving outside employment.

2. The Chief Human Capital & Development Officer in coordination with Rail Operations:
 - a. Consider negotiating a 10-hour rest break period for rail operators in the new SMART contract.

Audit of Rail Operator Service Hours

Office of the Inspector General

Report No. 17-AUD-03

- b. Consider negotiating a requirement in the upcoming new SMART contract to limit the number of consecutive days rail operators can work.

METRO MANAGEMENT COMMENTS

Metro management agreed with the recommendations in this report and has initiated the following corrective actions.

- Rail Operations will develop a training curriculum on HASTUS reports and require Division Directors to submit Employee Violation Summary reports to upper management.
- The Rail Handbook will be updated to comply with Metro's Employee Code of Conduct.
- Rail Operations will distribute a memorandum outlining the requirement that Secondary Employment Notification forms be collected at the shake-ups. The forms will be updated to make it rail-specific.
- Rail Operations will invite the Ethics Department to a Rail Transportation Department Meeting.
- The Chief Human Capital & Development Officer agreed with our recommendations regarding Employee & Labor Relations. She plans to have their Metro bargaining team discuss and decide whether to negotiate the 10-hour rest break and limit of consecutive days rail operators can work in the new SMART contract.

Copies of the entire management responses are provided on Attachment B.

EVALUATION OF METRO MANAGEMENT COMMENTS

Metro management's proposed corrective actions are responsive to the findings and recommendations in the report. Therefore, we consider all issues related to the recommendations in the report resolved based on the corrective action plan. Although the recommendations are resolved, staff must follow up on the recommendations that are open until all corrective actions are completed.

Secondary Employment Notification Form

	Los Angeles County Metropolitan Transportation Authority	153791 Trans-164
Metro	Secondary Employment Notification	
<i>(Mandatory completion at June and December shake-ups by all bus and other operators of commercial class vehicles and equipment and at each change of employment status)</i>		
To:	Manager	
From:	Name: _____	Badge: _____
Subject:	Secondary Employment Terms/General Log Book Procedures	
<u>SECONDARY EMPLOYMENT PROVISIONS</u>		
I understand that written approval from the manager or designee must be received before I engage in any business or employment outside MTA. Moreover, I will promptly notify the manager if there is any change in my employment status. I further understand that I am required to complete and submit a Daily Hours of Service Log to MTA, on a daily basis, while engaged in outside (secondary) employment.		
Select one of the following:		
<input type="checkbox"/> At this time, I do not have secondary employment		
<input type="checkbox"/> I have secondary employment outside the MTA. I am employed at:		
Company Name & Address: _____		

Telephone number: _____ Work hours: _____		
_____ Employee's Signature		_____ Date
_____ Manager's Signature		_____ Date
<u>GENERAL LOG BOOK PROCEDURES</u>		
12-HOUR RULE: If a driver, with only MTA as employer, is on duty twelve or more hours during any 24-hour period, a log is required.		
10-HOUR RULE: A driver shall not remain behind the wheel more than 10 hours in any 24-hour period.		
15-HOUR RULE: A driver must have 8 consecutive off-duty hours immediately following 15 in-service (on-duty) hours in any 24-hour period.		
80-HOUR RULE: A driver shall not remain on-duty more than 80 hours in 8 consecutive days.		
<u>FAILURE TO COMPLY WITH THE ABOVE TERMS COULD RESULT IN DISCIPLINARY ACTION.</u>		
Original: Central Division File Yellow: Employee		

Management Comments to Draft Report

Rail Operations Management provided the following comments to the recommendations in our draft report:



Metro

Interoffice Memo

Date	March 1, 2017
To	George Maycott Deputy Inspector General, Acting
From	James T. Gallagher  Chief Operations Officer
Subject	Management Response to the Audit of Rail Operator Service Hours Case Number 17-AUD-03

Attached is the Rail Operations Management response to case number 17-AUD-03, Audit of Rail Operator Service Hours:

Senior Executive Officer, Rail Operations:

Recommendation #1A:
Require Rail Transportation supervisors (Division Directors/RTOSs) to receive training on HASTUS reports.

Management Response: Agree
Linda Leone, Rail Instruction Director, will develop a training curriculum on HASTUS reports alongside a HASTUS Manager. Linda Leone, along with Service Operations Superintendents Patricia Alexander and John Johnson, will deliver training to Division Directors.

Completion Date: April 1, 2017

Recommendation #1B:
Instruct RTOSs to avoid bypassing HASTUS warnings of potential rest break violations and make all necessary adjustments to rail operators' schedules.

Management Response: Agree
Linda Leone and Rail Instruction staff will revise YSOP-55 to include language to avoid bypassing HASTUS flags and warnings. Rail Instruction staff will develop a memo to inform RTOS of SOP amendments.

Completion Date: April 1, 2017

Management Comments to Draft Report

Recommendation #1C:

Require Division Directors to review the HASTUS Employee Violations Summary report on a daily basis and make inquiries about all listed potential rest break violations.

Management Response: Agree

Division Directors have been instructed to submit the Employee Violation Summary Report within their Director's report package and double pay package. In generating this report, Directors will have the information to review infractions on a daily basis, and administer corrective action or retraining to the employees that violate the hours of service agreement currently outlined in the Collective Bargaining Agreement.

Completion Date: April 1, 2017

Recommendation #1D:

Remind RTOSs that when necessary, they should adjust the rail operators' remaining hours to ensure they do not exceed 12 hours when rail operators unexpectedly work through unpaid splits in the middle of their workdays.

Management Response: Agree

Linda Leone and Rail Instruction staff will revise YSOP-55 to include language that RTOS are to adjust daily schedules under circumstances in which Operators work through unpaid shifts. Rail Instruction staff will develop a memo to inform RTOS of SOP amendments.

Completion Date: April 1, 2017

Recommendation #1E:

Remind supervisors (Division Directors/RTOSs) to be careful when updating HASTUS with operators' schedules to avoid typos or other errors that could result in erroneous payments.

Management Response: Agree

Linda Leone and Rail Instruction staff will revise YSOP-55 to include language that RTOS are to accurately document and input pay time to avoid erroneous payments. Rail Instruction staff will develop a memo to inform RTOS of SOP amendments.

Completion Date: April 1, 2017

Recommendation #1Fi:

Update the Rail Handbook to comply with Metro's Employee Code of Conduct in regards to employees obtaining approval from their supervisors before starting outside employment.

Management Response: Agree

Linda Leone will revise Rule 2093 to be consistent with the Metro Employee's Code of Conduct language regarding outside employment notification and supervisor approval. Rail Operators will be notified of change via distribution of documents during Monthly Rap Session discussions.

Completion Date: April 1, 2017

Management Comments to Draft Report

Recommendation #1 Fii:

Update the Rail Handbook to discuss procedures when an employee is approved to have outside employment.

Management Response: Agree

No corrective action needed. When form submitted, HASTUS will track hours worked inclusive of outside employment flagging any potential violations. If outside action is approved, it must not conflict with the required rest time of one's normal work schedule. Division Directors will evaluate on a case-by-case basis.

Completion Date: None.

Recommendation #1 Fiii:

Update the Rail Handbook to discuss the Secondary Employment Notification form procedures.

Management Response: Agree

Service Operations Superintendents John Johnson and Patricia Alexander will draft and circulate a memorandum to Division Directors, informing them of their responsibility to obtain Secondary Employment Notification forms at shake-ups. Bernard Jackson, Senior Executive Officer, Rail Operations, will discuss these responsibilities at the Rail Operations Staff Meeting.

Completion Date: April 1, 2017

Recommendation #1 G:

Modify the Secondary Employment Notification form to be specific to rail operations or make it generic enough to apply to both rail and bus.

Management Response: Agree

John Johnson and Patricia Alexander will develop a rail-specific Secondary Employment Notification form. Division Directors will log Secondary Employment within HASTUS to avoid rest break violations.

Completion Date: April 1, 2017

Recommendation #1 H:

Require supervisors to follow up if rail operators do not submit the Secondary Employment Notification form.

Management Response: Agree

John Johnson and Patricia Alexander will draft and circulate a memorandum to Division Directors, informing them of their responsibility to obtain Secondary Employment Notification forms at shake-ups. Bernard Jackson, Senior Executive Officer, Rail Operations, will discuss these responsibilities at the Rail Operations Staff Meeting.

Completion Date: April 1, 2017

Management Comments to Draft Report

Recommendation #11:

Ensure all Divisions are aware of the need to have operators fill out the Secondary Employment Notification forms.

Management Response: Agree

Service Operations Superintendents John Johnson and Patricia Alexander will draft and circulate a memorandum to Division Directors, informing them of their responsibility to obtain Secondary Employment Notification forms. Bernard Jackson, Senior Executive Officer, Rail Operations, will discuss these responsibilities at the Rail Operations Managers Meeting. .

Completion Date: April 1, 2017

Recommendation #1J:

Request the Ethics Department to speak at a Transportation Management meeting about outside employment factors that management should consider before approving outside employment.

Management Response: Agree

Sr. Executive Officer of Rail will invite the Ethics Department to a Rail Transportation Department Meeting.

Completion Date: April 1, 2017

Chief Employee & Labor Relations Officer, in coordination with Rail Operations:

Recommendation #2A:

Consider negotiating a 10-hour rest break period for rail operators in the new SMART contract.

Management Response: Agree

Sr. Executive Officer of Rail or designee will forward recommendation to Chief Employee and Labor Relations Officer for consideration in contract negotiations. There is currently an 8-hour 1-minute rest break period, which is enforced. Violations noted in the audit were predominantly due to Startup activities. Management will ensure that these violations do not repeat during future Startup activities nor during regular operations.

Completion Date: June 30, 2017

Recommendation #2B:

Consider negotiating a requirement in the upcoming new SMART contract to limit the number of consecutive days rail operators can work.

Management Response: Agree

Sr. Executive Officer of Rail or designee will forward recommendation to Chief Employee and Labor Relations Officer for consideration in contract negotiations, and make application consistent in contract.

Completion Date: June 30, 2017

Cc: Karen Gorman, Inspector General
Bernard Jackson, Senior Executive Officer, Rail Operations

Management Comments to Draft Report

Diane Corral-Lopez, Executive Officer, Operations
Stephen Espinoza, Deputy Executive Officer, Employee & Labor Relations
Carolyn Kreslake, Senior Manager, Transportation Planning, Operations

Management Comments to Draft Report

The Chief Human Capital & Development Officer provided the following comments to the 2a and 2b recommendations in our draft report:

M	Metro	Interoffice Memo
	Date	February 23, 2017
	To	George Maycott Deputy Inspector General, Acting
	From	Joanne Peterson Chief Human Capital & Development Officer
	Subject	Employee & Labor Relations Response to the Audit of Rail Operator Service Hours Case Number 17-AUD-03

Attached is the Employee & Labor Relations response to case number 17-AUD-03, Audit of Rail Operator Service Hours:

Chief Employee & Labor Relations Officer in Coordination with Rail Operations:

Recommendation #2A:
Consider negotiating a 10-hour rest break period for rail operators in the new SMART contract.

Management Response: Agree
Employee & Labor Relations staff met and discussed this topic with Rail Operations staff. It is agreed this interest will be considered in contract negotiations with SMART. The manner in which this interest will be presented in contract negotiations will be discussed and determined by the Metro bargaining team.

Completion Date: June 30, 2017

Recommendation #2B:
Consider negotiating a requirement in the upcoming new SMART contract to limit the number of consecutive days rail operators can work.

Management Response: Agree
Employee & Labor Relations staff met and discussed this topic with Rail Operations staff. It is agreed this interest will be considered in contract negotiations with SMART. The manner in which this interest will be presented in contract negotiations will be discussed and determined by the Metro bargaining team.

Completion Date: June 30, 2017

Cc: Karen Gorman, Inspector General
Jim Gallagher, Chief Operations Officer
Steven Espinoza, Deputy Executive Officer, Employee & Labor Relations

Final Report Distribution

Board of Directors

John Fasana, Chair
Kathryn Barger
Mike Bonin
James Butts
Jacquelyn Dupont-Walker
Eric Garcetti
Robert Garcia
Janice Hahn
Paul Krekorian
Sheila Kuehl
Ara Najarian
Mark Ridley-Thomas
Hilda L. Solis
Carrie Bowen, Non-voting Member

Metro

Deputy Chief Executive Officer
Inspector General/Chief Ethics Officer
Board Secretary
Chief Information Officer
Chief Operations Officer
Senior Executive Officer, Rail Operations
Chief Human Capital & Development Officer
Deputy Executive Officer, Employee & Labor Relations
Chief Risk, Safety & Asset Management Officer
Executive Officer, Corporate Safety
Chief Auditor
Audit Support Supervisor, MAS
Manager, Research and Records Information Management