



Board Report

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Agenda Number: 25.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 21, 2021**

SUBJECT: OFFICE OF THE INSPECTOR GENERAL (OIG) REPORT ON AUDIT OF METRO TRANSIT SECURITY SERVICES PERFORMANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2020

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE Office of the Inspector General (OIG) Report on Audit of Metro Transit Security Services Performance for the Fiscal Year Ended June 30, 2020.

ISSUE

On February 23, 2017, the Metro Board passed a motion directing the Office of the Inspector General (OIG) to conduct an annual audit of each law enforcement services contract to determine how key performance indicators measure 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 five-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, as overseen by the Systems Security & Law Enforcement (SSLE) Department.

DISCUSSION

The report discusses the following:

- A. Follow-up on Prior Audit Recommendations

- B. Use of Contract Funds
- C. Review of Billings
- D. Monitoring and Oversight
- E. Adherence to Contract Requirements
- F. Use of GPS Information on Mobile Phone Validators
- G. Metro's Access to Video from Police Body Cameras

CONCLUSION

Contracted Law Enforcement Agencies

We found for the areas covered in this audit that the three law enforcement agencies for the most part, provided transit security services in accordance with contract requirements. However, as discussed in this report, we did identify for two or more of the agencies, non-compliance items in the areas of billings, personnel and training, and community policing. The three law enforcement agencies should continue to be vigilant in adhering to all contract requirements. This will help ensure that Metro's overall transit security services are operating in the most effective and efficient manner.

Metro's System Security and Law Enforcement Services (SSLE)

We found that SSLE has taken steps to strengthen their monitoring and oversight function. This includes creating a Compliance Unit whose main responsibility is to monitor and ensure that the three law enforcement agencies are adhering to contract requirements, reviewing 100% of invoices before they are submitted to Accounting for payment, and being able to monitor and track contract resources in the field. SSLE can further strengthen its oversight function as well as overall transit security performance by working with the law enforcement agencies to develop targets and goals for Key Performance Indicators, continuing to strengthen controls over tracking contracted resources in the field, and developing and updating on an annual basis a Community Policing Plan. Developing a Community Policing Plan will provide guidance not only to the law enforcement agencies but also to Metro's officials.

Modification of Contract in March 2021

The audit found that there was additional extraordinary spending by prior SSLE management over the regular monthly charges that had an impact on the use of contract funds for things such as special events and enhanced deployments. For FY20 alone, Metro paid LAPD about \$15 million for enhanced deployments and approximately \$800,000 for special events. In addition, Metro paid LASD \$1.7 million for special events and enhanced deployments above the regular budgeted contracted duties. Payments for these additional services had the effect of depleting the 5-year life of project budget early, thereby leaving insufficient funds to pay for the regular monthly services for the balance of the contract term. This resulted in new management in SSLE having to request additional funds to finish the contract period for just the regular law enforcement deployments for which Metro contracted to receive.

In March 2021, Metro's Board approved a modification to increase the overall total contract amount by \$36,000,000 to \$681,675,758 to cover costs through December 31, 2021. The contract period

that extends beyond December 31st to June 2022, is currently not funded.

Unless deployments or spending under the law enforcement contracts are significantly reduced immediately, there will still be a shortfall in FY22 at current spending levels.

Budget Controls

We found that additional budget controls are needed to ensure deployments and invoices paid stay within the Board approved budget. Due in large part to deployments for special events, and in small part to lack of controls on how many law enforcement persons can be billed at overtime rates versus regular full-time rates including vacation and paid holidays, prior SSLE Metro management overspent funds in early years of the contract leaving insufficient funds for the last year of the contracts. We found special events deployment costs need to be recovered by the law enforcement entity or Metro from the private party event host, or a contingency reserve needs to be established for that, or both, to control spending. We also found spending needs to be programmed on an annual basis for multi-year contracts and monitored by OMB in that way.

RECOMMENDATIONS

The Office of the Inspector General is providing 29 recommendations to improve/strengthen the controls on transit security, which are summarized in the report Appendix. The recommendations will enhance performance efficiency and effectiveness of Metro's System Security and Law Enforcement Services.

FINANCIAL IMPACT

There is no financial or budgetary impact by accepting the report, but adoption of the recommendations would contribute in implementing more effective controls.

EQUITY PLATFORM

It is the opinion of the OIG that there is no direct equity impact by production of this audit alone. However, failure to act on our recommendations could lead to providing less equitable service or not promoting equity in our operations to the best and highest level reasonably possible. Specifically, the accomplishment of our recommendations #17 (Develop and update annually a written agency-wide Community Policing Plan), #20 (Include in future contracts the requirement of wearing body cameras by all contracted law enforcement personnel when policing the Metro System), #24 (Description of the specific training provided to its officers in the area of Problem-Oriented Policing, LAPD), and #26 (same as #24, LASD) will promote providing equitable service.

Depending on what action is taken to address the shortfall of funds for the remaining period of the contracts or other recommendations herein, equity impacts should be considered. The Agency may use the information contained in this report to examine and make determinations concerning those issues.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendations in this report support the following Strategic Plan Goals:

Goal 2.1: Metro is committed to improving security.

Goal 5.2: Metro will exercise good public policy judgment and sound fiscal stewardship.

Goal 5.6: Metro will foster and maintain a strong safety culture.

NEXT STEPS

Metro management should:

- Complete the Schedule for Tracking Metro's Proposed Actions in Response to the recommendations 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: Final Report on Audit of Metro Transit Security Services Performance for the Fiscal Year Ended June 30, 2020 (Report No. 22-AUD-02)

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Los Angeles County
Metropolitan Transportation Authority
Office of the Inspector General

Audit of Metro Transit Security
Services Performance
For the Fiscal Year Ended June 30, 2020

Report No. 22-AUD-02

September 13, 2021





Metro

**Los Angeles County
Metropolitan Transportation Authority**

Office of the Inspector General
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DATE: September 13, 2021

TO: Board of Directors

FROM: Karen Gorman, Inspector General
Office of the Inspector General

SUBJECT: Final Report on Audit of Metro Transit Security Services Performance for the Fiscal Year Ended June 30, 2020 (Report No. 22-AUD-02)

The Office of the Inspector General (OIG) conducted an audit on the performance of Metro's System Security & Law Enforcement (SSLE) Department and the three contracted law enforcement agencies for the period of July 1, 2019 to June 30, 2020 (FY20). Since 2009, Metro has had a contract with the Los Angeles County Sheriff's Department (LASD) to provide Metro with transit policing services. Beginning July 1, 2017, Metro implemented a new transit security strategy, which includes obtaining services from three law enforcement agencies – the City of Los Angeles Police Department (LAPD), the City of Long Beach Police Department (LBPB), and the Los Angeles County Sheriff's Department (LASD). In addition, SSLE transit security officers (TSO) provide security over Metro facilities, perform fare compliance checks, and patrol bus and rail systems.

On February 23, 2017, the Metro Board passed a motion directing the Office of the Inspector General (OIG) to annually audit each law enforcement services contract to determine how key performance indicators measure up against actual performance metrics. The OIG hired a consultant to complete the required annual reviews for Fiscal Years 2018 and 2019. Due to Metro's budget constraints resulting from the COVID-19 pandemic, the review of FY20 Transit Security Services Performance was streamlined and conducted in-house by OIG audit staff. The audit focused on the following seven areas:

- A. Follow-up on Prior Audit Recommendations
- B. Use of Contract Budgeted Funds
- C. Review of Billings
- D. Monitoring and Oversight
- E. Adherence to Contract Requirements
- F. Use of GPS Information on Mobile Phone Validators
- G. Metro's Access to Video from Police Body Cameras

The audit identified a number of recommendations for improving transit security performance. The Appendix to the report lists 29 recommendations that will enhance performance efficiency and effectiveness in various transit security areas.



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Contracted Law Enforcement Agencies

We found for the areas covered in this audit that the three law enforcement agencies for the most part, provided transit security services in accordance with contract requirements. However, as discussed in the report, we did identify for two or more of the agencies, non-compliance items in the areas of billings, personnel and training, and community policing. The three law enforcement agencies should continue to be vigilant in adhering to all contract requirements. This will help ensure that Metro's overall transit security services are operating in the most effective and efficient manner.

Metro's System Security and Law Enforcement Services (SSLE)

We found that SSLE has taken steps to strengthen their monitoring and oversight function. This includes creating a Compliance Unit whose main responsibility is to monitor and ensure that the three law enforcement agencies are adhering to contract requirements, reviewing 100% of invoices before they are submitted to Accounting for payment, and being able to monitor and track contract resources in the field. SSLE can further strengthen its oversight function as well as overall transit security performance by working with the law enforcement agencies to develop targets and goals for Key Performance Indicators, continuing to strengthen controls over tracking contracted resources in the field, and developing and updating on an annual basis a Community Policing Plan. Developing a Community Policing Plan will provide guidance not only to the law enforcement agencies but also to Metro's officers.

Budget Controls

We found that additional budget controls are needed to ensure deployments and invoices paid stay within the Board approved budget. Due in large part to deployments for special events, and in small part to lack of controls on how many law enforcement persons can be billed at overtime rates versus regular full time rates including vacation and paid holidays, prior SSLE Metro management overspent funds in early years of the contract leaving insufficient funds for the last year of the contracts. We found special events deployment costs need to be recovered by the law enforcement entity or Metro from the private party event host, or a contingency reserve needs to be established for that, or both, to control spending. We also found spending needs to be programmed on an annual basis for multi-year contracts and monitored by OMB in that way.

SSLE has reviewed the draft report and has taken corrective actions that we found responsive to the findings and recommendations in the report.

If you have any questions, please contact Yvonne Zheng, Sr. Manager, Audit, at ZhengY@metro.net or me at GormanK@metro.net.

We appreciate the assistance provided by Metro staff during this audit.

Enclosure: Final Report




Metro

Interoffice Memo

Date September 10, 2021

To Judy Gerhardt, Chief System Security & Law Enforcement Officer
System Security & Law Enforcement Department

From Karen Gorman, Inspector General 
Office of the Inspector General

Subject Final Report on Audit of Metro Transit Security Services Performance
For the Fiscal Year Ended June 30, 2020 (Report No. 22-AUD-02)

The OIG has reviewed SS&LE's responses to the recommendations in our draft Audit of Metro Transit Security Services Performance for the Fiscal Year Ended June 30, 2020 report (Report No. 22-AUD-02).

As requested in your response memo dated September 9th concerning the draft Report, we have modified the final Report by:

1. including in the Report (As Appendix G) the letter from former SSLE Management to Long Beach Police Department (LBPB) in 2018, approving a \$3.2 million dollar increase for adjustments to transit security services.
2. adjusting the language in the Report related to Special Events and Enhanced Deployments to read as you requested: ***“SSLE stated that they also share our concerns with special events, and is currently exploring the idea of working with the venues to reimburse Metro for future special events (venues) moving forward”.***

In your response to the Report memo, you indicated in the table of responses for Recommendation #29, that “Metro SS&LE staff and LBPB have been working together in efforts to monitoring the contract budget.” We assume you also have or will work with LAPD and LASD in that regard since the latter have the larger impact on the budget.

The OIG appreciates the cooperation of your department and staff during this audit and the quick responses to our recommendations.

Cc: Aston Greene
Ron Dickerson

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**Audit of Metro Transit Security Services Performance
For the Fiscal Year Ended June 30, 2020**

Office of the Inspector General

Report No. 22-AUD-02

I. EXECUTIVE SUMMARY

Background and Objectives

The Office of the Inspector General (OIG) conducted an audit on the performance of Metro’s System Security & Law Enforcement (SSLE) Department and the three contracted law enforcement agencies for the period of July 1, 2019 – June 30, 2020 (FY20). Since 2009, Metro has had a contract with the Los Angeles County Sheriff’s Department (LASD) to provide Metro with transit policing services. Beginning July 1, 2017, Metro implemented a new transit security strategy, which includes obtaining services from three law enforcement agencies – the City of Los Angeles Police Department (LAPD), the City of Long Beach Police Department (LBPD), and the Los Angeles County Sheriff’s Department (LASD).

Metro’s SSLE Department is responsible for monitoring and overseeing the three law enforcement agencies. In addition, SSLE transit security officers (TSO) provide security over Metro facilities, perform fare compliance checks, and patrol bus and rail systems.

On February 23, 2017, the Metro Board passed a motion directing the Office of the Inspector General (OIG) to annually audit each law enforcement services contract to determine how key performance indicators measure up against actual performance metrics. The OIG hired a consultant to complete the required annual reviews for FYs 2018 and 2019. The FY 2018 and FY 2019 reviews had 25 and 22 recommendations, respectively.

Due to Metro’s budget constraints resulting from the COVID-19 pandemic, the review of FY20 Transit Security Services Performance was streamlined and conducted in-house by OIG audit staff. The audit focused on the following seven areas:

- H. Follow-up on Prior Audit Recommendations
- I. Use of Contract Budgeted Funds
- J. Review of Billings
- K. Monitoring and Oversight
- L. Adherence to Contract Requirements
- M. Use of GPS Information on Mobile Phone Validators
- N. Metro’s Access to Video from Police Body Cameras

Results of Audit

Overall, we found that SSLE has strengthened their monitoring and oversight function. However, controls still need to be strengthened in areas such as Community Policing and the development of baseline metrics for Key Performance Indicators (KPIs). We found for the areas covered in this audit that the three law enforcement agencies for the most part, provided transit security services in accordance with contract requirements. However, as discussed in this report, we did identify for two or more of the agencies, non-compliance items in the areas of billings, personnel and training, and community policing. We also found that additional budget controls are needed to ensure that costs for deployments and invoices paid stay within the Board approved budget. The following is an overview of the results of this audit for the seven areas that were focused on.

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For the Fiscal Year Ended June 30, 2020**

Office of the Inspector General **Report No. 22-AUD-02**

A. Follow-up on Prior Audit Recommendations (FY19)

The audit of FY19 Transit Security Performance identified 22 recommendations for improving transit security performance (Report No. 20-AUD-07, Issued March 27, 2020, Posted on Metro’s website). The 22 recommendations were made to strengthen transit security performance in the following areas:

- Monitoring and oversight;
- Crime reporting accuracy and completeness;
- Development of baseline metrics for key performance indicators;
- Community Policing; and
- Adherence to contract requirements by the three law enforcement agencies.

For the 22 recommendations, Metro’s SSLE Department agreed with 16 and disagreed with six. However, for four of the six recommendations they disagreed with, SSLE have proposed action that we found responsive to the recommendations. For the two remaining recommendations which dealt with the area of billings, SSLE advised that they have taken actions to address these issues. We found SSLE’s actions partially responsive to the two recommendation.

As a result of FY19 audit recommendations, SSLE has taken actions to strengthen its monitoring and oversight function by establishing a Compliance Unit, creating a Compliance Audit Manual, and developing a process where a 100% of the invoices are reviewed by SSLE before they are submitted to Accounting for payment. However, SSLE still needs to take additional action to be responsive to recommendations in areas such as community policing and key performance indicators.

More information on Prior Audit Recommendations can be found in Section IV - A on page 15, and in Appendix B.

B. Use of Contract Budgeted Funds

In 2017, Metro awarded three 5-year contracts to the Los Angeles Police Department (LAPD), the Los Angeles Sheriff Department (LASD), and the Long Beach Police Department (LBPB) for transit law enforcement services. The amount of these contracts totaled \$645,675,758. In March 2021, Metro’s Board approved a modification to increase the overall total of the contract amount by 36,000,000 to \$681,675,758 to cover costs through December 31, 2021.

LAPD Contract No. PS5862100LAPD24750

On March 1, 2017, Metro entered into a contract with LAPD for a not-to-exceed amount of \$369,330,499. Total amount invoiced for the first three years of the contract including FY20 (\$94,573,124) totaled \$257,588,298, resulting in remaining funds available of \$111,742,201 based on the original budget. This equates to 70% of the original budget being used by the end of contract year 3, with two years remaining on the contract. In the first three years of the contract, on average, the amount invoiced per year totaled \$86 million. However, based on the contract budget, the average amount budgeted for the first three years of the contract was \$71 million per year.

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The contract modification effective March 2021, increased the overall contract amount by \$21,526,518 to a total contract amount not-to-exceed \$390,857,017. As of April 1, 2021, for FY21 an additional \$5,258,218 (covering 1 month in FY21) had been invoiced, resulting in remaining funds available of \$128,010,501 based on the revised budget. Therefore, for the remaining two years of the contract, the estimated funds available would be approximately \$64 million per year. However, as mentioned earlier, the average amount invoiced per year for the first three years of the contract was \$86 million. Hence, for fiscal years 4 and 5, there would be an estimated shortage of approximately \$22 million a year.

LASD Contract No. PS5863200LASD24750

On September 1, 2017, Metro entered into a contract with LASD for a not-to-exceed amount of \$246,270,631. Total amount invoiced for the first three years of the contract including FY20 (\$60,405,468) totaled \$159,091,656, resulting in remaining funds available of \$87,178,975 based on the original budget. This equates to 65% of the original budget being used by the end of contract year 3, with two years remaining on the contract. In the first three years of the contract, on average, the amount invoiced per year totaled \$53 million. However, based on the contract budget, the average amount budgeted for the first three years of the contract was \$48 million per year.

The contract modification effective March 2021, increased the overall contract amount by \$11,325,520 to a total contract amount not-to-exceed \$257,596,151. As of April 1, 2021, an additional \$37,089,274 (representing the first 7 months of FY21) was invoiced, resulting in remaining funds available of approximately 61.4 million based on the revised budget. For the first 7 months of FY 21, LASD invoiced Metro approximately \$5.3 million a month. With 17 months remaining on the contract, estimated funds needed to cover the remaining life of the contract would be approximately \$90 million (17 months x \$5.3 million). With an estimated \$61 million remaining, this would result in a shortage for the remaining two years of approximately \$29 million.

LBDP Contract No. PS95866000LBDP24750

On March 23, 2017, Metro entered into a contract with LBDP for a not-to-exceed amount of \$30,074,628. Total amount invoiced for the first three years of the contract including FY20 (\$6,761,852) totaled \$20,105,970, resulting in a remaining funds available of \$9,968,658 based on the original budget. This equates to 67% of the original budget being used by the end of contract year 3, with two years remaining on the contract. In the first three years of the contract, on average, the amount invoiced per year totaled \$6.7 million. However, based on the contract budget, the average amount budgeted for the first three years of the contract was \$5.6 million per year.

The contract modification effective March 2021, increased the overall contract amount by \$3,147,962 to a total not-to-exceed amount of \$33,222,590. As of April 1, 2021, LBDP had remaining funds available of \$13,116,620 based on the revised budget. On average, this would provide an estimated \$6,558,310 per year for the remaining two years of the contract. For the first three years of the contract, the average amount invoiced per year totaled \$6,701,990, resulting in an estimated shortage of \$143,000 per year for FY21 and FY22.

SSLE should review the history of each agency's use of contract funds and determine what actions can be taken to help mitigate what appears to be an estimated combined \$73.3 million shortage of

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funds for the remaining life of the contracts, even after the addition of the \$36 million approved by Metro's Board in March 2021.

Observations Related to the Use of Contract Budgeted Funds

Our review of invoices from the three law enforcement agencies found that there were other factors besides the regular monthly charges that had an impact on the use of contract funds.

Special Events and Enhanced Deployments

Based on our review of FY20 invoices for LAPD and LASD, we found that there were many invoices for additional services provided by these agencies other than their regular duties. These additional services are identified as special events and enhanced deployments (See complete lists of these invoices at Appendices C – E). We found that Metro reimbursed the law enforcement agencies for providing services at special events such as Rams and Dodgers games, the Rose Parade, and the LA Marathon. In addition, the invoices show that the majority of services provided was for enhanced deployments. For example, LAPD was reimbursed \$16.5 million in FY20 for these additional services. Approximately \$15.7 million was for enhanced deployments and about \$800,000 was spent on special events. Our concern is whether Metro should be reimbursing law enforcement agencies for events that take place on a regular basis (i.e. Dodgers games, Rose Parade, etc.), where even if there was no Metro contract, the law enforcement agencies would probably be providing services.

When we brought this issue to the attention of SSLE, we were advised that Metro (SSLE and/or Operations) or the law enforcement agencies can request additional services. They also advised that Metro's Board on occasion has requested additional services. For example, in October 2019, Metro's Board requested that the enhanced deployment related to work being performed on the Blue Line continue. SSLE also informed us that special events and enhanced deployments are unplanned and the majority of the enhance deployments are requested by Metro. SSLE stated that they also share our concern with special events, and is currently exploring the idea of working with the venues to reimburse Metro for special events (venues) moving forward.

LAPD

As mentioned above, our review of invoices from LAPD for the period of July 1, 2019 to June 30, 2020 (FY20) found that Metro had reimbursed LAPD approximately \$16,555,285 for special events and enhanced deployments during year 3 of the contract. These services were not covered by the original contract budget. However, funds used to pay for these additional services were diverted from the same funds allocated to cover the regular contracted services. In fiscal year 2020, the total amount invoiced from LAPD was \$94,573,124, and special events and enhanced deployments accounted for approximately 18% of this amount.

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LASD

Our review of invoices from LASD for the period of July 1, 2019 to June 30, 2020 (FY20) found that Metro had reimbursed LASD approximately \$1,706,794 for special events and additional services. Similar to LAPD, funds used to pay for these activities were diverted from the same funds that have been allocated to cover regular contracted services. In year 3 (FY20) of the contract, the total amount invoiced from LASD was \$60,405,468, and special events and additional services accounted for 3% of this amount.

Due to the significant amount of funds used for special events and enhanced deployment, Metro should consider for future contracts, allocating within the budget a separate amount to be used for these activities.

Contracted Employees Assigned to Contract on a Full-Time Basis

LAPD

The LAPD contract in Exhibit B – Memorandum of Costs Section, Part A.1 states: “ *All management, field supervisory and administrative personnel Bureau shall be billed as “Fulltime personnel (e.g. fieldr head supervisor) will be phased in* Our review of invoices and supporting documentation found that compensatory non-work hours (i.e. vacation, sick leave, holidays, etc.) were being charged to the contract for LAPD personnel assigned to the Transit Services Bureau.

LBDP

Unlike the LAPD contract, the LBDP contract is silent on the use of full-time personnel on the contract. However, LBDP advised Metro that they have been assigning personnel on a full-time basis since year two (FY19) of the contract.

According to our discussion with the Senior Manager, Contract Administration, Metro payment of fringe benefits to LAPD and LBDP employees are based on the applicable MOUs with LAPD and LBDP labor unions, which is stated on Exhibit B – Memorandum of Costs on each of the contracts.

For future contracts, Metro should consider the impact that the use of full-time contracted personnel will have on the use of funds over the life of the contract and budget for it.

Adjustment to Law Enforcement Services / Changes in Deployments

During our audit we discovered that Metro’s former Chief of Systems Security and Law enforcement drafted a letter (See Appendix F) in 2018 to the Deputy Chief of LAPD to approve adjustments to Transit Law Enforcement Services related to the contract between Metro and LAPD. The adjustments were classified as personnel adjustments and other expenses increasing the contract price by \$35.3 million over four years. A second letter (See Appendix G) was also drafted to the Chief of Police for LBDP to approve adjustments related to the contract between Metro and LBDP in the amount of \$3.2 million. It was anticipated that the estimated charges be covered under the existing Metro LAPD and LBDP contracts. The letters also stated that Metro staff shall review contract utilization on an annual basis and return to the Metro Board to request additional contract

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authority if deemed necessary. The letters approved the services and LAPD and LBPB acknowledged the letter as an approval for additional services. The adjustments may be considered within the scope of the existing contract but were not budgeted or programmed into the contract. There was no reserve account or contingency funds set aside in the budget for these services or special events, therefore these were unfunded commitments made without authority to increase the funding of the contract. Because the contract had funds remaining, the Metro SSLE Chief diverted funds from budgeted activities to pay for the additional services using existing contract funds, leaving insufficient funds near the end of the contract to pay for the originally contemplated services as well as the other services to which he committed.

Additional information was obtained from Metro's Procurement Contract Administrator relating to the contract and adjustments approved by Metro's former Chief of SSLE. The Contract Administrator was aware of the adjustments approved by the former SSLE chief and recalls discussions that included the Office of the Chief Executive Officer. The adjustments referred to in the letters were considered changes in deployments by Metro Procurement and are permitted in the contract, Statement of Work Article 7.0 and 9.0. A decision was made to fund the adjustment with the current contract funding and delay going to the Metro Board for additional contract authority because it was early in the contract and it was believed that additional funding may be needed during the course of the five-year contract and a review of contract utilization will be made at a future date. Therefore it was contemplated by management since 2018 that additional funds would likely be requested at some time before the end of the contract. It was obviously assumed that the Board would have to approve additional funds or stop the law enforcement contracts prior to the end of the term of the contracts.

More information on the "Use of Contract Budgeted Funds" can be found in Section IV - B on page 16.

C. Review of Billings

The contracts between Metro and the three law enforcement agencies contain many similar terms and conditions. However, there are a few terms in the contract where there are differences between one or more of the agencies. The terms covering billings and invoices is one of these areas. We selected the January 2020 invoice for detail testing for each of the agencies.

LBPB

Our review of LBPB's January 2020 invoice found an overbilling of \$24,179. SSLE advised that they identified a total of \$174,629 in overbillings for FY20. In addition, both SSLE and LBPB advised that no invoices had been processed since the May 2020 invoice due to the need for Metro and LBPB to come to a resolution on the overbillings and how Metro will be invoiced.

As mentioned in the previous section, LBPB advised Metro that they had been assigning personnel to the Metro Contract on a full-time basis since year two (FY19) of the contract. In March 2021, LBPB informed Metro that the reason for the appearance of overbillings was due to the attachment of the incorrect supporting documentation to the invoices. LBPB stated that the incorrect labor detail report was attached to the invoices as supporting documentation and this report did not

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account for compensated non-work hours. Therefore, overbillings would not have occurred if the correct labor detail report had been used.

In our opinion, if Metro and LBPD agree that sworn personnel shall primarily be assigned to the contract on a full-time basis, then a contract modification should be executed. In addition, SSLE should: (1) Determine if the billing for full-time personnel will be retroactive back to year two (FY19) of the contract, and (2) Review past invoices to determine if overbillings still exist with the use of the correct supporting documentation.

LAPD

Our review of invoices for FY 20 found that invoices covering February 2020 to June 2020 were not processed until September 2020. SSLE advised that this was due to some unresolved issues between Metro and LAPD related to billings that needed to be addressed. In addition, our review of the January 2020 invoice found that non-work hours such as vacation, sick leave, and holidays were being charged to Metro. SSLE advised that this is one of the issues that they were trying to resolve. However, in April 2021 the SSLE Department advised that Metro had evaluated LAPD's methodology in this area and has agreed without exception to allow non-work hours to be billed to the contract.

Our review of the January 2020 invoice, also found that there were instances where LAPD's personnel hourly billing rate exceeded the approved maximum hourly billing rate for that job classification. This resulted in an overbilling of \$3,170.52 for one month.

SSLE should review all past invoices for FY20 and determine if there are any other incidents where an individual's billed hourly rate exceeds the approved maximum fully burdened hourly rate for that job classification. In addition, SSLE should request a refund of \$3,170.52 and any additional overbillings identified.

LASD

LASD is required at the beginning of each fiscal year to submit SH-AD Deployment of Personnel Form (SH-AD 575) for approval. This form lists the agreed upon number of service units per each service type, and the annual costs for each service type per unit. For example, for contract year 3, Metro and LASD agreed upon 42 Two Deputy-56-hour service units at an annual cost of \$853,857 per unit. LASD uses this form to prepare their monthly invoices.

Our review of the January 2020 invoice found that the service levels and unit costs for each service type billed on the invoice was in accordance with the approved SH-AD 575 Form in effect for the period of July 1, 2019 – June 30, 2020.

Observation related to Billings and Contract Language

As discussed earlier in this section, Metro agreed with LAPD and LBPD at one point to temporarily stop processing and paying invoices due to unresolved issues related to billings. We believe these billing issues stem from the lack of clarity and specificity in the contracts.

In our opinion, Metro should work with each contractor to more thoroughly and clearly define in the contract, how services will be billed and what costs will be allowed and/or disallowed for each

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law enforcement agency. This will help ensure there are no delays in processing invoices due to disagreements in how Metro should be billed.

More information on the “Review of Billings” can be found in Section IV - C on page 25.

D. Monitoring and Oversight

The FY 19 OIG audit report (Report No. 20-AUD-07, Issued March 27, 2020) revealed that compliance monitoring and oversight of the law enforcement agencies by Metro’s SSLE Department was inadequate. This conclusion was based on findings of non-compliance in areas such as billings, required reporting, and the lack of monitoring and tracking of resources in the field.

We found that Metro’s SSLE Department has taken steps to strengthen their oversight and monitoring function. In October 2019, the SSLE Department hired a System Security Administration and Compliance Director. SSLE’s Compliance Section currently has a staff of three: Compliance Director, Transportation planner, and Assistant Administrative Analyst. The main function of this unit is to monitor and provide oversight over the three contracted law enforcement agencies.

The SSLE’s Compliance Unit has successfully worked with the law enforcement agencies to identify and bring resolution to issues in the area of billings that had caused delays in the processing of some invoices. SSLE should continue to work on strengthening their monitoring and oversight function to help ensure that transit security services are operating in the most effective and efficient manner.

More information on “Monitoring and Oversight” can be found in Section IV - D on page 28.

E. Adherence to Contract Requirements

1. Personnel and Training

The contract requires that only Peace Officer Standards and Training (POST) certified officers can be assigned to Metro. In addition to this requirement, Section 1.2 of the contract between Metro and the law enforcement agencies list other requirements that must be met by officers assigned to work for Metro. Some requirements are applicable to all three contractors, others are only applicable to two.

LAPD

Our review of a sample of LAPD personnel found two officers who did not meet the personnel and training requirements working on the Metro Contract. Both of these officers were not POST certified, had not passed probation, and did not have 18 months of law enforcement experience. LAPD advised that the spots on June 6, 2020, were filled during a departmental wide mobilization where officers were tactfully deployed to mitigate civil unrest, and it was not feasible to employ their normal procedures. SSLE informed us that they were notified of the departmental wide mobilization but not informed that normal procedures for placing officers on the Metro contract would not be used.

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In our opinion, LAPD should develop procedures to help ensure that even during departmental wide mobilizations or special deployments only those officers who meet all the personnel and training requirements are placed on the Metro Contract.

LASD

Section 1.2 of the contract states each sworn officer assigned to the Metro contract must be POST certified. Our review of a sample of LASD personnel found five officers who were assigned to the Metro contract were not POST certified. LASD advised that although these officers were assigned to the Metro contract they never worked on the contract. Notwithstanding this, we believe assigning officers to the contract before they are POST certified increases the risk that an officer may work on the Metro Contract who does not meet contract requirements in the area of personnel and training.

To ensure that only qualified officers are working on the Metro contract, LASD should only assign personnel to Metro after they are POST certified.

LBPB

Section 1.2 of the contract states: *“The contractor’s personnel must have a minimum of eighteen months of law enforcement experience, and shall not have current probationary period, have a minimum of eighteen months of law enforcement experience, and shall not have current probationary period.”* Our review of LBPB personnel found two officers working on the Metro contract who did not have 18 months of law enforcement experience. LBPB advised that they recalled a “meet and confer” with SSSLE’s prior management that “academy time” could be used as part of the 18 months law enforcement experience. However, they could not provide a written document to support this agreement. Academy time is education as opposed to experience.

LBPB should ensure that all officers before they are assigned to the Metro contract have completed the required 18 months of law enforcement experience.

SSLE should review the qualifications of a sample of officers assigned to the Metro contract from each of the three law enforcement agencies on a periodic basis. This will help ensure that only those officers who meet contract requirements are working on the Metro Contract.

Observation related to Required Training

We found that there were several officers who had taken the required training (Safety and Transit Policing) over two or more years ago. Metro should consider developing and requiring these officers to take refresher courses. This will help ensure that these officers are reminded of pertinent issues and that new and updated information has been communicated to them.

2. Required Reporting and Key Performance Indicators

a. Required Reporting

Section 2.1 of the contract between Metro and the three law enforcement agencies require contractors to provide Metro with various types of information and reports on key performance indicators on a regular basis.

Overall, we found that all three law enforcement agencies adhered to contract requirements related to required reporting.

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Observation on Required Reporting

For future contracts, with input from the three law enforcement agencies, Metro should review the reports and information currently required, assess how each report and/or item of information is currently being used, and determine whether requesting different or additional information would be more beneficial.

b. Key Performance Indicators

Key Performance Indicators (KPIs) measure progress toward intended results. KPIs provide a focus for strategic and operational improvements and managing with KPIs include setting targets and tracking progress against those targets.

Section 2.2 of the contract between Metro and the three-law enforcement agencies state that Metro and the agencies will jointly develop baseline metrics to capture the specific information identified in this section.

However, we found that Metro’s SSLE Department has not worked with the law enforcement agencies to develop specific baseline metrics. The need for the development of baseline metrics for KPIs has been brought up in prior OIG audit reports. SSLE advised that they have evaluated the KPIs and are working on putting together the framework to develop baseline targets/goals with each agency.

As a tool to help monitor overall transit security performance, SSLE with input from the three law enforcement agencies should develop baseline targets and goals in critical performance areas.

3. Community Policing

Community Policing – Section 3.0 of the contract between Metro and the law enforcement agencies state: “ *The contractor shall update annually the Building and sustaining community partnerships is central to vulnerability* In addition, this section states: “*The contractor shall provide staff with specific training in Problem Oriented Policing in order to assist LACMTA in addressing longstanding challenges related to crime, blight, and disorder*”

We found that Metro’s SSLE Department has not developed an agency-wide Community Policing Plan. This issue was also noted in the FY19 audit report (Report No. 20-AUD-07, Issued March 27, 2020). Developing a written Community Policing Plan and updating it annually is important because it identifies the actions that Metro plans to take to develop relationships and trust within the community. It also provides guidance to the three law enforcement agencies in the development of their annual plans.

Metro should develop and update annually a written agency-wide Community Policing Plan that clearly defines the agency’s goals and objectives for establishing and building on relationships within the community to address longstanding challenges with crime and other issues.

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We obtained and reviewed the Community Policing Plan for each of the three law enforcement agencies. For the most part, we found that the agencies adhered to the contract requirements in this area. However, LAPD and LASD did not provide in their plan’s information on the specific training that was provided to its officers in the area of Problem Oriented Policing. We inquired with both agencies and they subsequently provided information on the specific training provided.

To ensure that contract requirements are adhered to, LAPD and LASD should include in their Annual Community Policing Plans, a description of the specific training provided to its officers.

More information on “Adherence to Contract Requirements” can be found in Section IV - E on page 29.

F. Use of GPS Information on Mobile Phone Validators

Metro provided the contracted law enforcement officers with Mobile Phone Validators (MPV smartphones) which are GPS enabled to provide information on the location and movement of law enforcement resources. One of the findings in FY 19 Audit Report stated: “ *SSLE has made progress implementing a mechanism for verifying contracted law enforcement actual presence using smartphone location services / GPS.* ”

In October 2019, Metro executed a contract modification with Axiom Xcell, Inc. (Contractor) for a Tap Mobile Phone Validator (MPV). However, SSLE advised that after conducting field tests, they found that the process for obtaining information on the location of contracted resources was time consuming and labor intensive.

In September 2020, the SSLE’s Compliance Unit began using reports generated by the contractor’s Mobile Device Management (MDM) system. These reports provide information on the time the officers logged in and out using the MPV smartphones. However, the reports do not provide their location.

Even though it was beyond our audit period, we used the period of December 13, 2020 to January 3, 2021 for detail testing. We compared the MDM reports to deployment schedules. We found that LAPD and LBPD had a compliance rate of a 100% and 93% respectively. However, LASD’s compliance rate was 9%. SSLE advised that during the first couple of months, LASD was not familiar with how to use the device. Later, their compliance rate ranged from 96% to 100%.

SSLE should determine if the Metro issued MPV smartphones provide reliable and meaningful information on the location of contracted resources throughout the Metro System. This information on the number of officers working should be used to verify invoices.

Observation on the use of Metro Tap Reports

Effective February 14, 2021, SSLE began using Metro’s TAP reports to monitor the location of contracted resources in the field. The Director of System Security Administration and Compliance believes that the reports are more effective in verifying the presence of the contracted law enforcement.

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We recommend that SSLE continue to use TAP reports as an effective approach to monitoring and overseeing contracted resources in the field.

More information on "Use of GPS Information on Mobile Phone Validators" can be found in Section IV - F on Page 36.

G. Use of Body Worn Cameras

Cameras provide additional documentation of police encounters with the public. Metro's SSLE Department has not established any requirements on the use of Body Worn Cameras (BWC). In addition, the contract between Metro and the three law enforcement agencies is silent on this issue.

SSLE advised that LCPD has been wearing BWCs to police the Metro System since April 2020, LAPD has started testing with an anticipated roll out of April 2021, and LASD anticipates a roll out of its BWC program in October 2021.

We recommend that Metro include in future contracts the requirements for use of BWCs and for providing SSLE with access to BWC video recordings.

More information on "Metro's Access to Video from Police Body Cameras" can be found in Section IV - G on Page 37.

CONCLUSION

Contracted Law Enforcement Agencies

Our review found that the three law enforcement agencies for the most part, provided transit security services in accordance with contract requirements. However, as discussed above we did identify for two or more of the agencies, non-compliance items in the areas of billings, personnel and training, and community policing.

SSLE Oversight

We found that SSLE has taken steps to strengthen their monitoring and oversight function. This included the creation of a Compliance unit, which has helped to bring to management and the Board's attention issues related to contract budgets and the use of funds. However, SSLE can further strengthen its oversight function as well as overall transit security performance by improving controls in areas such as community policing and key performance indicators.

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II. BACKGROUND

The Los Angeles County Metropolitan Transportation Authority (Metro) is the region’s principal agency for multi-modal transit operations. Metro operates transit service from eleven (11) geographically distinct bus divisions, four light rail lines, and two subway lines. In addition, critical rail infrastructure includes Union Station, 7th & Metro Station, and Willowbrook/Rosa Parks Station. Critical bus infrastructure includes the Harbor/Gateway Station and El Monte Transit Center.

In 2017, Metro awarded three separate five 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) (“Contractors”) for transit law enforcement services to support day-to-day operations across Metro’s entire service area.

1. LAPD Contract No. PS5862100LAPD24750: On March 1, 2017, Metro entered a five year firm fixed unit rate contract with LAPD to provide transit law enforcement services within the specified coverage areas in the contract. This contract became effective on March 1, 2017, and ends on June 30, 2022. The total contract amount is not-to-exceed \$369,330,499.
2. LASD Contract No. PS5863200LASD24750: On September 1, 2017, Metro entered a five year firm fixed unit rate contract with LASD to provide transit law enforcement services within the specified coverage areas in the contract. This contract became effective on September 1, 2017, and ends on June 30, 2022. The total contract amount is not-to-exceed \$246,270,631.
3. LBPD Contract No. PS5862300LBPD24750: On March 23, 2017, Metro entered a five year firm fixed unit rate contract with LBPD to provide transit law enforcement services within the specified coverage areas in the contract. This contract became effective on March 23, 2017, and ends on June 30, 2022. The total contract amount is not-to-exceed \$30,074,628.

Except for different service coverage areas specified in each contract, the three contracts have the same or similar scope of work including specific responsibilities, training requirements, reporting requirements (including reports and documents submission), monthly key performance indicators (KPI), and billing requirements. Section 1.1 of these contracts list the specific tasks that contractors are responsible for. These tasks include:

1. Responding to calls needing law enforcement intervention including safety emergencies;
2. Conducting joint anti-terrorism drills, training sessions, and intelligence sharing with other local, state and federal law enforcement agencies;
3. Riding Metro buses and trains, patrolling bus and rail stations/corridors, and maintaining high visibility at key Metro critical infrastructure locations;
4. Conducting proactive anti-crime operations when not handling a dispatched call;
5. Participating in Metro emergency and disaster preparedness planning and drills; and
6. Collaborating with social service agencies to address the impact of homelessness on the transit system.

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Metro’s System Security & Law Enforcement (SSLE) Department has oversight over the 3 law enforcement contracts, and employs transit security officers (TSO) who provide security over Metro facilities, perform fare compliance checks, and patrol bus and rail systems. Metro TSOs are not sworn or certified law enforcement officers and do not have authority to detain or arrest as peace officers.

In October 2019, Metro’s SSLE Department hired a Director of System Security Administration and Compliance whose primary function is to monitor and provide oversight over the three law enforcement contracts. Currently, the Compliance Unit has a staff of three: Director of Compliance, Transportation Planner, and Assistant Administrative Analyst. Their responsibilities include reviewing monthly invoices before they are submitted to Accounts Payable for processing and overseeing the adherence to contract requirements in areas such as Required Reporting and Personnel and Training. Metro’s SSLE Department’s oversight and monitoring responsibilities will be discussed further under the “Results of Audit” Section of this report.

III. OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of this audit are to:

- Follow-up on the status of prior year’s audit recommendations;
- Provide an assessment on the use of contract funds;
- Evaluate transit security performance provided by the three contractors and Metro’s SSLE Department;
- Determine contractor’s adherence to contract requirements; and
- Evaluate the effectiveness of SSLE’s oversight and monitoring function.

Due to budget constraints, the review of FY20 transit security services performance was conducted by OIG audit staff instead of outsourcing the audit to a consultant. As a result, the objectives and scope of this audit were streamlined from the past consultants’ reviews and is primarily focused on the following areas:

- A. Follow-up on 22 recommendations in FY19 Transit Security Performance Audit;
- B. Use of Contract Budgeted Funds;
- C. Review of Billings;
- D. Monitoring and Oversight;
- E. Adherence to Contract Requirements;
- F. Use of GPS information on mobile phone validators; and
- G. Metro’s access to video from police body cameras.

To achieve the audit objectives, our work performed included the following procedures:

- Reviewed the three law enforcement contracts;
- Reviewed prior audit reports and work papers;
- Gained an understanding of contract requirements;

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- Requested and reviewed personnel and training records from the three law enforcement agencies;
- Analyzed and tested invoices billed for accuracy and compliance with contract terms;
- Reviewed and evaluated SSLE's and the three law enforcement agencies Community Policing Plans;
- Evaluated the effectiveness of SSLE's oversight and monitoring function.
- Interviewed and clarified issues with SSLE's Compliance Director and staff; and
- Interviewed and clarified issues with LAPD, LASD, and LBPD staff.

We conducted this audit 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.

IV. RESULTS OF AUDIT

A. Follow up on Prior Audit Recommendations

The Metro Board directed the OIG to perform an annual audit of each law enforcement services contract to determine how key performance indicators are measuring up against baseline metrics and to ensure that Metro is receiving the services it is paying for. To accomplish this directive, the OIG hired a consultant to perform the security performance review for fiscal year 2019 (FY19). BCA Watson Rice, LLP, was selected to perform this review.

The audit of FY19 Transit Security Performance identified 22 recommendations for improving transit security performance. These recommendations are summarized in the Appendix to the report (20-AUD-07 Final Report FY19 Metro Transit Security Performance_2020.03.27, which is posted on OIG website). The 22 recommendations were made to enhance performance efficiency and effectiveness in the following transit security areas:

- Metro System Security & Law Enforcement (SSLE) Monitoring and Oversight
- Crimes reporting accuracy and completeness
- Response times for all categories of dispatched incident calls for service
- Key performance indicators (KPI) for law enforcement services, including base line target levels of performance for each KPI, and development KPIs for Metro Transit Security
- Development of a Metro Community Policing Plan
- Monitoring each law enforcement services contract to ensure compliance with contract requirements in areas such as:
 - Personnel and training
 - Billings and submittal of invoices
 - Required Reporting
 - Equipment Requirements

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We performed a follow-up review on the status of the 22 recommendations made for the FY19 Transit Security Performance Audit. During the follow-up review, we interviewed and held meetings with various officials from System Security & Law Enforcement (SSLE); clarified issues with BCA Watson Rice WR, LLP, who performed the FY19 audit; reviewed and analyzed related documents; reviewed the Schedule of Recommendations and Proposed Actions for the 22 recommendations submitted by SSLE; compared and verified the status of recommendations and issues with our FY20 Transit Security Performance Audit.

For the 22 recommendations, Metro's SSLE agreed with 16 of the 22 recommendations and disagreed with six. For the 16 agreed recommendations, SSLE's proposed actions for 14 recommendations were implemented and the proposed actions for the other two recommendations are on-going. Although, SSLE initially disagreed with six recommendations, after discussions with the OIG, agreements were reached on all six recommendations. SSLE has either implemented or are developing proposed actions on four recommendations. These recommendations pertain to crime reporting by the law enforcement agencies and the training requirement for their personnel. We found SSLE's proposed actions responsive to the said four recommendations.

Another two recommendations pertain to issues on billings by LAPD and LASD. It was recommended that SSLE continue to review and monitor the billings, payments, and contracts to identify and resolve billing discrepancies and to ensure that costs do not exceed the annual estimated contract amount. SSLE explained that they have already undertaken actions to address these issues. We found SSLE's actions partially responsive to these two recommendations. Our current audit, however, still found some issues related to billings, as discussed in Section C.

As a result of FY19 audit recommendations, SSLE has taken actions to strengthen its monitoring and oversight function by establishing a Compliance Unit, creating a Compliance Audit Manual, and developing a process where a 100% of invoices are reviewed by SSLE before they are submitted to Accounting for payment. However, SSLE still needs to be responsive to recommendations in areas such as community policing and key performance indicators.

See Appendix B for the Schedule of FY 19 Audit Recommendations and SSLE's Proposed Action.

B. Use of Contract Budgeted Funds

In 2017, Metro awarded three separate five-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 enforcements services to support day-to-day operations across Metro's entire service area. The amount of these three contracts totaled \$645,675,758. However, in March 2021, Metro's System Security and Law Enforcement (SSLE) Department requested, and Metro's Board approved, a modification to increase the overall total of the contract amount by \$36,000,000 to \$681,675,758 to cover costs through December 31, 2021. SSLE advised that the modification was needed to cover significant costs incurred since the beginning of the contract period for augmented outreach services for the unhoused population. In addition, funds were needed for enhanced deployments to cover special events, employee and

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customer complaints for increased services, and unforeseen circumstances necessitating the deployment of additional contractor resources above and beyond the original budgeted personnel (See Appendices C – E).

Former management authorized additional services increasing the contract price by millions of dollars for which there was no reserve amount in the budget to fund and did not obtain Board approval or involve Procurement in the amendment of the contract (See Appendices F- G).

Metro’s Office of Management and Budget should monitor the budget of the law enforcement contracts. A budget of 1/5 per year of a five-year contract should be imposed (unless different programming of funds is allotted per year).

1. LAPD Contract No. PS5862100LAPD24750

On March 1, 2017, Metro entered into a five-year firm fixed unit rate contract with LAPD to provide transit law enforcement services within the specified coverage areas in the contract. The contract became effective on March 1, 2017, and ends on June 30, 2022. The original total contract amount for five years was not-to-exceed \$369,330,499. As shown in schedules 1 - 3 below, the total amount invoiced for the first three years of the contract, including FY20 (\$94,573,134) totaled \$257,588,298, with an available balance of \$111,742,201 based on the original contract budget. This equates to 70% of the original budget being used by the end of contract year 3, with 30% of contract funds available for the remaining two years of the contract. In the first three years of the contract, on average, the amount invoiced per year totaled \$86 million. However, based on the contract budget, the average amount budgeted for the first three years of the contract was \$71 million per year. This equated to an average shortage of approximately \$15 million a year for the first three years of the contract.

The contract modification effective March 2021, increased the overall contract amount by \$21,526,518 to a total contract amount not-to-exceed \$390,857,017. As of April 1, 2021, for FY 21 an additional \$5,258,218 has been invoiced, reducing the funds available from the original contract budget to \$106,483,983. However, this amount only covered invoices for work performed up to the period ending August 1, 2020 (1 month in FY 21). With the addition of the \$21,526,518 (modification #2), the amount of funds available as of April 1, 2021, based on the revised budget is \$128,010,501. Therefore, for the remaining two years of the contract, the estimated funds available for each year would be approximately \$64 million. As mentioned earlier for the first three years of the contract, on average, the amount invoiced per year totaled \$86 million. Hence, for FY21 and FY22 (fiscal years 4 and 5), there would be an estimated shortage of approximately \$22 million per year for this contract alone.

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LAPD Original Contract Budget: \$369,330,499

LAPD Revised Contract Budget: \$390,857,017 (Modification #2 added \$21,526,518)

Schedule 1 - LAPD Contract Budget vs Amount Invoiced

Contract Year	Contract Budget Per Year	Amount Invoiced	Amount Over/Under Budget
1 (FY 18)	\$70,098,520	\$78,291,243	(\$8,192,723)
2 (FY 19)	69,495,306	84,723,931	(15,228,625)
3 (FY 20)	73,652,923	94,573,124	(20,921,201)
4 (FY 21)	76,531,010		
5 (FY 22)	79,552,740		
TOTAL	\$369,330,499	\$257,588,298	

**Schedule 2 ó LAPD Original Budget
Estimated Funds Available at End of FY20**

Original Contract Amount	Total Invoiced at End of Year 3	Total Contract Budget Remaining	Percentage of Available Funds Remaining
\$369,330,499	\$257,588,298	\$111,742,201	30%

**Schedule 3 ó LAPD Revised Budget
Estimated Funds Available as of 4/1/21 (*)**

Revised Contract Budget	Total Invoiced as of 4/1/21	Total Contract Budget Remaining	Percentage of Available Funds Remaining
\$390,857,017	\$262,846,516	\$128,010,501	33%

(*) Metro' Board approved modification to increase contract amount in March 2021.

2. LASD Contract No. PS5863200LASD24750

On September 1, 2017, Metro entered a five-year firm fixed unit rate contract with LASD to provide transit law enforcement services within the specified coverage areas in the contract. This contract became effective on September 1, 2017, and ends on June 30, 2022. The original contract amount was not to exceed \$246,270,631. As shown in schedules 4 - 6 below, the total amount invoiced for the first three years of the contract, including FY20 (\$60,405,468) totaled \$159,091,656, with a

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remaining available balance from the original contract amount of \$87,178,975. This equates to 65% of the original budget being used by the end of contract year 3, with 35% of contract funds available for the remaining two years of the contract. In the first three years of the contract, on average, the amount invoiced per year totaled \$53 million. However, based on the contract budget, the average amount budgeted for the first three years of the contract was \$48 million per year. This equated to an average shortage of funds of approximately \$5 million per year for the first three years of the contract.

The contract modification effective March 2021, increased the overall contract amount by \$11,325,520 to a total contract amount not-to-exceed \$257,596,151. As of April 1, 2021, an additional \$37,089,274 has been invoiced for FY21 (Fiscal Year 4), reducing the funds available to \$61,415,221 based on the revised budget. This amount covered invoices for work performed up to the period ending January 31, 2021. Therefore, for the first 7 months of FY21 (Fiscal Year 4), on average, LASD invoiced Metro approximately \$5.3 million a month. With 17 months remaining on the contract, estimated funds needed to cover the remaining life of the contract would be approximately \$90 million (17months x \$5.3 million). However, as previously stated the remaining funds available is approximately \$61 million, resulting in an estimated shortage of \$29 million for the remaining two years.

LASD Original Contract Budget: \$246,270,631

LASD Contract Budget: \$257,596,151(Modification #2 added \$11,325,520)

Schedule 4 - LASD Contract Budget vs Amount Invoiced

Contract Year	Contract Budget Per Year	Amount Invoiced	Amount Over/Under Budget
1	\$41,586,561	\$41,114,094	\$472,467
2	51,171,017	57,572,094	(6,401,077)
3	51,171,017	60,405,468	(8,874,451)
4	51,171,018		
5	51,171,018		
TOTAL	\$246,270,631	\$159,091,656	

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**Schedule 5 ó LASD Original Budget
Estimated Funds Available at End of FY20**

Original Contract Budget	Total Invoiced at End of Year 3	Total Contract Budget Remaining	Percentage of Available Funds Remaining
\$246,270,631	\$159,091,656	\$87,178,975	35%

**Schedule 6 ó LASD Revised Budget
Estimated Funds Available as of 4/1/21 (*)**

Revised Contract Budget	Total Invoiced as of 4/1/21	Total Contract Budget Remaining	Percentage of Available Funds Remaining
\$257,596,151	\$196,180,930	\$61,415,221	24%

(*) Metro' Board approved modification to increase contract amount in March 2021.

3. LBDP Contract No. PS95866000LBPD24750

On March 23, 2017, Metro entered a five-year firm fixed unit rate contract with LBDP to provide transit law enforcement services within the specified coverage areas in the contract. This contract became effective on March 23, 2017, and ends on June 30, 2022. The original total contract amount was not to exceed \$30,074,628. As shown in schedules 7 - 9 below, the total amount invoiced for the first three years of the contract including FY20 (\$6,761,852) totaled \$20,105,970, with an available balance from the original contract amount of \$9,968,658. This equates to 67% of the original budget being used by the end of contract year 3, with 33% of contract funds available for the remaining two years of the contract. In the first three years of the contract, on average, the amount invoiced per year totaled \$6.7 million. However, based on the contract budget, the average amount budgeted for the first three years of the contract was \$5.6 million per year. This equated to an average shortage of \$1.1 million per year for the first three years of the contract.

The contracted modification effective March 2021, increased the overall amount by \$3,147,962 to a total contract amount not-to-exceed \$33,222,590. As of April 1, 2021, due to unresolved billing issues between Metro and LBDP (these issues will be discussed further in the next section), the last invoice processed and paid by Metro was for May 2020. Therefore, with the addition of \$3,147,962 (modification #3), total funds available for years 4 and 5 would be approximately \$13,116,620. This would on average, provide an estimated \$6,558,310 million per year. However, the average amount invoiced per year for the first three years of the contract totaled \$6,701,990. This results in an estimated shortage of approximately \$143,680 per year for the last two years of the contract.

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Original Contract Budget: \$30,074,628

Revised Contract Budget: \$33,222,590 (Modification #3 added \$3,147,962)

Schedule 7 - LBPDP Contract Budget vs Amount Invoiced

Contract Year	Contract Budget Per Year	Amount Invoiced	Amount Over/Under Budget
1	\$5,459,271	\$6,344,849	(\$885,578)
2	5,517,674	6,999,269	(1,481,595)
3	5,959,087	6,761,852	(802,765)
4	6,316,633		
5	6,821,963		
TOTAL	\$30,074,628	\$20,105,970	

**Schedule 8 ó LBPDP Original Budget
Estimated Funds Available at End of FY20**

Original Contract Budget	Total Invoiced at end of Year 3	Total Contract Budget Remaining	Percentage of Available Funds Remaining
\$30,074,628	\$20,105,970	\$9,968,658	33%

**Schedule 9 ó LBPDP Revised Budget
Estimated Funds Available as of 4/1/21**

Revised Contract Budget	Total Invoiced as of 4/1/21	Total Contract Budget Remaining	Percentage of Available Funds Remaining
\$33,222,590	\$20,105,970	\$13,116,620	39%

(*) *M e t r o ' s B o a r d a p p r o v e d a n d u n t f n M a r c h 2 0 2 1 o n*

SSLE should review the history of each agency's use of contract funds and determine what actions can be taken to help mitigate what appears to be a shortage of funds for the remaining life of the contracts, even after the addition of the \$36 million approved by Metro's Board in March 2021.

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Observations Related to the Use of Contract Budgeted Funds

Our review of invoices for the three law enforcement agencies for the period of July 1, 2019 – June 30, 2020 (FY20), found that there were other factors in addition to the regular monthly charges that had an impact on the use of contract funds.

Special Events and Enhanced Deployments

Based on our review of FY20 invoices for LAPD and LASD, we found that there were many invoices for additional services provided by these agencies other than for their regular duties. These additional services are identified as special events and enhanced deployments (See complete lists of these invoices at Appendices C – E). We found that Metro reimbursed the law enforcement agencies for providing services at special events such as Rams and Dodgers games, the Rose Parade, and the LA Marathon. In addition, the invoices show that the majority of services provided was for enhanced deployments. For example, LAPD was reimbursed \$16.5 million in FY20 for these additional services. Approximately \$15.7 million was for enhanced deployments and about \$800,000 was spent on special events. Our concern is whether Metro should be reimbursing law enforcement agencies for events that take place on a regular basis (i.e. Dodgers games, Rose Parade, etc.), where even if there was no Metro contract, the law enforcement agencies would probably be providing enhanced services and whether the private commercial enterprises putting on these events should be charged back for the additional services required. If law enforcement agencies are already charging these enterprises for their expenses, we think they should include any additional deployment related to transportation for direct payment thereby avoiding the need to charge Metro..

When we brought this issue to the attention of SSLE and were advised that Metro (SSLE and/or Operations) can request additional services. They also advised that Metro’s Board on occasion has requested additional services. For example, in October 2019, Metro’s Board requested that the enhanced deployment related to work being performed on the Blue Line continue. SSLE also informed us that special events and enhanced deployments are unplanned and the majority of the enhanced deployments are requested by Metro. SSLE stated that they also share our concern with special events, and is currently exploring the idea of working with the venues to reimburse Metro for special events (venues) moving forward.

1. **LAPD.** In the LAPD contract, under Section 7.0 – Billings, it states: “ *I n t h e e v e n t o f threat levels, special events, the need for increased crime suppression, or other exigent circumstances necessitating the deployment of additional Contractor resources above and beyond the budgeted personnel, LACMTA may request that contractor deploy additional resources. When such resources are deployed at the request of LACMTA, LACMTA agrees to reimburse contractor for the costs of all additional resources deployed .* ”

As mentioned above, our review of invoices and billing information for LAPD for the period of July 1, 2019 to June 30, 2020 found that Metro reimbursed LAPD approximately \$16,555,285 for special events and enhanced deployments during year 3 of the contract. Payments for these additional services divert funds that have been allocated to cover the regular contracted services. In fiscal year 2020, the total amount invoiced from LAPD was \$94,573,124, and special events and enhanced deployments accounted for approximately 18 % of this amount.

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2. **LASD.** Similar to the LAPD contract, the LASD contract also addresses the need for additional services. In Section 7.10 of the LASD contract, it states: “ *L A C M T A i s n o t l i m i t e d i n d i c a t e d i n t h e L o s A n g e l e s C o u n t y S h e r i f f ’ s D e p a r t m e n t S e r v i c e s F o r m . L A C M T A m a y a l s o r e q u e s t a n y o t h e r s e r v i c e i n t h e f i e l d o f p u b l i c s a f e t y , l a w , o r r e l a t e d f i e l d s w i t h i n t h e l e g a l p o w e r o f t h e S h e r i f f t o p r o v i d e . S u c h o t h e r s e r v i c e s s h a l l b e r e f l e c t e d i n a r e v i s e d L o s A n g e l e s C o u n t y S h e r i f f ’ s D e p a r t m e n t S e r v i c e s F o r m .* The SHAD 575 Personnel Form will be discussed further under the “Review of Billings” Section.

Our review of invoices and billing information for LASD for the period of July 1, 2019 to June 30, 2020, found that Metro had reimbursed LASD approximately \$1,706,794 for special events and other additional services during year 3 of the contract. Similar to LAPD, payments for these additional services reduce funds available for the regular contracted services. In year 3 of the contract, the total amount invoiced from LASD was \$60,405,468, and special events and additional services accounted for approximately 3% of this amount.

Due to the significant amount of funds used for special events and enhanced deployments, Metro should consider for future contracts, allocating within the budget, a separate special events reserve amount to be used for these activities. This will help ensure that the use of funds is tracked and monitored in the most effective and efficient manner and it will provide a more accurate picture of each law enforcement agency’s activities throughout the contract year.

Contracted Employees Assigned to Contract on a Full-Time Basis

1. **LAPD.** The LAPD contract under Exhibit B - Memorandum of Costs Section, Part A.1 states: “ *S w o r n f i e l d p e r s o n n e l s h a l l p r i m a r i l y b e a s s i g n e d t o t h e c o n t r a c t o n a n o v e r t i m e b a s i s . H o w e v e r , P a r t A . 2 o f t h i s s e c t i o n s t a t e s : “ C o m p e n s a t o r y n o n - w o r k h o u r s (i . e . v a c a t i o n , s i c k l e a v e , h o l i d a y s , e t c .) w e r e b e i n g c h a r g e d t o t h e c o n t r a c t f o r L A P D p e r s o n n e l a s s i g n e d t o t h e T r a n s i t S e r v i c e s B u r e a u o n a f u l l - t i m e b a s i s . T h i s w i l l b e d i s c u s s e d f u r t h e r i n t h e n e x t s e c t i o n u n d e r “ R e v i e w o f B i l l i n g s . ” T h i s i n c r e a s e d c o s t t o M e t r o .*”
2. **LAPD.** Our review of invoices and supporting documentation found that compensatory non-work hours (i.e. vacation, sick leave, holidays, etc.) were being charged to the contract for LAPD personnel assigned to the Transit Services Bureau on a full-time basis. This will be discussed further in the next section under “Review of Billings.” This increased cost to Metro.
2. **LAPD.** The LAPD contract under Exhibit B - Memorandum of Costs Section, Part A.1 states: “ *S w o r n f i e l d p e r s o n n e l s h a l l p r i m a r i l y b e a s s i g n e d t o t h e c o n t r a c t o n a n o v e r t i m e b a s i s . H o w e v e r , P a r t A . 2 o f t h i s s e c t i o n s t a t e s : “ C o m p e n s a t o r y n o n - w o r k h o u r s (i . e . v a c a t i o n , s i c k l e a v e , h o l i d a y s , e t c .) w e r e b e i n g c h a r g e d t o t h e c o n t r a c t f o r L A P D p e r s o n n e l a s s i g n e d t o t h e T r a n s i t S e r v i c e s B u r e a u o n a f u l l - t i m e b a s i s . T h i s w i l l b e d i s c u s s e d f u r t h e r i n t h e n e x t s e c t i o n u n d e r “ R e v i e w o f B i l l i n g s . ” T h i s i n c r e a s e d c o s t t o M e t r o .*”
2. **LAPD.** Our review of invoices and supporting documentation found that compensatory non-work hours (i.e. vacation, sick leave, holidays, etc.) were being charged to the contract for LAPD personnel assigned to the Transit Services Bureau on a full-time basis. This will be discussed further in the next section under “Review of Billings.” This increased cost to Metro.
2. **LBPB.** The LBPB contract, also states that sworn field personnel shall primarily be assigned to the contract on an overtime basis. But, unlike the LAPD contract, the LBPB contract is silent on the use of full-time personnel on the contract. However, LBPB advised Metro that they have been assigning personnel on a full-time basis since year two of the contract. This will also be discussed further in the next section. This increased cost to Metro.

Both the LAPD and LBPB contracts in the Exhibit B – Memorandum of Costs Section, Part E states: “ *I n v o i c e s s h a l l b e b a s e d o n a c t u a l s e r v i c e s p e r f o r m e d .*” According to our discussion with the

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Senior Manager, Contract Administration, Metro payment of fringe benefits to LAPD and LBPB employees are based on the applicable MOUs with LAPD and LBPB labor unions, which is stated on Exhibit B – Memorandum of Costs on each of the contracts.

For future contracts, Metro should consider the impact that the use of full-time contracted personnel will have on the use of funds over the life of the contract and whether there should be a limit on the personnel assigned on a full-time basis.

Adjustment to Law Enforcement Services / Changes in Deployments

During our audit, we discovered that Metro’s former Chief of Systems Security and Law enforcement drafted a letter (See Appendix F) on May 2, 2018 to the Deputy Chief of LAPD to approve adjustments to Transit Law Enforcement Services related to the contract between Metro and LAPD. A second letter (See Appendix G) was also drafted to the Chief of Police for LBPB on December 5, 2018 to approve adjustments related to the contract between Metro and LBPB. The adjustments were classified as personnel adjustments and other expenses increasing the contract price by \$35.3 million over four years for LAPD and \$3.2 million for LBPB. It was anticipated that the estimated charges be covered under the existing Metro LAPD contract. The letters also stated that Metro staff shall review contract utilization on an annual basis and return to the Metro Board to request additional contract authority if deemed necessary. The letters approved the services and LAPD and LBPB acknowledged the letter as an approval for additional services. The adjustments may be considered within the scope of the existing contract but were not budgeted or programmed into the contract. There was no reserve account or contingency funds set aside in the budget for these services or special events, therefore these were unfunded commitments made without authority to increase the funding of the contract. Because the contract had funds remaining, the Metro SSLE Chief diverted funds from budgeted activities to pay for the additional services using existing contract funds, leaving insufficient funds near the end of the contract to pay for the originally contemplated services as well as the other services to which he committed.

Additional information was obtained from Metro’s Procurement Contract Administrator relating to the contract and adjustments approved by Metro’s former Chief of SSLE. The Contract Administrator was aware of the adjustments approved by the former SSLE chief and recalls discussions that included the Office of the Chief Executive Officer. The adjustments referred to in the letters were considered changes in deployments by Metro Procurement and are permitted in the contract, Statement of Work Article 7.0 and 9.0. A decision was made to fund the adjustment with the current contract funding and delay going to the Metro Board for additional contract authority because it was early in the contract and it was believed that additional funding may be needed during the course of the five-year contract and a review of contract utilization will be made at a future date. Therefore, it was contemplated by management since 2018 that additional funds would likely be requested at some time before the end of the contract. It was obviously assumed that the Board would have to approve additional funds or stop the law enforcement contracts prior to the end of the term of the contracts.

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C. Review of Billings

The contracts between Metro and the three law enforcement agencies contain many areas where contract terms are similar. However, there are a few areas in the contracts where there are differences between one or more of the agencies. The area covering billings and invoicing is one of these areas. For each of the law enforcement agencies we selected the month of January 2020 for detail testing of billings.

The Exhibit B – Memorandum of Costs Section of the LBPDP and LAPD contracts states: “ *N i n e t y days prior to the start of each fiscal year, Contractor shall submit for approval of LACMTA, a list of maximum fully burdened rates per labor classification, together with the necessary documentation in support of* Further, in Part E of this section it states: *d r a t e s shall be based on actual invoices deployment plan/schedule. In no case shall billing rate for each personnel exceed the maximum fully burdened rate set for each labor classification*

1. Long Beach Police Department (LBPDP)

Our review of LBPDP’s January 2020 invoice identified 18 incidents where the hourly rate billed to Metro for an individual exceeded the approved maximum fully burdened hourly rate for that person’s job classification. Based on our work performed, this resulted in an overbilling in the amount of \$24,179. Through discussions with Metro’s SSLE Compliance Unit, we found that SSLE had also identified this overbilling on the January 2020 invoice and additional overbillings on other monthly invoices during this fiscal period. For the period of July 2019 to May 2020, SSLE’s Compliance Unit identified \$174,629 in overbillings. When we asked about the status of these overbillings, we were advised by SSLE and LBPDP in January 2021 that no invoices had been processed and submitted for payment since the May 2020 invoice, due to the need for Metro and LBPDP to come to a resolution on the overbillings and how Metro will be invoiced. The delay in the processing of invoices did not impact the services provided by LBPDP.

In Exhibit B – Memorandum of Costs Section, Part A.1, it states “*Sworn field personnel shall primarily be assigned to* However, LBPDP advised that since the second year (FY 19) of the contract, their sworn field personnel have primarily been assigned to the contract on a full-time basis. This is relevant because as discussed in the prior section of this report, contracted personnel working on a full-time basis instead of an overtime basis increases Metro’s costs because a contractor can bill the costs of fringe benefits, including compensated non-work hours directly to the contract. We asked SSLE for a copy of the contract modification that supports this change. SSLE’s Compliance Unit advised that there is no record of a contract modification being executed.

On March 5, 2021, LBPDP advised Metro that the reason for the apparent overbillings was due to the fact that LBPDP attached the incorrect supporting documentation to the invoices. LBPDP advised that the incorrect labor detail report had been attached to the invoices as supporting documentation and this report did not include compensated non-work hours (vacation, sick leave, holidays, etc.) billed per individual. Further, LBPDP stated that if non-work hours are included then the rate billed per hour for each individual would be lower and there would not be incidents where the billed hourly

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rate for an individual would have exceeded the approved maximum fully burdened hourly rate for that individual's job classification. Therefore, in the incidents where overbillings were cited, there would not be any if the correct report had been used. However, the use of full-time officers would still be overall more expensive and not clearly within the terms of the current contract.

In our opinion, if Metro and LBPDP agree that sworn personnel shall primarily be assigned to the contract on a fulltime basis, then a contract modification should be executed so that the written contract reflects current practices. In addition, Metro should: (1) Determine if the billing for fulltime personnel should be retroactive back to year two (FY19) of the contract and (2) Review past invoices to determine if overbillings still exists with the use of the correct supporting documentation.

2. Los Angeles Police Department (LAPD)

Exhibit B – Memorandum of Costs Section, Part E, states: “ *M o n t h l y b i l l i n g s w i l l L A C M T A w i t h i n s i x t y d a y s a f t e r O u r r e v i e w o f L A P D f e a c h* invoices for the period of July 1, 2019 – June 30, 2020 (FY20), found that invoices covering the period of February 2020 to June 2020 (Invoices 20MTADP02 – 20MTADP06) were not processed by SSLE until September 2020. SSLE advised that this was due to some unresolved billing issues between Metro and LAPD that needed to be addressed.

Exhibit B – Memorandum of Costs Section, Part A.2, states: “ *C o n t r a c t o r s h a l l c r S e r v i c e s B u r e a u t o d i r e c t l y o v e r s e e a d m i n i s t r a t i v e , i n v e s t i g a t i v e a n d p a t r o l o p e r a t i o n s r e q u i r e d u n d e r t h e c o n t r a c t . A l l m a n a g e m e n t , f i e l d s u p T r a n s i t S e c u r i t y B u r e a u s h a l l I n a d d i t i o n , i t s t a t e s : l e d f u l s l t D i m v e* personnel will be phased in over the first three year s o f t h e c o n t r a c t . ”

Our review of the January 2020 invoice for LAPD found that each invoice contains a summary schedule by work section of total monthly charges. We selected the Transit Services Bureau Overhead and Transit Services Bureau Overtime Sections for detail testing. When we reviewed the billings under Transit Services Bureau Overhead, we found that non-work hours such as vacation, sick leave, and holidays were being billed to Metro under the contract. This issue was also noted in FY 19's audit report (Report No. 20-AUD-07, Issue March 27, 2020). When we brought this issue to the attention of the SSLE Compliance Unit, they advised that this was one of the issues that Metro and LAPD was trying to resolve. The contract in the Exhibit B – Memorandum of Costs Section, Part E states: “ *I n v o i c e s s h a l l b e b a s e d W e b e l i e v e t h a t a c t u a l s e r v* services performed means actual hours worked. However, as discussed earlier under “Observations Related to the Use of Contract Funds”, it is common practice for contractors to bill “Fringe Benefits” (i.e. vacation, sick leave, holidays, etc.) directly to a contract for individuals who are assigned to the contract on a full-time basis. The SSLE Department advised that as of April 2021, Metro had evaluated LAPD's methodology in this area and has agreed without exception to allow non-work hours to be billed to the contract. Since the cost to Metro is significantly different when full-time staff are used, Metro should determine which positions and how many persons may be full-time and designate a not to exceed amount.

A second issue that needed to be resolved dealt with whether the full Cost Allocation Plan (CAP) rates should be applied to LAPD personnel that work at MTA facilities and use Metro provided

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resources in comparison to those LAPD personnel who are assigned to the Metro contract but work out of LAPD facilities. For those LAPD personnel that work at Metro facilities, Metro is covering some of the expenses that the CAP rates would cover, such as electricity, water, and office supplies. Our review of the LAPD contract found that the contract is silent on this issue. However, we were advised by Metro that as of September 2020, LAPD has agreed to lower CAP rates for those LAPD personnel that work at Metro facilities and use Metro resources.

Exhibit B – Memorandum of Costs Section, Part E states: “ *In no case shall billing personnel exceed the maximum fully burdened rate* ” We found based on our review of the January 2020 invoice, that there were five LAPD personnel who worked in the Transit Services Bureau Section, whose hourly billing rate exceeded the approved maximum fully burdened hourly rate for their job classification. This resulted in an overbilling of \$3,170.52 for that month. When we brought this to the attention of SSLE, they reviewed our work and agreed.

The SSLE Compliance Unit should review all invoices for FY20 and determine if there are any other incidents where an individual’s billed hourly rate exceeds the approved maximum fully burdened hourly rate for that job classification. In addition, Metro should request a refund of \$3,170.52 and any additional overbillings identified.

Additional Concern Related to Overbillings

During the course of the FY20 Transit Security Performance audit, we were informed by an employee of LAPD about overbillings related to the contract between Metro and LAPD. The complaint alleges that there are LAPD personnel being billed to the Metro contract that are actually working on assignments unrelated to Metro, resulting in overbillings. The review of this matter is ongoing and will be reported separately.

3. The Los Angeles County Sheriff Department (LASD)

Section 7.6 of the contract states: “ *At 60 days prior to the commencement of each fiscal year, Contractor shall submit for approval of LACMTA, a Los Angeles County Sheriff Department SH-AD 575 Deployment of Personnel Form (SH-AD 575), together with supporting cost and deployment information, based on agreed-upon service levels* ” The SH-AD 575 Form list the agreed upon number of service units per each service type, and the annual costs for each service type per unit. For example, for contract year 3, Metro and LASD agreed upon 42 Two Deputy-56-hour service units at an annual cost of \$853,857 per unit. The SH-AD 575 Form is used by LASD to prepare their monthly invoices.

Our review of the January 2020 invoice found that the service levels and unit costs for each service type billed on the invoice were in accordance with the approved SH-AD 575 Form in effect for FY20.

Observation Related to Billings and Contract Language

As discussed earlier in this section, Metro agreed with LAPD and LBPB at one point to temporarily stop processing and paying invoices due to unresolved issues related to billings. We believe what contributed to the issues in this area stem from the lack of clarity and specificity in the contracts. For example, in LAPD’s contract, under the Exhibit B – Memorandum of Costs Section, Part A.2,

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it states: “ *F u l l t i m e p e r s o n n e l w i l l b e p h a s e d* However, *v e r t h* the contract is silent on how full-time employees will be charged to the contract, the type of costs that will be allowed and/or disallowed. Another example is the LBPD contract that does not address the use of LBPD personnel on a full-time basis. However, as LBPD advised, since year two of the contract, they have been placing the majority of their personnel on the contract on a full-time basis. Additionally, no contract modification was ever done to address the change in how LBPD assigns personnel to the contract.

In our opinion, Metro should work to include language in the contract that more thoroughly and clearly define how services will be billed and what costs will be allowed and/or disallowed for each law enforcement agency. This will help ensure there are no delays in processing invoices due to disagreements in how Metro will be billed, limit costs to Metro, and help Metro establish a more accurate budget.

D. Monitoring and Oversight

Effective monitoring and oversight are important to the success of any process or program in helping to ensure that services are delivered effectively and efficiently. Monitoring progress, identifying areas of compliance, offering opportunities for technical assistance to help resolve non-compliance issues, helps ensure that resources are used responsibly.

The FY 19 audit report (Report No. 20-AUD-07, issued March 27, 2020) noted that compliance monitoring and oversight of the law enforcement agencies by Metro’s SSLE Department was inadequate. This conclusion was based on their findings of non-compliance in areas such as billings, required reporting, and the lack of monitoring and tracking of resources in the field.

We found that Metro’s SSLE Department has taken steps to strengthen their oversight and monitoring function. In October 2019, the SSLE Department hired a System Security Administration and Compliance Director. SSLE’s Compliance Section currently has a staff of three: Compliance Director, Transportation Planner, and Assistant Administrative Analyst. The main function of this unit is to monitor and provide oversight over the three contracted law enforcement agencies. The SSLE Compliance Director advised that one way in which they are strengthening their monitoring and oversight role is by developing a Compliance Audit Procedures Manual. The first section completed in the manual covers the review of billings. The Compliance Director advised that the manual which is scheduled to be completed in August 2021 will include sections covering other contract requirements such as required reporting, and personnel and training qualifications.

The FY 19 audit as well as this audit identified discrepancies and non-compliance issues in the area of billings. The SSLE Compliance Director advised that they have implemented procedures to strengthen controls over billings. Specifically, the three law enforcement agencies are now required to submit copies of their invoices to the SSLE’s Compliance Section for review before submittal to Metro’s Accounting Department for payment. This provides the Compliance Section with the time to review, identify, and resolve compliance issues and other discrepancies before the invoice is submitted for payment. We believe that the establishment of the SSLE’s Compliance Unit has helped identify and bring resolution to some of the issues discussed in the previous section covering

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the “Review of Billings.” In addition to strengthening controls over billings, controls over the monitoring of contracted resources in the field, which will be discussed later in the report has also improved.

Although, SSLE has strengthened controls in some areas, there are other areas such as Community Policing and the development of baseline metrics for Key Performance Indicators (KPIs), which will be discussed in more detail later in this report, where actions are still needed to improve controls. In our opinion, SSLE should continue to work on strengthening controls in the area of monitoring and oversight. The strengthening of controls in this area will help ensure that SSLE is performing its monitoring and oversight function in the most effective and efficient manner.

E. Adherence to Contract Requirements

1. Personnel and Training

California Commission on Peace Officer Standards and Training (POST) was established by the Legislature in 1959 to set minimum selection and training standards for California law enforcement. The POST Program is voluntary and incentive-based. Participating agencies agree to abide by the standards established by POST. The POST Professional Certificate Program fosters education, training, and professionalism in law enforcement, raises the level of competence of law enforcement officers, and fosters cooperation between the Commission, its clients, and individuals. The Commission, through the Post Professional Certificates Unit, awards professional certificates comprised of the Basic, Intermediate, Advanced, Supervisory, Management, and Executive certifications.

Metro requires that only POST certified officers be assigned to the contract. In addition to this requirement, Section 1.2 of the contract between Metro and the law enforcement agencies list other requirements that must be met by officers assigned to work for Metro. Some requirements are applicable to all three contractors, others are only applicable to two of the three law enforcement agencies. Schedule 10 below shows the personnel and training requirements that each agency’s officers must adhere to.

Schedule 10 ó Personnel and Training Requirements

Personnel and Training Requirements (Section 1.2)	LAPD	LASD	LBPDP
1. Only POST certified personnel are authorized to provide law enforcement services.	X	X	X
2. Officer/Supervisor assigned to LACMTA must hold an active Basic, Intermediate, Advanced or Supervisory California POST Peace Officer’s Certificate	X	X	X
3. Command level officers must hold an active Management or Executive Peace Officer’s Certificate.	X	N/A	X
4. Officers must have completed their probationary period.	X	N/A	X
5. Officers must have a minimum of eighteen (18) months of law enforcement experience.	X	N/A	X

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6. Officers shall not have current duty restrictions whether due to medical or performance-based issues.	X	N/A	X
7. Officers must attend a LACMTA safety training,	X	X	X
8. Officers within the first six months of assignment, must complete a 4-hour “Transit Policing”	X	X	X
9. All supervisors and managers must have completed department training equivalent to supervisory and/or advanced POST courses.	N/A	X	N/A

We requested from each of the three law enforcement agencies a list of the personnel that was assigned to the Metro contract during the period of July 1, 2019 to June 30, 2020. We randomly selected 25 officers from each agency for detail testing. We asked each agency to provide for each of the 25 officers in the sample selection the pertinent information to validate that the officer met all the personnel and training requirements to work on the Metro contract.

Los Angeles Police Department (LAPD)

Our review of the LAPD personnel in our sample selection found that there were two officers who did not meet the personnel and training requirements to be on the Metro contract. Both of these officers were not POST certified, had not passed probation, and did not have 18 months of law enforcement experience. When we brought this to the attention of LAPD, they informed us that overtime shifts for MTA are filled through the LAPD Cash Overtime Allotment for scheduling and Timekeeping (COAST) system. The COAST system expressly requires that only those qualified: having passed probation and obtained POST certification may sign up for MTA contract line spots. The spots for June 6, 2020, however, were filled during a departmental wide mobilization where officers were tactfully deployed to mitigate civil unrest, and they did not employ the COAST system. We also brought this issue to the attention of SSLE. SSLE advised that they were notified about the department wide mobilization but they were not informed about the use or non-use of the COAST system.

In our opinion, LAPD should develop procedures to help ensure that even during departmental wide mobilizations or special deployments that only those officers who meet all the personnel and training requirements are placed on the Metro Contract.

Los Angeles County Sheriff Department (LASD)

Section 1.2 of the contract states: “ *E a c h s w o r n o f f i c e r / s u p e r v i s o r a n a c t i v e B a s i c , I n t e r m e d i a t e , A d v a n c e d o r S u p e r v i s C e r t i f* Our review of a sample of LASD personnel found five officers who were assigned to the Metro contract but were not POST certified. When we brought this to the attention of LASD, we were advised that although these officers were assigned to the Metro contract they never worked on the contract. LASD informed us that it is common for deputies to be assigned to one assignment but not actually be working there. It is called being “on loan” and it happens quite a bit. Notwithstanding this, we believe assigning officers to the contract before they are POST certified increases the risk that an officer may be working on the Metro contract who does not meet contract requirements in the area of personnel and training.

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To ensure that only qualified officers are working on the Metro contract, LASD should only assign personnel to the Metro contract after they are POST certified.

Long Beach Police Department (LBPd)

Section 1.2 of the contract states: “*The contractor’s personnel must have a minimum of eighteen months of law enforcement experience, and shall not have current*” Our review of the LBPd personnel in our sample found two officers on the Metro contract who did not have 18 months of law enforcement experience. When we brought this to the attention of LBPd, they advised us that they recalled a “meet and confer” between LBPd and SSLE’s prior management that “academy time” could be used as part of the 18 months of law enforcement experience required by the contract. We inquired if they had something in writing to support this agreement, LBPd advised that they did not have anything. LBPd also advised that as of 2020, the practice of using academy time as part of the 18 months of law enforcement service is no longer done. We also discussed this issue with SSLE. They advised us that they were unaware of any agreement on the use of “academy time.”

We contacted the California’s Commission on POST to gain an understanding of what counts as law enforcement experience. An official from the Commission advised us that completion of training at an academy does not count as law enforcement experience for POST certifications.

In our opinion, LBPd should ensure that all officers before they are assigned to the Metro contract have completed the required 18 months of law enforcement experience, not including “academy” training, and have met the other personnel and training requirements to work on the Metro Contract.

SSLE should review the qualifications of a sample of officers assigned to Metro from each of the three law enforcement agencies on a periodic basis. This will help ensure that only those officers who meet contract requirements are working on the Metro contract.

Observation related to Required Training

Our review found that there were several officers who had taken the required trainings (Safety and Transit Policing) two or more years ago. To ensure that these officers remember the pertinent issues that were addressed in these trainings, Metro should consider developing and requiring officers to take refresher courses after two or more years on the contract. This will also help ensure that new or updated training material is communicated to officers that have worked on the contract for a while.

2. Required Reporting and Key Performance Indicators

a. Required Reporting

Section 2.1 of the contract between Metro and the three law enforcement agencies require contractors to provide Metro on a regular basis with various types of information and reports. To determine if the contractors are adhering to this contract requirement, we requested each contractor to provide examples of each type of report or document submitted to Metro to support the required information requested. We reviewed reports and other information to determine if contractors were following contract requirements. We also verified with

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Metro’s SSLE department whether each contractor was submitting the required reports and information on a timely and consistent basis. Schedule 11 below provides a list of the reports and information required to be submitted by each law enforcement agency.

Schedule 11 ó Required Reporting

REPORTS REQUIRED (SECTION 2.1)	LAPD	LASD	LBDP
1. Weekly schedule for each watch or shift. Must include each employee’s name, actual hours worked, assignment and rank	X	X	X
2. Daily summary of work activity for each employee	X	N/A	N/A
3. Watch Commander Summary of Major Events of the day	N/A	N/A	X
4. Monthly summary of crime activity, citations issued, arrests made	X	X	X
5. Monthly summary of commendations and complaints	X	X	X
6. The number of cases referred for follow-up investigation and the subsequent disposition	X	X	N/A
7. Monthly report on the number of Part 1 crime cases referred for follow-up investigation and the subsequent disposition	N/A	N/A	X
8. After-Action Reports following special operations, emphasis details and/or major incidents	X	X	X
9. Annual Community Policing Plan	X	X	X
10. Monthly summary of Problem Oriented Policing projects	X	X	X
11. Executive Summary of Major Events/Incidents on the Metro System (distribution to LACMTA’s CEO, DCEO, COO, Chief of Risk Safety and Asset Management and Chief of System, Security and Law Enforcement)	N/A	N/A	X
12. Law Enforcement Sensitive Reports (distribution to LACMTA’s CEO, DCEO, COO, Chief of Risk Safety and Asset Management and Chief of System, Security and Law Enforcement)	X	X	N/A

Overall, we found that all three law enforcement agencies adhered to contract requirements related to required reporting.

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Observation on Required Reporting

For future contracts, Metro with input from the three law enforcement agencies should review the reports and information currently required to be provided by the contractors to determine if the information is still relevant and helps ensure that transit security services are operating in the most effective and efficient manner. As part of this review, Metro should assess how each report and/or item of information is currently being used and whether requesting different or additional information would be more beneficial.

b. Key Performance Indicators

Key Performance Indicators (KPIs) measure progress toward intended results. KPIs provide a focus for strategic and operational improvements, create an analytical basis for decision making and help focus attention on what matters the most. Managing with KPIs include setting targets (the desired level of performance) and tracking progress against that target.

Good KPIs:

- Provide objective evidence of progress towards achieving a desired result;
- Measures what is intended to be measured to help inform better decision making;
- Offer a comparison that gauges the degree of performance change over time; and
- Can track the efficiency, effectiveness, quality, and timeliness of performance.

Key Performance Indicators: Section 2.2 of the contract between Metro and the three law enforcement agencies state: “ *L A C M T A a n d t h e C o n t r a c t o r (s) w* performance metrics to capture:

- *Number of foot and vehicle patrols of transit centers and train platforms/plazas/stations*
- *Ratio of staffing levels and vacant assignments*
- *Ratio of proactive versus dispatched activity*
- *Number of train boardings*
- *Incident response times*
- *Number of fare enforcement operations*
- *Number of grade crossings operations*

LACMTA will provide details of each required KPI, including definitions, raw data required and calculations. LACMTA will use these KPIs as part of the contract monitoring and evaluation process . ”

Our review of reports and information provided by the three law enforcement agencies under the contract reporting requirements found that the agencies are already providing most of the information necessary to measure their performance against baseline performance metrics established for the specific areas identified in Section 2.2 of the contract. However, we found that Metro’s SSLE department has not worked with the agencies to develop specific baseline metrics. When we asked SSLE about the development of baseline performance metrics, they advised that they have evaluated the KPIs and found them meaningful and reasonable and they are working on putting the framework together to develop baseline targets/goals with each agency. Establishing

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targets and goals will help determine if a law enforcement agency is over or under performing in a key performance area. Also, establishing targets and goals can also be used as a tool to help ensure that SSLE is performing their monitoring and oversight function in the most effective and efficient manner. In addition, the development of baseline performance metrics advises the contractors on what is expected of them.

As a tool to help monitor overall transit security performance, SSLE with input from the three law enforcement agencies should develop baseline performance levels (targets/goals) in critical performance areas to help track and gauge how well each agency is performing.

3. Community Policing

The U.S. Department of Justice – Office of Community Oriented Policing Services (COPS) is responsible for advancing the practice of community policing by the nation’s state, local, territorial, and tribal law enforcement agencies. COPS states: “ *Community policing begins to building trust and mutual respect between police and communities. It is critical to public safety, ensuring that all stakeholders work together and communities collaborate, they more effectively address underlying issues, change negative behavioral patterns, and allocate resources.* ”

Community Policing – Section 3.0 of the contract between Metro and the law enforcement agencies state: “ *The contractor shall update annually the L Building and sustaining community partnerships is ce vulnerability to crime. This will require periodic attendance at community meetings and other events designed to foster LACMTA’s relati bproside staff with specific training in Problem Oriented Policing in order to assist LACMTA in addressing long standing challenges related to crime, bli g*

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We found that the SSLE Department has not developed an agency wide Community Policing Plan. This issue was also noted in the FY19 audit report (Report No. 20-AUD-07, Issued March 27, 2020). SSLE’s System Security Administration and Compliance Director advised that she is aware of the importance of having a plan and that she will be working with SSLE’s management in the near future to develop one. Developing a written Community Policing Plan and updating it annually is important because it:

- Identifies the actions that Metro plans to take to develop relationships and trust within the community;
- Communicates to Metro’s officers the importance of being visible within the community by partnering with groups and individuals to reduce crime and address other issues facing the community;
- Documents the specific training provided to Metro officers in the area of Problem Oriented Policing;
- Serves as a benchmark to determine if Metro is meeting its goals; and
- Provides guidance to the three law enforcement agencies in the development of their annual Community Policing Plan.

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Metro should develop and update annually a written agency-wide Community Policing Plan that clearly defines the agency’s goals and objectives for establishing and building on relationships within the community to address longstanding challenges with crime and other issues.

We obtained a copy of each of the law enforcement agency’s Community Policing Plan and reviewed each plan to determine its adherence to contract requirements.

Los Angeles Police Department (LAPD)

Our review of LAPD’s Community Policing Plan found that it provided an overview of the types of community policing and outreach activities that they plan to participate in to help build relationships and trust within the community. However, the plan did not provide a description of the specific training that is provided to their officers in the area of Problem Oriented Policing. The contract in Section 3.0 – Community Policing states: “The contractor shall provide staff with specific training in Problem Oriented Policing in order to assist LACMTA in addressing longstanding challenges related to crime, blight, and disorder.” When we asked LAPD about this training, they advised that Community Focused & Problem Oriented Training is at the core of their operations. They provided a list of the types of training they provide in this area. Our review of the list found that the training included for example, De-escalation and Crowd Control training and Mental Health Intervention Training. In addition, LAPD informed us that in March 2021 as a result of the recent civil unrest in the country, the city of Los Angeles created the Anti-Bias Learning Initiative and Implicit Bias Training program which has been mandated for all city of Los Angeles employees.

To ensure that contract requirements are adhered to, LAPD should include in its Annual Community Policing Plan, a description of the specific training provided to its officers in the area of Problem Oriented Policing.

Los Angeles Sheriff Department (LASD)

LASD’s Community Policing plan provides a list of actions that the agency plans to take to promote their community policing activities. The plan also discusses their mission which includes promoting a safe and secure transit environment and providing premier customer service and support. However, similar to LAPD, the plan does not provide information on the specific training in the area of Problem Oriented Policing that the contract requires be provided to officers on the Metro contract. When we asked LASD about this training, they advised that their deputies are provided with annual training in this area that includes: De-escalation training, Tactical Communications Training, Mental Health Refresher Training, and Racial Profiling/Cultural Diversity Training.

To ensure that contract requirements are adhered to, LASD should include in its Annual Community Policing Plan, a description of the specific training provided to its officers in the area of Problem Oriented Policing.

Long Beach Police Department (LBPD)

Our review of LBPD’s plan found that it adhered to contract requirements. It provided an overview of community activities that officers from LBPD had participated in as well those that they plan to

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be a part of and/or host. In addition, LBPB's plan included a description of the specific training that its officers receive in the area of Problem Orienting Policing. The LBPB's Community Policing Plan states that officers receive 10 hours of Implicit Bias Training, 8 hours of Procedural Justice Training, 23 hours of Cultural Diversity/Discrimination Training and 18 hours of Policing in the Community Training.

F. Use of GPS Information on Mobile Phone Validators

Metro provided the contract law enforcement officers with Mobile Phone Validators (MPV smartphones) which are GPS enabled to provide information on the location and movement of MPV and law enforcement resources. One of the findings in FY 2019 report was that "SSLE has made little progress implementing a mechanism for verifying contracted law enforcement actual presence using smartphone location services / GPS."

In October 2019, Los Angeles Metro executed a contract modification for a TAP Mobile Phone Validator (MPV) application with Axiom Xcell, Inc. (Contractor) to extend the period of performance and proceed with implementing new enhanced features to improve functionalities and capabilities for the MPV used by fare compliance officers and contracted law enforcement. However, after reprogramming the devices and conducting field tests, SSLE determined that the design of the current dashboard is slow and labor intensive when trying to obtain information on the location and movement of MPVs and law enforcement resources.

We inquired with SSLE about the updates on this program and they stated that the GPS function showed uneven to subpar results. When specific dates, times, deployment periods and watch/shift are researched, the results are sporadic and unreliable. This is due, at least in part, to poor connectivity in the subterranean portions of the system. Once Officers enter the underground portion of the Metro system, their location is not detected by the satellite which isolates their position until they surface again. The inability to obtain location information of law enforcement resources has been a continuing issue, and currently, neither the contractor or Metro ITS has a solution to this problem.

In September 2020, the SSLE compliance group began using reports generated by the contractor's Mobile Device Management (MDM) system and compared the data with the submitted law enforcement daily deployment schedules for Officers/Deputies. The MDM was used to validate law enforcement resources that logged into and off the MPV application, date and time, and what location.

Even though it was beyond our audit period, we asked SSLE to provide information for the period covering December 13, 2020 to January 3, 2021 which we used in our sample testing. The MDM reports provided information on the time the officers logged in and out using the MPV, although the reports did not show their location. Based on our examination of the deployment schedules, we determined that LAPD and LBPB had a compliance rate of 100% and 93% respectively, in logging into the MPV application. However, during the subject testing period, LASD had a compliance rate of only 9%, with only one shift partially complying with logging into the MPV application. According to the SSLE Director, LASD explained that they had not really used the MPVs in the first few months because they were not familiar on how to use them. The SSLE Director developed

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and provided an MPV user guide to LASD. Since then, LASD has complied with the requirement of logging into the MPV application and now registers a compliance rate between 96% to 100%.

While we saw significant improvement in monitoring the resources since the establishment of the Compliance unit within SSLE, we believe that certain procedures could be improved.

SSLE should determine if the Metro issued MPV smartphones provide reliable and meaningful information on the amount of time the contracted law enforcement officers spend on various parts of the Metro System.

Observation related to TAP Reports

Effective February 14, 2021, SSLE began using Metro's TAP reports in monitoring the law enforcement resources by comparing the data with the submitted law enforcement daily deployment schedules to validate contractual compliance when boarding Metro's buses and trains, and patrol bus and rail stations/corridors at contracted locations. All Officers and Deputies on duty are required to TAP their issued Metro badge on all TAP machines when boarding buses, riding trains, and accessing rail stations/corridors. Every month, SSLE performs a 15-day audit of the selected sample and based on their March 1 to 15, 2021 audit, the compliance rate for the three law enforcement agencies ranged from 67% to 86%. The effectiveness of using TAP reports to monitor deployment of law enforcement resources will be reviewed again in our FY21 audit of Metro Transit Security Services Performance.

The Director, Systems Security Administration and Compliance stated she believes that Metro TAP reports are more effective in verifying the presence of the contracted law enforcement resources. The MPVs, on the other hand, require a significant amount of time to maintain including re-programming when they are wiped clean or locked. The MPV will be wiped clean if the Personal Identification Number (PIN) is entered incorrectly five times; it will be locked if the PIN is entered incorrectly three times and if the user attempts to log into the MPV application but is not enrolled in the MDM database. Based on SSLE report, 690 MPVs were wiped and reprogrammed as of February 18, 2021. Wiped devices must be re-programmed from scratch as if the device is new and factory-reset, whereas locked devices can be unlocked remotely by a member of the Compliance Group via the MDM system.

We recommend that SSLE determine whether the use of TAP reports is the most effective approach to monitoring and overseeing contracted law enforcement resources to ensure that the resources Metro is paying for are actually present and providing contractual law enforcement services.

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Cameras provide additional documentation of police encounters with the public and may be an important tool for collecting evidence and maintaining the public trust. Body cameras will also protect the police, since the footage can be used as evidence to justify their actions. SSLE has not discussed or established any requirement on the use of Body Worn Cameras (BWCs) and obtaining BWC recordings to date. The policy for the use of BWCs and criteria for BWC recordings fall within the policies for each respective law enforcement agency.

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According to the Director, Systems Security Administration and Compliance, LBPB began wearing body cameras while policing the Metro system in April 2020. LAPD has started testing their body worn camera program with an expected roll out date of April 2021, and LASD anticipates their body worn camera program will roll out in October 2021.

LBPB

We reviewed the policies on BWCs provided by LBPB to determine when recordings should be made. Based on their policy, “officers equipped with a BWC shall activate their camera during enforcement related contacts whether self-initiated or in response to a dispatch call.” Enforcement related contacts include, but are not limited to the following: traffic collisions, detentions, arrests, searches, crimes in progress, demonstrations, protests, unlawful assemblies, and consensual encounters.

We asked for video clips from LBPB but were informed that based on their policy, they are prohibited from accessing, copying, forwarding, or releasing any digital evidence for other than official Police Department use. A public records request to the City of Long Beach via www.longbeach.gov/police would be necessary to release any body worn camera footage.

In the absence of video clips, we asked LBPB to provide any report that shows camera data (i.e. stamped time, date, location) proving that the Officers wore their body cameras. LBPB submitted the Device Audit Trail (DAT) which showed the date and time each officer wore his BWC, as well as the time it was activated, deactivated, and switched off at the end of his/her shift. We compared the data on the DAT with the work schedule of the selected law enforcement personnel and based on our review, the sampled LBPB Officers wore body cameras during their entire shift and activated them only during enforcement-related contacts, as stated in the policy. The Device Audit Trail, however, did not show the location of the law enforcement personnel.

LAPD

During our audit of the FY20 contracts, we found that LAPD officers are required to utilize the Body Worn Video (BWV) equipment starting March 8, 2021, in compliance with their BWV policy. LAPD stated that all sworn officers working on the Metro transit system wear body cameras throughout their shift. Based on LAPD’s Special-Order No. 12 and Pre-activation Buffer Requirements Notice, officers shall activate their BWV devices prior to initiating any investigative or enforcement activity involving a member of the public. LAPD and Metro have yet to establish protocols regarding accessibility to body camera video and other information obtained with the use of the equipment.

LASD

As stated earlier, LASD plans to roll out their BWC Program in October 2021.

We recommend that Metro include in future contracts the requirement of wearing body cameras by all contracted law enforcement personnel. This will help improve police law enforcement accountability and transparency in order to regain and increase public trust and confidence.

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SSLE, as part of its oversight responsibilities should also discuss and develop with law enforcement agencies procedures on how to access the video footage when necessary. These agreed upon procedures should be incorporated into future contracts.

V. CONCLUSION

Contracted Law Enforcement Agencies

We found for the areas covered in this audit that the three law enforcement agencies for the most part, provided transit security services in accordance with contract requirements. However, as discussed in this report, we did identify for two or more of the agencies, non-compliance items in the areas of billings, personnel and training, and community policing. The three law enforcement agencies should continue to be vigilant in adhering to all contract requirements. This will help ensure that Metro's overall transit security services are operating in the most effective and efficient manner.

Metro's Oversight Function (SSLE)

We found that SSLE has taken steps to strengthen their monitoring and oversight function. This includes creating a Compliance Unit whose main responsibility is to monitor and ensure that the three law enforcement agencies are adhering to contract requirements, reviewing 100% of invoices before they are submitted to Accounting for payment, and being able to monitor and track contract resources in the field. SSLE can further strengthen its oversight function as well as overall transit security performance by working with the law enforcement agencies to develop targets and goals for Key Performance Indicators, continuing to strengthen controls over tracking contracted resources in the field, and developing and updating on an annual basis a Community Policing Plan. Developing a Community Policing Plan will provide guidance not only to the law enforcement agencies but also to Metro's officers.

Budget Controls

We found that additional budget controls are needed to ensure that all costs for services provided stay within the Board approved budget. Due in large part to enhanced deployments and special events, and in small part to lack of controls on how many law enforcement persons can be billed at overtime rates versus regular full-time rates including vacation and paid holidays, prior SSLE Metro management overspent funds in early years of the contract leaving insufficient funds for the last year of the contracts. We found special events deployment costs need to be recovered by the law enforcement entity or Metro from the private party event host, or a contingency reserve needs to be established for that, or both, to control spending. We also found spending needs to be programmed on an annual basis for multi-year contracts and monitored by OMB in that way.

VI. RECOMMENDATIONS

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SSLE should:

1. Review the history of each agency’s use of contract funds and determine what actions can be taken to help address what appears to be an over use of the budget and a shortage of funds for the remaining life of the contract.
2. Ensure that future contracts include a contract budget that specifies the amount of funds budgeted for each contract year and develop procedures to help ensure that the annual budgets are adhered to.
3. In future contracts, to more effectively control and track the use of contract funds, allocate within the budget a separate reserve amount to be used for special events and enhanced deployments.
4. For future contracts, consider the impact that the use of full-time contracted personnel will have on the use of funds over the life of the contract. In addition, specify within the contract the job classifications, and number of positions within each classification that can be charged to the Metro contract on a full-time basis.
5. Execute a contract modification if it is determined that LBPD sworn personnel will be assigned to the contract on a full-time basis.
6. Determine for LBPD, if the billing of full-time personnel should be retroactive back to year two of the contract.
7. Review LBPD past invoices to determine if overbillings still exist with the use of the correct supporting documentation.
8. Review all LAPD invoices for FY20 to determine if there are other incidents where the personnel hourly billing rate exceeds the approved maximum fully burdened hourly rate for the job classification.
9. Request a refund of \$3,170.52 and any additional overbillings identified from LAPD.

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10. For future contracts, work with each contractor to include language in their respective contracts that more thoroughly and clearly define how services will be billed and what costs will be allowed and/or disallowed.
11. Continue to work on strengthening controls in the area of monitoring and oversight by addressing the deficiencies cited in areas such as Community Policing and Key Performance Indicators.
12. Complete and finalize the Compliance Audit Procedures Manual.
13. Review on a periodic basis the qualifications of a sample of officers from each of the law enforcement agencies to determine that contract requirements are being adhered to.
14. For required training, consider developing and requiring officers to take refresher courses after working on the contract for two or more years.
15. For required reporting, review with input from the law enforcement agencies, the reports and information currently required to determine if changes are necessary. As part of this review determine if different or additional information would be more beneficial.
16. With input from the three law enforcement agencies, develop baseline performance levels (targets and goals) for key performance indicators.
17. Develop and update annually a written agency-wide Community Policing Plan.
18. Determine if the Metro issued MPV smartphones provide reliable and meaningful information on the amount of time officers spend on various parts of the Metro System.
19. Perform further study and evaluation of TAP reports to determine whether it is the most effective approach to monitoring and overseeing contracted law enforcement resources.
20. Include in future contracts the requirement of wearing body cameras by all contracted law enforcement personnel when policing the Metro System.
21. Establish with the three contracted law enforcement agencies procedures for accessing video footage from body cameras when necessary, including for compliance, auditing, and investigative reasons.

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Los Angeles Police Department (LAPD)

LAPD should:

22. Ensure that each personnel's hourly billing rate does not exceed the approved maximum fully burdened hourly rate for that job classification.
23. Develop procedures to help ensure that even during departmental wide mobilizations and/or special deployments that only those officers who meet contract requirements are placed on the Metro contract.
24. Include in the Annual Community Policing Plan a description of the specific training provided to its officers in the area of Problem Oriented Policing.

Los Angeles Sheriff Department (LASD)

LASD should:

25. Assign personnel to the Metro contract only after they are Post Certified and have met all contract requirements.
26. Include in its annual Community Policing Plan a description of the specific training provided to its officers in the area of Problem Oriented Policing.

Long Beach Police Department (LBPD)

LBPD should:

27. Ensure that the correct supporting documentation is used when preparing and submitting invoices.
28. Assign only those officers to the contract who have 18 months of law enforcement experience and have met all other contract requirements related to personnel and training.

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OMB should:

29. Monitor and restrict spending of the contract budget into equal percentages of the contract amount divided by the number of years of a multi-year contract (e.g. 1/5 per year of a five-year budget) unless a different program of funding is approved by the Office of the Chief Executive Officer.

VII. MANAGEMENT COMMENTS TO RECOMMENDATIONS

We received management’s response to the recommendations in this report on September 9, 2021. The response stated: “System Security and Law Enforcement (SS&LE) staff has reviewed the OIG’s Draft Report on Audit of Metro Security Services Performance for the Fiscal Year Ended June 30, 2020 (Report No. 22-AUD-02) and takes corrective actions to each of the twenty-nine (29) recommendations as presented in Appendix A)”. See management’s complete response in Section IX.

VIII. OIG EVALUATION OF MANAGEMENT RESPONSE

Metro Management’s responses and corrective actions taken are responsive to the findings and recommendations in this report. We will review recommendations at a later date to determine that all proposed actions have been implemented.

IX. MANAGEMENT COMMENTS TO DRAFT REPORT



Metropolitan Transportation Authority

Metro

Interoffice Memo

Date	September 9, 2021
To	Karen Gorman, Inspector General Office of the Inspector General
From	Judy Gerhardt, Chief System Security & Law Enforcement Officer
Subject	Office of the Inspector General (OIG) - Draft Report on Audit of Metro Transit Security Services Performance for the Fiscal Year Ended June 30, 2020 (Report No. 22-AUD-02)

System Security and Law Enforcement (SS&LE) staff has reviewed the OIG, Draft Report on Audit of Metro Transit Security Services Performance for the Fiscal Year Ended June 30, 2020 (Report No. 22-AUD-02) and takes corrective actions to each of the twenty-nine (29) recommendations as presented in Appendix A, specifically.

For consistency and clarification, SS&LE staff is requesting for the OIG to consider including in their report the letter from former management to Long Beach Police Department (LBPD) on \$3.2 Million increase in 2018 approving adjustments to Transit Law Enforcement Services related to the LBPD Contract No. PS95866000LBPD24750 and clarifying the OIG's result in an estimated shortage of \$143,000 per year for FY21 and FY22.

SS&LE staff is also requesting the OIG to consider our clarification to the statement "SSLE stated that they also share our concern with special events, and they are currently looking into whether Metro should be reimbursed for payments made to the law enforcement agencies for services provided for such events", found in page 4, Special Events and Enhanced Deployments, second paragraph, last sentence to read "*SSLE stated that they also share our concern with special events, and is currently exploring the idea of working with the venues to reimburse Metro for future special events (venues) moving forward.*"

SS&LE staff appreciates the courtesy and cooperation extended to us during the review. SS&LE staff has been, and remains, fully committed to ensure that Metro is receiving the transit law enforcement services it is paying for.

Enclosure: Appendix A

Distribution:

Aston Greene; Ron Dickerson; Dawn Williams-Woodson and Yvonne Guan Zheng

X. APPENDICES

Schedule of Recommendations and Proposed Actions for FY20 Performance Audit

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
	SS&LE should:				
1	Review the history of each agency's use of contract funds and determine what actions can be taken to help address what appears to be an over use of the budget and a shortage of funds for the remaining life of the contract.	SS&LE	Agree	In efforts to strengthen the ongoing monitoring and oversight of the contract funds, the current Metro SS&LE staff reviewed the history of each agency's use of contract funds and determined: 1. Effective 03/2020 cease additional law enforcement resources in support of Special Events (venues such as concerts, sport events, etc.) and Enhancements. 2. Effective 06/2020, due to Metro's budget constraints resulting from the COVID-19 pandemic, Metro SS&LE staff notified all three law enforcement contractors to suspend recruitment process to fill current/future vacancies and defer the acquisition of new equipment and vehicles. These types of costs will need to be reviewed on a case by case and pre-approved by Metro SS&LE staff.	03/2020 & 06/2020
2	Ensure that future contracts include a contract budget that specifies the amount of funds budgeted for each contract year and develop procedures to help ensure that the annual budgets are adhered to.	SS&LE	Agree	Metro SS&LE staff will work with Metro V/CM to ensure that the appropriate form of contract (cost reimbursable contract) is utilized and include language in future contracts' SOW related to cost reports that should be submitted as a condition precedent for each monthly invoice and executive reports that provide monthly reports showing total contract costs, actual costs, cumulative to date, remaining balance and budget based on authorized funding, plus applicable changes, if any.	During the Solicitation phase for new Transit Law Enforcement Services
3	In future contracts, to more effectively control and track the use of contract funds, allocate within the budget a separate amount to be used for special events and enhanced deployments.	SS&LE	Agree	In addition to item no. 2 response, Metro SS&LE staff will work with Metro V/CM to ensure that appropriate language is incorporated in future contracts' SOW based on authorized funding related to special events and enhanced deployment, if any.	During the Solicitation phase for new Transit Law Enforcement Services
4	For future contracts, consider the impact that the use of full-time contracted personnel will have on the use of funds over the life of the contract. In addition, specify within the contract the job classifications, and number of positions within each classification that can be charged to the Metro contract on a full-time basis.	SS&LE	Agree	In addition to item no. 2 response, Metro SS&LE staff will work with Metro V/CM to ensure that, appropriate language such as the following is incorporated in future contracts' SOW: 1. Submittal of start up schedule for planning the agency's activities and resources. The final schedule to be developed by the agency in accordance with the terms and requirements of the contract. 2. Submittal of staff needed to perform services as described in the SOW and ensure labor rates are commensurate with the role performed. 3. Establish Direct Labor hourly rates fixed for the first contract year and set a maximum escalation increase for future contract years, per year, in accordance with union labor agreements. 4. Establish a list of planned full-time positions with Direct Labor Rate bands. 5. Establish fixed indirect rates for each of the agencies, following provisional indirect rates as established and accepted by Metro for use in each agency's monthly invoices, subject to retroactive adjustments upon completion of audits. This rate should be the only applied rate to the base direct labor rates for the contract for each position, calculating the fully burden rate or rates for said position.	During the Solicitation phase for new Transit Law Enforcement Services
5	Execute a contract modification if it is determined that LBPD sworn personnel will be assigned to the contract on a full-time basis.	SS&LE	Agree	Metro SS&LE staff will work with Metro V/CM to issue an administrative modification identifying the number of sworn full-time positions Metro allowed LBPD to be assigned to the contract.	12/2021

Schedule of Recommendations and Proposed Actions for FY20 Performance Audit

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
6	Determine for LBPDP, if the billing of full-time personnel should be retroactive back to year two of the contract.	SS&LE	Agree	Due to the unknowns of what may have transpired between former LBPDP leadership and Chief of System Security and Law Enforcement Services, the current Metro SS&LE staff determined not to retroactive back to year two of the contract for billings of full-time personnel. However, the current Metro SS&LE Staff and LBPDP, on 05/2021 agreed to only keeping ten (10) full-time field positions and twelve (12) overtime field positions for the remaining contract period of performance, and requested the removal of four (4) full-time positions hired without Metro's pre-approval in 01/2021 & 02/2021.	05/2021
7	Review LBPDP past invoices to determine if overbillings still exist with the use of the correct supporting documentation.	SS&LE	Agree	Metro SS&LE staff has completed its review of Year 1-3 of LBPDP invoices with the use of the correct supporting documentation and determine that a credit of \$27,613.08 was owed back to Metro, this amount has been credited back to Metro in the June 2021 LBPDP invoice. Metro SS&LE will work with LBPDP to complete the review of Year 4.	06/2021 & 12/2021
8	Review all LAPD invoices for FY20 to determine if there are other incidents where the personnel hourly billing rate exceeds the approved maximum fully burdened hourly rate for the job classification.	SS&LE	Agree	Metro SS&LE staff will work with LAPD to review all monthly FY2020 billings.	12/2021
9	Request a refund of \$3,170.52 and any additional overbillings identified from LAPD.	SS&LE	Agree	Metro SS&LE staff will shared with LAPD the auditor's finding and request that LAPD provide a credit as appropriate, if they find this to be true.	12/2021
10	For future contracts, work with each contractor to include language in their respective contracts that more thoroughly and clearly define how services will be billed and what costs will be allowed and/or disallowed.	SS&LE	Agree	See responses to items no. 2,3 & 4.	During the Solicitation phase for new Transit Law Enforcement Services
11	Continue to work on strengthening controls in the area of monitoring and oversight by addressing the deficiencies cited in areas such as Community Policing and Key Performance Indicators.	SS&LE	Agree	Metro SS&LE staff has received all three law enforcement partners' Community Policing Plans and will begin to develop and incorporate a Metro Community Plan. Metro SS&LE staff continues to review KPIs in efforts to establish target performance levels for each agency.	10/2021
12	Complete and finalize the Compliance Audit Procedures Manual.	SS&LE	Agree	Metro SS&LE staff will work on completing and finalizing the Compliance Audit Procedures Manual (aka SOP).	12/2021
13	Review on a periodic basis the qualifications of a sample of officers from each of the law enforcement agencies to determine that contract requirements are being adhered to.	SS&LE	Agree	Metro SS&LE staff will submit notification to all three agencies requesting qualifications of a sample of officers quarterly to determine that personnel performing contract work is adhering to the personnel contract requirements.	10/2021
14	For required training, consider developing and requiring officers to take refresher courses after working on the contract for two or more years.	SS&LE	Agree	As a first step Metro SS&LE staff will notify the agencies of the refresher course established by Metro's SS&LE, EM group and request that it be completed within the next 3 months. Secondly, will work with Metro V/CM to ensure appropriate refresher training courses and/or language is included in the contract via an administrative modification, if appropriate.	12/2021

Schedule of Recommendations and Proposed Actions for FY20 Performance Audit

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
15	For required reporting, review with input from the law enforcement agencies, the reports and information currently required to determine if changes are necessary. As part of this review determine if different or additional information would be more beneficial.	SS&LE	Agree	Information currently being requested from law enforcement agencies is consistent with metrics listed under the KPIs. Metro SS&LE will continue to evaluate the reported information to ensure it is sufficient to measure and assess the performance of our law enforcement partners as it pertains to the contract terms.	09/2021
16	With input from the three law enforcement agencies, develop baseline performance levels (targets and goals) for key performance indicators.	SS&LE	Agree	Metro SS&LE staff continues to review KPIs in efforts to establish target performance levels for each agency.	10/2021
17	Develop and update annually a written agency-wide Community Policing Plan.	SS&LE	Agree	Metro SS&LE staff has received all three law enforcement partners' Community Policing Plans and will begin to develop and incorporate a Metro Community Plan.	10/2021
18	Determine if the Metro issued MPV smartphones provide reliable and meaningful information on the amount of time officers spend on various parts of the Metro System.	SS&LE	Agree	Although, Metro SS&LE staff used an alternative feature from the MPV application, called Mobile Device Manager (MDM) system and compared the data with the submitted law enforcement weekly schedules to validate which officers logged into the MPV application, at what time, and at which point they logged off, it was determined that Metro's TAP reports provide much reliable information of time officers spend on various parts of the Metro System given that they must physically tap their issued Metro badge when boarding buses and entering platforms during their shifts. With the MPV application an officer may log on or off from any location without knowing if they are on board a bus or while patrolling underground rail stations.	02/2021
19	Perform further study and evaluation of TAP reports to determine whether it is the most effective approach to monitoring and overseeing contracted law enforcement resources.	SS&LE	Agree	Metro SS&LE staff continues reviewing a sample size from each month to verify that all field Officers/Deputies on duty are tapping their Metro issued badge at all TAP machines while on patrol boarding Metro buses and entering rail stations/corridors in efforts to maintaining high visibility and accountability of our contracted law enforcement services. Metro SS&LE staff shares the discoveries with the law enforcement contractors while also requesting supporting information. Supporting information may include, but is not limited to, CCTV footage or Daily Field Activity Reports (DFARs).	04/2021 & On-Going
20	Include in future contracts the requirement of wearing body cameras by all contracted law enforcement personnel when policing the Metro System.	SS&LE	Agree	Metro SS&LE staff will work with Metro V/CM to ensure appropriate Body Worn Camera language is included in future contracts.	During the Solicitation phase for new Transit Law Enforcement Services
21	Establish with the three contracted law enforcement agencies procedures for accessing video footage from body cameras when necessary, including for compliance, auditing, and investigative reasons.	SS&LE	Agree	As a first step to establish procedures for accessing video footage from body cameras, the Metro SS&LE staff will submit a notice to the LBPD, LAPD & LASD, asking each agency to reply to the outlined OIG recommendation listing their policies and best practices for Metro's SS&LE staff to access video footage from body cameras. Each agency is to reply by 10/2021.	10/2021

Schedule of Recommendations and Proposed Actions for FY20 Performance Audit

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
LAPD should:					
22	Ensure that each personnel's hourly billing rate does not exceed the approved maximum fully burdened hourly rate for that job classification.	SS&LE	Agree	As a first step, the Metro SS&LE staff will submit a notice to the LAPD, outlined the OIG recommendation listed and ask to reply listing their efforts and best practices to ensure that each personnel's hourly billing rate does not exceed the approved maximum fully burdened hourly rate for that job classification.	10/2021
23	Develop procedures to help ensure that even during departmental wide mobilizations and/or special deployments that only those officers who meet contract requirements are placed on the Metro contract.	SS&LE	Agree	As a first step, the Metro SS&LE staff will submit a notice to the LAPD, asking to reply to the outlined OIG recommendation listing their policies and best practices for departmental wide mobilizations and/or special deployments for Metro's SS&LE staff to evaluate and perhaps administratively modify the contract, if appropriate.	10/2021
24	Include in the Annual Community Policing Plan a description of the specific training provided to its officers in the area of Problem Oriented Policing.	SS&LE	Agree	As a first step, the Metro SS&LE staff will submit a notice to the LAPD, outlined the OIG recommendation listed and ask to reply with a revised annual community policing plan listing and describing specific training in the area of Problem Oriented Policing, if any.	10/2021
LASD should:					
25	Assign personnel to the Metro contract only after they are Post Certified and have met all contract requirements.	SS&LE	Agree	Metro SS&LE staff will submit a notice to the LASD, outlined the OIG recommendation listed and ask to reply with their policies and best practices to ensure that only personnel assigned to the Metro contract are Post Certified and meet all contract requirements.	10/2021
26	Include in its annual Community Policing Plan a description of the specific training provided to its officers in the area of Problem Oriented Policing.	SS&LE	Agree	As a first step, the Metro SS&LE staff will submit a notice to the LASD, outlined the OIG recommendation listed and ask to reply with a revised annual community policing plan listing and describing specific training in the area of Problem Oriented Policing, if any.	10/2021
LBPD should:					
27	Ensure that the correct supporting documentation is used when preparing and submitting invoices.	SS&LE	Agree	LBPD invoice submittals have been and continue to include correct supporting documentation.	05/2021
28	Assign only those officers to the contract who have 18 months of law enforcement experience and have met all other contract requirements related to personnel and training.	SS&LE	Agree	Metro SS&LE staff will submit a notice to the LBPD, outlined the OIG recommendation listed and ask to reply with their policies and best practices to ensure that only personnel assigned to the Metro contract have 18 months of law enforcement experience and have met all other contract requirements related to personnel and training.	10/2021
29	Monitor and restrict spending the contract budget into equal percentages of the contract amount divided by the number of years of a multi-year contract (e.g. 1/5 per year of a five-year budget) unless a different program of funding is approved by the Office of the Chief Executive Officer.	SS&LE	Agree	Metro SS&LE staff and LBPD have been working together in efforts to monitoring the contract budget.	05/2021

Schedule of FY19 Prior Audit Recommendations and Proposed Actions

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
1 a)	The Metro SSLE Department should significantly strengthen ongoing monitoring and oversight of compliance with the terms of the law enforcement services contracts.	SSLE	Agree	Metro SSLE staff (Director and Transportation Planner) has increased the sample deployment audit from 10% to 50%, requested the law enforcement contractors to submit a draft billing to the SSLE Dept. first for review and approval prior to submitting final billings to Metro A/P Dept., developed and includes with the billings a Summary identifying total billings received to date, remaining contract budget and a signature approving the current billing. These added steps have already helped staff identify discrepancies, allowing staff to dispute the billing and request corrections/clarifications prior to the SSLE Dept.'s final approval.	9/2020
1 b)	The Metro SSLE Department should review billings and payments for all twelve months of FY 2019 since this audit focused on only two months.	SSLE	Agree	Metro SSLE (Director and Transportation Planner) staff completed all monthly FY18 & FY19 billing review: LBPD (6/30/2021); LAPD (on-going) & LASD (N/A).	6/2021 & On-Going
1 c)	The Metro SSLE Department should formally amend the terms of the contracts if needed.	SSLE	Agree	The SSLE Dept. has formally amended the terms for: LBPD (5/2020); LASD (9/2020) & LAPD (on-going).	5/2020 & 9/2020
2	The Metro SSLE Department should develop an effective approach to monitoring and overseeing contracted law enforcement resources to ensure the resources Metro is paying for are	SSLE	Agree	Although, subsequent testing of the Mobile Phone Validator (MPV) dashboard showed uneven to subpar results, on Sept. 2020 SSLE Staff used an alternative feature from the MPVs Mobile Device Manager (MDM) system and compared the data with the submitted law enforcement weekly schedules. The intent of this exercise was	5/2020 & 9/2020

Schedule of FY19 Prior Audit Recommendations and Proposed Actions

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
	actually present and providing services. This should be accomplished using the smartphones issued to contract law enforcement personnel and an app that uses these smartphones' location based services capabilities and a policy defining and requiring the use of the smartphones.			to validate which officers logged into the MPV application, at what time, and at which point they logged off.	
3	The Metro SSLE Department should work with contract and other law enforcement agencies to improve the complete and accurate reporting of crime that occurs on the Metro System.	SSLE	Disagree	Calls handled by other agencies are reported (presumably by these agencies) by location and time. Metro SSLE staff will start discussions with Law Enforcement partners to plan on developing MOAs to improve the reporting of crimes that occur on the Metro System.	9/2020
4	The Metro SSLE Department should provide more detailed information on reported crime to distinguish between violent crime and property and petty crime.	SSLE	Disagree	Aggregate crime is reported to the Metro Board and the public in SSLE monthly reports. Starting 09/2020, Metro SSLE staff will include in the Board Report two (2) graphs representing Violent Crimes and Property Crimes.	9/2020
5	The Metro SSLE Department should collect and report response time information for all three categories of calls for service.	SSLE	Disagree	Response times for emergency calls is reported to the Metro Board and the public in SSLE monthly reports. Starting 09/2020, Metro SSLE staff will include in the Board Report all three (3) categories of calls.	9/2020

Schedule of FY19 Prior Audit Recommendations and Proposed Actions

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
6	The Metro SSLE Department should use the Metro issued smartphones' location-based services capability and data generated to provide reliable and meaningful information on the amount of time contracted law enforcement officers spend on various parts of the Metro System.	SSLE	Agree	In addition to the Proposed Action referenced to No. 2, above.SSLE staff on 03/2021 began a "TAP Technical Review" using Metro's TAP reports and compared the data with the submitted law enforcement daily deployment schedules observing the adherence to ride Metro buses and trains, and patrol bus and rail stations/corridors at contracted locations. This requires all Officers and Deputies on duty to TAP their issued Metro Badge at all TAP machines when boarding buses, riding trains, and accessing rail stations/corridors.	5/2020 & 9/2020 & 3/2021
7	The Metro SSLE Department should work with the contract law enforcement agencies to review, revise, and adopt Key Performance Indicators (KPI) including baseline or target levels of performance for each KPI.	SSLE	Agree	Metro SSLE staff agrees with BCA's finding and has evaluated the six key performance indicators (crimes reported in accordance with Uniform Crime Reporting guidelines, average emergency response times, percentage of time spent on the system, ration of staffing levels vs vacant assignments, ratio of proactive vs dispatched activity, and number of grade crossing operations) and found them to be meaningful and reasonable. Metro SSLE staff will continue to review KPI's monthly and revise, if necessary.	5/2020
8	The Metro SSLE Department should establish the Metro Community Policing plan and ensure it includes: a) Specific training in Problem Oriented Policing for law enforcement personnel to assist Metro in addressing matters related to crime and	SSLE	Agree	Metro SSLE staff has received all three law enforcement partners' Community Policing Plan during the months of January and February 2020, respectively. As a first step to establish the Metro Community Policing Plan, the SSLE staff completed their review and submitted a notice to the LBP, LAPD and LASD, dated April 21, 2020, asking each department to reply to the outlined OIG Equity Platform recommendations listed above with their policies and best practices, for the SSLE staff to	5/2020

Schedule of FY19 Prior Audit Recommendations and Proposed Actions

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
	disorder.b) Attendance at community meetings and other events designed to foster Metro’s relationship with the community.c) Protocols to obtain feedback from bus and rail managers that will be used in the overall policing strategy.			incorporate into Metro’s Community Plan. Each agency is to reply May 22, 2020.	
9	Metro’s SSLE Department should continue monitoring the contract requirements for qualifications and training of personnel to ensure compliance.	SSLE	Disagree	LAPD is in compliance because Lieutenants are not considered command officers.	9/2020

Schedule of FY19 Prior Audit Recommendations and Proposed Actions

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
10 A.	LAPD should inform Metro of the amount expected to exceed the estimated cost specified in the contract for each year before incurring the costs.	SSLE	Agree	<p>The LAPD would not know the amounts expected to exceed the estimated costs in the contract, because Metro may request that LAPD deploy additional resources in the event of increased threat levels, special events, the need for increased crime suppression, or other exigent circumstances necessitating the deployment of additional LAPD resources above and beyond the budgeted personnel, when such resources are deployed at the request of Metro, Metro agrees to reimburse LAPD for the cost of all additional resources deployed. Furthermore, Metro SSLE staff authorized the LAPD to adjust the base contract by: (Note: a portion of these adjustments are included in the efforts to formally amend the terms of the contract. Per 1c Recommendation, above.)</p> <ul style="list-style-type: none"> * Augment the “Billing and Inspection Unit”. * Increase Crime Analyst Personnel. * Reclassify the Sick/IOD/Subpoena Control Coordinator from Police Officer III to Management Analyst. * Convert HOPE Detail from overtime position to full-time positions. * Convert Bomb/K9 Unit from as needed to full-time positions; and * Enhance “Watch 3” staffing (overtime coverage). * Increase training budget for additional law enforcement personnel. 	5/15/2020

Schedule of FY19 Prior Audit Recommendations and Proposed Actions

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
				<ul style="list-style-type: none"> * Increase “Reserve Overtime” for new positions. * Include “Premium Holiday Pay” in accordance with the respective labor agreements. * Include provisions for community outreach activities; and * Increase budget for office supplies. <p>These adjustments were anticipated to increase the contract price by \$35.3M over four years (Letter dated May 2,2018) . Additional, since October 2017, SSLE staff has authorized additional resources above and beyond the budgeted personnel, in accordance with the contract section 7.0 Billing. Thus, the total amount billed and paid for FY 2019 exceeded the estimated cost in the contract for Year 2. NOTE: SSLE staff worked on a Board Box with the anticipation to present to the CEO in June 2020.</p>	
10 B.	Metro’s SSLE Department should continue monitoring LAPD’s billings, payments and contract amount to ensure that costs do not exceed the annual estimated contract amount.	SSLE	Agree		
10 C.	Metro’s SSLE Department should determine if it will be necessary to seek contract award adjustment approval from the Board if at Year 5, they have not	SSLE	Agree		

Schedule of FY19 Prior Audit Recommendations and Proposed Actions

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
	recovered excess expenditures.				
11	<p>A. As required by the contract, LAPD should submit the list of maximum fully burdened hourly rates for all labor classifications in accordance with the contract requirements. For any additional labor classifications not identified in the lists of maximum fully burdened hourly rate for full time (straight time) personnel and overtime personnel, LAPD should submit the revised lists to Metro for approval prior to incurring and billing the cost.</p> <p>B. Metro's SSLE Department should continue to monitor LAPD's billings to ensure only the approved labor classifications are billed and included in Metro's list of maximum fully burdened hourly rates</p>	SSLE	Agree	<p>In efforts to continue reviewing LAPD's billings to ensure that only actual hours worked are billed in compliance with the contract, the new Metro SSLE staff (Director and Transportation Planner) increased the sample deployment audit from 10% to 50%.</p> <p>The auditing process of the billings entails two distinct processes. First, a 100% financial audit, whereby the billing datasheet is evaluated to ensure that billed rates are in compliance with agreed upon figures. Second, a deployment audit, where documentation regarding field personnel is evaluated in the form of a sample audit. The sample size is 50% of the deployment period, the sample dates vary by month. The documents examined are 1) Financial Invoice (Billing Summary); 2) Payroll figures to confirm compliance with the Maximum Fully Burdened Hourly Rate; 3) TSB Overhead, Overtime, and Admin Summaries to confirm staffing and deployment levels; and 4) Daily Morning and Activity Reports (Form ICS214).</p> <p>*SSLE staff also requested LAPD to submit written clarification and explicit list of all full-time personnel authorized to performed overtime with a column listing overtime figures in the fully-</p>	7/2020, 9/2020 & 2/2021

Schedule of FY19 Prior Audit Recommendations and Proposed Actions

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
	for full time (straight time) personnel and overtime personnel. Metro should also review the billing rates for all invoices to determine the extent of overbillings.			burden rate list, previously approve and authorized to bill under the contract's "Overtime Reserve" budget (RECEIVED Letter July 24,2020). *SSLE staff informed LAPD on May 12, 2020 that Metro will need to adjust the CAP rate accordingly and may result in a decrease in payment starting with Invoice #20MTADP02 and all invoices received thereafter. Per letter dated 7/24/2020, the LAPD will also review current billing methods and meet with Metro staff to discuss how the Compensation Time Off (CTO) would be best applicable to salaries in accordance with City Controller Memo 18-012. Resolved 2/2021.	
12	Metro should review LAPD's billings and ensure that only actual hours worked are billed in compliance with the contract.	SSLE	Agree		
13	a) LAPD should return the overbilled and overpaid amount of \$789.88 to Metro. b) Metro's SSLE Department should continue monitoring LAPD's billings to identify and resolve billing discrepancies. c) Metro's SSLE Department should work with LAPD to review all	SSLE	Disagree	A. Metro SSLE staff agrees and has asked LAPD to include all MOUs, identify, and list all allowable rates (i.e. flat-rate holiday) in the next fully-burden rate list for Metro's review and approval prior to submitting invoices. Staff also requested and received from LAPD a revised list of class codes and positions, previously approved by Metro, clarifying all positions approved to bill regular time and overtime. The amount of \$789.88 paid is consistent with LAPD's MOU and approved by Metro. B. Staff	9/2020

Schedule of FY19 Prior Audit Recommendations and Proposed Actions

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
	invoices for FY 2019 for billings exceeding the allowable rates by classification			continues to monitor LAPD's billings. On May 12, 2020 Metro informed LAPD that CAP 39 will need to be adjusted accordingly resulting in decreased payments starting with Invoice #20MTADP02 and all invoices received thereafter, until a resolution is reached. Per letter dated 7/24/2020, the LAPD will also review current billing methods and meet with Metro staff to discuss how the Compensation Time Off (CTO) would be best applicable to salaries in accordance with City Controller Memo 18-012. LAPD anticipate to resolve by 10/2020. C. With the new Metro SSLE (Director and Transportation Planner) staff in place we are working on reviewing all monthly FY2019 billings previously received and paid.	

Schedule of FY19 Prior Audit Recommendations and Proposed Actions

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
13				<p>A. Metro SSLE staff agrees and has asked LAPD to include all MOUs, identify, and list all allowable rates (i.e. flat-rate holiday) in the next fully-burden rate list for Metro's review and approval prior to submitting invoices. Staff also requested and received from LAPD a revised list of class codes and positions, previously approved by Metro, clarifying all positions approved to bill regular time and overtime. The amount of \$789.88 paid is consistent with LAPD's MOU and approved by Metro. B. Staff continues to monitor LAPD's billings. On May 12, 2020 Metro informed LAPD that CAP 39 will need to be adjusted accordingly resulting in decreased payments starting with Invoice #20MTADP02 and all invoices received thereafter, until a resolution is reached. Per letter dated 7/24/2020, the LAPD will also review current billing methods and meet with Metro staff to discuss how the Compensation Time Off (CTO) would be best applicable to salaries in accordance with City Controller Memo 18-012. LAPD anticipate to resolve by 10/2020. C. With the new Metro SSLE (Director and Transportation Planner) staff in place we are working on reviewing all monthly FY2019 billings previously received and paid.</p>	9/2020

Schedule of FY19 Prior Audit Recommendations and Proposed Actions

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
14	Metro's SSLE Department should monitor LAPD's submission of reports to ensure all the required reports are submitted in a timely manner and with complete information to allow Metro to determine the calculation of the reported figures.	SSLE	Agree	Metro SSLE staff has requested Daily Deployment sheets to be submitted weekly, effective DP02, 2020, these sheets will include each scheduled watch with employee's name, hours worked, and assignment (LAPD started submitting sheets 8/10/2020). The Daily summary of work activity for each employee is available upon Metro's request, this is not required by Metro to be submitted daily. However, the LAPD does submit to Metro a "TSB Morning Report" daily, indicating a daily summary of employees on the Metro system which also identifies any significant incidents. The SSLE staff also determined that monthly summary submittals of Problem-Oriented Policing projects were not required. This element is sufficiently met by routine problem-solving planning meetings such as the weekly executive law enforcement meeting.	5/2020
15 A.	LASD should inform Metro of the amount expected to exceed the estimated cost specified in the contract for each year before incurring the costs.	SSLE	Disagree	Metro SSLE staff agrees, in this particular case it was a timing variance between when the payments were made versus when the service was performed. SSLE staff is trying to accrue for future costs to ensure expenses are credited to the appropriate Fiscal Year. It is also important to note that Metro may request that LASD deploy additional resources above and beyond the budgeted personnel, when such resources are deployed at the request of Metro, Metro agrees to reimburse LASD causing the agreed estimated costs to exceed.	9/2020

Schedule of FY19 Prior Audit Recommendations and Proposed Actions

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
15 B.	Metro's SSLE Department should continue monitoring LASD's billings, payments and contract amount to ensure that costs do not exceed the annual estimated contract amount.	SSLE	Disagree	<p>Metro SSLE staff (Director and Transportation Planner) increased the sample deployment audit from 10% to 50%.</p> <p>The auditing process of the billings entails two distinct processes. First, a 100% financial audit, whereby the billing datasheet is evaluated to ensure that billed rates are in compliance with agreed upon figures. Second, a deployment audit, where documentation regarding field personnel is evaluated in the form of a sample audit. The sample size is 50% of the deployment period, the sample dates vary by month. The documents examined are 1) Financial Invoice; 2) SH-AD 575; 3) RAPS 500E; and 4) In-Services. Additionally, Metro SSLE staff also requested the LASD to submit a draft billing to the SSLE Dept. first for review and approval prior to submitting final billing to Metro A/P Dept. With this added step, staff will include with the billings a Summary identifying billings received to date, remaining contract budget and a signature approving the current billing. These added steps have already helped staff identify a \$14,341.99 credit discrepancy that should be issued to Metro, allowing staff to dispute the billing and request LASD to make the necessary corrections prior to submitting to Metro A/P and later having to request the credit.</p>	9/2020
16	Metro's SSLE Department should work with LASD to resolve any issues regarding the required reports. Also,	SSLE	Agree	Metro SSLE staff will follow-up with LASD to provide clarification with reporting the number of cases referred for follow-up investigation and/or the subsequent dispositions.	5/2020

Schedule of FY19 Prior Audit Recommendations and Proposed Actions

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
	Metro should continue monitoring LASD's submission of reports to ensure all the required reports are submitted in a timely manner and with complete information to allow Metro to determine the calculation of the reported figures.				
17	<p>A. LBPD should inform Metro of the amount expected to exceed the estimated cost specified in the contract for each year before incurring the costs..</p> <p>B. Metro's SSLE Department should continue monitoring LBPD's billings, payments, and contract amount to ensure that costs do not exceed the contract amount.</p>	SSLE	Agree	<p>In October 2018, the LBPD provided SSLE staff with an expected cost expansion impacting years 2 to 5 of the contract budget. On December 2018, the Metro authorized the expansion to adjust the base contract by adding three full-time Metro Quality of Life officers to provide homeless outreach along the Blue Line. This will result in an increase to the contract price by \$3.2M over years 2 to 5 of the five-year firm-fixed unit rate contract, a net increase from \$30,074,628 to \$33,274,628. Thus, the total amount billed and paid for FY 2019 exceeded the estimated cost in the contract for Year 2.</p>	5/2020
18	<p>A. LBPD should submit the daily summary of assignments for all hours worked and payroll records with the invoices to support the actual hours worked and paid.</p> <p>B. Metro's SSLE Department should continue monitoring LBPD's billings to ensure all the required supporting documents</p>	SSLE	Agree	<p>On April 30, 2020, SSLE staff requested LBPD to submit the following documents in support of invoices submitted to Metro for reimbursement on April 28, 2019 for services provided from October 2019 to March 2020. Metro Systems Security & Law Enforcement team is requiring these documents to continue the review/audit process of the LBPD invoices.</p> <p><input type="checkbox"/> Work Hour Detail Report in excel format for each Invoice.</p> <p><input type="checkbox"/> Documentation supporting the</p>	5/2020

Schedule of FY19 Prior Audit Recommendations and Proposed Actions

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
	were submitted with the invoices.			"Monthly Actuals" for each Invoice. <input type="checkbox"/> Daily Summary of Assignments, Operations Staffing Overtime Reports and Overtime Reports for the following dates: Oct. 2019 Billing - 1st to 16th Nov. 2019 Billing - 15th to 30th Dec. 2019 Billing - 1st to 16th Jan. 2020 Billing - 15th to 31st Feb. 2020 Billing - 1st - 15th Mar. 2020 Billing - 15th to 31st	
19 A.	LBPDP should return to Metro the overbilled and overpaid amount of \$29,313.65.	SSLE	Agree	Metro SSLE staff and LBPDP are working together to review all FY2019 billings to identify any other overbillings. Metro SSLE shared with LBPDP the auditor's finding and how the \$29K was determined on 6/3/2020. We requested that LBPDP provide a credit as appropriate, if they find this to be true. SSLE staff also requested LBPDP to go back and review all FY2019 invoices and provide Metro with a credit of any over billed items.	6/2021
19 B.	Metro should review the billing rates for all FY2019 invoices to determine the extent of overbilling for all of FY2019.	SSLE	Agree		
19 C.	Metro's SSLE Department should continue to monitor LBPDP's billings to ensure only the approved labor classifications are billed and included in the list of maximum fully burdened hourly rates	SSLE	Agree		

Schedule of FY19 Prior Audit Recommendations and Proposed Actions

No.	Recommendation	Staff Assigned	Agree or Disagree	Proposed Action	Completion Date Estimate
20	Metro's SSLE Department should review the billing methodology specified in the contract for equipment cost and determine whether the contract should be amended to use the LBPD method.	SSLE	Agree	Metro's Contract Administrator reviewed LBPD billing methodology and issued administrative modification No.2.	5/2020
21	Metro's SSLE Department should monitor LBPD's submission of reports to ensure all the required reports are submitted in a timely manner and with complete information to allow Metro to determine the calculation of the reported figures.	SSLE	Agree	Metro SSLE staff requested LBPD to submit weekly or daily schedules for each watch that includes each employee's name, hours worked, and assignment effective immediately, and to submit records beginning May 1, 2020. Additionally, SSLE staff will request clarification with respect to after-action reports and not being able to provide because of on-going litigations.	5/2020
22	Metro's SSLE Department should complete efforts to develop key performance indicators for Metro Security	SSLE	Agree	Metro SSLE staff is currently working on developing the Metro Transit Security KPIs with an anticipated date of completion of August 1, 2020.	On-Going

FY20 LAPD List of Special Events

Invoice #	Invoice Description	Invoice Amount
19MTASPEC121	4th of July Grand Park Special Event Deployment on July 4, 2019	\$12,098.83
19MTASPEC113	LAFC vs Vancouver Whitecaps, Special Event Deployment on July 6, 2019	\$13,054.58
20MTASPEC06	LAFC v Atlanta United Enhanced Deployment for 2019 DP07 – (July 26, 2019)	\$14,577.73
20MTASPEC07	LAFC v Portland Timbers Enhanced Deployment for 2019 DP07 – (July 10, 2019)	\$6,660.13
20MTASPEC11	Mumford and Sons Concert Enhanced Deployment for 2019 DP07 - (August 3, 2019)	\$6,002.01
20MTASPEC20	Chargers vs Seahawks Enhanced Deployment August 24, 2019	\$2,386.64
20MTASPEC21	20MTASPEC21 LAFC vs LA Galaxy Enhanced Deployment August 25, 2019	\$14,602.59
20MTASPEC22	LAFC vs New York Red Bulls August 11, 2019	\$15,582.12
20MTASPEC23	Rams vs Broncos Enhanced Deployment August 24, 2019	\$18,649.89
20MTASPEC24	USC vs Fresno State Enhanced Deployment August 31, 2019	\$21,491.98
20MTASPEC33	USC vs. Stanford Enhanced Deployment for 2019 DP09 (September 7, 2019)	\$21,698.71
20MTASPEC34	LAFC vs. TORONTO Enhanced Deployment for 2019 DP09 (September 21, 2019)	\$14,511.19
20MTASPEC35	Zedd Concert Enhanced Deployment for 2019 DP09 (September 7, 2019)	\$1,690.42
20MTASPEC36	Chargers vs. Colts Enhanced Deployment for 2019 DP09 (September 8, 2019)	\$2,283.04
20MTASPEC37	Iron Maiden Concert Enhanced Deployment for 2019 DP09 (September 14, 2019)	\$11,990.89
20MTASPEC38	Brazil vs. Peru Enhanced Deployment for 2019 DP09 (September 10, 2019)	\$9,687.25
20MTASPEC39	Argentina vs. Chile Enhanced Deployment for 2019 DP09 (September 5, 2019)	\$11,270.64
20MTASPEC40	LAFC vs. Minnesota Enhanced Deployment for 2019 DP09 (September 1, 2019)	\$13,007.19
20MTASPEC43	RAMS VS SAINTS Enhanced Deployment for 2019 DP09 (September 15, 2019)	\$26,012.41

FY20 LAPD List of Special Events

Invoice #	Invoice Description	Invoice Amount
20MTASPEC44	DC BATMAN RUN Enhanced Deployment for 2019 DP09 (September 21, 2019)	\$1,720.38
20MTASPEC45	USC vs. UTAH Enhanced Deployment for 2019 DP09 (September 20, 2019)	\$27,022.98
20MTASPEC46	Chargers vs. Houston Texas Enhanced Deployment for 2019 DP09 (September 22, 2019)	\$2,199.07
20MTASPEC47	Civic Center Enhanced Deployment for 2019 DP09 (September 22, 2019)	\$4,544.91
20MTASPEC48	LAFC vs. HOUSTON DYNAMO Enhanced Deployment for 2019 DP09 (September 25, 2019)	\$6,382.26
20MTASPEC58	LAFC vs Colorado Rapids Enhanced Deployment October 6, 2019 for 2019 DP10	\$15,473.86
20MTASPEC59	USC vs Arizona Enhanced Deployment October 19, 2019	\$23,853.50
20MTASPEC60	Chargers vs Broncos Enhanced Deployment October 6, 2019	\$1,607.68
20MTASPEC61	Chargers vs Steelers Enhanced Deployment October 13, 2019	\$3,083.64
20MTASPEC62	Rams vs Buccaneers Enhanced Deployment September 29, 2019	\$25,352.29
20MTASPEC63	LA Rams vs San Francisco 49ERS Enhanced Deployment October 13, 2019	\$28,262.65
20MTASPEC64	Dodgers vs Washington (Dodger Playoffs) October 3, 2019	\$3,293.09
20MTASPEC65	Dodgers vs Washington (Dodger Playoffs) October 4, 2019	\$2,826.23
20MTASPEC66	Dodgers vs Washington (Dodger Playoffs) October 9, 2019	\$3,078.98
20MTASPEC67	LAFC VS Galaxy Enhanced Deployment October 24, 2019	\$14,360.32
20MTASPEC68	MTA Rufus Concert (October 5, 2019)	\$1,405.67
20MTASPEC77	USC vs Oregon Enhanced Deployment for 2019 DP11 (November 2, 2019)	\$28,149.66
20MTASPEC78	LA RAMS vs Chicago Bears Enhanced Deployment for 2019 DP11 (November 17, 2019)	\$28,434.64
20MTASPEC79	LAFC vs Seattle Enhanced Deployment for 2019 DP11 (October 29, 2019)	\$15,209.97
20MTASPEC80	USC vs UCLA Enhanced Deployment for 2019 DP11 (November 23, 2019)	\$27,601.28

FY20 LAPD List of Special Events

Invoice #	Invoice Description	Invoice Amount
20MTASPEC81	Day of The Dead Enhanced Deployment for 2019 DP11 (November 3, 2019)	\$1,591.52
20MTASPEC82	Blue Open Enhanced Deployment for 2019 DP11 (November 2, 2019)	\$12,712.56
20MTASPEC83	John Legend Concert Enhanced Deployment for 2019 DP11 (November 19, 2019)	\$14,348.36
20MTASPEC84	Adult Swim Festival Enhanced Deployment for 2019 DP11 (November 16-17, 2019)	\$15,533.60
20MTASPEC85	Chargers vs Packers Enhanced Deployment for 2019 DP11 (November 3, 2019)	\$4,769.70
20MTASPEC93	Chargers vs Packers Enhanced Deployment for 2019 DP11 (November 3, 2019)	\$26,648.14
20MTASPEC94	Rams vs Seahawks Special Events Deployment for 2019 DP12 (December 8, 2019)	\$27,510.55
20MTASPEC95	Chargers vs Vikings Special Events Deployment for 2019 DP12 (December 15, 2019)	\$1,536.68
20MTASPEC96	Rolling Loud Concert Special Events Deployment for 2019 DP12 (December 15, 2019)	\$27,979.59
20MTASPEC104	Chargers vs Oakland Enhanced Deployment for 2019 DP13 (December 22, 2019)	\$863.98
20MTASPEC105	Rams vs Cardinals Enhanced Deployment for 2019 DP13 (December 29, 2019)	\$25,707.98
20MTASPEC106	Civic Center Enhanced Deployment for 2019 DP13 (December 31, 2019)	\$4,605.85
20MTASPEC107	Inclement Weather Enhanced Deployment for 2019 DP13 (January 1-2, 6 & 9, 15th & 16th, 2020)	\$40,095.09
20MTASPEC108	Women's March Enhanced Deployment for 2019 DP13 (January 18, 2020)	\$33,704.52
20MTASPEC116	Club Atletico Penarol Special Event Deployment for 2020 DP01 January 25, 2020	\$11,478.57
20MTASPEC124	LAFC vs CLUB LEON Special Event Deployment for 2020 DP02 on February 27, 2020	\$14,222.75
20MTASPEC125	LAFC vs Inter Miami FC Special Event Deployment for 2020 DP02 on March 1, 2020	\$15,131.22
20MTASPEC126	LAFC vs Philadelphia Special Event Deployment	\$14,398.14
LAPD FY20 ó Special Events Total		\$793,960.10

FY20 LAPD List of Enhanced Deployments

Invoice #	Invoice Description	Invoice Amount
19MTASPEC110	Westlake/MacArthur Park Enhanced Deployment for 2019 DP06 (June 9, 2019 - July 6, 2019)	\$87,946.78
19MTASPEC111	EXPO Line Enhanced Deployment for 2019 DP06 (June 9, 2019 - July 6, 2019)	\$94,523.55
19MTASPEC112	UNION Station Enhanced Deployment for 2019 DP06 (June 9, 2019 - July 6, 2019)	\$89,634.88
19MTASPEC115	Pershing Square Enhanced Deployment for DP06 (July 1, 2019 - July 6, 2019)	\$19,797.61
19MTASPEC116	Blue Line Closure Traffic (North Segment) Enhanced Deployment for 2019 DP06 (June 9, 2019 - July 6, 2019)	\$455,534.72
19MTASPEC117	Blue Line Closure Fix Post (North Segment) Enhanced Deployment for 2019 DP06 (June 9, 2019 - July 6, 2019)	\$167,975.31
19MTASPEC118	Police Service Representative for Weekly Enhanced Surge Line for 2019 DP06 (June 9, 2019 - July 6, 2019)	\$68,041.30
19MTASPEC119	Red/Purple/EXPO Line Surge Enhanced Deployment for 2019 DP06 (June 9, 2019- July 6, 2019)	\$680,336.41
20MTASPEC01	Westlake/MacArthur Park Enhanced Deployment for 2019 DP07 (July 7, 2019 - August 3, 2019)	\$87,650.39
20MTASPEC02	EXPO Line Enhanced Deployment for 2019 DP07 (July 7, 2019 - August 3, 2019)	\$102,069.51
20MTASPEC03	UNION Station Enhanced Deployment for 2019 DP07 (July 7, 2019 - August 3, 2019)	\$90,220.07
20MTASPEC04	Blue Line Fixed Post Enhanced Deployment for 2019 DP07 (July 7, 2019 - August 3, 2019)	\$183,800.95
20MTASPEC05	Blue Line Traffic Enhanced Deployment for 2019 DP07 (July 7, 2019 - August 3, 2019)	\$354,167.13
20MTASPEC08	Police Service Representative Surge Line Enhanced Deployment for 2019 DP07 (July 7, 2019 - August 3, 2019)	\$69,802.40
20MTASPEC09	Surge Red Line Enhanced Deployment for 2019 DP07 (July 7, 2019 - August 3, 2019)	\$638,571.04
20MTASPEC10	Pershing Square Enhanced Deployment for 2019 DP07 (July 7, 2019 - August 3, 2019)	\$88,551.73

FY20 LAPD List of Enhanced Deployments

Invoice #	Invoice Description	Invoice Amount
20MTASPEC100	Pershing Square Enhanced Deployment for 2019 DP13 (December 22, 2019 - January 18, 2020)	\$92,850.89
20MTASPEC101	Red Line - Surge Enhanced Deployment for 2019 DP13 (December 22, 2019 - January 18, 2020)	\$570,921.17
20MTASPEC102	Police Service Representative Enhanced Deployment for 2019 DP13 (December 22, 2019 - January 18, 2020)	\$76,364.69
20MTASPEC103	Blue Line Closure Fix Post (Traffic) Enhanced Deployment for 2019 DP13 (December 22, 2019 - January 18, 2020)	\$221,868.70
20MTASPEC109	Westlake/MacArthur Park Enhanced Deployment for 2020 DP01 (January 19, 2020 - February 15, 2020)	\$86,707.72
20MTASPEC110	EXPO Line Enhanced Deployment for 2019 DP 13 (December 22, 2019 - January 18, 2020).	\$100,912.28
20MTASPEC111	UNION Station Enhanced Deployment for 2020 DP01 (January 19, 2020 - February 15, 2020)	\$90,240.09
20MTASPEC112	Pershing Square Enhanced Deployment for 2020 DP01 (January 19, 2020 - February 15, 2020)	\$89,020.70
20MTASPEC113	Blue Line Traffic Enhanced Deployment for 2020 DP01 (January 19, 2020 - February 15, 2020)	\$220,097.58
20MTASPEC114	Police Service Representative Enhanced Deployment for 2020 DP01 (January 19, 2020 - February 15, 2020)	\$74,769.01
20MTASPEC115	Redline Surge Enhanced Deployment for 2020 DP01 (January 19, 2020 - February 15, 2020)	\$535,058.94
20MTASPEC117-123	Enhanced Deployment for 2020 DP02 (February 16, 2020 - March 14, 2020)	\$957,442.90
20MTASPEC12	Westlake/MacArthur Park Enhanced Deployment for 2019 DP08 (August 4, 2019- August 31, 2019)	\$91,235.24
20MTASPEC121	Blue Line Fixed Post/Traffic Enhanced Deployment for 2020 DP02 (February 16, 2020 - March 14, 2020)	\$210,205.23
20MTASPEC128-133	Enhanced Deployment for 2020 DP03 (March 15, 2020 - April 11, 2020)	\$985,356.87
20MTASPEC13	20MTASPEC13 EXPO Line Enhanced Deployment for 2019 DP08 (August 4, 2019- August 31, 2019)	\$100,496.73

FY20 LAPD List of Enhanced Deployments

Invoice #	Invoice Description	Invoice Amount
20MTASPEC134	Blue Line Closure Traffic (North Segment) Enhanced Deployment for 2020 DP03 (March 15, 2020 - April 11, 2020)	\$41,678.48
20MTASPEC135-140	Enhanced Deployment for 2020 DP04 (APRIL 12, 2020 - MAY 5, 2020)	\$475,574.14
20MTASPEC14	20MTASPEC14 UNION Station Enhanced Deployment for 2019 DP08 (August 4, 2019- August 31, 2019)	\$90,063.22
20MTASPEC141	B Line (RED LINE) Enhanced Deployment for 2020 DP05 (May 10, 2020 - June 6, 2020)	\$107,191.99
20MTASPEC142	B Line (Union, 7th/ Metro and North Hollywood Station) Enhanced Deployment for 2020 DP05 (May 10, 2020 - June 6, 2020)	\$71,743.51
20MTASPEC143	B-Line Enhanced Deployment W2 for 2020 DP06 (June 11, 2020 - June 12, 2020)	\$14,175.06
20MTASPEC144	B-Line Enhanced Deployment W5 for 2020 DP06 (June 11, 2020 - June 12, 2020)	\$12,697.02
20MTASPEC15	Pershing Square Enhanced Deployment for 2019 DP08 (August 4, 2019- August 31, 2019)	\$90,935.69
20MTASPEC16	Blue Line Closure Traffic (North Segment) Enhanced Deployment for 2019 DP08 (August 4, 2019- August 31, 2019)	\$334,619.79
20MTASPEC17	20MTASPEC17 Blue Line Closure Fix Post (North Segment) Enhanced Deployment for 2019 DP08 (August 4, 2019- August 31, 2019)	\$176,121.64
20MTASPEC18	20MTASPEC18 Police Service Representative for Weekly Enhanced Surge Line for 2019 DP08 (August 4, 2019- August 31, 2019)	\$68,878.57
20MTASPEC19	20MTASPEC19 Red Line Surge Enhanced Deployment for 2019 DP08 (August 4, 2019- August 31, 2019)	\$481,578.52
20MTASPEC25	Westlake/MacArthur Park Enhanced Deployment for 2019 DP09 (September 1, 2019 - September 28, 2019)	\$92,629.02
20MTASPEC26	Expo Enhanced Deployment for 2019 DP09 (September 1, 2019 - September 28, 2019)	\$103,362.59
20MTASPEC27	Union Enhanced Deployment for 2019 DP09 (September 1, 2019 - September 28, 2019)	\$93,465.82
20MTASPEC28	Pershing Enhanced Deployment for 2019 DP09 (September 1, 2019 - September 28, 2019)	\$92,043.73

FY20 LAPD List of Enhanced Deployments

Invoice #	Invoice Description	Invoice Amount
20MTASPEC29	Blue Line Traffic Enhanced Deployment for 2019 DP09 (September 1, 2019 - September 28, 2019)	\$342,106.77
20MTASPEC30	Blue Line Fixed Post Enhanced Deployment for 2019 DP09 (September 1, 2019 - September 28, 2019)	\$173,730.91
20MTASPEC31	PSR Surge Enhanced Deployment for 2019 DP09 (September 1, 2019 - September 28, 2019)	\$68,338.08
20MTASPEC32	Red line Surge Enhanced Deployment for 2019 DP09 (September 1, 2019 - September 28, 2019)	\$491,154.68
20MTASPEC41	Westlake/MacArthur Park Enhanced Deployment for 2019 DP11 (October 27, 2019 - November 23, 2019)	\$90,314.11
20MTASPEC42	Blue line copper Surge Enhanced Deployment for 2019 DP09 (September 1, 2019 - September 28, 2019)	\$29,835.93
20MTASPEC49	Westlake/MacArthur Park Enhanced Deployment for 2019 DP10 (September 29, 2019 - October 26, 2019)	\$90,807.53
20MTASPEC50	EXPO Line Enhanced Deployment for 2019 DP10 (September 29, 2019- October 26, 2019)	\$102,725.48
20MTASPEC51	UNION Station Enhanced Deployment for 2019 DP10 (September 29, 2019 - October 26, 2019)	\$90,795.90
20MTASPEC52	Pershing Square Enhanced Deployment for 2019 DP10 (September 29, 2019- October 26, 2019)	\$92,132.00
20MTASPEC53	Blue Line Closure Traffic (North Segment) Enhanced Deployment for 2019 DP11 (October 27, 2019 - November 23, 2019)	\$344,629.99
20MTASPEC54	Blue Line Closure Fix Post (North Segment) Enhanced Deployment for 2019 DP10 (September 29, 2019- October 26, 2019)	\$179,757.37
20MTASPEC55	Police Service Representative for Weekly Enhanced Surge Line for 2019 DPDP10 (September 29, 2019 - October 26, 2019)	\$71,386.96
20MTASPEC56	Red Line Surge Enhanced Deployment for 2019 DP10 (September 29, 2019- October 26, 2019)	\$509,739.82
20MTASPEC57	Blue Line Mobile (Blue Line Copper) Enhanced Deployment for 2019 DP10 (September 29, 2019- October 26, 2019)	\$90,507.18
20MTASPEC69	EXPO Line Enhanced Deployment for 2019 DP11 (October 27, 2019 - November 23, 2019)	\$102,413.87

FY20 LAPD List of Enhanced Deployments

Invoice #	Invoice Description	Invoice Amount
20MTASPEC70	UNION Station Enhanced Deployment for 2019 DP11 (October 27, 2019 - November 23, 2019)	\$91,484.67
20MTASPEC71	Pershing Square Enhanced Deployment for 2019 DP11 (October 27, 2019 - November 23, 2019)	\$90,046.97
20MTASPEC72	Blue Line Closure (Fixed Post) Enhanced Deployment for 2019 DP11 (October 27, 2019 - November 23, 2019)	\$28,086.17
20MTASPEC73	Blue Line Closure - Traffic Enhanced Deployment for 2019 DP11 (October 27, 2019 - November 23, 2019)	\$347,768.25
20MTASPEC74	Blue Line Mobile - Blue Line Copper Enhanced Deployment for 2019 DP11 (October 27, 2019 - November 23, 2019)	\$90,555.52
20MTASPEC75	Red Line - Surge Enhanced Deployment for 2019 DP11 (October 27, 2019 - November 23, 2019)	\$545,069.99
20MTASPEC76	Police Service Representative Enhanced Deployment for 2019 DP11 (October 27, 2019 - November 23, 2019)	\$75,943.61
20MTASPEC86	Westlake/MacArthur Park Enhanced Deployment for 2019 DP12 (November 24, 2019 - December 21, 2019)	\$92,082.01
20MTASPEC87	EXPO Line Enhanced Deployment for 2019 DP12 (November 24, 2019 - December 21, 2019)	\$101,399.83
20MTASPEC88	UNION Station Enhanced Deployment for 2019 DP12 (November 24, 2019 - December 21, 2019)	\$94,450.84
20MTASPEC89	Pershing Square Enhanced Deployment for 2019 DP12 (November 24, 2019 - December 21, 2019)	\$90,497.54
20MTASPEC90	Blue Line Closure - Traffic Enhanced Deployment for 2019 DP12 (November 24, 2019 - December 21, 2019)	\$216,602.64
20MTASPEC91	Police Service Representative Enhanced Deployment for 2019 DP12 (November 24, 2019 - December 21, 2019)	\$74,182.63
20MTASPEC92	Red Line - Surge Enhanced Deployment for 2019 DP12 (November 24, 2019 - December 21, 2019)	\$535,525.75
20MTASPEC97	Westlake/MacArthur Park Enhanced Deployment for 2019 DP13 (December 22, 2019 - January 18, 2020)	\$92,383.94
20MTASPEC98	EXPO Line Enhanced Deployment for 2019 DP 13 (December 22, 2019 - January 18, 2020).	\$102,720.45

FY20 LAPD List of Enhanced Deployments

Invoice #	Invoice Description	Invoice Amount
20MTASPEC99	UNION Station Enhanced Deployment for 2019 DP13 (December 22, 2019 - January 18, 2020)	\$93,216.03
	LAPD FY20 Enhanced Deployments Total	\$15,761,324.74

FY20 LASD List of Special Events/Enhanced Deployments

Month	Description	Invoice Numbers	Amount
July 2019	Blue Line Grade	200252SS	\$112,663.69
August 2019	Blue Line Compton	200576SS	
	Blue Line Gate Crossing	200577SS	
	Cable Theft Prevention	200578SS	\$264,051.79
September 2019	Blue Line Compton	202115SS	
	Blue Line Gate Crossing	202116SS	
	Cable Theft Prevention	202117SS	\$395,741.99
October 2019	Blue Line Compton	201722SS	
	Blue Line Gate Crossing	201936SS	
	Cable Theft Prevention	202000SS	\$447,285.06
November 2019	Blue Line Compton	201934SS	
	Blue Line Gate Crossing	201935SS	
	Cable Theft Prevention	202001SS	
	Blue Line High	202002SS	\$181,248.24
December 2019	Unsheltered Bus	202272SS	
	Blue Line High	202344SS	\$76,847.34
January 2020	Rose Parade Traffic	202696SS	
	Unsheltered Bus	202697SS	\$95,880.22
February 2020	Unsheltered Bus	203061SS	\$68,963.45
March 2020 (*)	LA Marathon Coverage	203282SS	
	Unsheltered Bus	203385SS	\$64,112.17
LASD FY20 ó Special Events/Enhanced Deployments Total			\$1,706,794.15

() We found no invoices for special events or enhanced deployments after March 2020 for FY20.*

Letter from Former Management to LAPD on \$35 Million Increase in 2018


Metro

 Los Angeles County
 Metropolitan Transportation Authority

 One Gateway Plaza
 Los Angeles, CA 90012-2952

 213.922.2000 Tel
 metro.net

May 2, 2018

22446@lapd.online
 Sent via e-mail

 Robert Green
 Deputy Chief, Transit Services Bureau
 Los Angeles Police Department (LAPD)
 100 W. 1st Street
 Los Angeles, CA 90012

Subject: Contract No. PS5862100LAPD24750 - Adjustments to Transit Law Enforcement Services

Dear Deputy Chief Green:

The Los Angeles County Metropolitan Transportation Authority (LACMTA) approves the following adjustments to Contract No. PS5862100LAPD24750, effective July 1, 2018:

Personnel Adjustments:

- Augment the "Billing and Inspection Unit";
- Increase Crime Analyst personnel;
- Reclassify the Sick/IOD/Subpoena Control Coordinator from Police Officer III to Management Analyst;
- Convert HOPE Detail from overtime positions to full-time positions;
- Convert Bomb/K9 Unit from as needed to full-time positions; and
- Enhance "Watch 3" staffing (overtime coverage).

Other Expenses:

- Increase training budget for additional law enforcement personnel;
- Increase "Reserve Overtime" for new positions;
- Include "Premium Holiday Pay" in accordance with the respective labor agreements;
- Include provision for community outreach activities; and
- Increase budget for office supplies.

These adjustments may result in increasing the Contract Price by \$35.3M over four years. It is anticipated that these estimated changes shall be covered under Contract No. PS5862100LAPD24750. Metro staff shall review contract utilization on an annual basis and shall return to the Metro Board to request for additional contract authority if deemed necessary.

Sincerely,

 Alex Z. Wiggins
 Chief System Security and Law Enforcement

Letter from Former Management to LBPD on \$3.2 Million Increase in 2018



Metro

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

December 5, 2018

Robert.Luna@longbeach.gov
Via Certified Mail and E-Mail

Chief Robert Luna
Chief of Police
Long Beach City Police Department
400 W Broadway
Long Beach, CA 90802

Subject: Contract No. PS5862300LBP24750 – Adjustments to Transit Law Enforcement Services:

Dear Chief Luna:

The Los Angeles County Metropolitan Transportation Authority (LACMTA) approves the following adjustments to Contract No. PS5862300LBP24750, effective December 5, 2018:

Personnel Adjustments:

- Add (1) Police Officer (Detective)
- Add (2) Police Officers (Quality of Life)

Other Expenses:

- Purchase (1) vehicle (Interceptor)

These adjustments may result in increasing the Contract Price by about \$3.2M over four years. It is anticipated that these estimated changes shall be covered under Contract No. PS5862300LBP24750. Metro staff shall review contract utilization on an annual basis and shall return to the Metro Board to request for additional contract authority if deemed necessary.

Sincerely,

Alex Z. Wiggins
Chief, System Security and Law Enforcement

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**Review of FY20 Metro
Transit Security Services Performance**
OIG Report No. 22-AUD-02

Karen Gorman, Inspector General

October 21, 2021



LEGISTAR FILE # 2021-0540

Objectives

The objectives of this audit are to:

- Follow up on the status of prior year's audit recommendations;
- Provide an assessment on the use of contract funds;
- Evaluate transit security service performance provided by the three contractors (LAPD, LASD, LBPD) and Metro's SSLE Department;
- Determine contractor's adherence to contract requirements; and
- Evaluate the effectiveness of SSLE's oversight and monitoring function.

Results & Recommendations

- The three contractors (LAPD, LASD, and LBPD) provided services mostly in accordance with contract requirements. However, we found issues with budget management, billings, personnel and training, and community policing.
- Metro's System Security and Law Enforcement Department (SSLE) has strengthened its monitoring and oversight function. However, improvements are needed such as budget control, community policing and key performance indicators.
- Additional budget controls are needed to ensure deployments and invoices paid stay within the Board approved budget.
- We made 29 recommendations to improve transit security oversight and services performance.



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